



DIGEST

Around and About

Two County departments and a fraction of another are merging into a new department of community development. The Board of Supervisors adopted the ordinance (Jan. 27) uniting the departments of urban affairs and community services with personnel's manpower programs division. The Board asked the civil service commission for quick action in holding an open competitive examination for the new department's director.

The last holdout, Pasadena, has voted to hand over its property assessing and tax collecting duties to the County. All other cities in the county have long since made the transfer.

Add new department heads: Betty Denny Smith, 43, the first woman director of animal control . . . and John Mahon, Jr., 45, former LAPD lieutenant, as County marshal.

The County Laundry Practices committee is no more. The Board of Supervisors finally abolished the group it formed in 1969 to advise the Board on how to make sure the water used in coin laundries is hot enough. The committee last met Feb. 3, 1970. Its demise reduces the number of County committees and commissions to 102.

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Cash Short, Economies Ordered

FACED WITH a likely cash shortage in April, May, and June, CAO Harry Hufford and County department heads were moving this week to save up to \$7 million in the coming months by halting most County hiring, cracking down on paid overtime, and sharply limiting the buying of supplies and equipment.

Hufford also recommended deferring numerous capital projects so as to cut \$20 million from this year's \$46 million net construction budget.

The Board of Supervisors approved the economy program (Jan. 20).

"I am asking that all open competitive hiring be stopped," Hufford wrote in a policy directive to department heads (Jan. 22). The CAO said he will authorize filling critical positions in mandatory health and safety programs, and said he is not placing "any central controls on the promotion of permanent employees."

As for services and supplies, Hufford told department heads "you must apply sufficient controls to stay within 98 percent of your S and S appropriation; i.e., a 2 percent cut." The CAO said he had instructed the purchasing agent to return to departments all pending requisitions for review and possible reduction or cancellation. The return order does not affect "clearly vital items such as drugs and food."

Hufford said the curtailment will extend to travel and training expenses.

Evaporating Revenues

The economy moves are taking place within a much larger picture of financial trouble for the County.

Hufford outlined the prospect of falling revenues and higher costs in letters to the Board (Jan. 7 and 15). He mentioned as major factors:

—When the County adopted its 1975-76 budget last June, 46 percent of the revenue was expected to come from federal and state sources, mostly for welfare, health services, and roads. But Washington and Sacramento have been curtailing these revenues — by about \$45 million this year and perhaps \$92 million in 1976-77. (The picture for next year remains unclear, pending adoption of the 1976-77 federal budget.)

The fall in state gas tax revenues has especially hit the County road department, where up to 290 engineers, inspectors, and surveyors face possible layoff by next March 31.

—The County last June had \$185 million in federal revenue-sharing funds to use in 1975-76. That amount for the coming year has shrunk to \$94 million — and will be about half of that if Congress allows revenue-sharing to expire next December. The \$185 million in this year's budget is being used for general fund operations (\$121 million), capital projects (\$37 million), transit subsidy (\$16 million), and aid to private social agencies (\$12 million).

—The County this year and next year is losing some \$43 million in higher property taxes that will go instead to the 78 community redevelopment agencies that have proliferated in this area. When a CRA is formed, the County's share of taxes from property within it is frozen, and any increased taxes resulting from higher assessed

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ECONOMIES

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values go to the CRA to repay the cost of the project.

—The County's greater contribution to employee health insurance, which begins next July 1, will cost an additional \$19 million during 1976-77.

—To operate new County facilities that either opened this year or will open in 1976-77 will cost an additional \$18 million next year.

Hard Choices

Hufford said that the County, to help extricate itself from the coming financial bind, could increase its property tax rate to the legal maximum allowed under state law (SB 90). This would mean a rise from the present \$4.52 per \$100 of assessed valuation to approximately \$4.90, a 38-cent hike.

Even if this is done, Hufford calculated County departments will have to cut their budgets 2 percent below the 1975-76 level.

If the Supervisors adopt a 1976-77 budget allowing no tax rate increase, department budgets would have to drop an estimated 10 percent.

Hufford said, in making these calculations, he has included no funds for higher salaries or fringe benefits for County employees.

Danger Signals

The Board of Supervisors solicited opinions of the County's financial outlook from the citizens efficiency and economy commission, auditor-controller Mark Bloodgood, and community groups.

The E and E commission (Jan. 14), in the first of several promised reports on the subject, said: "Financial danger signals are beginning to appear. In recent years the County has been experiencing cash shortages. It has spent more than it has received within the fiscal year. In the past two years it has made up the difference by borrowing from revenue-sharing funds in the County treasury. This year such funds may not be sufficient, and the County will probably have to borrow in the commercial markets."

Auditor-controller Bloodgood confirmed that the County had used \$37 million in revenue-sharing funds in 1973-74 and \$135 million in 1974-75

to meet year-end money needs.

County finances received a further airing at a public hearing before the Board of Supervisors (Jan. 22). Spokesmen for the city councils of Claremont, Whittier, and South Gate urged the Board to hold County salaries and benefits at present levels — a sentiment echoed by speakers from the Los Angeles area chamber of commerce and two taxpayer organizations.

Long-timers Retiring

THE RETIREMENT board has released the names of 56 long-time employees who are leaving County service. Among them is County engineer Harvey Brandt, whom the Board of Supervisors honored (Jan. 13) for his 39 years with the department.

Others with more than 35 years service include Paul Faith, George Jacobson, Virginia Maltby, and Robert Moaning, health services; James Staples and Donald Stephenson, municipal court; Alden Montgomery, treasurer-tax collector; John Tebbetts, road; Paul Schneider, fire; Lloyd Brown, sanitation; Wesley Hill, agricultural commission; Donald Madsen, sheriff; and Robert Overton, County clerk.

Retirees with 30 to 35 years service include Charles Childress and Frank Zalaha, fire; Joseph Armon, community services; Robert Bolster, John Seilheimer, Jr., and Harold Nelson, County engineer; Rossi Jacobs, facilities; Raymond Fox, Ruth Clark, and Crouch Tallman, municipal court; Richard Hayton, William Iffert, and Gilbert Sanchez, flood control; Charles Rash, Edward Smith, John Harper, Lyle Brunson, Guillermo Hernandez, and L.R. Williams, road; David Rosenthal and William McDonald, mechanical; R. Witt, agriculture commission; Kenneth Southard, Eugene Walton, and Coretha Jackson, DPSS; William Davis, superior court; Cecil Doty and Ignacio Hernandez, probation; Leon Emer, auditor-controller; James Bethune, Gordon Hayes, Bernice Niles, Leo Robin, Charles Telles, Walter Tamulinas, Edward Little, Clementina Bracken, Herman Buckles, Charles Rogers, and Phyllis Sapenter, health services;

Ingabor Griffith, data processing; and Charles Bolinger, Jr., parks.

Chairmen Switched

INCOMING BOARD of Supervisors chairman Baxter Ward has changed the Board chairmanships for ten County departments, leaving the 47 other departments with the same chairman as in 1975.

In the most notable change, Ward placed the personnel department, civil service commission, employee relations commission, and three elected officials — assessor, district attorney, and sheriff — under the committee of the whole; that is, the entire Board of Supervisors.

In other switches, Supervisor James Hayes became chairman of the treasurer-tax collector department, supervisor Ed Edelman was assigned APCD and the new consumer affairs department, and Ward appointed himself chairman of the facilities department.

Nesvig to Leave

DIRECTOR of personnel Gordon Nesvig has informed the Board of Supervisors he will resign March 17.

Nesvig, 55, became first director of the new department of personnel in 1967. He was instrumental in passage of the 1968 employee relations ordinance and creation of the County's collective bargaining system. He also was a principal mover in the founding of the DIGEST in 1968.

Previously Nesvig was clerk of the Board of Supervisors and first president of the County management council (1962).

County of Los Angeles

DIGEST

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