

PAYMENTS-IN-LIEU OF TAXES

Court Rules for Michigan Counties

MICHIGAN—Last week a federal district court judge in Grand Rapids ruled in favor of 29 Michigan counties, citing them as the proper recipients of over \$1.5 million in federal payments-in-lieu of taxes on federally owned forest or park lands in the state.

Judge Wendell Miles of the Western Michigan District Court based his decision on two factors:

- Michigan Association of Coun-

ties successfully demonstrated that it was the intent of Congress to designate counties as the qualified recipients and,

- The Secretary of the Interior has the authority to designate qualified recipients and he designated 29 Michigan counties.

The more than \$1.5 million represents first-year payments to counties under the federal Payments-in-Lieu of Taxes (PILT) Act. These pay-

ments were blocked in October by the Michigan Township Association which challenged the right of the U.S. Department of Interior to allocate the funds solely to counties.

In a Nov. 7 hearing, Judge Miles rejected an injunction, thus releasing the funds to the 29 counties involved. Amounts of payments ranged from \$123 to \$136,000.

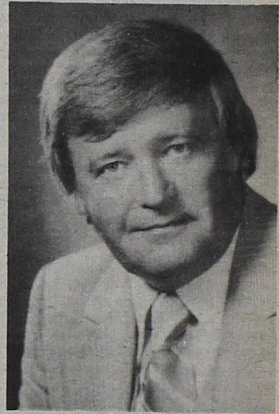
The PILT program provides up to 75 cents per acre to counties for the

tax immunity of national forests parks, wilderness, and certain other federally owned land. The Michigan Association of Counties (MAC) working with NACo was instrumental in gaining support for the enactment of the PILT program during the 94th Congress.

The judge's ruling upholds the U.S. Department of Interior finding that counties—not townships—are the main providers of local government services in Michigan. The Michigan counties now join close to 1,600 other counties as recipients of PILT funds.

A. Barry McGuire, executive director of the Michigan Association of Counties and a NACo board member called the ruling "precedent setting."

He added, "The Michigan suit was the first case of a township challenge to Interior Secretary Andrus' position on qualified recipients. It may well lay to rest other threatened lawsuits by lesser units of governments seeking to be named funding recipients."



McGuire

COUNTY NEWS

"The Wisdom to Know and the Courage to Defend the Public Interest"

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Social Security Bills

Senate Version Costs More

\$374 Million for Welfare

At Risk in the Conference

WASHINGTON, D.C.—Conferees have been named by the Senate to work out differences in the Social Security financing bills passed by the House and Senate; the House is expected to name its conferees at the end of the month.

The conferees, all members of the Senate Finance Committee which drafted the Upper Chamber's version of the bill, are: Russell B. Long (D-La.); Abraham Ribicoff (D-Conn.); Gaylord Nelson (D-Wis.); Floyd Hankel (D-Colo.); Daniel Patrick Moynihan (D-N.Y.); Carl Curtis (R-Neb.); William Roth (R-Del.); and Paul Laxalt (R-Nev.).

House conferees will be appointed from the Ways and Means Committee.

IN A LATE session Nov. 4, the Senate passed H.R. 9346, the Social Security Financing Amendments of 1977, 42 to 25. Several members (Allen (D-Ala.), Bellmon (R-Okl.), and Tower (R-Tex.)) attempted to postpone action on this bill until next February, arguing that the legislation was too important to pass hastily and without more consideration of its impact.

The Senate passed its Finance Committee recommendations to impose a heavier tax burden on the employer. The House version calls for an equal tax burden on both employers and employees.

The Senate bill raises the base for employer taxes to \$50,000 starting in 1979. The base will remain at that level through 1984 and increase in 1985 to \$75,000. The bill also provides tax rate increases starting in 1979 to 6.13 per cent and continuing to rise through 2011 to a level of 9.20 per cent. An amendment, sponsored by Sen. Curtis, aimed at maintaining employer-employee parity through wage base and tax rate increases, failed 49 to 41.

In other action, the Senate rejected an amendment by Sen. Moynihan that would have provided for a more specific earned income disregard for recipients of Aid to Families with Dependent Children (AFDC). However, the Senate approved AFDC provisions pulled out of H.R. 7200, including \$374 million fiscal relief to states and counties (see related story).

THE SENATE also approved 57 to 28 an amendment offered by Sens. John C. Danforth (R-Mo.) and Ribicoff. The amendment provides that no increase in Social Security taxes would take place in 1979 for state and local governments and nonprofit organizations, and in 1980 and thereafter reduces by 10 per cent the increased taxes which counties, as employers, would pay.

NACo as well as the National League of Cities (NLC), the National Council of State Legislatures (NCSL), and the American Federation of State, County and Municipal Employees (AFSCME) lobbied for the Danforth-Ribicoff amendments. Hard-pressed state and local governments require assistance in meeting the fiscal demands of increased Social Security employer costs. The Danforth amendment was preferable because it is not dependent on disparities in the wage base as was the Finance Committee provision. In a letter to members of the Senate, the Administration urged support for the committee version and opposed

Danforth on the basis of cost.

Danforth's amendment is estimated to cost about \$1 billion a year initially and to reach approximately \$2 billion after 1987. Danforth argued that while his amendment costs more than the plan offered by Sen. Nelson, it is fairer and treats equitably all employers (states and localities and nonprofit organizations) regardless of salaries. Danforth also won an amendment which authorizes funds from the general revenues to make up for the cost of fiscal relief. There is no similar provision in the House-passed Social Security bill.

BOTH THE Senate and the House bills would make a number of other important changes in the Social Security law including:

- Both bills would correct the over-indexing problem by "decoupling" initial benefits for future retirees from cost-of-living adjustments for present retirees. Both bills would use the "wage-indexing" ap-

See SENATE, page 3

WASHINGTON, D.C.—The Senate in passing the Social Security financing bill Nov. 4, approved an amendment that provides \$374 million in fiscal '78 for state and county welfare costs. A detailed report on this provision as well as others relating to welfare appeared in last week's *County News*.

The fiscal relief amendment, offered by Sen. Daniel Moynihan (D-N.Y.), was a compromise reached with the Administration and represented a decrease from the original \$1 billion Moynihan had proposed as an amendment to H.R. 7200, the Public Assistance Amendments of 1977. Funds would be distributed to states as follows: one half in proportion to the state's share of total expenditures for Aid to Families with Dependent Children (AFDC) and half under the general revenue sharing formula. States would have to pass through 90 per cent to counties or other local governments which fund welfare.

Other provisions included in the amendment as approved are: quality control and incentives to reduce errors; state authority for demonstration projects; changes in the earned income disregard formula; and improved access to wage information for AFDC verification.

House conferees have not been named to iron out differences in the Social Security financing bill (see related story on this page), so the fate of Moynihan's amendment in conference is unclear. County officials should contact members of the House Ways and Means Committee, either while they are at home for the Thanksgiving recess or by letter, to strongly support the need for immediate fiscal relief while overall welfare reform is being considered by Congress.

Please check the list of Ways and Means Committee members on page 6 to see if your representative is listed. Key Ways and Means mem-

See WELFARE, page 3



WATER CONFEREES—Counties await agreement on dredge and fill, ad valorem taxes, best available technology in the '77 Water Pollution Amendments.

Labor-HEW—How Much Longer?

WASHINGTON, D.C.—Funds for the Departments of Labor and Health, Education and Welfare (HEW) are continuing through Nov. 30 because of another temporary arrangement worked out by the Senate and the House.

Rapid action on a so-called continuing resolution occurred after the House rejected compromise language on federal funding for abortions by a vote of 193-172.

This compromise was supported by Rep. George Mahon (D-Tex.), chairman of the House Appropriations Committee, who told his colleagues it was time to compromise because he feared the House could not win further concessions on the issue from the Senate. Mahon called the measure "the best that we could work out, and you've got to take it or leave it."

The Senate and House have been locked in battle for the past four

months over the \$60 billion appropriations bill.

THE SENATE, which favors fewer restrictions on abortion funding than the House, voted twice on the compromise language, changing one word in the second vote to make its version of the legislation more acceptable to House members.

The change involved the provision allowing abortions when a woman's health is endangered. The Senate first voted 59 to 29 for wording that said federal funds would be provided in those instances where severe or longlasting physical health damage would result if the pregnancy continued to term.

The final provision, however, changing the word "or" to "and," meaning poor women would have to meet the test of both "severe" and "longlasting" health damage before qualifying for abortions.

An extraordinary parliamentary move was necessary to make the change, but it was accomplished by a final vote of 62-27.

IF THE Senate's decision ultimately became law, women eligible for Medicaid, the government's medical program for poor people, could obtain a federally funded abortion under these circumstances:

- If her life were endangered by pregnancy;
- If she were a victim of rape or incest, including cases where she did not seek treatment simply as a precaution against pregnancy, but waited until she was sure;
- If continuing a pregnancy would result in "severe and longlasting physical health damage" to her.

The Senate originally voted to fund abortions for the poor if the procedure were deemed "medically

necessary," a phrase opponents said was open to wide interpretation.

The House first voted to reject federally funded abortions in any case, then made an exception for women whose lives were endangered by pregnancy.

Earlier this month, House negotiators proposed a compromise allowing abortions in cases where "forced rape or incest" was reported to police if a pregnancy would result in "grave, physical, permanent damage" to a woman.

Negotiators said the words "forced rape" were used to distinguish it from statutory rape—sex with a woman who is willing but not legally of age.

Rep. Henry Hyde (R-Ill.), author of the abortion language in the fiscal '77 Labor-HEW appropriations act, in commenting on the Senate language, said, "I don't think it's language the unborn can live with."

Hyde said allowing abortions in cases of rape and incest "invites massive fraud," and he called the

Senate's health language "a giant loophole."

BECAUSE OF the House vote to reject the Senate compromise, the temporary continuing resolution was adopted. Acceptable conditions for federal funding of abortions still must be developed and approved by both Houses of Congress in order for H.R. 7555, the fiscal '78 Labor-HEW appropriations bill, to become law.

The continuing resolution only allows spending at last year's level. Many observers predict that a compromise will be reached before the expected House recess Nov. 28.

The delay and controversy over the abortion wording has frustrated efforts of counties applying for HEW and Labor funds. The deadlock has also limited the ability of federal officials to provide on-site technical assistance to counties in areas such as health, education, social services, manpower training and development.



OHIO COUNTY OFFICIALS TESTIFY ON WELFARE REFORM—In photo above, Seth Taft, left, commissioner, Cuyahoga County, Ohio, talks with Rep. James Corman (D-Calif.), chairman of the House special subcommittee on welfare reform, after presenting testimony. In photo below, Paula MacIlwaine, commissioner, Montgomery County, Ohio, discusses her testimony on welfare reform with Jon Weintraub, NACo associate director for employment, in front of the House Ways and Means hearing room.

Welfare Relief in Conference

Continued from page 1

bers have indicated opposition to providing fiscal relief before welfare reform legislation is developed.

The special House welfare reform subcommittee is conducting hearings throughout the country this month. Rep. James Corman (D-Calif.), subcommittee chairman, is still planning markup of the President's bill during December.

H.R. 7200, the omnibus child welfare bill, which NACo has strongly supported, is in legislative limbo, since the fiscal relief provision for welfare is now in the Social Security bill. It is likely that the coalition (including NACo) supporting H.R. 7200 provisions will start with a new bill when Congress reconvenes in January.

Increased funding for Title XX programs, another NACo priority, has been guaranteed through fiscal '78. The bill is now on the President's desk. The Senate Finance Committee attached social services and AFDC amendments to a tariff bill (H.R. 3387) which the House approved as follows:

- \$200 million for child care with 100 percent matching;
- Use of these funds to subsidize welfare recipients in child care jobs;
- A tax credit of up to \$1,000 for employers who hire welfare recipients for child care jobs.



Senate Bill Taxes Employers More

Continued from page 1

proach which would stabilize average postretirement benefits at about 43 percent of preretirement earnings.

• Both bills would set the tax rate for self-employed persons at one and one-half times the rate for employers and employees.

• Both bills would raise the earning limitation for retirees without loss of benefits. An attempt by Sen. Robert Dole (R-Kan.) to remove the earnings limitation entirely in 1982 was rejected 59 to 28. A substitute amendment by Sen. Frank Church (D-Idaho) that would remove the earnings limitation totally only at age 70, after 1982, passed.

The House passed its bill on Oct. 27 by a vote of 275 to 146. Counties scored a significant victory when the House voted 386 to 38 to eliminate a provision in the bill that required county, state and federal employees and nonprofit organizations to be covered by Social Security. The amendment was offered by Rep. Joseph L. Fisher (D-Va.).

There were no attempts by the Senate to include universal coverage in its bill.

The primary purpose of both the House and Senate bills is to finance the severe short- and long-range deficits facing the Social Security trust fund. To meet these deficits, both chambers have relied primarily on raising taxes and the wage base. Both Houses rejected a Carter proposal to use countercyclical grants to fund the trust from general revenues.

County officials should contact Senate conferees and members of the House Ways and Means Committee to retain the following NACo-supported provisions in H.R. 9346:

- The provision deleting universal coverage (the Fisher amendment).
- The provision to delay increases in employer Social Security taxes (the Danforth amendment).
- Fiscal relief to counties and states to help pay for welfare cost (the Moynihan amendment).

For additional information on the finance aspects of the Social Security Financing Amendments of 1977, contact Ann Simpson; for information on the welfare provisions, Aliceann Fritschler.

The following tables summarize the financing approaches endorsed by the Senate and House bills and compare them with present law and the Administration proposals:

Social Security Tax Rate

Includes Retirement/Survivors, Disability and Hospital Insurance

	Present Law (Per Cent)	Administration Proposal (Per Cent)	Senate (Per Cent)	House (Per Cent)
1979	6.05	6.05	6.135	6.05
1981	6.3	6.3	6.6	6.55
1982	6.3	6.3	6.6	6.65
1985	6.3	6.55	7.0	6.95
1986	6.45	6.7	7.05	7.1
1990	6.45	7.45	7.5	7.65
1995	6.45	7.45	8.1	7.65
2001	6.45	7.45	8.7	7.65
2011	7.45	7.45	9.2	7.65

Social Security Wage-Base*

	Present	Administration Proposal (Employees Only)	Senate (Employees)	Employer	House (Both Employer & Employees)
1978	\$17,700	\$17,700	\$17,700	\$17,000	\$19,900
1979	18,900	19,500	19,500	50,000	22,900
1980	20,400	21,000	21,000	50,000	25,900
1981	21,900	23,100	23,100	50,000	29,700
1983	24,900	26,700	26,700	50,000	33,900
1985	27,900	30,300	30,300	75,000	38,100

*The Administration proposed to raise the wage base for employers to \$23,400 in 1979; \$37,500 in 1980; and to completely eliminate it in 1981.

Matter and Measure



The Federal Highway Administration (FHWA) has extended the deadline for comments on traffic safety in highway and street work zones (*Federal Register*, Oct. 31, 1977). The new deadline for this proposed rule is Nov. 25. The original notice of proposed rulemaking was published in the Aug. 25 *Federal Register* with an Oct. 25 deadline.

FHWA is seeking comments on guidelines for the development of process management plans by the states to assure that adequate consideration is given to the safety of motorists, construction workers and pedestrians in construction zones on federal-aid highway projects.

We would appreciate your sending your comments to me at NACo no later than Nov. 23; we will forward them to FHWA. If time does not permit, we would appreciate receiving a copy of your comments sent to FHWA Docket No. 76-14, Notice 2, Room 4230, Federal Highway Administration, 400 7th St., S.W., Washington, D.C. 20590.

For more information contact Ken Ziems, Office of Highway Operations, (202) 426-4847, or Kathleen Markman, Office of the Chief Counsel, (202) 426-0790.

—Marian T. Hankerd
Transportation Project Director

3-R EXTENSION

FHWA has also extended the deadline for comments on its proposed rule for design standards for resurfacing, restoration and rehabilitation (3-R) projects (*Federal Register*, Oct. 28). The new deadline is Nov. 22. The original deadline was Oct. 25. The notice of proposed rulemaking was published in the Aug. 25 *Federal Register*.

FHWA is seeking comments on three alternatives for design standards for 3-R projects. One alternative would allow AASHTO's "Purple Book"—*Geometric Design Guide for Resurfacing, Restoration, and Rehabilitation (R-R) of Highways and Streets, 1977*—to be the basic guide for federal-aid 3-R projects, other than Interstate. Another alternative would require exceptions for each project, and under the third alternative, the individual state and FHWA would develop minimum criteria for that state.

The Nov. 22 deadline gives you an opportunity to comment on this important rule, if you haven't already done so.

We would like to receive your comments at NACo no later than Nov. 18 and we will forward them to FHWA. Because of the short notice, if you can't get your comments to us first, please send us a copy of your comments sent to FHWA Docket No. 77-4, Notice 2, Room 4230, Federal Highway Administration, 400 7th St., S.W., Washington, D.C. 20590. For more information contact Seppo Sillan, Highway Design Division, Office of Engineering, (202) 426-0321, or Lee Burstyn, Office of the Chief Counsel, (202) 426-0799.

HIGHWAY PHOTOMONTAGE

The Federal Highway Administration will present three demonstration projects, "Highway Photomontage No. 40," on the following dates:

Nov. 17: The South Dakota Department of Transportation in Pierre. Contact Robert White, manager of photogrammetry and surveys, at (605) 224-3433.

Nov. 29: State of Idaho Transportation Department in Boise. Contact Don Benson, engineering systems supervisor, (208) 344-3521, for more information.

Dec. 1: Montana Department of Highways in Helena. Contact Tom Martin, research and implementation coordinator, (406) 449-2401, for further information.

The photomontage method was designed to assist the public in understanding exactly what is proposed in highway location and design decisions. The technique combines a computer perspective drawing with a photograph of the alignment which, according to FHWA, will result in an understandable picture of how the road will look after construction.

The demonstrations are conducted in two parts. Part one is a slide show; part two is a workshop covering the photomontage process in detail. Materials for the demonstration are provided at the workshop.

TRANSIT POLICY HEARINGS

The National Transportation Policy Study Commission is conducting hearings on national transportation policy this week in Jersey City, N.J., Providence, R.I., and Pittsburgh, Pa.

The hearings, part of a nationwide series, are intended to help determine the needs of our nation's communities, the transportation industry, shippers, the traveling public and the American taxpayer.

The National Transportation Policy Study Commission is composed of 19 members, including senators, representatives, and public officials. The commission was created by Congress to examine, evaluate and analyze our transportation needs and resources through the year 2000. Their final report and policy recommendations are due on Dec. 31, 1978.

Those interested in testifying or in submitting written statements should contact, as soon as possible, Dan Solon, National Transportation Policy Study Commission, 1750 K St., N.W., Suite 800, Washington, D.C. 20006, (202) 254-7453.

YEAR IN WASHINGTON

EDA Fellowship Program

The Economic Development Administration (EDA) has established an economic development fellowship program for qualified state, county, Indian tribe, and Economic Development District employees.

Under this program, fellows will work in key EDA staff offices in Washington for one year. EDA is now recruiting the first class of six fellows. Applications are due Nov. 30.

According to Robert T. Hall, assistant secretary for economic development, "We feel this program will provide nonfederal personnel ex-

perience in economic development, policy analysis and program execution at the national level. In addition, EDA will greatly benefit from the expertise these fellows will bring to us."

Applicants must have a minimum of three years experience in economic development and submit a U.S. Government Standard Form 171 listing education and job experience. A cover letter on areas of interest and experience is suggested.

Fellowships will be arranged following the procedures of the Intergovern-

mental Personnel Act of 1970 (IPA). The employer of a fellow will be fully reimbursed during the period of the assignment for the candidate's normal salary and fringe benefits. The fellowship program will fund the relocation costs permissible under IPA.

Requests for further information should be sent to Robert T. Hall, Assistant Secretary for Economic Development, Economic Development Administration, U.S. Department of Commerce, 14th and Constitution Ave., N.W., Washington, D.C. 20230.



by Lynn Cutler, chairperson
Elected Women in NACo
and supervisor
Black Hawk County, Iowa

In October, 20 elected women from around the country were called together by the National Women's Education Fund for a Conference of Elected Women. The conference, held in Aspen, Colo. and financed by a grant from the Atlantic Richfield Company Foundation, was the first to be held in which women holding public office were called together to explore the special problems that women have in seeking elected office and in serving.

The elected women were from state legislatures, city councils, and county government. NACo women attending the conference included Liz Hair, commissioner of Mecklenburg County, N.C.; Ann Richards, commissioner of Travis County, Tex.; Minerva Johnican, squire of Shelby County, Tenn.; Sandra

An Open Letter to the Elected Women in NACo

Smoley, supervisor of Sacramento County, Calif.; and myself.

The four-day conference was an in-depth working session and gave the women the chance to explore the positives as well as the negatives that face women who seek and serve in elected office. The end product of the conference will be a report available to help other women.

In another matter, I would like to urge that any NACo women attending the International Women's Year Conference in Houston, Tex. Nov. 18-21, contact Commissioner Ann Richards of Travis County, Tex. prior to the conference. Her address is P.O. Box 1748, Austin, Tex. 78701. Her phone number is 512-478-9606. If you cannot get in touch with Commissioner Richards before the conference, she will be in the Sheraton Hotel in Houston. Commissioner Richards has volunteered to be a contact point for women attending the conference who are interested in

seeing the goals of the International Women's Year pass. She also will attempt to get the county women together, and will pick up money at the Hyatt Regency and the Hyattaton.

I would also like the Elected Women in NACo to be aware of NACo President Bill Beach's appointment of several women to steering committee assignments and to leadership positions on those steering committees. On behalf of the elected women in NACo, I want to commend President Beach for his leadership on this issue. It is important for the women who belong to the steering committee to become active in their associations and, thus, to make themselves known to the leadership at NACo. I recognize that this is sometimes very difficult. That we are particularly grateful to President Beach for his willingness to reach out and find women who are eager to be active in NACo.

NACo Committees to Forge Policy and Financial Future

NACo President William O. Beach has appointed two special NACo committees for 1977-78.

Second Vice President Charlotte Williams, commissioner, Genesee County, Mich., will chair the Committee on the Future with First Vice President Lou Mills, executive, Orange County, N.Y., as vice chairman.

Beach appointed Third Vice President Frank Francois, councilman, Prince George's County, Md., chairman of the Ways and Means Committee with Fiscal Officer O. Gene Dishner, administrator, Scott County, Va., as vice chairman.

The 1977-78 Committee on the Future will focus on three broad areas, according to Beach. First, he said, is the NACo legislative policy recommending an implementation process, including:

- The organization and operation of the steering committees,
- The relationship of the steering committees to the Executive Committee and the NACo Board of Directors,
- Priority setting and policy coordination,
- The process of members submitting policy resolutions.

Secondly, Beach explained, the committee will focus on procedures for keeping NACo nonpartisan and, thirdly, the committee will review additional bylaw revisions submitted by Tom Gloor, Alabama State Association president and NACo board member, and Phil Elfstrom, NACo board member and board chairman, Kane County, Ill. This bylaw subcommittee will be chaired by Fourth Vice President Roy Orr, commissioner, Dallas County, Tex.

The 1977-78 Ways and Means Committee, Beach said, will focus on how NACo can maintain both its present high level of membership

services and its sound financial strength. He said that will require the Ways and Means Committee to:

- Prepare a long-range financial plan of association income and expenditures,
- Prepare a suggested membership retention and promotion plan,
- Recommend to the NACo board possible alternate revenue sources.

The Committee on the Future will hold its first meeting at NACo Nov. 17.

The Ways and Means Committee will meet Nov. 18 at NACo.

Following are the committee chair appointments:

1977-78 Committee on the Future

Charlotte Williams, chairman
Lou Mills, vice chairman

George Akahane, councilman, Honolulu, Hawaii
Richard Conder, commissioner, Richmond County, N.C.
Ed Crawford, executive director, New York State Association of Counties
Doris Dealman, freeholder, Somerset County, N.J.
Phil Elfstrom, supervisor, Kane County, Ill.
Tom Gloor, commissioner, Jefferson County, Ala.
Dan Lynch, commissioner, Douglas County, Neb.
Ed McIntyre, commissioner, Richmond County, Ga.
Roy Orr, commissioner, Dallas County, Tex.
Sandra Smoley, supervisor, Sacramento County, Calif.
Mary Louise Symon, supervisor, Dane County, Wis.
Joe Toner, councilman, New Castle County, Del.
Frederick Wilson, police juror, Lincoln Parish, La.

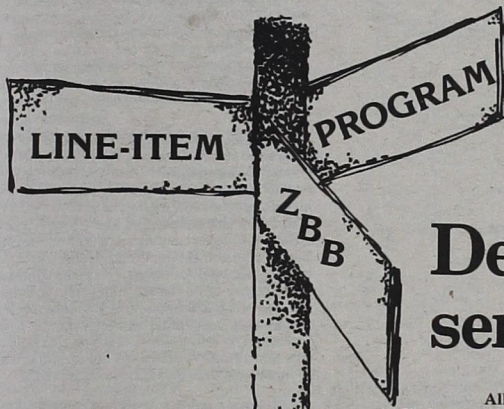
1977-78 Ways and Means Committee

Frank Francois, chairman
O. Gene Dishner, vice chairman

Ron Aycock, executive director, North Carolina State Association of Counties
Gil Barrett, commissioner, Dougherty County, Ga.
John Caldwell, commissioner, Jefferson County, Pa.
Robert Eckels, commissioner, Harris County, Tex.
Elisabeth Hair, commissioner, Mecklenburg County, N.C.
Harold Hayden, commissioner, Genesee County, Mich.
William Konarski, commissioner, Scott County, Minn.
Henry Lasher, commissioner, Lawrence County, S.D.
Jerry Orrick, executive director, Oregon State Association of Counties
Lloyd Owens, supervisor, Waukesha County, Wis.
Jack Pettit, commissioner, Clark County, Nev.
Sig Sanchez, supervisor, Santa Clara County, Calif.
Jack Simmers, commissioner, Polk County, Fla.
John Spelman, county executive, King County, Wash.
Robert Wilson, chief administrative officer, Prince George's County, Md.

New County Times

On County Modernization



Determining county service levels

Allan R. Drebin
Chairman and Professor of Accounting
and Information Systems
Northwestern University

Budget classification has a major impact on the decision-making structure of a jurisdiction and on the effective use of resources.

The budget appropriations process can either be broken down on the basis of a lump-sum amount to a department or agency, or on a line-item (objects of expenditure) basis. The program budget approach can utilize both the lump-sum and line-item appropriation process. The traditional budget approach, still used in most smaller jurisdictions, uses the "line-item" appropriation breakdown.

OBJECTS OF EXPENDITURE

The major emphasis of an objects of expenditure budget classification is a means-oriented approach. The objects relate to specific categories of input items (e.g. personal services, equipment, supplies). In some organizations the items may specify particular categories such as "grade 3 clerk-typist."

Once a line-item budget has been approved, the expenditures in any object class cannot exceed the appropriations. When strictly applied, managers have little freedom to shift appropriated funds from one category to another, even though this might facilitate meeting the goals of the organization.

For example, if there are sufficient funds for supplies but a shortage of funds for personnel, it is not possible for a manager to hire more employees and pay for them with funds designated for supplies. Conversely, if funds are available for personnel, but the same goals could be accomplished at a lower cost by purchasing equipment, funds can not be shifted from the personnel appropriation to an equipment appropriation.

The objectives of expenditure basis is widely used by government organizations. For example, a large city government may use the following classifications in preparing its annual appropriation document:

- Personnel services
- Contractual services
- Travel
- Commodities
- Equipment
- Permanent improvement and land
- Specific items and contingencies

PROGRAM BUDGETING

The primary focus of a program budget is the end result, as opposed to the line-item budget's focus on means. Program budgeting reflects the ultimate output of services of the organization, rather than specific inputs. The program classification structure usually cuts across agency or departmental lines presenting an overview of the activities of the organization, although there should still be a means of relating appropriations to specific organizational units.

This form of budget structure has many advantages. By examining the ultimate programs, it is easier to identify the appropriations with the organization's goals and objectives. Thus, a more rational allocation of resources becomes possible.

If two departments are engaged in overlapping functions, the cost of duplication would be apparent by including both activities in the same program category. Similarly, if needed programs are not being performed by any department, this lack would be revealed and, perhaps, the operation of the service would be assigned to a particular department or agency.

Both elected and appointed officials reviewing budget requests, which are submitted in a program format, have the information necessary to make decisions on expanding or cutting back programs based cost and benefit considerations.

With a program budget, managers have greater flexibility in the allocation of resources to meet the jurisdiction's goals. This provides a decentralization of decision-making and encourages economical operations. The managers who are responsible for the day-to-day operations are usually in the best position to determine what resources are needed to accomplish a given task.

Top management, under a program budget system, is also relieved of the burden of considering specific objects of expenditure and can turn his/her attention to the consideration of essential policies and objectives of the jurisdiction.

Program budgeting may be used to make basic resource allocation decisions even when the final appropriations are made on an objects of expenditure basis. Some states require counties to submit their budgets in a line-item format.

Because programs typically cross organizational lines, program budgeting enables decisionmakers to see the amounts of expenditures authorized or requested in each program area. For example, the city of Chicago is required by law to make appropriations to departments on an objects of expenditure basis. This helps maintain accountability for control purposes. At the time the appropriations are made, however, the budget data are organized into the following major program areas:

1. Public Safety
2. Health
3. Environment
4. Transportation
5. Housing and Community Improvement
6. Human Development, Recreation and Culture
7. Economic Satisfaction and Consumer Protection
8. General Government

Each of these major areas is further subdivided into categories. For example, in the transportation program area would be the following three programs:

1. Street Maintenance and Operation
2. Traffic Control and Safety
3. Airports and Seaports

Each of the programs, in turn, contains lower-level "program elements" that further delineate the functions and departments involved. For example, the traffic control and safety program includes such elements as "traffic patrol" (police department), "ordinance prosecution-traffic cases" (law department), and "traffic control signals" (Bureau of Electricity). By displaying these interrelated activities of the various departments in a single program category, decisionmakers have a better perspective of the program's activities and duplications.

Analysis of the spending by program provides a better understanding of the activities of a government than could be gained from analyzing the items purchased. This is helpful not only to the decisionmakers in the government, but also to the citizens whose taxes pay for the governmental activities.

RELATIONSHIP TO ZERO BASE BUDGETING

Program budgeting is not only compatible with zero-base budgeting but is a necessary precondition. The strength of zero-based budgeting lies in the consideration of priorities as expressed in the rankings of "decision packages." Decision packages identify the program elements for consideration and evaluation by management. Each decision package should have an identifiable output that can be related to the objectives of the organization.

Budget procedures of an organization can have a great impact on managerial efficiency. Budgets that focus on inputs may encourage inefficiency and waste. A program budgeting system can give the officials responsible for formulating goals a better framework in which to evaluate the costs of achieving those goals. It provides the administrative personnel with more flexibility for using available resources in a manner that can accomplish the stated goals at low cost.

Budget Processes

Introduction

The type of budget system a county decides to use depends on several factors: state law, financial conditions, political environment, and management capabilities. Regardless of the budget system used, there are certain procedures that must be undertaken in formulating a budget document.

In deciding upon a particular budget system, elected and appointed officials must evaluate the county's current financial climate, economic conditions in the surrounding area, and any federal or state requirements that affect county programs. After evaluating all the factors, realistic goals and objectives for the county can then be formulated.

The formulation of goals and objectives is contingent upon the budget system's ability to provide the elected and appointed officials with the necessary information.

Expenditure and revenue estimates that are made only once a year—during budget preparation—do not permit officials to use their budget document as a management tool. Continual program evaluation enables decisionmakers to be flexible to changing economic conditions. This also allows for budget forecasting.

DATA PROCESSING

An invaluable tool in budget forecasting is the computer. Information that once was too tedious to prepare can be easily produced by a computer. Revenue and expenditure analysis can be obtained on a monthly or even a daily basis when a computer has been so programmed.

The monthly budget reports produced by the computer can project well in advance a possible budget shortfall and enable decisionmakers the time to make the necessary adjustments.

Data processing is extremely useful in determining the fiscal impact of a program—personnel costs, fringe benefits, capital equipment, supplies and maintenance. Each program and service's impact can be cost analyzed.

Data processing equipment may appear costly for most governmental units, especially for the less populous jurisdictions. The use of a computer as a management tool does not have to be given up because the jurisdiction cannot afford to directly purchase the equipment or hire extra employees. Many counties who have decided not to purchase their own equipment have entered into cooperative agreements with hospitals, other units of local government, and with universities. The cost of sharing the computer is reduced for all parties involved in the agreement.

Elected officials and managers are better equipped to analyze their goals and objectives through the use of a computer. The computer is adaptive to whichever budget system a county uses.

This supplement presents articles on the traditional line-item budget system, the program budget system, zero base budgeting, and one county's use of computers.

—Carol Berenson
NACORF Research Associate



Line-Item: costs by object of expenditure

Lloyd W. Jones
Director, Administration and Finance
Carroll County, Md.

Carroll County, Md., located 55 miles north of Washington, D.C. and 30 miles northwest of Baltimore, has seen its land and residents change from one of a predominately rural character to a suburban and rural mixture during the last two decades. The county's population increased from an estimated 69,000 in 1970 to 82,000 in 1975.

The county's budget (capital and operating) has increased from \$41 million in fiscal '74 to \$53 million in fiscal '78. However, the county has managed to have the lowest per capita service cost, and the lowest per capita debt of the six counties in the metropolitan Baltimore area.

Professional accountants recognize that "budget systems" are not mutually exclusive, e.g. one and only one is used by an institution; one and only one will do the job. The budget process is just one of the many financial functions that a financial officer must consider. A government's financial ability to manage and control debt; to understand the nature of its revenues and to use them correctly in financing a budget; to project accurately its cash flows; and to have a number of long range financial plans available, are more important than the methods used to evaluate a particular year's budget.

Why then is there so much discussion about "budget systems"? The concepts of fixed and variable expenditures, volume and capacity and standards are never addressed during budget debates by government officials or candidates. The rhetoric usually centers on budget reduction and expenditure control rather than applications of standard accounting principles and practices.

BASIC PRINCIPLES OF ACCOUNTING

Public sector accounting has a different purpose than private sector accounting. The private sector is oriented to a quantifiable bottom line (profits or deficits). Industry budgets are not governed by law as are the public sector's. The penalties for deviation from the budget are not as great in the private sector as in the public. Therefore, governmental accounting is, and always will be, related directly to the budget document.

The overriding governmental accounting consideration is control; the budget represents a legal commitment by the elected officials.

The accountants' role is to ensure budget adherence, and to establish a system of accounts that will accumulate the costs in the same manner as identified in the adopted budget. Financial control comes with a "chart of accounts" consistent with the budget. The more elaborate the budget process and the related budget document, the more elaborate will be the bookkeeping and accounting requirements.

Before adopting a particular budget system, consideration should be given to the impact on the basic accounting system, and the application of accounting principles and standards—all are important to credit ratings and other financial considerations that extend beyond a single budget year. Budget control must be the first priority with cost accounting secondary.

Most new budget concepts are "sold" on the basis of just the reverse. From the government view, this concept is not legally acceptable; the bottom line of government operations is not quantifiable as in industry. Those systems attempting to quantify government operations cannot succeed because of the social aspect of public services and because of political realities.

LINE ITEM BUDGETING

A line-item budget is composed of many "chart of accounts." For example, in tax collection, the chart of accounts would include all objects of expenditures needed to perform this function—personnel, capital equipment, fringe benefits, supplies, debt service.

Line-item budgeting has been criticized because of the inflexibility of the chart of accounts concept. The critics suggest, the budget document would appear as:

General fund—labor
General fund—fringe benefits
General fund—operating supplies

In actuality, jurisdictions that use the line-item budget approach breakout each expenditure account into subcategories. These subcategories or divisions are really intermediate cost centers, sometimes referred to as departments or agencies, or programs. Most jurisdictions would further subdivide a cost center into subprograms or activities. For example, the data processing cost center (department) would be subdivided further into: programming, operations, and systems design. A less populous county may not need to further subdivide its chart of accounts.

In the line-item format all expenditures are classified into an account. These expenditures accounts are placed according to a predefined cost center (e.g., planning department, parks and recreation, and sanitation). This account-cost center structure must meet both the needs of an independent auditor as well as the reporting requirements of the various state and federal agencies.

The departments and agencies submitting their budgets to the accounting department must know the rules of the game. Clear and precise instructions are needed along with properly designed budget request forms for all individuals involved in the budget process. Department and agency personnel are primarily concerned with providing services, and not in filling out budget forms and planning long-range goals and objectives. The budget should be kept simple. If at all possible, the budget forms should provide information from previous years as well as from current operations.

A position control entry must be included in a comparative budget form to show the positions authorized for the department: steps, grades, salaries, and other pertinent personnel information that would allow the user department to modify, if necessary, the request. This budget format is important during the budget review process with elected officials. A realistic budget request completion date can be established if the request forms provide adequate information for budget analysis. Upon receipt of the budget information, standard mathematical checks and review for consistency should be made by the budget office staff.

ZBB: eval

James D. Carney Jr.
Budget Director
Westchester, County, N.Y.

Westchester County, N.Y., located north of New York City is an urban county with almost half of its 880,000 population (1975 estimate) living in its five cities. The county's \$800 million annual operating budget sustains one of the largest community college systems in the country, a major medical center, an 18,000 acre public park system, a privately operated but publicly subsidized, mass transit system, plus general county services including social services, criminal justice services and health-related services. It has a charter-type government governed by an elected 17-member board of legislators and an independently at-large elected county executive who is the chief administrative officer.

Westchester County, N.Y. has experienced unprecedented growth in the last decade. Between 1965 to 1976 the number county employees grew from 4,003 to 6,932, while the operating budget, led by federal and state mandated welfare costs, increased from \$68 million in 1965 to \$376 million in 1976. County services expanded and became more complex, four major new departments were created during this period. Starting in the 1970s, Westchester's economic growth slowed but the demand for county services continued unabated. The recession of 1974-75 sent relief rolls to all-time highs and the consequent fiscal impact on Westchester's budget was staggering. In a single budget year, 1976, welfare costs increased by \$60 million. Such an increase could not be passed on to an already over-taxed community; the budget had to be reduced to offset this enormous increase.

A NEW BUDGET APPROACH NEEDED

Not surprisingly, the county's traditional and state mandated line-item budgeting process lacked the processes to generate quantitative and qualitative data with which program reductions could be accomplished cost-effectively. Instead, after a few selective cuts were made, the only option available to the county to effect budget reductions was an across-the-board 8 per cent reduction in all departmental budgets in 1976.

This experience confirmed for county officials the need for an improved budget process to deal effectively with budget reduction and, equally as important, to maximize the use of available tax dollars.

In Westchester most, if not all, of the county's major programs had expanded during the last decade without having undergone a complete and careful re-examination to determine their efficiency and necessity. Any improved budgetary process had to provide a framework for the rational evaluation of current programs and their cost effectiveness. Departmental would have to develop justifications for programs that established the need and quantitatively justified the means employed to meet the need.

MODIFYING ZBB

Zero Base Budgeting (ZBB), modified in several ways, met this basic objective and was implemented in late 1976.

Westchester's modifications, however, are important. First, Westchester's ZBB process is designed so that it results in the state mandated line-item format, thus eliminating duplication of effort.

Second, rather than use ZBB for the entire county it is used as a special budgetary process by two or three departments each year. Thus a county department is required to understand

Budget Summary

General Government Building PROGRAM

Maintenance DEPARTMENT/AGENCY

Object of Expenditure	Fiscal '75-'76	
	Actual Expenditure	Budget
01 Personal Services	45,176	
02 Travel-Business Conferences	685	
03 Contractual Services	12,985	
04 Rents and Utilities	26,166	
05 Supplies and Materials	7,010	
06 Equipment Maintenance and Replacement	8,817	
07 Grants	-	
08 Other Charges	45	
09 Land	160	
10 Building	18,565	
11 Equipment—Additional	11,012	
12 Interest and Principal	-	
13 Fringe Benefits	-	
20 Cost Recovery	-	
99 Reserve for Contingencies	-	
Total	130,621	

* 6 Months Activity Submitted by

on of programs and goals

a ZBB process only once in a four or five year cycle. This selective approach permits a more controlled development of the process; greater attention can be given to a few departments as opposed to the entire county. Moreover, given the slow rate of social change and the long lead time needed for adequate evaluations, it is doubtful that the ZBB analysis can be justifiable annually. Cycling ZBB also eliminates two drawbacks of the process: inability to maintain interest and quality analysis over a prolonged period of time, and the ineffective use of results because of the size of the effort required when the entire county is involved.

The Westchester County's budgeting process concentrates on certain aspects of ZBB:

- Departments catalog all services by the reason for their provision: as a result of legal or statutory mandate; internal department policy; or county policy. They also identify the minimum level of service mandated.

- Service unit or program unit managers are directly involved in preparation of all analysis related to their unit. Their involvement offers several benefits: knowledge of their field is tapped; the real value to the taxpayers of the services provided is considered; and they are trained in the concepts unit cost, performance indicators, general budgeting, and information data base formulation.

- Departments are required to identify and quantify the work product of each service or program unit. In essence, each department is required to isolate its functions, such as the services provided by it to the public or to other county departments, and specify its operations in terms of units of work. For example, the health department provides clinic services; immunizations; and certain environmental tests and inspections. The work output is measured and traced to a specific functional unit within the department.

- Departments undertake a cost analysis of each service, program, or function they have identified. The cost analysis includes the identification of all costs of operation: salaries, fringe benefits, temporary employees, utilities, rent and maintenance, supplies, and other factors for the last three fiscal years. The collection of this data establishes the base for a comparative analysis of both work output and output cost over a significant period of time.

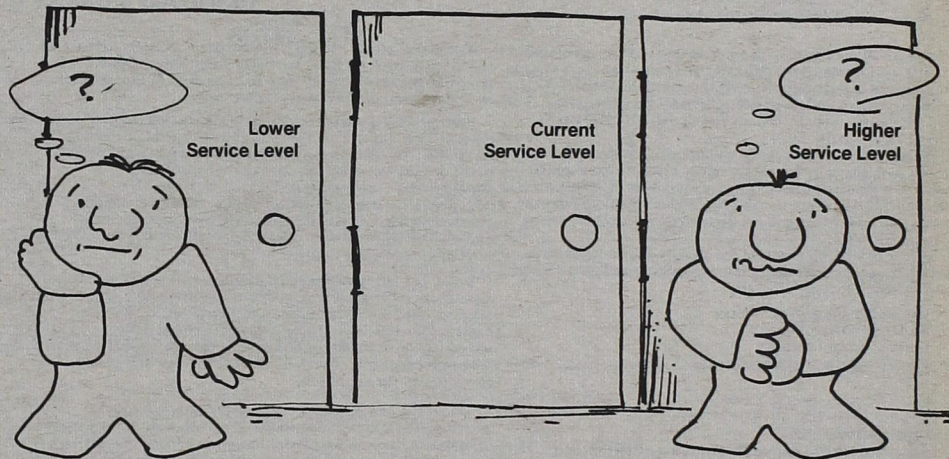
- Departments are required to conduct research to local productivity and cost standards which apply to its operations. Such standards can be drawn from the public sector where professional, trade, and industrial associations establish basic data relating to unit costs, time standards, staffing standards, space and equipment reference.

The purpose behind the strong emphasis on mandates and cost effective analysis is to enable departments to identify those programs that are inefficient as well as those which are unnecessary, and ultimately provide the basis for the reallocation of resources to other programs whose performance justifies a greater commitment of resources.

APPLICATIONS NOT EMPHASIZED

There are two aspects of ZBB which Westchester does not emphasize:

- The ranking of programs in priority order is considered optional since this is essentially a policy judgment appropriate for a policy making body. A requirement to rank also often connotes a desire by top management to eliminate low priorities, and can, therefore, scare managers and distort their judgment.
- The establishment of alternate levels of funding was judged to be essentially incremental in nature and dropped



ZBB presents a choice of program service levels

from the process. By directing department attention towards the difference between funding at the 80 per cent versus 100 per cent levels, the goal of examining the entire program is lost.

Prior to the actual implementation of a ZBB process in Westchester County several steps were taken. First, a complete set of procedures and forms for the process were developed and reviewed with the selected departments. The procedures were designed to logically assist the department through the process and to result in the required line-item format. The participating departments also were invited to suggest changes to the procedures.

Second, a timetable was carefully developed with each department to guide the process. This proved to be absolutely essential since the process demanded more time than anticipated and only strict adherence to the schedule enabled the county to successfully complete the process in one of the two departments that started in the first year. (See timetable.)

CRITICAL OBSERVATIONS

Westchester has been using ZBB for the past two years. In its first year, two departments volunteered to undertake ZBB, the health department and the Community College. The college was forced to abandon the process because of a late start and the absence of most operating personnel during the summer months. The health department did, however, complete the process with some impressive results. Most notable are:

- The voluntary elimination of 21 full-time positions identified as unneeded.
- The reallocation of 28 positions to areas where more resources were needed.
- The cost of services was reduced in several areas. For example, in home health services, the cost based charge for skilled nursing care was reduced from \$46 to \$35 per visit and now compares with private agencies. A similar cost reduction was accomplished in child health care clinic charges. More importantly, the health department now has a mechanism to closely monitor service costs and productivity.
- A method was developed for comparing costs among services. For example, the cost and output of food and milk inspection can be compared with air pollution or water quality inspection.

In the second year of ZBB, three departments, the Community College, public works, and corrections volunteered to undertake the project. Although the county is still evaluating the results of those efforts, some critical judgments can be made, based on the combined two years of experience.

- All departments using ZBB believed it to be a practical and enlightening experience. In every case, it raised more questions than could be resolved in the time available. However, now that the questions have been identified, separate efforts are being undertaken to find answers. For example, why does it cost \$3,725 per mile per year to maintain county roads and how does that compare with other counties?
- Strong support by top management is essential to successfully complete a ZBB process. In those departments where top management was fully involved and took the required time to review all packages, the results were significantly better than when less effort was expended. In most cases unit managers were enthusiastically involved in the budgeting process but only top management could complete the resource reallocation decision analysis.
- It is impossible to spend too much time and effort in training and support for ZBB. Because of the varying capacity of departmental personnel, where more time was given in support or higher professional level personnel were involved, the results were significantly improved.
- Realistic expectations should be established in advance of undertaking ZBB. In Westchester the process was not announced as a budget cutting technique, but rather as a means by which departments could reallocate resources where they were most needed. This approach helped eliminate some of the normal resistance to a change in budget process and promoted ZBB in the most positive manner possible.

- At a minimum, ZBB has encouraged departmental personnel to use quantitative analysis, caused a re-examination of the requirements for each of the activities within the departments, and involved unit managers, in many cases for the first time in the budgeting process.

The past two years' experience has been encouraging enough to support the continuation of Zero Base Budgeting. In future implementations, however, more time will be spent in direct training and greater involvement of budget department personnel to assist departments which have lower numbers of professional personnel. A greater emphasis will also be placed on developing alternatives to current methods of service delivery, since this seems to be the single most consistently deficient area of analysis.

Zero Base Budgeting Implementation Timetable Westchester County, New York

- Feb. 1** The department head and budget director, and their staffs, explore ways of developing the next departmental budget utilizing the ZBB approach. During the initial period, the department head makes the decisions and begins to organize a project team. With the budget department, the appropriate decision package units, programs, and services are selected for analysis. Instructions are developed, training schedules and timetables are prepared.
- March 1** The department head designates divisions and units to undertake a ZBB analysis. The team assists unit managers in preparing all necessary information and forms. Departmental general administrative costs are defined, and allocated on a percentage basis to the divisions and units.
- April 1** The departmental ZBB team reviews the decision packages prepared by unit managers. They identify problem areas and apparent deficiencies and then the packages are returned for further development. Budget department personnel are available throughout this process.
- May 1** The review team re-examines the completed decision packages.
- May 15** The decision packages are presented to the division level personnel for assessment and consolidation and to the unit managers for a personal presentation of their recommendations. Each division carries out an organizational analysis, cost analysis, and performance analysis of its decision packages. They rank the recommendations by importance and cost effectiveness, and consolidate their recommendations into a division line budget.
- June 15** The consolidated division recommendations are presented to the department head. The department head and top staff review the consolidated division requests to determine the accuracy and value of the analyses presented as budget justification. They concentrate on the value of alternative procedures and operations identified by the unit managers and division managers.
- Aug. 10** The departmental ZBB analysis is presented to the budget department. The requested budget is in line-item format, with appropriate references made to the ZBB process. During this interval, the budget department suggests additional information from the department if required prior to the Sept. 10 budget submission deadline.
- Sept. 10** Mandatory submission of line-item budget, in standard county format. The department's zero base budgeting analysis is submitted as additional supporting information.

Westchester's fiscal year is Jan. 1 to Dec. 31. Budget submissions to the budget department are required by law on Sept. 10.

roll County

Fiscal '77-'78			
% Spent	Requested	Approved	
47.36	51,791	53,597	
16.25	1,110	-	
34.15	12,330	12,330	
46.45	31,293	31,293	
65.22	12,550	12,300	
66.99	50,100	12,500	
-	-	-	
-	100	50	
-	325	-	
33.33	22,709	22,709	
80.27	2,300	-	
-	-	-	
-	-	-	
-	-	-	
46.36	184,608	144,779	
Date			

A remedy for budget preparations—BROMO

William Feldmeier
Budget Director
Maricopa County, Ariz.

A new remedy for budget process upsets has been invented by Maricopa County, Ariz. BROMO—its cure—is a computerized budget reporting system which has been working to relieve budget-period upsets for the past three years. Designed solely by county personnel, BROMO works better than antacids.

BROMO stores budget history information and accounts payable, and is programmed to produce monthly management reports as well as to provide daily transactions. It also assists in the annual budget preparation by producing salary forecast reports, and budget workshops for use by all county departments.

Four major BROMO reports are used by the budget and research department for planning, forecasting and monitoring of the county's budget. They are:

- Detailed budget request form
- Expenditure information
- Current budget activity
- Fourth quarter budget forecast

HOW BROMO WORKS

The detailed budget request form is generated for each county department. The report shows, by line-item, prior years' adopted budget and actual expenditures, and the current years' budget and actual expenditures. The report provides columns for base budget request, program changes and total requests which are left blank for completion by each department. A tentative budget column also remains blank. When budgets are submitted, a budget analyst verifies the totals and returns the worksheet to data processing. Data are keypunched (keypunching onto disc tapes) using the base request column and change column. Each department receives a detailed budget request.

After all budget modifications have been made, a budget analyst resubmits the detailed request to data processing and all changes are entered. The printout then shows the prior years' budget and actual expenditures, the current years' budget and expenditures, a tentative budget figure, and a blank column for the "adopted" budget.

After second hearings have been held, when the budget is finalized, the adopted budget column is keypunched from the detail request form. The budgets are then divided by division or cost center level and entered as such. The final column on the detail request becomes the adopted budget column for the monthly budget summary in the BROMO system.

Line-Item: object of expenditure

Continued from page 4B

SUPPORTING DATA AND DETAILS

In addition to the pre-printed budget forms, each cost center submitting a budget should detail the items in each expenditure account. One of the indictments of line-item budgeting is that budget requests for a specific account will be automatically approved if the increase requested is consistent with a predetermined rate, say 10 per cent. This is not the case in Carroll County, nor probably in most other counties.

The supporting detail for a particular account, e.g., heat, light and power, would be the amount of oil used in the previous year and current year; kilowatt hours used, unit prices, and other relevant data. An explanation of any proposed increase in the expenditure account would be required; approval would not be automatic. The same detail procedure is applied to all accounts within all cost centers.

In Carroll County this detailed review is performed by the budget office. After the initial review, each department or agency submitting a budget must come before the board of county commissioners and the budget officer to repeat the process on a selective basis. At this second review, questions are raised concerning budget requests to expand or to begin programs, and the detail of each account is queried.

The current year's service delivery is also evaluated; goals and objectives become apparent during this second review. The level of involvement of elected officials in this review process is essential. Many local officials are successful business persons and, thus, know what to look for and what to ask regarding a budget request.

The elected officials also are aware of the taxpayers' willingness to fund programs and services. The result of this type of intensive review is that goals and objectives become realities. After modifications have been made to the budget, the county board presents the proposed budget to the public for hearings and gives final approval.

Budgeting, as all other managerial functions, is based on common sense and experience. A "system" cannot and should not dictate management actions. Budget systems are to be used by management and are only as effective as they are made and implemented.

Maricopa's Cash Purchase Order System

Maricopa County uses a Cash Purchase Order System which combines a check with the purchase order. Development of this streamlined purchasing system has had the full support and encouragement of the board of supervisors.

Studies conducted before implementation, by the staff of the state auditor general's office, had shown that 42 per cent of the claims paid by Maricopa County accounted for only 3 per cent of the dollars; yet, they required the same amount of administrative processing as the rest. To reduce the administrative cost of processing these claims, the county's purchasing department studied the "Cash Purchase Order System" as originated by Kaiser Aluminum and is currently used by Los Angeles County.

Under the old system a requisition for goods was processed, a purchase order generated and sent to the supplier. The supplier filled out a claim form and submitted it with two copies of the invoices. Multiple agencies of the county, including the controller and the treasurer, matched receiver with purchase order, the claim and the invoice, and issued a check to pay the supplier.

Under the new system, the check is combined with the purchase order, and the claim form and separate invoices are eliminated. The vendor fills in the amount on the check which is immediately processed by the county's servicing bank. The buyer prices out the purchase order showing appropriate taxes

and discounts (the check amount must match). Differences between the check and the purchase order are immediately brought to the accounting department's attention for reconciliation.

Additional safeguards to the system are: the check cannot be deposited to the designated vendor's account, the vendor's name is typed on the check, the check cannot be written for more than \$500, and is only valid until 90 days after the date of issue.

Benefits of the system are a 42 per cent reduction in the administrative work associated with handling, processing and filing more than 3,000 claims and invoices a month. It has eliminated the postage and handling cost of more than 1,000 checks per month and has allowed county businesses to process small value orders that they could not previously afford to handle because of the paperwork expense. Time delays for processing, as well as for prompt material delivery and vendor payment, are by-products of the new system.

By reducing administrative paper shuffling and legal red tape, more efficient and economical county government has been achieved. The budget and research department, in an independent study, have reported quarterly savings in administrative handling and cash discounts of \$54,197. There has been no increase in personnel or material cost to offset the savings.

BUDGET MONITORING

Although this may appear to be generating an inordinate amount of paper, it gives the data processing department the capability of telling the county manager and board of supervisors the budget status daily. More important, it avoids a last minute attempt to incorporate budget changes into the system. With the detailed request form system, the budget cycle from hearing to adoption becomes a smooth, orderly process.

A monthly report for management prepared by the budget and research office details revenues received, expenditures, new positions authorized and contingency commitments. The expenditure information shows by line-item, budget fiscal year, the years' expenditures and encumbrances, the months' expenditures and encumbrances, and unencumbered budget and per cent expended.

A monthly status of current budget activity showing claims paid and amounts encumbered, by line-item, is distributed, along with the summary report, to each department to enable budget monitoring.

A fourth quarter budget forecast is generated and distributed to each department. The report shows again by line-item, the budget's eight-months actual expenditures, the budget balance, and six blank columns—one for each remaining month in the fiscal year, total for the four months, and the grand total. When completed, these reports are sent to the budget and research office for review and estimation of year end balances.

BUDGET FORECASTING

A year-end summary report is available that outlines total expenditures countywide by object account. The report is helpful when determining amounts to be budgeted for insurances, fringe benefits, and utilities. Another benefit for both the budget and research department and other county departments is the salary forecast. The program projects annual salaries by department and job classification for 6,000 county employees, as well as for vacant positions. The computer program can be used to generate reports showing salary impact if the board of supervisors were to grant an across-the-board increase of a certain percentage on a given date.

Since a complete BROMO report constitutes a stack of paper almost four feet high, the county makes extensive and effective use of computer output microfiche. A complete BROMO report on fiche occupies less than one-half inch of space in a small (4 x 6) file box. The monthly report for departmental management, the fourth quarter budget forecast, and the year-end summary report also are available on microfiche.

DEVELOPMENT AND OPERATION

As Maricopa County's population increased, so has the data processing installation. In its 45-year history, the department staff has grown from four to 176 persons who now maintain an around-the-clock information systems and services department. Besides BROMO, the operational systems provide assistance to many departments ranging from hospital patient data records, hydrological information for flood control, on-line bond accounting in the treasurer's office, to a cash purchase order system.

Although the data processing system and BROMO were designed for a county which serves almost 1.3 million persons and covers 9,226 square miles, the methodology used to design the system can be applied to smaller counties as well.

The original cost for development of BROMO in 1973 was approximately \$94,000. That cost included systems and programming, and does not include hardware. Annual expenditures today are estimated at \$58,000 a year—with \$23,000 as operational costs and \$25,000 for research and development as well as for future expansion.



EPA PROPOSED GUIDELINES

State, Local Consulting Requirements Drafted

WASHINGTON, D.C.—One of the most important reasons for revising the 1970 Clean Air Act was to provide a greater role and greater assistance for state and local governments. The 1977 amendments to the act provide state and local governments with these opportunities throughout the implementation process. And in accordance with the directives of the 1977 amendments, the Environmental Protection Agency (EPA) has recently proposed draft guidelines for state and local consultation requirements.

Last week NACo along with other public interest groups discussed these proposed guidelines here at a two-day air quality workshop.

There are two sections in the law which are specifically devoted to consultation, although the major area where state and county officials are involved is the revision of the state implementation plan (SIP). The SIP is the major vehicle that will be used to meet the 1982 and 1987 dates for attaining federal clean air standards. Prior to the 1977 amendments, when EPA regulations (and the 1970 Clean Air Act) were in effect, participation by local and regional agencies was minimal in revision of the SIP. This is vastly changed under the present law.

The SIP must be submitted to EPA by 1979, or stiff sanctions can be applied. For example, highway funds can be withheld. If a state or county is having trouble designing a SIP, EPA can design its own SIP for that particular area. (This is why it is important for states and counties to have a good understanding of the major elements involved in the planning of the SIP.)

The guidelines are specific as to how SIP planning should be carried out. State and county officials were given six months (until February 1978) to jointly determine which parts of the plan will be carried out by each unit of government.

The guidelines further state that "where possible," this part of the SIP shall be prepared by an organization of elected officials of local

CLEAN AIR:
Changes of '77

governments designated by agreement of the local governments (in an affected area) and then certified by the state for this purpose. If after six months there has been no agreement, the governor (or governors) "after consultation" with elected officials of local governments shall designate an organization of the elected officials of local governments in the area or state agency to prepare such a plan. "Where feasible" this organization should be the metropolitan planning organization (MPO) or the organization responsible for the air quality maintenance planning process.

Key terms in these guidelines appear to be "agreement" or "consultation" because nowhere in the guidelines are these terms specifically defined.

EPA OFFERS suggestions for proceeding with this joint determination process:

- **Selection of a Coordinator:** This would be done by the governor. This individual would be in charge of the entire joint determination process.

- **Notification of Affected Governmental Organizations:** The coordinator would notify the other affected government organizations of the purpose and the schedule of meetings.

- **Establishment of Determination Process:** The coordinator in planning should allow state and local officials of all major political subdivisions within a region to be substantially involved.

- **Formal Identification of Responsibilities:** Once an agreement is reached as to which agencies are responsible for certain parts of the SIP, this should be formalized into an official agreement.

The revision of the state implementation plan is an important, if not the major, governing mechanism for the 1977 amendments. While EPA's draft guidelines prove a good beginning, there are several problems.

- The words "agreement" and "consultation" are used without explicit clarification throughout the guidelines. These terms leave a great deal of room for interpretation, especially in the courts. Perhaps "agreement" or "consultation" should be specifically stated in a legal term such as "resolution." What happens to those areas which do not join in with a resolution? Do they have veto power? How far does the state actually have to go to reach agreement? Should EPA specifically state what process should be fol-

lowed in reaching this agreement?

- Are there other local or regional agencies which should be suggested for actually carrying out the plan, rather than an MPO? Will an MPO or an air quality maintenance organization conflict with the other agencies over the nonattainment issue? Will an MPO, which is designated by a governor, be responsive to local needs? These questions center on the ability of the MPO to properly address the local needs, especially if the MPO is designated by the governor. An example might be a small area that had a shopping center with a large parking lot (specific indirect source problem) and wanted to enforce an indirect control measure. This would have to be transmitted to the MPO or the governor so that the specific indirect control measure would be included in the revision of the SIP. In addition, an MPO is often not able to handle responsibilities assigned to it. For example, there are presently 44 MPOs out of approximately 250 in the country which have failed to complete consistency findings between air quality plans and transportation plans as mandated by the 1970 Clean Air Act.

- Should the governor be able to designate a "coordinator" without the input from local officials? The

guidelines suggest that a coordinator may be the best route to follow in the joint determination process. There should be local input to help the governor choose the coordinator and in addition, there should be limitations on exactly what the coordinator may or may not do.

- The guidelines state that the organization which will carry out the major part of the planning process should be certified by the state. What is meant by certification? Will it be automatic and totally at the governor's discretion or should there be criteria for this certification?

These are just some of the problems which counties should be addressing. These guidelines, along with other issues such as nonattainment, the prevention of significant air deterioration, EPA's Trade-Off Emission Policy, indirect sources, and transportation controls were discussed at last week's air quality meeting of public interest groups.

Comments solicited at the meeting will be incorporated into EPA's second draft of consultation guidelines. NACo will be monitoring the progress of these guidelines and playing an active role in their actual formation. Feb. 27 is the target date for publishing the final regulations in the *Federal Register*.

—Chris Ann Goddard
NACo Clean Air Project

Proposed Regs

The following proposed regulations are being analyzed by county officials and the NACo staff to determine their impact on counties. For copies, contact the Grants and Regulations Office at NACo.

77-61 EPA "National Interim Primary Drinking Water Regulation Implementation Rules." These regulations govern state and local responsibility over public water supplies under the Safe Drinking Water Act to allow states to obtain primary enforcement authority without exercising jurisdiction over federal facilities. Copies available.

77-62 EPA "Designation of States Requiring Underground Injection Control." Section 1422(a) of the Public Health Service Act mandates that the administrator of the Environmental Protection Agency (EPA) shall list in the *Federal Register* those states for which in his judgment a state underground injection will not endanger drinking water sources. Copies available.

77-63 EPA "Draft Environmental Impact Statement (DEIS)." Copies available.

77-64 USDA "National School Lunch Program Regulations." The major purposes of the proposed changes in the lunch requirements are to meet more accurately the nutritional needs of children of varying ages and to bring the lunch requirements into conformity with the 1974 revisions of the Recommended Dietary Allowances. Copies available.

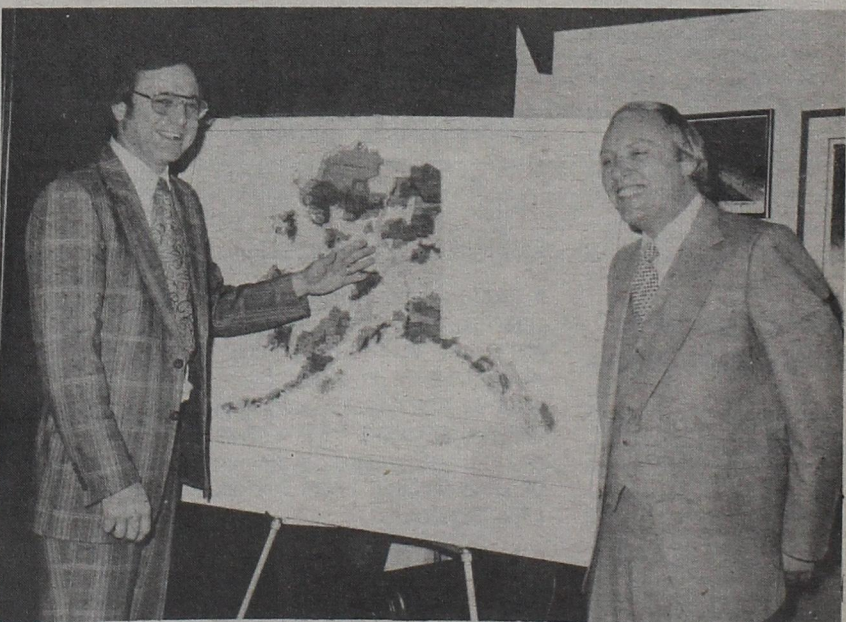
77-65 LEAA "Reporting Action Subgrant Information in the LEAA Grant System (PROFILE System)." This guideline requires all state planning agencies to report information about each action subgrant received for inclusion in the LEAA grant program file system. Copies available.

77-66 HEW "Penalty for Failure to Provide Early and Periodic Screening, Diagnosis, and Treatment (45 CFR Parts 205, 249)." This proposal would revise current rules on the financial penalty imposed on states that fail to carry out the child health screening program required under Title XIX of the Social Security Act. The proposal clarifies the steps states must take to avoid the penalty, provides the alternative ways of meeting requirements and specifies the circumstances under which the penalty will be applied. Copies available.

77-67 USDA "Part 250-Donation of Food for Use in United States, Its Territories and Possessions and Areas Under Its Jurisdiction." These regulations reflect changes made in Section 707 of the Older Americans Act. These changes extend until Sept. 30, 1978, the present level of commodity assistance to be provided to states for use in nutrition programs for the elderly and permit any state to elect to receive cash payments in lieu of donated foods for use in such programs. Copies available.

77-68 Labor "Regulations for the Young Adult Conservation Corps Program (YACC)." These rules set forth the requirements for the funding, establishment, location, operation, and management of the Young Adult Conservation Corps program under the Youth Employment and Demonstration Projects Act of 1977. It also sets forth the requirements for the recruitment, referral, selection, and assignment of enrollees; the standards for hours and conditions of employment; standards for safe and healthful working and living conditions; wage rates and allowable deductions; and various YACC administrative provisions. Copies available.

77-69 EPA "Subpart A—Criteria, Identification, and Listing of Hazardous Waste." The purpose of this regulation is to describe the criteria for a waste generator shall use to determine if the waste generated is a hazardous waste, and subject to all the regulations of this part. Copies available.



ALASKA EXEC VISITS D.C.—The new executive director of the Alaska Municipal League, Jim Rolle, right, visited Washington to discuss proposed restrictions on the development of state natural resources with Rep. Don Young (R-Alaska). Rolle became executive director of the league on Aug. 1. During his visit he also met with NACo staff members.



TCSA LEADERS—Seated front, from left, are: Gus Norfleet, immediate past president, Tennessee County Highway Officials' Association; and Knox County Judge C. Howard Bozeman, new TCSA president. Standing back, from left, are: Ralph J. Harris, TCSA executive director; NACo president, Judge William O. Beach of Montgomery County; and Hamilton County Judge Don Moore Jr.

Tenn. Officials Meet

HAMILTON COUNTY, Tenn.—More than 350 delegates representing three Tennessee county officials' organizations attended the annual fall meeting of the Tennessee County Services Association (TCSA).

The three-day conference in Chattanooga featured seminars on federal and state legislation as well as speakers covering topics of concern to local governments.

NACo President William O. Beach of Montgomery County told the delegates of the benefits of membership in the national group. Delegates also heard addresses by the state's lieutenant governor, the commissioner of the Tennessee Department of Transportation and six possible gubernatorial candidates.

TCSA Executive Director Ralph J. Harris reported that all 95 counties belong to the state association. Membership, consisting of county judges, magistrates and highway officials, totals approximately 1,500.

In a separate meeting, highway officials participated in a panel discussion led by representatives from the state department of transportation and rural road program.

County judges and magistrates, meeting jointly, heard representatives from the ongoing constitutional convention and from NACo.

TCSA officers elected for 1977-78 are: president, C. Howard Bozeman, Knox County judge; first vice president, Roy C. "Skip" Nixon, Shelby County mayor; second vice president, Gus Norfleet, Montgomery County highway superintendent and immediate past president of the

Tennessee County Highway Officials Association.

Other board members include: Judge Frank Halsell of Clay County; Ernest West, Monroe County superintendent of highways; James H. Westbrook Jr., Weakley County magistrate; Judge Don Moore Jr. of Hamilton County; Seldon Cashion, Weakley County supervisor of highways; Judge Phil King of Greene County; Richard Fulton, mayor of Metro Nashville/Davidson County; Frank Hinton, Montgomery County magistrate;

Jerry A. George, Anderson County magistrate; Judge Edwin E. "Cotton" Pigue of Gibson County; Judge Dixon Hood of Haywood County; J.C. Thomas, Jefferson County superintendent of highways; Carrie Woods, McNairy County magistrate; James C. Couch, Maury

County magistrate; and James Comer, Rutherford County superintendent of highways.

New officers of the Tennessee County Judges Association are: president, Edwin E. "Cotton" Pigue; first vice president, John W. Ray of Coffee County; and second vice president, Don Moore Jr. of Hamilton County.

Officers of the Tennessee County Highway Officials Association are: president, J.C. Thomas of Jefferson County; and vice presidents, Erwin Kee of Fayette County, J.B. Meredith of Anderson County and Dolph Hargis of Grundy County.

The 1977-78 officers of the Tennessee County Magistrates Association are: president, Carrie Woods; president-elect, James C. Couch Jr. of Maury County; secretary, Eugene Banker of Roane County; and treasurer, Frank Hinton of Montgomery County.

N.H. Counties Seek More Control Over Public Assistance

BELKNAP COUNTY, N.H.—New Hampshire counties must have more control of government programs they pay for, county officials decided during the annual meeting of the New Hampshire Association of Counties in Laconia.

The association adopted a resolution supporting creation of a state department of corrections with certain conditions. Association President Barbara Hill outlined the five conditions:

- Counties develop standards with concurrence of the department;
- Counties approve of transfers of prisoners to county facilities;
- Counties control budgets;
- Counties be allowed to design and implement their own correction services and programs in conjunction with overall state policies and goals; and
- County commissioners be at least 50 per cent of the membership of the corrections commission.

The officials also adopted a resolution calling for counties to assume control of public assistance programs so that federal funds could be directly passed to counties.

"The New Hampshire Division of Welfare is making local governments pay a higher percentage of the matching costs for federal funds. Since we pay more than the state does, we might as well administer the program and get administration money," explained Peter J. Spaulding, executive director of the association.

Other resolutions approved support accessibility of buildings for the handicapped, creation of an office of youth services and passage of a state program of unemployment insurance with minimum fiscal impact.

GUEST SPEAKERS during the convention urged county officials to develop a partnership with other levels of government.

New Hampshire Senate President Alf Jacobson suggested that counties begin a dialogue with state, city and town officials to improve government communication. "There are very many important services the counties perform. If you didn't, then

someone else would have to," he pointed.

Charlotte Williams, NACo secretary and Genesee County (Mich.) commissioner, commended New Hampshire counties for 100 per cent participation in NACo during the past 15 years.

She urged the officials to participate in the fight for welfare reform, noting that New Hampshire counties save 10 per cent of what it costs to spend on welfare under President Carter's proposed welfare reform package.

—Margaret I. Taylor
State Association Liaison

House Ways and Means Committee

Al Ullman, Ore., chairman
James A. Burke, Mass.
Dan Rostenkowski, Ill.
Charles A. Vanik, Ohio
Omar Burleson, Tex.
James C. Corman, Calif.
Sam M. Gibbons, Fla.
Joe D. Waggoner Jr., La.
Otis G. Pike, N.Y.
J.J. Pickle, Tex.
Charles B. Rangel, N.Y.
William R. Cotter, Conn.
Fortney H. (Pete) Stark, Calif.
James R. Jones, Okla.
Andrew Jacobs Jr., Ind.
Abner J. Mikva, Ill.
Martha Keys, Kan.
Joseph L. Fisher, Va.
Harold E. Ford, Tenn.
Ken Holland, S.C.
William M. Brodhead, Mich.
Ed Jenkins, Ga.
Richard A. Gephardt, Mo.
Jim Guy Tucker, Ark.
Raymond F. Lederer, Pa.

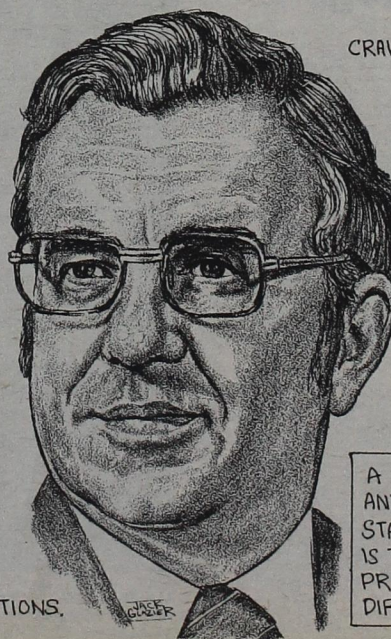
Barber B. Conable Jr., N.Y.
John J. Duncan, Tenn.
Bill Archer, Tex.
Guy Vander Jagt, Mich.
William A. Steiger, Wis.
Philip M. Crane, Ill.
Bill Frenzel, Minn.
James G. Martin, N.C.
L.A. (Skip) Bafalis, Fla.
William M. Ketchum, Calif.
Richard T. Schulze, Pa.
Willis D. Gradison Jr., Ohio

Newsmakers

Edwin L. CRAWFORD
EXECUTIVE DIRECTOR
NEW YORK STATE
ASSOCIATION OF COUNTIES

A GRADUATE OF BINGHAMPTON CENTRAL HIGH SCHOOL, 1943. HE ATTENDED MASSACHUSETTS INSTITUTE OF TECHNOLOGY, 1943-44 AND GRADUATED FROM CORNELL UNIVERSITY, B.A., 1948. IN 1950 HE RECEIVED A BACHELOR OF LAWS DEGREE FROM CORNELL LAW SCHOOL.

A PRACTICING ATTORNEY SINCE 1950, HE IS A MEMBER OF THE BROOME COUNTY, NEW YORK STATE AND THE AMERICAN BAR ASSOCIATIONS.



CRAWFORD SERVED WITH THE U.S. ARMY 17TH AIRBORNE DIVISION 193RD GLIDER INFANTRY REGIMENT 1943-1945. HE SAW ACTION IN THE EUROPEAN THEATRE.

EDWIN AND HIS WIFE DOROTHY HAVE FOUR CHILDREN: JAY, JOHN, PRISCILLA AND MELISSA.

HIS HOBBIES INCLUDE SAILING, TENNIS AND WORKING IN THE YARD OF THEIR HOME WITH HIS WIFE. THE HOME IS ON PART OF THE FARM WHERE HE GREW UP.

A FORMER NACo BOARD MEMBER AND PAST PRESIDENT OF NEW YORK STATE ASSOCIATION OF COUNTIES. HE IS THE FIRST FORMER NYSAC PRESIDENT TO BECOME EXECUTIVE DIRECTOR.

Execs Asked to Study Rail Plans

State association executives are being asked to review—in cooperation with their counties—Interstate Commerce Commission (ICC) plans for rail line abandonment.

The ICC has given executives information on the project including state maps and a book entitled, "Rail Systems Diagram." In view of the impact of rail line abandonment, executives are urged to send their comments to state rail planning offices or state public utilities commissions.

For further information, contact Marian Harker, NACo associate director for transportation.

Bulletin Board

(Please Clip for Handy
Reference to NACo Happenings)

November 15-18—Colorado Counties Inc., annual meeting, Four Seasons, Colorado Springs. Clark Jickler, executive director, 303-534-326.

November 16-18—County Officers Association of Georgia, fall conference, Callaway Gardens, Pine Mountain, Ga. Joe Mundy, president, 404-89911.

November 16-18—Association of Oregon Counties, annual meeting, Valley River, Eugene. P. Jerry Erick, executive director, 503-585-551.

November 16-18—Kentucky Association of Counties, annual meeting, Galt House, Louisville. Tom Thompson, 502-223-7668.

November 29-30 and December 1—Nebraska Association of County Officials, annual meeting, Holiday Inn, Omaha. Gerald Stromer, executive director, 402-477-8291.

November 30-December 1-2—Missouri Association of Counties, annual meeting, Lodge of the Four Seasons, Lake of the Ozarks. Tony Esberger, 314-634-2120.

December 5-7—County Commissioners' Association of Ohio and County Engineers' Association of Ohio, annual joint winter convention, Hill House, Columbus. A.R. Maslar, executive director, 614-221-5627.

December 5-7—Nebraska Association of County Officials, annual meeting, Hilton, Omaha. Gerald Stromer, 402-477-8291.

December 6-8—Association of Indiana Counties Inc., annual statewide meeting, Downtown Hilton, Indianapolis. Shirl K. Evans, 317-632-7453.

December 7-9—Maryland Association of Counties, winter meeting, Plant Valley Inn, Baltimore County. Joseph J. Murnane, 301-268-5884.

December 7-9—Hawaii State Association of Counties, annual meeting, Keauhou Beach Hotel, Kailua, Kona. Burt Tsuchiya, president, 808-245-4771.

December 11-14—Manpower Conference, Fairmont Hotel, San Francisco, Calif. Nancy ReMine, staff contact, 202-785-9577.

December 15-16—Association of County Commissions of Alabama, mid-winter conference, Grand Hotel, Point Clear. O.H. "Buddy" Sharpless, executive director, 205-263-7594.

January 19—Association of County Commissioners of Georgia, annual legislative breakfast, Peachtree Plaza, Atlanta. Hill Healan, 404-522-5022.

February 7-9—County Judges and Commissioners Association of Texas, 20th annual A&M conference, Ramada Inn, College Station. Sam Clonts, 512-478-8753.

February 7-10—Western Region Conference, Riviera Hotel, Palm Springs, Calif. NACo contact, Jim Evans, 202-785-9577.

February 22-24—Utah Association of Counties, annual meeting, St. George. Jack Tanner, 801-359-3332.

March 11-15—NACo legislative conference, Sheraton Park Hotel, Washington, D.C. Contact Jo Crichton, 202-785-9577.

March 15-17—West Texas County Judges and Commissioners Association, annual conference, Rowdeway Inn-Gateway West, El Paso. Sam Clonts, 512-478-8753.

April 16-18—Association of County Commissioners of Georgia, annual convention, Jekyll Island. Hill Healan, 404-522-5022.

Job Opportunities

Civil Engineer, Kent County, Mich. Salary \$100-\$119,000 depending on qualifications. Requires bachelor's degree in engineering; previous administrative and maintenance responsibilities in field construction of municipal water and sewage facilities and waste disposal systems is highly desirable. Resume by Nov. 25 to Kent County Personnel, 300 Monroe, N.W., Grand Rapids, Mich. 49505.

Manpower Comptroller, Seminole County, Fla. Salary requirements. Responsible for the financial management of CETA; develops and administers a cost allocation plan and an indirect cost plan; analyzes and interprets financial data; prepares complex financial reports; prepares CETA budgets; plans and organizes the installation of accounting systems and procedures applicable to data processing. Requires bachelor's degree in finance, accounting, and/or business administration with a minimum of five years experience in governmental financial programs and management, or an equivalent combination of training and experience. CPA certificate helpful. Ability to speak and write effectively essential. Resume by Nov. 30 to Seminole Manpower Division, Seminole County Courthouse, North Park Ave., Sanford, Fla. 32771.

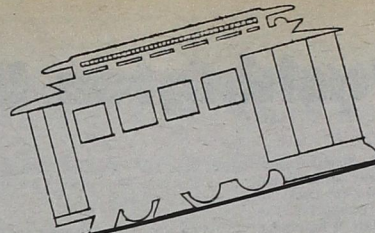
Deputy Director of Health and Welfare, San Mateo County, Calif. Salary \$33,966-\$42,453. Reports to the director of Health and Welfare and is responsible for the administration of all activities of San Mateo County Health and Welfare Department, including mental health, public health, social services, Chope Community Hospital, and Crystal Springs Rehabilitation Center. Operating budget of approximately \$98 million with over 1,500 budgeted positions. Requires five years of extensive, high-level staff or line administrative management experience involving directing, planning, organizing and coordinating health care, social welfare or human services programs, or equivalent high-level central management experience such as that obtained in

a chief administrative office of a local governmental agency. Applications and information available from: Personnel Department, San Mateo County, 500 Hamilton St., Redwood City, Calif. 94063, until Jan. 3, (415) 364-5600.

Administrative Analyst, Community Health and Social Services, Lane County, Ore. Salary \$17,284 to \$22,245. Develops/maintains central program monitoring/evaluation system for department, including human services delivery subsystem and in outlying areas of the county; works with management information system and administrative analyst/planner to assure effective integration of service delivery and fiscal information into planning/evaluation programs. For further information, call (503) 687-4171. Resume to Lane County Personnel, 125 E. 8th, Eugene, Ore.

Assistant Director of Engineering, Kent County, Mich. Salary open. Considerable management or administrative level responsibilities in directing solid waste and sewage disposal systems and field construction of municipal water. Requires bachelor's degree in civil engineering; must be a registered professional engineer in the state of Michigan or able to be registered. Resume by Nov. 25 to Kent County Personnel, 300 Monroe, N.W., Grand Rapids, Mich. 49503.

Director of Finance, Alachua County, Fla. Salary negotiable. Reports to county administrator and is responsible for accounting and financial management activities for the Board of County Commissioners. Experience in investments, budget creation and control and county financial operations strongly desired. County budget: \$28 million. Requires bachelor's degree in accounting and five years progressively responsible accounting experience. Resume and salary requirements by Dec. 15 to Ms. Cynthia P. Melhas, Personnel Director, P.O. Drawer C.C., Gainesville, Fla. 32602.



CETA staff and elected officials should plan on attending:

THE SIXTH NATIONAL MANPOWER CONFERENCE

Sponsored by the National Association of County Manpower Officials (NACMO)

FAIRMONT HOTEL SAN FRANCISCO

December 11-14, 1977

Workshops (for elected officials, program directors, and CETA staff):

PSE Management
Human Resources Consolidation
Youth Programs
Rural Manpower Programs
Contract Management
Economic Development
Public and Private Sector
Coordination and Linkages
Public Relations
Oversight
OJT Designs
Union Relationships, and more.

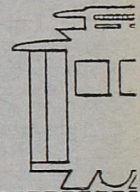
Business Session:

Election of officers of the National Association of County Manpower Officials.

Regional Caucuses

General sessions with key congressional representatives, staff and Administration officials speaking on:

CETA Re-Enactment
Welfare Reform
DOL Policy



Conference Registration/Hotel Reservation Form 1977 NACo Manpower Conference

- Delegates to NACo's 6th Annual Manpower Conference can both pre-register for the conference and reserve hotel space by filling out this form.
- Please use one form for each delegate who registers for the conference.
- Conference registration fees must accompany this form and may be personal checks, county voucher or equivalent...make check payable to National Association of Counties.
- Housing in conference hotels will be available only to those delegates who pre-register.
- Return to: NACo Conference Registration Center
P.O. Box 17413, Dulles International Airport
Washington, D.C. 20041 (703) 471-6180

Deadlines:

All requests for hotel reservations must be received at the NACo Conference Registration Center

All Advance Conference Registrations must be postmarked no later than Dec. 2. After Dec. 2 you must register on-site at the hotel and there will be an additional \$10 charge per registrant.

Refunds of the registration fee will be made if cancellation is necessary, provided that written notice is postmarked no later than Nov. 25, 1977.

Conference Registration Fees: \$65 (Advance) \$75 (On-Site) Spouse: \$45 (Advance—2 meals and 2 receptions) \$55 (On-Site)

Name _____
Title _____
County _____
Address _____
City _____ State _____ Zip _____
Telephone (____) _____

Make payable to NACo.

Enclose check, county voucher or equivalent.

No requests for registration or housing will be accepted by telephone.

Hotel Reservation Request: Please Complete in Full Fairmont Hotel

☐ Single (\$33)
Occupant Name _____
Arrival Date _____ (a.m. or p.m.) Departure Date _____ (a.m. or p.m.)
☐ Double/Twin (\$50)(2 people)
Occupants' Names _____
Arrival Date _____ (a.m. or p.m.) Departure Date _____ (a.m. or p.m.)

Suites available upon request. No room deposit required. Rooms may be guaranteed after 6 p.m. arrival in writing by your county or by sending one night's deposit to the above address.

Washington Briefs

• **Social Security Financing.** The Senate passed H.R. 9346 Nov. 4, by a vote of 42 to 25. Major differences will be worked out in a joint conference after Thanksgiving. A NACo-supported amendment offered by Sen. John C. Danforth (R-Mo.) passed 57 to 28. The amendment provides for a delayed increase in government employer taxes in 1979, and reduces by 10 per cent the increased employer tax in 1980 and thereafter. The House passed its bill by a vote of 275 to 146. See page 1.

• **Labor-HEW Appropriations.** H.J. Res. 643 provides funds for Labor and HEW programs through

Nov. 30, while the House and Senate continue to battle over anti-abortion language in H.R. 7555, the fiscal '78 Labor-HEW appropriations bill. The House rejected Senate compromise language supported by Appropriations Committee Chairman, Rep. George Mahon (D-Tex.) by 193 to 172. See page 3.

• **Full Employment.** President Carter is expected to announce his support for a compromise version of H.R. 50, the Humphrey-Hawkins full employment bill. The tentative compromise reportedly would create a goal of 4 per cent unemployment in five years and would authorize, but not mandate, programs designed to

meet that goal. National unemployment has hovered around 7 per cent in recent months.

• **Water Pollution Control Amendments.** House and Senate conferees still trying to resolve major issues: waiver of Best Available Technology requirement for 1983 for industry; federal dredge and fill permit program under Section 404; and the question of ad valorem taxes to pay for operation and maintenance of sewage treatment plants.

• **National Energy Policy.** Action has been completed by House and

Senate conferees on conservation provisions. Consideration was given last week to coal conversion provisions. Action still pending on natural gas regulation, utility rate reform, and the tax package. Conferees expected to work into December.

• **Food Stamps.** The Department of Agriculture announced that the elimination of the purchase requirement (EPR) would not be implemented until the rest of the new regulations go into effect. The target date for implementation is July 1.

• **Welfare Reform.** Some fiscal relief provided in Social Security bill

by Senate. Outcome in conference uncertain. See page 1. Field hearing underway on President's proposal.

• **H.R. 7200.** Bill appears dead this session. New efforts to be launched in January.

• **Title XX.** Increased funding extended through fiscal '78. Bill on President's desk.

• **Minimum Wage.** The President signed the minimum wage bill Nov. 2. The final version increases the minimum wage from \$2.30 an hour to \$2.65 in January and in steps thereafter, reaching \$3.35 in 1981.

• **Uniform Selection Guidelines.** The EEOC has released a draft of the uniform selection guidelines for A-85 review. Comments are due to EEOC by Nov. 28. Please send your comments to NACo by Nov. 28. NACo is reviewing these guidelines and will make copies available to counties that are interested.

• **Rural Development.** County officials testified before the House committee on conservation in credit in opposition to proposed increases in the interest rate for rural loan programs (H.R. 8315). The provisions would drop the 5 per cent interest rate on water and waste disposal and community facility loans and substitute the private market rate of 9-10 per cent. The Senate subcommittee on agricultural credit and rural electrification deleted a similar provision during markup of S. 311 and S. 2126. No markup date has been set for the House bill.

• **Rural Planning.** NACo has commented on proposed regulations for the Section 111 rural development planning program issued by the Rural Development Service. The \$5 million program will provide 75 per cent grants for demonstration projects and planning. Regulations will be placed in the *Federal Register* in mid-November. Applications not yet available. See page 2.

• **Local Public Works.** The Federal District Court in Los Angeles declared unconstitutional the mandatory 10 per cent minority hiring provision in the public works regulations. Decision does not affect participants in current programs; it enjoins enforcement of the provision in future public works allocations within the jurisdiction of the Los Angeles Federal District Court. EDA and Justice Department plans to appeal the decision.

• **EDA Redevelopment Loans.** EDA has issued proposed regulations for the new Section 204 redevelopment area loan program. The \$15 million program will provide long-term, interest-free loans to designated redevelopment areas. Loans to be equally divided among urban and rural areas. Population level of 100,000 to distinguish urban from rural.

1978 NACo Western Region Conference

Sponsored by NACo Western Interstate Region

Riverside County
Palm Springs, California
Riviera Hotel
February 8-10, 1978

Featuring workshops and speakers on public lands legislation, health care, welfare reform, employment programs, criminal justice issues and transportation needs.

Special sessions will be held on: payments-in-lieu of taxes, energy impact, Indian/county concerns, urban development, rural development, and unemployment insurance.

(Complete a separate form for each delegate.)

Conference Registration (Make payable to NACo)

- To take advantage of the conference advance registration fee, a personal check, County voucher or equivalent must accompany this form payable to **National Association of Counties.**
- All advance conference registrations **must be postmarked by Jan. 7.** After Jan. 7, registration will be at the on-site rate at the hotel. (No conference registrations made by phone.)
- Refunds of the registration fee will be made if cancellation is necessary, **provided that written notice is postmarked no later than Jan. 24.**

Conference registration fees: \$75 advance \$95 on-site
\$30 spouse \$125 non-member

Please print:

Name _____
(Last) (First) (Initial)
County _____ Title _____
Address _____
City _____ State _____ Zip _____ Tele. (____) _____

Hotel Reservations (Make payable to Riviera Hotel)

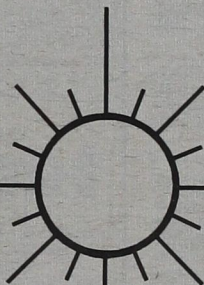
- To guarantee hotel reservations, requests **must be postmarked by Jan. 7.** (No housing reservations made by phone.)
- Guaranteed housing in the Riviera Hotel will be available only to those who preregister for the conference.
- A one night room deposit is required by the hotel and a check made payable to the **Riviera Hotel** must accompany the form below.

Please print:

☐ Single (\$43) Occupant's Name _____
Arrival Date/Time _____ Departure Date/Time _____
☐ Double/Twin (\$55) Occupant's Names _____
(2 people)
Arrival Date/Time _____ Departure Date/Time _____
Suites available upon request.

Send preregistration and hotel reservations to: **National Association of Counties—Western Region Conference**, 1735 New York Ave., N.W., Washington, D.C. 20006.

For further housing information call NACo Registration Center: (703) 471-6180.



Tentative Schedule Outline

Tuesday, February 7

2-5 p.m.
Steering Committee Meetings
3-6 p.m.
WIR Board Meeting

Wednesday, February 8

9 a.m.-12 noon
Steering Committee Meetings
WIR Resolutions Committee

2-4 p.m.
Affiliate Meetings
NACo Board Meeting

5-6 p.m.
Opening General Session

6-7:30 p.m.
WIR President's Reception

Thursday, February 9

9-10:30 a.m.
Four concurrent workshops
10:45 a.m.-12:15 p.m.
Four concurrent workshops
2-15:4 p.m.
Two concurrent workshops
4-6 p.m.
Two concurrent workshops

Friday, February 10

9-10:30 a.m.
Four concurrent workshops
10:45 a.m.-12:15 p.m.
Four concurrent workshops
2-4 p.m.
WIR Business Meeting
7-10 p.m.
Annual Banquet

Call

NACo's Hotline for a legislative update.

(202) 785-9591