

E & E

The Los Angeles County

CITIZENS ECONOMY & EFFICIENCY COMMISSION

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1993

The Los Angeles County
Citizens Economy & Efficiency
Commission

Chair

Gunther W. Buerk

Vice-Chair

Betty Trotter

Commissioners

Fred P. Balderrama

Richards D. Barger

Judith Brennan

Jack Drown

David W. Farrar

John A. FitzRandolph (Appointed 5/4/93)

Louise Frankel

Dr. Alfred J. Freitag

Jonathan S. Fuhrman

Dr. Mike R. Gomez (Term expired 9/1/93)

John Grande

Chun Y. Lee

Carole Ojeda-Kimbrough

Roman Padilla

Robert H. Philibosian

Daniel M. Shapiro

Randolph B. Stockwell

Julia E. Sylva (Appointed 1/24/94)

Efrem Zimbalist, III (Term expired 9/1/93)

Executive Director

Bruce J. Staniforth

Associate

B. Eugene Romig

The Mission of the Economy and Efficiency Commission is to examine any function of County government at the request of the Board of Supervisors, on its own initiative, or as suggested by others and adopted; and to submit recommendations to the Board directed toward improving local government economy, efficiency and effectiveness.

The Los Angeles County

Citizens' Economy & Efficiency Commission

Room 163, Kenneth Hahn Hall of Administration,

500 West Temple Street

Los Angeles, CA 90012

(213) 974-1491 ✚ (213) 620-1437 FAX



CITIZENS ECONOMY AND EFFICIENCY



COMMISSION

OF LOS ANGELES COUNTY

March 1994

The Honorable Yvonne Braithwaite Burke
Chairperson Los Angeles County Board of Supervisors
Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisor Burke:

For the Economy and Efficiency Commission, 1993 was a year of noteworthy achievement. During the year we completed Pension, Risk Management, and Contracting projects assigned by your Board that resulted in the potential savings of hundreds of millions of dollars to the County. Also, the Commission undertook efforts to review alternatives available to the County in areas of budget and economic growth. We also initiated a study, to be completed in 1994, to consider the impacts of delivering municipal services to unincorporated areas of the county. In addition, we have improved the internal functions of the Commission.

The projects undertaken in 1993 illustrate the principal thrusts of the Economy and Efficiency Commission. These include: contributing to your Board citizen input on the operational and decision making processes of the County, informing the public on potential improvements in local government, and assisting governmental agencies in further enhancing the professionalism of their operations.

This Commission provides your Board with highly sophisticated citizen Involvement that is strategically positioned to advise on issues of county government policy. We strive to develop those capabilities so that we can achieve excellence in our advice. While your commissioners look back proudly on their service and accomplishments over the past year, we are confident that adoption of the Commission's recommendations will enhance Los Angeles County in 1994.

Respectfully submitted,

Gunther W. Buerk
Commission Chair

c: Each Supervisor
Each Commissioner

Chair

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Vice-Chair

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The Citizens Economy & Efficiency Commission of Los Angeles County

In 1964, the Board of Supervisors of Los Angeles County enacted Ordinance 3.16 establishing the Citizens Economy and Efficiency Commission. Within this ordinance the Commission, whose members volunteer their time to advance local government, is assigned the responsibility for examining:

"...any function of County government at the request of the Board of Supervisors, on its own initiative, or as suggested by others. The Commission submits recommendations to the Board for the purpose of improving local government economy, efficiency, and effectiveness."

The ordinance enables the Board to appoint 21 Commissioners, one of which is the previous year's Foreperson of the County Grand Jury. Each of the five Supervisors appoints four Commissioners to fill the remaining 20 positions. With the exception of the Grand Jury Foreperson appointment for a term of one year each term may be extended at the request of the appointing Commissioner serves a two-year term. A term may be extended at the request of the appointing Supervisor.

The persons appointed to this Commission are highly dedicated. They attend twelve regular Commission meetings each year and serve on one or more Task Forces that normally meet on an "as needed" basis, usually monthly. They have collectively volunteered in excess of 1500 hours during the year.

The Commission embodies and manifests the concept of community participation and involvement in local government decision-making. It provides the Board with strong citizen input on the policy and operational issues facing the County.

The Economy and Efficiency Commission has an extensive history of involvement. Since its creation, it has published 104 reports, position papers, and letters covering a wide spectrum of topics. These publications have the common objective of developing the means to improve the management and professionalism of local government.

"The Commission is made up of business executives and community leaders. They are unpaid and their only reward is seeing their recommendations, to make County's government more efficient, adopted and implemented. A Commission Task Force carefully researches each project, works with staff and develops recommendations that are usually adopted unanimously by the full Commission. The strength of the Commission lies in its ability to bridge partisanship and to develop a common sense approach to complex problems."

Gunther W. Buerk
Chairman
Economy & Efficiency
Commission

RECOGNITION BEYOND THE LOS ANGELES AREA

In 1993, the Commission continued its strategy to publicize its work. This is critical in advancing the excellence of local government, since many issues being examined by the Commission for Los Angeles County are also pertinent to other local and national policy makers. Recent reports, particularly in the areas of Pension Reform and Risk and Liability Management, have highlighted the nation-wide contribution of the Commission's efforts. As a consequence of these efforts, the Economy & Efficiency Commission has been recognized at the state and national levels for its contribution to excellence in local government.

PUBLICATIONS

Two publications produced to give the public more insight into these Commission 5 workings were the SYNOPSIS OF PUBLICATIONS and the 1992 ANNUAL REPORT. The SYNOPSIS OF PUBLICATIONS, released in March of 1993, chronologically cataloged the 100 publications produced by the Commission since 1964. Listing the title, length and date of the publication, together with a short description, allows interested parties a means of determining, which may offer information of value to them.

The Commission's first ANNUAL REPORT was published in March of 1993. This report recognized the contributions made by the Commissioners and presented the body of the Commission's work throughout the year to the Board and the community. The comprehensive view of the Commission's work establishes both accountability and achievement. The Economy & Efficiency Commission considers this presentation as important, both in the conduct of its self-evaluation, and in communicating its work to the Board and to the community to which it is responsible.

These two publications will be updated annually. They are tangible representations of the Commission's transition from a body of citizens primarily concerned with responding to identified concerns, to one in which its Commissioners have become a resource on public policy issues. Significant knowledge and research is reflected in both the SYNOPSIS OF PUBLICATIONS and the ANNUAL REPORT.

PROFESSIONALISM

To efficiently manage its internal activities, the Commission has significantly expanded its OPERATING PROCEDURES. Given the expanded scope of the Commission's activities and the recent changes in the Ralph M. Brown Act (the California open meeting legislation), the Commission determined that an overall review of the OPERATING PROCEDURES was appropriate. These comprehensive

procedures were completed in 1993 and approved by the Commission in February, 1994. The goal of these *OPERATING PROCEDURES* is to enhance the responsiveness of the Commission and ensure public awareness.

Complementing the revised *OPERATING PROCEDURES* is the ongoing expansion and updating of the *OFFICE MANUAL*. This manual addresses the administration and operation of the staff and the procedures used in the Commission office. They are identified and explained in detail with the objective of facilitating the daily operations of the Commission. The *OFFICE MANUAL* also explains the administrative relationship of the Commission to the Board of Supervisors, to the Executive Office of the Board, to the County infrastructure, and to organizations outside of the County.

To assist new Commissioners in fulfilling their responsibilities, a *COMMISSIONER'S HANDBOOK* has been developed. This handbook is presented to each Commissioner upon his or her appointment. The *COMMISSIONER'S HANDBOOK* includes such items as the County ordinance establishing the Commission and other reference documents that are necessary to introduce the new Commissioner to his or her responsibilities. The *COMMISSIONER'S HANDBOOK* serves as a continuing resource for all of the Commission's work. With it, each Commissioner becomes better informed and is better able to approach the critical policy and operational questions addressed by the Commission.

"The Commission has assumed a renewed sense of professionalism. It goes beyond the procedures and improvements in administration. The Commission now has a management style that seeks to address the needs of the County and the public at large."

PRODUCTIVITY

The year 1993 was one of the most productive on record for the Commission. In addition to the administrative achievements noted above, the Commission completed a report on pension restructuring, managed and supported the development of an independent counsel opinion, and completed two other major studies within budget. These efforts have focused on policy solutions that are designed to produce significant costs savings and to meaningfully enhance productivity in Los Angeles County government.

*Carole Qjeda
Kimbrough
Commissioner*

Completed Studies

PENSION REPORT

In November 1992, the Commission produced a report entitled, Los Angeles County Policies and Practices Governing Retirement Eligible Benefits. In this report the Commission examined the decision making report the design of the County's retirement benefits. It ultimately developed 23 recommendations that reduced cost and modified the existing structure of the Los Angeles County Pension System.

"Top management of this County has implemented a retirement program providing themselves a huge benefits' package at a time when the County is short of money. This is unbelievable. The County cannot afford this. We are here to make sure that this does not recur. We have set forth a plan that recognizes employees for their work in the County, but does so in an equitable fashion."

On November 17, 1992, with the adoption of the first report, the Board of Supervisors requested that the Commission further explore this issue. The Commission was asked to return with specific options to cap or reduce the County's unfunded liability. The Board also requested advice on how to enhance equity and further reduce costs within the system.

In September 1993, responding to the Board's direction, the Commission presented its report entitled, *A Strategy to Reduce Retirement Costs Within Los Angeles County*. Working with W. F. Corroon, Inc., an actuarial firm, the Commission offered 15 recommendations to reduce pension costs and modify the cafeteria-style benefits plans. These objectives were accomplished while ensuring that the Pension System continued to offer employees a comprehensive benefits package.

*Dr. Alfred Freitag
Chairperson
Pension Task Force*

The work of the second pension study recognized that costs to the pension system continued to escalate. This continuation resulted, primarily, from an interpretation of the pension rules allowing employee benefits to be considered as pensionable income. The Commission explored various alternatives to reduce this increasing liability of the pension system. The Commission also examined ways to revise the retirement plans for new hires. The resulting recommendations anticipate a savings to the County that will potentially reach hundreds of millions of dollars. The Board of Supervisors considered the Commission's recommendations in February, 1994. These recommendations, with the action taken on each, begin on the following page:

RETIREMENT POLICY DEVELOPMENT

Action

- 1. Direct the Chief Administrative Officer to develop a retirement policy that provides a basis for compensation and for benefit design and administration. Approved
- 2. Direct the Chief Administrative Officer to report on the impacts of the retirement policy developed in Recommendation #1. Approved

PLAN MODIFICATIONS AFFECTING FUTURE HIRES

- 3. Direct the Chief Administrative Officer to seek an amendment to the recently passed legislation to incorporate a provision allowing employees hired before its enactment the right to elect to be covered under the new law. Approved
- 4. The Board strongly advocates recommendation #3 to expedite its passage. Approved
- 5. Direct the Chief Administrative Officer to establish new cafeteria plan "tiers" that will retain the current levels of cafeteria plan Available Cash Options, but would not be pensionable, for employees hired after the effective date of the passage of AB 1659. Approved
- 6. Direct the Chief Administrative Officer¹ upon passage of the amendment recommended in #3, to establish procedures to facilitate the right to have the new law apply to employees on a voluntary basis. Approved
- 7. Direct the Chief Administrative Officer to report the impacts on the retirement system of any revision to the County's Cafeteria Benefit Plan. Approved

PLAN MODIFICATIONS AFFECTING CURRENT EMPLOYEES

- 8. Direct the Chief Administrative Officer to develop a plan to subsidize any future increase in health benefits to insure that these increases will be outside the County's Cafeteria Plan. Approved
- 9. Direct the Chief Administrative Officer to develop a methodology for calculating the County's Cafeteria Plan contribution. Approved
- 10. Direct the Chief Administrative Officer to report on impacts to the retirement system of any revision in the methodology of calculating County Cafeteria Plan contributions. Approved
- 11. Direct the Chief Administrative Officer to modify the current Megaflex and Flexible Benefit Plans to freeze the Available Cash Options in each plan. Approved

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	<u>Action</u>
12. Direct the Chief Administrative Officer to develop a methodology to establish the appropriate level of the Available Cash Option in the Megaflex Plan.	Approved
13. Direct the Chief Administrative Officer to request from the Board of Retirement a determination of whether the ability to cash out leave to be days outside of a cafeteria plan constitutes pensionable compensation.	Modified To be Voluntary
14. Direct the Chief Administrative Officer to, based on determination by the Board of Retirement, develop a plan for eliminating the employees' to be ability to sell annual leave benefits under Megaflex, and provide Megaflex participants with a similar Elective Leave program outside of the County's Cafeteria Plan.	Modified To be Voluntary
15. Direct the Chief Administrative Officer to develop a methodology Modified for determining employees' ability to carry over vacation time to be voluntary	Modified To be Voluntary

INDEPENDENT LEGAL OPINION ON PENSION ISSUES

As an element of the pension work undertaken by the Commission, the Board of Supervisors requested independent counsel to report on the legality of the options presented for reducing the County's pension liability. The Board also requested an opinion on how to manage its deferred compensation. Independent counsel, Mr. Frank H. Smith of Morgan, Lewis & Bockius, provided a view of the legal hurdles to be overcome in carrying out the recommendations that were proposed.

The Commission used the legal advice of independent counsel in the course of developing its recommendations. This advice was also heavily relied upon throughout the development of the Commission's recommendations directed at the County's pension structure.

COUNTY RISK MANAGEMENT PROGRAM REVIEW

In October, 1991, the Board of Supervisors requested that the Economy and Efficiency Commission conduct a study of the increased liability cost and the risk management measures that could be instituted to reduce escalating liability costs to the County.

The Commission, working with the consulting firm, McGladrey & Pullen, Inc., put forth a set of recommendations that could potentially save the County between \$45 million and \$400 million, depending on the specifics developed during implementation.

The Commission found that a centralized set of data identifying liability costs did not exist. This failure has not enabled the maximization of costs in this area. It was also evident that the magnitude of the real costs was very difficult to determine. Other factors, such as a litigious social environment that promotes lawsuits against public agencies, were examined and addressed in tort reform recommendations.

The Board requested that the Commission conduct a follow-up to this report in 1994 to determine how its recommendations were being implemented.

After the Board of Supervisors received the Commission's report and considered the Commission's recommendations on the increased liability costs and risk management measures that may be instituted to reduce escalating costs to the County, they were unanimously adopted by the Board on September 21, 1993:

“This report clearly shows the Board that cost savings may be achieved by firm control on costs and the development of an efficient organizational structure. In the ‘90’s, the public is going to expect government to be more creative in establishing cost efficiencies while maintaining an adequate level of service.”

*Chun Lee
Chairperson
Risk & Liability
Management Task Force*

TORT REFORM

1. Direct County Counsel to report on how best to implement mandatory arbitration, alternative dispute resolution and mediation.
2. The Board of Supervisors should strongly advocate legislation that would provide for mandatory arbitration, alternative dispute resolution, and mediation, allow a party to file a request for mediation, discourage frivolous litigation, enable judges to determine the amount of punitive damage awards, and change the provisions of joint and severable liability.

RISK MANAGEMENT AND LOSS CONTROL

3. Direct the Chief Administrative Officer to change the Risk Management Program to improve efficiency and report to the Board on how to institute the necessary capabilities and operating processes to address tort liability risk, including timetables.
4. Direct the Chief Administrative Officer to identify savings accruing as a result of any revision in organization or resource allocation identified in the preceding recommendation and, upon implementation, reduce the appropriate budget(s) by the corresponding amount.

5. Direct the Departments involved in risk management activities to review personnel assignments to ensure that individuals are properly trained and equipped to fulfill the responsibilities that they have been assigned.
6. Direct the Chief Administrative Officer to report on opportunities within the Risk Management Program for contracting out.
7. Direct the Chief Administrative Officer to identify savings accruing as a result of contracting out opportunities and reduce the appropriate budgets unit(s) by the corresponding amount.

CLAIMS ADMINISTRATION

8. Direct County Counsel to review the current schedule of settlement authority and report to the Board on their appropriateness.
9. Direct the Chief Administrative Officer to report to the Board on how best to implement alternate risk management strategies.
10. Direct the Chief Administrative Officer to identify savings accruing as a result of implementing alternate risk management strategies and reduce the appropriate budget unit(s) by the corresponding amount.
11. Direct County Counsel to review and report on the most effective means of managing contracted claims.
12. Direct the Chief Administrative Officer to report on the cost and benefits of having independent claims audits conducted.

LEGAL DEFENSE AND SUBROGATION

13. Direct County Counsel to review and report on the maximum number of firms on the defense panel that can be monitored effectively, the costs incurred by exceeding that number and the best means to recognize cost reduction and successes of these firms.
14. Direct County Counsel to report on the assignment of cases to defense counsel, from identification of need, to completion of the case.
15. Direct the Chief Administrative Officer to study the possibility of contracting out subrogation actions and recommend the most effective approach.
16. Direct the Chief Administrative Officer to identify savings accruing as a result of contracting out subrogation actions identified in the preceding recommendation and reduce the appropriate budget unit(s) by the corresponding amount.

BUDGETING AND ACCOUNTING

17. Direct the Chief Administrative Officer to review and report on a cost system that can be implemented to monitor, control and report in a timely manner, on risk and liability costs.

18. Direct the Chief Administrative Officer to develop a system of costing within the Risk Management Program that will enable comparative efficiencies to be identified and acted upon.

RISK MANAGEMENT INFORMATION SYSTEMS

19. Direct the Chief Administrative Officer to assign the responsibility for the development and coordination of a Strategic Risk Information System Plan to include the establishment of liability and cost data that effectively responds to the requirement of the claims management function.

20. Direct the Chief Administrative Officer to report on the savings to be achieved within departments as a result of the development of the Strategic Risk Information System Plan proposed in the preceding recommendation and reduce the appropriate budget unit(s) by the corresponding amount.

A REVIEW OF ACTIONS TAKEN ON "PROPOSITION A" CONTRACTING REQUIREMENTS

The Board of Supervisors asked the Commission on April 3, 1992 to review and report on the "Proposition A11 contracting guidelines being developed by the County. These guidelines were prepared by the Chief Administrative Office and presented to, and approved by the Board in January 1993. Implementing instructions were subsequently issued by the Chief Administrative Officer. The Commission reviewed these instructions and procedures and included in this report an analysis of their impact on the contract evaluation process.

In the delivery of government services, cost savings alternatives have been identified to include privatization. It has been identified as one means of reducing service costs by introducing the efficiencies of competition. The County of Los Angeles has sought to develop a method to effectively evaluate potential contract proposals. The objective of the instructions implemented by the Chief Administrative Officer was to determine the costs and to assist in developing a benefits of contracting. These data would then be used when comparing County costs for the same level of service. The instructions also addressed themselves to how anticipated savings were to be achieved.

“Contracting is too important to the County, to contractors, and the public being served, to make decisions without due process and adequate information. The Commission has made recommendations to assist in developing a more efficient approach to evaluating contractors than what was being proposed.”

*Betty Trotter
Chairperson
“Proposition A”
Task Force*

The Commission determined that these procedures not collect the data in an effective fashion, that the structure of the data requested did not achieve the

objectives that were anticipated, and that the procedure did not fulfill the requirements of the County. Many of the Commission's recommendations addressed themselves to a modification of the formats that were implemented.

The report was submitted to the Board of Supervisors in 1993. As of the date of this publication, the Board has yet to consider the "Proposition AN report. Thus, Board action is pending for each of the following recommendations:

HEALTH BENEFITS FOR CONTRACT EMPLOYEES

1. Direct the Chief Administrative Officer to issue instructions clarifying that it is not now a requirement for contractors to provide health benefits.
2. Direct the Chief Administrative Officer to analyze the economic, organizational, and individual impacts of mandating health benefits.

STANDARD FORMAT FOR COST SAVINGS ANALYSIS

3. Direct the Chief Administrative Officer to clearly explain any revisions to the contracting process.
4. Direct the Chief Administrative Officer to revise the Countywide Contracting Manual to reflect any changes to the contracting process.
5. Direct the Chief Administrative Officer to insure that all contracting instructions provide opportunity for suggestions.
6. Direct the Chief Administrative Officer to review the current contract evaluation procedures.
7. Direct the Chief Administrative Officer to require a statement in the Countywide Contracting Manual on qualitative impacts.
8. Direct the Chief Administrative Officer to revise the approved "Comparison of Estimated Avoidable Costs to the Cost of Contracting" Form. (This recommendation includes 14 sub-recommendations.)
9. Rescind approval of "Contract Employee Wages & Benefits" Form until further analysis can be undertaken.

EVALUATION OF SERVICES PROPOSED FOR CONTRACTING

10. Direct the Chief Administrative Officer to further develop a process for analyzing cost savings opportunities in contracting.
11. Direct the Chief Administrative Officer to clarify analytic requirements in renewing or modifying a contract.

12. Direct Department Heads to develop, where possible, public and/or private sector comparative performance data.

13. Direct the Chief Administrative Officer to report on the CAO review of contracting opportunities in "main mission activities" of departments.

REPORT TO THE BOARD ON "PROPOSITION A" CONTRACTS

14. Direct the Chief Administrative Officer to ensure that its annual contracting report evaluates the performance of the contract and the department.

15. Direct the Chief Administrative Officer to consider formation or use of advisory bodies to develop Statements of Service Quality.

16. Direct the Chief Administrative Officer to revise the approved "Report on How "Proposition A" Contracts are Being Carried Out" Form. (This recommendation includes 9 sub-recommendations.)

17. Direct the Chief Administrative Officer to clarify that Performance Evaluations are based on measurable objectives defined within the contract.

18. Direct the Chief Administrative Officer to revise the Countywide Contracting Manual to reflect performance-based objective accomplishments.

19. Direct the Chief Administrative Officer to revise the "Department Head Performance Agreement and Evaluation" Form.

COST EFFECTIVE CONTRACTING (Refer to Recommendations #6, #7, and #10 above.)

COMMUNITY IMPACTI CONTRACTING POLICY

20. Direct the Chief Administrative Officer to study the economic role of the County as an employer and buyer of goods and services in the region.

21. Direct the Chief Administrative Officer to direct that the economic role of the County be reviewed annually.

22. Direct the Chief Administrative Officer to develop a clearly defined set of objectives for the Contracting Program.

23. Direct the Chief Administrative Officer to conduct an overall review of the Contracting Program.

24. Direct the Chief Administrative Officer to provide this Commission with informational copies of any documents produced.

COUNTY BUDGET AND ECONOMIC GROWTH

“By supporting the legislation recommended by the Commission, the Board of Supervisors has had a significant beneficial impact, not only on our local economy, but also statewide. These actions which clearly demonstrate the Board’s leadership, will positively influence the future direction of the State on these issues.”

The Commission formed a task force in March of 1993 to study the County budget and various means to increase the tax base through economic growth, rather than increasing revenue from additional taxes. The County Budget and Economic Growth Task Force examined legislation recommended publications on these issues from a number of by the Commission, the organizations within the State of California. The Commission submitted a report that addressed the points on which these organizations had fundamental agreement. These included workers' compensation insurance reform, civil litigation reform and permit streamlining, specifically in environmental regulation. As part of its efforts, the Commission recommended that the Board of Supervisors support certain State Assembly and Senate Bills then pending in the legislature. The Commission also offered a strategy to the Supervisors to effectively address the issues that were being raised.

**Robert Philibosian
Chairperson
Budget and Economic
Growth Task Force**

The Board of Supervisors passed a motion on May 18, 1993 urging Governor Wilson and legislative leaders and conferees to agree to strong, meaningful worker's compensation insurance reform consistent with the principles of the Commission’s report. The Commission's recommendations to the Board for an appropriate position are:

LEGISLATIVE POSITION

Action

1. Aggressively support legislation which has both the highest priority for reform and the largest degree of consensus, specifically:

Referred civil Litigation recommendations to The Judicial Procedures Commission for Timely review & recommendations.

Workers' Compensation Insurance Reform

Senate Bill 55 (Leonard)
Senate Bill 30 (Johnston)
Assembly Bill 110 (Peace)

Civil Litigation Reform

Assembly Bill 147 (Richter)
Assembly Bill 498 (Goldsmith)
Assembly Bills 108, 2299, 2300, and 2302 (Morrow)

Reaffirmed Support of SB 1185, which

Streamline the Permitting Process Reform

Senate Bill 1185 (Bergeson)

& shorten the state permitting Process.

Action

- | | |
|---|--|
| 2. Implement a strategy for supporting the above legislation that includes the following: | Instructed the CAO
CAO to modify the
Governor, |
| a. The Board should invite the entire Los Angeles County legislative delegation to an emergency meeting to approve this legislative agenda. | Legislative
leaders, the
County
Legislative |
| b. Each Supervisor should personally contact members of the Los Angeles County legislative delegation to reinforce their support for these reforms. | Delegation, our
Sacramento
representative and
the CSAC of the |
| c. The Board, collectively, and the Supervisors, individually, should urge other counties, cities, and organizations ¹ such as the California State Association of Counties, to join in this advocacy. | Board action. |

Focus in 1994

In 1994 the Commission will be focusing on several areas. The Commission will also monitor the implementation of the recommendations in their completed studies to ensure that those, as adopted by the Board, are being implemented and that identified cost savings are being achieved.

COMMISSION EVALUATION MODEL

At the request of the Board of Supervisors, the Commission created a Task Force to develop an evaluation model that could be used by the Board's Audit Committee in its review of commissions, committees and task forces. The Task Force developed a set of commissioners, evaluation criteria. Using these criteria it developed, on one form, a format that enabled a self-evaluation by the organization and a review of that evaluation by the Audit Committee.

In addition to the evaluation model, the Commission took this opportunity to make a number of recommendations for the improvement of commission, committee, and task force structure. The following recommendations are pending Board action:

COMMISSION, COMMITTEE AND TASK FORCE STRUCTURE

1. Direct the Executive Officer/Office of Commission Services to develop a program to periodically brief all newly appointed commissioners on the County's structure, programs, legal responsibilities, budget, operations, commission system, and other relevant information. (See 1987 E&E report.)
2. Direct the Audit Committee to conduct an initial review of the commission, committee, and task force structure within Los Angeles County to establish how well it is operating. Comparing and contrasting the organizations within this structure may be simplified by categorizing them into functional areas.
3. Direct the Audit Committee to review the mission statement of each commission, committee, and task force to ensure that it is clearly defined and reflects the objectives established for it by the Board.
4. Direct the Audit Committee to ensure that the organization's mission is consistent with those established for other commissions, committees and task forces.
5. Direct the Executive Officer of the Board to ensure that when non-mandatory commissions, committees, and task forces are created, that a termination date is included as a part of that action. (See 1986-87 Grand Jury Report.)
6. Direct that commissions, committees and task forces not be allowed to extend "sunset" reviews, unless under extreme circumstances. In no case would such an extension be longer than six months from the original "sunset" review date.
7. When establishing task forces the assignment of time-targeted studies should be made to existing commissions and committees. (See 1986-87 Grand Jury Report.)
8. Eliminate commissions, committees or task forces that have either been superseded by later Board actions or found to no longer have a viable mission. (See 1986-87 Grand Jury Report.)
9. Direct the Chief Administrative Officer to include in the budget the total costs, both direct and indirect, for commissions, committees and task forces. (See 1986-87 Grand Jury Report.)
10. Direct the Audit Committee, during its evaluation to attend, unannounced, a meeting of each commission, committee and task force to be evaluated.

UNINCORPORATED MUNICIPAL SERVICES DELIVERY

Last year the Commission became interested in how municipal services were being allocated to unincorporated areas. Initial investigation revealed that there is no separate budget to account for these services. The Commission decided to try to learn how these services were being provided and on what basis this important County government function can be budgeted.

Unincorporated islands are present in some incorporated areas, yet there has been little understanding of how they are served. The impact they have on surrounding incorporated areas and the issue of quality of service delivery to unincorporated communities are also issues to be considered. The Task Force formed to study this topic has the goal to develop recommendations that will allow the Board to make important decisions with regard to services for unincorporated areas.

Three specific objectives have been developed for this project:

- Develop a comprehensive description and costs of the current municipal services being provided by County agencies to unincorporated areas.
- Consider alternatives available in the delivery of municipal services.
- Review future areas of study that have potential for significant cost savings or improvement in service delivery.

This project will enable the Commission to make recommendations that will provide cost savings and increase the efficiency and effectiveness in the delivery of municipal services to unincorporated areas.

REAL PROPERTY MANAGEMENT

In 1991, The Commission produced a report on *Real Property Management in Los Angeles County*. The Commission made the five recommendations to increase the cost effectiveness of the County's utilization of existing real estate. It also promoted the efficient use of the available space. Techniques, such as "charging" departments for rent would alert each department to real costs being incurred. The Chief Administrative Office is currently re-examining the issue of real asset management in the County, based, in large part, upon the recommendations made in this report. This information will then be compiled, and a program

“Intelligent Real Property management in today’s real estate market can be an asset of immense proportions. A first step toward this is the generation of a comprehensive data base.”

**Daniel Shapiro
Chairperson, Real Property Management Task Force**

Developed to improve the management of these assets. The Commission will be Working with the Chief Administrative Office in reviewing its recommendations and to determine the means by which the Commission can be of further assistance.

RISK MANAGEMENT PROGRAM FOLLOW-UP

The Commission continues to actively monitor the progress made in implementing its recommendations. The Chief Administrative Office, County Counsel, and other affected departments involved in liability cost containment and risk management are the current focus of this effort. The Commission will provide a program review to the Board in early 1994. With the assistance of McGladrey & Pullen, Inc., the Commission will further examine the issue to determine what additional work may be needed to improve and expand cost savings and efficiencies. It may also make additional recommendations to the Board of Supervisors concerning further actions.

REVIEW OF PAST COMMISSION RECOMMENDATIONS

Periodically, it is prudent to look back and review the impact that previous Commission recommendations have had on County policy and operations. A staff project will be initiated to review these past Commission reports. This review will consider possible follow-up on the implementation of Commission recommendations. This effort will be designed to assist in an assessment of the effectiveness of past and current program evaluation. With this information, the Commission will be able to improve upon future analytic efforts. It will also provide an evaluation of how government policy is changed at the county level.

Economy & Efficiency Commission Members

FRED BALDERRAMA

Businessman; President, MPR Fleet Services; City Council Member, City of Monterey Park; bison and cattle rancher; private pilot; Asian Task Force 2000; Asian Advisory Council.

RICHARD D. BARGER

Attorney, Senior Partner, Barger & Wolen; Insurance Commissioner-State of California, 1968-72; Member, State Bar of California; Member, American Bar Association, Los Angeles; Member, County Bar Association; Member, District of Columbia Bar Association.

JUDITH BRENNAN

Council Member, City of Norwalk; President, Brennan Screen Printing, Inc.; Representative, Southern California Joint Powers Insurance Authority; Delegate, Norwalk Los Angeles County Sheriff Station Authority; Policy Board member, Private Industry Council; Commissioner and Former Chairperson, Planning Commission, City of Norwalk; Former Commissioner, Parks & Recreation Commission, City of Norwalk; Former Director of Public Relations, Pacific Coast Quarter Horse Racing Association, Inc.

DR. GUNTHER W. BUERK

President, American Consulting Company (a management consulting company); Present Chairperson, Economy and Efficiency Commission; Chairman and CFO, West Coast Microbreweries, Inc.; Former Manager of Corporate Economics & Strategic Planning, Unocal Oil Company; Founding Council Member, City of Rancho Palos Verdes; Former Mayor, City of Rancho Palos Verdes.

JACK DROWN

Owner and President, Drown News Agency; Co-founder and President, Council of Periodical Distributors; President, Pacific Coast Independent Magazine Distributors Association; Director, Periodicals Institute

DAVID W. FARRAR

Partner, Brand & Farrar; Former Law Clerk at U.S. District Court; Former Officer, U.S. Navy; Member, Urban Land Institute; Member, L.A. County Bar Association; Member, American Bar Association; Member, City Club on Bunker Hill.

JOHN A. FITZRANDOLPH

Dean of Whittier Law School; Chairperson, Law School Council of the State Bar of California; Former Chairperson, Los Angeles County Commission on *cal Government Services (1985-1993); Former Executive Assistant to U.S. Senator John V. Tunney; former Assistant to Assembly Speaker Bob Moretti. (Appointed to E&E Commission 05/04/93)

LOUISE FRANKEL

Officer & Member of the Board, Frankel Films, Inc.; Former President & Hearing Officer, Los Angeles County Civil Service Commission; Former Member & Vice-President, Los Angeles City Board of Zoning Appeals; Former Member, Mayor Bradley's Blue Ribbon Committee on City Commissioner Appointments; Former Board Member, San Fernando Valley YWCA; Founder, Board Member & President, Tarzana Property Owners' Association; one of fifteen Pioneer Women of 1992, City of Los Angeles.

DR. ALFRED J. FREITAG

Professor of Education, Emeritus, Pepperdine University; Pastor Emeritus, Trinity Lutheran Church; Author; Former Chairperson, County Commission for Public Social Services; Former Member, County Citizens Liaison Committee for Juvenile Justice; Member, California Historical Society; Archivist/Historian, Pacific Southwest District Lutheran Church, Missouri Synod; Member, Board of Regents, Concordia University, Irvine; Member, Board of Directors, Good Shepherd Homes.

JONATHAN S. FUHRMAN

MIS Manager, Nestle USA; Commissioner, City of Pasadena-Northwest Commission; Member Federation of American Scientist; Member of ACT (political action group), League of Women Voters-Pasadena; Member, Pasadena Education Foundation.

DR. MIKE R GOMEZ

Dentist; Member, Huntington Park Shared Decision Making Council, 199(*91; Walnut Park Mutual Water Co, Board of Directors; Walnut Park Merchants Associations; (E&E Commission term expired 911193)

JOHN GRANDE, PH.D.

Foreman of the 1992-93 Los Angeles County Grand Jury (E&E Commission appointment, 9/7/93); retired President of Glendale Community College; recipient of the Liberty Bell Award; President of Chevy Oaks Homeowners Association, Glendale Symphony Orchestra Association, Glendale YMCA, Glendale YWCA; U. Governor, Division 3, Kiwanis International.

CHUN Y. LEE

President & Chief Executive Officer, Futuristic Applications Corporation; Vice President of National Office & President of Los Angeles Chapter, Technology Transfer Society; Honorary Member, Policy Advisory Committee for Government Legislation Ministry, Republic of Korea; Former Member County Public Social Services Commission; Former Member, Los Angeles City Zoning Board; Former Member, Federal Advisory Committee on Immigration & Naturalization.

CAROLE OJEDA-KIMBROUGH

Budget Analyst, Atlantic Richfield Company (ARCO); Member, Board of Directors, Search to Involve Philippine-Americans, Inc. (SIPA); Treasurer, Tulong Sa Bayan (Aid to the Philippines); Member, Filipino Women's Network.

ROMAN PADILLA

Positions included: Assistant to Assemblyman Xavier Becerra, Becerra for Congress; Budget Deputy to Supervisor Gloria Molina; Executive Fellow, CAL State Department of Finance; Academic Senator, California State University, Los Angeles; Lieutenant, USMC.

ROBERT H. PHILIBOSIAN

Partner, Sheppard, Mullin, Richter & Hampton; District Attorney, Los Angeles County 1983-M; Chief Assistant Attorney C1, State of California 1979-82; Chair, California Council on Criminal Justice 1983-1991; Commissioner, California State World Trade Commission; Director, American International Bank; Trustee, Southwestern University Law School.

DANIEL M. SHAPIRO

Attorney; President, Universal Pacific Communications, Inc.; Principal, Defense Conversion Assoc.; Former Chairperson, Mayor's Select Committee for Los Angeles Finance and Budget; Former Chairperson, Citizens Advisory Committee on General Plan for Los Angeles Planning Committee; Former Chairperson, Advisory Committee to Los Angeles Police Commission on Police Deployment Formula; Former President, Studio City Residents' Association; Former Officer, U.S. Naval Reserve.

RANDOLPH B. STOCKWELL

Banker/Investor; Former President & CEO, Community Bank; Member, President's Commission on Industrial Competitiveness.

BETTY TROTTER

Retired Journalist; Former Editorial Staff, Ventura County Star-Free Press; Former President of Los Angeles County Chapter League of Women Voters; Former Government Director of California State League; Member, Advisory Committee, Urban Archives Center, California State University, Northridge; Member, Legislative Analyst's Ballot Pamphlet Readability Committee, 1986, 1988, 1992; Board Member California Common Cause; Former Member, Advisory Group to State Board of Corrections; Member, Advisory Group to Judicial Council.

EFREM ZIMBALIST, III

Executive, Times Mirror Company; chairman, Correia Art Glass; Past Chairman, Board of Trustees, Robert Louis Stevenson School; Trustee, House Ear Institute. *E Commission term expired 9/11/93) Commissioner Appointment in 1994

JULIA E. SYLVA

Partner, Ochoa & Sillas; Former Mayor and City Council Member, City of Hawaiian Gardens; City Attorney, City of San Fernando; Founding Member, MABA-PAC; Los Angeles County City Attorney's Association; National Women's Political Caucus *A. Metro); National Association of Bond Lawyers; Jewish Women's B&P Association; Los Angeles County Women Lawyers' Association. (Appointed 1/25/94)