

LOS ANGELES COUNTY

ECONOMY AND EFFICIENCY COMMISSION

ROOM 163, HALL OF ADMINISTRATION / 500 WEST TEMPLE / LOS ANGELES, CALIFORNIA 90012 / 974-1491

M I N U T E S

FULL COMMISSION MEETING

October 25, 1976

Dr. Robert J. Downey
Chairman

Members Present:

Anne Collins, Vice Chairman
Margaret Carr
Mario Di Giovanni
Carolyn Ellner
Robert Ruchti
Luis Ruiz

Members Absent:

Robert Downey
George E. Bodle
Catherine Burke
John Byork
Jerry Epstein
Douglas Ferguson
Milton Gordon
Richard Gunther
Mary Jane Kidd
Leo Majich
Warren Schmidt
George Shellenberger
Gloria Starr
Larkin Teasley
Bryan Walker

George E. Bodle
Catherine Graeffe Burke
John D. Byork
Margaret Paterson Carr
Anne S. Collins
Mario Di Giovanni
Dr. Carolyn L. Ellner
Jerry Epstein
Douglas W. Ferguson
Milton G. Gordon
Richard S. Gunther
Mary Jane Kidd
Leo A. Majich
Robert Ruchti, II
Luis A. Ruiz
Dr. Warren H. Schmidt
George Shellenberger
Gloria Starr
Larkin Teasley
Bryan Walker

Burke Roche
Executive Secretary
John Campbell
Staff Specialist
Maxlynn Larsen
Commission Secretary

Anne Collins called the meeting to order at 9:37 a.m. She announced that Dr. Downey had a conflict today and would not be able to attend. Since this was a special meeting for release of the Canyon County report and not held on our regular meeting day, many members had conflicts.

Report on the Formation of Canyon County - Anne Collins pointed out the errors in the voters' pamphlet in the argument in favor of Proposition F. The statement says that the E & E Commission is appointed by the Grand Jury. The E & E Commission is appointed and reports to the Board of Supervisors.

It also states that the taxpayers of Los Angeles County are subsidizing the proposed county with \$10 million a year under the present system, which is not correct. The CAO statement was that if the proposed county is formed, it will need an additional \$10 million plus its revenue to maintain the service levels it now receives.

Burke Roche explained that the usual safeguard in the ballot measures is the rebuttal statement, which should provide the other side the chance to correct any erroneous statements made in the argument. There was no rebuttal on Proposition F, so the misstatements were not corrected.

Luis Ruiz asked why the residents of Canyon County did not incorporate as a city instead of trying to establish a county. It seemed to him that it would be cheaper in the long run.

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John Campbell explained that three previous attempts at incorporation had failed for various reasons, but principally because the people in the area could not agree on a name, place, or identification. They all failed in the initial stages.

Members discussed the negative aspects of the secession, which were:

Fragmentation of government;

Loss of tax base;

Large percentage of the people living in Canyon County would still be working in Los Angeles County;

Los Angeles County must provide services and help to subsidize the new county during a transition period;

Loss of capital projects which all of Los Angeles County residents have helped to develop and finance; and

The five elected supervisors of the new county would have tremendous power in being able to appoint all department heads.

Carolyn Ellner moved adoption of the report on the Formation of Canyon County; seconded by Luis Ruiz and adopted unanimously.

Burke Roche reported that a number of members had called to say they had conflicts but wanted to be counted as being in strong support of the report. These members are: Catherine Burke, Jerry Epstein, Douglas Ferguson, Milton Gordon, Richard Gunther, Mary Jane Kidd, Warren Schmidt, George Shellenberger, and Gloria Starr.

The commission recessed at 10 a.m. to answer questions from the media. The main question of concern was the statement regarding the \$10 million subsidy statement being used by the proponents of the issue.

The commission reconvened at 10:20 a.m. Anne Collins asked John Campbell to get a clarification of the \$10 million statement from the CAO.

John Campbell said that the CAO has had people working on this project since April when the Formation Review Commission was formed. A lot of questions were asked regarding how much money the County spent in the Canyon County area. In January the CAO came up with a figure that showed a tax rate of \$8.95 for the new county and another figure showing a \$10 million shortfall between the new county budget and the revenue. The proponents have translated that statement to mean that therefore Los Angeles County subsidizes that area with \$10 million.

Task Force on Charter Amendments - Mario Di Giovanni, Chairman, reported.

Despite the indepth report and the publicity on Propositions A and B, the public does not seem to know what is involved. Their first reaction is that they don't want to spend more money on more government.

He made a presentation of the report at a meeting of the past Grand Jurors Association last Monday. They discussed the pros and cons, and he learned later that they voted in favor of the propositions. The following day he talked to the Malibu Rotary Club, and they voted unanimously to support the propositions. He also made a presentation to the Optimist Club of the Palisades, which was covered by the Palisades Post, and he was interviewed at length by Ira Rifkin of the Evening Outlook.

Anne Collins said that the commission owes Mario Di Giovanni a vote of thanks for all the work he has done on Propositions A and B.

Report on Eliminating Automatic Step Increases and Controlling Supervisory Costs in Los Angeles County Government - Burke Roche reported.

On Tuesday, October 5, following release of the report, Supervisor Edelman brought in a motion directing the CAO to implement studies on the reduction of supervision. On October 19, on motion of Supervisor Hahn, seconded by Supervisor Schabarum, the Board voted unanimously to direct the CAO to institute a program to phase out the automatic step increase.

A number of tax groups have written letters to the Board supporting the recommendations in the report, and they will be observing the County's progress in this area.

The meeting was adjourned at 10:38 a.m.