

**LOS ANGELES COUNTY**  
**ECONOMY AND EFFICIENCY COMMISSION**

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

Dr. Warren H. Schmidt, Chairperson  
Gloria Starr, Vice Chairperson

George E. Bodle  
Dr. Catherine G. Burke  
John D. Byork  
Margaret Paterson Carr  
Anne S. Collins  
Dorothy Avila Courtney  
Dr. Mario Di Giovanni  
Dr. Carolyn L. Ellner  
Jerry Epstein  
Milton G. Gordon  
Richard S. Gunther  
Mary Jane Kidd  
Leo A. Majich  
Lauro J. Neri  
Robert Ruchti, II  
Luis A. Ruiz, CLU  
George Shellenberger  
Bryan Walker

Burke Roche  
Executive Secretary  
John Campbell  
Staff Specialist

MINUTES

FULL COMMISSION MEETING

OCTOBER 3, 1979

Members Present:

Warren Schmidt, Chairperson  
Gloria Starr, Vice-Chairperson  
Susan Berk  
Catherine Burke  
Margaret Patterson Carr  
Anne S. Collins  
Carolyn L. Ellner  
Mario Di Giovanni  
Milton G. Gordon  
Mary Jane Kidd  
Thomas F. Kranz  
Robert Ruchti, II  
George Shellenberger

Members Excused:

George Bodle  
John D. Byork  
Jerry Epstein  
Richard G. Lillard  
Leo A. Majich  
Lauro J. Neri  
Bryan Walker

Warren Schmidt called the meeting to order at 9:50 a.m.

Announcements:

Warren Schmidt introduced Janet Leonard who would be the secretary today, as Martha Ohanesian was on vacation.

The minutes of the last meeting were presented for approval. Catherine Burke indicated that she was not listed as being present in the minutes and requested she be added to Members Present. The minutes were approved as amended.

Dr. Schmidt indicated that there would be reports of all task forces that have been meeting during the month.

### TASK FORCE REPORTS

#### Community Relations Task Force:

Carolyn Ellner stated that at the last meeting of the task force three issues were discussed.

The first was how to revise the brochure on the history of the Commission. The new version will conceptualize our accomplishments into different areas, such as, Civil Service and Personnel Practice, Fiscal Management, etc. The task force is recommending that we do revise the brochure, which now goes up to May of 1978; and in doing that, to reconceptualize the organization.

In line with that, the task force will enlist the help of a specialist to help in presentation and develop some graphic concepts, so that they can present the work of the Commission to community organizations. Dr. Schmidt agreed to ask a professor at U.S.C., who is president of an advertising firm, to see if he would be willing to work with us. Members were asked for names of talented people who might be willing to help.

The second issue was how assertively the Commission should respond to statements made by others on issues that we have taken a stand on. The task force recommends that we take an assertive stand on these issues. All articles, etc., should be brought to our attention by sending them to John Campbell, so that we can decide which ones need a response. In a case of a printed matter, Mr. Campbell will contact the appropriate people and draft a letter.

Number three also has to do with the flow of information, working out some operating procedures for responding to inquiries from the press that come to Mr. Campbell in relation to various current issues. The task force has indicated that Mr. Campbell should respond to these issues as he has the information to do so. Mr. Campbell has agreed if there is time, to contact the chairman of the task force related to the problem under scrutiny, and if possible the task force chairman will respond. If the person is not available, Mr. Campbell will make the response. He will then contact Dr. Schmidt as Chairperson and the task force chairperson, so that they will be aware of the response. The response should be made as soon as possible. Dr. Schmidt emphasized that while writing and responding to articles, press,

etc., there is an increasing number of problems that are emerging that come up because of the mix-up of governmental agencies in this area.

Task force on the Executive Organization of the County:

Mario Di Giovanni indicated the task force met on September 18. Those present were Warren Schmidt, Mary Jane Kidd and Dr. Di Giovanni. The task force deals primarily with the County or County Executive issues. The task force feels strongly that people need to know whether this particular type of government is better than what they have been getting and why. The task force will find out how well the other counties are doing, whether they are really successful there or not.

Finally, we propose to get clear evidence of the effects of change on the cost of government. The fear of most voters right now is that changes would add more people to the payroll. Discussion followed on these proposals. Warren Schmidt questioned whether the next step would be to develop a specific proposal to seek financing from community organizations.

Discussion followed on all the prior work in this field. Commissioners agreed by common consent that we would not duplicate past work, but would attempt to identify and answer the questions of the public regarding earlier structural proposals. In particular, the task force will concentrate on design issues.

Task Force on Contracting with Private Firms:

This task force is headed by Lauro Neri, who is out of town today. John Campbell reported on the task force activities.

The task force worked on a report with the Contract Services Advisory Committee, who recommended that the County consider contracting for security services. That report was forwarded to the Board of Supervisors a couple of weeks ago. Supervisor Schabarum made a motion to implement it and the Board adopted it last week.

The E & E Commission could readily get involved in some policy issues that will emerge as the County gains experience with contracting.

Secondly, Mr. Neri served on a panel last Thursday on the County's Management Council. There is a need in that task force for the function of preparing lists of candidates for contracts, and what kind of services are available in the private sector; whether it be reasonable to consider contracting in those areas.

The Charter Amendment includes the clause for the County to have an ordinance for this area. The ordinance has controls throughout, which is another issue, because a lot of management people who like the flexibility of contracting find the controls to be burdensome. Robert Ruchti stated that with the private sector contracting, there may be less waste or cost. Warren Schmidt asked the task force to deal with these issues and at some point make recommendations.

Task Force on Government Structure:

Warren Schmidt, George Shellenberger, and Catherine Burke attended the task force meeting. The conclusion essentially was that they should probably go ahead working as they have been over the last few months; speaking to various groups, and seeking funding, to hold a series of workshops in each county to talk about the issues that are confronting us, and look at this whole restructuring issue.

A report was received from September 19th and an earlier one from October 20th, regarding discussion here in the County and City about essentially replacing SCAG, and various alternative proposals. The proposals suggested by the County would strengthen the County and get a countywide council of governments, and some kind of a regional body for those issues.

The Commission felt Catherine Burke should be applauded at the work she is doing. Warren Schmidt asked Robert Ruchti to suggest other places and individuals that Dr. Burke could contact.

Incentives and Disincentives Task Force:

Dr. Lillard is chairperson of that task force, and Susan Berk is co-chairperson. Dr. Lillard is out of the country, and Ms. Berk called the first meeting of the task force.

The first question was whether or not it is true that all the good managers are leaving County government, and to take a look at how many were gone, and their levels and departments. If patterns seem to be emerging, the task force must compare this data with 1973 and 1976 to see if it is an old pattern or whether we are dealing with a new phenomenon.

The next step will be to take a look at what constrains each manager in county government from being effective. Most managers say that they don't have enough money, but more money may not make them more effective. The task force will look at two or three cooperative departments and at all management levels so that they can see the interrelationship of those levels and to take a human relations approach, as well as a statistical approach to the problem.

The third step would be to design recommendations and implement a plan to overcome some of the disincentives, and to enhance and create some new incentives. They want to take a broader frame in these things like compensation and personnel. Designing and sending out a questionnaire to those who have left county government was discussed.

The next meeting is scheduled for November. The Commission is interested in seeing the results of the questionnaire.

#### Task Force on Proposition 13:

Warren Schmidt questioned Margaret Carr if there was something to report on the response of Proposition 13. Ms. Carr indicated that at the last Commission meeting John Campbell had reported on the task force's activities. They are now awaiting a report from the staff with statistical information on those areas already identified. Mr. Campbell indicated to her last week that it would be another couple of weeks before he would be ready to make any written report.

Robert Ruchti has joined the task force and is very welcomed. George Shellenberger made reference to an article in a paper about the study of the General Accounting Office on the effects of Proposition 13. Due to surplus in sales and income tax, the government has not suffered yet. The State surplus should be \$5 billion.

#### Report and Discussion of Available University Resources:

Yesterday Warren Schmidt and John Campbell met with representatives from U.S.C., U.C.L.A., Claremont and Redlands who have responsibility for placing interns and helping graduate students get direct experience.

The role of the Commission was explained and the need for graduate student placements. The response to the Commission was positive. The Commission may be able to gain the expertise of some very bright and highly motivated people for very little or no expense.

The next step is to delineate assignments of the students. This support will certainly be needed just in assembling information and in managing the Commission.

#### Presentation by Alexander Pope, Assessor of the County of Los Angeles:

Warren Schmidt introduced Alexander Pope, County Assessor, and gave a brief history of his background. Mr. Pope felt that

the Commission could be of help in a number of areas, and would indicate them at the conclusion.

He then gave an overview of the impact Proposition 13 has had on his Department. The mission of the Assessor's Department was to put a current value on the approximately two million parcels of real estate that exists in this County; plus about 300,000 business personal property assessments they have had to make. Proposition 13 put them into an entirely different system in appraising property in this County and State. The pure market value standard remains, but it is fixed in time under Proposition 13 in a way that it never was before. The legislature and the State Board of Equalization make statewide rules that are binding on all assessors. This legislation and the rules under which the Assessor functions were disseminated in approximately one month.

One of the basic rules involving the rollback was that they would use the 1975 values only for property that had been reappraised in this County in that year (about 400,000). The bill was signed by the Governor on the 4th of July. During that short period of time, until the 21st of August, they had to revalue 1,600,000 parcels to bring them from some earlier value up to that 1975 level. To say the least, they had to use what they refer to as mass appraisal techniques.

Mr. Pope then discussed problems with the morale of the employees in his Department, i.e., salaries, employees not being able to be promoted because of deletion of positions, etc. He made mention that the hardest hit department, other than the Assessor, was the Library. He feels the problems and cutbacks are devastating. He sought support from the Commission as it had helped his Department in getting some very valuable people to help in the past.

This report reaffirmed the Commission's concern expressed at the meeting about the morale of County employees. Some kind of incentive pay is a must. One thing that the Assessor's Department is doing and the Commission may want to consider is that they have a four/ten plan now in operation for the Department on a trial basis, which was triggered to some extent by the gasoline shortage earlier in the year.

Mr. Pope is meeting with the Civil Service Commission staff to discuss some of these problems, trying to decide whether to continue that experiment or to implement it on a permanent basis.

A motion was made by Mary Jane Kidd and seconded by Margaret Carr, and the commissioners unanimously excused the absences of those members listed above as excused.

Commission meetings will continue to be held on the first Wednesday of each month. The meeting was adjourned at 11:50 p.m.