

**LOS ANGELES COUNTY
CITIZENS ECONOMY AND EFFICIENCY COMMITTEE**

ROOM 139, HALL OF ADMINISTRATION/500 WEST TEMPLE/LOS ANGELES, CALIFORNIA 90012/625-3611, Ext. 64605

M I N U T E S

COMMITTEE MEETING

DATE: Wednesday, February 3, 1971
TIME: 9:30 a.m.
PLACE: Hall of Administration, Room 864

Robert Mitchell,
Chairman

Raymond Arbuthnot
Dr. John C. Bollens
Davis Brabant
John D. Byork
Maurice Rene Chez
Roc Cutri
Dixon R. Harwin
Mrs. Ray Kidd
Harlan G. Loud
P. S. Magruder
Kiyoshi Maruyama
Irvin Mazzei
Ferdinand Mendenhall
R. J. Munzer
Louis Rogers
George Shellenberger
Mrs. Donelle Smith
William Torrence
Gus A. Walker

Burke Roche,
Executive Secretary

Members Present:

Robert Mitchell, Chairman
Davis Brabant
John Byork
Dixon Harwin
Mrs. Ray Kidd
Harlan Loud
P. S. Magruder
Irvin Mazzei
R. J. Munzer
Robert Olin
Louis Rogers
George Shellenberger
Sam Soghomonian
William Torrence
Gus Walker

Members Absent:

Dr. John Bollens
Maurice Chez (Europe)
Roc Cutri
Ferdinand Mendenhall
Mrs. Donelle Smith

Mr. Mitchell called the meeting to order at 9:35 a.m. He introduced the two new members of the committee, Mr. Robert Olin and Mr. Sam Soghomonian. Mr. Olin who was appointed to replace Mr. Arbuthnot is President of Olin Construction Company in Pomona, California. Mr. Soghomonian will serve on the committee for one year in accordance with the Board order that the Foreman of the past year's Grand Jury will serve on the committee for one year. He is a Professor of Political Science at Pasadena City College.

Mr. Mitchell then introduced Mr. Arthur Will, Chief Administrative Officer of Los Angeles County. He said that for the committee's first meeting of the year he had asked Mr. Will to discuss his plans and future program for Los Angeles County.

Mr. Will said that on December 8, the Board of Supervisors had ordered that one of his first actions as CAO should be to bring in a financial report on the status of the County. As a result, his office made extensive review of County operations. He then reported to the Board that, if current County expenditures continued on the same level until the end of the fiscal year, the County would end up with a deficit approaching \$60 million. Under the terms of the State Constitution the County can not end up with a deficit.

As one of his first actions he established a wide-spread curtailment program on County expenditures. Under the authority given to him by the Administrative Code, he instituted a freeze on hiring effective January 1, and a freeze on purchase of general supplies, equipment, and real estate.

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The County is working hard in Sacramento to persuade the State to restore the cuts made in Medi-Cal and Mental Health before the end of June. Unfortunately, the major areas of reduction in the Governor's budget are in the very areas where the County is having trouble - Medi-Cal, Mental Health, and Welfare.

Mr. Will said, unfortunately, his first weeks on the job had been in the area of negative management. He will have to continue to hold things down until he can determine what new policies are necessary.

He said that in establishing the position of Administrative Officer the Administrative Code goes further than most people realize in giving the CAO authority over the operation of the County. Through the fiscal controls given to the CAO in the Administrative Code he can move to control the administration of County government. Exploitation of the powers given to the Chief Administrative Officer, he said, is going to be his goal. He said that for any who felt the defeat of Proposition B was necessarily a defeat for economy and efficiency in County government, he hopes to be able to show in the next 12 months or so that this was not so.

Mr. Will then explained the reorganization of his department. He has reorganized his office into functional groupings called teams. Each team will be responsible for handling all the activities of the departments coming under its particular functional class. He said that early in March he is due to present a report to the Board of Supervisors on the consolidation of the three departments involved in health services. This will be the first discussion of the agency concept to go before the Board.

Mr. Will concluded with the statement that he was continuing the systems and procedures work in the various departments, and a current report on the progress of this program should be forthcoming before presentation of this year's budget recommendations.

Mr. Mitchell thanked Mr. Will for his presentation and asked if there were any questions.

Committee members asked Mr. Will a number of questions relating to his program to control County expenditures. Mr. Will said that if these first steps he had taken were not sufficient to offset the deficit then he would have to move further into program cuts.

Mr. Mitchell again thanked Mr. Will for his presentation, and Mr. Will left the meeting at 10:45 a.m.

Mr. Mitchell said he had requested Mr. Roche to prepare a summary of the studies and recommendations made by the committee since its inception in June, 1964. Copies of the attached report were distributed to committee members.

Mr. Roche said that the report listed the 72 separate recommendations which the committee had made in 12 major reports to the Board of Supervisors. As the report shows, the Board of Supervisors approved 68 of these recommendations. Of the 68 recommendations approved, 35 have been fully implemented, 6 partially implemented, and 2 are in process.

After Mr. Roche had concluded a brief review of the report, Mr. Mitchell said that the future plans of the committee should now be discussed.

It was agreed that the committee would concentrate on completion of the study of fire services in Los Angeles County. This study is being conducted by a subcommittee under the chairmanship of Harlan Loud.

The committee also agreed that the study of capital projects, which had been set aside during the charter study, should be reactivated. It will be conducted by a subcommittee under the chairmanship of Phil Magruder.

During this discussion, Mr. Mazzei and Mr. Rogers recommended the committee undertake a study of the commissions and committees in the County.

Mr. Munzer said that he felt the big areas of expenditures are where the greatest efficiencies can be affected. He thought that Hospitals, Mental Health, and Welfare should be the areas which the committee should review. He said that three-fourths of the tax dollar went to these areas and he recommended a committee be appointed to probe these fields.

Mrs. Kidd explained that she represented the Economy and Efficiency Committee on the Health Services Planning Committee which was appointed by the Board of Supervisors to study the consolidation of health services. She said the committee was meeting tomorrow, and she would report on the implementation of the consolidation program to the Economy and Efficiency Committee at the next meeting.

The committee did not take further action on the recommendations for other studies.

During the discussion, Mr. Mitchell appointed Dixon Harwin to serve on the Capital Projects Subcommittee and Robert Olin on the Fire Services Subcommittee.

Mr. Mitchell adjourned the meeting at 11:45 a.m.