

# *ECONOMY AND EFFICIENCY COMMISSION*

July 16, 1990

Arthur J. Peever, Chairperson  
Efrem Zimbalist, III, Vice Chairperson

Alfred P. Balderrama  
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Daniel M. Shapiro  
Randolph B. Stockwell  
Wally Thor  
Betty Trotter  
Robert L. Williams

Hon. Board of Supervisors  
383 Hall of Administration  
500 West Temple  
Los Angeles, CA 90012

Dear Supervisors:

This contains our recommendations for Charter Amendments for the November, 1990 ballot. They are the result of the past year's work by our Task Force On The Executive Structure Of Los Angeles County Government, chaired by Efrem Zimbalist, III. Our task force presented these recommendations to our commission at its regular meeting on July 11, 1990. At the meeting and its adjournment on July 16, 1990, on motion duly made, seconded and carried (12-8), the commission approved these recommendations for presentation to your Board.

## **BACKGROUND FOR THE STUDY**

Since our commission's founding in 1965, Charter revision to provide for a strong chief executive officer has been proposed by the commission, by civic organizations, by boards of supervisors, or by individual supervisors on at least five occasions. In all cases, the result was no change, either because the board at the time did not put the issue before the electorate or because the electorate rejected the proposed change.

We believe the issue of central leadership remains the primary organizational issue of County government. In all of our work of the past several years - reorganization and consolidation, children's and family services, security systems, and information systems development - we continue to find the absence of central leadership to be the dominant reason why so little improvement takes so long to accomplish. Change requires central leadership. Without it, no change can occur.

Therefore, following this finding, and based in part on Board directives of May 10, 1988 and September 13, 1988, and our discussions with each of you last year, we again undertook a study of the central executive function in Los Angeles County government.

## **APPROACH TO THE STUDY**

The Task Force evaluated the current status of the County government, the threats and opportunities the County faces in its current operating environment, and the potential for a newly created leadership position to improve the County's ability to perform. The task force evaluated the three most common models of County government executive structure, including the administrative officer with no appointing authority, the appointed manager with authority to appoint County department heads, and the elected County executive with a Countywide constituency, the authority to appoint County department heads, and the power to veto Board actions.

To gather information, our task force consulted qualified practitioners of public administration, present and former Los Angeles County officials, and other authorities in the field of public administration. We directed the commission staff in the conduct of an extensive literature search to determine the state of the art in structuring county operations and management. To analyze the information obtained, we reviewed budgets and other internal documentation of the County's situation and current trends, and we developed analytical tools to compare the various models of administration with respect to the issues faced by the County. The picture that emerged revealed that the County does a good job of delivering certain services within the present system, but that performance could be much improved where interdepartmental or interjurisdictional coordination is required.

## **RECOMMENDATIONS**

### **Recommendation 1**

*The task force recommends that the Board of Supervisors submit an amendment to the Charter to the voters of Los Angeles County at the general election to be held on November 6, 1990, creating the position of County Manager and restructuring the duties of County officials as follows:*

- A. the duties of the Board of Supervisors would include the following*
  - 1. To appoint or dismiss the County Manager and the County Auditor (Article III, Section 11 (1))*
  - 2. To first consider the recommendations of the County Manager when exercising its powers to provide for County offices, organization, employment, and compensation (Article III, Section 11 (3)-(6)).*
- B. the duties of the County Manager would include the following:*



1. *To plan, coordinate, direct, organize, evaluate and exercise overall responsibility for the operation and management of all County organizational units within the charge of the Board of Supervisors*
  2. *To advise the Board of Supervisors on the organization, planning, direction and control of operations headed by elected officials and the County Auditor*
  3. *To appoint or dismiss all County department, agency, and institution directors subject to the same due process or contract provisions that now apply for County department heads*
  4. *To prepare annually and submit to the Board of Supervisors a strategic plan and budget for the fiscal year, for three years, and for ten years, and, upon approval, to implement and administer the plans and budgets*
- C. *the remaining provisions of the Charter would be changed to reflect the appointment of County officials by the County Manager and the County Manager's responsibility to direct them in the performance of their functions.*

### Discussion

#### The Need For Central Leadership

In the present County system, the Board of Supervisors appoints or dismisses over thirty County department heads and is responsible for their overall direction. The Chief Administrative Officer advises the Board on the organization of the overall system, budgets, employment, performance evaluation, and compensation. The Chief Administrative Officer has no authority to direct County officials, and appoints none of them. Therefore, the Chief Administrative Officer cannot be accountable for their performance or for the operations of County departments. No one can reasonably be expected to accept accountability for the performance of those he or she does not appoint and cannot dismiss.

Department heads are accountable to the Board of Supervisors for the performance of the departments they direct. But no one individual is accountable for the overall County performance of County functions that require the coordinated direction and control of several county departments. For example, major elements of the current crises in County children's welfare functions are attributable to the lack of an effective coordinative function. Similarly, as we and others have pointed out, the failure of our systems of local government to cope with such problems as homelessness and the environment reflects the absence of a single, clearly accountable executive to supply the leadership necessary to effect the coordination of multiple diverse operations and to negotiate the coordination of multiple jurisdictions.

The Board of Supervisors is accountable for the overall operation of the County government, including the coordination of multiple diverse functions. But the Board is comprised of individuals who represent radically different constituencies. They often disagree on policy, including the role of government and the responsibilities of local government. As a committee, therefore, the Board cannot articulate a unified vision for the County and exercise the kind of forceful leadership necessary to bring it about.

Nevertheless, a unified vision and forceful centralized leadership is needed to resolve each of the four primary areas of threats and opportunities identified by the experts we interviewed. Those four areas are:

#### Funding County Operations

The County lacks the organizational capability to develop and control sources of revenue which are adequate, consistent, stable and timely to fund county operations;

#### Regional Problem Solving

The County lacks definitive organizational capability to define problems, agree on solutions, and enforce plans to resolve the problems of economic development, growth management, environmental control that plague our community;

#### Organizational Efficiency

Despite serious efforts to consolidate and reorganize County service delivery functions into a well structured system of departments, the Board of Supervisors continues to operate with an unbalanced, fragmented system of over 30 autonomous departments;

#### Strategic Planning

Each year, the County government is victim to events and conditions in its environment, many of which would be foreseeable as contingencies with a strong leader, who is able to forge the various departmental plans into a single, integrated and coordinated vision for the County as a whole.

In our analysis, each of these four problem areas means something different in the context of the two primary roles of County government. In the context of the governance role, the political determination of goals and objectives by the Board of Supervisors and other elected officials, the County hardly functions at all. The Board spends most of its time on detailed management decisions affecting the second role, that of providing services on behalf of the State or acting as a city council within unincorporated territory or contract cities.



Funding. In the case of funding, the conventional wisdom is that the County is faltering because it lacks adequate revenue to fund its operations, because it is overly dependent on the State, and because the demand for County services outstrips the growth in revenue. Based on our study, the County's financial problems are more directly attributable to management and allocation decisions than to the lack of sources or reliance on the State. Certainly the facts are open to alternative explanations. For example, we found that:

the growth in total County revenue since 1978 has equalled or outpaced all indicators of local economic growth;

the County is no more dependent on State and Federal sources of revenue now than it was in 1972;

according to conventional workload measures, the demand for some of the most costly and largest County services has been declining since 1972;

smaller, fast growing services needed for such contemporary problems as AIDS, drug abuse, drug babies, homelessness and custody facilities are believed to need new, additional, sources of revenue.

This is a clear case of suboptimization. It results directly from fragmentation of the organization into autonomous operating units with no central leadership. No department head can reasonably be expected to relinquish even the tiniest fraction of current resources, even in the face of declining demand. Yet, costs, and the need for additional resources, continue to ratchet upwards, because each department head has equal strength with the Board of Supervisors, and the Board is itself divided over priorities. A strong central leader, with a vision for the County as a whole, could synthesize priorities and trade-offs among department operations, reducing costs or eliminating services where demand is declining, and reallocating the resources to areas where the Board establishes a priority.

Regional Problem Solving. The Board of Supervisors is only one of over 2500 governmental units operating in the five-county region that contains the air basin, defines the area as an economic unit, holds most of the watershed, and is identified as the greater Los Angeles metropolitan region. It is only one of more than 1000 such units in Los Angeles County alone, of which at least 500 are wholly independent of the Board and of each other.

The decisions of these governments, each of which has policy or governance functions, and most of which also deliver services, affect growth, economic incentives, air and water quality, transportation, and so forth. Yet the County of Los Angeles, representing 80% of the population, has no means to develop and articulate a single, comprehensive vision for the resolution of these problems. In fact, the County, as



presently structured, has at least five distinct political views of how decisions should be made to, for example, site new prisons, waste management facilities, or other sensitive entities. Moreover, the county has **only one** vote in any of the regional bodies whose role it is to regulate or negotiate local decisions.

We believe that a strong central executive would increase the County's ability to define and articulate a comprehensive vision for the County and to bring it forcefully to bear in the forums of the regional agencies of which the County is a part.

Organizational Efficiency. An organization of over 30 separate and autonomous executives can be managed by no one. When it is managed by a committee of five political officials elected by districts, it can be nothing short of a disaster in terms of producing services efficiently.

During our study, a number of experts pointed out that we can make such a statement only on the grounds that the County organization violates management principles and theories. They claim, for instance, that the empirical evidence supports the contention that the County "works" as it is presently structured.

Indeed, we found that the County does perform in delivering services. People are in jail. People are cared for in the hospitals. People visit the parks, beaches, museums, libraries and arboreta and gardens, and the poor who qualify receive the aid to which they are entitled.

In our view, it is testimony to the professionalism and dedication of County officials that the system works as well as it does. We advocate additional professional management at the highest level, because the system works well only where single departments are delivering a service which has been well defined elsewhere - by the State or Federal government, or by the traditions of a public service profession. The system fails miserably where a new service is required or where the direct and consistent coordination of several services is required - homelessness, mental health, children's welfare. A single, central professional leader to whom all County officials are accountable is necessary to create a single, well orchestrated unit out of these diverse, strongly professional elements. A strong, overall professional manager is necessary to effectively direct departmental management, which is also professionally strong, independent, and effective for the operations each manages.

Strategic Planning. We define strategic planning as a management process which identifies future threats and opportunities, explores alternative responses to those threats and opportunities, selects objectives to be achieved, and develops action plans to meet those objectives. It also provides a formal opportunity for an organization to critically examine what it is doing, and how well it is doing it.



Certain departments in the County, such as the Department of Health Services and the Public Library, produce departmental strategic plans for their own use, which they find of great value in defining their objectives and action plans. The Regional Planning Department produces the County General Plan, which is an extensive document defining County policy on land use and related development.

But there is no overall county-wide strategic plan which integrates and optimizes all departmental plans, and articulates overall County objectives and plans for action. We have been told the reason for this is the County is so dependent for funding and decisions on policy by sources beyond its control, it is futile to attempt to plan beyond the limited horizon of the current County budget.

We have determined, however, that most large and complex organizations find that a well thought-out strategic plan is an invaluable tool. For example, top officers from the Province of Nova Scotia, Canada, recently made presentations to Los Angeles County management on a most effective strategic plan they had installed over the past few years. They claimed specific benefits from its use, such as identification of and realignment between departments of overlapping programs; cost savings; and increased ability to present their objectives both to the electorate and to the national government.

We believe that specific benefits would result from an overall strategic plan for Los Angeles County. These include the ability to better anticipate and prepare for future contingencies, to critically examine current assumptions and operations, to increase influence with State and Federal contacts, and to help formulate the county's positions on regional issues.

Organizations which effectively use strategic planning have advised us that certain conditions are required to ensure its success. These conditions are: a leader at the top who is committed to a strategic planning effort, and who ensures that his or her subordinates are also committed to the effort; an on-going strategic planning process which continuously updates and refines the plan as conditions change; and the active participation of all levels of the organization in formulating objectives and plans.

Therefore, in order to implement successfully a County-wide strategic plan, it is essential to have a leader at the top of the organization who is committed to strategic planning, and who has the authority to require the commitment and participation of his or her subordinates. We believe that a strong County Manager should be required by County Charter to develop and submit an annual County-wide Strategic Plan, and would have the necessary authority over County departments to assure its successful completion.



### Timeliness of An Appointed Manager

Our recommendation is that the Board of Supervisors continue as the Chief Executive and Legislative Governing Body for the County government. It differs from the proposals of the Public Commission on County Government (sponsored by the Bar Association in 1976) and subsequent proposals to separate the powers of the governance responsibility of the county into an executive elected county-wide with appointing authority and veto authority.

The results of our analysis show that the appointed professional County Manager is the most necessary step for the current threats to the County, and it is the preferable step for the most urgent threats. The most central point to our reasoning is that the Board of Supervisors is primarily a service provider rather than a functioning policy body governing the region it serves. The policies that dominate the operations of County government and that bracket its strategic concerns are determined by the State, not by the Board of Supervisors. Therefore, we see less immediate need for strong political leadership than for centralization of administrative authority. The primary weakness in the current County structure is the inability to establish the discipline needed for effective coordination of operations and integration of programs. A strong appointed professional manager would create that ability, and free the Board of Supervisors to devote more attention to policy issues and governance. Our recommendation also provides for an Auditor, separate from the Controller, appointed by and reporting directly to the Board of Supervisors. This will ensure that the Board has an independent source of information about operations in the charge of the County Manager.

However, we wish to emphasize that our task force does not view the question of appointed versus elected executive as an *either/or*. We believe strongly that a professional administrator will be required even if an elected executive position is ultimately established. Further, we would not oppose the creation of such an elected County executive accountable to the full countywide electorate. An elected executive might perform more effectively to resolve the regional issues than an appointed executive, and, would likely aid greatly in establishing Los Angeles County as a political center in and for the region. Nevertheless, at this time, given the critical issues of funding, organization, and planning that the county faces, we suggest facing first the relatively less difficult issue of improving organization effectiveness and efficiency. That is, the County urgently needs a strong central professional manager to coordinate and structure county operations.

### Recommendation 2

*The task force further recommends that the Board of Supervisors place a Charter amendment before the voters at the November 6, 1990 election to provide for the employment and compensation of the County Manager and department managers (except in departments headed by elected officials) as employees in the unclassified services, as follows:*



- A. *The County Manager shall be employed by contract with the County, for a term of not less than five years and not more than eight years. The County Manager shall serve at the pleasure of the Board of Supervisors for the term of the contract.*
1. *Employment of the County Manager shall require approval of a majority of the Supervisors;*
  2. *The compensation of the County Manager shall be established not less than yearly by majority of the Board of Supervisors;*
  3. *Terms and conditions for dismissal of the County Manager shall be provided for in the contract of employment, but in no case shall occur without the concurrence of a two-thirds vote (4/5, 5/7, 6/9 etc.) of the Board.*
- B. *The county Manager shall appoint each County department director and shall recommend a contract of employment with terms that are similar to than those of the Manager.*
- C. *Department, Agency and Institution heads shall appoint or dismiss employees under their charge; upon recommendation of the County Manager, the Board of Supervisors may, by ordinance, designate employees of each department to the level of the Division Chief as employees in the Unclassified Service.*

### Discussion

Our inquiries into the workings of the office of an appointed County manager pointed to some necessary characteristics to assure the incumbent can operate effectively.

First, the position must enjoy a reasonable degree of independence of action and judgement from the Board of Supervisors. This can be achieved by a term of contract of not less than five years, and a required minimum of 2/3 vote by the Board for removal from office. Any incumbent so removed, except for cause, should receive compensation due for the remaining portion of the contract.

Further, the County Manager must have appointment and dismissal authority for all non-elective department directors. This is necessary to assure accountability for results of departmental performance which is part of the Manager's responsibilities.

During our discussions with current and former County officials, it was almost unanimously stated that their capability to effectively direct their departments would be greatly enhanced if upper level management positions were removed from Civil Service classification. Some in fact recommended that all management and supervisory positions should become unclassified.


Most believe that the current classification system unreasonably restricts their, and a number of their subordinate managers' ability to choose a team comprised of the best qualified and highly motivated personnel. They stated that they can often "work around" the personnel problems created by the current classification system, but the process is unnecessarily time-consuming, wasteful, and uneconomic.

We concur with their recommendations, and believe the Board of Supervisors should have the authority by ordinance to designate employees of each department to the level of Division Chief as employees in the Unclassified Service.

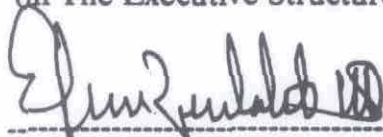
We also recommend that all employees in Unclassified Service should receive the protection of a defined system of due process which requires documentation of: any disciplinary actions; discussions with the affected employee; and attempts to correct employee performance before removal from a position.

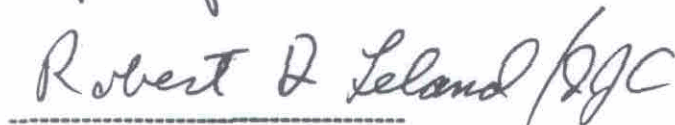
Sincerely,

The Los Angeles County Economy and Efficiency Commission

  
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Arthur J. Peever,  
Chairperson

Members of the Task Force  
on The Executive Structure

  
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Efrem Zimbalist, III, Chairperson of Task Force

  
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Robert D. Leland

  
-----  
Betty Trotter



LOS ANGELES COUNTY

**ECONOMY AND EFFICIENCY COMMISSION**

Arthur J. Peever, Chairperson  
Efrem Zimbalist, III, Vice Chairperson

July 27, 1990

Hon. Board of Supervisors  
383 Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

Agenda Item 11 for July 31, 1990, calls for the elective office of County Executive.

Our Commission, in its letter to you of July 16, 1990, and in our presentation on July 24th, pointed out that although we recommended an appointed professional County Manager as the most needed step, we did not view the question of appointed versus elected executive as an either/or proposition. We stated we would not oppose the creation of such an elected County executive accountable to the full Countywide electorate.

We also continue to believe that a professional administrator will be required even if an elected executive position is ultimately established. We would strongly suggest, therefore, that the proposed Charter Amendments provide for a position of Deputy to the County Executive who will be responsible for managing the operations of the County, and achieving the objectives outlined in our report.

Sincerely,

The Los Angeles County Economy and Efficiency Commission



Arthur J. Peever  
Chairperson



Efrem Zimbalist, III,  
Chairperson of Task Force

AJP/ct  
Enclosure

Alfred P. Balderrama  
George E. Bodie  
Gunter W. Buerk  
Joe Crail  
Jack Drown  
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Robert L. Williams

**REPORT ON THE EXECUTIVE  
STRUCTURE OF LOS ANGELES  
COUNTY GOVERNMENT**

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**CITIZENS' ECONOMY AND EFFICIENCY  
COMMISSION  
JULY 16, 1990**



## EXECUTIVE STRUCTURE TASK FORCE

### BACKGROUND:

THE ECONOMY AND EFFICIENCY COMMISSION UNDERTOOK THIS EXAMINATION OF THE EXECUTIVE STRUCTURE OF THE COUNTY OF LOS ANGELES FOR THREE MAJOR REASONS:

1. IN MAY 1988, THE BOARD ORDERED THE COMMISSION TO STUDY ITS 1983 RECOMMENDATIONS ON COUNTY DECISION MAKING AND ORGANIZATION AND TO REPORT BACK ON PROGRESS AND SUGGESTED NEXT STEPS.
2. A RECURRING CONCLUSION IN THE COMMISSION'S OTHER PROJECTS IS THAT THE COUNTY'S ABILITY TO ADAPT IS SERIOUSLY COMPROMISED BY ITS CURRENT ORGANIZATIONAL STRUCTURES.
3. AWARENESS THAT OTHER GROUPS WERE STUDYING THE ISSUES (E.G. THE LOS ANGELES BAR ASSOCIATION) AND THAT AN E & E REVIEW WOULD BE TIMELY.

**APPROACH:**

**THE COMMISSION FOLLOWED A SEVEN STEP APPROACH TO THIS PROJECT:**

- 1. APPOINTING A TASK FORCE.**
- 2. REVIEWING RELEVANT LITERATURE.**
- 3. INTERVIEWING OUTSIDE EXPERTS FAMILIAR WITH L.A. COUNTY ORGANIZATION ISSUES.**
- 4. DEVELOPING A CONCEPTUAL MODEL FOR ANALYZING ORGANIZATIONAL ALTERNATIVES.**
- 5. REVIEWING OUR APPROACH WITH EACH SUPERVISOR AND/OR DEPUTY.**
- 6. INTERVIEWING HEADS OF MAJOR DEPARTMENTS AND THE CAO.**
- 7. COMPLETING ANALYSIS AND DOCUMENTING RECOMMENDATIONS FOR BOARD ACTION.**



**APPROACH: (CONTINUED)**

**TASK FORCE**

**THE TASK FORCE CONSISTS OF FOUR COMMISSIONERS AND TWO MEMBERS OF THE ECONOMY AND EFFICIENCY STAFF:**

**COMMISSIONERS**

**EFREM ZIMBALIST III, CHAIR  
ROBERT D. LELAND  
ARTHUR J. PEEVER  
BETTY TROTTER**

**STAFF**

**JOHN CAMPBELL  
CHARLES KAUFMANN**

RELEVANT LITERATURE

AS A FIRST STEP, SEVERAL TYPES OF DOCUMENTS WERE REVIEWED.

- \* CURRENT TRENDS, LOS ANGELES COUNTY ORGANIZATION, BUDGETS, AND DEPARTMENTAL PLANS
- \* STRUCTURE AND ORGANIZATION, OTHER URBAN COUNTIES
- \* PRIOR BALLOT MEASURES AND ASSOCIATED DOCUMENTS
- \* PROFESSIONAL JOURNALS AND ASSOCIATED PUBLICATIONS
- \* PRIOR STUDIES IN LOS ANGELES AND ELSEWHERE
- \* THEORIES OF PUBLIC ADMINISTRATION STRUCTURE



OUTSIDE EXPERTS

OUTSIDE EXPERTS WITH A RANGE OF PERSPECTIVES WERE INTERVIEWED.

- \* FORMER L.A. COUNTY OFFICIALS
- \* PUBLIC COMMISSION ON COUNTY GOVERNMENT (1976)
- \* L.A. COUNTY CHAMBER OF COMMERCE
- \* USC SCHOOL OF PUBLIC ADMINISTRATION
- \* OTHERS (E.G. ATTENDANCE AT LEAGUE OF WOMEN VOTERS MEETINGS)

**DEVELOPING A MODEL**

**IN REVIEWING L.A. COUNTY'S EXECUTIVE STRUCTURE, WE USED A CONCEPTUAL MODEL THAT**

- 1. FOCUSED ON IDENTIFYING THE MOST SERIOUS CHALLENGES FACING L.A. COUNTY OVER THE NEXT 5-10 YEARS.**
- 2. ANALYZED HOW THREE DIFFERENT ORGANIZATIONAL STRUCTURES MIGHT IMPACT THE COUNTY'S ABILITY TO MEET THESE CHALLENGES.**
- 3. IDENTIFIED THE EXECUTIVE STRUCTURE THAT ON BALANCE GIVES THE COUNTY THE BEST CHANCE OF SUCCESS.**



APPROACH: (CONTINUED)

DEPARTMENT HEADS

AFTER REVIEWING OUR APPROACH WITH EACH SUPERVISOR AND/OR THEIR DEPUTY,  
WE INTERVIEWED TEN DEPARTMENT HEADS:

RICHARD DIXON  
CHIEF ADMINISTRATIVE OFFICER

SANDRA F. REUBEN  
PUBLIC LIBRARY

DE WITT CLINTON  
COUNTY COUNSEL

WILLIAM F. STEWART  
INTERNAL SERVICES

RODNEY COOPER  
PARKS & RECREATION

EDDY TANAKA  
PUBLIC SOCIAL SERVICES

ROBERT C. GATES  
HEALTH SERVICES

THOMAS A. TIDEMANSON  
PUBLIC WORKS

JAMES HARTL  
REGIONAL PLANNING

FRANK S. ZOLIN  
SUPERIOR COURT

DEPARTMENT HEADS (CONTINUED)

EXAMPLES OF KEY QUESTIONS DISCUSSED WITH EACH INCLUDED:

1. WHAT DO YOU SEE AS THE MAJOR CHALLENGES FACING L.A. COUNTY OVER THE NEXT 5-10 YEARS? HOW WILL THEY BE FACED?
2. WHO IS YOUR BOSS? HOW OFTEN DO YOU MEET WITH HIM/HER? WHAT IS DISCUSSED? DO YOU INITIATE THE MEETING OR DO THEY? IS THERE REGULAR FOLLOW-UP? WHAT DO YOU DO IF YOU DISAGREE WITH YOUR BOSS?
3. DO YOU DO LONG-RANGE PLANNING? DOES THE COUNTY AS A WHOLE DO LONG-RANGE STRATEGIC PLANNING? WHAT IS THE STRATEGY OF THE COUNTY? WHAT IS YOUR DEPARTMENT'S PART IN THE OVERALL STRATEGY?
4. WOULD AN A.) ELECTED OR B.) APPOINTED COUNTY MANAGER BE AN IMPROVEMENT OR HINDERANCE? WHY?
5. WOULD IT BE BENEFICIAL OR NOT FOR YOUR DIVISION HEADS TO SERVE "AT WILL" VERSUS CIVIL SERVICE?



**APPROACH: (CONTINUED)**

**DEPARTMENT HEADS (CONTINUED)**

UPON COMPLETION OF THESE INTERVIEWS, THE TASK FORCE HELD SEVERAL WORKING SESSIONS TO ANALYZE ADDITIONAL DATA DEVELOPED BY STAFF, AND TO FORMULATE OUR CONCLUSIONS AND RECOMMENDATIONS WHICH ARE SUMMARIZED NEXT.

## SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

- A. THE SUCCESS OF L.A. COUNTY IN SHAPING ITS DESTINY AND SERVING ITS CITIZENS IN THE NEXT 10 YEARS DEPENDS ON ITS ABILITY TO PERFORM FOUR CRITICAL TASKS.
1. TO DELIVER WITH MAXIMUM EFFICIENCY GOODS AND SERVICES WHICH ARE MANDATED AND FUNDED BY THE STATE AND FEDERAL GOVERNMENT.
  2. TO ENSURE THAT THE NEEDS AND DESIRES OF L.A. COUNTY ARE FULLY REFLECTED IN HOW THESE OUTSIDE FUNDS ARE ALLOCATED AND EARMARKED.
  3. TO INCREASE COUNTY CONTROLLED SOURCES OF REVENUE TO REDUCE OUR VULNERABILITY TO ECONOMIC DOWNTURNS AND CHANGES IN OUTSIDE ALLOCATIONS, AND TO HELP ASSURE THAT LOCAL PROGRAMS CAN BE MORE FULLY FUNDED.
  4. AS THE DOMINANT COUNTY IN THE DOMINANT STATE, TO TAKE THE LEAD IN DEVELOPING A LONG-RANGE STRATEGIC PLAN FOR OUR REGION AND TO RALLY ITS NUMEROUS CONSTITUENCIES AROUND IT.



## SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

(CONTINUED)

- B. ON BALANCE, WE BELIEVE A STRONG APPOINTED COUNTY MANAGER WOULD BE MOST ABLE TO ACCOMPLISH THESE CRITICAL TASKS.**
- 1. LEADERSHIP AND MANAGERIAL SKILLS ARE THE MOST IMPORTANT QUALITIES THAT ARE REQUIRED, AND THE SUPERVISORS COULD INSURE THAT AN APPOINTED EXECUTIVE POSSESSED THEM.**
  - 2. AN ELECTED EXECUTIVE WOULD UNDOUBTEDLY REQUIRE AN APPOINTED MANAGER TO LOOK AFTER DAY-TO-DAY OPERATIONS. THEREFORE, WE BELIEVE THE APPOINTED MANAGER SHOULD BE INSTITUTED FIRST AND GIVEN A CHANCE TO PERFORM FOR AT LEAST TWO YEARS. THEN THE NEED FOR AN ELECTED OFFICIAL CAN BE BETTER EVALUATED.**

## **RECOMMENDATIONS**

### **RECOMMENDATION #1**

THE TASK FORCE RECOMMENDS THAT THE BOARD OF SUPERVISORS SUBMIT AN AMENDMENT TO THE CHARTER TO THE VOTERS OF LOS ANGELES COUNTY AT THE GENERAL ELECTION TO BE HELD ON NOVEMBER 6, 1990, CREATING THE POSITION OF COUNTY MANAGER AND RESTRUCTURING THE DUTIES OF COUNTY OFFICIALS AS FOLLOWS:

A. THE DUTIES OF THE BOARD OF SUPERVISORS WOULD INCLUDE THE FOLLOWING:

1. TO APPOINT OR DISMISS THE COUNTY MANAGER AND THE COUNTY AUDITOR (ARTICLE III, SECTION 11(1)).
2. TO FIRST CONSIDER THE RECOMMENDATIONS OF THE COUNTY MANAGER WHEN EXERCISING ITS POWERS TO PROVIDE FOR COUNTY OFFICES, ORGANIZATIONS, EMPLOYMENT, AND COMPENSATION (ARTICLE III, SECTION 11 (3)-(6)).



**B. THE DUTIES OF THE COUNTY MANAGER WOULD INCLUDE THE FOLLOWING**

- 1. TO PLAN, COORDINATE, DIRECT, ORGANIZE, EVALUATE AND EXERCISE OVERALL RESPONSIBILITY FOR THE OPERATION AND MANAGEMENT OF ALL COUNTY ORGANIZATIONAL UNITS WITHIN THE CHARGE OF THE BOARD OF SUPERVISORS**
- 2. TO ADVISE THE BOARD OF SUPERVISORS ON THE ORGANIZATION, PLANNING, DIRECTION AND CONTROL OF OPERATIONS HEADED BY ELECTED OFFICIALS AND THE COUNTY AUDITOR**
- 3. TO APPOINT OR DISMISS ALL COUNTY DEPARTMENT, AGENCY, AND INSTITUTION DIRECTORS SUBJECT TO THE SAME DUE PROCESS OR CONTRACT PROVISIONS THAT NOW APPLY FOR COUNTY DEPARTMENT HEADS**
- 4. TO PREPARE ANNUALLY AND SUBMIT TO THE BOARD OF SUPERVISORS A STRATEGIC PLAN AND BUDGET FOR THE FISCAL YEAR, FOR THREE YEARS, AND FOR TEN YEARS, AND, UPON APPROVAL, TO IMPLEMENT AND ADMINISTER THE PLANS AND BUDGETS**

- C. THE REMAINING PROVISIONS OF THE CHARTER WOULD BE CHANGED TO REFLECT THE APPOINTMENT OF COUNTY OFFICIALS BY THE COUNTY MANAGER AND THE COUNTY MANAGER'S RESPONSIBILITY TO DIRECT THEM IN THE PERFORMANCE OF THEIR FUNCTIONS.

RECOMMENDATION 2

THE TASK FORCE FURTHER RECOMMENDS THAT THE BOARD OF SUPERVISORS PLACE A CHARTER AMENDMENT BEFORE THE VOTERS AT THE NOVEMBER 6, 1990 ELECTION TO PROVIDE FOR THE EMPLOYMENT AND COMPENSATION OF THE COUNTY MANAGER AND DEPARTMENT MANAGERS (EXCEPT IN DEPARTMENTS HEADED BY ELECTED OFFICIALS) AS EMPLOYEES IN THE UNCLASSIFIED SERVICE, AS FOLLOWS:

- A. THE COUNTY MANAGER SHALL BE EMPLOYED BY CONTRACT WITH THE COUNTY, FOR A TERM OF NOT LESS THAN FIVE YEARS AND NOT MORE THAN EIGHT YEARS. THE COUNTY MANAGER SHALL SERVE AT THE PLEASURE OF THE BOARD OF SUPERVISORS FOR THE TERM OF THE CONTRACT.
  - 1. EMPLOYMENT OF THE COUNTY MANAGER SHALL REQUIRE APPROVAL OF A MAJORITY OF THE SUPERVISORS;
  - 2. THE COMPENSATION OF THE COUNTY MANAGER SHALL BE ESTABLISHED NOT LESS THAN YEARLY BY A MAJORITY OF THE BOARD OF SUPERVISORS;



3. TERMS AND CONDITIONS FOR DISMISSAL OF THE COUNTY MANAGER SHALL BE PROVIDED FOR IN THE CONTRACT OF EMPLOYMENT, BUT IN NO CASE SHALL OCCUR WITHOUT THE CONCURRENCE OF A TWO-THIRDS VOTE (4/5, 5/7, 6/9 ETC.) OF THE BOARD.

- B. THE COUNTY MANAGER SHALL APPOINT EACH COUNTY DEPARTMENT DIRECTOR AND SHALL RECOMMEND A CONTRACT OF EMPLOYMENT WITH TERMS THAT ARE NO LESS FAVORABLE THAN THOSE OF THE MANAGER.**
  
- C. DEPARTMENT, AGENCY AND INSTITUTION HEADS SHALL APPOINT OR DISMISS ALL EMPLOYEES UNDER THEIR CHARGE; UPON RECOMMENDATION OF THE COUNTY MANAGER, THE BOARD OF SUPERVISORS MAY, BY ORDINANCE, DESIGNATE EMPLOYEES OF EACH DEPARTMENT TO THE LEVEL OF THE DIVISION CHIEF AS EMPLOYEES IN THE UNCLASSIFIED SERVICE.**

**THE FOLLOWING SECTIONS DESCRIBE HOW WE REACHED THESE CONCLUSIONS AND RECOMMENDATIONS.**

- 1. TO DELIVER WITH MAXIMUM EFFICIENCY GOODS AND SERVICES WHICH ARE MANDATED AND FUNDED BY THE STATE AND FEDERAL GOVERNMENTS.**



LOS ANGELES COUNTY MUST BECOME MORE EFFICIENT IN ALLOCATING FUNDS AND DELIVERING GOODS AND SERVICES MANDATED BY AND FUNDED BY THE STATE AND FEDERAL GOVERNMENTS

1. WITHOUT EXCEPTION, THE DEPARTMENT HEADS WE INTERVIEWED CITED THE INADEQUACY OF FUNDING SINCE PROPOSITION 13 WAS PASSED AS THE SINGLE MOST IMPORTANT CRISIS FACING THE COUNTY.
2. YET OUR ANALYSIS SHOWS THAT THE COUNTY REVENUES HAVE GROWN RAPIDLY SINCE PROPOSITION 13 - EVEN MORE RAPIDLY THAN THE ECONOMY AS A WHOLE (EXHIBITS 1 AND 2)
3. FURTHER, ALTHOUGH THE COUNTY IS DEPENDENT ON OUTSIDE SOURCES FOR MORE THAN HALF OF ITS REVENUE, THIS HAS BEEN TRUE FOR THE LAST 20 YEARS, AND ITS DEPENDENCE HAS DECLINED TO PRE-PROPOSITION 13 LEVELS (EXHIBITS 3 AND 4)

**WE RECOGNIZE, HOWEVER, THAT THESE MEASURES MAY CONCEAL MAJOR THREATS. FOR EXAMPLE, THE DEMAND FOR COUNTY SERVICES:**

- IS COUNTERCYCLICAL. THE DEMAND INCREASES DURING PERIODS OF ECONOMIC DOWNTURN**
  
- IT DOES NOT RESPOND AS A MARKET. THOSE CONSUMING MOST OF THE SERVICES DO NOT PAY FOR THE SERVICES PROVIDED**
  
- THE REQUIRED LEVEL OF COUNTY SERVICES DEPENDS MORE ON POPULATION MAKEUP - POVERTY, IMMIGRATION, MIGRATION, EMPLOYMENT - THAN ON POPULATION LEVEL**

**THE NATURE OF THE COUNTY'S WORK IS CHANGING ALONG WITH CHANGES IN THE STRUCTURE OF THE POPULATION:**

- **FEWER PATIENTS, BUT OLDER AND SICKER**
- **FEWER ABLE TO PAY, BECAUSE MOST NEW JOBS ARE LOW PAY SERVICE JOBS WITHOUT INSURANCE**
- **THE STRUCTURE OF THE FAMILY HAS CHANGED, LEADING TO INCREASED LATENT DEMAND FOR COUNTY SERVICES**
- **DECLINES IN STRUCTURED RECREATION AND OTHER YOUTH DIRECTED INFRASTRUCTURE INCREASED GANG ACTIVITY**



THE PRIMARY CHALLENGE FACING THE COUNTY IN ITS ROLE OF EFFICIENTLY DELIVERING GOODS AND SERVICES IS NOT ONE OF INADEQUATE FUNDS, BUT MORE ONE OF USING EXISTING FUNDS MORE EFFECTIVELY. THIS REQUIRES A STRONG CENTRAL LEADER WHO CAN:

- LEAD THE BUDGETING PROCESS BY SYNTHESIZING TRADE-OFFS AMONG DEPARTMENT OPERATIONS, REDUCING OR ELIMINATING COSTS WHERE DEMAND IS DECLINING, REALLOCATING RESOURCES TO AREAS WHERE THE BOARD ESTABLISHES A PRIORITY
- RECOMMEND AND (UPON BOARD APPROVAL) IMPLEMENT A CONSOLIDATED ORGANIZATIONAL STRUCTURE WHICH PERMITS REGULAR (E.G. WEEKLY) SUPERVISION OF DEPARTMENT HEADS AND REDUCTION OF DUPLICATIVE COSTS.

4. AND WE FOUND NO COMPELLING EVIDENCE THAT DEMAND FOR COUNTY SERVICES IS FAR OUTSTRIPPING GROWTH IN COUNTY REVENUE.
  - THE DEMAND FOR THE MOST COSTLY COUNTY SERVICES IS FLAT OR DECLINING ACCORDING TO MANY INDICATORS OF DEPARTMENTAL WORKLOAD INCLUDING HOSPITAL INPATIENT POPULATION AND WELFARE CASELOADS (EXHIBIT 5)
  - THE DEMAND FOR COUNTY MUNICIPAL SERVICES IS INCREASING IN UNINCORPORATED AREAS AS POPULATION INCREASES
  - THE MOST RAPIDLY INCREASING SOURCES OF DEMAND AND COST APPEAR TO REFLECT THE COUNTY'S RESPONSE TO PUBLIC PRIORITIES ESPECIALLY REGARDING POLICING AND JUSTICE FUNCTIONS

- IT IS IMPOSSIBLE FOR ONE OR FIVE INDIVIDUALS TO SUPERVISE THE 30+ DEPARTMENT HEADS NOW REPORTING TO THE BOARD (EXHIBIT 6). AS A RESULT, DEPARTMENTS ARE NOW LARGELY UNSUPERVISED EXCEPT FOR BUDGETARY REVIEWS OR AREAS OF CONCERN TO A PARTICULAR SUPERVISOR.
  
- REQUIRED FURTHER ORGANIZATIONAL CONSOLIDATION (E.G. TO 15-20 DEPARTMENTS) IS HIGHLY UNLIKELY IN THE ABSENCE OF A COMMITTED LEADER TO CHAMPION THE CAUSE WITHIN THE ORGANIZATION AND TO ITS CONSTITUENCIES.



- **DIRECT THE IMPLEMENTATION OF A SIMPLE, COUNTY-WIDE MANAGEMENT INFORMATION SYSTEM WHICH PROVIDES REGULAR (E.G. MONTHLY) REPORTS TO THE SUPERVISORS AND TO THE COUNTY MANAGER ON HOW EACH DEPARTMENT IS DOING ON A PROGRAM BUDGETING BASIS.**
  - **DEVELOP MEASURES OF PERFORMANCE FOR EACH DEPARTMENT (E.G. COST FOR SERVICES RENDERED)**
  - **SET TARGETS**
  - **TRACK PERFORMANCE VERSUS PRIOR YEAR, BUDGET AND OTHER COUNTIES.**

- SET AND ENFORCE COUNTY-WIDE STANDARDS TO ENSURE THAT THE EFFECTIVENESS OF THE COUNTY'S DECENTRALIZATION PROGRAM IS NOT UNDERMINED BY
  - INABILITY OF DATA PROCESSING SYSTEMS TO COMMUNICATE WITH EACH OTHER
  - LACK OF ADEQUATE SECURITY AND/OR SAFETY AS A RESULT OF BUDGET PRESSURES
  - PROLIFERATION OF MULTIPLE PERSONNEL MANAGEMENT, AND PAYROLL SYSTEMS
  - SUBOPTIMAL USE OF ASSETS
- AVOID BECOMING IMMERSED IN REVIEWING AND DECIDING RELATIVELY MINOR ADMINISTRATIVE MATTERS WHICH CAN BE MORE EFFICIENTLY DELEGATED TO DEPARTMENT MANAGEMENT. CURRENT PRACTICE SHOWS MANY AGENDA ITEMS REQUIRING BOARD APPROVAL ARE RELATIVELY MINOR. (EXHIBITS 7 AND 8)

IN SHORT, TO REACH THE NEXT LEVEL OF OPERATIVE EFFICENCY, THE COUNTY NEEDS A SINGLE LEADER WITH THE AUTHORITY AND RESPONSIBILITY TO OVERCOME THE CRUSHING INERTIA OF THE STATUS QUO.

## **LOS ANGELES COUNTY'S FOUR CRITICAL TASKS**

2. **TO ENSURE THAT THE NEEDS AND DESIRES OF LOS ANGELES COUNTY ARE FULLY REFLECTED IN HOW THE OUTSIDE FUNDS ARE ALLOCATED AND EARMARKED.**

## INFLUENCE HOW OUTSIDE FUNDS ARE ALLOCATED

A SECOND CRITICAL TASK FACING LOS ANGELES COUNTY IS TO EXERT GREATER INFLUENCE IN SACRAMENTO AND WASHINGTON D.C. OVER HOW OUTSIDE FUNDS ARE ALLOCATED.

1. THE COUNTY DEPENDS ON OUTSIDE SOURCES FOR OVER HALF OF ITS FUNDING.
2. AS THE LARGEST COUNTY IN CALIFORNIA AND IN THE U.S., ONE WOULD EXPECT IT TO PLAY A LARGE ROLE IN SHAPING FEDERAL AND STATE SPENDING PRIORITIES.
3. OUR INTERVIEWS, HOWEVER, SUGGESTED THAT THIS IS NOT NORMALLY THE CASE.
  - THERE IS NO EVIDENCE OF A STRONG L.A. COUNTY CAUCUS OF STATE AND FEDERAL LEGISLATORS.



**INFLUENCE HOW OUTSIDE FUNDS ARE ALLOCATED, CONTINUED**

- \* WE RECOGNIZE THAT SUCH A TASK IS DIFFICULT GIVEN THE MORE NATURAL JURISDICTIONAL ALLEGIANCE OF LEGISLATORS TO CITIES VERSUS THE COUNTY.**
- \* HOWEVER OTHER COUNTIES APPARENTLY HAVE DONE A MORE EFFECTIVE JOB OF MARSHALLING THEIR POLITICAL RESOURCES.**
- L.A. COUNTY IS VIEWED AS "AVERAGE OR BELOW AVERAGE" IN EFFICIENCY AND INNOVATION BY IMPORTANT STATE OFFICIALS, WHICH IS HARMFUL EVEN THOUGH IT IS PROBABLY NOT TRUE.**
- L.A. COUNTY IS FURTHER VIEWED AS SOMEWHAT OF A "BULLY", ONLY COMING TO SACRAMENTO WHEN THERE IS A MAJOR PROBLEM, AND THEN THREATENING DRASTIC ACTION UNTIL ITS NEEDS ARE MET.**

**INFLUENCE HOW OUTSIDE FUNDS ARE ALLOCATED, CONTINUED**

**THESE PROBLEMS, WHILE ADMITTEDLY ANECDOTAL, SUGGEST THAT THE COUNTY MAY NOT BE INFLUENCING AS MUCH AS IT COULD SPENDING PRIORITIES IN SACRAMENTO AND WASHINGTON, TO THE DETRIMENT OF ITS CITIZENS.**

**INFLUENCE HOW OUTSIDE FUNDS ARE ALLOCATED, CONTINUED**

**WHILE NOT A PANACEA, WE BELIEVE A STRONG COUNTY MANAGER COULD IMPROVE OUR INFLUENCE IN WASHINGTON AND SACRAMENTO.**

- WOULD HAVE MORE CLOUT WITH THE "L.A. COUNTY CAUCUS" AND DIRECTLY WITH THE EXECUTIVE AND LEGISLATIVE BRANCHES.**
- WOULD HAVE MORE AUTHORITY TO PLAN AND IMPLEMENT A COORDINATED COUNTY LOBBYING STRATEGY.**
- WOULD FEEL AND BE RESPONSIBLE FOR MAINTAINING FRIENDLY LONG-TERM WORKING RELATIONSHIPS AT THE STATE AND FEDERAL LEVELS.**

**THE CAO HAS PERFORMED ADMIRABLY GIVEN THE CONSTRAINTS OF ITS POSITION. WE BELIEVE A MORE POWERFUL COUNTY EXECUTIVE COULD BE EVEN MORE EFFECTIVE.**

### **LOS ANGELES COUNTY'S FOUR CRITICAL TASKS**

- 3. TO INCREASE COUNTY CONTROLLED SOURCES OF REVENUE TO REDUCE VULNERABILITY TO ECONOMIC DOWNTURNS AND CHANGES IN OUTSIDE ALLOCATIONS, AND TO HELP LOCAL PROGRAMS BE MORE FULLY FUNDED.**



## **INCREASING COUNTY CONTROLLED SOURCES OF REVENUE**

**TO REDUCE ITS VULNERABILITY TO ECONOMIC DOWNTURNS AND TO REDUCTIONS IN STATE AND FEDERAL ALLOCATIONS, THE COUNTY MUST INCREASE ITS REVENUE FROM ENTREPRENEURIAL SOURCES.**

- 1. SINCE PROPOSITION 13, THE COUNTY HAS DONE A REMARKABLE JOB OF REPLACING LOST LOCAL TAX REVENUE WITH FUNDS FROM OTHER LOCAL SOURCES. (EXHIBITS 4 AND 4A)**
  - CHARGES FOR SERVICES**
  - ASSET MANAGEMENT**
  - FEES**
- 2. IN THE ABSENCE OF AN UNLIKELY CHANGE IN THE TAX CODE, THE COUNTY MUST CONTINUE AND EVEN ACCELERATE ITS ENTREPRENEURIAL ACTIVITIES SO THAT LOCALLY CONTROLLED PROGRAMS CAN BE MORE FULLY FUNDED.**

### **INCREASING COUNTY CONTROLLED SOURCES OF REVENUE**

- 3. INSTALLING AND MAINTAINING A SENSE OF ENTREPRENEURIAL FERVOR THROUGHOUT THE COUNTY WILL NOT BE EASY, AS THERE IS GREAT RESISTANCE IN A NUMBER OF MAJOR DEPARTMENTS.**
- 4. THE LIMITED POWERS OF PERSUASION OF THE CAO AND INDIVIDUAL SUPERVISORS OVER RELATIVELY AUTONOMOUS DEPARTMENT HEADS WILL MAKE THIS TRANSFORMATION SLOW AND ARDUOUS AT BEST.**
- 5. WE BELIEVE THAT THE PRESENCE OF A STRONG COUNTY MANAGER, COMMITTED TO REDUCING COSTS AND INCREASING REVENUES THROUGH ENTREPRENEURIAL ACTIVITIES, WOULD GREATLY ENHANCE THE CHANCE OF SUCCESS OF THESE CRITICAL PROGRAMS.**

#### **LOS ANGELES COUNTY'S FOUR CRITICAL TASKS**

- 4. AS THE DOMINANT COUNTY IN THE DOMINANT STATE, TO TAKE THE LEAD IN DEVELOPING A LONG RANGE STRATEGIC PLAN FOR OUR REGION AND TO RALLY ITS NUMEROUS CONSTITUENCIES AROUND IT.**

## **LONG RANGE PLAN**

**AS THE DOMINANT COUNTY IN THE DOMINANT STATE, WE SHOULD TAKE THE LEAD IN DEVELOPING A LONG RANGE STRATEGIC PLAN FOR OUR REGION, AND TO RALLY ITS NUMEROUS CONSTITUENCIES AROUND IT.**

- 1. THERE IS CURRENTLY A FEELING IN L.A. COUNTY THAT WE ARE NOT IN CONTROL OF OUR OWN DESTINY.**
  
- 2. A COUNTY-WIDE, COMPREHENSIVE, STRATEGIC PLAN WOULD DEFINE OUR POSITION ON REGIONAL ISSUES AND SIGNIFICANTLY INCREASE OUR INFLUENCE IN JURISDICTIONS THAT WE DON'T CONTROL.**

**BECAUSE OF THE AMOUNT OF SENIOR MANAGEMENT TIME REQUIRED TO DEVELOP A MEANINGFUL PLAN, A SUCCESSFUL PLANNING PROCESS REQUIRES A COMMITTED COUNTY EXECUTIVE.**



**LONG RANGE PLAN, (CONTINUED)**

**LACK OF CONTROL**

**SENIOR L.A. COUNTY MANAGERS BELIEVE THAT WE ARE NOT IN CONTROL OF OUR OWN DESTINY.**

- 1. AS PREVIOUSLY DISCUSSED, MORE THAN HALF OF OUR FUNDS COME FROM FEDERAL AND STATE SOURCES, WITH STRINGS ATTACHED.**
- 2. MUCH OF OUR OWN FUNDING IS COMMITTED BY STATUTE OR BY MATCHING REQUIREMENTS.**

**LONG RANGE PLAN, (CONTINUED)**

**LACK OF CONTROL, (CONTINUED)**

- 3. THERE ARE OVER 1,000 JURISDICTIONS IN L.A. COUNTY ALONE, AND THE NUMBER CONTINUES TO GROW.**

<b><u>JURISDICTION TYPE</u></b>	<b><u>1977</u></b>	<b><u>1990</u></b>
<b>COUNTIES</b>	<b>5</b>	<b>5</b>
<b>CITIES</b>	<b>147</b>	<b>163</b>
<b>SPECIAL DISTRICTS</b>	<b>1159</b>	<b>1943</b>
<b>REDEVELOPMENT AGENCIES</b>	<b>156</b>	<b>132</b>
<b>JOINT POWERS/OTHERS</b>	<b>137</b>	<b>289</b>
<b>TOTAL IN LOS ANGELES COUNTY</b>	<b>689</b>	<b>1034</b>
<b>TOTAL IN REGION</b>	<b>1604</b>	<b>2529</b>

**LONG RANGE PLAN, (CONTINUED)**

**LACK OF CONTROL, (CONTINUED)**

**4. AND THERE ARE NUMEROUS POWERFUL REGIONAL AGENCIES WHICH ARE NOT ELECTED AND WHICH PREPT SOME GOVERNANCE FUNCTIONS.**

- AIR QUALITY DISTRICTS**
- COASTAL ZONE COMMISSIONS**
- WATER QUALITY BOARDS**
- COUNCILS OF GOVERNMENT**
- TRANSIT DISTRICTS AND TRANSPORTATION COMMISSIONS**

**L.A. COUNTY OFTEN HAS ONLY ONE VOTE ON SOME COMMISSIONS, EVEN THOUGH IT MAY REPRESENT A MAJORITY OF THE AFFECTED CONSTITUENTS.**

## LONG RANGE PLAN, (CONTINUED)

### STRATEGIC PLAN

**WE BELIEVE A THOUGHTFUL, COMPREHENSIVE STRATEGIC PLAN COULD PROVIDE A POWERFUL SYNTHESIZING AND COORDINATING TOOL FOR THE COUNTY TO USE WITH THESE OTHER JURISDICTIONS.**

**1. TO ITS CREDIT, THE COUNTY IS NOW DOING SOME LONG RANGE PLANNING.**

- SOME DEPARTMENTS HAVE STRATEGIC PLANS TO ADDRESS SPECIFIC PROBLEM AREAS.**
- THE BOARD OF SUPERVISORS ADOPTS A GENERAL LAND USE PLAN FOR THE UNINCORPORATED AREAS.**



## LONG RANGE PLAN, (CONTINUED)

### STRATEGIC PLAN, (CONTINUED)

2. THIS IS A GOOD STARTING POINT FOR A MORE COMPREHENSIVE STRATEGIC PLAN.

A. STRATEGIC PLANNING IS A PROCESS TO

- DEFINE FUTURE THREATS AND OPPORTUNITIES
- EXPLORE ALTERNATIVE RESPONSES
- SELECT OBJECTIVES
- DEVELOP ACTION PLANS TO MEET OBJECTIVES.

**LONG RANGE PLAN, (CONTINUED)**

**STRATEGIC PLAN, (CONTINUED)**

**2. B. BENEFITS TO COUNTY GOVERNMENT FROM STRATEGIC PLANNING.**

- ANTICIPATE AND PREPARE FOR FUTURE CONTINGENCIES.
- CRITICALLY EXAMINE CURRENT ASSUMPTIONS AND ACTIVITIES.
- INCREASE INFLUENCE WITH FEDERAL AND STATE CONTACTS.
- FOCUS COUNTY'S POSITION ON REGIONAL ISSUES.

LONG RANGE PLAN, (CONTINUED)

STRATEGIC PLAN, (CONTINUED)

**3. EFFECTIVE STRATEGIC PLANNING REQUIRES:**

- A COMMITTED LEADER AT THE TOP.
- AN ON-GOING PROCESS OF UPDATING/REFINEMENT.
- ACTIVE INVOLVEMENT OF SENIOR MANAGEMENT OF ALL ORGANIZATIONAL UNITS.

**WE HAVE NEVER SEEN AN EFFECTIVE PLANNING PROCESS WITHOUT A COMMITTED LEADER AT THE TOP.**

**AN APPOINTED OFFICIAL IS NEEDED FIRST**

**THE PREVIOUS SECTIONS ESTABLISHED THAT A STRONG COUNTY MANAGER IS REQUIRED FOR THE COUNTY TO PERFORM ITS CRITICAL TASKS OVER THE NEXT 5-10 YEARS.**

**WE ALSO RESEARCHED THE ORGANIZATION STRUCTURES OF 21 OF THE LARGEST COUNTIES IN THE U.S. OUR DATA SHOWED THAT THE LARGEST URBAN COUNTIES TENDED TO CHOOSE EITHER A WEAK APPOINTED ADMINISTRATOR OR A STRONG ELECTED EXECUTIVE. (EXHIBITS 9 AND 9A).**



**AN APPOINTED OFFICIAL IS NEEDED FIRST, (CONTINUED)**

**AS A TOOL FOR EVALUATING WHETHER AN APPOINTED OR ELECTED EXECUTIVE IS MOST DESIRABLE, WE WEIGHED THE RELATIVE IMPORTANCE OF THEIR SKILLS IN ACHIEVING THOSE TASKS.**

- 1. MANAGEMENT SKILLS - WHICH ARE MOST LIKELY TO BE FOUND IN AN APPOINTED EXECUTIVE**
  - TECHNICAL SKILLS**
  - LEADERSHIP ABILITY**
- 2. CONSENSUS BUILDING - WHICH COULD BE FOUND IN BOTH APPOINTED (MOSTLY INTERNAL CONSENSUS BUILDING) AND ELECTED (MOSTLY EXTERNAL CONSENSUS BUILDING)**
- 3. ABILITY TO REPRESENT ALL OF L.A. COUNTY TO ELECTED OFFICIALS - WHICH IS MOST LIKELY TO BE FOUND IN AN ELECTED OFFICIAL.**

**AN APPOINTED OFFICIAL IS NEEDED FIRST, (CONTINUED)**

**AS SHOWN IN EXHIBIT 10, MANAGEMENT SKILLS ARE MOST IMPORTANT, FOLLOWED BY CONSENSUS BUILDING AND REPRESENTATION.**

**CONSEQUENTLY, WE BELIEVE THE APPROPRIATE COURSE OF ACTION IS:**

- 1. TO APPOINT A COUNTY MANAGER TO FOCUS ON MAKING MORE EFFECTIVE THE ORGANIZATION AND MANAGEMENT SYSTEMS IN L.A. COUNTY.**
- 2. TO REVIEW THE NEED FOR AN ELECTED OFFICIAL AFTER TWO YEARS.**

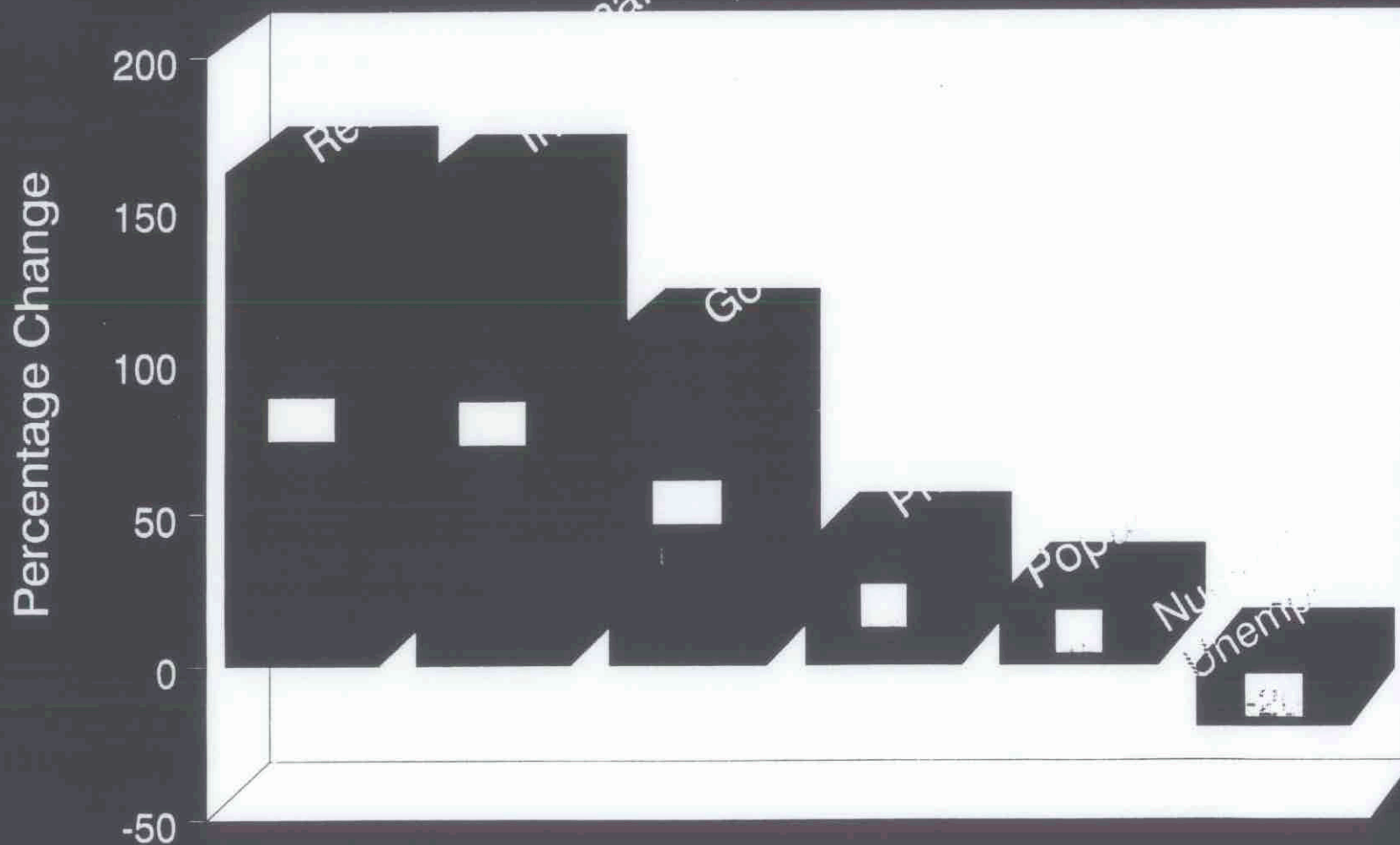
## **NEXT STEPS**

### **THE FOLLOWING NEXT STEPS APPEAR APPROPRIATE**

- 1. SECURE APPROVAL OF TASK FORCE REPORT FROM FULL COMMISSION.**
- 2. INCORPORATE INPUT FROM THE MEETING AND FORWARD REVISED REPORT TO BOARD OF SUPERVISORS.**
- 3. HOLD PRELIMINARY MEETINGS WITH APPROPRIATE COUNTY OFFICIALS.**
- 4. PRESENT REPORT TO BOARD BEFORE THE END OF JULY.**

# County Revenue Growth Outpaces Economy

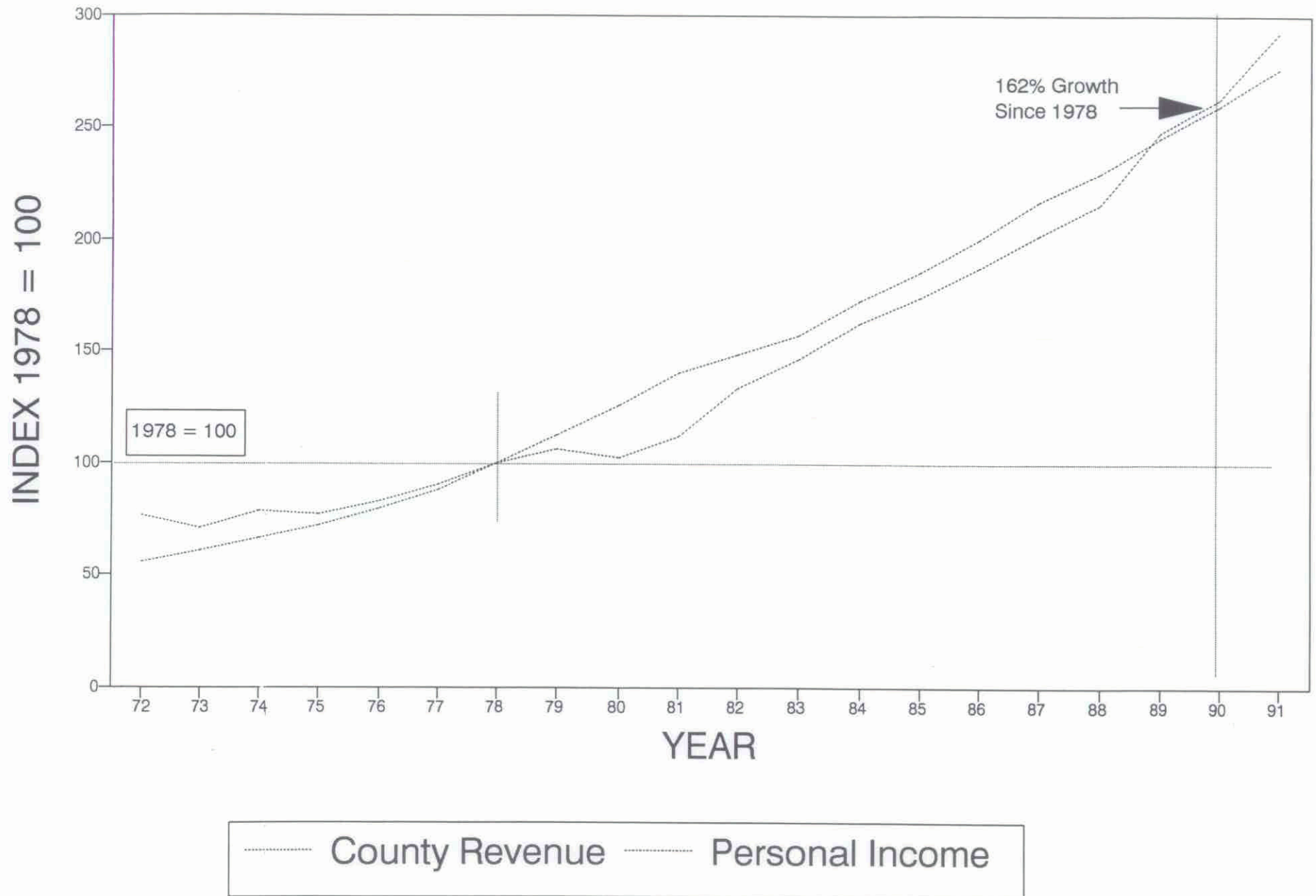
Cumulative Percent Growth Since 1978





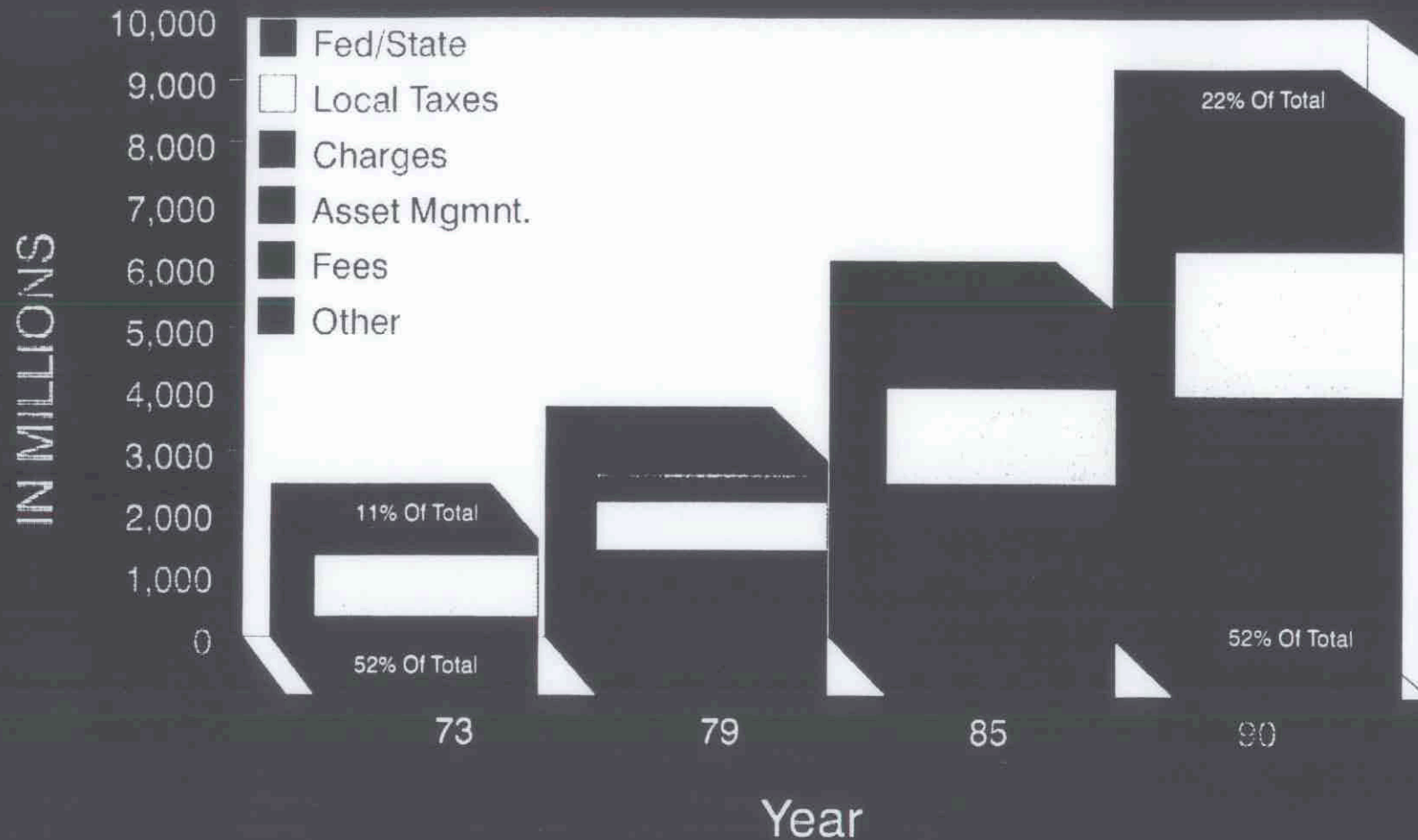
# LOS ANGELES COUNTY GOVERNMENT

PERSONAL INCOME AND TOTAL REVENUE (NDX)



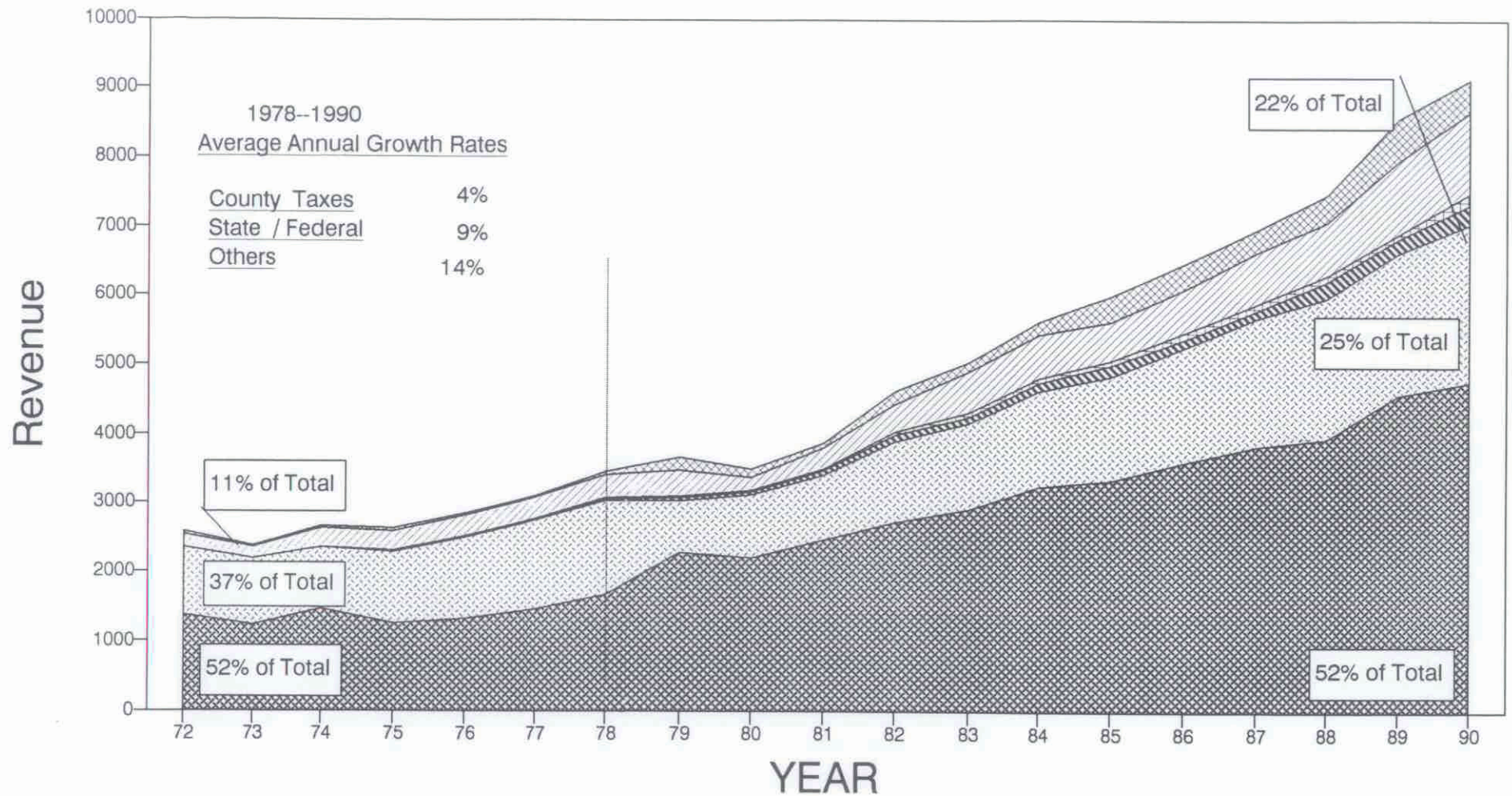
THE EXECUTIVE STRUCTURE

## LOS ANGELES COUNTY DEPENDENCE ON STATE OR FEDERAL SOURCES UNCHANGED SINCE 1970'S, IMPROVES FROM 1980'S



# LOS ANGELES COUNTY REVENUE PROFILE

ALL SOURCES 1971-1990

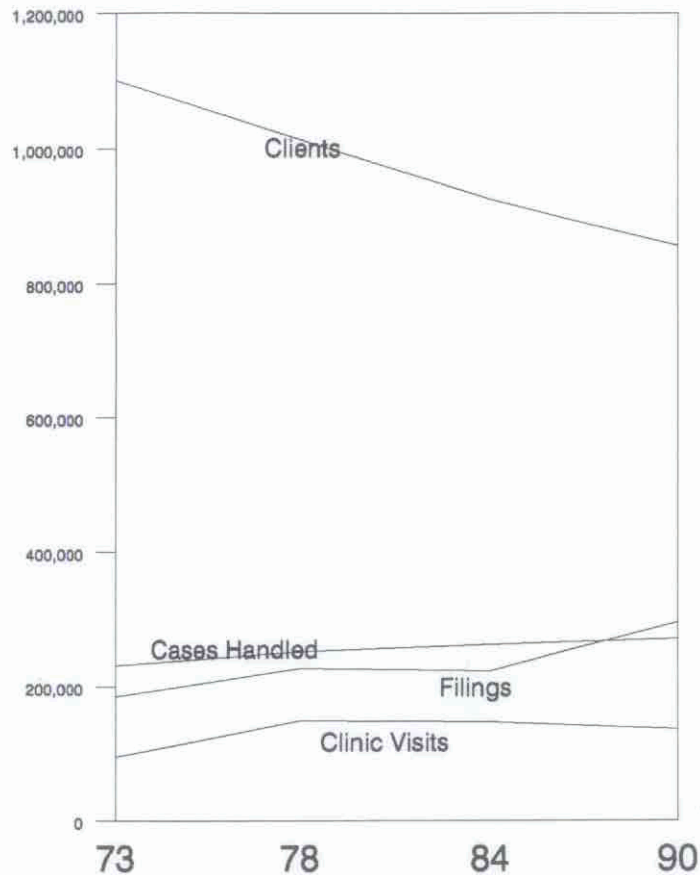


PERCENTAGE COMPOSITION OF LOS ANGELES COUNTY REVENUES

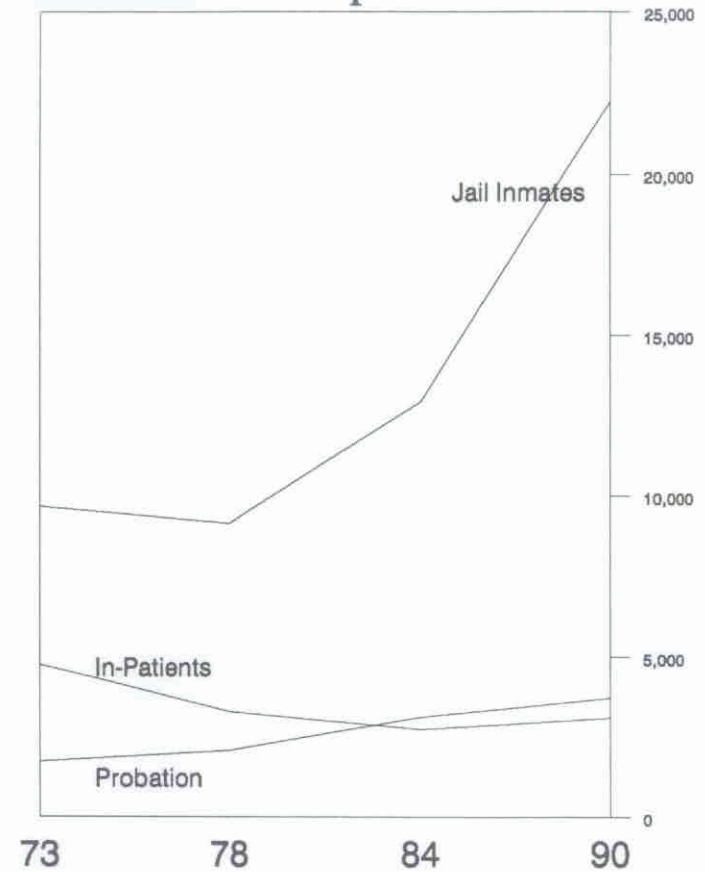
	<u>1972</u>	<u>1978</u>	<u>1979</u>	<u>1990</u>
FEDERAL/STATE	52	48	62	52
LOCAL TAXES	37	39	20	25
CHARGES FOR SERVICE	8	9	11	13
ASSET MANAGEMENT	1	1	1	1
LICENSES, PERMITS, FEES	.1	1	1	2
OTHER	2	2	5	5
 TOTAL (\$BILLIONS)	 \$2,667	 \$3,496	 \$3,707	 \$9,181
	100%	100%	100%	100%



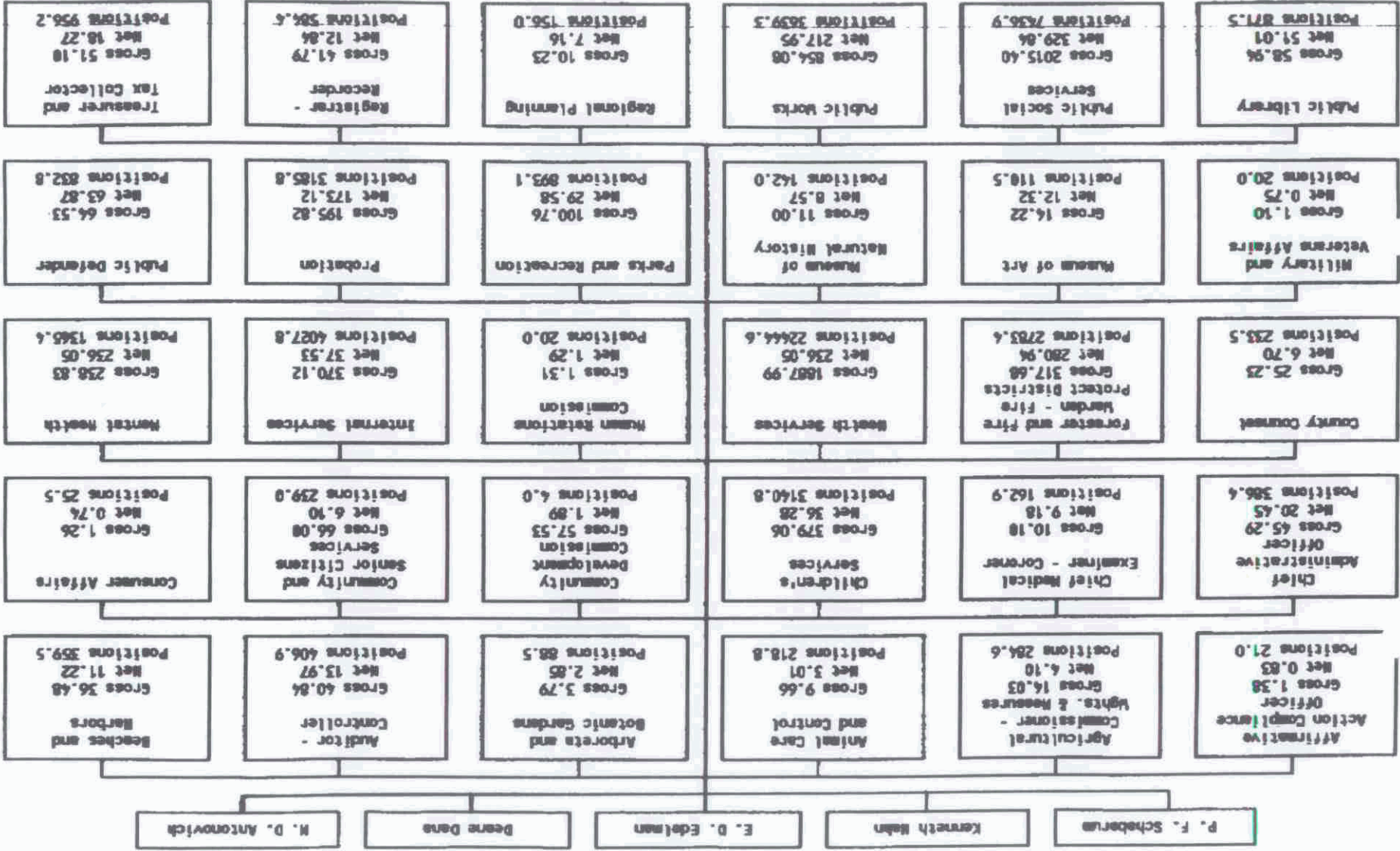
### Welfare Client Count Down 16% But Court Filings Increase Significantly



### Jail Population Up 131% But Other County Institutional Population Flat

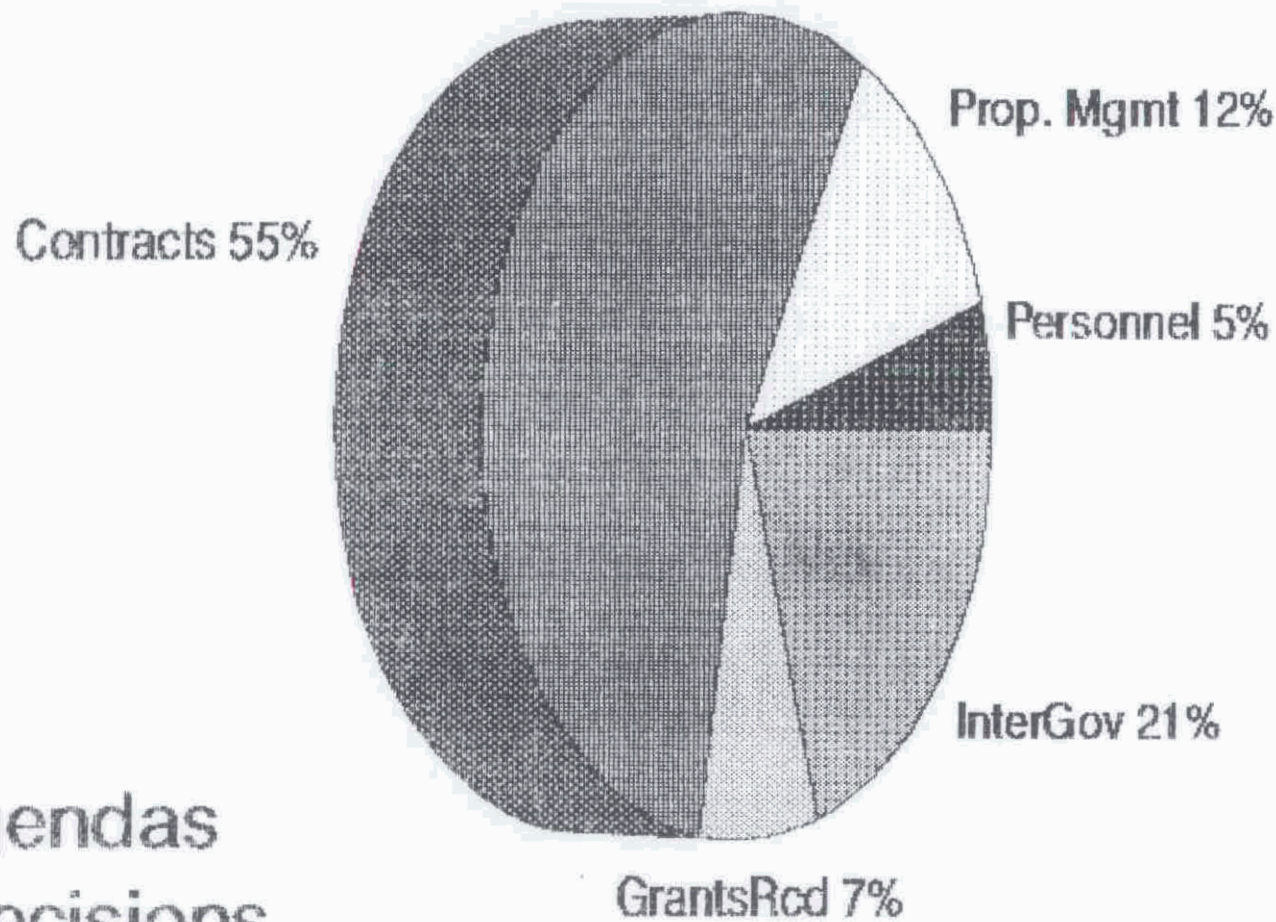


BOARD OF SUPERVISORS  
FUNCTIONS  
Fiscal Year 1989-90



# LOS ANGELES COUNTY GOVERNMENT

## Board of Supervisors' - Agenda Decisions

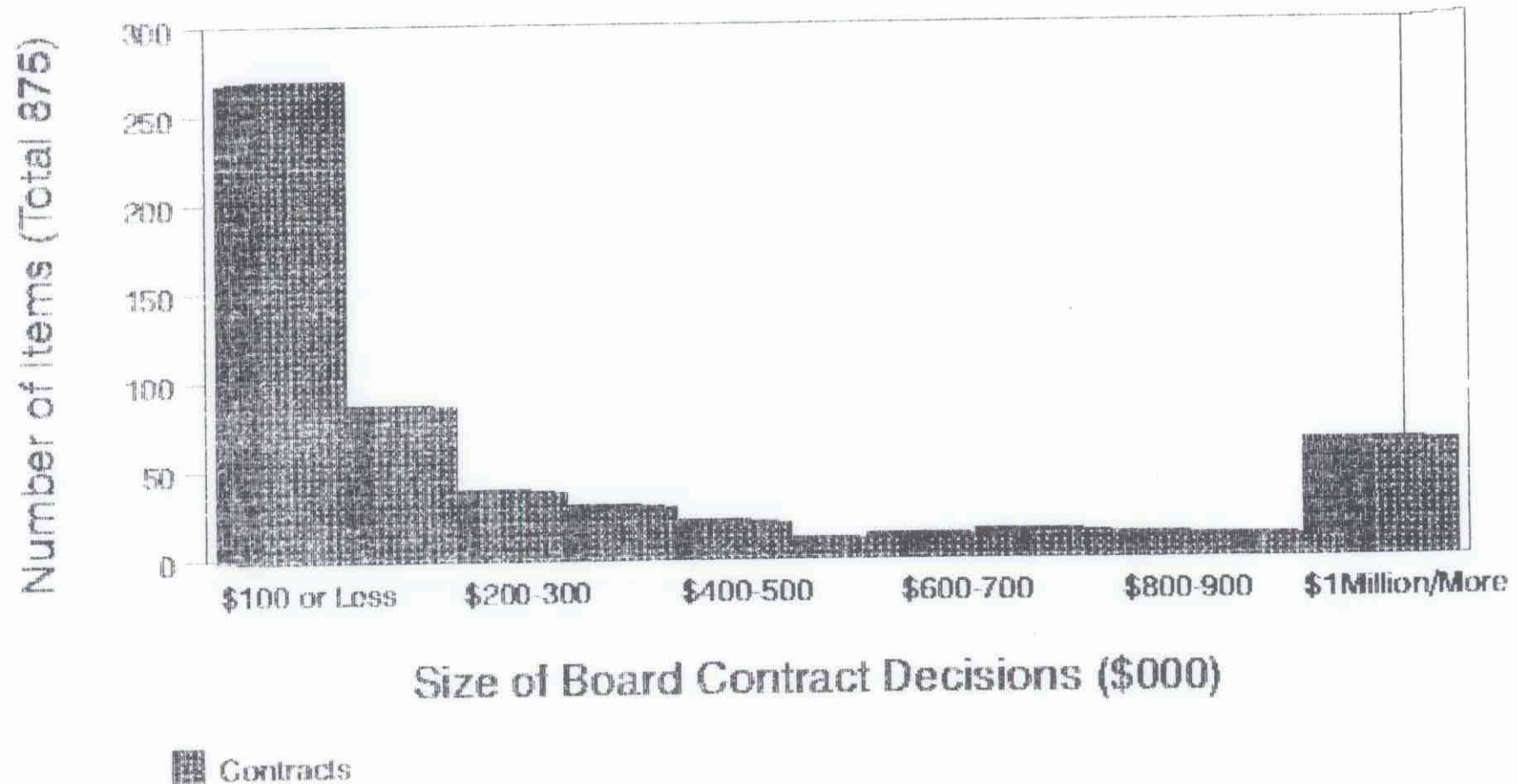


30 Agendas  
875 Decisions



# LOS ANGELES COUNTY GOVERNMENT

## Board of Supervisors' - Agenda Decisions

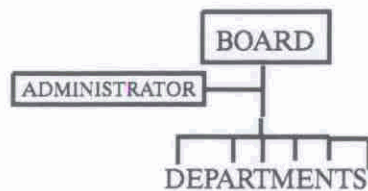




# THE EXECUTIVE STRUCTURE

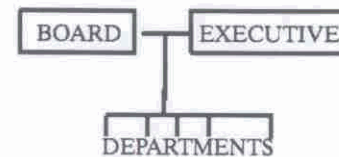
## MODELS OF COUNTY EXECUTIVE FOR 21 LARGEST COUNTIES

### Weak Administrator



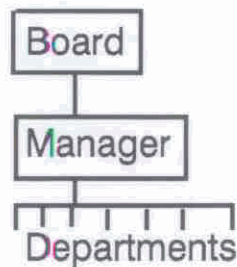
10 counties  
Average Population  
2.3 Million

### Weak Elected Executive



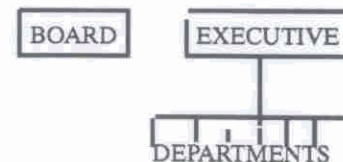
3 Counties  
Average Population  
2.0 Million

### Strong Manager

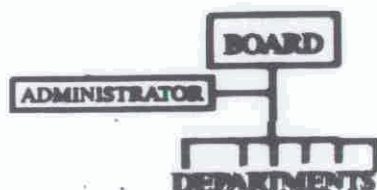


2 Counties  
Average Population  
1.3 Million

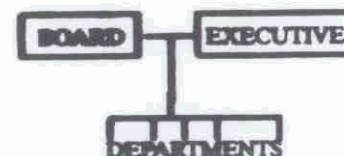
### Strong Elected Executive



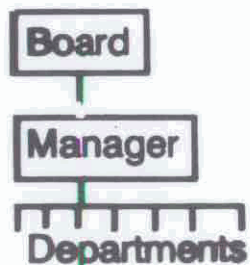
6 Counties  
Average Population  
2.2 Million

**THE EXECUTIVE STRUCTURE****MODELS OF COUNTY EXECUTIVE  
FOR 21 LARGEST COUNTIES****Weak Administrator**

Alameda, CA  
 Allegheny, PA  
 Cuyahoga, OH  
 Dade, FL  
 Los Angeles, CA  
 Maricopa, AZ  
 Middlesex, MA  
 Orange, CA  
 San Bernardino, CA  
 San Diego, CA

**Weak Elected Executive**

Bexar, TX  
 Dallas, TX  
 Houston, TX

**Strong Manager**

Santa Clara, CA  
 Boward, IL

**Strong Elected Executive**

Cook, IL  
 King, WA  
 Nassau, NY  
 Philadelphia, PA  
 Suffolk, NY  
 Wayne, MI

RELATIVE IMPORTANCE OF SKILLS  
REQUIRED BY COUNTY MANAGER

<u>CRITICAL TASKS</u>	<u>SKILLS REQUIRED</u>		
	<u>MANAGEMENT SKILLS</u>	<u>CONSENSUS BUILDING</u>	<u>ABILITY TO REPRESENT L.A. COUNTY WITH ELECTED OFFICIALS</u>
1. <u>DELIVER SERVICES EFFICIENTLY</u>			
- Lead County Budgeting Process	3	2	1
- Develop and Install Consolidated Organization	1	3	2
- Develop and Install MIS Systems	3	2	1
- Set Countywide Standards	3	2	1
Task 1 Sub-Total	10	9	5
2. <u>Influence Outside Fund Allocations</u>			
- Build Caucus	1	1	3
- Plan and Implement Lobbying Strategy	1	3	2
- Maintain Working Relationships	2	1	3
Task 2 Sub-Total	4	5	9

RELATIVE IMPORTANCE OF SKILLS  
REQUIRED BY COUNTY MANAGER

(CONTINUED)

SKILLS REQUIRED

<u>CRITICAL TASKS</u>	<u>MANAGEMENT SKILLS</u>	<u>CONSENSUS BUILDING</u>	<u>ABILITY TO REPRESENT L.A. COUNTY WITH ELECTED OFFICIALS</u>
3. <u>Increase Entrepreneurial Sources of Revenue</u>			
- Work with Departments to Identify Opportunities	3	2	1
- Develop and Implement Plans	3	2	1
- Manage for Results	3	2	1
Task 3 Sub-Totals	9	6	3
4. <u>Strategic Planning</u>			
- Define and Implement Process	3	2	1
- Select Objectives	2	3	1
- Develop Action Plans	3	2	1
- Persuade Regional, State, Federal Bodies	1	2	3
Task 4 Sub-Totals	9	9	6
GRAND TOTALS:	32	29	23



## EXECUTIVE STRUCTURE TASK FORCE

### INTERVIEWEES OUTSIDE LOS ANGELES COUNTY GOVERNMENT:

#### FORMER L.A. COUNTY OFFICIALS

James C. Hankla, City Manager, City of Long Beach (Former CAO)

Ralph S. Cryder, Director, Parks and Recreation, City of Long  
Beach (Same position in L.A. County)

#### USC SCHOOL OF PUBLIC ADMINISTRATION

David Mars, Professor, Former Dean

Catherine G. Burke, Associate Professor

#### LOS ANGELES CHAMBER OF COMMERCE

Raymond Remy, President

#### PUBLIC COMMISSION ON LOS ANGELES COUNTY GOVERNMENT (1976)

Harold M. Williams, Co-Chairman

Edward K. Hamilton, Executive Director

# LOS ANGELES COUNTY REVENUE PROFILE

## ALL SOURCES 1972-1990

	fed/state	Local Taxes	Charges	Asset Mgmt.	Fees	Other
73	1,233	966	185	17	22	44
79	2,393	752	407	48	35	72
85	3,496	1,517	646	165	93	170
90	4,924	2,302	1,254	292	168	241