

Risky Business: Providing Local Public Services in Los Angeles County

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Foreword

When Orange County went bankrupt in December 1994, it focused public attention as never before on the fiscal and political balancing act that is a way of life for California counties. This balancing act is induced by the complexity of funding arrangements with the state and widespread public confusion about what level of government is responsible for what services. Counties are agents of state government and, since Proposition 13, have depended primarily on state resources for financial support of their programs and services. At the same time, counties are expected to respond to changing demands that often require them to provide services without the resources to do so.

To help the county meet such fiscal demands, Orange County's treasurer made the very risky investments that pushed the county into bankruptcy. At almost the same time, similar pressures brought Los Angeles County to the verge of a fiscal meltdown. PPIC research on the Orange County bankruptcy and, more generally, on the state/local fiscal relationship was beginning to identify the forces contributing to the

unique vulnerability of county government in California. In 1998, these circumstances led PPIC to approach Los Angeles County with the objective of taking a careful look at the operations of the largest county in the state of California.

The result is *Risky Business: Providing Local Public Services in Los Angeles County*, by Mark Baldassare, Michael A. Shires, Christopher Hoene, and Aaron Koffman. The authors provide a thorough analysis of perceived fiscal strains facing the county and its administrators, and the organizational stresses associated with a complex system of finances that makes it difficult to associate service delivery with accountability. One of the most valuable contributions of the research is the systematic linking of budget detail to the actual provision of services. Detailed tables in the appendices show exactly how complex this unit of government has become. This complexity suggests not only why the county is difficult to govern, but why it is vulnerable to a level of abuse and confusion that makes fiscal crises almost certain to occur on a regular basis. With 37 departments, 84,000 employees, 88 cities, and over 200 special districts and regional agencies, a single county government serving ten million residents faces formidable challenges.

The report is not only about numbers; it also seeks to answer questions about how the county might do business more effectively. How could the county gain more fiscal control? How could it become more responsive to residents? And how could it deal with the ever-challenging demands of a more regional orientation? These are just three of the key questions that are explored in detail through county staff interviews. It is striking how practical some of the answers to these questions are. What is also striking is how politically difficult it

apparently is to pursue the specific suggestions mentioned in the interviews.

Our hope is that, as they attempt to move county government out of its balancing act and onto more stable ground, all participants in county government—taxpayers, government administrators, and elected officials—will use the information in this report as a starting point for tackling this formidable task.

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Summary

County governments in California are in the risky business of having to provide essential services to an uncertain number of residents with funding sources that are largely beyond their control. All county governments participate in a system of delivering local services through complex state and local financial relationships that evolved over decades. From time to time, this fiscal system has shown signs of serious strain. During the recession in the early 1990s, county governments throughout the state had serious fiscal problems. Los Angeles County came close to a fiscal meltdown, and a large bailout in health care funding was needed from the federal government; but other large urban counties also suffered financial problems. Several rural counties also ran into serious fiscal troubles. Some observers have blamed the current state and local fiscal arrangements for the problems that county governments have faced, most recently, exemplified by the legislative action in the early 1990s allowing the state to take back property tax revenues from counties. This

study of Los Angeles County thus has relevance for county governments throughout California.

Los Angeles County was chosen for study because it is the most challenging environment in the state for local governments to provide services to their residents. The county includes almost ten million residents—nearly 30 percent of the state’s population—and is expected to be home to another two million people in the next two decades. It has been a leading immigrant destination, resulting in its current status as a “majority-minority” county in racial and ethnic composition—i.e., no racial or ethnic group represents 50 percent or more of the county’s population—and the county will soon have a majority Latino population. The responsibility for providing local services is in the hands of a massive county government, 88 city governments, and over 200 special districts and regional agencies.

In recent years, the booming economy has produced extremes of both wealth and poverty. As the main provider of public social services, Los Angeles County is faced with ever-increasing demands for these services as a result of the expanding population and growing poverty. One example is that a very large uninsured population turns to county government for its health care. Local government officials in the county, as well as throughout California, have complained that citizens’ initiatives and legislative actions have severely constrained their abilities to meet these increasing local demands for services.

This study of local public services in Los Angeles County was conducted through funding by the Public Policy Institute of California and with the cooperation of the Chief Administrative Office of Los Angeles County. The study had four goals:

1. Identify the perceived fiscal strains and organizational stresses in the provision of local public services, according to those familiar with Los Angeles County.
2. Describe the system for financing county-provided services.
3. Describe the broader context of local service provision by noncounty jurisdictions, including cities, special districts, and regional agencies.
4. Identify alternative fiscal and organizational arrangements for providing local services.

We developed a methodology to meet the goals of this project within a one-year time frame. In identifying the perceived fiscal and organizational stresses, we conducted 31 in-depth interviews with elected and appointed officials from county, state, city, special district, and regional governments and community leaders from nonprofit, business, labor, media, academic, and civic organizations. For describing the county-provided services, we used the 1997–1998 county budget reports, which were the most recent county fiscal data available at the time the study began. For noncounty services, we identified the revenues, expenditures, and services provided in a sample of 24 cities in Los Angeles County and the special districts that involve most of the expenses for services in Los Angeles County. To ensure comparability with county government statistics, we derived the data for noncounty services from the 1997–1998 budgets. We identified alternative fiscal and organizational arrangements through the interviews and through supporting information from county and noncounty budget analyses.

Perceived Fiscal Strains and Organizational Stresses

Strong themes about the fiscal strains and organizational stresses experienced in providing local services emerged across the in-depth

interviews with state, county, and local elected and appointed officials and Los Angeles civic leaders. These reflections by knowledgeable sources were useful for generating hypotheses for the quantitative analyses of county government and other local jurisdictions and for exploring ideas about alternative fiscal and organizational arrangements for providing local services.

Perceived Fiscal Strains

1. **The county government has little control over the revenues it generates and the monies it spends on services for residents.** As a result of Proposition 13 and related legislation, there is a widespread perception that county government has lost control of its major revenue source, which was the local property tax. In filling the service needs of residents, county government has become increasingly dependent on state and federal monies that usually arrive with strings attached. This leaves county officials with little room for maneuvering in the types and amounts of services they provide annually—and little flexibility during recessions.

2. **State, federal, and county governments are partners in delivering local services, but uncertainties about state and federal funding and mandates create tensions.** In particular, the state government needs the cooperation of the county government as the “agent of the state” in delivering certain essential services at the regional level, and the county government needs the financial wherewithal from Sacramento to provide other local and countywide services to its residents. There was a feeling that the tensions surrounding the current state and local fiscal relationships—partly but not only as a result of the state government taking funding from the county government during the

recession—had done some harm to this key partnership. Some felt that relationships had improved in recent years, although largely as a result of a less stressful budget environment in Sacramento.

3. Health care is a chronic and unsolved problem facing county-provided services. Although the 1994–1995 health care crisis was averted, no one today believes that the problem has been resolved. There are a variety of opinions on the severity of the problem, but there is general consensus that providing health care to the large, uninsured population of Los Angeles County is the most worrisome issue for county government. Most realize that the county government is heavily dependent on a continued federal bailout, and everyone knows that this funding source will not continue indefinitely. Despite recognition that the federal bailout will not continue and that another crisis is likely with the next recession, there is also a consensus that county government does not know how to solve the problem.

4. The scarcity of local revenue sources may be leading to development decisions that favor commercial growth that generates local sales tax dollars over the region’s housing and economic needs. Many of the leaders we spoke to believed that local development decisions are leaning too much toward retail and commercial building rather than residential and industrial construction, because the former generates sales tax revenues for the locality whereas the latter does not. In an era when local governments have few options for raising revenues, many are concerned that the “fiscalization of land use” results in too many local growth decisions that are not in the best interest of the region as a whole.

5. Fiscal uncertainties make long-term planning difficult, even though the county government is in better shape today than it was in

the mid-1990s. There was near consensus that these are good fiscal times in county government, particularly compared with the dark days of the near fiscal meltdown during the recession of the early 1990s. A better economy and a more effective management structure are credited with the turnaround. Yet, there is a widely held belief that the current good times are only temporary and that county government will find itself in deep trouble again when the economy inevitably enters the next downturn. The uncertain fiscal environment makes it difficult to plan for this eventuality.

Perceived Organizational Stresses

1. The size of county government and the large number of local governments operating in the county lead to public confusion about local service delivery. Local government in Los Angeles County includes the county government (84,000 employees and 37 departments), 88 cities, and over 200 special districts. Some of those interviewed considered the county government big and unwieldy. Others believed that there are too many cities and special districts. The size and complexity of these governmental units was linked to perceptions of “fragmentation” in decisionmaking about local services and a bureaucracy that is too difficult for the public to understand and access.

2. The connections between state revenues and local expenditures are so complex that is difficult to know who should be held accountable for local services. Many local and state leaders are troubled by the appearance of a “disconnect” in state and local fiscal relationships resulting from local government dependence on state funds. The current system raises public doubts about what tax monies go to what services

and confusion about which branch of government can really be held accountable for delivering these services.

3. Contract cities (i.e., those cities that provide public services through contracts with the county government) seem to offer an efficient means of providing local services, even though these long-standing county-city relationships are still controversial. The topic of contract cities has for many years generated controversy in Los Angeles County. Some think that the county should not be in the business of selling its local services to cities. Large cities have complained that contract cities are not “real cities.” Others worry that the county government is already stretched too thin to be providing local services to contract cities and that making city incorporation easier only increases the fragmentation of the region. On the other side, some have argued that the contract city arrangement has reduced administrative overhead and service redundancies in the region. They argue that contract cities are an efficient way to achieve local governance. Most of those interviewed within county government spoke only of the benefits of contract cities—such as additional revenues and incentives to increase efficiency—whereas those in cities and special districts, as well as civic leaders, offered mostly positive evaluations but more mixed reviews of this special county-city relationship.

4. Unincorporated areas may be an unwanted burden on county government, but many roadblocks prevent their incorporation or annexation by cities. About one million people in Los Angeles County—or approximately one in 10 residents—live in unincorporated areas. They are dependent on the county government for their municipal-level services, because they have no city government. For the urban unincorporated areas, these are services that would otherwise be

provided by city government, if these areas were annexed or incorporated. Again, this kind of local service activity reduces the county government's ability to focus on its role of providing regional-level services. Given the revenue-generating limitations faced by the county government, many have suggested that urban unincorporated areas should be annexed by adjacent cities or incorporated into new cities, thus removing this service burden from county government. Most of the respondents in our study agreed with this idea in principle, although many understood why this process was not moving ahead. For the most part, residents in unincorporated areas seem to be satisfied with the services they are receiving and the cost of local government, so they are not seeking to incorporate or be annexed, and cities are in no hurry to annex land that is not generating enough revenues to cover the costs of services.

5. County government should work more closely with cities and other local governments, the private sector, and nonprofits in providing local services. There is a widespread recognition that the county government needs to improve its ability to be a partner with other local governments in providing services. Although most felt that relations between the county government and other local governments have improved in recent years, many also perceived that collaborative efforts were still too rare. Others want the county government to more actively seek partnerships outside local government, specifically, contracting with the private sector and taking advantage of the accumulation of wealth and talent in the nonprofit organizations throughout the region. Some called for public-private partnerships to meet the health services needs of the uninsured population. Many believed that if local governments are to succeed in such a challenging environment, the county government

must create a sense of purpose for the region as a whole—an endeavor seldom undertaken.

The County as a Regional Government

Los Angeles County serves as the regional government for the territories within its boundaries. In its regional role, the county has two responsibilities: (1) As an independent county government, it must respond to the needs and preferences of a countywide electorate, and (2) as an administrative agent of the California and U.S. governments, it must implement state and federal initiatives. Both responsibilities are considered part of the county's regional role, because the services provided are delivered to the entire region within the county. To examine the county's regional roles, we conducted an extensive, program-based analysis of the county's finances. Our analysis identified several areas where, in its role as a regional government, the county has experienced the kinds of fiscal strains and organizational stresses identified in the interviews.

1. The county government has little control over its revenues. Only a small share of the county's revenues are discretionary, thus limiting the government's ability to respond to local preferences and needs. Ten percent of the county's revenues come from unrestricted property taxes, 11 percent from service charges and fees, and 8 percent from other taxes and revenues. Since many service charges and fee revenues result from providing services (e.g., water and sewers), the use of these revenues is restricted. As a result, 21 percent of the county's revenues are generally available to fund the regional activities that account for some 25 percent of county expenditures. This produces

significant budget pressure and makes the county more reliant on intergovernmental transfers to provide these services.

2. The county government has little control over its expenditures.

The county role as an agent of the state and federal governments dominates its regional responsibilities. Expenditures associated with the county's "agency" role account for 62 percent of its total expenditures. Expenditures associated with its role as a provider of countywide services—such as county jails, flood control, planning, and consumer affairs—account for 25 percent of its expenditures. The remaining 13 percent of expenditures are for municipal services—such as local police, fire, animal control, and water and sewer services—which the county provides for residents of both unincorporated and incorporated areas within its jurisdiction.

3. Uncertainties about state and federal funding and mandates, notably in the area of health care, create intergovernmental tensions over local service delivery.

Services the county provides as an agent of the state and federal governments often cost more than the county receives. In many instances, the county spends more on state and federally mandated programs than it receives in intergovernmental revenues. For example, the expenditures for health services the county provides in its agency role exceeded the intergovernmental revenues it received for these purposes by some \$211 million in 1997–1998. Shortfalls such as this are produced by a combination of matching fund requirements (i.e., mandates that the county complement, by a certain percentage, the funds it receives from the state or federal government), maintenance of effort requirements (i.e., mandates that the county maintain a minimum level of service provision), and local county preferences.

4. Fiscal uncertainties make long-term financial planning difficult for county government. The absence of a portfolio of local, discretionary streams makes county finances more vulnerable to economic shocks than other local governments. The majority of the county's locally discretionary funds come from the property tax. Sales, business, franchise, and utility taxes are a minor portion of the county's revenue stream. As a result, the county budget is particularly susceptible to changes in property tax revenues, through either state fiscal policies or downturns in the real estate market. Over time, cities have developed a greater ability to limit this vulnerability by expanding their reliance on alternative revenue streams.

5. The county government's role as an implementing agent of the state and federal governments creates significant organizational problems. Aside from the accountability issues implicit in a system where the implementing body faces a different group of constituents than the policymaking body, the county's agency role serves to create significant conflicts of interest within its boundaries. Maintenance of effort and matching fund requirements are excellent examples of how the policy choices of the state and federal governments constrain the county's ability to customize programs to better suit local needs. Additionally, these two paternal governments can sometimes disagree and issue conflicting edicts, as has been the case with the new Los Angeles County-University of Southern California Medical Center.

6. The size and scope of Los Angeles County as a single government leads to confusion about the delivery of local services. One issue that is abundantly clear from our analysis is that the size and scope of Los Angeles County contributes directly to confusion about its role and objectives. This confusion is further complicated when the county is

acting as an agent of the state or federal government and is implementing their policies. Even with the direct assistance of the senior management of Los Angeles County and a well-trained staff, it took us several months to begin to understand the complexities of Los Angeles County's many departments and agencies. It is inconceivable, therefore, that the average citizen can fully understand many of the county's complex policy decisions, which in turn, leads to confusion and misunderstandings about the county's goals and objectives.

The County as a Municipal Government

Los Angeles County's municipal services are provided through three institutional mechanisms. The first of these is *direct provision*, in which the county provides municipal services to unincorporated areas through county departments, and cities provide services to their residents through municipal departments. The second mechanism is through a multitude of *special districts*, including specifically drawn assessment districts, county-governed special districts, and special districts that operate independent of county control. The final mechanism for providing municipal services is through *contract service provision*, which involves contractual relationships between the county, cities, and the private sector.

Our analysis of these three mechanisms reveals a nexus between the county government, cities, and special districts providing municipal services to the county's residents. However, this nexus also creates complications, both in terms of institutional arrangements and in the confusion that inevitably accompanies a system in which multiple levels of government are providing similar services. Our budget analysis

revealed several examples of the fiscal strains and organizational stresses mentioned in the interviews.

1. **The large number of local governments providing services makes it difficult to ascertain which level of government is ultimately responsible for providing which service.** The county, 88 cities, and more than 200 special districts simultaneously provide municipal services through numerous institutional relationships, including county provision to unincorporated areas, special districts, and contracting. The current system may be efficient from a local government perspective, but it is highly complicated and understandably breeds confusion, frustration, and even irritability with government when one tries to identify who is responsible for providing a given service.

2. **The institutional arrangements between the county, cities, and special districts make it difficult for the public to know whom to hold accountable.** The complexity that results from multiple levels of local government providing municipal services makes it difficult for the public to know whom to hold accountable. The complexity is reinforced by the complicated flow of revenues and expenditures between local governments. Financing of municipal services in Los Angeles County is accomplished through revenue transfers between cities and the county, between the county and special districts, and between cities and special districts. From a constituent perspective, understanding which services are provided through property taxes and which through special assessments is difficult, and this creates uncertainty about how the taxpayers' money is being spent and a sense of alienation and distrust because no identifiable accountability is affixed to the expenditures.

3. **Eliminating the county's role as a municipal service provider to unincorporated areas through annexation and incorporation is subject**

to many impediments. One proposal suggested in the interviews for reducing the complexity of municipal service provision is to eliminate the county's role as a municipal service provider to unincorporated areas through annexation and incorporation. However, forced annexation and incorporation is a policy no level of government is likely to embrace. Most unincorporated areas remain so because they are either rural or, in the case of urban areas, not desirable areas of annexation to the surrounding cities. Given the limitations on property tax revenues, most cities are unlikely to annex areas of the county that have low property values or that offer little sales tax revenue. At the same time, the county officials we interviewed did not they think that the county's role as a service provider to unincorporated areas should be eliminated, arguing instead that the level of services provided to those areas is equivalent to the level they would otherwise receive.

4. The contract city is an efficient means of providing municipal services at both the county and city level, and offers one model for local governments working closely together to provide local services.

Another issue raised by those interviewed was the efficacy of the contract city model, given its prevalence in the county. Although opponents of contract cities argue that residents countywide are subsidizing the overhead costs of providing these services through the county, our analysis indicates that this is not the case or that there are sufficient other factors—including economies of scale—that justify the contracting of services. At both the county and contract city level, those we interviewed resoundingly felt that the contract city model resulted in the most efficient allocation of services and was a positive relationship for both sides.

5. Reliance on sales tax revenues, particularly in the case of contract cities, creates an incentive to prioritize commercial growth and development over housing and other regional needs. Although we did not analyze the fiscalization of land use in great detail (see Lewis and Barbour, 1999), one issue emerging from our analysis is the incentive the sales tax provides for favoring retail business over housing and regional economic needs. Such fiscalization does seem likely, given cities' reduced reliance on traditional revenue sources, such as the property tax. Contract cities, in particular, rely heavily on sales tax revenues to pay for the services they receive.

Fiscal and Organizational Alternatives

There is general consensus about what the Los Angeles County government needs to do to get ready for the growth and change that will occur in the 21st century. Four particular goals emerged from the interviews and were validated by our analysis of the revenue and expenditure data. We endorse the goals and their importance. However, we do not endorse any of the specific suggestions mentioned in the interviews (and listed below) for arriving at these goals. Rather, the approaches for reaching these goals must depend on the development of a consensus among state and local government officials, civic leaders, and residents.

1. More Fiscal Control. Suggestions emerging from the interviews for increasing fiscal control included giving a greater portion of property tax revenues to county and local governments, returning control of the property tax to local governments, distributing sales tax revenues on a per capita or constituency-served basis, earmarking a portion of the state income tax for county government, changing from a two-thirds majority

vote requirement to a simple majority requirement for approval of tax measures, and reducing minimum-service-level requirements placed on the county by state government.

2. **Expanded Partnerships.** Suggestions included increasing contract relationships with cities, expanding partnerships with cities, nonprofit organizations, and the private sector—especially for providing health services—and establishing a forum for interaction on service issues between the county, other local governments, and the private sector.

3. **Greater Responsiveness.** Suggestions included increasing the number of county supervisors, electing a county mayor or chief executive officer, making the budget process more understandable to the public, and utilizing performance-based budgeting. Other suggestions included improving public relations, particularly with the Latino media, increasing the use of the Internet for information and services, and monitoring citizen satisfaction through public opinion surveys.

4. **Increased Regional Focus.** Emphasizing the county's role as a regional service provider was mentioned by many of those interviewed. Suggestions included eliminating the county's role as a municipal service provider to unincorporated areas by encouraging annexation or incorporation of these areas, creating a municipal services district for funding and delivering services specifically for these areas, and distributing sales tax revenues on a per capita basis to make these areas more capable of financing their own service provision. Other suggestions included increasing contract relationships with cities, expanding the number of locally based county offices to increase the county's presence in the region, prioritizing housing needs, providing a forum for interjurisdictional cooperation, and eliminating the county's involvement

with dependent districts, either through consolidation of these districts or relinquishing county control over them.

Clearly, there is recognition that county government has made great strides in recent years as a result of better management and a growing economy. But the consensus is that county government will need to build on these recent accomplishments if it is to effectively meet current service needs and to prepare for the two million more residents who will call Los Angeles County their home in the next 20 years. This preparation will require public policy discussions and consensus building among county residents and their elected officials. The four goals presented above—emerging from our interviews and fiscal analysis—offer a framework and reason for having these discussions.

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1. Introduction

Local governments in California today face serious constraints whenever they want to increase local funding for the services they provide to residents. These constraints began when the voters passed Proposition 13 in 1978, which limited increases in local property taxes, lowered the existing tax base to 1 percent, and required local governments to seek a two-thirds majority from their voters whenever they wanted to raise local taxes. A series of legislative acts, in response to Proposition 13 and its political aftermath, has placed the state government in the dominant role of allocating revenues to the cities, counties, school districts, and other governmental entities that are responsible for providing local services to residents. The state's fiscal power over local services is even stronger when we consider that the supermajority vote needed to raise local taxes is often difficult to achieve because many voters do not trust their governments.

The effects of the state's strong role in allocating revenue for local services have for many years been an issue of controversy. Some

observers claim that the separation of fiscal responsibility from service accountability breeds public confusion and, ultimately, voter cynicism about the role of government in their daily lives. Others say that the current level of state involvement in service provision is inefficient, because local governments have too little control over the decisions affecting their residents. Still other experts are not concerned about the separation of revenue collection and spending. They argue that Proposition 13 and its progeny have given the California voters what they want—government that delivers local services at the lowest cost possible without the threat of unwanted tax increases by their local governments. To date, there is little evidence to support any of these strongly held positions.

In recent years, the fiscal calamities that have befallen California's local governments have led to a closer examination of, and calls for change in, the state and local fiscal relationships at the foundation of local service provision (Baldassare, 1998a; Hoene, 1998; Shires, 1999). The latest round of reform discussions began soon after the state took back billions of dollars that it previously had allocated to local governments, so that it could reduce the ballooning state budget deficit during the recession in the early 1990s. Fiscal calamities followed the local funding reductions, including the Orange County bankruptcy, a near meltdown in Los Angeles County, and financial problems in several rural counties in Northern California. Some have argued that these problems were caused by local actions rather than by the state, although others claim that local governments no longer have the tools they need to adjust to a loss of state funds.

As the California economy improved in the late 1990s, and as large budget surpluses led to more generous revenue allocations to local

governments from the state, the mention of fiscal problems by local governments diminished. Yet calls for state and local fiscal reform continue, including requests that the state government return property tax revenues to local governments. Local governments are quick to point out that their next fiscal crisis is just a recession away, unless the state government is able to provide them with more control over the revenues and expenditures involved in providing services to their local residents.

We decided that the best way to address the issues related to the public finance of local services in California was to study them at the county level. County government is of particular concern given its responsibility for providing health and welfare services to an increasingly large population in the state. Moreover, county governments are highly dependent on state revenues for providing services to local residents. The size and significance of Los Angeles County in California's structure of governance made it the ideal choice for this purpose.

The County of Los Angeles, like all other counties in the state, serves as a principal local government for its residents. This role emerges as a result of the division of the state into 58 distinct regions or counties. Los Angeles County, established in 1850, was one of the state's original 27 counties. The challenges and issues that the county faces as a regional government are often mirrored in the state's other 57 counties, and especially in California's large urban counties. This is because all of the county governments share a common system of state and local government financing of local services that has been shaped by a variety of forces, including the state Constitution, Proposition 13 and its legislative responses, and federal laws and programs. Thus, the findings and conclusions of this report, although obviously of special significance

to Los Angeles County and other large urban counties, are relevant to even the smallest and most rural county governments in California.

We chose Los Angeles over other counties for several reasons. It is by far the most populous county in the state and, for that matter, in the nation. It is more demographically diverse than any other urban county in the state, offering a glimpse into California's future. And it recently experienced fiscal problems that serve as an early warning signal of the future challenges it faces in using state and local funds to provide local services (see Legislative Analyst's Office, 1995). Moreover, the long history of having numerous "contract cities" rely on county government to provide their municipal-level services offers unique lessons about the importance of city-county relationships. Finally, the fact that the county government is also the major provider of many local services for the large populations living in unincorporated areas offers an opportunity to analyze the dual role of the county as a regional government that provides services as an agent of the state and as a local government for those living in incorporated cities.

Over the past decade, for example, Los Angeles County has struggled with the problem of keeping its public health and hospital system solvent. The recession of the early 1990s exerted tremendous pressure on the county's budget and exposed a great weakness in the county's portfolio of local services—its public hospital and clinic system. During the recession, a combination of reduced county income, state transfers of revenues from the county to the education system, and reductions in federal aid payments resulted in a county budget that hovered dangerously close to bankruptcy and threatened the closure of much of the county's hospital system. A federal government bailout of the county's health system—still in force—has allowed the county to avert

financial disaster; but despite the bailout, the county continues to underwrite approximately \$100 million in hospital costs from its general fund. Without federal assistance, the health department would face a large annual deficit.

In our study, we define the services provided by local governments in the broadest sense possible. Some define public services as those activities that cannot be offered efficiently and adequately by the private sector. Others consider public services as activities that governments engage in for the betterment of individuals, communities, and society. Still others see public services as any government activities that affect certain problems and achieve specific goals. We define local services as all of the activities provided by local governments for the benefit of their residents, as measured by their expenditures. Our definition does not differentiate between so-called “essential” services—such as police, fire, and sanitation—and “nonessential” services such as libraries, parks, and recreation. Local services by our definition could be provided to geographical areas of different sizes, including a neighborhood, city, county subarea, county, or multicounty region.

Our study of Los Angeles County government commenced in September 1998. We had the full cooperation of senior leadership in the Chief Administrative Office. Our objective was to study local service delivery and the supporting financial structure. We held ourselves to a one-year timetable, so that we could provide information in a timely fashion to the Chief Administrative Officer and other interested local parties, such as the Los Angeles County Citizens’ Economy and Efficiency Commission, as well as the Speaker’s Commission on State and Local Government Finance.

Goals of This Study

This study had four interrelated goals.

1. Identify the fiscal strains and organizational stresses in the provision of services, as perceived by those familiar with Los Angeles County. We wanted to understand the challenges the county government faces today in providing local services and the opportunities for changes within state, county, and other local government relations. Rather than devising hypotheses only from the fiscal databases, we talked with a number of individuals who are highly informed about the issues. We conducted interviews with a selected sample of county, state, city, special district, and regional officials and civic leaders.

2. Describe and summarize the system for financing county-provided services. We created a database that included all of the local services the Los Angeles County government provides to its residents, how much was spent for each service, and how each service was paid for. For our study's purposes, we defined county-provided services as all programs in the county's 37 departments. We identified 276 county-provided services, as well as their revenues and expenditures.

3. Describe the broader context of service provisions and revenue collections by other jurisdictions in the county, including cities, special districts, and special agencies. We developed a database of services provided by local and regional governments, so that we could contrast their service data with the county government statistics. This allowed us to understand what services other local and regional governments provide, how much they spend on each, and where they get their funds. Given the very large number of governmental units, we selected a sample that reflects the service activities of a wide range of cities, special districts, and regional agencies in Los Angeles County.

4. On the basis of both qualitative and quantitative analysis, identify alternative fiscal and organizational arrangements, if appropriate, for the provision of countywide and local government services. We sought to offer general suggestions about important goals for the county government. We also offered a list of alternative arrangements for providing county services based on our extensive interviews and budget information. We focused on possible changes in the areas of state and county relations, county and local relations, and current activities within county government.

Methods

The methodology we followed in meeting the four goals of this project is briefly described below. Additional information on our methods is presented in the appendices.

Perceived Fiscal Strains and Organizational Stresses

We conducted in-depth interviews with people who were highly knowledgeable about service provision. This included elected and appointed officials from county, state, city, special district, and regional governments and community leaders from nonprofit, business, labor, media, academic, and civic organizations. We contacted every member of the county board of supervisors and most of the county's elected officials and major department heads and asked them to participate in the study. Most agreed to be interviewed in our March to July 1999 time frame. Everyone who was interviewed was granted anonymity, in that their names would not be associated with quotes in this report, to elicit their candid comments. We did tape the interviews to have accurate quotes in the report. A total of 31 interviews were completed,

mostly in person, with a few by telephone. The interviews typically lasted from 30 minutes to one hour and included such topics as state and county fiscal relations, county-local relations, and the roles and operations of county government with respect to municipal services in unincorporated areas, contract cities, health care, and regional services. We also asked these people for their views about the future of Los Angeles County and how expected changes might affect the role of county government.

Analyses of the County's Role as a Regional and Municipal Government

We derived our data from the 1997–1998 county budget reports (the most recent county fiscal data available at the time the study began). The budget numbers were initially coded from the “County of Los Angeles: 1998–1999 Proposed Budget,” which breaks down the 1997–1998 proposed budget appropriations and revenues for 276 programs within each of the county’s 37 departments.¹ We then updated these data with the “County of Los Angeles: 1997–98 Final Budget,” correcting for the changes occurring after the proposed appropriations. We contacted county departments for more-detailed budget information and clarification, which enabled us to code the county revenues and expenditures into service categories. Keeping in mind the goals of the project, we designed our statistical efforts to provide a descriptive analysis of the local services reported in the county budget.

To provide additional context for the county’s role as a municipal service provider, we studied a sample of 24 cities in Los Angeles County.

¹The county’s departments are listed in Appendix A.

Special care was taken to create a broad cross-section of cities. We drew our sample from different regions, each of the five county supervisorial districts, contract and noncontract cities, older and newer municipalities, larger and smaller cities, and cities with varying social, economic, racial and ethnic, industrial, and tax-base profiles (see Table 4.1). We identified the revenues, expenditures, and services provided in our sample cities with the attention to detail as our work at the county level. To ensure comparability with the county government statistics, we derived these data from the 1998–1999 proposed and annual city budgets, which contain final numbers for 1997–1998 at the program level. We also gathered budget data from several special districts, functional assessment districts, and property tax agencies, as well as regional agencies and joint powers authorities. Since there are a large number of special districts, we chose the governmental entities that involve most of the expenses for the services to Los Angeles County residents (see Table 4.7). We used the data reported for 1997–1998 in their 1998–1999 budgets. Our purpose here, once again, was to provide a descriptive analysis of the local governments’ budgets with regard to local services.²

Fiscal and Organizational Alternatives

On the basis of both qualitative and quantitative analysis, we sought to identify alternative fiscal and organizational arrangements, if appropriate, for the provision of countywide and local government

²Two notable omissions from the “other local services” category are school districts and redevelopment agencies (RDAs). Given the number and complexity of issues related to school district funding and service provision, an analysis of school districts would require an independent study of at least the scope of the current study. School districts are therefore excluded. Similarly, confronting the range of issues raised by redevelopment agencies would have required a significant diversion from the study’s goals and methodology. For an analysis of redevelopment agencies, see Dardia (1998).

services. The project staff each had primary responsibility for different parts of the study, depending on their areas of expertise. Michael Shires analyzed the budget data on county-provided services. Christopher Hoene analyzed the budget data on services provided by other Los Angeles County government entities. Mark Baldassare analyzed the interviews on fiscal and organizational stresses. Aaron Koffman assisted in all three areas. The authors together drafted a set of goals for the county government and a list of alternative fiscal and organizational arrangements, based on the suggestions that were made by those participating in our interviews. In doing this it is not our intention to make a specific set of recommendations or to advocate certain policy changes. Instead, we offer a broad and diverse list of proposals for consideration by local, county, and state policymakers.

The Los Angeles Context

Los Angeles County is the most challenging environment in the state for local governments to provide services to their residents. Table 1.1 presents a demographic profile of the county, the most populous in the nation with over 9.6 million residents in 1998. The county includes nearly 30 percent of California's population. It has grown by over two million residents in the past 20 years. In the process, it has changed from a majority white to a "majority-minority" county (i.e., no single racial or ethnic group makes up a majority), receiving more immigrants than any other region of the country except New York. Today, the county's population is 44 percent Latino, 34 percent white, 12 percent Asian, and 10 percent black. Los Angeles County's population is projected to increase by another two million by 2020. In the future, Latinos will be

Table 1.1

Los Angeles County Characteristics

Population, 1998: 9,603,300 (28.9% of California's total population)

Ethnic Distribution of Los Angeles County, 1998

Ethnicity/Race	% Share of Population
Latino	44
White	34
Asian	12
Black	10
Total	100

Ten Largest Cities in Los Angeles County, 1998

Los Angeles	3,722,500
Long Beach	446,200
Glendale	197,600
Santa Clarita	143,800
Torrance	143,600
Pomona	143,200
Pasadena	140,400
Lancaster	127,100
Inglewood	118,500
Palmdale	117,300
Unincorporated areas	997,000

Public Finance Expenditures in Los Angeles County, 1995–1996

Local Government	Expenditures (\$ billions)	% Share of Total Local Expenditures
County	10.9	30
Cities	12.2	34
School districts	8.5	24
Special districts	2.8	8
Redevelopment agencies	1.5	4
Total	35.9	100

SOURCES: California Department of Finance (1998, 1999).

the majority group (Baldassare, 2000; United Way of Greater Los Angeles, 1999; California Department of Finance, 1998).

The demography of Los Angeles County has created a diverse and complex urban region filled with stark contrasts. This social and economic profile has great bearing on the delivery of local services to residents. The county includes some of the poorest and richest communities in the country. Income inequality is highly evident in the population, with the largest number of poor of any metropolitan area and a higher proportion of upper-income households than elsewhere in the state and the nation. Nearly one out of three children lives below the poverty level. Housing is generally expensive and scarce, resulting in more renters than homeowners, the second highest ranking on “excessive” housing costs in the nation, the highest ranking in crowded housing among large metropolitan areas, and an estimated quarter million homeless. About one million residents—10 percent of the county’s population—are currently 65 and older, and this number will increase over the next two decades. One in three adults and one in four children have no health insurance, for a total of 2.7 million residents, largely as a result of low-wage, part-time, and temporary work. Yet, Los Angeles County is also a place with great personal and corporate wealth, which contributes to the region’s potential for addressing some of its formidable needs for services. Nearly 18,000 nonprofits operate in the county, raising \$4.9 billion annually in income, with \$27 billion in assets (United Way of Greater Los Angeles, 1999).

The structure of local government that delivers services in the area is large and complicated, reflecting the geographical size and social diversity of this urban region. The latest figures place the total tax receipts for all local governments at \$36.5 billion in fiscal year 1995–1996. Total

expenditures for local governments during that same fiscal year were \$35.9 billion. Of these funds, 30 percent were spent by the county government (\$10.9 billion), 34 percent by the city governments (\$12.2 billion), 24 percent by the local school districts (\$8.5 billion), 8 percent by the special districts (\$2.8 billion), and 4 percent by the redevelopment agencies (\$1.5 billion), according to the California Department of Finance (1999).

Los Angeles County includes 88 cities. The largest city is Los Angeles with 3.7 million residents. Six other cities have populations of more than 130,000: Long Beach, Glendale, Torrance, Pomona, Pasadena, and Santa Clarita (Swenson, 1999). Nearly one million people, or one in 10 county residents, live in unincorporated areas, receiving their municipal-level services from the county government.

There are 58 “contract cities” for which the county government, or another agency, provides municipal-level services on a contract basis.³ The county provides police protection to 41 cities on a contract basis. Fifty-four cities receive fire protection and 51 cities receive library services from two property-tax agencies: the Los Angeles County Fire District (LACFD) and the County Library District.⁴ Los Angeles County also includes more than 200 special districts that provide services such as water, sanitation, library, and fire services. The county government itself is one of the largest public bureaucracies in the

³Contract cities are defined here as the cities that are members of the California Contract Cities Association.

⁴At times throughout this study, we will refer to cities that receive fire and library services through these property-tax agencies as “contract cities.” In most instances, this is the case because the majority of these cities are also members of the California Contract Cities Association.

country, including over 84,000 employees in 37 departments delivering local services through 276 programs.

Organization of This Report

This report is organized around the four goals presented above. Chapter Two summarizes the themes from our interviews with government officials and civic leaders. Chapter Three examines the fiscal data on the issue of the county's role as a regional government. Chapter Four examines the fiscal data on the issues of the county's role as a municipal service provider and also provides insights into how the county's role relates to the role of cities and special districts in providing the same or comparable services. Chapter Five provides a summary of the goals and the list of policy alternatives for addressing the problems and issues raised in this report that were suggested by those participating in our interviews.

2. Perceived Fiscal Strains and Organizational Stresses

To better understand the current context of service delivery in Los Angeles County, as well as the challenges facing the county government and other local governments that are charged with this task, we interviewed state and local officials and civic leaders who are highly informed about the role of county government in providing local services to Los Angeles County residents. Table 2.1 lists the individuals we interviewed in this portion of the project.

We describe below several themes that emerged during our interviews, and we also include a number of direct quotes from those we interviewed. The observations we include do not necessarily represent the facts about fiscal and organizational conditions of Los Angeles County, but we used these observations to formulate hypotheses to be explored in our quantitative analysis of the fiscal data and to guide us in thinking about alternative fiscal and organizational arrangements for providing local services.

Table 2.1
Individuals Interviewed

Name, Title, Affiliation
David Abel, ABL Inc., Los Angeles County Citizens' Economy and Efficiency Commission
Michael Antonovich, Supervisor, Los Angeles County
Leroy Baca, Sheriff, Los Angeles County
James Bickhart, Field Representative for Speaker Antonio Villaraigosa
Yvonne Brathwaite-Burke, Supervisor, Los Angeles County
Larry Calemine, Director, Local Agency Formation Commission, Los Angeles County
Michael Colantuano, City Attorney, Cudahy and La Habra Heights
Rick Cole, City Manager, Azusa; Former Mayor, Pasadena
Keith Comrie, Former Chief Administrative Officer (CAO), City of Los Angeles
Diane Cummins, Chief Fiscal Policy Advisor, President Pro Tempore John Burton
Ron Deaton, Chief Legislative Analyst, City of Los Angeles
Mark Finucane, Director, Health Services, Los Angeles County
Joel Fox, President Emeritus, Howard Jarvis Taxpayers Association
Michael Freeman, Fire Chief, Los Angeles County Fire District
William Fulton, Editor, California Planning and Development Report
Gil Garcetti, District Attorney, Los Angeles County
Joe Haggerty, President, United Way of Greater Los Angeles
James Hankla, Chief Executive Officer, Alameda Corridor Transportation Authority
David Janssen, Chief Administrative Officer, Los Angeles County
Monica Lozano, Executive Editor, <i>La Opinión</i>
Harry Peacock, City Manager, Malibu
Mark Pisano, Executive Director, Southern California Association of Governments
John Perez, Executive Director, United Food and Commercial Workers Union, Region 8
Alexander Pope, Director, California Citizens' Budget Commission
Sally Reed, Chief Administrative Officer, Monterey County; Former CAO, Los Angeles County
Constance Rice, Co-Director, Advancement Project
James Stahl, Assistant General Manager, Sanitation Districts of Los Angeles County
Harry Stone, Director, Public Works, Los Angeles County
Steve Szalay, Executive Director, California State Association of Counties
Dan Wall, Chief Legislative Representative, Los Angeles County
Zev Yaroslavsky, Supervisor, Los Angeles County

Perceived Fiscal Strains

1. **The county government has little control over the revenues it generates and the money it spends on services for residents.** The fact that our respondents thought that the county government does not have the tools to financially cope with the next economic recession is a reflection of their views about state and local fiscal relationships. As a result of Proposition 13, there is a widespread perception that county government has lost control of its major revenue source—the local property tax. Most recognize that the two-thirds majority needed from voters to raise local taxes has severely limited local governments' abilities to generate new revenues.

“Governmental units charged with providing services do not have the power in the current system to establish priorities and effect change,” remarked a civic leader. “The county is especially put upon in that all of its revenue-generating authority has been taken away,” said a state official. “Counties, more than any other form of government, are at the mercy of circumstances outside of their control,” said an elected county official. “The biggest problem we face is the loss of our property tax base,” said another elected county official. This comment reflects the belief that, in filling the service needs of residents today, the county government has become very dependent on state money that usually arrives with strings attached. This circumstance is perceived as leaving county officials with little room for maneuvering in the types and amounts of services they are providing on an annual basis—and little flexibility when revenues and expenditures vary sharply from budget projections, as can be the case during severe recessions. “Since Proposition 13, the real decisionmaking authority for local government resides in Sacramento,” observed a local official. “County government

lost the independence it had prior to Proposition 13. Its ability to control its own destiny was taken away,” said a former county official. “We haven’t capped the county’s liabilities, but we have capped the county’s revenues,” said a state official.

2. State, federal, and county governments are partners in delivering local services, but uncertainties about state and federal funding and mandates create tensions. Most respondents felt that the success of service delivery in Los Angeles County depends on a healthy relationship between the state and county governments. Sacramento needs the cooperation of the county to be the “agent of the state” in delivering certain essential services at the regional level, and the county needs the financial wherewithal from Sacramento to provide other local and countywide services to its residents. There was a feeling that the tensions surrounding current state and local fiscal relationships—partly the result of the state taking back funding from the county during the last recession—had done some harm to this key partnership. Some felt that the relationships had improved in recent years as a result of changes in county management and a less stressful budget environment. Still, everyone seemed to agree there was room for improvement.

“The state needs to be a true partner with county government,” said an elected county official. “I think we need to move away from a paternal relationship with counties and toward a true partnership. Having a more open and honest dialogue would help both sides,” said a state official. “The state needs to be realistic about what they expect from counties and about what they mandate,” observed a former county official. “If the economy takes a turn for the worse, and the state balances its budget on our backs, we’ll be right back where we started,” said an elected county official. “Certainly, the state continuing to take

money away from Los Angeles County is a problem. They take away the property tax, give back a little of the sales tax, effectively undercutting local control by taking away the home base,” said a civic leader. “All we hope is that the state will leave us alone and let us manage our own affairs. What we need from the state is a stable, reliable source of income,” remarked an elected county official. “The county leadership is justified in feeling that they shouldn’t be underfunded [i.e., with reference to mandates]. If the state is going to force them to implement certain programs, than the funding should be provided,” said another state official.

3. Health care is a chronic and unsolved problem facing county-provided services. The county government came close to a fiscal meltdown in 1994–1995 and was saved by a federal rescue plan that paid for the county’s ballooning health care deficit. Although the immediate crisis was averted, no one today seems to think that the problem has been resolved. There are a variety of opinions on the severity of the problem, but consensus that providing health care to the large, uninsured population of Los Angeles County is the most worrisome issue for county government. Most realize that the county government is heavily dependent on a continued federal bailout, and everyone knows that this funding source will not continue indefinitely.

“We’ve turned it around, but it could definitely happen again,” predicted an elected county official. “Besides the federal waiver, the county has done some cost cutting since the crisis and has saved themselves about \$90 million a year. But, it probably still needs to find a \$100 million more,” said a state official. “Most importantly, the number of uninsured people in Los Angeles County continues to grow rapidly,” observed a county department head. “It is certainly a possibility that the

crisis could emerge again. The demands are still enormous,” said a county official. “The county could absolutely find itself in dire straits again,” remarked a regional official.

Despite recognition that the federal bailout will not continue indefinitely and the likelihood of another crisis when a recession hits, there is also consensus that county government does not know how to solve the problem. “The deficit is structural and the county has little control over fixing it,” observed one civic leader. “There is no game plan to this day on the part of the county. I haven’t seen that they’ve learned from the crisis,” said a regional official. “It is probably five years until the next crisis,” warned another county official. “I’m not sure that anyone knows what to do about it,” admitted a county elected official.

4. The scarcity of local revenue sources may be leading to decisions that favor commercial growth and local sales tax dollars over the region’s housing and economic needs. More jobs and more affordable housing should certainly be among the priorities for the largest urban county in the state, especially given the level of poverty in the current population and the expected population growth over the next two decades. Many of the leaders we spoke to felt that local development decisions were leaning too much in the direction of retail and commercial building, at the expense of residential and industrial construction, because the former generates new sales tax revenues for the locality and the latter does not (Lewis and Barbour, 1999).¹ The

¹Lewis and Barbour (1999) found that local public officials favor retail development over other forms of development, but it is unclear whether this preference has affected urban form. First, there is no evidence to suggest that California has more retail space per person than other states. Second, it is questionable whether the favor given to retail actually leads to differences in retail location. However, Lewis and Barbour also note that

proliferation of municipal redevelopment agencies and the system of finance supporting these agencies is also cause for concern (Dardia, 1998). In an era in which local governments have few options for raising their revenues, many local leaders are concerned that the “fiscalization of land use” results in too many local growth decisions being made to raise tax dollars that are not really in the best interest of the region as a whole.

“Our fiscal structure for local government is so skewed to sales tax and retail right now that there is no coherent community development,” said a civic leader. “Everybody agrees that the situs approach to sales tax needs to be modified, if not eliminated,” said another civic leader. “Unless we quickly move toward restructuring the state-local fiscal relationship and its impact on land use, we won’t be able to build livable communities in the long term that provide high-quality jobs,” said another community leader. “The current system of finance in the state spawns its own set of behaviors which only make the problems worse day by day,” observed a civic leader, in referring to the fiscalization of land use.

5. Fiscal uncertainties make long-term planning difficult, even though the county government is in better shape today than it was in the mid-1990s. There was near consensus that these are good fiscal times in county government, particularly compared to the dark days of the last recession. Many attribute these positive conditions to forces outside the county government’s control—specifically, the improved economy, increased tax revenues, a reduction in demand for welfare services, and a state budget surplus. Those inside county government also give credit to the management team and a better working

the more cities favor retail development over housing and industrial development the more difficult the latter land uses will be to develop.

relationship between the county supervisors, other elected officials, and the administrative staff.

“Things are going reasonably well, certainly better than they were six years ago during the recession,” said an elected county official. “The professional management has improved dramatically. We’re now talking to each other about what might be coming around the corner,” said a county department head.

Yet, there is a belief that the current good times are only temporary and that the county government will find itself in deep trouble again once the economy enters the next inevitable downturn. “I think it is fortuitous that the economy is doing as well as it is, otherwise it would be a disaster. If we have another recession soon, all of the cities and counties will go right back into the tank,” said a local official. “The county has done a terrific job within the past few years. Part of it is because the economy is good. Of course, the good times are only temporary,” said a state official.

Perceived Organizational Stresses

1. **The size of county government and the large number of local governments operating in the county lead to public confusion about local service delivery.** Local government in Los Angeles County includes the county government (84,000 employees in 37 departments), 88 cities, and more than 200 special districts. Thus, it is not surprising that many of those we interviewed described the government in the county as big and unwieldy, whereas others believed that there were just too many cities and special districts. Some felt that the size and complexity of these governmental units led to a “fragmentation” in decisionmaking about

local services and a bureaucracy that was too difficult for the public to understand and access.

“My overall view is that no one has a clue about what the county does. Part of it, I’m sure, is that LA County is just too big,” said a civic leader. “The county government is just an enormous set of bureaucracies, and it is very difficult to get them coordinated and moving in the same direction,” said another. “The county government is too big and detached to serve all of its residents,” said a city leader. “Having only five people in charge, plus a CAO, is a very difficult administrative structure,” said a civic leader. “We have too many special districts. There are tremendous inefficiencies,” said an elected county official. “Special districts are to government what inefficiencies are to the private sector, said another. “There is some efficiency in terms of how local governments work together, but the public has no clue who does what,” said a local official.

Others commented that this situation is exacerbated by the large numbers of immigrants and non-English-speaking residents in Los Angeles County. “The county doesn’t reach out to the Hispanic community at all,” observed a civic leader.

2. The connections between state revenues and local expenditures are so complex that it is difficult to know who should be held accountable for local services. Many of the leaders were troubled by the appearance of a “disconnect” in state and local fiscal relationships that occurs now that local governments are so reliant on state funds. Today, most of the taxes collected at the local level are passed on to the state, which then redistributes the revenues to local governments. Among other things, the current system raises public doubts about what tax

money goes to what services, as well as confusion about which branch of government can really be held accountable for delivering those services.

“The jurisdiction responsible for providing services needs to have the financial wherewithal to provide those services,” said a city official. “As long as you have the responsibility with the local governments, and the revenue authority with the state, there will always be problems,” said an elected county official. “There is no relationship between the collection of those revenues and the services they pay for,” observed a regional official. “The current system thwarts effectiveness,” said a civic leader. “All we’ve done is inherit an old system through voter and state intervention. It is a chaotic and dysfunctional patchwork,” said a city official.

3. Contract cities (i.e., those cities that provide public services through contracts with the county government) seem to offer an efficient means of providing local services, even though these long-standing city-county relationships are still controversial. The topic of contract cities has for many years generated controversy in Los Angeles County. As this report shows in the following chapters, significant differences exist between contract and full-service cities in how they generate revenues and allocate their resources. Some think that county government should not be in the business of selling local services to cities, and that it should focus its efforts, instead, on being a regional service provider. Large cities have complained that contract cities are not “real cities.” They argue that because county government is prohibited by state law from charging overhead costs to contract cities, the costs are unfairly subsidized by the other cities in the county. Others worry that county government is already stretched too thin to be providing local services to contract cities, and that making cityhood easier to achieve

through the contract city mechanism only increases the fragmentation of the region.

“The contract model forces the county to give a subsidy to those cities. They don’t pass overhead costs on to those cities,” observed a regional official. “There are too many forms of cities right now. There are a lot of cities that aren’t really cities in the traditional sense,” said a city official.

Others believe that the contract city arrangement reduces administrative overhead and service redundancies in the region. They argue that contract cities are a very efficient way to achieve local governance. Most of those we interviewed inside county government spoke only of the benefits of contract cities—such as additional revenues for the county government and incentives to increase efficiency—whereas civic leaders and officials in cities and special districts offered mostly positive but more mixed reviews of this special city-county relationship.

“Allowing cities to exist through contracts with the county government allows them to focus on the issues they are primarily interested in—land use,” said one county official. “The upside is a lot of local control. The downside is that you have a more complicated environment in which to try to achieve regional policy,” said a city official. “The contract cities approach is still viable. It allows them to maintain their identities and it overcomes redundancy in service provision,” said a city official. “It is a good thing because it forces competition,” observed an elected county official. “If you believe in giving people a say in local governance, this is a very cost-effective way to go about it,” said another county official. “One of the benefits of Proposition 13 is that it forces efficiencies and different ways to deliver services, like contract relationships,” said one civic leader. “In terms of

contract cities, for the county's purposes, it's been good," observed a state official.

4. Unincorporated areas may be an unwanted burden on county government, but many roadblocks prevent their incorporation or annexation by cities. About one million people in Los Angeles County, or approximately one in 10 residents, live in unincorporated areas. They are dependent on county government for their municipal-level services, because they have no city government. Again, this kind of local service activity reduces the county government's ability to focus on its role of providing regional-level services. Given the revenue-generating limitations faced by the county government, many have suggested that unincorporated areas should be annexed by adjacent cities or incorporated into new cities, thus removing this service burden from county government.

"My view is that unincorporated areas should be annexed or forced to incorporate. It gets back to the issue of what is county government," said a city official. "The unincorporated areas should be annexed or incorporated. It would help the county figure out what it's spending on municipal services," said a civic leader. "There ought to be clearly defined levels of services, which means that these areas should be annexed or incorporated," said a city official. "Counties should be regional service providers and shouldn't be providing municipal-level services," observed a state official.

Most of the respondents in our study agreed with this idea in principle, though many understood why this process was not moving ahead. For the most part, residents in unincorporated areas seem to be satisfied with the services they are receiving and the cost of local government, so they are not seeking to incorporate, and adjacent cities

are in no hurry to annex land that is not generating sales tax revenues or enough property tax revenues to cover the costs of services.

“Nobody wants the unincorporated areas right now because they are high cost, in terms of services, and don’t generate significant revenues,” said a county department head. “I think the unincorporated areas are very satisfied with the services they receive,” said a county elected official. “These islands exist for a reason. Either people don’t want to be part of cities, or the surrounding cities do not want to be part of these areas,” said a regional official.

5. County government should work more closely with other local governments, the private sector, and nonprofits in providing local services. Many of the state, county, and local officials and civic leaders we interviewed had a clear understanding of the limitations that the county government was operating under today. The county government could not possibly meet all of the demands for its services, either now or any time in the foreseeable future. This perception reflects a combination of demographic and institutional factors. There is a large and growing population of needy residents in Los Angeles County, but the opportunities for generating revenues to pay for increased services are limited. There is a widespread recognition that the county government needs to improve its ability to be a partner in providing services with other local governments. Although most felt that the relations between the county government and other local governments have improved, many felt that collaborative efforts were still too rare.

“If the county, cities, and communities don’t develop a partnership, we won’t be able to deliver services effectively,” said a regional official. “A clearer delineation of roles between the counties and cities is needed, and regional cooperation should be encouraged,” said a city official.

“The key is to provide incentives for cities to cooperate,” remarked a civic leader. “People just don’t feel they have a shared stake in the region,” said a city official. “We need more metro government. We have 88 cities—which is kind of ridiculous. There is no natural grouping where different jurisdictions come together,” observed another civic leader.

Others want the county government to more actively seek partnerships outside local government, specifically contracting with the private sector and taking advantage of the accumulation of wealth and talent in the nonprofit organizations throughout the region. To succeed, the county government must create a sense of purpose for the region as a whole—an endeavor seldom undertaken today.

“The future of local government service provision will be public and private partnering,” said an elected county official. “Public-private partnerships are going to increase in the future. We need to overcome traditional thinking about service provision,” said a state official.

3. The County as a Regional Government

In its regional role,¹ the county has two responsibilities: (1) As an independent county government, it must respond to the needs and preferences of a countywide electorate, and (2) as an administrative agent of the California and U.S. governments, it must implement state and federal initiatives. Both responsibilities are considered part of the county's regional role because the services provided are delivered to the entire region within the county. In each of these cases, the county government is seen as the vehicle of choice for implementing important regional policies. As an independent county government, the county is granted power and responsibilities by both the state Constitution and

¹The term "regional" is used in this portion of the analysis to describe the county's role as the overall government for a specific geographic region of the state, including as a superordinate entity with some jurisdiction even within the boundaries of incorporated and independent governments within its boundaries. It is narrowly construed to reflect this role and not in the broader sense of a cooperative effort by several subordinate governments to build and execute a collaborative agenda.

statute to locally elect a board of supervisors and to implement policies and make choices that reflect the interests and preferences of local residents. As an agent of the state and federal governments, the county is used as a vehicle to implement larger policy initiatives at the local level and, in some cases, to customize these initiatives to better reflect and accommodate local needs and interests. In both cases, the county government is specifically selected because of its proximity to its residents and constituents and because every person in California is located within the boundaries of a county government.

The relative importance of these two aspects of Los Angeles County's regional role is shown in Table 3.1 in comparison to its role as a municipal services provider (this role is discussed in Chapter 4). Here, we have categorized expenditures for Los Angeles County program by program for the 1997–1998 fiscal year and incorporated them under their respective county roles. The county's role as an administrative agent of state and federal policy dominates, including 62 percent of expenditures, and its role as an independent county government accounts for 25 percent of expenditures. The remaining 13 percent of expenditures are for municipal services the county provides to both incorporated and unincorporated areas within its jurisdiction. The percentages in the table are derived from the \$11.9 billion in total expenditures for both county departments and dependent districts; \$11 billion or 92 percent of the total expenditures are from departments.

In this chapter, we examine the importance of this distribution of expenditures and explore the issues associated with the county's role as a regional government. We then briefly examine the broader context and issues raised by this regional role and its implications for local government finance and organization.

Table 3.1
Los Angeles County Expenditures, by Role and Institutional Structure,
1997–1998

Role	Institutional Structure		Total
	Department ^a	Dependent Districts	
County government	2,913,284,557	114,752,300	3,028,036,857
Agent of state and federal governments ^b	7,151,849,582	175,144,100	7,326,993,682
Municipal service provider	943,098,422	604,004,738	1,547,103,160
Total	11,008,232,561	893,901,138	11,902,133,699

Role	Institutional Structure		Total
	Department ^a	Dependent Districts	
County government	26%	13%	25%
Agent of state and federal governments	65%	20%	62%
Municipal service provider	9%	67%	13%
Total	100%	100%	100%

^aDepartment totals include budgetary allocations in the Health Services Department related to SB 855 and various miscellaneous funds controlled by county departments.

^bNote that \$450,776,000 of interfund expenditures and \$674,166,846 of SB 855 revenues for health services were excluded from these totals to avoid double counting these amounts.

The County as an Independent Government

Much of the county’s authority as an independent government is outlined in Article XI of the state Constitution and in the Government Code of the State Statutes, which assign a range of privileges and responsibilities to the county government and its elected body—the

board of supervisors. Table 3.2 provides a list of Los Angeles County's responsibilities as an independent government. Included in this list are the county general government, such as the Board of Supervisors and the Chief Administrative Office, as well as the registrar of voters, office of weights and measures, tax assessor, tax collector, and clerk. Also

Table 3.2
Responsibilities of the County as an Independent Government

General Government	Social Services	Leisure and Cultural Services
Chief Administrative Office	Adoptions	Parks and Recreation
Board of Supervisors	Birth/Death Certificates	Cultural Centers
County Clerk	Aging	Public Entertainment
County Attorney	Career Services and Job Training	Youth and Senior Programs
Alternate Public Defender	Disability	Planning
County Counsel	Community/Family	Boundary Changes/Cities and Districts
Small Claims	Counseling	Incorporations of Cities
Assessor	Bees/Insect Information	
Controller		
Treasurer	Civil Services	Agricultural
Finance	Consumer Affairs	Agricultural/Weights and Measures
Property Taxes	Claims	Produce/Egg Quality
Property Ownership Collections	Veteran/Military Services	Other
Human Resources/Personnel	Marriage Dissolution	Airports
Affirmative Action	Fraud	Marina
Information Systems	Job Information	
Legal/Legislative	Marriage	
Annexations/Incorporations	Ombudsman	
Economy and Efficiency Commission	Recycling	
Elections	Public Safety	
Voter Registration	Sheriff's Department	
Purchasing	Flood Control	
Smog Control	Chemical/Toxicology	
Disability	Jails	
Worker's Compensation		

included is the Local Agency Formation Commission (LAFCO), a separate agency created by the state, whose job is to oversee boundary disputes within the county. The table also includes the Sheriff's Department in its capacity both as the regional law-enforcement agency responsible for providing countywide coordination of law enforcement and as the operator of the county jail system. The Sheriff's Department also serves a municipal role in the county, as discussed in Chapter 4.

Challenges the County Faces as an Independent Government

Perhaps the biggest challenge the county faces as an independent government is the pressure created by its public finance system. Although much of the blame for this pressure has been laid at the feet of Proposition 13—the landmark 1978 initiative to roll back property taxes and moderate their growth—many other factors contribute to the fiscal box in which most counties find themselves today. True, before Proposition 13, boards of supervisors did have the ability to raise property taxes to fund local county initiatives. But a closer examination of county revenues points to several other issues as well. Table 3.3 shows Los Angeles County's revenues for the year of our analysis.

When thinking about funding the county governance-related roles identified listed in Table 3.2, one would automatically look for county-derived and -determined revenues. In Table 3.3, this would include the property tax, the sales tax, other taxes, and service charges and fees (i.e., a revenue stream that reflects the government's efforts to recapture the cost of service provision through user fees). In this table, we see that they total \$3.29 billion, more than covering the \$3.03 billion in county

Table 3.3
Los Angeles County Revenues, 1997–1998

Revenue	Amount, \$	Share, %
Property taxes ^a	1,872,350,364	15
Sales taxes	57,562,795	1
Other taxes	71,277,173	1
Service charges and fees	1,293,004,487	11
Intergovernmental revenues	7,517,923,247	62
Other revenues	742,496,974	6
Debt proceeds	510,377,833	4
Total	12,064,992,873	100

NOTE: A detailed departmental summary is presented in Appendix C. All internal fund transfers and \$674,166,846 of SB 855 revenues were excluded to avoid double counting the amounts.

^aThis includes all property taxes under the control of the Los Angeles County Board of Supervisors. Of these taxes, \$668,173,522 is generated by special district-funded activities (such as fire and library) and is not fungible for other purposes.

government expenditures we identified in Table 3.1. However, of the \$3.29 billion in property tax revenues, some \$667 million represents property tax streams that are required by law to be spent on specific, municipal service-related activities, such as fire protection, storm drains, and street lighting. Thus, only \$2.62 billion of these generally fungible monies is available to fund county government programs. Furthermore, these monies must also be used in many instances to provide municipal services to unincorporated areas, as discussed in Chapter 4.

This property tax level is not, however, purely a result of Proposition 13. True, Proposition 13 did result in a significant reduction in property tax revenues overall and prevented locally elected officials from raising the property tax rate. However, during the recession of the early 1990s,

the state government sought to relieve the fiscal pressure on its budget by transferring a significant portion of city and county property tax revenues to school districts. The now-infamous Education Revenue Augmentation Fund (ERAF) has been the subject of significant debate today as county and city officials attempt to recapture these lost monies in the cash-flush times of the late 1990s.

Another factor contributing to the fiscal pressure felt by the county is the lack of a local, diverse, discretionary funding pool. The property tax remains the primary component of the county's local funding, and Proposition 13 eliminated both the local and the discretionary aspects of this revenue. Unlike cities, and especially charter cities, counties have very few alternative sources of revenues. Sales taxes and other taxes each account for only 1 percent of county revenues. In most cases, the county receives these revenues only for transactions within its unincorporated areas. With the sales tax, for example, the county can collect sales taxes only (1) for designated transit purposes, (2) for sales in unincorporated areas of the county, and (3) within city jurisdictions that have chosen not to assess their full share of the Bradley-Burns sales tax (currently, all cities are assessing their full share). Since unincorporated areas are historically sparsely populated and often incorporate once they grow large enough to generate significant sales tax, franchise fee, hotel tax, and business license revenues, the county has little opportunity to realize any significant revenues from these sources.

At the same time, there is considerable local and state-level concern that the concentration of sales taxes at the city level creates counterproductive incentives for these governments that lead to a wide range of unintended consequences, including a shortage of housing and uneven economic development. Although this report does not examine

these issues in detail (see Dardia, 1998, and Lewis and Barbour, 1999, for a thorough analysis of some of these issues), many of the solutions discussed point to the need for a more regional allocation of these revenues—a result that, if properly implemented, could go a long way toward diversifying the county’s revenue pool and its reliance on the property tax.

As a result of the current state-local fiscal relationship, the county faces considerable financial strain in trying to fund the activities associated with its role as a county government. Where do the additional monies come from to fund these activities? In many cases, they come from transfers from the federal and, especially, the state government. In recent years, for example, the state has increased the number of programs for which it provides direct funding and has, in some cases such as welfare reform, created incentive programs that allow counties to spend revenues in excess of costs on other purposes. The magnitude of the county’s reliance upon other levels of government for its revenue stream does not necessarily represent a problem if the other actors in the intergovernmental revenue process were to simply pass the revenues through with no strings attached. Unfortunately, this is usually not the case. Shires (1999) found that discretionary spending among local governments has fallen dramatically over the past 20 years, and especially for counties.

The County as an Administrative Agent of the State and Federal Governments

The second responsibility of Los Angeles County in its role as a regional government is to serve as an implementing agency for the state

and federal governments. As shown in Table 3.1, 65 percent of the county's departmental expenditures and 62 percent of its overall expenditures are for activities resulting from edicts and policy actions by these two superordinate governments.

This role is not new to county government. Since the early 1900s, counties in California have been the implementing arm of the state for a wide range of policy initiatives, such as care of the indigent and poor. Even as early as the 1920s and 1930s, a significant portion of California county budgets came from the state. (For a more detailed examination of the historical relationship between the state and counties in California, see Silva and Barbour, 1999.)

Yet today, the situation is much more complex. Fiscal and structural pressures, such as those we discussed above, have rendered the county particularly vulnerable to any increased demands on its resources. The types of programs that the county administers in its agency role and the ways that the programs are assigned, however, lead precisely to the increased pressures and strains on the county budget. Table 3.4 lists the programs that the county undertakes in its agency role.

Although these activities accomplish goals that are in county residents' interests, they have traditionally been established, funded, and maintained by the federal and state governments. In the context of this analysis, these activities represent areas where the county serves as the implementation agent for broader state and national objectives. These programs largely include the county's welfare support programs (funded primarily through federal dollars with major state oversight), the county's hospital and public health enterprises, various federal jobs and housing

Table 3.4
Agency Roles of Los Angeles County

Social Services
Career Services and Job Training
Community/Family Counseling
Welfare
Public Health
Public Health Programs
Hospitals
Development and Housing
Housing Assistance
Development and Housing
Public Safety
Courts

programs, and most mental health programs.² In all of these cases, nearly all of the discretion relating to the eligible populations and the level of benefits is determined and funded by other levels of government. The court system is included here because it effectively functions as a state agency under the Trial Court Funding Act.

Challenges the County Faces as an Agent of the State and Federal Governments

From a broad perspective, the county’s agency role makes a lot of sense. The state and federal governments have very large geographic

²Until the budget crisis during the recession of the early 1990s, this responsibility was largely shouldered and administered by the state. After 1992, it was assigned to the county along with monies transferred to the county through the motor vehicle license fee—a revenue stream now being phased out.

boundaries and strive to set policy priorities that reflect state and national interests. At the same time, these two levels of government have very blunt policy instruments that are not particularly effective in responding to local needs, interests, and differences. Thus, they assign the implementation of their policy initiatives to units of government that (1) are locally elected and hence responsive to local preferences, and (2) encompass all of the physical geography of the state and nation—i.e., county governments.

Three factors, however, are problematical: (1) unfunded mandates, (2) maintenance of effort requirements, and (3) unfunded operating costs. Each of these factors produces increased fiscal pressures on the county's already limited resources.

Unfunded Mandates. Unfunded mandates occur when the federal or state government requires the county to provide a service and does not provide sufficient resources to fund the activity. Although Proposition 4 in 1979 theoretically prevents the state from requiring local governments to provide services without providing the corresponding funding, two complications arise: (1) The definitions surrounding mandates are very narrow and take years to litigate,³ and (2) restrictions typically apply only to new state policy initiatives, and thus escalating costs in pre-existing programs are typically not factored into the equation. Mental health services are an excellent example of the latter issue. In 1991–1992, the state transferred control of the majority of the state's mental health

³An excellent example of this problem, although not county-specific, is special education in California's school districts. It has taken several years and a major lawsuit even to bring the state to the bargaining table to try to get the state to pay the actual costs of providing state-mandated special education programs, and yet the state continues to delay resolution on the issue. There is currently some pressure on Governor Davis to negotiate a settlement to the lawsuit, but it has yet to happen.

system to county governments as part of its “realignment of state and local government.” In this action, the state also transferred a revenue stream to counties in an effort to provide some funding for these services, although the funding was not at the same level that the state had previously spent on mental health. Concurrent with the growth in overall health costs during the 1990s, the unit cost of the mental health programs has grown dramatically. But the state has yet to review whether the revenue stream it provided in 1992 has grown enough to meet rising costs. In fact, in many cases, it has not, which has resulted in significantly lower levels of service provision or increased cost to the county’s general fund revenues.

Maintenance of Effort Requirements. The costs of the county’s role as an agent of the state and federal governments is further exacerbated by the popularity of “maintenance of effort” and “matching fund” requirements in state and federal policy initiatives. These provisions require the county to meet federal- and state-defined levels of expenditures and program efforts to be eligible for support. The goal of such provisions in state and federal policy initiatives is twofold: (1) to encourage local governments to take specific actions consistent with the legislature’s intent and (2) to curtail abuses of monies made available to local governments.

An interesting example of this kind of intervention is the ongoing debate over the size of Los Angeles County’s new general-purpose hospital, which would replace the quake-damaged, 870-bed Los Angeles County-University of Southern California Medical Center. State lawmakers are exerting pressure on the county government to make the new hospital larger (increasing its size from 600 to 750 beds) as a condition of receiving state dollars—not only for the project, but also for

other unrelated purposes. This pressure to expand continues, despite a 4-1 vote by the board of supervisors in favor of the smaller hospital, fueled by concerns over the county's ability to fund the operating costs of a larger facility and by federal pressure to have fewer beds.

Unfunded Operating Costs. The county's role as an agent of the state and federal governments is accompanied by significant intergovernmental transfers. As shown in Tables 3.1 and 3.2, 62 percent of the county's revenues come from other levels of government, and 62 percent of its programmatic expenditures are related to its agency role. At the most aggregate level, one would think that this is the optimal situation because equal proportions of the county's budget are assigned by superordinate levels of government and then funded by those levels. The reality, however, is quite different, since portions of these state and federal monies are earmarked for specific purposes and thus cannot be moved from program to program to cover the overall costs.

The fact that intergovernmental revenues are often inadequate to cover all of the specific expenditures needed for a program is evident when we analyze the budget at the program level. For example, the cost of providing the health services required by the state exceeded the intergovernmental revenues received by nearly \$211 million in 1997–1998⁴ and estimates today remain at about \$100 million. Similar calculations for the Children and Family Services and Public Social Services Departments produce funding shortfalls of \$50 million and \$407 million, respectively. Even though intergovernmental revenues are but one portion of the funding for these departments, it is still clear that

⁴This calculation compares those programmatic expenditures in the Health Services Department that we have identified as a result of the county's agency role with the total intergovernmental revenues received by the county's Health Services Department.

the county annually provides significant additional funding from its general resources to pay for these programs—programs that often exist at the behest of other levels of government—leaving less for programs that are initiated by the county.

Special Case Study: Health Services

The Health Services Department represents an excellent opportunity to study the county's role as an agent of the state and federal governments and the problems that can arise as a result of these relationships—in this case, nearly resulting in the bankruptcy of the county. Since the early 1990s, Los Angeles County has struggled to keep its public health and hospital system afloat. The recession at the outset of the decade exerted tremendous pressure on the county's budget and exposed the great weakness in the county's portfolio of local services—its public hospital and clinic system.

Depending on which set of numbers one uses, the county's Department of Health Services spent either \$2.4 billion, \$3.3 billion, or \$4.2 billion in 1997–1998. Much of the difficulty in ascertaining precisely how much was spent in Los Angeles County hospitals has to do with the complex matching fund procedures and requirements introduced by SB 855.⁵ In any case, the total expenditures are significant and are supported by private payments (insurance and fees), federal payments (Medi-Cal, Medicare, and grants), state payments (vehicle

⁵SB 855 is a state program that requires payments by public hospitals to the state so that the state may obtain matching funds from the federal government. The monies are then returned to the local jurisdictions from which they were obtained. The matching monies received from the federal government are allocated according to a separate formula. In the county's accounting systems, these funds are either excluded (\$2.4 billion), included once (\$3.3 billion), or reported twice (once on disbursement to the state and once on expenditure by the county—\$4.2 billion).

license fees, grants, and special fees), and county contributions. The latter totaled some \$150 million to \$350 million in 1997–1998 and remain at about \$100 million today. They reflect monies that the county must take out of its general discretionary funds to underwrite the operation of the hospital system—a function and role that is almost entirely determined and assigned by the federal government.

During the recession of the early 1990s, the Los Angeles County budget faced a triple-hit: (1) Because of the most severe recession in recent history, overall public revenues declined dramatically, (2) the state took an additional \$1 billion of county revenues through the ERAF and replaced only \$400 million, and (3) the implementation of new federal caps and rules on the amount of supplemental aid the federal government could provide led to a decline in Los Angeles County’s federal payments. In addition, the county used several one-time measures—including accelerating future federal payments under the SB 855 program—during the early years of the recession (1992–1993 to 1994–1995) in an attempt to “ride out” the fiscal storm. As a result, by 1995–1996, the county budget hovered dangerously close to bankruptcy, with few options left.

The 1995–1996 proposed budget ignited more controversy when it proposed the closure of a majority of the county’s local health centers and clinics *and* the LA County-USC Medical Center.⁶ Although some argue that this was simply political posturing to obtain fiscal relief from outside the county, it does point to the severity of the fiscal situation created by the county’s budgetary constraints and service obligations. In

⁶Some alternatives were also provided, including closing all hospitals except County-USC and the Martin Luther King Medical Center.

any case, the proposal ignited a firestorm over the provision of local health services to Los Angeles County's substantial uninsured population—a role assigned to the county by the state and federal governments but funded in a haphazard and patchwork way.

Just days before the board of supervisors were to act (a plan that included closing 28 of 39 health clinics and six community hospitals—including LA County-USC), the federal government bailed out the county by providing \$364 million, largely through waivers of the federal government's Medicaid rules for reimbursement. Of course, these monies also came with strings attached. The federal government called for the county to drastically increase the number of patients seen in lower-cost outpatient clinics, to reduce the number of hospital beds in the county by one-third by the middle of 2000,⁷ to generate major reductions in administrative costs, and to increase its investment in preventive care for its uninsured clientele.

In the ensuing years, the county greatly expanded its outpatient clinic network from 45 to 149 clinics and decreased its total beds by 28 percent. The desired savings on overall costs were much more elusive, and today the county is still far short of its goals. The federal government, however, rewarded the county's progress by extending its relief package for three additional years through 2000, despite a decline of almost one million patients using the county's outpatient clinics.

Today, the county faces a difficult dilemma as a result of the conflicting issues and priorities of its two masters—the state and federal governments. Although the leadership of the California legislature is

⁷Ironically, some of the provisions waived by the federal bailout appear to create incentives to keep patients in hospital beds instead of pursuing less costly outpatient treatment.

exerting pressure on the board of supervisors to expand the size of the county's new general-purpose hospital to 750 beds (as discussed above), the federal government has made it an explicit condition of the bailout monies that the county reduce the number of beds in its system. Without the federal waiver, the health department would face an annual deficit of about \$300 million. With the renewal of the federal waivers looming, the supervisors face some difficult choices.

Fiscal and Organizational Issues Relating to the County's Role as a Regional Government

As the complexity and contradictions inherent in the health services context show, the county's role as a regional government is difficult to address. The two components of the county's regional role—i.e., as an independent government and as an agent of the state and federal governments—are in some ways incompatible. As a provider of countywide services, the county must respond to its immediate constituents—the residents and voters of Los Angeles County. At the same time, the fiscal realities of modern county finance demand that the board of supervisors answer first to the state and federal governments to ensure that they receive needed local services. However, in many instances, answering to the state and federal governments first does not assure adequate funding of county activities. We review below some of the findings of our fiscal analysis, which support the perceptions expressed in our interviews with county officials and others knowledgeable about the county's activities.

1. **County government has little control over its revenues.** Perhaps the greatest issue facing Los Angeles County is its lack of control over its revenue stream. General discretionary revenues are in short supply. For

instance, only 10 percent of overall revenues come from unrestricted property taxes. Several other studies (see Shires, 1999, and Swenson, 1999) have pointed to county governments' lack of local discretionary revenues in California.

2. County government has little control over its expenditures.

Some 62 percent of the county's expenditures fall under its agency role; thus, much of the county supervisors' work relates to implementing state and federal initiatives as opposed to seeking local solutions to local problems. This complicates the chain of accountability between voters and elected officials. When few resources are available to lawmakers and few options for their expansion, it is difficult or even unfair to hold supervisors accountable for a lack of effort or intervention in a discretionary area.

3. Uncertainties about state and federal mandates, notably in the area of health care, create intergovernmental tensions over local service delivery. In the case of state and federal intergovernmental transfers, the monies typically come with strings attached and frequently further diminish local control because of embedded matching fund and maintenance of effort requirements. This is ironic in that one reason for using a local bureaucracy rather than a state or federal bureaucracy to implement programs is to allow a better match of funds to local needs and purposes. This lack of county discretion, however, is very real and significantly impedes its ability to respond to local interests and purposes. Moreover, in several instances, the county spends more on state and federally mandated programs than it receives in intergovernmental programs. A prime example is expenditures for health services, which cause tensions between local, state, and federal government over the delivery of local services.

4. Fiscal uncertainties make long-term financial planning difficult for county government. Another problem we have identified in our fiscal analysis is the lack of diversity in the county's funding base. Beyond intergovernmental transfers, which contain their own level of uncertainty, Los Angeles County's primary discretionary revenues come from property taxes and service charges. And even the property tax is not completely under the county's control, as the state demonstrated during the recession of the 1990s. Other local governments, especially cities, have much more diversified revenue portfolios, relying much more heavily on such sources as business licenses, transient occupancy taxes, utility taxes, sales taxes, and franchise fees. The county is precluded from most of these forms of revenues except in the sparsely populated, high-cost-of-service unincorporated areas. As a result, the county's fiscal fortunes rise and fall at the behest of state and federal generosity.

5. The county government's role as an implementing agent of the state and federal governments creates significant organizational problems. Organizationally, Los Angeles County's role as a regional government is complex. Not only must it serve as an arbitrator between the various cities and special districts within its boundaries, but it must often serve as an arbitrator between the state and federal governments when the implementation of programs involves inconsistent decisions or goals. Such conflict of interests, illustrated in the debate over the size of the Los Angeles County-USC Medical Center, places county officials in the awkward position of resolving issues that should have been considered at the originating level of government.

6. The size and scope of Los Angeles County as a single government leads to confusion about the delivery of local services. The county government is a massive and complex bureaucracy, and this

contributes directly to confusion about its roles and objectives. For example, even with the full cooperation and direct assistance of county officials, it took the authors of this report months to fully understand how the many county departments and agencies provide local services to county residents. It is inconceivable, therefore, that the average citizen can fully understand many of the county's complex policy decisions. This, in turn, leads to public confusion and misunderstanding about the county's goals and problems.

In general, the county's role as a regional government, and especially as an agent of the state and federal governments, dominates its day-to-day operations. This leads to conflicting responsibilities as the county tries to serve the local constituencies and broader state and national interests, often without adequate resources. This dilemma, in turn, leaves the county's constituents in an ongoing state of frustration and confusion about the cause of the county's problems, the solutions to those problems, and who should be held accountable for making things right. Moreover, the distractions raised by the county's dominant role as an agent of other governments lead to a reduced focus on regional issues. Although the county government is in an ideal position to tackle pressing regional problems, such as traffic congestion, housing mix, and economic development, the vision and leadership—not to mention the fiscal ability—to resolve such important public policy issues are currently absent.

4. The County as a Municipal Government

Overview

Los Angeles County also serves as a significant provider of municipal services, in addition to its regional role as a provider of countywide services and as an implementing agent of the state and federal governments. The municipal services role is the most complex aspect of county service provision. The institutional arrangements include both direct county spending on services to unincorporated areas and extensive use of dependent special districts to both fund and provide specific services. The county's role is also complicated by its provision of a range of services on a contract basis to incorporated jurisdictions within its boundaries. For example, the Los Angeles County Sheriff's Department serves as the primary police department for many cities within the county, in addition to the communities in unincorporated areas. Within the municipal services role, the county provides services in three ways:

(1) County departments provide municipal services directly to residents of unincorporated areas, (2) special districts directly or indirectly under county control provide services to residents of both unincorporated areas and incorporated cities, and (3) county departments provide municipal services to residents of incorporated cities through contractual arrangements. These three approaches in providing municipal services are examined in detail below. Along the way, we offer some insights into the fiscal and organizational issues explored in the interviews and discussed in Chapter 2.

Los Angeles County is of course not the only provider of municipal services within its boundaries. Within the county's 4,000 square miles are also 88 cities and over 200 special districts that also deliver public services. The sheer number and range of governments providing municipal-level services supports the contention of many of those interviewed that the size and number of local governments in the area breed confusion. To explore this issue, we examine below the broader context of local service funding and provision, supplementing our analysis of county-provided municipal services with a sample of 24 cities and five special districts (see Table 4.1).¹

Services Provided by Municipal Governments

Although the county under state law is the “provider of last resort” for local services, cities are the “providers of first resort” for municipal services. By “municipal services,” we imply that the responsibility for

¹The sample of cities and special districts was selected in such a way as to represent a cross-section of the county in terms of geography, population, racial and ethnic diversity, and institutional structure.

Table 4.1
Sample of Other Local Governments

Cities, by County Supervisorial District				
1st District	2nd District	3rd District	4th District	5th District
Los Angeles ^a	Los Angeles	Los Angeles	Los Angeles	Los Angeles
Bell Gardens	Compton	Beverly Hills	Cerritos	Bradbury
Irwindale	Gardena	Malibu	Lakewood	Glendale
Monterey Park	Hawthorne	Santa Monica	Long Beach	Pasadena
Pomona	Inglewood	West Hollywood	Manhattan Beach	Santa Clarita
Rosemead			Signal Hill	Walnut

Special Districts ^b	
Dependent Special Districts ^c	Independent Special Districts
Los Angeles County Fire District	Metropolitan Water District
Los Angeles County Library District	Sanitation Districts of LA County
Community Development Commission	

NOTE: Contract cities appear in boldface.

^aPortions of the City of Los Angeles are included in each of the five districts.

^bWe use the term “special districts” to refer to property tax agencies, functional assessment districts, and special districts.

^cSpecial districts are considered dependent or county-governed, if they are under the direct control of the County Board of Supervisors.

certain services lies first with the municipalities themselves. Put simply, if the entire area within the county’s boundaries were incorporated within cities, there would be no need for the county to engage in these service activities at all. Cities in the sample spent more than \$13 billion on municipal services in 1997–1998, an amount similar to that spent by the county for all of its services. The range of services provided by the 24 sample cities is presented in Table 4.2. General areas of municipal service provision include public safety (police and fire); social services (family and senior programs, job training); public health; culture and

Table 4.2
List of Municipal Services

General Government	Leisure and Cultural Services	Social Services
Public Officials	Libraries	Human Services
Mayor		Senior Services
Council	Parks and Recreation	Family Services
Manager/Administrative	Parks and Recreation	Employment and Career
Officer	Park/Open Space	Services
Clerk	Maintenance	
Attorney/Legal Services	Beach/Harbor	Public Health
Auditor/Controller	Cultural Centers and	Public Health
Treasurer/Treasury	Activities	
Program	Sports Facilities	Enterprise Activities
Prosecutor/Prosecution	Public Entertainment/Special	Power
	Events	Water
Administrative	Youth and Senior	Sewers/Sanitation
Administration/Central	Programs/Centers	Garbage and Recycling
Services	Television/Media	Transit
Insurance/Liability/Risk		Proprietary Departments:
Management	Public Works	Airports/Harbor/Oil
Intergovernmental	Administration	
Relations	Transportation	Debt Service/Public
Finance	Street Maintenance	Financing
Property Ownership/	Median/Parkway Maintenance	Capital Improvements
Management/Maintenance	Bikeway/Pedestrian	
Human Resources/Personnel	Facilities/Maintenance	Animal Regulation/Control
Information Systems	Lighting	
Purchasing	Engineering	Housing
Central Stores/Warehouse	Building and Safety	Housing Assistance
	Inspection/Regulation	Block Grant (CDBG)
Resident Services	Code Enforcement	
Smog Control/AQMD	Sidewalk Maintenance	Other
Programs	Tree Maintenance	Emergency and Disaster
Weed Abatement	Traffic Control (Signals and	Preparedness
Pest Control	Signs)	
Volunteer and Community	Environmental Compliance	
Support Programs		
Public Safety	Planning and Development	
Police	Planning	
Police/Law Enforcement	Planning and Permitting	
Parking	Zoning	
Fire	Development	
Fire	Community Development	
Paramedics/EMS	Economic/Business Development	
Flood Control	Redevelopment Agencies	

NOTE: For a list of municipal services by city, see Appendix E. CDBG is Community Development Block Grant. AQMD is Air Quality Management District. EMS is Emergency Medical Service.

leisure services (libraries, parks and recreation); public works (streets, engineering); planning, development, and housing; general government (public officials, administration); and a variety of enterprise activities such as water and power provision and solid waste collection.

Although the responsibility for these services lies first with the municipalities, many cities use a number of alternatives to providing these services themselves. Through these alternatives—which include contracting relationships and arrangements with special districts under county direction—the county plays a significant role as provider of local services, such as police/law enforcement, fire protection, libraries, parks and recreation, planning, and public works. As noted in Chapter 3, expenditures for municipal services account for 13 percent of total county expenditures.

We discuss in greater detail below the various mechanisms by which municipal services are provided, and the institutional arrangements that result between the county, cities, and special districts in delivering these services.

Mechanisms for Providing Services

Municipal services in Los Angeles County are provided by the county, cities, and special districts through three institutional mechanisms. The first of these is *direct provision*, in which the county provides municipal services to unincorporated areas through county departments, and cities provide services to their residents through municipal departments. The second mechanism is through a host of *special districts*, including specifically drawn assessment districts, county-governed special districts, and special districts that operate independent of county or city control. The final mechanism for providing municipal

services is through *contract service provision*, which involves contractual relationships between the county, cities, and the private sector.

Direct Provision

Services are often provided directly by the jurisdiction governing a given area. The entity responsible for providing a given service, however, can vary by location.

Unincorporated Areas and the County. The county is obliged to provide municipal services to those residents who do not reside within the boundaries of an incorporated city.² Because of the extensive scale of the unincorporated areas in Los Angeles County, the county serves as a provider of municipal services to a significant number of county residents. Some 900,000 people live in unincorporated areas, and the county government must provide them with the range of services normally provided by a city government: police and fire protection; zoning and general plan administration; libraries; parks; roads; and basic utilities including water, sewer, and refuse collection. About 30 percent of the municipal services provided by the county are provided directly by county departments. The largest providers are the Sheriff's³ and Public Works Departments, as shown in Table 4.3.

Incorporated Areas. Many cities, particularly the older and larger cities in the sample, provide a full range of municipal services to their residents through city departments. Other cities provide a more limited range of services directly and use other mechanisms to provide some key

²If they did reside within the boundaries of an incorporated city, the city would bear the burden of providing these services to its residents.

³See Appendix B for a discussion of the methodology used to identify this portion of the overall Sheriff's Department's expenditures.

Table 4.3
Los Angeles County Municipal Services Provided, by Department and Institutional Arrangement, 1997–1998

Department	Municipal	Contract ^a	Dependent Districts	Total
Agricultural Commissioner/ Weights and Measures		380,000		380,000
Animal Care and Control	3,520,000	5,220,000		8,740,000
Beaches and Harbors	5,570,862			5,570,862
Community and Senior Services	1,381,000	605,000		1,986,000
County Counsel		2,162,569		2,162,569
District Attorney		99,850		99,850
Information Systems Advisory Body		175,504		175,504
Internal Services		3,373,732		3,373,732
LAFCO		30,381		30,381
Parks and Recreation	24,197,994			24,197,994
Probation		2,080,460		2,080,460
Public Library	58,168,303			58,168,303
Public Works	209,567,949	287,876,423		497,444,373
Regional Planning	7,193,819	1,722		7,195,541
Registrar-Recorder/County Clerk		3,281,965		3,281,965
Sheriff ^b	85,165,673	138,972,098		224,137,771
Treasurer and Tax Collector		1,642,094		1,642,094
Enterprise Funds	58,860,710			58,860,710
Dependent Special Districts		29,175,307	574,829,431	604,004,738
Total	453,626,310	475,077,105	574,829,431	1,503,532,846
Share of municipal revenues, %	30	32	38	100

^aWe requested detailed information from each department on services that were provided on a contract basis to other local governments. Given the county's policy of billing the client for all non-overhead costs for such services, we assumed that contract revenues directly corresponded to the appropriate contract expenses for that activity.

^bIn the case of the Sheriff's Department, there was also an issue related to the cost of providing police protection to unincorporated areas of the county. It is difficult to separate the Sheriff Department's role as the countywide law enforcement agency from its role as the police department of both unincorporated areas and contracting cities. In this analysis, we assert that because police services to unincorporated areas are often provided from the same substations throughout the county as the contract services, the relative costs should be approximately the same. Because of the county's contracting activity, we do have good estimates of the costs associated with providing these contracting services. Subsequently, we used the average contracted cost per resident of a contracting incorporated city to generate an estimate of the cost per person that was then applied to the unincorporated area population. This produced an estimate of the county's cost of providing these municipal services in unincorporated areas. The balance of the department's expenditures was then attributed to the county's regional role.

services. Cities such as Los Angeles, Long Beach, Pasadena, and Santa Monica typically provide police services through their own police departments, fire protection through city fire departments, and library services through their own library departments, whereas other cities provide these services through contracts with the county or through special districts. The differences and similarities between these “full-service” cities and contract or partial-service cities,⁴ and the issues raised by these arrangements, are examined below in the section on contract service provision.

Special Districts

The second mechanism for providing municipal services—special districts—is the most complex. These districts come in many forms, three of which are included in this study. The first is the specifically drawn assessment district, which is created for the purpose of levying a special assessment on the users of a service within a specifically defined area. These districts are typically quite small, no larger than a few city blocks in some cases, and offer specific services such as street lighting and landscaping. Some of these districts are county-governed, as explained below.

A second type of special district is the county-governed special district. Throughout the history of Los Angeles County, a range of special districts have been established explicitly for the purpose of

⁴The term “contract city” is used in this report to denote cities that provide services through contract relationships with outside agencies or through memberships in special districts. However, most special district arrangements are not contractual. Instead, cities are members of districts that provide a specific service funded by direct property tax pass-throughs from the cities to the districts themselves. Coleman (1999) refers to these cities as “partial service cities.”

providing a type of service to a specific area within the county. Services provided by county-governed special districts include fire protection, libraries, sewer services and maintenance, street lighting and landscaping, flood control, and storm drain maintenance. Some of these districts are large, providing services to a broad swath of the county, such as the LACFD and the County Library District; others are smaller, such as the many street lighting and landscaping districts throughout the county. Each of these special districts is governed either directly by the board of supervisors or indirectly by a department under the control of the board of supervisors. Services provided by these special districts account for 38 percent of the municipal services provided by Los Angeles County, as shown in the “share of municipal revenues” row in Table 4.3.

County-governed special districts are significant providers of key services to many cities, particularly fire protection and libraries. The relationship between cities and county-governed special districts takes two forms. Cities that were members of these districts before the passage of Proposition 13 contribute revenues to the districts through direct property tax pass-throughs, receiving fire protection and library services in return. In the case of the fire district, cities that were not members of the district before Proposition 13—meaning that their property tax revenues are not sufficient to pay for fire services—can contract directly with the fire district. Table 4.4 shows the number of cities that are members of the fire and library districts and the number of cities that contract directly with the fire district. Through such county-governed special districts, the county provides fire protection and library services to over half the cities in the county.

Table 4.4
Los Angeles County Cities Receiving Municipal Services from the County,
1997–1998

Department	No. of Cities Contracting	% Contracting	No. of Cities in County Special Districts	% in County Special Districts	% Using County as Municipal Provider
Animal Care and Control	49	56		0	56
Fire Protection	7	8	47	53	61
Library		0	51	58	58
Police Protection	41	47		0	47
Public Works	88	100		0	100

The third type of special district is the regional district, which operates independent of county government. These districts are usually large regional organizations managing a confederation of smaller districts and providing a specific service, as is the case of the Sanitation Districts of Los Angeles County and the Metropolitan Water District, which provide sanitation and water services to a large part of the county.

The property tax is an important source of income for funding the activities of many districts that were established before the passage of Proposition 13. These districts were established largely to provide property-related services to specific parcels within the county, and the cost of that service provision was allocated to those parcels through the imposition of a property tax. Proposition 13 and its subsequent implementing legislation, however, changed the way that the process worked. This proposition set the statewide total property tax rate at 1 percent and AB 8 allocated those significantly lower revenues⁵ as a

⁵Comparable property tax rates averaged about 3 percent at the time of Proposition 13's passage.

function of the overall distribution of property taxes in 1976. As a result, these districts continue to receive property tax revenues, but at a level much lower than they had previously received.

The constraints on the property tax—the primary revenue source for most of these districts—have created a framework that is almost completely nonresponsive to reform. Because the state legislature controls the allocation mechanism for these revenues, it is difficult for the county to entertain proposals for reorganizing these districts to better suit the county’s purposes. At the same time, these districts and their attendant services continue to be controlled by the county government or to operate independently even when the residents within their boundaries incorporate. As a result, the municipal services these residents receive, in the case of the county-governed districts, are determined by the more distant county government rather than their local city councils. In the case of independent special districts, the decisions are made by boards of directors composed of representatives from each member city and from the county board of supervisors. The result is that the special district mechanism for providing local services has become increasingly complex and contributes to widespread confusion among residents and public officials about how these services are provided and funded. Adding to the confusion is the fact that resident property tax dollars are collected and then passed through to these districts, making it difficult for residents to know whom to hold accountable.

The County as a Contract Service Provider

The third mechanism for providing municipal services—shown in the second column of Table 4.3—is the contractual approach wherein

county departments provide services under contracts with other local governments—generally cities. As Table 4.4 shows, many of the county’s incorporated jurisdictions contract with the county for important municipal services. Rather than forming their own police or fire departments, for example, many cities contract with another government—often the County of Los Angeles or one of its subordinate districts—for those services. This approach—often called the “Lakewood Plan” after one of the first cities to adopt it—has resulted in the county serving as a major provider of municipal services.

The County Perspective. As shown in Table 4.4, more than half of the cities in Los Angeles County use the county government to provide animal control and library and fire services,⁶ and nearly half use the county to provide police services. Essentially all cities in the county contract with its Public Works Department to provide miscellaneous services. These contracts account for 32 percent of the county’s municipal service expenditures (see Table 4.3). The largest contracts are held by the Public Works, Sheriff’s, and Animal Care and Control Departments. In the case of the Sheriff’s Department and Animal Care and Control, most of these expenditures are directly and completely recaptured as fee revenues from the contracting city or district. A number of state and county statutes require that these services be provided at the county’s operating cost⁷ and, thus, although these

⁶The county’s role in providing library services is somewhat different from the other services listed. In this case, the county is one of several governments that serve on the governing body of the special district that provides library services. In all the other cases in this table, Los Angeles County is the sole governing body over the services provided.

⁷There is some evidence that the county may incur additional overhead-related costs associated with these services that are not recaptured from the client government. There was a consensus among county officials that these costs are not substantial, and they are not calculated in our study.

revenues are technically fully fungible for other purposes, they only offset the costs generated by the provision of the services. In the case of the Public Works Department, there is some contracting activity, but most of the revenues are derived from earmarked property tax revenues through special districts, as discussed above.

Over the course of the interviews we conducted for this report, it became clear that the contract city model is a source of contention among cities and among some cities and the county. Because the county is restricted by law to recapturing only its operating costs in contract relationships, it is unable to charge overhead costs to those cities using its services. Larger cities—Los Angeles and Long Beach in particular—argue that their residents, who constitute the largest share of the county’s population, are subsidizing the overhead costs for contract cities through the tax dollars collected from them by the county. Cities operating under the contract city model, they argue, are unable to pay for all the costs of the services they receive, leaving the county to recoup the funds from other places in its budget.

On the surface, this argument, which has been around since the onset of the contract city model in the early 1960s, appears valid. However, our analysis of the Sheriff’s Department, which contracts with 41 cities in the county, and the LACFD, which provides fire services to 54 cities in the county via special district membership or contract, found two problems with the argument. First, the LACFD receives property tax revenues from the majority of the cities to which it provides services and is able to cover its overhead costs with these revenues. The LACFD, extremely cognizant of its revenues and expenditures in the post-Proposition 13 era, reported that it hired a consultant to examine this very issue. The consultant concluded that the department was covering

its overhead costs through its relationships with both member and contract cities. Second, the Sheriff's Department readily admitted that the overhead costs of providing services to contract cities are not covered by the rates it charges to those cities. However, the main concern of the Sheriff's Department is not overhead costs but economies of scale. Responsible for providing services to numerous unincorporated "island" areas throughout the county, the Sheriff's Department argues that the contract cities relationship allows it to locate stations closer to these unincorporated areas because of its need to provide services to contract cities in the same vicinity. The department argues that without these contract relationships, it would not be able to provide as quick a response because it simply could not afford to locate a station near certain unincorporated "island" areas. The broader area of coverage that comes with the contract relationship thus allows the department to take fuller advantage of economies of scale.

Thus, the argument that contract cities are unable to pay the full costs of the services they receive appears either to be unfounded, as in the case of the LACFD, or to be mitigated by other factors, as in the case of the Sheriff's Department. Although other city residents in the county may be subsidizing some of the overhead costs of the Sheriff's Department's contracting relationships, it is likely that most if not all of these costs would be incurred by the department if it were to try to serve unincorporated areas in the absence of contracts with cities. Thus, it is not surprising that when asked about contract relationships with cities, county officials are quite positive in their response.

The City Perspective. In addition to numerous contract relationships between cities and the county and county-governed special districts, cities also contract with independent, private sector

organizations. Table 4.5 lists the number of cities in our study sample of 24 cities that contract out for key municipal services, and identifies

Table 4.5
Contract Services, by Full-Service and Contract City, 1997–1998

Contract Service	Full-Service Cities	Contract Cities	Contracting Agency
General Government			
Attorney/Legal Services	2 (8%)	8 (33%)	Independent
Property Ownership/Maintenance	5 (21%)	3 (13%)	Independent
Information Systems	1 (4%)	3 (13%)	Independent
Public Safety			
Police	—	8 (33%)	County
Parking	2 (8%)	5 (21%)	Mix ^a
Fire and EMS	1 (4%)	12 (50%)	LACFD
Animal Care and Control	7 (29%)	13 (54%)	County
Leisure and Culture			
Libraries	2 (8%)	10 (42%)	County Library District
Parks and Recreation	1 (4%)	6 (25%)	Independent
Public Works			
Transportation	2 (8%)	5 (21%)	Mix
Traffic Control	3 (13%)	6 (25%)	Mix
Street Maintenance	2 (8%)	9 (38%)	Mix
Median/Parkway Maintenance	2 (8%)	7 (29%)	Mix
Sidewalk Maintenance	2 (8%)	2 (8%)	Mix
Tree Maintenance	4 (17%)	7 (29%)	Mix
Lighting	—	4 (17%)	Mix
Engineering	1 (4%)	5 (21%)	Mix
Building and Safety	3 (13%)	6 (25%)	Mix
Code Enforcement	1 (4%)	6 (25%)	Mix
Enterprise Activities			
Sewer/Sanitation	4 (17%)	10 (42%)	Special District
Garbage/Recycling	4 (17%)	8 (33%)	Mix
Transit	4 (17%)	8 (33%)	Mix

NOTE: Based on sample of 24 cities. Table shows the number of cities that contract out, at least in part, for each service listed. Total expenditures on contract services in sample = \$505,994,733. For a list of services by city and provider, see Appendix E.

^aMix = combination of independent contractor and/or county and/or special district.

whether the contractor used is the county, a special district, an independent contractor, or a mix of these. As the table shows, the county is the lead contractor in the case of police protection, animal care and control, fire protection, and libraries; independent contractors are predominant in the areas of general government and parks and recreation; and cities use a mix of these contracting agencies to provide public works, garbage and recycling services, and transit.

The issue that is inevitably raised when discussing contract cities—as it was in our interviews—is whether contracting out for key services results in discrepancies between full-service and contract cities in sources of revenue and expenditures on services. We examined the differences and similarities between full-service cities and contract cities and found substantive differences between the two types of cities in terms of the revenue sources upon which they rely. However, these differences did not translate into differences in expenditure patterns. We found that contract cities and full-service cities allocate resources in similar ways.

Revenue Sources. Striking differences are apparent in comparing the general fund revenues of full-service and contract cities, as shown in Table 4.6. Full-service cities rely heavily on tax revenues from property taxes, utility user taxes, and other taxes, whereas contract cities are less reliant on these taxes and rely more upon sales tax revenues, which account for 28 percent of their general fund revenues.⁸ Contract cities also receive a higher percentage of their revenues from money and property use (interest income), intergovernmental transfers (primarily from the county and the state, particularly from vehicle license fees), and

⁸The sales tax rate for cities is 1 percent, meaning that for every dollar of sales within a city's boundaries, \$.01 is returned to the city.

Table 4.6
City General Fund Revenue Sources, 1997–1998

General Fund Category	Full-Service Cities, %	Contract Cities, %	Total, %
Property taxes	18	10	17
Sales taxes	12	28	13
Utility users taxes	17	7	16
Other taxes ^a	20	13	19
Licenses and permits ^b	12	4	11
Fines, forfeitures, and penalties ^c	3	3	3
Money and property use ^d	2	9	3
Intergovernmental ^e	7	13	8
Current service charges ^f	1	9	2
Other revenues	1	2	1
Inter-/intra-fund transfers ^g	7	2	7
Total	100	100	100

NOTE: For total general fund revenues by city, see Appendix D.

^aExamples include transient occupant taxes and business license taxes.

^bExamples include building permits, building plan check fees, emergency ambulance fees, and dog licenses.

^cExamples include vehicle code fines and parking citations.

^dRevenue from interest earned on investments, land and facility rental, and parking meter revenue.

^eRevenue from the county, the state and federal governments, and any other cities or agencies.

^fExamples include library fines and fees for parks and recreational services.

^gPrograms funded by revenues other than the general fund often receive services from general fund-supported departments. This category includes reimbursements for those services and transfers to the general fund from special funds.

charges for services, which account for 31 percent of their revenues compared to 10 percent for full-service cities. Part of the difference in sources of revenue is explained by the special district relationships outlined above. Contract cities that are members of special districts—

such as the LACFD, the County Library District, and the Sanitation Districts of Los Angeles County—do not receive any revenues from the property assessments levied by the special districts. Thus, they must rely more upon other revenue sources, such as sales taxes and service charges. Differences in reliance upon revenue sources between contract and full-service cities are understandable, given that many contract cities were incorporated under the premise that they would fund their services through non-property tax revenue sources—namely, sales tax revenues (Miller, 1981).

Contract cities' reliance upon sales tax revenues, however, may have some negative implications because these cities have an obvious incentive to favor sales-generating businesses, such as Wal-Mart or auto dealerships when making land use decisions. Although all cities have this incentive, amid reduced reliance on and control over other revenue sources, it is likely that this incentive is stronger among contract cities because of their greater reliance on sales tax revenues as an income stream. Given that most contract cities are smaller, suburban cities, where the competition for retail sales-generating businesses tends to be most intense, the fiscalization of land use would seem hard to avoid. In fact, a recent PPIC survey of local government officials found that the officials gave higher priority to attracting businesses that generate additional sales tax revenues than to alternative land use decisions such as attracting industry or providing housing (Lewis and Barbour, 1999). Thus, the concerns we found in our interviews about the incentives produced by sales tax revenues appear to be well-founded, particularly in the case of contract cities.

Expenditure Patterns. In terms of expenditures, full-service and contract cities generally spend money in similar ways. A comparison of

how these cities allocate their resources and prioritize services is presented in Table 4.7.

The primary differences are that full-service cities spend 20 percent of their total on social services, compared to 12 percent for contract cities, and that contract cities spend 14 percent on planning and development, compared to 8 percent for full-service cities. Similarities in the public service provision of full-service and contract cities point to a key issue raised by several of those interviewed in this study. Despite the differences in sources and control of revenues, the demands and responsibilities for providing services remain largely unchanged. From a historical perspective, local governments in Los Angeles County have faced a similar challenge.

Table 4.7
Full-Service and Contract City Expenditures, 1997–1998

Department/Program	Full-Service Cities, %	Contract Cities, %
General Government	18	18
Public Safety	28	27
Social Services	20	12
Culture and Leisure	7	9
Public Works	19	20
Planning, Development, and Housing	8	14
Total	100	100

NOTES: These categories provide a summary snapshot of six major areas of municipal service provision. The general government category includes spending for public officials, administration, and internal services. Public safety includes police and fire protection and animal care and control. Social services includes health care and senior and family services. The culture and leisure category includes parks, recreation, and libraries. The public works category includes street maintenance and engineering. Planning, development, and housing includes regional planning and permitting, housing, redevelopment, and economic development. For expenditures by city, see Appendices F and G. Enterprise, capital improvements, and debt service are not included.

Some Issues Related to the County's Role as a Municipal Government

Our analysis of services and revenues reveals a nexus between the county, cities, and special districts providing municipal services to the county's residents. The county plays a significant role as a partner to cities in this process, both through its own departments and through special districts over which it exercises some control. However, this nexus also creates complications, both in terms of institutional arrangements and in the confusion that inevitably accompanies a system in which multiple levels of government provide municipal services. Our fiscal analysis verified a number of the organizational and fiscal problems mentioned in the interviews.

1. The large number of local governments providing services makes it difficult to ascertain which level of government is ultimately responsible for providing which service. The county, 88 cities, and more than 200 special districts simultaneously provide municipal services through numerous institutional arrangements, including county provision to unincorporated areas, special districts, and contracting. For example, it is conceivable that in some cities a resident with a concern about garbage collection could call three different organizations before finally reaching the organization that actually collects the garbage. This might well be the case in a city that contracts with the county for garbage collection, with the county in turn contracting out garbage collection to a private company. Although this system might be efficient from a local government perspective, it is highly complicated from a constituent perspective and understandably breeds confusion, frustration, and even irritability with government.

2. The institutional arrangements between the county, cities, and special districts make it difficult for the public to know whom to hold accountable. The complexity that results from multiple levels of local government providing municipal services is reinforced by the complicated flow of revenues and expenditures between local governments. Financing of municipal services in Los Angeles County is accomplished through revenue transfers between cities and the county, between the county and special districts, and between cities and special districts. From a constituent perspective, understanding which services are provided through property taxes and which through special assessments is difficult, and this creates uncertainty about how the taxpayers' money is being spent and a sense of alienation and distrust because no identifiable accountability is affixed to the expenditures.

3. Eliminating the county's role as municipal service provider to unincorporated areas through annexation and incorporation is subject to many impediments. One proposal suggested in the interviews for reducing the complexity of municipal service provision is to eliminate the county's role as a municipal service provider to unincorporated areas through annexation and incorporation. Although this proposal, if feasible, would reduce the county's role in municipal service provision to that of contractor, perhaps decreasing the complexity of the system, there are many roadblocks to the proposal. Forced annexation and incorporation is a policy no level of government is likely to embrace. Most unincorporated areas remain so because they either are rural or, in the case of urban areas, are not desirable areas of annexation to the surrounding cities. Given the limitations on property tax revenues, most cities are unlikely to annex areas of the county that have low property values or that offer little sales tax revenue. At the same time, the county

officials we interviewed did not think that the county's role as a service provider to unincorporated areas should be eliminated, arguing instead that the level of services provided to those areas is equivalent to the level they would otherwise receive.

4. The “contract city” is an efficient means of providing municipal services at both the county and city levels and offers one model for local governments working closely together to provide local services.

Another issue raised by those interviewed was the efficacy of the contract city model, given its prevalence in the county. Although opponents of contract cities argue that residents countywide are subsidizing the overhead costs of providing these services through the county, our analysis indicates that this either is not the case or that there are sufficient other factors, including economies of scale, that justify the service contract. At both the county and contract city level, those we interviewed resoundingly felt that the contract city model resulted in the most efficient allocation of services and was a positive relationship for both sides.

5. Reliance upon sales tax revenues, particularly in the case of contract cities, creates an incentive to prioritize commercial growth and development over housing and other regional needs. One major concern emerging from the interviews was that the sales tax provides cities with an incentive to favor retail over regional economic and housing needs when development decisions are being made by local officials. Our fiscal analysis indicates that such “fiscalization of land use” is likely, given that cities today have little control over a major local revenue stream, that is, the property tax. Contract cities, in particular, are heavily reliant upon sales tax revenues.

5. Conclusions: Fiscal and Organizational Alternatives

Four major themes emerged from our interviews and were validated by our analysis of the revenue and expenditure data. Translated into goals, they point to what Los Angeles County must do to more effectively provide local services to its residents in the 21st century: (1) **gain more fiscal control**, (2) **expand county partnerships**, (3) **show greater responsiveness**, and (4) **increase the county's regional focus**. Clearly, there is recognition that the county has made great strides in recent years, as a combined result of better management and a growing economy. But the consensus is that county government will need to build on these recent accomplishments if it is to effectively meet current service needs and be prepared for the two million more residents who will call Los Angeles County their home in the next 20 years.

These four goals for the Los Angeles County government contain some elements that are finance-driven, others that require changes in governmental structure, and yet others that call for better relations with

the public. Some elements call for actions at the state level, and others require local change inside county government, between local government entities, or between local governments and the public they serve. We believe that the goals are applicable to counties throughout the state, and especially to large urban counties like Los Angeles County, because county governments in California share a common system of state and local finance.

We briefly review below the alternative arrangements that were suggested for achieving these four goals by those participating in our interviews. Although we endorse the goals noted above, we do not endorse any of the specific suggestions mentioned in the interviews for arriving at these goals. Rather, the approaches for reaching these goals will ultimately depend on developing a consensus among state and local government officials, civic leaders, and residents. For this reason, it might even prove counterproductive to offer specific policy recommendations at this time. So, we simply present the goals as a framework and a reason for having a new round of discussions about the role of county government in Los Angeles County and elsewhere in California.

More Fiscal Control

The fact that county government has little control over its revenues and expenditures is the major finding of both our qualitative and quantitative study of Los Angeles County. The county government is highly dependent on outside sources for its funds and is limited in its abilities to generate its own revenues. Moreover, there is little flexibility on the expenditure side, because county-provided services are often

paid for by the state and federal governments through intergovernmental transfers that include specific requirements on how the money is to be spent. The state’s ERAF transfer in the early 1990s, which took back property tax funds that had previously been given to county governments, had the immediate effect of creating a local fiscal crisis and the longer-term effect of reminding county officials how little control they have over their budgets. With the county government so heavily dependent on state government funding, which ebbs and flows with the economy, it is very difficult for county officials to engage in strategic planning about the delivery of county-provided services. “If you talk to the elected officials in county government there doesn’t seem to be any recognition that there needs to be a plan. They are simply focused on how to make it through each year,” remarked one civic leader. Table 5.1 lists some of the ideas proposed in the interviews for increasing the county’s control over its finances and budget.

Table 5.1
Suggestions for Increasing Fiscal Control

Alternatives
Provide a greater share of property tax to local governments
Return control of property tax rate and allocation to local governments
Distribute growth in sales tax revenues on a per capita or constituency-served basis
Distribute greater share of sales tax revenues to counties
Earmark a portion of state income tax for discretionary use by the county
Use performance-based budgeting
Reduce maintenance of effort provisions
Switch to a two-thirds majority vote for general taxes and simple majority for specific taxes
Change two-thirds majority vote to simple majority for approval of tax measures
Expand partnerships with cities and private sector in health care provision
Contract and partner with the private sector and nonprofits for assistance in providing public services

On the revenue side, alternative arrangements were proposed by both government officials and civic leaders that would increase budget control in county government. The suggestion offered most often, in various forms, is to increase the share of property tax revenues allocated to the county and other local governments. One mechanism for achieving this goal would be to cap the ERAF property tax transfers at current levels so that any growth in property taxes could be returned to the county government. In the 1999–2000 budget deliberations, the governor signed legislation that provided an additional \$150 million of fiscal relief to cities and counties—half was based on population and the rest on the amount of property tax shifted away from the cities and counties during the recession. The legislation also included a provision that would place a cap on the growth of the property tax shift if a local finance reform measure was placed on the ballot in 2000.¹ Another mechanism would be to return the property tax distribution to where it was before the ERAF transfers occurred in 1992–1993. This would return more than \$5.6 billion dollars to Los Angeles County and \$1.2 billion to cities in the county. State officials have argued that ERAF funds have in part already been returned to local governments through

¹The governor signed the bill with the following statement of reluctance: “I am concerned about the provisions of this bill that would enact, contingent upon the passage of a constitutional amendment, capping the Education Revenue Augmentation Fund and requiring the state to provide specific property tax administration subventions to counties. Although I concur with the need to address the state-local fiscal relationship, AB 1661 presupposes that capping the ERAF and state assumption of certain property tax administration costs incurred by counties are appropriate solutions to reforming state and local government finance. I believe sustainable state and local government finance reform must be approached more broadly and comprehensively and not be restricted to examination of the property tax only. Furthermore, capping the ERAF value at the 1999–00 level would ignore various measures that have already mitigated the impact of the property tax shift. For some counties, the value of these mitigation measures exceeds the current value of their property tax shifts.”

Proposition 172, which provided local governments with funding for police and fire services starting in 1993–1994. A compromise solution would be to return the balance of ERAF transfers, less Proposition 172 funding, resulting in a return of \$3.2 billion dollars to Los Angeles County and \$960 million to cities in the county.

Several other alternatives suggested in the interviews might indirectly increase the budget control of the county, but these suggestions are more relevant to other themes and are discussed below. These include distributing sales tax revenues on a per capita or constituency-served basis as opposed to a situs basis; increasing partnerships with cities, the private sector, and nonprofits to provide health services; and using performance-based budgeting. Distributing sales tax revenues on a per capita or constituency-served basis would increase the sales tax revenues available to the county because of its responsibility for providing a variety of services to the entire region. Increasing partnerships in the provision of health care would help reduce the county's overburdened Health Services Department and reduce the chances of a recurrence of a fiscal crisis like that experienced earlier in the decade. Expanding these partnerships is, in fact, a requirement of the federal government under the waiver granted to the county (which provides the revenues that have offset the county's structural deficit in health services). Finally, performance-based budgeting may help the county provide services more efficiently by tying county revenues to specific service objectives.

Other suggestions for developing a more stable revenue source for county governments include returning control of the property tax to the counties, increasing the share of sales tax revenues distributed to counties, and distributing a portion of the state income tax to counties. These tax-related alternatives represent a consensus on the part of the

local government officials we interviewed that local governments need a stable revenue stream that comes from more than one source. As one city official noted, “The jurisdiction responsible for providing services needs to have the financial wherewithal to provide those services. It can’t just be property tax or sales tax directed. You have to look at everything together.” These alternatives would also strengthen the home rule of the county, as recommended by the California Constitution Revision Commission in 1996.

Suggestions for generating new revenues through governance changes include (a) changing the two-thirds majority to a simple majority vote for passing all tax increases, and (b) switching from a simple majority to a two-thirds majority vote for general taxes and a two-thirds majority to a simple majority vote for specific taxes. These vote-related recommendations hold advantages for both Los Angeles County and cities in that they would provide local governments with a greater likelihood of increasing revenues through voter-approved tax increases, while not compromising the spirit of Proposition 13—that the voters must approve such increases. Another suggestion was to expand county partnerships with cities, the private sector, and nonprofits in the provision of all social services, much like the efforts already begun.

As for increasing fiscal control on the expenditure side, some want the state and federal governments to allow the county to have greater flexibility in deciding which specific programs it provides with state and federal monies. This would help address the problem of funding shortfalls for mandated services. Maintenance of effort provisions represent another area of fiscal constraint for local governments, and as

one county official observed, “Eliminating MOEs would free up some room for maneuvering for us.”²

Expanded Partnerships

Our interviews tapped into a strong desire for the county government to “reach out” to other organizations, and our budget analysis confirmed the value of expanded partnerships. Many feel that the county government lacks the wherewithal to meet all of the service demands it faces. Indeed, the county’s limited ability to raise new revenues and direct its expenditures to specific services makes this a real concern. It will thus need the increased participation of other service providers. Moreover, some believe that Los Angeles County as a whole is lacking the cooperation that is needed between the public, private, and nonprofit sectors to deliver a wide range of regional and local services in an efficient and effective manner. Our budget analysis of services and expenditures in “contract cities” offered one tangible example of what can be achieved with increased local cooperation. The county government seems to be in an ideal position to foster and facilitate further efforts at expanding partnerships in service delivery. Table 5.2 lists some of the ideas proposed to expand the county’s partnerships with other governments and the private sector.

One critical area where expanded partnerships have been proposed is health care. The county government will probably face a large deficit in health care spending whenever the federal bailout ends, which could occur in just a few years. Perhaps other local governments can be called

²Maintenance of effort provisions are provisions placed upon county government by the state and federal government, requiring the county to maintain a minimum level of service in a given area to maintain eligibility for related funding.

Table 5.2
Suggestions for Expanding Partnerships

Alternatives
Increase contract relationships with cities
Expand partnerships with cities and private sector in health care provision
Contract and partner with the private sector and nonprofits for assistance in providing public services
Prioritize housing needs
Provide a forum for interaction with cities and special districts

upon in meeting the service needs, either independently or through contracts with the county. “Cities can also be involved in health care if they want. Maybe we need to look at whether it is solely the county’s responsibility,” said a state official. In addition, since the private sector contributes to the problem by not providing health insurance to working families, and private hospitals and clinics are struggling with cost containment, the business and health care communities should be involved in the dialogue about future solutions. Moreover, nonprofit organizations could be a major source for both revenues and service delivery for health care. One example of county partnerships that could be expanded is its relationship with the United Way of Greater Los Angeles, through which health services are provided to an increasing number of county residents. This partnership could be expanded to include other nonprofits, as well as private sector hospitals and clinics. This model could also be applied to other service sectors in the county.

Many of those we interviewed thought that the county government could reach out more effectively to the private sector and nonprofit organizations in providing local services. Suggestions ranged from contracting out for services to public-private partnerships to grants from nonprofits to help the county government in its role of caring for the

poor and needy. “I don’t think they reach out enough to the private sector,” said one civic leader. Local government was also seen as another important arena for expanded partnerships. Some have proposed that the county government take a more active role in providing a forum for bringing together the service providers in county government, cities, special districts, and the private sector. “In LA there is no structure, and the cities are frustrated,” said a regional official. Some have suggested that the organizing features are already in place. “SCAG [Southern California Association of Governments] has drawn up subregions, and maybe those are the appropriate divisions,” said another civic leader. Expanded partnerships are also needed to help the county, in conjunction with other local governments, deal with unmet housing needs and economic development issues.

Greater Responsiveness

We often heard in our interviews that local government is remote and unresponsive to the public it serves. County government is a huge bureaucracy, as demonstrated by our budget analysis and the data we present in the appendices of this report. The sheer size and complexity of the county government could foster a belief that it is detached from the communities and people it serves. The large number of cities and special districts that provide all of the local services we identified in our budget analysis could add to the public’s frustration and confusion about who is accountable for what. “The feeling of the general populace is that the government is wasteful and inefficient, and that is why voters are reluctant to give government additional money to provide the services they demand,” said an elected county official. In Los Angeles County, it is a great challenge for local governments to be up close and personal

with a population of 10 million residents, especially given the highly diverse racial and ethnic mix that has resulted from immigration over the last 20 years.

In addition to the duties inherent in public service, it is a political necessity to convince voters that local governments are responsive to their needs and perform worthwhile activities. Since the passage of Proposition 13, the voters have decided which government reforms to support and which to reject; and for the past 20 years, voters have opted to limit taxing and spending authority. Some of the current proposals for change, such as increasing revenue options and allowing more flexibility in spending, will require a public that believes local governments are responsive and local officials can be held accountable. Table 5.3 lists some of the suggestions offered for ways to improve the county’s responsiveness to its many constituencies.

We received many suggestions for increasing the responsiveness of county government. A more transparent budget process was proposed,

Table 5.3
Suggestions for Improving Responsiveness

Alternatives
Make budget process more transparent
Use performance-based budgeting
Eliminate county’s role as municipal service provider to unincorporated areas and establish a municipal services district to serve these areas
Increase the number of county supervisors
Elect a county mayor or CEO
Monitor citizen satisfaction using public opinion surveys
Expand number of locally based offices
Increase interaction with media
Reach out to Latino community and media
Increase use of Internet services

so that people might have a better idea of where their money goes and could participate in budget decisions. The use of performance-based budgeting was seen as another step toward increasing the public's perception of greater responsiveness on the part of county government, through implementing a process that would set clear and public expectations for the most efficient allocation of existing funding and a system of accountability.

Monitoring citizen use of local services and their satisfaction with those services through large-scale public opinion surveys would provide a feedback mechanism for county bureaucracies and increase the public perception that the government cares about how the people rate their services. A PPIC Statewide Survey in April 1998 found some evidence that supports the importance of such communication between public officials and their constituents. Only 10 percent of Los Angeles County residents named county government as the level of government they trusted the most to solve problems that concerned them. Forty percent had little or no confidence in the ability of their county board of supervisors when it comes to handling county problems. In both survey items, Los Angeles County residents expressed more dissatisfaction than other state residents with their county officials (Baldassare, 1998b). Clearly, this issue and many others should be fully explored by fielding public opinion surveys throughout the county.

Using the Sheriff's Department as a model, the county government could also expand its locally based offices, which would help reduce the perception of the county as a remote and isolated bureaucracy. "The dilemma of LA County is that it doesn't have the capacity to develop community-based networks to provide services," said a regional official. "The challenge is to make government occur in a township fashion,"

observed an elected county official. Others have proposed that the county expand its public relations efforts to improve its image, through paid advertisements and more media coverage. “This would be a perfect time for the county [government] to work on its image and make what they do more understandable to the public,” said one civic leader. Outreach with the Latino community was cited as one particular area where media relations needs to be improved. Many of the users of county health and welfare services are Latino and many of the problems associated with the delivery of these local services stem from a lack of communication between the county and this rapidly growing constituency. Some propose that the county officials keep Latino print, radio, and broadcast media in the county more fully informed. Others suggested expanding communication through the Internet. Providing electronic information about services and service delivery (such as recordkeeping) would literally bring county services closer to residents. We believe that all of the proposed efforts would increase the responsiveness and accountability of county services and begin to break down voter distrust in government.

Some have also suggested changes in governance structures to help improve the county’s responsiveness. For example, there is currently only one county supervisor per approximately two million residents in Los Angeles County. Some of those we interviewed suggested that having more supervisors would bring county government closer to its constituents by making each supervisorial district smaller. Others wanted to add the countywide offices of an elected mayor or an elected CEO. Increasing county government responsiveness is also inherently tied to increased fiscal control. As noted above, one of the most difficult tasks for the county is to meet the growing demand for services while

lacking control over the revenues that finance those services. Thus, returning control of the property tax to county and other local governments, providing a greater share of sales tax revenues or a share of the state income tax to the county, and reducing the two-thirds vote requirement for tax measures would provide the county with substantially more revenues that could then be devoted to meeting service demands. The disconnect between revenues and services therefore underscores many of the other challenges facing the county. As one county official noted, “We are handicapped by dysfunctional funding of local government. Financing is the foundation of local government’s problems.” A final suggestion for improving county responsiveness, as mentioned in the discussion of expanded partnerships, was that the county help establish a forum for interaction with cities and special districts that would seek to better define the roles of each sector of government and deal with regional issues, such as the need for additional housing.

Increased Regional Focus

Many expressed concern that county government is too involved in delivering local services that are typically reserved for city governments and special districts. They believed that the county government should assume more of a regional role, focusing on local services that need to be delivered throughout the entire county.

Two reasons for increasing the county’s regional focus were given in the interviews and were confirmed by our budget analyses. The first is that the county should concentrate its limited resources on regional-level services. Clearly, we saw significant dollars and organizational efforts associated with the county’s role in providing municipal-level services. If

the provision of municipal-level services were left to cities and special districts, the county could devote itself to its regional role as an agency of the state and federal governments and as a regional service provider. The second reason for increasing the county's regional focus is that there is a need for some government entity to look at "big picture" issues—housing, economic development, the natural environment, and quality of life in the region as a whole. At a minimum, this requires balancing the needs and demands for additional housing against the effect that such development may have on the region's open spaces and wilderness areas. Growth management measures, such as those instituted in Santa Clara and Ventura Counties, and appearing on the ballot in other coastal regions, are examples of one option for the county to pursue. Of the current forms of local government, county government is in the best position to assume this leadership role. The need for a regional focus is especially important in Los Angeles County, given the population growth that is expected, the competition for jobs and industry with other regions such as New York and the Silicon Valley, and the increasing role the county plays in the global marketplace.

Some of the alternatives proposed for increasing the county's regional focus are listed in Table 5.4. A recurrent suggestion was that the county get out of the business of providing municipal-level services in the unincorporated areas. One way to accomplish this would be to encourage the annexation and incorporation of unincorporated communities. However, as many of those interviewed acknowledged, forced annexation and incorporation are difficult and unlikely prospects. A more viable alternative, as discussed above, would be to establish a municipal services district that would provide municipal services to

Table 5.4
Suggestions for Increasing the County's Regional Focus

Alternatives
Distribute growth in sales tax revenues on a per capita or constituency-served basis
Encourage unincorporated areas to incorporate or be annexed
Eliminate the county's role as municipal service provider to unincorporated areas, establishing a municipal services district to serve unincorporated areas
Increase contract relationships with cities
Consolidate or dissolve dependent special districts
Prioritize housing needs
Provide a forum for interaction with cities and special districts
Expand number of locally based offices

unincorporated areas. Such a district might be funded by a special assessment (or by existing property taxes) on property in these areas. One significant advantage of a municipal services district for unincorporated areas is that it would improve local government responsiveness in unincorporated areas by having one agency responsible for providing services, rather than having a county government that must balance services between these areas and the better-represented cities in the county. Currently, county supervisors charged with representing more than nine million residents countywide make municipal service decisions for the 900,000 people living in the unincorporated areas.

Implementing this alternative in the unincorporated areas, however, would involve significant problems that should be carefully considered. For example, this new level of government, while certainly providing much more direct accountability and responsiveness to local needs, would also face the challenge of adequately representing and addressing the concerns and interests of an extremely diverse constituency. It would be difficult to simultaneously address the needs of the unincorporated areas in the San Pedro and Wilmington areas, those of Pepperdine University on the coast, and those of the high desert surrounding

Lancaster and Palmdale. One solution would be to have more than one such municipal services district, but that would exacerbate the other problem that such an approach would involve—namely, the loss of efficiencies resulting from scale and scope.

Establishing such a district would also introduce new administrative costs and overhead—an effect currently mitigated by the scale of the overall Los Angeles County municipal service enterprise. To fund these activities, an argumentative political dialogue over the reallocation of the property tax would have to occur. Overall, a municipal services district for unincorporated areas would represent a tradeoff between local representation and government complexity. The obstacles to incorporation, annexation, and a municipal services district demonstrate that although there is a consensus for eliminating the county’s municipal service role in unincorporated areas, it is an objective difficult to achieve.

Other suggestions for increasing the county’s regional focus included taking the “contract cities” approach to a new level by negotiating police, fire, and library service agreements with more noncontract cities in the region, which would take further advantage of regional economies of scale. Expanding the number of locally based county offices would also make the county’s role as a regional service provider more visible, particularly to smaller or outlying cities and areas in the county. “The greatest deficiency that we face in Southern California is that we have very few community-based governance structures, so we have few community-based service delivery systems,” noted one civic leader.

Other suggestions for increasing the county’s regional focus call for changes in large single-purpose special districts, both independent and dependent. Some argue that regional single-purpose districts, like the Sanitation Districts of Los Angeles County and the LACFD, could be

consolidated into the county as general services. From a regional perspective, the advantage of this alternative is that it would allow revenue and resource allocation decisions to be made by one governmental entity, allowing the county to balance resources and to set priorities among competing demands for services. Under the current system, it is argued, certain services are overfunded, such as sanitation and fire services, but health and welfare services are underfunded. Others argue that the independent single-purpose districts are good examples of regional service-provision already occurring through the cooperation of cities and counties. Thus, the county might be better served by providing more services based upon the independent special district model. One suggestion was to change the governance structure of county dependent special districts, such as the LACFD and the County Library District so that their member cities and agencies have a vote in the policy directions pursued by these districts. This alternative could make these districts more responsive to local needs and could enhance their status as regional service providers. It was also suggested that the county disengage itself from dependent districts altogether, allowing them to operate as independent special districts.

Regardless of the direction pursued with respect to dependent special districts—consolidating them into county general services or disengaging them from county control—the end result would be the same: elimination of the county’s role as overseer of dependent districts, a role that some argue creates confusion and contributes to the fragmentation of local government in Southern California.

Finally, some suggested that to reinforce its regional focus, the county government should add regional housing needs and regional economic redevelopment to the list of its county programs and services.

These new efforts would require cooperative ventures with local governments, the private sector, and nonprofits and the creation of a forum where the various actors influencing regional service delivery could interact, as discussed in previous chapters. Regional cooperation, it was argued, has to start among the various local governments and nongovernmental agencies, for which there is currently little incentive. As one civic leader observed, “There is a lack of a strategic game plan for coordinating services between the county and other jurisdictions. There is no master plan in the county for how to accomplish it either. If there is one thing that the county needs to do institutionally, it is to come up with a master plan for dealing with interjurisdictional and regional issues.”

In sum, a wide variety of alternative fiscal and organizational arrangements were suggested by those we interviewed, and our budget analyses offer compelling reasons for seriously considering these proposals. As noted by one county official, a more cooperative environment exists among local governments today than in the darker economic days of the early 1990s: “Today, cities and counties are working together to get the property tax money back from the state.” Local governments that were for many years in contentious and adversarial relations have rallied around the state and local finance issues that affect them all. The next task is to have a serious dialogue between the state and local governments about how to improve county government’s ability to finance and provide services. Today’s healthy economy offers the best opportunity to move ahead with ideas for achieving more fiscal control, expanded partnerships, greater responsiveness, and an increased regional focus. If not now, when?

Appendix A

Departments in Los Angeles County

Administrative Office, Chief	Human Relations Commission
Affirmative Action	Human Resources
Agricultural Commissioner/Weights and Measures	Internal Services
Alternate Public Defender	Mental Health
Animal Care and Control	Military and Veterans Affairs
Assessor	Museum of Art
Auditor-Controller	Museum of Natural History
Beaches and Harbors	Music and Performing Arts Commission
Board of Supervisors	Office of Ombudsman
Chief Information Office	Parks and Recreation
Children and Family Services	Probation
Community and Senior Services	Public Defender
Consumer Affairs	Public Library
Coroner	Public Social Services
County Counsel	Public Works
District Attorney	Regional Planning
Fire	Registrar-Recorder/County Clerk
Health Services	Sheriff
	Treasurer and Tax Collector

Appendix B

Los Angeles County Departmental Expenditures, by Role, 1997–1998

Table B.1

Los Angeles County Departmental Expenditures, by Role, 1997–1998

Department	Regional Government	Agent of State and Federal Governments			Municipal Service Provider			Total
		Federal	State	Combined	Municipal	Contract	Dependent District	
Administrative Office, Chief	24,971,028							24,971,028
Affirmative Action	654,090	695,604	421,606	633,793				2,405,094
Agricultural Commissioner/ Weights and Measures	6,800,909		7,571,697			380,000		14,752,606
Alternate Public Defender	18,125,012							18,125,012
Animal Care and Control	1,337,910		1,063,311		3,520,000	5,220,000		11,141,221
Arts Commission	1,522,104	157,026						1,679,130
Assessor	89,886,664							89,886,664
Auditor-Controller	29,970,314		2,400,940					32,371,254
Beaches and Harbors	10,384,633				5,570,862			15,955,495
Board of Supervisors	34,042,069							34,042,069
Chief Information Office	1,526,888							1,526,888
Children and Family Services	37,039,405		948,178,703					985,218,108
Community and Senior Services	10,493,768		8,699,027	77,209,126	1,381,000	605,000		98,387,921
Community Development Commission	114,752,300	175,144,100						289,896,400
Consumer Affairs	1,430,851		722,801					2,153,652
Coroner	13,250,162							13,250,162
County Counsel	31,144,386					2,162,569		33,306,955
Dependent Special Districts						29,175,307	574,829,431	604,004,738
District Attorney	272,179,365					99,850		272,279,215
Enterprise Funds	189,859,127				58,860,710			248,719,837

Table B.1 (continued)

Department	Regional Government	Agent of State and Federal Governments			Municipal Service Provider			Total
		Federal	State	Combined	Municipal	Contract	Dependent District	
Fire Department—Lifeguards	6,617,000							6,617,000
Grand Jury	485,830							485,830
Health Services	2,899,867,133	2,334,000	84,930,000	52,309,000				3,039,440,133
Human Relations Commission	1,055,710							1,055,710
Human Resources	17,039,687							17,039,687
Information Systems Advisory Body	13,701,959					175,504		13,877,463
Internal Services	221,977,223					3,373,732		225,350,955
Local Agency Formation Commission	273,430					30,381		303,811
Mental Health			457,051,282					457,051,282
Military and Veterans Affairs	666,072		480,739					1,146,811
Museum of Art	15,739,166			145,562				15,884,728
Museum of Natural History	13,667,305							13,667,305
Music Center Operations	7,572,983							7,572,983
Office of the Ombudsman	259,046							259,046
Parks and Recreation	41,160,906				24,197,994			65,358,900
Probation	25,302,753			278,222,286		2,080,460		305,605,499
Probation—Community-Based Contracts			1,480,602					1,480,602
Public Defender	81,646,066		2,414,088					84,060,154
Public Library					58,168,303			58,168,303
Public Social Services				405,453,814				2,405,453,814

Table B.1 (continued)

Department	Regional Government	Agent of State and Federal Governments			Municipal Service Provider			Total
		Federal	State	Combined	Municipal	Contract	Dependent District	
Public Works	40,613,355				209,567,949	287,876,423		538,057,728
Regional Planning					7,193,819	1,722		7,195,541
Registrar-Recorder/County Clerk	40,488,058	9,668,037				3,281,965		53,438,060
Sheriff	919,821,190		18,381,058		85,165,673	138,972,098		1,162,340,019
Treasurer and Tax Collector	43,570,315					1,642,094		45,212,409
Trial Court Operations— Municipal Courts				309,706,532				309,706,532
Trial Court Operations— Superior Court				272,229,945				272,229,945
Total	5,280,896,171	187,998,767	2,393,954,619	2,535,751,296	453,626,310	475,077,105	574,829,431	11,902,133,699

Appendix C

Los Angeles County Departmental Revenues, 1997–1998

Table C.1

Los Angeles County Departmental Revenues from Taxes, Service Charges, and Fees, 1997–1998

Department	Property Tax	Sales Tax	Other Taxes	Service Charges and Fees
Administrative Office, Chief			400	3,924,672
Affirmative Action				814,962
Agricultural Commissioner/ Weights and Measures			1,778,299	7,182,193
Agricultural Commissioner— Vehicle Accumulative Capital Outlay (ACO) Fund				52,819
Air Quality Improvement Fund				
Alternate Public Defender				7,019
Animal Care and Control			400	9,545,350
Arts Commission				
Assessor				28,041,951

Table C.1 (continued)

Department	Property Tax	Sales Tax	Other Taxes	Service Charges and Fees
Asset Development				
Implementation Fund				
Auditor-Controller				11,285,965
Beaches-Harbors			227,975	6,950,144
Board of Supervisors			2,000	2,168,839
Cable TV Franchise				1,290,577
Capital				
Projects/Refurbishments				
Child Abuse/Neglect				
Prevention Program				38,742
Children and Family Services				547,214
Civic Center Employee				
Parking				13
Community and Senior				
Services				1,613
Community-Based Contracts				
Consumer Affairs				1,261,478
Coroner				1,475,109
County Counsel				11,415,047
Courthouse Construction				
Criminal Justice Facility				
Temporary Construction				
Del Valle ACO				1,163
Dependency Court Facilities				
Dependent Special Districts	12,321,447			33,503,772
Detention Facilities Debt				
Service Fund	8,463,776			
Dispute Resolution Fund				3,443,418
District Attorney				2,969,076
District Attorney Asset				
Forfeiture				
District Attorney Drug				
Abuse/Gang Diversion				
Domestic Violence Program				1,414,552
Emergency Preparedness and				
Response				13,500
Energy Management				(1)
Extraordinary Maintenance				100,000
Federal and State Aid				572,013

Table C.1 (continued)

Department	Property Tax	Sales Tax	Other Taxes	Service Charges and Fees
Fire Department—Helicopter Replacement ACO				
Fire Department Developer Fee	1,467,478			(2,869)
Fire District	326,134,266		77,314	47,928,562
Fish and Game Propagation				
Ford Theater Development				341,989
General Fund—Financing Elements	1,201,330,606			
Golf Course				
Grand Jury				
Hazardous Waste				
Health Services—General				183,857,078
Health Services—Enterprise Hospitals				225,572,262
Human Relations Commission				
Human Resources	2,846,236			7,434,233
Information Systems Advisory Body (ISAB)				
Internal Services			800	59,479,175
ISAB Marketing				
Judgments and Damages/Insurance				
Jury Operations Improvement				
LA Community Development Corporation	4,092,000			417,500
LAFCO				165,951
Landscape Maintenance District and Landscape and Lighting Assessment District (LLAD)	5,142,350			
Linkages Support Program				312,247
Marina Del Rey Debt Service Fund				802,285
Marina Replacement ACO				
Marketing Program				
Mediation Services				
Dependency Court				1,199,990
Mental Health				30,197,359
Military and Veterans Affairs			11,000	67,992

Table C.1 (continued)

Department	Property Tax	Sales Tax	Other Taxes	Service Charges and Fees
Miscellaneous Enterprise Funds		10,909,333		554,894
Motor Vehicles ACO				73,482
Municipal Court Automation				
Museum of Art				1,202,064
Museum of Natural History				2,064,462
Music Center Operations				
Non-Departmental Revenue Summary	2,702,418	34,825,862	67,356,869	87,615,448
Non-Departmental Special Accounts				51,435
Oak Forest Mitigation				
Off-Highway Vehicles				
Office of Public Safety				8,794,174
Park In-Lieu Fees—ACO				
Parks and Recreation			322,471	28,316,390
Probation				14,708,502
Productivity Investment				
Public Defender				262,630
Public Library	38,152,794		400	2,276,851
Public Social Services				4,925,508
Public Works				31,913,411
Public Works—Article 3 Bikeway				
Public Works—Aviation Capital Project				
Public Works—Facility Project Management				5,739,615
Public Works—Flood Control District	163,265,073			5,125,415
Public Works—Flood Control/Debt Services	9,465,000			
Public Works—Garbage Disposal District Summary	2,284,811			8,840,295
Public Works—Off Street Meter and Preferential Parking Districts				2,310
Public Works—Other Special Districts Summary	55,783	54,000		4,060,243

Table C.1 (continued)

Department	Property Tax	Sales Tax	Other Taxes	Service Charges and Fees
Public Works—Pre-County Improvement District Studies				20,462
Public Works—Proposition C Local Return		9,048,149		225,527
Public Works—Road Fund	117	2,725,451		20,044,556
Public Works—Sewer Maintenance Districts Summary	1,573,468			17,949,285
Public Works—Solid Waste Management				11,945,094
Public Works—Special Road Projects	2,805,542			
Public Works—Street Light District/LLAD Summary	14,019,820			107,680
Recreation and Parks and LLAD Summary	219,296			
Recreation Fund				104
Regional Park and Open Space District Summary	76,007,654			
Regional Planning				2,630,735
Registrar-Recorder/County Clerk			400	36,457,427
Rent Expense				
San Gabriel Canyon Recreation				
Sheriff			29,500	243,823,925
Sheriff—Automated Fingerprint Identification				1,262,578
Sheriff—Automated Fund				
Sheriff—Countywide Warrant System				
Sheriff—Inmate Welfare				
Sheriff—Jail Store				
Sheriff—Narcotic Enforcement				
Sheriff—Processing Fee				965,968
Sheriff—Special Training			6,010	655,196
Sheriff—Vehicle Theft Prevention Fund				
Small Claims Advisor Program				1,134,961

Table C.1 (continued)

Department	Property Tax	Sales Tax	Other Taxes	Service Charges and Fees
Special Development Funds— Regional Parks				
Telephone Utilities				340,083
Treasurer and Tax Collector	429		1,456,435	17,923,509
Trial Court Operations			3,500	27,573,512
Trial Court Operations Fund			3,400	17,506,121
Utilities				115,681
Total	1,872,350,364	57,562,795	71,277,173	1,293,004,47

Table C.2**Los Angeles County Departmental Revenues from Other Sources, 1997–1998**

Department	Inter- governmental Revenues	Other Revenues	Debt Proceeds	Department Total
Administrative Office, Chief	1,544	2,602,976		6,529,592
Affirmative Action	176,284	55,955		1,047,201
Agricultural Commissioner/ Weights and Measures	3,127,372	613,751		12,701,615
Agricultural Commissioner— Vehicle ACO Fund				52,819
Air Quality Improvement Fund		1,090,718		1,090,718
Alternate Public Defender		98,817		105,836
Animal Care and Control		202,493		9,748,243
Arts Commission	215,000	107,350		322,350
Assessor	14,864,740	2,292,855		45,199,546
Asset Development Implementation Fund		1,265,000		1,265,000
Auditor-Controller		459,523		11,745,488
Beaches-Harbors	587,913	2,530,688		10,296,720
Board of Supervisors	717,058	1,489,638		4,377,535
Cable TV Franchise		77,876		1,368,453
Capital Projects/ Refurbishments	5,326,629	8,338,016		13,664,645
Child Abuse/Neglect Prevention Program		2,601,378		2,640,120
Children and Family Services	897,973,795	1,854,108		900,375,117
Civic Center Employee Parking		4,309,475		4,309,488
Community and Senior Services	82,850,616	172,998		83,025,227
Community-Based Contracts	812,000			812,000
Consumer Affairs	386	176,246		1,438,110
Coroner	144,395	110,076		1,729,580
County Counsel	33,623	263,423		11,712,093
Courthouse Construction		34,665,395		34,665,395
Criminal Justice Facility Temporary Construction		22,908,436		22,908,436
Del Valle ACO	350,000	4,725		355,888
Dependency Court Facilities		183,937		183,937

Table C.2 (continued)

Department	Inter- governmental Revenues	Other Revenues	Debt Proceeds	Department Total
Dependent Special Districts		11,084,041		56,909,260
Detention Facilities Debt Service Fund	129,664	517,374		9,110,814
Dispute Resolution Fund		95,387		3,538,805
District Attorney	182,012,790	8,358,081		193,339,947
District Attorney Asset Forfeiture	186,373	1,021,398		1,207,771
District Attorney Drug Abuse/Gang Diversion		4,978		4,978
Domestic Violence Program		246,143		1,660,695
Emergency Preparedness and Response	136,448			149,948
Energy Management		877,274		877,273
Extraordinary Maintenance		97,598		197,598
Federal and State Aid	8,812,302	4,400,618		13,784,933
Fire Department— Helicopter Replacement ACO		28,274		28,274
Fire Department Developer Fee		174,333		1,638,942
Fire District	16,553,049	20,119,769		410,812,960
Fish and Game Propagation		30,188		30,188
Ford Theater Development		198,720		540,709
General Fund—Financing Elements				1,201,330,606
Golf Course		2,784,532		2,784,532
Grand Jury		18,959		18,959
Hazardous Waste		81,057		81,057
Health Services—General	330,430,740	6,808,175		521,095,993
Health Services— Enterprise Hospitals	1,807,133,080	416,488		2,033,121,830
Human Relations Commission	24,000	86,116		110,116
Human Resources	255,508	134,510		10,670,487
Information Systems Advisory Body	263,480	2,948,901		3,212,381

Table C.2 (continued)

Department	Inter-governmental Revenues	Other Revenues	Debt Proceeds	Department Total
Internal Services	130,485	2,819,317		62,429,777
ISAB Marketing		224,241		224,241
Judgments and Damages/ Insurance		120		120
Jury Operations Improvement		1,106		1,106
LA Community Development Corporation	252,005,200	29,437,400		285,952,100
LAFCO		1,709		167,660
Landscape Maintenance District and LLAD	7,882	609,989		5,760,221
Linkages Support Program		429,067		741,314
Marina Del Rey Debt Service Fund		26,630,354		27,432,639
Marina Replacement ACO	432,308	135,076		567,384
Marketing Program		90,070		90,070
Mediation Services Dependency Court		123,794		1,323,784
Mental Health	355,953,400	2,541,313		388,692,072
Military and Veterans Affairs	217,953	164,093		461,038
Miscellaneous Enterprise Funds		5,436,695		16,900,922
Motor Vehicles ACO		9,550		83,032
Municipal Court Automation		1,395,426		1,395,426
Museum of Art		122,400		1,324,464
Museum of Natural History		2,535,419		4,599,881
Music Center Operations		3,881,802		3,881,802
Non-Departmental Revenue Summary	829,517,343	80,126,018		1,102,143,958
Non-Departmental Special Accounts		157,173,875		157,225,310
Oak Forest Mitigation		98,573		98,573
Off-Highway Vehicle	122,541	2,881		125,422
Office of Public Safety	3,580	46,062		8,843,816
Park In-Lieu Fees—ACO		1,400,575		1,400,575
Parks and Recreation	1,926,193	4,816,411		35,381,465
Probation	101,940,105	2,697,572		119,346,179

Table C.2 (continued)

Department	Inter- governmental Revenues	Other Revenues	Debt Proceeds	Department Total
Productivity Investment		574,278		574,278
Public Defender	1,110,958	373,085		1,746,673
Public Library	4,399,178	2,654,394		47,483,617
Public Social Services	1,998,743,108	5,592,492		2,009,261,108
Public Works	759,350	1,440,779		34,113,540
Public Works—Article 3 Bikeway	218,006	610,640		828,646
Public Works—Aviation Capital Project	3,150,958			3,150,958
Public Works—Facility Project Management		222,190		5,961,805
Public Works—Flood Control District	4,787,815	20,502,821		193,681,124
Public Works—Flood Control/Debt Services Summary		460,000		9,925,000
Public Works—Garbage Disposal District Summary	39,220	1,065,521		12,229,847
Public Works—Off Street Meter and Preferential Parking Districts		126,669		128,979
Public Works—Other Special Districts Summary		784,006		4,954,032
Public Works—Pre- County Improvement District Studies				20,462
Public Works—Proposition C Local Return	74,477	3,285,946		12,634,099
Public Works—Road Fund	134,826,044	11,103,852		168,700,020
Public Works—Sewer Maintenance Districts Summary	33,596	984,654	192,833	20,733,836
Public Works—Solid Waste Management	709,126	909,665		13,563,885
Public Works—Special Road Projects	50,612	118,337		2,974,491
Public Works—Street Light District/LLAD Summary	182,679	2,418,888		16,729,067

Table C.2 (continued)

Department	Inter- governmental Revenues	Other Revenues	Debt Proceeds	Department Total
Recreation and Parks and LLAD Summary	1,688	60,529		281,513
Recreation Fund		1,072,029		1,072,133
Regional Park and Open Space District Summary	3,039	16,406,711	510,185,000	602,602,404
Regional Planning	359,074	1,528,511		4,518,320
Registrar-Recorder/County Clerk	2,362,984	1,016,667		39,837,478
Rent Expense		1,104,394		1,104,394
San Gabriel Canyon Recreation		185,105		185,105
Sheriff	390,572,516	21,719,990		656,145,931
Sheriff—Automated Fingerprint Identification		3,874,507		3,874,507
Sheriff—Automated Fund		70,915		1,333,493
Sheriff—Countywide Warrant System		586,854		586,854
Sheriff—Inmate Welfare		35,339,875		35,339,875
Sheriff—Jail Store		4,117,623		4,117,623
Sheriff—Narcotic Enforcement		6,433,198		6,433,198
Sheriff—Processing Fee		100,251		1,066,219
Sheriff—Special Training				661,206
Sheriff—Vehicle Theft Prevention Fund	6,140,949	249,213		6,390,162
Small Claims Advisor Program		22,122		1,157,083
Special Development Funds—Regional Parks		696,755		696,755
Telephone Utilities		640,300		980,383
Treasurer and Tax Collector	58,243	8,512,653		27,951,269
Trial Court Operations	2,634,884	95,440,860		125,652,756
Trial Court Operations Fund	71,328,964	14,154,238		102,992,723
Utilities		3,975,782		4,091,463
Total	7,517,923,247	742,496,974	510,377,833	12,064,992,873

Appendix D

Sample City Revenues, 1997-1998

Table D.1
Sample City Revenues, 1997–1998

Revenue Source	Bell Gardens	Beverly Hills	Bradbury	Cerritos
General Fund				
Property Taxes	435,000	16,988,321	107,500	1,400,000
Sales Taxes	1,325,000	15,630,322	2,000	21,000,000
Utility Users Taxes				
Other Taxes	7,975,000	36,403,660	37,500	1,882,000
Licenses and Permits	140,600	5,519,757	43,500	803,500
Fines, Forfeitures, and Penalties	125,100	5,169,727		306,000
Revenue from Money and Property Use	2,726,840	4,447,816	55,000	14,824,000
Revenue from Other Agencies/ Intergovernmental	4,062,255		19,000	7,256,060
Current Service Charges	173,815	4,516,602	151,600	8,733,740
Other Revenue	381,500	6,698,560	10,200	207,330
Inter-/Intra-Fund Charges and Transfers			4,500	
Total General Fund	17,345,110	95,374,765	430,800	56,412,630
Other Funds				
Special Revenue	4,070,862		56,106	3,661,360
Internal Service		16,999,576		2,260,000
Enterprise	1,360,000	40,473,186		8,075,500
Debt Service	1,465,000			
Capital Improvement	923,070	28,345,495		5,000
Miscellaneous/Other	46,600			
Total Other Funds	7,865,532	85,818,257	56,106	14,001,860
Grand Total	25,210,642	181,193,022	486,906	70,414,490

Table D.1 (continued)

Revenue Source	Compton	Gardena	Glendale	Hawthorne
General Fund				
Property Taxes		3,090,036	12,128,000	2,590,000
Sales Taxes		6,121,985	11,000,000	7,420,000
Utility Users Taxes		2,362,025		3,900,000
Other Taxes		7,258,088	20,913,000	3,733,000
Licenses and Permits		168,800	3,023,000	556,300
Fines, Forfeitures, and Penalties		205,000	1,000,000	1,406,400
Revenue from Money and Property Use		73,000	5,795,000	208,658
Revenue from Other Agencies/ Intergovernmental		2,800,031	8,972,000	6,299,000
Current Service Charges		1,638,672	2,474,000	2,578,450
Other Revenue		100,300		1,682,000
Inter-/Intra-Fund Charges and Transfers		4,338,401	25,039,000	
Total General Fund	0	28,156,338	90,344,000	30,373,808
Other Funds				
Special Revenue		16,917,615	34,782,067	25,499,760
Internal Service		4,149,043	12,771,000	2,817,163
Enterprise		483,000	192,948,800	10,037,278
Debt Service		2,753,222	7,007,960	5,376,616
Capital Improvement		1,785,000	20,375,000	2,228,469
Miscellaneous/Other		461,145	8,899,732	
Total Other Funds	0	26,549,025	276,784,559	45,959,286
Grand Total	0	54,705,363	367,128,559	76,333,094

Table D.1 (continued)

Revenue Source	Inglewood	Irwindale	Lakewood	Long Beach
General Fund				
Property Taxes	8,260,000	159,739	2,036,920	45,600,000
Sales Taxes	6,905,000	2,650,000	7,485,000	30,900,000
Utility Users Taxes	13,230,900	1,959,414	1,850,000	56,300,000
Other Taxes	14,689,060	1,419,459	1,150,792	23,900,000
Licenses and Permits	383,000	920,061	332,400	10,700,000
Fines, Forfeitures, and Penalties	4,440,500	114,236	272,000	8,500,000
Revenue from Money and Property Use	387,300	456,681	1,592,000	12,000,000
Revenue from Other Agencies/Intergovernmental	5,093,500	5,001	3,611,557	32,200,000
Current Service Charges	2,410,400	273,375	4,845,600	10,500,000
Other Revenue	6,660,600	1,047,180	543,600	
Inter-/Intra-Fund Charges and Transfers				79,400,000
Total General Fund	62,460,260	9,005,146	23,719,869	310,085,701
Other Funds				
Special Revenue	110,156,160	18,112,536	8,633,831	189,292,303
Internal Service			1,360,110	189,588,623
Enterprise	14,395,000		5,423,400	253,944,841
Debt Service	16,013,239			
Capital Improvement				
Miscellaneous/Other				605,847,587
Total Other Funds	140,564,399	18,112,536	15,417,341	1,238,673,354
Grand Total	203,024,659	27,117,682	39,137,210	1,548,759,055

Table D.1 (continued)

Revenue Source	Los Angeles	Malibu	Manhattan Beach	Monterey Park
General Fund				
Property Taxes	499,204,000	2,158,868	5,832,636	4,001,000
Sales Taxes	309,140,000	1,500,000	6,300,000	3,400,000
Utility Users Taxes	477,625,000	1,810,000		2,600,000
Other Taxes	567,836,000	1,132,000	4,100,000	4,003,000
Licenses and Permits	386,735,000	150,000	1,143,300	1,266,000
Fines, Forfeitures, and Penalties	89,000,000	301,500	1,242,500	710,000
Revenue from Money and Property Use	30,447,000	263,000	2,637,532	1,276,200
Revenue from Other Agencies/Intergovernmental	197,853,000	2,530,000	1,766,390	
Current Service Charges		2,399,200	2,517,960	3,617,421
Other Revenue		12,000	1,556,784	426,000
Inter-/Intra-Fund Charges and Transfers	138,566,211			
Total General Fund	2,696,406,211	12,256,568	27,097,102	21,299,621
Other Funds				
Special Revenue	1,311,113,668	2,536,425	3,164,300	15,504,648
Internal Service			3,421,422	3,457,000
Enterprise			12,529,990	5,900,000
Debt Service	62,371,922		70,620	2,681,348
Capital Improvement			35,000	1,239,379
Miscellaneous/Other			51,590	874,820
Total Other Funds	1,373,485,590	2,536,425	19,272,922	29,657,195
Grand Total	4,069,891,801	14,792,993	46,370,024	50,956,816

Table D.1 (continued)

Revenue Source	Pasadena	Pomona	Rosemead	Santa Clarita
General Fund				
Property Taxes	18,796,104	8,409,900	1,020,000	4,950,000
Sales Taxes	22,844,000	12,145,224	2,575,000	15,500,000
Utility Users Taxes	18,816,000	12,250,000		
Other Taxes	15,167,595	3,370,300	1,580,600	4,244,135
Licenses and Permits	703,400	3,205,904	781,200	2,069,230
Fines, Forfeitures, and Penalties	3,147,500	793,200	297,500	158,000
Revenue from Money and Property Use	4,535,153	833,735	451,200	1,112,575
Revenue from Other Agencies/Intergovernmental	6,955,176	6,285,163	2,547,000	6,271,450
Current Service Charges	4,864,649	2,458,188	178,000	3,597,035
Other Revenue	1,985,135	2,263,256	41,700	855,703
Inter-/Intra-Fund Charges and Transfers	19,814,599	2,224,855	1,097,300	
Total General Fund	117,629,311	54,239,725	10,569,500	38,758,128
Other Funds				
Special Revenue	76,517,758	24,494,081	6,698,088	35,904,903
Internal Service	37,593,282	8,207,300		
Enterprise	190,715,158	24,014,161		
Debt Service		54,029,214		
Capital Improvement		8,932,903		
Miscellaneous/Other				
Total Other Funds	304,826,198	119,677,659	6,698,088	35,904,903
Grand Total	422,455,509	173,917,384	17,267,588	74,663,031

Table D.1 (continued)

Revenue Source	Santa Monica	Signal Hill	Walnut	West Hollywood
General Fund				
Property Taxes	18,788,538	270,600	750,000	4,769,000
Sales Taxes	22,409,000	7,950,000	1,050,000	6,630,000
Utility Users Taxes	24,855,000			
Other Taxes	24,143,879	943,900	635,000	9,174,680
Licenses and Permits	26,257,135	340,000	257,600	1,659,555
Fines, Forfeitures, and Penalties	7,985,000	94,500	12,000	6,025,923
Revenue from Money and Property Use	9,747,836	231,000	1,056,920	2,669,356
Revenue from Other				
Agencies/Intergovernmental	228,300	400,450	1,550,420	2,359,347
Current Service Charges	8,539,226	651,800	84,700	2,344,375
Other Revenue	9,007,586	8,700	426,170	246,000
Inter-/Intra-Fund Charges and Tranfers		369,750		
Total General Fund	151,961,500	11,260,700	5,822,810	35,878,236
Other Funds				
Special Revenue	82,255,757	2,372,998	4,337,890	8,877,207
Internal Service	16,105,828			
Enterprise	55,984,197	3,082,200		
Debt Service				
Capital Improvement		2,421,900		
Miscellaneous/Other		861,100		4,999,075
Total Other Funds	154,345,782	8,738,198	4,337,890	13,876,282
Grand Total	306,307,282	19,998,898	10,160,700	49,754,518

Table D.1 (continued)

Revenue Source	Sample Total
General Fund	
Property Taxes	661,746,162
Sales Taxes	521,882,531
Utility Users Taxes	617,558,339
Other Taxes	755,692,648
Licenses and Permits	447,159,242
Fines, Forfeitures, and Penalties	131,306,586
Revenue from Money and Property Use	97,827,802
Revenue from Other Agencies/Intergovernmental	299,065,100
Current Service Charges	69,548,808
Other Revenue	34,160,304
Inter-/Intra-Fund Charges and Transfers	270,854,616
Total General Fund	3,906,802,138
Other Funds	
Special Revenue	1,984,960,323
Internal Service	298,730,347
Enterprise	819,366,711
Debt Service	151,769,141
Capital Improvement	66,291,216
Miscellaneous/Other	622,041,649
Total Other Funds	3,943,159,387
Grand Total	7,849,961,525

Appendix E
City Service Overview Matrix

Table E.1
City Service Overview Matrix

Service Category	Bell Gardens	Beverly Hills	Bradbury	Cerritos	Compton	Gardena	Glendale	Hawthorne
General Government								
Public Officials								
Mayor	M	M						M
Council	M	M	M	M	M	M	M	M
Manager/Administrative Officer	M	M	M	M	M	M	M	M
Clerk	M	M	M	M	M	M	M	M
Attorney/Legal Services	M	I	I	I	M	I	M	M
Auditor-Controller					M			
Treasurer/Treasury Program				M	M	M	M	M
Prosecutor/Prosecution		I						M
Administrative								
Administration/Central Services	M	M	M	M	M	M	M	M
Insurance/Liability/Risk Management	M	M		M		M		M
Intergovernmental Relations			M	M				
Finance	M	M	M	M		M	M	M
Property Ownership/Management/Maintenance	M	M	M	M	M	M	M	MI
Human Resources/Personnel	M	M		M	M	M	M	M
Information Systems		M		M		M	M	
Purchasing		M		M		M	M	
Central Stores/Warehouse				M			M	
Commissions		M		M			M	

Table E.1 (continued)

Service Category	Bell Gardens	Beverly Hills	Bradbury	Cerritos	Compton	Gardena	Glendale	Hawthorne
Resident Services								
Smog Control/AQMD Programs						MI	MI	MI
Weed Abatement								
Nuisance Abatement								
Pest Control			C					
Volunteer Programs								
Community Support Programs			M			M		
Public Safety								
Police								
Police/Law Enforcement	M	M	C	C	M	M	M	M
Parking	M	I		C		M		M
Fire								
Fire	C	M	C	C	M	M	M	C
Paramedics/EMS	C	M	C	C	M	M	M	C
Animal Regulation/Control		M	C	C	C	C	C	C
Other								
Emergency and Disaster Preparedness	M	M	M	M	M	M	M	M
Public Assistance								
Human Services	M				M	M		M
Senior Services						M		M
Family Services	M				M		M	
Employment and Career Services					M	M		

Table E.1 (continued)

Service Category	Bell Gardens	Beverly Hills	Bradbury	Cerritos	Compton	Gardena	Glendale	Hawthorne
Public Health								
Public Health								
Mental Health Programs				C		M		
Leisure and Cultural Services								
Libraries								
Libraries and Information Services	C	M	C	M	C	C	M	C
Parks and Recreation								
Parks and Recreation	MI	M	M	M	M	M	M	M
Park/Open Space Maintenance	MI	MI	I	M	M	M		M
Beach/Harbor								
Cultural Centers and Activities	M	M		M		M		M
Sports Facilities				M		M		M
Public Entertainment/Special Events	M					M	M	
Youth and Senior Programs/Centers	M			M		M	M	M
Television/Media		M				M	M	M
Public Works								
Public Works	MIC	M	MIC	MIC	M	M	M	MIC
Administration	M	M	M	M	M	M	M	MI
Transportation	MC	MC	MI					M
Street Maintenance	M	M	MI	MIC	M	M	M	M
Median/Parkway Maintenance	I			MI	M	M		
Bikeway/Pedestrian Facilities/Maintenance								
Lighting	I				M	M		M
Engineering	M	M	I	M	M	M	M	MIC

Table E.1 (continued)

Service Category	Bell Gardens	Beverly Hills	Bradbury	Cerritos	Compton	Gardena	Glendale	Hawthorne
Building and Safety Inspection/Regulation	I	M	I	C	M	M	M	MI
Code Enforcement	I	M		MC		M		MI
Sidewalk Maintenance	M	M		MIC			M	M
Tree Maintenance	MI	I	I	I	M	M	M	MI
Traffic Control (Signals and Signs)		M	M	MIC	M	M	M	MC
Environmental Compliance								
Other								
Community Development and Housing								
Planning								
Planning and Permitting	M	M	MI	M		M	M	M
Development								
Community Development	M			M		M	M	
Economic/Business Development		M			M		M	M
Redevelopment Agencies	M			M	M		M	M
Housing								
Housing Assistance	M		M		M	M	M	M
Block Grant (CDBG)	M		M			M	M	M
Enterprise Activities								
Power							M	
Water	I	M		M	MI		M	
Sewers/Sanitation	I	M	MI	IC	M	M	M	MC
Garbage and Recycling	IC	M		I	M	M	M	I
Transit	C	C				C	M	M

Table E.1 (continued)

Service Category	Bell Gardens	Beverly Hills	Bradbury	Cerritos	Compton	Gardena	Glendale	Hawthorne
Oil								
Proprietary Departments								
Airport								M
Harbor								
Debt Service/Public Financing	M	M	M	M	M	M	M	M
Capital Improvements	M	M	M	M	M	M	M	M

Table E.1 (continued)

Service Category	Inglewood	Irwindale	Lakewood	Long Beach	Los Angeles	Malibu	Manhattan Beach	Monterey Park
General Government								
Public Officials								
Mayor	M			M	M			
Council	M	M	M	M	M	M	M	M
Manager/Administrative Officer	M	M	M	M	M	M	M	M
Clerk	M	M	M	M	M	M	M	MI
Attorney/Legal Services	M	I	I	M	M	MI	M	I
Auditor-Controller				M	M			
Treasurer/Treasury Program	M			M	M		M	M
Prosecutor/Prosecution	M			M			I	
Administrative								
Administration/Central Services	M	M	M		M	M	M	M
Insurance/Liability/Risk Management	M	M	M			M	M	M
Intergovernmental Relations	M		MI					M
Finance	M	M	M	M		M	M	M
Property Ownership/Management/Maintenance	MI	M	MI			MI	MI	MI
Human Resources/Personnel	M	M	M	M	M	M	M	M
Information Systems	M		I	M	M	M	M	I
Purchasing	M		M	M			M	M
Central Stores/Warehouse	M		M				M	M
Commissions		M	M		M	M		M

Table E.1 (continued)

Service Category	Inglewood	Irwindale	Lakewood	Long Beach	Los Angeles	Malibu	Manhattan Beach	Monterey Park
Resident Services								
Smog Control/AQMD Programs								
Weed Abatement	M	C	M			C		
Nuisance Abatement	M							
Pest Control	M	C	M					
Volunteer Programs						M		M
Community Support Programs						M		
Public Safety								
Police								
Police/Law Enforcement	M	M	C	M	M	C	M	M
Parking	M		M			CI	M	M
Fire								
Fire	M	C	C	M	M	C	M	M
Paramedics/EMS	M	C	C	M	M	C	M	M
Animal Regulation/Control	C	C	I	M	M	C	MC	MI
Other								
Emergency and Disaster Preparedness	M	M	MC	M	M	M	M	M
Public Assistance								
Human Services	M							M
Senior Services	M		M		M	I		MC
Family Services								

Table E.1 (continued)

Service Category	Inglewood	Irwindale	Lakewood	Long Beach	Los Angeles	Malibu	Manhattan Beach	Monterey Park
Employment and Career Services	M							
Public Health								
Public Health				M				
Mental Health Programs								
Leisure and Cultural Services								
Libraries								
Libraries and Information Services	M	M	C	M	M	C	C	M
Parks and Recreation								
Parks and Recreation	M	M	MI	M	M	MI	M	MI
Park/Open Space Maintenance	MI	M	M	M		M		MI
Beach/Harbor								
Cultural Centers and Activities	M	M	M	M	M		M	M
Sports Facilities	M	M	M			MI		M
Public Entertainment/Special Events		M			M		M	I
Youth and Senior Programs/Centers	M	M	M	M	M	M	M	M
Television/Media			M			MI		
Public Works								
Public Works	MI	MIC	MIC	M	M	MI	MI	MI
Administration	M		M		M	M	M	M
Transportation	M	M	CI		M		M	
Street Maintenance	MI	MC	CI		M	MI	M	M
Median/Parkway Maintenance		MI	M			I	M	I

Table E.1 (continued)

Service Category	Inglewood	Irwindale	Lakewood	Long Beach	Los Angeles	Malibu	Manhattan Beach	Monterey Park
Bikeway/Pedestrian Facilities/Maintenance								
Lighting	M	MC	I		M		M	M
Engineering	M	M	MIC	M	M	M	M	M
Building and Safety Inspection/Regulation	M	MC	CI	M	M	M	MI	M
Code Enforcement	M	MC	CI	M		M	M	M
Sidewalk Maintenance					M	I	I	
Tree Maintenance	M		I				M	I
Traffic Control (Signals and Signs)	MI	MC	I			I	MI	M
Environmental Compliance								
Other						M		
Community Development and Housing								
Planning								
Planning and Permitting	M	M	M	M	M	MI	M	M
Development								
Community Development	M			M	M		M	M
Economic/Business Development	M			M				I
Redevelopment Agencies	M			M	M			M
Housing								
Housing Assistance	M		I	M	M	M		M
Block Grant (CDBG)	M		I		M	M		M
Enterprise Activities								
Power				M	M			

Table E.1 (continued)

Service Category	Inglewood	Irwindale	Lakewood	Long Beach	Los Angeles	Malibu	Manhattan Beach	Monterey Park
Water	MI		M	M	M		MI	M
Sewers/Sanitation	M	MI		M	M	MI	MC	MI
Garbage and Recycling	I	I	I	M	M	I	I	I
Transit	C	C	CI		M		C	CMI
Oil				M				
Proprietary Departments								
Airport				M	M			
Harbor				M	M			
Debt Service/Public Financing	M	M	M	M	M	M	M	M
Capital Improvements	M	M	M	M	M	M	M	M

Table E.1 (continued)

Service Category	Pasadena	Pomona	Rosemead	Santa Clarita	Santa Monica	Signal Hill	Walnut	West Hollywood
General Government								
Public Officials								
Mayor		M			M			
Council	M	M	M	M	M	M	M	M
Manager/Administrative Officer	M	M	M	M	M		M	M
Clerk	M	M	M	M	M	M	M	M
Attorney/Legal Services	M	M	M		M	M	I	I
Auditor-Controller								
Treasurer/Treasury Program		M	M		M	M	M	
Prosecutor/Prosecution	M				M			MC
Administrative								
Administration/Central Services		M	M	M	M	M	M	M
Insurance/Liability/Risk Management	M	M	M	M	M		M	M
Intergovernmental Relations			I		I	M		
Finance	M	M	M	M	M	M	M	MI
Property Ownership/Management/Maintenance	M	M	M	M	MI		M	MI
Human Resources/Personnel	M	M		M	M	M	M	M
Information Systems	M	M		M	M	M	MI	MI
Purchasing	M	M			M			
Central Stores/Warehouse		M	M		M			
Commissions								

Table E.1 (continued)

Service Category	Pasadena	Pomona	Rosemead	Santa Clarita	Santa Monica	Signal Hill	Walnut	West Hollywood
Resident Services								
Smog Control/AQMD Programs		M					I	
Weed Abatement							C	
Nuisance Abatement								
Pest Control					M		I	
Volunteer Programs							M	
Community Support Programs								
Public Safety								
Police								
Police/Law Enforcement	M	M	C	C	M	M	C	C
Parking		M	C		I		IC	I
Fire								
Fire	M	C	C	C	M	C	C	C
Paramedics/EMS	M	C	C	C	M	C	C	C
Animal Regulation/Control	M	I	C	C	M	MI	C	C
Other								
Emergency and Disaster Preparedness	M	M	M	M	M	M	M	C
Public Assistance								
Human Services			M		M			I
Senior Services		M	M	M	M	M	I	
Family Services			M		M			

Table E.1 (continued)

Service Category	Pasadena	Pomona	Rosemead	Santa Clarita	Santa Monica	Signal Hill	Walnut	West Hollywood
Employment and Career Services	M							I
Public Health								
Public Health	M							
Mental Health Programs								I
Leisure and Cultural Services								
Libraries								
Libraries and Information Services	M	M	C	C	M	M	C	C
Parks and Recreation								
Parks and Recreation	M	M	MI	M	M	MI	MI	M
Park/Open Space Maintenance	M	M	M	M	MI		MI	MI
Beach/Harbor					MC			
Cultural Centers and Activities	M	M	M	M	M		M	M
Sports Facilities	M	M	M		M		M	M
Public Entertainment/Special Events		M	M	M	M	M	MI	M
Youth and Senior Programs/Centers		M	M	M	M	M	M	M
Television/Media					MI		MI	M
Public Works								
Public Works	M	M	MIC	MIC	MIC	MI	MIC	MIC
Administration	M	M	M	M	M			M
Transportation	M	M	MIC	M	MI		MC	M
Street Maintenance	M	M	MIC	MC	MC	M	C	MIC
Median/Parkway Maintenance		M	MI		I	M	I	MIC

Table E.1 (continued)

Service Category	Pasadena	Pomona	Rosemead	Santa Clarita	Santa Monica	Signal Hill	Walnut	West Hollywood
Bikeway/Pedestrian Facilities/Maintenance					MI		MI	
Lighting		M	M			M	I	
Engineering	M	M	I	M	M	MI	I	M
Building and Safety Inspection/Regulation	M	M	M	M	MI	M	IC	
Code Enforcement		M	M	MC		M	M	IC
Sidewalk Maintenance			M		I			
Tree Maintenance		M	I	I	MI		I	
Traffic Control (Signals and Signs)		M	I		M		C	M
Environmental Compliance		M			M			
Other						M		
Community Development and Housing								
Planning								
Planning and Permitting	M	M	M	M	MI	M	M	M
Development								
Community Development	M				M			M
Economic/Business Development	M	M	M	MI	M		M	M
Redevelopment Agencies		M			M		M	M
Housing								
Housing Assistance	M	M	M	M	M		M	MI
Block Grant (CDBG)	M	M	M	M	M		M	M
Enterprise Activities								
Power								

Table E.1 (continued)

Service Category	Pasadena	Pomona	Rosemead	Santa Clarita	Santa Monica	Signal Hill	Walnut	West Hollywood
Water	M	M			M	M		
Sewers/Sanitation		M	MIC	MIC	MI	M	I	MC
Garbage and Recycling		M	M	I	M	M	MC	MI
Transit		MC	CI	MC	M		MIC	M
Oil						M		
Proprietary Departments								
Airport					M			
Harbor								
Debt Service/Public Financing	M	M	M	M	M	M	M	M
Capital Improvements	M	M	M	M	M	M	M	M

NOTE: M = municipal; C = county contract; I = independent contract.

Appendix F

City Expenditures, by Department or Program, 1997–1998

Table F.1
City Expenditures, by Department or Program, 1997–1998

Department/Program	Bell Gardens	Beverly Hills	Bradbury	Cerritos
Administrative Officer (City Manager)	1,254,113	3,726,268	37,880	2,291,950
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/Weights and Measures	0	0	0	0
Animal Care and Control	0	0	1,750	105,460
Auditor-Controller	455,100	2,898,723	45,991	748,210
Board of Supervisors (City Council/Mayor)	314,000	0	9,375	285,330
Children and Family Services	501,800	0	4,804	0
Community and Senior Services	677,682	0	8,500	965,140
Consumer Affairs	0	0	0	0
County Counsel	780,000	1,554,277	40,250	393,880
District Attorney	0	0	0	0
Fire	0	10,132,600	0	0
Health Services	257,630	0	0	0
Human Relations Commission	0	0	0	0
Human Resources	391,003	971,174	0	0
Internal Services	0	16,949,221	63,706	6,554,020
Mental Health	0	0	0	0
Music Center Operations	0	0	0	8,286,510
Parks and Recreation	2,484,685	27,083,245	18,708	7,704,240
Public Library	0	4,927,290	0	2,341,320
Public Social Services	0	220,858	0	0
Public Works—County Engineer	479,250	6,844,414	56,400	4,522,900
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	2,780,860	6,264,649	21,035	3,157,670
Public Works—Reimbursement for Sewer Construction	0	0	0	0
Regional Planning	3,733,588	1,156,832	78,311	5,243,320
Registrar-Recorder/County Clerk	264,500	469,876	16,540	348,170
Sheriff	7,203,648	18,581,611	54,439	7,314,220
Treasurer and Tax Collector	53,000	0	0	0
Enterprise Activities	3,428,960	31,469,307	0	6,534,120
Proprietary Departments	0	0	0	0
Capital Improvement Projects	3,689,636	6,688,744	624,100	24,811,210
Debt Service/Public Financing	0	0	0	0
Totals	28,749,455	139,939,089	1,081,789	81,607,670

Table F.1 (continued)

Department/Program	Compton	Gardena	Glendale	Hawthorne
Administrative Officer (City Manager)	3,614,724	2,725,226	2,938,596	1,520,911
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/Weights and Measures	0	0	0	0
Animal Care and Control	0	0	418,200	0
Auditor-Controller	1,094,927	777,212	1,955,886	364,075
Board of Supervisors (City Council/Mayor)	649,998	145,408	436,199	140,057
Children and Family Services	9,789,096	1,856,975	23,143,818	9,437,077
Community and Senior Services	0	2,338,869	1,435,268	93,557
Consumer Affairs	0	50,000	0	167,441
County Counsel	4,527,064	311,803	1,265,092	279,188
District Attorney	0	0	0	213,251
Fire	8,949,647	5,428,301	19,841,965	0
Health Services	0	0	0	0
Human Relations Commission	0	0	0	0
Human Resources	479,867	295,175	815,354	1,365,687
Internal Services	22,975,746	3,358,046	6,028,757	10,084,623
Mental Health	0	38,019	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	2,684,368	2,242,774	6,950,468	2,035,153
Public Library	0	0	5,187,975	0
Public Social Services	2,258,945	5,005,104	12,648,443	0
Public Works—County Engineer	7,399,299	899,057	17,634,271	8,800,998
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	7,255,970	10,270,930	36,823,159	6,396,216
Public Works—Reimbursement for Sewer Construction	0	199,645	0	0
Regional Planning	24,885,647	394,391	78,676,374	5,322,658
Registrar-Recorder/County Clerk	358,551	399,146	784,600	170,382
Sheriff	17,740,715	11,110,356	29,616,639	15,772,670
Treasurer and Tax Collector	551,434	441,440	1,762,472	303,658
Enterprise Activities	12,283,435	0	218,003,041	1,412,242
Proprietary Departments	0	0	0	711,207
Capital Improvement Projects	0	1,178,000	50,981,000	750,000
Debt Service/Public Financing	0	0	7,138,485	2,139,811
Totals	127,499,433	49,465,877	524,486,062	67,480,862

Table F.1 (continued)

Department/Program	Inglewood	Irwindale	Lakewood	Long Beach
Administrative Officer (City Manager)	13,870,198	1,008,401	2,697,475	9,077,557
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/Weights and Measures	285,205	0	0	0
Animal Care and Control	0	0	52,704	1,697,404
Auditor-Controller	1,112,499	318,085	549,515	226,335,545
Board of Supervisors (City Council/Mayor)	462,746	225,044	136,702	3,602,475
Children and Family Services	13,053,734	0	1,581,722	51,829,199
Community and Senior Services	18,403,695	333,571	1,337,536	17,300,129
Consumer Affairs	0	0	0	0
County Counsel	697,699	126,261	257,728	7,740,256
District Attorney	304,626	0	0	3,133,067
Fire	9,668,912	0	0	57,924,783
Health Services	0	0	0	18,886,147
Human Relations Commission	0	0	0	4,505,186
Human Resources	9,210,294	389,719	1,134,487	4,362,740
Internal Services	13,828,104	942,528	2,669,281	52,031,668
Mental Health	0	0	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	5,408,351	831,732	4,217,445	42,723,454
Public Library	2,547,317	190,724	0	11,307,374
Public Social Services	0	0	0	0
Public Works—County Engineer	11,349,592	893,586	3,892,104	154,360,956
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	6,804,366	835,677	4,805,641	26,834,083
Public Works—Reimbursement for Sewer Construction	0	0	0	0
Regional Planning	18,277,206	176,565	343,210	69,534,098
Registrar-Recorder/County Clerk	378,862	77,212	180,036	2,882,351
Sheriff	29,404,075	2,741,298	6,953,793	129,867,702
Treasurer and Tax Collector	570,446	43,982	115,696	11,731,396
Enterprise Activities	15,952,476	0	11,155,076	185,774,832
Proprietary Departments	0	0	0	312,516,649
Capital Improvement Projects	44,657,255	200,500	5,581,597	207,197,787
Debt Service/Public Financing	13,094,119	0	0	0
Totals	229,341,777	9,334,885	47,661,748	1,613,156,838

Table F.1 (continued)

Department/Program	Los Angeles	Malibu	Manhattan Beach	Monterey Park
Administrative Officer (City Manager)	9,702,000	356,840	1,508,406	1,697,320
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/Weights and Measures	2,226,000	0	0	0
Animal Care and Control	7,785,400	28,000	126,690	235,470
Auditor-Controller	13,175,800	241,680	1,855,488	509,006
Board of Supervisors (City Council/Mayor)	27,854,770	60,410	279,905	68,502
Children and Family Services	14,963,500	0	0	1,585,503
Community and Senior Services	2,684,700	188,230	0	526,628
Consumer Affairs	0	59,280	0	0
County Counsel	116,262,000	548,020	238,918	260,000
District Attorney	0	0	0	0
Fire	304,791,000	0	3,967,020	5,320,678
Health Services	0	0	0	0
Human Relations Commission	714,600	0	0	0
Human Resources	804,434,241	0	519,612	2,159,629
Internal Services	313,830,000	723,872	2,754,923	2,073,434
Mental Health	0	0	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	173,887,295	425,590	5,763,944	2,446,465
Public Library	47,208,200	0	0	1,313,976
Public Social Services	0	0	0	0
Public Works—County Engineer	326,635,250	1,971,504	6,381,350	5,152,728
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	169,240	0	0
Public Works—Public Ways/Public Facilities	364,962,495	786,260	3,560,284	2,684,747
Public Works—Reimbursement for Sewer Construction	0	0	0	0
Regional Planning	247,457,445	214,560	1,063,574	2,214,127
Registrar-Recorder/County Clerk	22,208,000	0	251,502	233,637
Sheriff	809,993,650	3,713,430	9,840,199	9,809,612
Treasurer and Tax Collector	2,107,300	0	545,084	146,324
Enterprise Activities	4,035,626,054	0	7,609,533	4,811,788
Proprietary Departments	909,957,988	0	0	0
Capital Improvement Projects	261,735,479	1,720,538	0	2,376,046
Debt Service/Public Financing	431,799,135	0	0	2,677,254
Totals	9,252,002,302	11,207,454	46,266,432	48,302,874

Table F.1 (continued)

Department/Program	Pasadena	Pomona	Rosemead	Santa Clarita
Administrative Officer (City Manager)	7,756,706	4,605,267	877,270	1,771,840
Affirmative Action Compliance Office	454,560	0	0	0
Agricultural Commissioner/Weights and Measures	0	0	0	0
Animal Care and Control	0	292,652	77,000	0
Auditor-Controller	2,756,603	1,086,210	242,750	752,015
Board of Supervisors (City Council/Mayor)	1,074,231	201,515	93,850	171,140
Children and Family Services	33,492,516	13,042,599	0	433,485
Community and Senior Services	9,613,929	2,276,891	0	2,357,045
Consumer Affairs	0	0	0	0
County Counsel	2,751,179	406,929	127,700	0
District Attorney	1,259,384	0	0	0
Fire	19,873,509	13,314,791	0	35,000
Health Services	7,650,880	0	0	0
Human Relations Commission	0	0	0	0
Human Resources	1,442,952	2,880,462	0	410,890
Internal Services	16,359,384	4,334,155	424,610	4,120,515
Mental Health	0	0	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	10,987,095	165,973	1,898,800	8,373,747
Public Library	7,190,893	1,612,671	0	0
Public Social Services	240,000	0	0	0
Public Works—County Engineer	15,742,870	0	759,000	5,151,505
Public Works—Facility Project Management	0	0	0	3,402,340
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	11,836,702	15,856,695	2,376,050	13,969,328
Public Works—Reimbursement for Sewer Construction	0	0	0	0
Regional Planning	5,443,493	30,331,354	1,502,221	2,140,665
Registrar-Recorder/County Clerk	770,070	278,184	82,540	430,730
Sheriff	31,728,231	27,557,273	4,355,220	9,560,000
Treasurer and Tax Collector	1,856,363	0	12,020	0
Enterprise Activities	155,128,321	37,840,020	150,700	1,909,760
Proprietary Departments	0	0	0	0
Capital Improvement Projects	0	2,765,025	0	24,749,920
Debt Service/Public Financing	0	49,225,746	0	5,490,515
Totals	345,409,871	208,074,412	12,979,731	85,230,440

Table F.1 (continued)

Department/Program	Santa Monica	Signal Hill	Walnut	West Hollywood
Administrative Officer (City Manager)	9,314,313	123,050	554,336	410,461
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/Weights and Measures	0	0	19,000	0
Animal Care and Control	455,008	0	21,492	0
Auditor-Controller	1,889,119	967,610	230,189	2,441,627
Board of Supervisors (City Council/Mayor)	206,326	147,160	21,451	702,835
Children and Family Services	10,788,358	4,302,150	12,910	1,961,560
Community and Senior Services	1,760,743	264,137	926,441	4,240,029
Consumer Affairs	699,181	0	58,139	881,620
County Counsel	3,923,342	0	114,300	475,000
District Attorney	0	0	0	0
Fire	11,473,302	0	0	0
Health Services	0	0	0	0
Human Relations Commission	0	0	0	0
Human Resources	1,975,738	229,613	46,445	485,474
Internal Services	31,912,693	1,257,643	220,592	3,099,138
Mental Health	0	0	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	11,964,303	490,360	3,062,037	87,430
Public Library	4,852,817	219,899	0	0
Public Social Services	0	0	0	0
Public Works—County Engineer	14,901,241	1,059,004	376,818	4,413,367
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	27,538,411	1,874,260	2,044,591	3,066,171
Public Works—Reimbursement for Sewer Construction	0	0	0	0
Regional Planning	7,420,407	1,017,158	1,178,780	5,078,347
Registrar-Recorder/County Clerk	1,134,459	82,848	131,338	655,282
Sheriff	32,386,955	4,354,302	2,474,429	8,908,182
Treasurer and Tax Collector	1,165,456	11,525	13,895	457,800
Enterprise Activities	22,860,745	2,523,467	15,000	2,737,384
Proprietary Departments	1,616,424	0	0	0
Capital Improvement Projects	82,164,989	0	3,499,893	45,000,000
Debt Service/Public Financing	0	5,999,181	29,260	0
Totals	282,404,330	24,923,367	15,051,336	85,101,707

Table F.1 (continued)

Department/Program	Sample Total
Administrative Officer (City Manager)	83,441,108
Affirmative Action Compliance Office	454,560
Agricultural Commissioner/Weights and Measures	2,530,205
Animal Care and Control	11,297,230
Auditor-Controller	262,803,865
Board of Supervisors (City Council/Mayor)	37,289,429
Children and Family Services	191,780,806
Community and Senior Services	67,732,720
Consumer Affairs	1,915,661
County Counsel	143,080,886
District Attorney	4,910,328
Fire	470,721,508
Health Services	26,794,657
Human Relations Commission	5,219,786
Human Resources	834,000,556
Internal Services	516,596,659
Mental Health	38,019
Music Center Operations	8,286,510
Parks and Recreation	323,937,662
Public Library	88,900,456
Public Social Services	20,373,350
Public Works—County Engineer	599,677,464
Public Works—Facility Project Management	3,402,340
Public Works—Flood Control District	169,240
Public Works—Public Ways/Public Facilities	562,806,250
Public Works—Reimbursement for Sewer Construction	199,645
Regional Planning	512,884,331
Registrar-Recorder/County Clerk	32,588,816
Sheriff	1,231,042,649
Treasurer and Tax Collector	21,889,291
Enterprise Activities	4,757,226,261
Proprietary Departments	1,224,802,268
Capital Improvement Projects	770,371,719
Debt Service/Public Financing	517,593,506
Totals	13,336,759,741

Appendix G

City Contract Expenditures, by Department or Program, 1997–1998

Table G.1
City Contract Expenditures, by Department or Program, 1997–1998

Department/Program	Bell Gardens	Beverly Hills	Bradbury	Cerritos
Administrative Officer (City Manager)	369,013	2,188,784	0	126,300
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/ Weights and Measures	0	0	0	0
Animal Care and Control	0	0	1,750	105,460
Auditor-Controller	150,400	611,401	0	36,000
Board of Supervisors (City Council/Mayor)	189,500	0	0	100
Children and Family Services	194,100	0	0	0
Community and Senior Services	188,052	0	0	35,400
Consumer Affairs	0	0	0	0
County Counsel	780,000	1,483,477	40,250	393,380
District Attorney	0	0	0	0
Fire	0	139,304	0	0
Health Services	0	0	0	0
Human Relations Commission	0	0	0	0
Human Resources	246,300	206,115	0	0
Internal Services	0	8,742,834	0	200,420
Mental Health	0	0	0	0
Music Center Operations	0	0	0	413,000
Parks and Recreation	1,033,785	10,912,881	0	1,196,740
Public Library	0	108,932	0	77,250
Public Social Services	0	298,707	0	0
Public Works—County Engineer	427,350	1,324,579	51,400	2,766,400
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	1,656,760	131,898	4,500	186,600
Regional Planning	946,450	37,233	23,300	619,450
Registrar-Recorder/County Clerk	54,100	94,351	0	0
Sheriff	423,320	251,705	54,139	6,698,120
Treasurer and Tax Collector	2,000	0	0	0
Enterprise Activities	830,200	18,968,278	0	2,654,470
Proprietary Departments	0	0	0	0
Capital Improvement Projects	0	0	0	0
Debt Service/Public Financing	0	0	0	0
Totals	7,491,330	45,500,479	175,339	15,118,510

Table G.1 (continued)

Department/Program	Compton	Gardena	Hawthorne	Inglewood
Administrative Officer (City Manager)	2,319,976	123,360	0	147,000
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/Weights and Measures	0	0	0	4,000
Animal Care and Control	0	0	0	0
Auditor-Controller	74,297	1,700	65,000	38,000
Board of Supervisors (City Council/Mayor)	90,000	0	10,000	0
Children and Family Services	214,108	170,160	356,767	108,600
Community and Senior Services	0	219,636	29,000	10,079,533
Consumer Affairs	0	3,712	0	0
County Counsel	226,500	235,000	0	0
District Attorney	0	0	0	3,500
Fire	57,000	262,533	0	149,000
Health Services	0	0	0	0
Human Relations Commission	0	0	0	0
Human Resources	35,000	94,413	22,000	21,750
Internal Services	3,758,011	119,554	4,336,592	1,338,000
Mental Health	0	0	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	11,000	3,000	148,325	152,850
Public Library	0	0	0	186,000
Public Social Services	65,861	145,000	0	0
Public Works—County Engineer	786,000	113,853	6,031,500	8,095,250
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	340,000	429,860	93,900	38,000
Regional Planning	487,332	36,273	450,864	1,769,875
Registrar-Recorder/County Clerk	8,000	1,242	77,500	56,850
Sheriff	394,951	710,372	3,691,680	748,533
Treasurer and Tax Collector	0	600	12,000	10,000
Enterprise Activities	9,120,107	0	72,500	7,724,250
Proprietary Departments	0	0	18,000	0
Capital Improvement Projects	0	0	250,000	0
Debt Service/Public Financing	0	0	5,500	0
Totals	17,988,143	2,670,268	15,671,128	30,670,991

Table G.1 (continued)

Department/Program	Irwindale	Lakewood	Los Angeles	Malibu
Administrative Officer (City Manager)	40,160	338,200	739,000	48,000
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/Weights and Measures	0	0	297,000	0
Animal Care and Control	0	48,850	396,000	28,000
Auditor-Controller	8,225	51,445	3,315,000	27,980
Board of Supervisors (City Council/Mayor)	2,400	0	1,454,100	0
Children and Family Services	0	1,475,000	1,677,000	0
Community and Senior Services	18,000	141,375	62,000	155,300
Consumer Affairs	0	0	0	0
County Counsel	77,000	188,280	2,000,000	292,000
District Attorney	0	0	0	0
Fire	0	0	1,628,000	0
Health Services	0	0	0	0
Human Relations Commission	0	0	138,000	0
Human Resources	2,775	24,150	13,117,000	0
Internal Services	35,900	667,888	91,153,100	2,847
Mental Health	0	0	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	12,696	370,791	3,178,000	55,140
Public Library	0	0	0	0
Public Social Services	0	0	0	0
Public Works—County Engineer	69,300	3,233,100	10,141,000	664,320
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	0	0	110,000
Public Works—Public Ways/Public Facilities	332,039	2,920,945	23,020,000	536,630
Regional Planning	155,000	16,150	4,455,000	145,000
Registrar-Recorder/County Clerk	0	500	529,000	0
Sheriff	13,000	6,105,903	8,000,000	3,505,680
Treasurer and Tax Collector	2,000	28,179	132,500	0
Enterprise Activities	0	281,540	97,082,000	0
Proprietary Departments	0	0	0	0
Capital Improvement Projects	0	0	0	1,720,538
Debt Service/Public Financing	0	0	0	0
Totals	768,495	15,892,296	262,513,700	7,291,435

Table G.1 (continued)

Department/Program	Manhattan Beach	Monterey Park	Pomona	Rosemead
Administrative Officer (City Manager)	17,150	63,235	258,635	21,600
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/ Weights and Measures	0	0	0	0
Animal Care and Control	9,500	67,282	0	77,000
Auditor-Controller	166,900	145,640	55,395	12,500
Board of Supervisors (City Council/Mayor)	500	0	0	0
Children and Family Services	0	256,106	1,598,178	0
Community and Senior Services	0	60,600	34,729	0
Consumer Affairs	0	0	0	0
County Counsel	26,250	260,000	0	121,200
District Attorney	0	0	0	0
Fire	199,400	118,079	12,589,953	0
Health Services	0	0	0	0
Human Relations Commission	0	0	0	0
Human Resources	22,140	83,548	0	0
Internal Services	593,527	333,210	211,050	26,100
Mental Health	0	0	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	667,270	551,545	0	3,000
Public Library	0	62,291	0	0
Public Social Services	0	0	0	0
Public Works—County Engineer	3,122,721	3,131,305	0	133,300
Public Works—Facility Project Management	0	0	0	0
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	395,989	897,199	1,863,090	944,360
Regional Planning	104,745	360,116	92,995	275,000
Registrar-Recorder/County Clerk	115,480	84,000	2,700	0
Sheriff	658,810	291,589	138,710	4,205,370
Treasurer and Tax Collector	31,910	2,680	0	0
Enterprise Activities	3,512,478	176,820	1,416,168	42,000
Proprietary Departments	0	0	0	0
Capital Improvement Projects	0	0	511,775	0
Debt Service/Public Financing	0	20,000	0	0
Totals	9,644,770	6,965,245	18,773,378	5,861,430

Table G.1 (continued)

Department/Program	Santa Clarita	Santa Monica	Signal Hill	Walnut
Administrative Officer (City Manager)	77,070	72,000	5,600	500
Affirmative Action Compliance Office	0	0	0	0
Agricultural Commissioner/Weights and Measures	0	0	0	19,000
Animal Care and Control	0	15,592	0	15,000
Auditor-Controller	191,690	26,965	8,000	0
Board of Supervisors (City Council/Mayor)	0	0	37,450	0
Children and Family Services	338,300	292,281	3,000	25
Community and Senior Services	511,235	45,153	0	154,750
Consumer Affairs	0	154,396	0	0
County Counsel	0	119,424	0	0
District Attorney	0	0	0	0
Fire	35,000	55,190	0	0
Health Services	0	0	0	0
Human Relations Commission	0	0	0	0
Human Resources	0	10,000	5,500	0
Internal Services	214,775	991,165	25,825	1,140
Mental Health	0	0	0	0
Music Center Operations	0	0	0	0
Parks and Recreation	1,698,960	2,890,166	50	817,944
Public Library	0	95,600	7,400	0
Public Social Services	0	0	0	0
Public Works—County Engineer	453,800	824,517	26,000	43,000
Public Works—Facility Project Management	3,098,325	0	0	0
Public Works—Flood Control District	0	0	0	0
Public Works—Public Ways/Public Facilities	206,070	2,884,425	174,900	434,540
Regional Planning	100,000	1,008,077	94,500	28,800
Registrar-Recorder/County Clerk	0	87,226	500	21,200
Sheriff	0	306,833	76,350	2,397,244
Treasurer and Tax Collector	0	421,949	0	1,500
Enterprise Activities	79,000	3,574,414	28,100	0
Proprietary Departments	0	50,890	0	0
Capital Improvement Projects	0	0	0	0
Debt Service/Public Financing	0	0	0	0
Totals	7,004,225	13,926,263	493,175	3,934,643

Table G.1 (continued)

Department/Program	West Hollywood	Sample Totals
Administrative Officer (City Manager)	33,000	6,988,583
Affirmative Action Compliance Office	0	0
Agricultural Commissioner/ Weights and Measures	0	320,000
Animal Care and Control	0	764,434
Auditor-Controller	0	4,986,538
Board of Supervisors (City Council/Mayor)	3,000	1,787,050
Children and Family Services	160,370	6,843,995
Community and Senior Services	115,056	11,849,819
Consumer Affairs	90,200	248,308
County Counsel	475,000	6,717,761
District Attorney	0	3,500
Fire	0	15,233,459
Health Services	0	0
Human Relations Commission	0	138,000
Human Resources	23,381	13,914,072
Internal Services	1,023,094	113,775,032
Mental Health	0	0
Music Center Operations	0	413,000
Parks and Recreation	16,322	23,720,465
Public Library	0	537,473
Public Social Services	0	509,568
Public Works—County Engineer	2,435,219	43,873,914
Public Works—Facility Project Management	0	3,098,325
Public Works—Flood Control District	0	110,000
Public Works—Public Ways/Public Facilities	282,000	37,773,705
Regional Planning	1,938,913	13,145,073
Registrar-Recorder/County Clerk	78,343	1,210,992
Sheriff	8,908,182	47,580,491
Treasurer and Tax Collector	44,980	690,298
Enterprise Activities	2,012,430	147,574,755
Proprietary Departments	0	68,890
Capital Improvement Projects	0	2,482,313
Debt Service/Public Financing	0	25,500
Totals	17,639,490	505,994,733

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