



BOARD OF DIRECTORS MEETING STAFF REPORT

10 February 2012

Agenda Item No. 10 Legislative Analyst Office Report on Districts and LAFCo

Prepared By: William Chiat, Executive Director

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RECOMMENDATION

1. Receive and file report.

DISCUSSION

Late last spring Assembly Member Roger Dickinson requested the Legislative Analyst's Office (LAO) evaluate several questions regarding the efficiency and accountability of special districts, and the effectiveness of LAFCo in providing oversight of districts. The LAO took a case study approach to the questions and consulted with CALAFCO, CSDA and other stakeholders along with visiting LAFCos and districts in San Diego, San Bernardino, and Napa counties.

In October the report was issued. With many cautions about the findings, the report offered two overall observations: 1) there is not a clear association between district size and its efficiency or accountability; and 2) LAFCos are generally well positioned to review special districts, with some limitations.

In his cover letter releasing the report, Mr. Dickinson indicated he would "continue to explore and develop these ideas" but that no specific legislation would be introduced in 2012.

It is unclear whether there will be any outcomes from the report. There is the possibility the Assembly Accountability and Administrative Review Committee may hold further hearings on the issue later in the year, but nothing has been scheduled. While unlikely the Assembly Local Government Committee would consider the report it may hold oversight hearings this spring or summer which touch on some of these issues.

Nonetheless the report raises several policy issues that may be of interest for further consideration and discussion by LAFCos:

1. Should LAFCo apply more consistent statewide or industry metrics, such as performance measures, of agency effectiveness and efficiency when preparing MSRs?
2. Should some of the barriers to consolidations be further modified?
3. Should JPAs which provide municipal services be subject to LAFCo?

ATTACHMENTS

10a Report from the LAO on Special Districts and LAFCo Effectiveness