

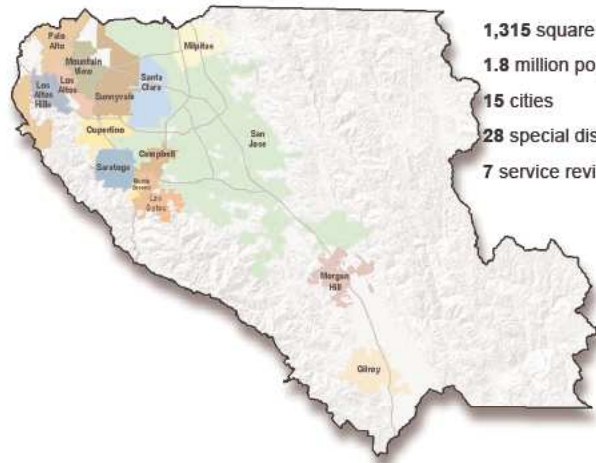
SERVICE REVIEWS: A Tool for Providing Greater Oversight of Local Agencies



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LAFCO of Santa Clara County

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Santa Clara County Overview



1,315 square miles
1.8 million population
15 cities
28 special districts
7 service reviews completed

1

First Round Service Reviews (2003 - 2007)

Getting Acquainted:



- Developing relationships with cities and special districts
- Collecting basic information on agencies, particularly for smaller agencies
- Developing accurate maps for special districts

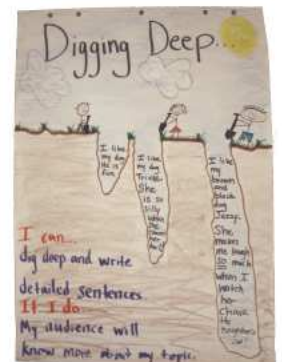
Information on some local agencies was outdated or non-existent and LAFCO lacked electronic maps of special districts prior to service reviews

2

Second Round Service Reviews (2009 - Ongoing)

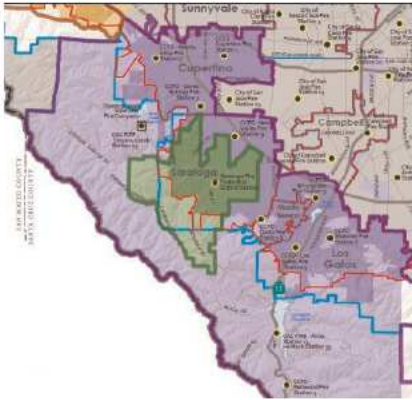
Digging Deeper:

- Collecting more detailed information
- Identifying and analyzing known issues related to:
 - Public accountability
 - Transparency
 - Efficiency and effectiveness
- Providing recommendations to address these issues
- Raising public awareness about these issues and potential solutions to these issues
- Working with agencies to implement recommendations
- Monitoring agencies' progress



3

Seeking Further Efficiencies through Structural Consolidation...



- Saratoga Fire District (SFD) currently has a full service contract with surrounding Central Fire District (CFD)
- SFD's Board of Directors remains
- LAFCO authorized a special study to explore potential dissolution of SFD and annexation to CFD

Measuring and Comparing Service Efficiencies of Fire Service Providers...

Agency	Operating Cost Per:			
	Capita	Daily Staffed Apparatus	Three Person Company Equivalents	Sworn Personnel
Gilroy				
Milpitas				
Mountain View				
Palo Alto				
San José				
Santa Clara				
CCFD				
SCFD				
Sunnyvale				

Different Measures Provide Different Insights

Challenges and limitations of drawing comparisons:

- Different budgeting and accounting practices
- Differences in type of apparatus
- Differences in how agency is organized
- Differences in shifts and number of assigned sworn personnel
- Difficult but useful exercise to identify opportunities for reducing service cost

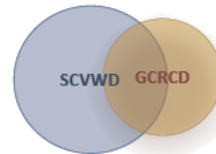
Recommending Changes to Enhance Transparency and Public Accountability...

Example recommendations



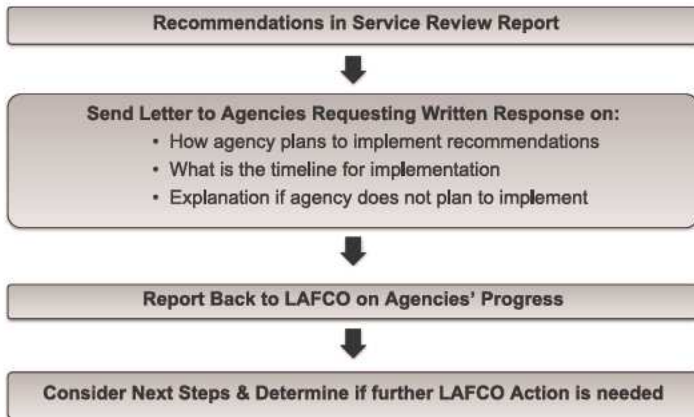
Discouraging Duplication of Services...

- Guadalupe-Coyote Resource Conservation District (GCRCD) provides creek restoration and watershed protection services similar to those provided by Santa Clara Valley Water District (SCVWD), which covers the entire county



- Requested GCRCD to return to LAFCO with a new plan for services that does not overlap with SCVWD
- Will re-evaluate the GCRCD and its SOI at that time considering the District's plan and application for providing new or different services

Sample Model for Encouraging Implementation of Service Review Recommendations



8

Reviewing Use of Taxpayer Funds...

- Concern whether the District was providing services outside its boundary using its taxpayer dollars to purchase a hospital located outside of District's boundaries
- Research raised questions about the purpose/functions of the District, its use of property tax dollars and issues of transparency in the financial and operational relationship between the District and the Hospital Corporation, a non-profit that operates the Hospital
- LAFCO requested independent audit and service review to address these issues

More information on the audit – see session on *Health Care Districts and LAFCOs*

ECHD Audit & Service Review 2012

9

Taking a Fresh Look at Special Districts...

Digging deeper into:

- Issues raised in past service reviews
- Issues raised by Civil Grand Jury, District Attorney's investigation or community concerns

Key areas of interest:

- Purpose of district
- How services provided align with enabling act and needs of community
- Opportunities for consolidation of services to increase efficiency
- Opportunities for increasing transparency and public accountability
- Opportunities for increasing efficiency and effectiveness

10