



Smart Government: Making California Work Again ---Executive Summary---

California may be struggling with a budget crisis and a sluggish economy – but we can fix it. Our state can have a prosperous and environmentally sustainable economy, one that provides equal opportunities for all. To get there, governments at the state and local levels must work together to provide cost-effective services and better results. *California Forward* calls this *Smart Government*. It doesn't happen today as much as it should.

California has a nearly \$90 billion budget without a unified vision and strategy for achieving statewide goals. Most of the state's essential public services are delivered locally, but the state government still sets most of the rules around how the money is spent. Until this relationship between the state and local governments is fundamentally reformed, the state's ongoing budget crisis cannot be fully resolved – and the state's government cannot function effectively.

In the [Smart Government Framework](#), *California Forward* outlines a restructuring plan that can produce better results than the current system for both taxpayers and those who rely on government services. It introduces five new priorities for the state, along with five comprehensive proposals for reform.

FIVE 'SMART GOVERNMENT' PROPOSALS

1 – FOCUS ON OUTCOMES

State operations should be aligned with measurable outcomes.

2 – ALIGN AUTHORITY WITH RESPONSIBILITY

Funding and program authority should move to local governments.

3 – ADJUST THE STATE ROLE

The state's role should shift to oversight and technical assistance.

4 – FOSTER REGIONAL COLLABORATION

Local governments should be incentivized to work together.

5 – ENCOURAGE INTEGRATION AND CONSOLIDATION

State and local agencies should be consolidated and integrated where possible.

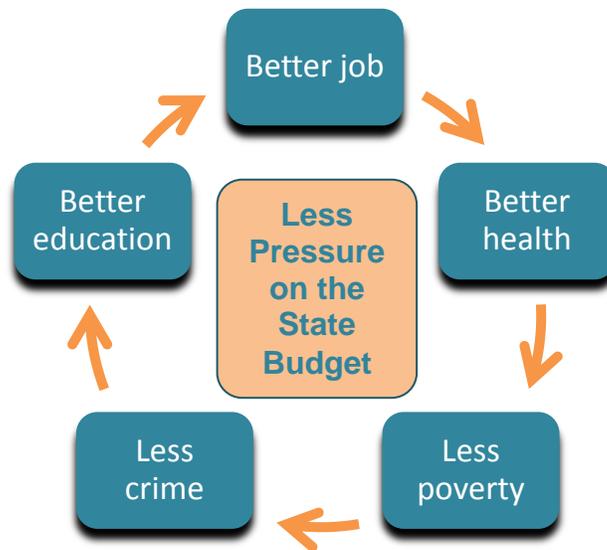
SMART GOVERNMENT OUR VISION

California Forward’s goal is a state government that works. This goal is shaped by the “Three Es:” At every level, government should be making simultaneous progress toward achieving:

- A Prosperous **E**conomy
- A Quality **E**nvironment
- Community **E**quity

The draft proposals in the *Smart Government* Framework are built around a simple idea: California’s three most significant areas of state general fund spending – education, health and human services, and public safety – are fundamentally interrelated. Better education leads to better jobs, which leads to a healthier population, less poverty, less crime, and, ultimately, less pressure on government budgets.

THE VIRTUOUS CYCLE



Too often, these relationships are obscured by the current governance system. *Smart Government* offers a straightforward approach – along with a comprehensive vision – aimed at addressing this problem.

The state budget is already implicitly addressing these issues, given that the majority of it is spent on education, health and welfare, and prisons. *Smart Government* would require the state to be explicit about the outcomes it is trying to achieve.

In exchange for more authority and flexibility to improve the results of locally-administered programs, local governments would have to hold themselves accountable to these programs’ results, to collaborate with other local governments, and to be more transparent.

SMART GOVERNMENT

THE BIG FIVE OUTCOMES

Californians need to know what they are getting for their tax dollars and what government is achieving. The *Smart Government* Framework introduces five new priorities for the state and five comprehensive proposals for reform. The intention is to focus structural and fiscal governance reforms on the Big Five Outcomes below, not just to balance the budget or close a shortfall – but to realign public programs at all levels to deliver these results.

BIG FIVE OUTCOMES

- Increased Employment
- Improved Education
- Decreased Poverty
- Decreased Crime
- Improved Health

If Californians can come together to restructure the relationship between the state and local governments, the state will see immediate benefits, from better outcomes to increased civic engagement. Studies show that if local governments could integrate services in programs like CalWORKs, public safety, and mental health – and just bring them to the same levels of effectiveness and efficiency as other states – **California could save billions of dollars each year.**

Restructuring California's government, in other words, can be the beginning of a virtuous cycle – improved education, more workforce participation, better health outcomes, and less crime – that can lead to the best possible outcome: A government that achieves positive social gains in a financially sustainable way.

SMART GOVERNMENT BACKGROUND

The draft proposals described here are only a summary of *California Forward's* comprehensive [Smart Government Framework](#), which provides more detail on how to overcome the challenges involved in the complex task of restructuring.

These proposals have been collaboratively developed in ongoing conversations with statewide groups of local government practitioners, stakeholders, and experts involved in a Local Government Task Force, a series of Stakeholder Roundtables, and *California Forward's* Speak Up California civic engagement forums.

Preceding each proposal is a principle statement derived from discussions with these experts and stakeholders that have helped define *California Forward's* approach. The *California Forward Action Fund* plans to pursue these proposals through all appropriate avenues – whether through the initiative process, legislation, or executive order.

Note: The proposals are intended to facilitate discussions regarding governance in California and to inform future reform proposals. They are not California Forward recommendations. Nothing in this document reflects a view about any specific legislative proposal.

Tell us what you think

Read the complete version of the Framework and
comment online at:

CAFWD.org/framework

SMART GOVERNMENT

SUMMARY OF THE PROPOSALS

The *Smart Government* Framework would restructure California's government by aligning it to the goals of improved education, higher employment rates, better health outcomes, less poverty, and less crime. The most effective way to do this is by moving more authority and flexibility to local governments, while changing the role of the state and encouraging more regional collaboration.

1 - FOCUS ON OUTCOMES

- The state budget must be aligned to the Big Five Outcomes.
- The budget is already implicitly addressing these outcomes, given that the majority of it is spent on education, health and welfare, and prisons.
- The state should be explicit about the outcomes it is trying to achieve: Programs should measure their progress toward these goals and make program corrections where needed.

2 - ALIGN AUTHORITY WITH RESPONSIBILITY FOR RESULTS

- To promote innovation, efficiency, and effectiveness, the state should grant control of programs and revenues for locally delivered services to local governments.
- **Program authority:** In exchange for program authority, cities, counties, schools, and special districts should hold themselves accountable to outcomes, work together to maximize return on taxpayer investments, and be transparent about their progress.
- **Revenue authority:** To align the revenue structure with local government responsibilities, three steps must be taken:
 1. **A new constitutional authority** is needed that enables local governments to create intergovernmental agreements to distribute locally levied taxes.
 2. **State appropriations** must be adjusted to support integrated regional plans—and to maintain equity.
 3. **Changes to the tax structure** should be considered and could include broadening the sales tax base and lowering the tax rate, among other ideas.

3 - ADJUST THE STATE ROLE

- The state's role should shift to one of leadership, setting a statewide vision, and technical assistance. The state will also continue to oversee many statewide programs, from Medi-Cal and the courts to higher education and state prisons.
- The state's relationship with local governments should focus on: Measuring progress toward the Big Five Outcomes, incentivizing collaboration among local programs, sharing best practices among local governments, and developing fiscal incentives that allow local governments to retain savings.

4 - FOSTER REGIONAL COLLABORATION

- Regional Councils of Government should develop an annual reporting process to review city, county, school, and special district strategies for achieving the Big Five Outcomes, and to review progress toward achievement of these outcomes.
- This should include incentives to develop a robust pipeline between the educational system and the workforce needs of the regional economy.

5 - ENCOURAGE INTEGRATION AND CONSOLIDATION

- The state should conduct an analysis of opportunities for organizational or functional consolidations to reduce complexity, reduce costs, and improve performance.

SMART GOVERNMENT

FIVE DRAFT PROPOSALS

PRINCIPLE I

California government must be aligned to a clear, unified vision, and restructured to focus decision-making on improving performance, with a renewed emphasis on the clients of public programs. The new structure must systematically encourage decision-makers to change policies, budgets, personnel, and practices to improve results – and the public knowledge of these results is essential to restore accountability to the people.

DRAFT PROPOSAL I – FOCUS ON OUTCOMES

Aligning program outcomes with larger statewide goals should follow a standard cascading format – similar to those already used in other states – of overarching outcomes, targeted indicators, and ongoing performance measures. A widespread stakeholder process involving both state agencies and local governments will be necessary to establish desired program outcomes. To allow local agencies to demonstrate more progress toward achieving outcomes, the state should allow for greater flexibility in how those outcomes are achieved. This will allow for the development of collaborative services that build on different communities' strengths.

- **Outcomes:**
 - The state should prioritize at least the Big Five Outcomes – Increased Employment, Improved Education, Decreased Poverty, Decreased Crime, and Improved Health.
- **Indicators of Success:**
 - At least three Indicators of Success in each of these outcome areas should be developed by local governments in consultation with the state. The Indicators of Success should be in line with state (and where appropriate, national) objectives and approved by legislators.
 - Cities, counties, schools, and special districts should develop a five-year strategy and an annual action plan for achieving these Indicators of Success, relying where possible on proven and evidence-based practices. The strategies should be publicly presented annually to their regional Council of Governments.
- **Performance Measures:**
 - Progress made by cities, counties, schools, and special districts toward achieving these indicators should be reviewed annually during the state budget process, and quarterly at the state departmental level.
 - This county performance information should be published on the state website and should be used to make programmatic and fiscal decisions at the state and county levels.

POTENTIAL MODELS (see these and more online at CAFWD.org/bestpractices)

- [State of Maryland StateStat](#): Modeled after the CitiStat performance-measurement and management tool that has been successfully implemented in Baltimore, StateStat uses a data-based management approach to make public programs more efficient and accountable by continually evaluating state performance. Key public safety, health, and social services agencies are already involved, from the Department of Juvenile Services to the Department of Housing and Community Development.
- [Washington State Priorities of Government](#): This budget approach creates a strategic framework for public investment decisions, prioritizing activities that guide the governor's budget proposal to the Legislature – and helping communicate that budget to the public. As part of the Priorities of Government plan, every agency in Washington has been asked to answer eight questions related to whether their activities are essential to state government and whether they are being delivered in the most cost-effective manner.
- [Virginia Performs](#): A performance leadership and accountability system within state government, Virginia Performs aligns specific state agency outcomes with larger statewide goals. Outlining a vision for Virginia's future – including responsible economic growth, an enviable quality of life, good government, and a well-educated citizenry – the state has defined key metrics like obesity in adults, graduation rates, and acres of land preserved to gauge whether it is getting results on its highest priorities.

PRINCIPLE 2

Transforming the performance of public programs will require systematic change, not just shifts in responsibilities and resources. The new structure needs to be supported by a restructured fiscal system that constitutionally guarantees control of revenue to the level of government responsible for delivering services. In addition, aligning authority and responsibility with those resources is essential to encourage the integration needed to improve results.

DRAFT PROPOSAL 2 – ALIGN AUTHORITY WITH RESPONSIBILITY

PROGRAM AUTHORITY ALIGNMENT

To promote accountability, efficiency, and effectiveness, the state should grant control of funding and programs for locally delivered services to cities, counties, schools, and special districts. The state should provide fiscal incentives to local governments that include the reallocation of state savings resulting from successful local strategies. In exchange, cities, counties, schools, and special districts should agree to:

- Coordinate the pursuit of an evidence-based, interagency approach toward local improvement across the Big Five Outcomes.
- Hold themselves accountable to these Outcomes by tracking Indicators of Success, and provide an ongoing public review mechanism. This should include regular publication of agency report-cards detailing each agency's funding allocation, how it was spent, as well as program outcomes.
- Share program resources to create economies of scale and maximize the return on taxpayer investments.
- Be transparent and efficient regarding administrative overhead costs, including pension costs.
- Use fiscal incentives, including local savings as well as state savings resulting from local successes, to invest in and expand approaches that are working.
- Ensure that there is more flexibility for local governments to contract with non-profit organizations working toward the Big Five Outcomes.

REVENUE AUTHORITY ALIGNMENT

Local governments currently have limited ability to finance joint services. To align the revenue structure with local government responsibilities – and to provide local governments with greater flexibility to provide services collaboratively – three major steps must be taken.

- I. **A new constitutional authority is needed:** A legal construct (statutory and constitutional) must be developed that enables local governments to develop local agreements for reassigning responsibilities and revenue in a way that is transparent to citizens. These local agreements would include increased authority over distribution of

the property tax and the locally levied sales and use taxes. It would not require changes in the tax rate or the property assessment system established by Proposition 13.

2. **State appropriations must be adjusted:** A portion of state resources – including General Fund, fuel taxes, and a portion of transportation, resources, and other bond funds – would need to be appropriated to regions to support integrated regional plans for infrastructure, environmental projects, and workforce development.
3. **Changes to the tax structure should be considered:**
 - This could involve broadening the sales tax base for selected services. The first opportunity to do this would be to extend the tax to services that are connected to currently-taxed retail goods such as auto repair. Tax base-broadening could be offset with lower tax rates. Consideration would be given to defining transaction taxes to capture new aspects of economic activity, including the ‘greener’ economy.
 - Business-related income that is now taxed under the personal income tax could be transitioned to the corporate tax to reduce volatility.

An Example of a Voluntary Revenue Restructuring Authority: One County’s “30-30-40 Plan”

The revenue flexibility outlined above would greatly simplify the current revenue system by moving more authority over local revenues to local governments, while providing a way for the state to maintain equity statewide.

This revenue flexibility would be voluntary: If County X elected to restructure its revenues, for example, its cities and other service providers would establish an intergovernmental agreement for the allocation of public services and the locally levied taxes (e.g. property and sales taxes) necessary to implement them.

One way County X might distribute these resources would be a “30-30-40 Plan” that shares property taxes among cities, the county, schools, and special districts in a more straightforward manner than the current system – with municipal services collecting roughly 30 percent, countywide services collecting roughly 30 percent, and education services collecting roughly 40 percent.

This new model would decrease the competition among local governments over revenue streams and allow taxes to be connected to the level of government where services are being provided – promoting transparency, simplicity, and ease of administration.

Examples of Restructured Services in County X:

1. **Municipal services:** There is no straight line in the current system between property tax revenues and the provision of municipal services. Some cities receive a large share of property taxes, while others do not, leading to some competition among governments for sales tax dollars. In County X, a city that provides a full range of services like law enforcement, fire protection, utilities, libraries, parks and recreation planning, and community development would receive 30 percent of the property tax collected within the boundaries of a city. This would apply to unincorporated areas of the county that receive municipal services through their county, as well as to special districts that provide municipal services.
2. **Countywide services:** County programs ranging from election and tax administration to community corrections and health and human services currently rely on a share of the property tax that varies from county to county. County X could choose to receive a much more stable 30 percent share of countywide property taxes, which would be shared between the two major types of county services:
 - **Local services:** County services that are local in nature and are not administered as an agent of the state, primarily social services programs that do not have a health-related component.
 - **Agent-of-the-state services:** County health and human services that are administered locally by counties serving as agents of the state. This includes public health, mental health services for the elderly, and health services for local income populations, among many others.

To ensure that all counties have the resources they need to improve outcomes in health, social services, and criminal justice, the state also would distribute a share of the statewide sales tax to counties to maintain equity of effort. *Options for this state revenue allocation are listed below.*

3. **K-14 education agencies:** The current education finance system is the least transparent of all of the state's revenue systems. For the most part, school districts rely on a mix of property tax and state aid that varies from district to district and county to county. In County X, K-14 education agencies would receive roughly 40 percent of local property taxes, while a substantial portion of the state General Fund would remain dedicated to K-12 education to maintain equity across the state. (Under this voluntary model, a countywide minimum of local tax effort would need to be dedicated to schools to ensure local participation.) These funds would be allocated on a weighted per-pupil formula, instead of the current average daily attendance formula. The new model also would include a system for assistance to community colleges.
4. **Regional collaboration:** No system exists today for financing regional infrastructure projects or for encouraging program collaboration. To encourage coordination of services on a regional level, the new model would provide fiscal incentives to local governments like County X – or neighboring Counties Y and Z – that take action to improve efficiencies, integrate services, and cooperate regionally. The revenue source

for these incentives would come from a region-wide tax such as a sales tax or from a portion of the growth on state business taxes. This would encourage increased economic activity within the region.

REVENUE ALLOCATION MODELS

All of the options for a new local revenue model assume the presence of some form of state assistance to meet underlying statewide goals for improved outcomes. Even if counties decide not to pursue revenue restructuring plans like the “30-30-40 Plan” above, the new state responsibility will require an allocation model that will fit into a new state-local finance system.

For the purpose of discussion, three models are suggested.

- **The Compact Model:** A compact is a formal bilateral agreement between the state and local governments that would outline roles, responsibilities, and financing. The governments responsible for the service would have broad discretion as to the manner of delivering the service subject to the accomplishment of mutually agreed outcomes.
- **The Pay-for-Service Model:** Local governments could contract with the state to provide a service or vice versa. The state would designate the performance outcomes and fees per client. County participation would be voluntary, but participating counties would have broad discretion over service delivery, flexibility in co-mingling program funds, and freedom from state oversight and administrative rules.
- **The Block Grant Model – Children First:** The state could simply set up one or more broadly-crafted grants to support locally defined services directed at improving outcomes for a targeted group such as children. The purpose of the grants would be to provide local government maximum flexibility in the delivery of services and encourage inter-county and regional collaboration. Participating governments would have broad discretion over service delivery, flexibility in co-mingling program funds, and freedom from state oversight and administrative rules.

POTENTIAL MODELS (see these and more online at CAFWD.org/bestpractices)

- **[SB 678](#):** In 2009, to address the problem of repeat offenders accounting for 40 percent of new felony prison admissions, the state Legislature passed SB 678. The law established a new performance-based funding system to supervise the state’s adult felony probationers. It requires interagency collaboration and provides a financial incentive to locals that achieve outcomes by reallocating state savings to local programs.
- **[1991 Realignment](#):** In 1991, the state enacted a major change in the state and local government relationship that involved the transfer of some mental health, social services, and health programs from the state to county control.

PRINCIPLE 3

In the new structure the state has an essential role of establishing – in collaboration with local agencies – statewide outcomes reflecting statewide goals and values, ensuring that data is available to measure effort and performance, and facilitating learning and best practices to encourage continuous improvement.

DRAFT PROPOSAL 3 – ADJUST THE STATE ROLE

In addition to the draft proposals above, the state needs to restructure legislative and executive activities to provide a new form of leadership and technical assistance. The state also will continue to play a vital role in ensuring minimum standards across the state to maintain equity. Specifically, the state's role will be to:

- Establish the Big Five Outcomes for state programs in collaboration with local communities, and measure indicators of success annually.
- Incentivize collaboration among local programs based on evidence-based practices.
- Provide encouragement and serve as a convener of peer-to-peer technical assistance, so successful local governments can share best practices around achieving better outcomes and improving fiscal management. This also should include performance-based management training.
- Quantify savings to the state based on positive outcomes (e.g. reducing the number of people sent to prison can be directly tied to a reduction in state prison operating costs).
- Allow cities, counties, and schools to retain local savings.
- Streamline regulations that impede economic development and reduce micromanagement compliance activities that detract from a local focus on outcomes.
- Act as an advocate on behalf of local governments before Congress and federal agencies, to forge a partnership around federal programs and funds.
- Focus state budget-making on improved performance:
 - Performance-based budgeting: The governor and legislators should establish clear goals and performance measures for all programs. At least once a year, lawmakers must review programs to determine if they should continue, or how they can be improved.

POTENTIAL MODELS (see these and more online at CAFWD.org/bestpractices)

- [Washington State Priorities of Government](#): This zero-based budget approach creates a strategic framework for public investment decisions, prioritizing activities that guide the governor's budget proposal to the Legislature – and helping communicate that budget to the public. As part of the Priorities of Government plan, every agency in Washington has been asked to answer eight questions related to whether their activities are

essential to state government and whether they are being delivered in the most cost-effective manner.

- [Council on Virginia's Future](#): The Council on Virginia's Future was established in 2003 to develop a vision and long-term goals for Virginia's future. It also was tasked with developing a performance leadership and accountability system for state government that aligns with and supports achieving the vision.
- [The Commission for a New Georgia](#): The Commission for A New Georgia was established in 2003 by Governor Sonny Perdue to launch a management turnaround that would make Georgia the best-managed state in America.
- [The Prime Minister's Delivery Unit](#): The Prime Minister's Delivery Unit was established in June 2001 by former British Prime Minister Tony Blair to monitor progress on and strengthen the British Government's capacity to deliver its key priorities across education, health, crime and transport.
- [Substance Abuse Mental Health Services Administration \(SAMHSA\)](#): SAMHSA is a federal program that allocates funding to the states for substance abuse services and requires recipient agencies to document performance and report information as a condition of receiving funding.

PRINCIPLE 4

The new structure needs to provide regulatory, fiscal and other incentives to encourage cooperation among local governments in partnership with the private sector to efficiently and effectively meet regional needs. This strategic alliance should align public efforts with regional economic activity and match the scale of effort to the magnitude of regional challenges.

DRAFT PROPOSAL 4 – ENCOURAGE REGIONAL COLLABORATION

Regional Councils of Government – or, in areas where it is appropriate, other existing collaborative planning entities – should develop an annual reporting process to review city, county, school, and special district strategies for achieving the Big Five Outcomes, and to incentivize progress toward achievement of Indicators of Success. This should include incentives that will encourage cities, counties, schools, and special districts to develop a robust pipeline between the educational system and the workforce needs of the regional economy. It also should include protections that give regions long-term flexibility throughout the period of implementation.

POTENTIAL MODELS (see these and more online at CAFWD.org/bestpractices)

- [Senate Bill 375 \(Chapter 728, Statutes of 2008\)](#): SB 375 directs the Air Resources Board to set regional targets for the reduction of greenhouse gas emissions. Aligning these regional plans is intended to help California achieve GHG reduction goals for cars and light trucks under AB 32, the state's landmark climate change legislation.
- [Strategic Growth Council grants](#): The Strategic Growth Council manages and awards grants and loans to support the planning and development of sustainable communities. These grants aim to coordinate the activities of state agencies to improve air and water quality, improve infrastructure systems, and assist in sustainable planning.
- [California Partnership for the San Joaquin Valley](#): The California Partnership for the San Joaquin Valley is a public-private partnership focused on improving the region's economic vitality and quality of life for the 3.9 million residents of the San Joaquin Valley. The Partnership is addressing the challenges of the region by implementing measurable actions on six major initiatives to help the San Joaquin Valley.
- [California Stewardship Network](#): The California Stewardship Network is composed of 11 diverse regions across California who came together to develop regional solutions to the state's most pressing economic, environmental, and community challenges.
- [California Regional Economies Project](#): Through a regional perspective, the California Regional Economies Project improves understanding of how the economy is changing, where changes are concentrated, and what catalysts and conditions are causing those changes. In addition, the project assesses how change in one region affects other regions and the state as a whole.

PRINCIPLE 5

Government should be organized in a way that most cost-effectively improves results. Local agencies need the incentives and the analysis to make organizational or functional consolidations to reduce costs and improve service.

NOTE: *The draft proposals below outline two potential – but quite different – approaches to consolidation. A local commission (the Local Agency Formation Commission, or LAFCo) tasked with examining the efficiency and effectiveness of local agencies already exists in each county. Rec. 5A proposes several ways these commissions might be refocused on consolidation. LAFCos do have some built-in political constraints, however, since LAFCo commissioners also represent cities and counties. Rec. 5B examines another option, which would involve creating an independent commission to conduct these analyses statewide.*

DRAFT PROPOSAL 5A – ENCOURAGE INTEGRATION AND CONSOLIDATION

LAFCos in each region – which are currently tasked with “encouraging the orderly formation and development of local agencies based upon local conditions and circumstances,” along with contributing “to the logical and reasonable development of local agencies in each county... [in an] efficient and accountable manner” – should establish a process with their Regional Councils of Government to present standardized data on the quantity, cost, and effectiveness of local governments in the region.

- This should take advantage of existing LAFCo municipal service reviews, comprehensive studies designed to better inform regional bodies, local agencies, and the community about the provision of municipal services.
- LAFCo reviews also should include regional analyses of the number of jurisdictions in each region, their boundaries, the role of each agency in the jurisdiction, these agencies’ goals and results, and identify any opportunities for consolidation.

DRAFT PROPOSAL 5B – ENCOURAGE INTEGRATION AND CONSOLIDATION

The governor and Legislature should jointly create a commission similar to the California Redistricting Commission or New York’s [State Commission on Local Government](#), consisting of experts and local government stakeholders who would conduct a comprehensive review of California’s local government structure. This commission would hold public hearings and issue a report on the following:

- The number and types of local government jurisdictions, the basis for their creation, and the opportunities to restructure or consolidate.
- Opportunities to regionalize local government functions and services.
- The effectiveness of existing state laws and programs designed to assist local government efficiency, consolidation, and partnerships.

POTENTIAL MODELS (see these and more online at CAFWD.org/bestpractices)

- [A New NY: A Blueprint to Reform Government](#): In 2008, The New N.Y. Government Reorganization and Citizen Empowerment Act was enacted into law to reduce New York's 10,521 overlapping governments. In his 2011 State of the State speech, Gov. Andrew Cuomo proposed a set of grants at up to \$100,000 each for local communities to conduct dissolution and consolidation studies.
- [San Mateo Regional Fire Services](#): This memo estimates that the cost of fire protection in San Mateo County could be reduced by nearly \$20 million if five cities and the county jointly contracted with a single entity rather than using five separate fire departments.
- [Sacramento City-County Functional Consolidation](#): A 2010 report identified annual savings upward of \$5 million if the City of Sacramento leveraged functional consolidation opportunities with the County of Sacramento. The following savings would be achieved if the city and county consolidated: emergency dispatch communication (\$2.2 million); major crimes investigation (\$750,000); police property and evidence management (\$290,000); police special teams units (\$840,000); police air support (\$200,000-\$500,000); and, animal care services (\$308,000).
- [California School District Unification](#): In 1964, to encourage voters to form unified school districts, AB 145 (Unruh) stipulated that the funding level for qualified unified school districts be increased by \$15 per ADA. In addition to increasing support for unified school districts, for each elementary school district that voted in favor of unification, even if the whole proposition failed, the funding level of that district would be increased by \$15 per ADA.