



**Chief
Executive
Office.**

COUNTY OF LOS ANGELES

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CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

August 19, 2025

To: Audit Committee

From: Fesia A. Davenport
Chief Executive Officer

**PROPOSED BOARD POLICY – GUIDELINES FOR COUNTY’S PARTICIPATION
IN JOINT POWERS AUTHORITIES**

On July 27, 2021, the Board of Supervisors (Board) adopted the motion¹ “Support for the Clean Power Alliance to Manage the Economic Impacts of the Covid-19 Pandemic.” In the motion, one of the directives requested the Chief Executive Officer (CEO) to engage one or more expert technical consultants to analyze and make recommendations for improving the County of Los Angeles’ (County) monitoring and oversight of Joint Power Authorities (JPA) to which it is a party for the purposes of reducing potential liabilities to the County and ensuring best practices.

On August 8, 2023, the CEO reported back² to the Board with the consultant’s findings specifically regarding the County’s monitoring and oversight of the JPA. The report found the County did not: 1) have a formal policy regarding how JPA board members (members) are appointed, length of appointment, and member removal process; 2) provide training to members regarding their roles on the JPA which include basic rules regarding board governance, and member’s fiduciary responsibilities and legal risks associated with their services; 3) a comprehensive list of all JPAs in which it is a member agency; and 4) require JPAs in which it is a member agency to provide formal reporting on the agency’s operational and financial status.

¹ [07.27.21 Board Motion](#)

² [08.08.23 Report Back](#)



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To address the consultant's findings, the CEO has worked with the Executive Office of the Board and the Auditor-Controller's Audit Division to develop the draft Board policy, attached, for the Board's consideration that addresses the needs described in the consultant's report.

We believe the adoption of the proposed policy will provide appointed JPA members with a complete understanding of their roles, responsibilities and risks as members of the JPA. The policy will also provide the tools for the County to have a formal reporting on all JPA operational and financial status to identify and mitigate any potential risk to the County.

Should you have any questions concerning this matter, please contact me or Rene Phillips at (213) 974-1478 or rphillips@ceo.lacounty.gov.

FAD:JMN:MM
RCP:AB:DC:kn

Attachment

c: Executive Office, Board of Supervisors
County Counsel



Los Angeles County
BOARD OF SUPERVISORS POLICY MANUAL

Policy #:	Title:	Effective Date:
0.000	Guidelines for County Participation in Joint Powers Authority	00/00/00

PURPOSE

The purpose of this policy is to establish clear and consistent guidelines for evaluating whether the County of Los Angeles (County) should join as a member agency in a joint powers authority (JPA) entity created by California Government Code Section 6503.5, et seq., and for nominating JPA board members to the respective JPAs for appointment by the Los Angeles County Board of Supervisors (Board). This policy also sets forth the duties and obligations of County appointed JPA board members once appointed, including annual reporting requirements. This policy is not, however, intended to apply to joint powers agreements where no separate JPA legal entity is created.

REFERENCE

July 27, 2021, Board Order No. 52-D


August 8, 2023, Report Back

POLICY

This policy applies when the County is considering joining and/or has joined as a member agency in a JPA where a separate legal entity is created.

Member Agency Consideration in a Joint Powers Authority

1. Recommendation to Join a JPA: Any County department or Board Supervisor recommending the County join as a member agency in a new or existing JPA, shall consider the following, negotiate as appropriate, and report to the Board on:

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- a. Whether the JPA's purpose and mission furthers the County's purpose, mission, and obligations to the residents its serves in Los Angeles County.
 - b. Whether the JPA board and voting structure provides appropriate quorum and equitable voting rules for the County, greater voting rights given the County's expected financial involvement in the JPA, purpose of the JPA at issue, the needs and interests of the County in the JPA, the number of Los Angeles County residents served by the JPA, any perceived risks and liabilities to the County given its involvement in the JPA, and any other factors to be considered on a case by case basis given the JPA at issue.
 - c. Whether the Auditor-Controller should perform the fiscal agent functions of the JPA, and whether County Counsel should serve as legal counsel to the JPA. Such determinations shall be made in consultation and agreement with Auditor-Controller and County Counsel and will provide for reimbursement of costs by the JPA for these departments and any other County department that provides services to the JPA.
 - d. Whether the JPA agreement should specify the County and its restrictions applicable to the County for exercising its powers, for the purposes of Government Code Section 6509.
 - e. For existing JPAs, whether the JPA is in a good financial condition, following review of its revenues and expenses, assets and liabilities, and debt obligations, and what processes the JPA has or will have in place to allow for proper reporting to the County regarding its yearly financial condition; and for new JPAs, whether the JPA requires adequate fiscal policies and controls be established, including for proper reporting to the County regarding its yearly financial condition.
 - f. Whether there is a cost, both direct or indirect, to the County to join the JPA as a member agency, and if so, what those costs are yearly and how it would be funded.
 - g. Whether the County faces or could incur risks and liabilities as a result of its participation in the JPA, and how such risks and liabilities can be mitigated.
 - h. Whether the County could incur pension liability as a result of joining the JPA as a member agency, and if the recommendation is to still join the JPA, the reasons for doing so.

2. Prior to the presentation of any member agency consideration to join a Joint Powers Authority to the Board at a regular meeting, all County Departments shall provide due diligence reports and documentation to the CEO for review. The CEO shall evaluate the due diligence review and will provide a recommendation on whether it is in the County's best interest to enter the JPA.
3. JPA Agreements, Bylaws, and other Documentation: All agreements, bylaws and other documentation related to the County joining and participating as a member agency in a new or existing JPA shall be presented to the Board for review, consideration and approval at a regular Board meeting by the County department or Board Supervisor recommending the County join as a member agency in the JPA.

Appointment Process for JPA Board Members

1. Nomination of JPA Board Members: Unless the JPA agreement, bylaws or other legal authority provides otherwise, nominations of JPA board members can be made by any Board Supervisor or County Department, for consideration by the Board. All JPA Board members must be approved by the Board following their nomination, unless the Board delegates the authority to approve to a Board Supervisor.
2. Evaluation of JPA Board Member Nominees: The recommending County department or nominating Board Supervisor will evaluate its nominee(s) to determine whether the nominees are qualified and capable of discharging the duties to which they are being recommended to the Board for appointment as a JPA board member. Such evaluation may include but is not limited to assessing the nominee's:
 - a. Experience and qualifications;
 - b. Representation of the community;
 - c. Ability to contribute to the work of the JPA; and
 - d. Freedom from conflicts in appearance or fact.
3. Appointments: Unless the Board delegates authority to a Board Supervisor to approve the JPA Board member appointment as provided in Section 1 of the Appointment Process for JPA Board Members, the Board shall approve appointments to JPAs at regular Board meetings. Appointments shall be approved by a majority vote of the Board.

Term of Office of JPA Board Members

Unless the JPA agreement, bylaws or other documentation provides otherwise, the terms of office for JPA board members shall be for as long as the Board approves the appointment for, or until such time that the Board revokes the appointment.

Training Obligations of JPA Board Members

Following appointment by the Board, newly appointed JPA board members will complete initial and regular trainings provided by County departments, as appropriate. This training will include, but not be limited to roles and responsibilities, fiduciary duties, the Ralph M. Brown Act, conflict of interests, Political Reform Act, and other applicable laws and regulations. This policy is not intended to require new or existing JPA board members to duplicate training already completed within twelve (12) months of date of appointment or commencement of their term of service.

Reporting Requirements of County Appointed JPA Board Members

County appointed JPA board members, in coordination with the responsible Department, will provide the Board with information in a report on the financial condition of the JPA, at least yearly, of its operational achievements and challenges, and any anticipated changes in services, structure, governance, or financial condition. The report must also include a summary of the JPAs' progress in achieving its mission, how the mission aligns with the County's interests and strategic plan, and justification as to why the County should continue its investment and participation in the JPA.

1. Annual Reporting Requirement: The report shall be submitted annually, or on such other schedule as approved by the Executive Office of the Board of Supervisors (Executive Office), for each JPA in which the County is a member agency. The County-appointed JPA Board member shall have responsibility for submitting the required report to the Board, with a copy to the Executive Office.
2. Report Content: The report shall include the following information:
 - a. Financial Condition: A summary of the JPA's financial condition, including its revenue and expenses, assets and liabilities, and debt obligations. This component shall be satisfied by complying with Government Code 6505;
 - b. Operational Achievements: A summary of the JPA's operational achievements since the last report, including any quantifiable measures of success;
 - c. Operational Challenges: A summary of the JPA's operational challenges since the last report, including any plans to address those challenges;

- d. Anticipated Changes: A summary of any anticipated changes in the JPA's services, structure, governance, or financial condition likely to occur within the next 24 months;
 - e. Mission Progress: A summary of the JPA's progress in achieving its mission, including how that mission aligns with the County's current interests and strategic plan; and
 - e. Investment Justification: Justification as to why the County should continue its investment and membership in the JPA.
3. Report Deadline: The JPA Board member, working in coordination with the responsible Department, shall submit the report to the Board with a copy to the Executive Office within 180 days of the end of the JPA's fiscal year, or on another interval/deadline agreed to by the Executive Officer.
4. Review of Financial Documents by Auditor-Controller:

The Auditor-Controller shall review the audited financial statements submitted by each JPA for the purpose of identifying instances where the independent certified public accountant has reported a qualified, disclaimed, or "except for" opinion, or a going concern issue., and independently notify the Board of such findings and any analysis or recommendations from Auditor-Controller.

Removal of Appointed JPA Board Members

1. Causes for Removal: The Board may remove a JPA board member for any reason, including for the following:
- a. Convenience
 - b. Change in Board leadership
 - c. Misconduct
 - d. Neglect of duty
 - e. Incompetence
 - f. Failure to attend meetings
2. Removal Process: The responsible Department or any Board member can make a recommendation to the Board for the removal of the JPA Board member. The Board will provide the JPA board member with notice of the removal recommendation and will vote at a regular Board meeting on whether to remove the JPA board member.

Compliance

Existing JPAs are required to become compliant with this policy within two years after Board adoption of this policy.

Non-compliance with this policy may be grounds for the County to reevaluate its participation in the JPA.

RESPONSIBLE DEPARTMENTS

Executive Office of the Board of Supervisors
Auditor-Controller
County Counsel
Chief Executive Office

DATE ISSUED/SUNSET DATE

Issue Date: Month xx, 2025

Sunset Review Date: Month xx, 2025