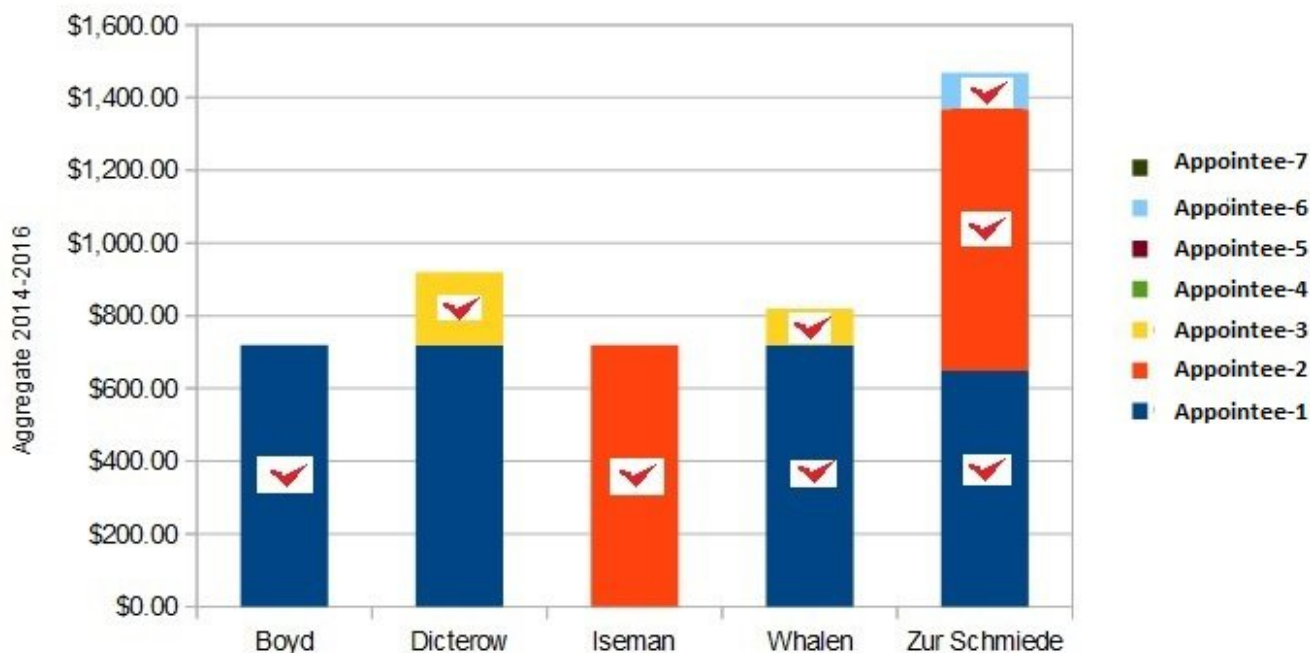


Campaign Donation Analysis of LL Candidates – Michael Morris – 5February2017

Data analysis of campaign donations made by LL Candidates (and/or spouses) to City Councilmembers in their respective most recent election campaigns point to the worrisome appearance of favoritism based at least in part on financial contributions. There are no-doubt other influences, but given that the selection process is not blind, the appearance of favoritism exists.

Campaign Donations by LL Appointees to City Councilmembers



✓ Indicates a "Yes" vote by City Councilmember for a particular successful LL Applicant

* Donation totals include those by the LL Candidate and Spouse

** How to interpret the chart - As an example, Appointee-1 (blue) gave reportable donations to all but Ms. Iseman. Of those receiving such donations, all but Mr. Dicterow voted "Yes" for appointment to the LL Committee

The following statements can be made based on each City Councilmember's Form 460 disclosures (bear in mind that Form 460 disclosures are only required for aggregate campaign donations of >\$100 during any single campaign period, therefore no conclusions can be made about small donation influences).

- \$4,648 total campaign donations from successful candidates across all 5 CC members
- \$720 total campaign donations from unsuccessful candidates across all 5 CC members (actually, 4 CC members received \$0 in donations from unsuccessful candidates, which speaks volumes in and of itself. Only Mr. Dicterow failed to vote for the appointment of one campaign donor/candidate)
- > 25% of the total "Yes on LL" donations came from successful LL Oversight candidates

The graphic above allows us to summarize the following:

- Mr Boyd voted for 100% of the successful candidates who donated to his most recent CC campaign
- Mr. Dicterow voted for 50% of the successful candidates who donated to his most recent CC campaign
- Ms. Iseman voted for 100% of the successful candidates who donated to her most recent CC campaign
- Mr Whalen voted for 100% of the successful candidates who donated to his most recent CC campaign
- Mr Zur Schmiede voted for 100% of the successful candidates who donated to his most recent CC campaign

Avoiding the appearance of influence or favoritism

This is not difficult to do if the City Council wants an independent body and to avoid any charges of assembling a rubber-stamp committee to glowingly endorse their Measure LL tax expenditures. Other agencies in Orange County regularly put together representative committees/boards that can't be accused of non-independence.

We can look to some examples of best-practices at the state-level as well as close-by in our own County. All California Grand Juries and also the Orange County Transportation Authority's Measure M2 Taxpayer Oversight Committee are ultimately selected by random drawing. Each utilizes an independent 3rd -party (e.g., Grand Jury Associations, League of Women Voters) to vet applications against base qualifications/disqualifications. These qualifications can include:

- Residence in a particular voting district
- Citizenship
- Age limits (min or max)
- Membership/non-membership in various Associations (e.g., past OC Grand Jurors cannot be considered for appointment to the OC Ethics Commission for 10 years after their service).

The vetting is on a pass/fail basis.

Once candidates have been vetted by the independent body, the rest are selected at random in a public drawing.

If our City Council is concerned about charges of cronyism and/or favoritism in the appointment process to city committees, they will consider instituting such best-practices for Laguna Beach. If, instead, they are more concerned with bodies that rubber-stamp their agendas, or view appointments as spoils to hand out to friends and boosters, they will continue their current practices.

Please visit our City Hall Transparency and Accountability website at:
www.lagunabeachchat.com

