May 6, 2013

Mr. Nindy Mahal  
Member Continuity & Special Issues Committee  
700 Civic Center Drive West  
Santa Ana, CA 92701  
(714) 834-5555 (fax)

SUBJECT: 2011-12 Grand Jury Report Recommendations Implementation Update

Dear Mr. Mahal:

Below please find an update on the City’s progress in implementing recommendations R1 through R5 of the Grand Jury Report.

Recommendation 1 (R1) – Access for Compensation Cost Transparency

The City has made amendments to its home page to reduce the number of clicks to reach the desired information. The steps are as follows (Please see Attachment A):

- From the homepage at www.ci.cypress.ca.us, click on Transparency in Government
- From the Transparency in Government page, click on Salary Information, Class Specifications, MOUs
- All items pertaining to compensation for the City Council, executive team, and various bargaining groups can be accessed from this page

Recommendation 2 (R2) – Content & Clarity of Executive Compensation Costs

The City has made amendments to its Salary Information, Class Specifications, MOUs page to include Pension Cost and the Comprehensive Salary Schedule per Public Employees’ Retirement Law (Please see Attachment B). City finance department staff are in the process of preparing the requisite salary and compensation report to be posted on the State Controller’s Website. City staff will prepare a report in a format as suggested by Appendix D of the
Grand Jury report while preparing the 2012 State Controller’s report as to not duplicate efforts.

Recommendation 3 (R3) – Content & Clarity

The City has made amendments to its Salary Information, Class Specifications, MOUs page to include not only MOUs for all its bargaining groups, but also Pension Cost, summary of health benefits, and the Comprehensive Salary Schedule per Public Employees’ Retirement Law (Please see Attachment C).

City finance department staff are in the process of preparing the requisite salary and compensation report to be posted on the State Controller’s Website. City staff will prepare a report in a format as suggested by Appendix D of the Grand Jury report while preparing the 2012 State Controller’s report as to not duplicate efforts.

Recommendation 4 (R4) – Transparency of Employer Pension Contribution Rates

The City has posted to its Salary Information, Class Specifications, MOUs page to include Pension Cost (Please see Attachment D).

Recommendation 5 (R5) – Transparency of Overtime and On-Call Pay in Employee Compensation Cost Reporting

City finance department staff are in the process of preparing the requisite salary and compensation report to be posted on the State Controller’s Website. City staff will prepare a report in a format as suggested by Appendix D of the Grand Jury report while preparing the 2012 State Controller’s report as to not duplicate efforts.

The City of Cypress looks forward to continuing to be an agency of transparency and good governance, and hope that our efforts will meet the Grand Jury’s standards in public information disclosure.

Sincerely,

Leroy Mills
Mayor Pro Tem
Human Resources

CLASS SPECIFICATIONS AND SALARY INFORMATION
Job Descriptions and Monthly Salary (Me-Max)

MEMORANDUMS OF UNDERSTANDING

City of Cypress City Council Summary of Compensation and Benefits
City of Cypress City Manager Employment Agreement
City of Cypress City Manager Authority to Assign Title and Duties Resolution
City of Cypress and the Cypress Employees' Association
City of Cypress and the Cypress Maintenance Employees' Association
City of Cypress and the Cypress Police Officers' Association
City of Cypress and the Cypress Police Management Association

City of Cypress Executive Reimbursement
City of Cypress Mid-Management Resolution
City of Cypress - Schedule of Benefits Executive and Mid-Management Employees
City of Cypress Confidential Employees Resolution
City of Cypress Part Time Employees Reimbursement

Comprehensive Salary Schedule per Public Employees' Retirement Law
Personnel Rules and Regulations
Health Benefits 2012-13

Person Costs 2012-13
Local Government Compensation Report California State Controllers website
Human Resources

CLASS SPECIFICATIONS AND SALARY INFORMATION

Job Descriptions and Monthly Salary 06-09-12

MEMORANDUMS OF UNDERSTANDING

City of Cypress Council Summary of Compensation and Benefits
City of Cypress City Manager Employment Agreement
City of Cypress City Manager Authority to Assign Title and Duties Resolution

City of Cypress and the Cypress Employee Association
City of Cypress and the Cypress Maintenance Employee Association
City of Cypress and the Cypress Police Officers Association
City of Cypress and the Cypress Police Management Association

City of Cypress Executive Resolution
City of Cypress Mid Management Resolution
City of Cypress - Schedule of Benefits Executive and Mid Management Employees

City of Cypress Confidential Employee Resolution
City of Cypress Part Time Employee Resolution
Comprehensive Salary Schedule per Public Employees Retirement Law

Personnel Rules and Regulations

Health Benefits 2012-13
Pension Costs 2012-13
Local Government Compensation Report/California State Controllers website
Human Resources

CLASS SPECIFICATIONS AND SALARY INFORMATION

Job Descriptions and Monthly Salary (Min-Max)

MEMORANDUMS OF UNDERSTANDING

City of Cypress City Council Summary of Compensation and Benefits
City of Cypress City Manager Employment Agreement
City of Cypress City Manager Authority to Assign Title and Duties Resolution
City of Cypress and the Cypress Employees' Association
City of Cypress and the Cypress Maintenance Employees' Association
City of Cypress and the Cypress Police Officers' Association
City of Cypress and the Cypress Police Management Association
City of Cypress Executive Resolution
City of Cypress Mid-Management Resolution
City of Cypress - Schedule of Benefits Executive and Mid-Management Employees
City of Cypress Confidential Employees Resolution
City of Cypress Part Time Employees Resolution
Comprehensive Salary Schedule per Public Employees Retirement Law
Personal Rules and Regulations

Health Benefits 2012-13

Pension Costs 2012-13

Local Government Compensation Reponsibility State Controllers website
## City of Cypress
### Pension Costs- FY 2012-13

<table>
<thead>
<tr>
<th>Pension Formulas</th>
<th>Employee</th>
<th>Employer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sworn Employees- 3% @ 50</td>
<td>9.000%</td>
<td>33.338%</td>
<td>42.338%</td>
</tr>
<tr>
<td>Miscellaneous Employees- 2% @ 55</td>
<td>7.000%</td>
<td>12.721%</td>
<td>19.721%</td>
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</tbody>
</table>

### Allocation of Cost by Association:

<table>
<thead>
<tr>
<th>Association</th>
<th>Employee Pays</th>
<th>City Pays</th>
<th>Total</th>
<th>Annual Cost</th>
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</thead>
<tbody>
<tr>
<td><strong>Police Management Association</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Maximum Salary - $12,637 mo</td>
<td>-</td>
<td>5,350.25</td>
<td>5,350.25</td>
<td>64,203.04</td>
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<td>-</td>
<td>3,777.82</td>
<td>3,777.82</td>
<td>45,333.84</td>
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<td><strong>Cypress Police Officers Association</strong></td>
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<td></td>
<td></td>
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<tr>
<td><em>(hired after 6/30/2009)</em></td>
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<tr>
<td>Maximum Base Salary - $9,473 mo</td>
<td>580.88</td>
<td>3,429.79</td>
<td>4,010.68</td>
<td>48,128.14</td>
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<td>Minimum Base Salary - $5,659 mo</td>
<td>347.01</td>
<td>2,048.90</td>
<td>2,395.91</td>
<td>28,750.89</td>
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<td><strong>Cypress Employees Association</strong></td>
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<tr>
<td><em>(hired after 6/30/2010)</em></td>
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<tr>
<td>Maximum Base Salary - $8,197 mo</td>
<td>-</td>
<td>1,616.53</td>
<td>1,616.53</td>
<td>19,398.36</td>
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<td>Minimum Base Salary - $2,808 mo</td>
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<td>553.77</td>
<td>553.77</td>
<td>6,645.24</td>
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<td><strong>Unrepresented/Confidential</strong></td>
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<tr>
<td><em>(hired after 6/30/2010)</em></td>
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<tr>
<td>Maximum Base Salary - $6,407 mo</td>
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<td>1,263.52</td>
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<td>15,162.29</td>
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<td>819.01</td>
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<td>9,828.12</td>
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<td><strong>Maintenance Employees Association</strong></td>
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<td><em>(hired after 6/30/2010)</em></td>
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<td>Maximum Base Salary - $5,040 mo</td>
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<td>993.94</td>
<td>993.94</td>
<td>11,927.28</td>
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<td>Minimum Base Salary - $3,096 mo</td>
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<td>610.56</td>
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<td>7,326.72</td>
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<tr>
<td><strong>Management:</strong></td>
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<tr>
<td>Executive Management- Non-sworn</td>
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<td><em>(hired after 6/30/2010)</em></td>
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<tr>
<td>Maximum Base Salary - $14,650 mo</td>
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<td>2,889.13</td>
<td>34,669.52</td>
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<td>1,972.10</td>
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<td>23,665.20</td>
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<tr>
<td>Executive Management- Sworn</td>
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<tr>
<td><em>(hired after 6/30/2010)</em></td>
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<tr>
<td>Maximum Base Salary - $14,650 mo</td>
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<td>6,202.52</td>
<td>6,202.52</td>
<td>74,430.20</td>
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<tr>
<td>Mid-Management</td>
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<td><em>(hired after 6/30/2010)</em></td>
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<tr>
<td>Maximum Base Salary - $10,778 mo</td>
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<td>957.65</td>
<td>957.65</td>
<td>11,491.82</td>
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*(DOES NOT INCLUDE RAISERS BASED ON CPI OR PMA/MANAGEMENT NEGOTIATIONS)*