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August 28, 2012

The Honorable Thomas J. Borris Presiding Judge Orange County Superior Court 700 Civic Center Drive West Santa Ana, California 92701

RE: CITY OF VILLA PARK RESPONSE TO ORANGE COUNTY GRAND JURY REPORT: "TRANSPARENCY BREAKING UP COMPENSATION FOG - BUT WHY HIDE PENSION COSTS?"

Dear Judge Borris:

The City of Villa Park has reviewed the Orange County Grand Jury report entitled "TRANSPARENCY BREAKING UP COMPENSATION FOG - BUT WHY HIDE PENSION COSTS?" As required by the Grand Jury, and in accordance with California Penal Code Section 933, I am writing to provide you with the response of the City of Villa Park to the applicable findings and recommendations contained in the report.

## Finding F-2 and Recommendation R-2: Content & Clarity Ratings for EXECUTIVE Compensation Costs.

The City of Villa Park partially disagrees with the finding. We have provided salary and benefit information, including pension contributions, on our website for several years. In response to the Grand Jury's direction via a letter we received in February of 2012, we updated our report into a format provided by the Grand Jury. The updated compensation report was then posted on the City's Transparency & Open Government webpage, as recommended.

Regardless, in response to this latest Grand Jury report, we have again updated our report; however, rather than using the Grand Jury's suggested format with which we were given unfavorable grade for 2011-12, we chose to model this year's report after that of another agency that was considered by the Grand Jury to be "Excellent in all ways." Furthermore, much like the agency considered "Excellent is all ways," we have combined EXECUTIVE and EMPLOYEE compensation in one table. As The City of Villa Park maintains such an extraordinarily small staff - a total of four full time employees, including the City Manager, and five part time employees - there is no valid reason to separate the information in two sections. By combining the information in one section the information can be more easily accessed and reviewed by the public.

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## Finding F-3 and Recommendation R-3: Content & Clarity for EMPLOYEE Compensation Cost Ratings.

The City of Villa Park partially disagrees with the finding. Please see our response to Finding F-2 and Recommendation R-2, above.

## Finding F-4 and Recommendation R-4: Transparency of Employer Pension Contribution Rates.

The City of Villa Park partially disagrees with the finding. While we have not had the employer and employee rates as a percentage of compensation posted on the website, we have had the actual employer and employee pension contributions posted for several years. We believe this allows for even more clarity than a simple percentage.

Regardless, in response to this latest Grand Jury report, we have prominently and transparently posted the information in the suggested format and included pension contribution rates on the City's Transparency & Open Government webpage.

## Finding F-5 and Recommendation R-5: *Inclusion of Overtime and On-Call Pay in Employee Compensation Costs.*

The City of Villa Park partially disagrees with the finding. In response to the Grand Jury's direction via a letter we received in February of 2012, we updated our report into a format that was provided by the Grand Jury and included overtime pay under the other pay section as recommended.

Regardless, in response to this latest Grand Jury report, we have again updated our report as discussed under Finding F-2 and Recommendation R-2.

The City of Villa Park has always strived to provide clear and concise information to our residents regarding all costs associated with the City. As part of those efforts, the City has included costs related to employee compensation in budgets, annual financial reports, and has provided the information through the City's website. In response to each of the Grand Jury's comments, findings and recommendations we have already implemented changes to our website and we will continue to honor our commitment to make information easily available and accessible to the public we serve.

Sincerely,

THE CITY OF VILLA PARK

Brad Reese

Mayor

C: City Council

Orange County Grand Jury