

## Costa Mesa Sanitary District

... an Independent Special District

August 8, 2011

Board of Directors
Robert Ooten
James Ferryman
Mike Scheafer
James Fitzpatrick
Arthur Perry

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

RE: ORANGE COUNTY GRAND JURY REPORT

Staff Scott C. Carroll General Manager

Joan Revak Office Manager Clerk of the District

> Robin B. Hamers District Engineer (949) 631-1731

> > Alan R. Burns Legal Counsel

Marcus D. Davis Treasurer

Phone (949) 645-8400 Fax (949) 650-2253

Address 628 W. 19th Street Costa Mesa, CA 92627-2716 Dear Judge Borris:

In compliance with *Penal Code* 933.05(a) and (b), the following is Costa Mesa Sanitary District's response to the Orange County Grand Jury report regarding "Compensation Survey of Water and Sanitation District."

After receiving the report we were pleased to read that the Grand Jury found our website to be "superior" in terms of information accessibility. The Costa Mesa Sanitary District does not take the public's trust for granted and is committed to continually earning their confidence and support that local government is being transparent and accountable. With that said, we believe there is always room for improvement.

The Costa Mesa Sanitary District concurs with the Grand Jury's recommendations and has taken the following steps to improve our transparency.

- The Transparency page on the District's website homepage has been updated to reflect actual 2010-11 compensation. A compensation summary spreadsheet was added that list all types of compensation along with the name and title of the employees and Board of Directors. The employee's total compensation is already added so that members of the public do not have to find and add the different types of compensation data themselves.
- Included in the Transparency page is a link to download my employment contract with CMSD that also includes the First Amendment of my agreement.



- Included in the Transparency page is a link to download the District's 2010
   Accomplishments that demonstrates the public's sanitary district is
   working hard to being an effective and efficient organization by achieving
   tangible results.
- The District's Adopted FY 2011-12 Budget is available to download and view on the bottom right hand corner of the homepage. Previous fiscal year budgets and the District's Comprehensive Annual Financial Report (CAFR) can found by clicking on the "Finances" page available on the left hand side of the homepage.
- Public meeting information can be easily found on the home page. There, members of the public will quickly find upcoming meetings and a link is made available to download agendas and back up information at least 72 hours before the meetings. Previous meeting information can be found on the "Agenda & Minutes" page available on the left hand side of the homepage.

I would like to mention that the compensation summary is taxable income and does not include retirement benefits (Cal-PERS). Nor does it include the full allocation (\$799 or \$1,199 per month) of cafeteria (healthcare) benefits. The Grand Jury report, as well as many media outlets, reports retirement and healthcare benefits as compensation for public employees. While retirement and healthcare are benefits for the purpose of attracting qualified and experienced future employees, it is not considered income. In other words, it's not money in the employee's pocket and therefore we believe it does not warrant being included in CMSD's compensation summary.

To see the transparency improvements firsthand, please visit CMSD's website at <a href="www.cmsdca.gov">www.cmsdca.gov</a>. If you have any questions please don't hesitate to contact me at <a href="scarroll@cmsdca.gov">scarroll@cmsdca.gov</a> or at (949) 645-8400.

Sincerely,

Scott Carroll

General Manager

C: CMSD Board of Directors

-Orange:County:Grand:Juny