

City of La Habra

8/5 Culled Mayor for Shand Jung apy

ADMINISTRATION BUILDING

"A Caring Community"

201 E. La Habra Boulevard P.O. Box 337

La Habra, CA 90633-0337

Office: (562) 905-9700 Fax: (562) 905-9719

Website: www.lahabracity.com

July 5, 2011

CITY COUNCIL

James Gomez Mayor

Tim Shaw Mayor Pro Tem

Rose M. Espinoza Councilmember

Tom Beamish Councilmember

Michael A. Blazey Councilmember The Honorable Thomas J. Borris Presiding Judge, Superior Court Central Justice Center 700 Civic Center Drive West Santa Ana, CA 92701

Re: Required Response to Grand Jury Compensation Study of Orange County Cities

Dear Presiding Judge Borris:

On June 9, 2011, the 2010-2011 Orange County Grand Jury released its report on the Compensation Study of Orange County Cities. The report made a number of findings and recommendations to which the City of La Habra is required to comment on F.4., F.7., R.1. and R.2. Please consider this letter as the City's official comments on these findings and recommendations.

F.4.: Public disclosure of municipal compensation levels is widely inconsistent, ranging from good to non-existent.

Based on the information provided in the study that reviews content, clarity and accessibility, the City of La Habra agrees with the finding of the Grand Jury that public disclosure of municipal compensation levels is widely inconsistent. The City of La Habra did not perform any type of review of the public disclosure of other municipalities in Orange County to determine the level of inconsistency, but rather, relied on the information and analysis presented by the Grand Jury in order to come to this conclusion.

F.7.: There is currently no disclosure of written employment contracts on the majority of cities' websites.

Again, based on the data and analysis presented by the Grand Jury, the City of La Habra agrees with the finding that the majority of cities' websites do not disclose written employment contracts. The City of La Habra did not perform any type of review of this information on other city websites, but rather, relied on the information presented by the Grand Jury.



Grand Jury Report Response Page 2 of 2

R.1.: Transparency – All cities in Orange County report their compensation information to the public on the Internet in an easily accessible manner. The Compensation Disclosure Model (Appendix 4) provides a sample as to the items that should be included in determining total compensation.

The City of La Habra received fair and above average marks in transparency on our Web site (C for Content, B for Clarity, and A for Accessibility).

The recommendation has not yet been implemented, but will be no later than October 1, 2011. The City of La Habra is currently in the process to update its Web site, including content and layout. The recommendation as made by the Grand Jury to post information in accordance with the Compensation Disclosure Model will be included in the Web site update, and updated on an annual basis following the annual adoption of the City's budget, which includes the recommended information.

While the City will comply with this recommendation, there are two concerns that deserve mention. First, the State Controller's Office, as noted in the Study Report, requests the majority of this information, albeit in a different format. It is particularly burdensome for a city to provide varying formats of the same data, and there is a greater risk for error or misreporting when providing this data in different formats. A simpler, and more consistent manner, would be to provide an easily accessible link on the City's Web site to the State Controller's page for that particular City. Secondly, the Grand Jury's concerns are respectfully understood about the expanse of this data which includes all positions within a city, yet it provides a truer picture of the compensation plan for a city, rather than just the top executives. The public is able to determine the number of executives compared to the number of mid-managers compared to the number of line employees, rather than be presented with a list of only those employees making more than \$100,000.

R.2.: Employment Contracts – Each city reveal any individual employment contracts in an easily accessible manner.

The recommendation has not yet been implemented, but will be no later than October 1, 2011. The City of La Habra is currently in the process to update its Web site, including content and layout. The recommendation to list employment contracts will be included in this Web site update.

Thank you for the opportunity to provide comment on these findings and recommendations related to the Grand Jury Report on the Compensation Study of Orange County Cities. Should you have any questions or concerns, please contact Jennifer Cervantez, Assistant City Manager, at (562) 905-9701.

James Gimez Mayor

inserely,