

CITY OF YORBA LINDA

P.O. BOX 87014

CALIFORNIA 92885-8714

October 2, 2012

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

RE: Response to the Orange County Grand Jury report – *“Transparency Breaking Up Compensation Fog – But Why Hide Pension Costs?”*

Judge Borris:

The City of Yorba Linda has reviewed the Orange County Grand Jury report titled *“Transparency Breaking Up Compensation Fog – But Why Hide Pension Costs?”* and has formulated a response to each of the required findings and recommendations as outlined on pages 24 – 30 of the report in compliance with Penal Code Sections 933 and 933.05.

Although the Grand Jury Report contains 5 findings and 5 recommendations, the City of Yorba Linda is only required to respond to Findings F4 & F5, and Recommendations R4 & R5 as outlined in the response matrices on page 31.

Finding F4 – Transparency of Employer Pension Contribution Rates

“Many Orange County local government web sites do not generally post their employer pension annual contribution rates prominently to their web sites as part of their compensation cost disclosure for public disclosure.”

City’s Response

The City of Yorba Linda agrees with this finding and has implemented the corresponding recommendation R4.

Finding F5 – Inclusion of Overtime and On-Call Pay in Employee Compensation Costs

“Two key categories are missing from compensation cost reporting. They are overtime pay and on-call pay.”

City’s Response

The City of Yorba Linda disagrees wholly with this finding. The compensation data posted on the City’s web site already contain both overtime and on-call (standby) pay for all employees as applicable.

Recommendation R4 – Transparency of Employer Pension Contribution Rates

“The Grand Jury recommends that all Orange County cities, districts and joint power authority, as well as the County of Orange, post their employer pension annual contribution rates prominently and transparently on their web sites.”

City’s Response

This recommendation has been implemented.

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

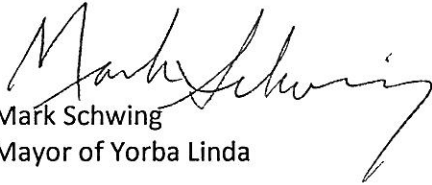
“The Grand Jury recommends that all Orange County cities, districts and joint power authority, as well as the County of Orange, include overtime pay and on-call pay in compensation cost reporting on their employees’ compensation pages.”

City’s Response

This recommendation is not warranted because this data is already present on the City’s compensation cost reporting pages.

Should you have any questions or require any further information from the City of Yorba Linda, please feel free to contact our Finance Director, David Christian at (714)961-7141 or dchristian@yorbalinda.org.

Sincerely,



Mark Schwing
Mayor of Yorba Linda

Cc: Orange County Grand Jury