



City of Brea

November 29, 2011

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

Re: 2010-2011 Grand Jury Report Compensation Study of Orange County Cities

Dear Presiding Judge Borris:

On behalf of the City of Brea, I am pleased to provide you a response to the Grand Jury's report regarding the above titled report.

Let me first identify a few areas within the report, which contained inaccuracies, as it relates to the compensation of four of the eleven positions identified in the report attributable to the City of Brea.

- The City Clerk salary as reported in the compensation study was not accurate; we believe the report used the salary of the Administrative Services Director who supervises the City Clerk.
- The Finance Director as reported in the compensation study was not accurate; we believe the report used the salary of the Financial Services Manager who reports to the Administrative Services Director.
- The Parks and Recreation position in the compensation study was not accurate; the report omitted Brea's comparable Community Services Director position.
- The Human Resources position in the compensation study was not accurate; the report omitted Brea's comparable Personnel Services Director position.

The Grand Jury required all 34 cities to respond and comment on Findings 4 and 7, and Recommendations 1 and 2.

RESPONSES TO FINDINGS

Finding F-4: *Public Disclosure of municipal compensation level is widely inconsistent, ranging from good to non-existent.*

City Response: The City partially disagrees with the finding. While there may have been concerns in the past of lack of disclosure of pay and benefit, the State Controller has established a standardized statewide system that provides this information in a readily-searchable format. The City of Brea offers this information in an easily accessible format through the city's website under the heading titled "Compensation."

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

City Response: The City partially disagrees with the finding. The City of Brea discloses compensation information in an easily accessible format through the city's website under the heading titled "Compensation" where all Memorandum of Understanding agreements for seven employee associations are available for viewing. In addition, the budgeted compensation (salary and benefits) for every Brea employee is available for public viewing. The Memorandum of Understanding agreements have been on our website for several years.

RESPONSES TO RECOMMENDATIONS

Recommendation 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.*

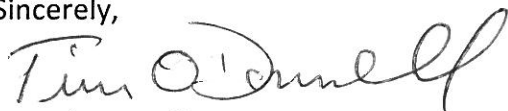
City Response: The City of Brea wholly embraces the importance of public accessibility and transparency regarding employment compensation. However, the recommendation will not be implemented because it is not warranted or is not reasonable. The City of Brea already provides this data to the State Controller's Office in a standardized format that is used by all public agencies throughout the State in a readily-searchable format. To create a separate compensation report will not benefit the public. The sample report you suggested does not match what the State Controller has requested and will likely cause confusion by the public. Cities are faced with limited resources and to create yet another compensation report is not an efficient use of our resources.

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

City Response: The recommendation has been implemented and the City Manager Employment Agreement is on the City's website.

The City of Brea greatly appreciates the opportunity to respond to the Grand Jury Report and acknowledges the work of the 2010-11 Orange County Grand Jury to determine whether abusive compensation exists in Orange County cities. Having found none, the Grand Jury has suggested sensible additions and changes to help provide the public with more accessibility and transparency to each city's highest compensated individuals.

Sincerely,

A handwritten signature in black ink that reads "Tim O'Donnell". The signature is written in a cursive, flowing style.

Tim O' Donnell
City Manager