

<p style="text-align:center">COMMITTEE ON ACCOUNTABILITY AND ADMINISTRATIVE REVIEW SURVEY OF CITY GOVERNMENT SALARIES</p>

On August 27, 2010, the Assembly Committee on Accountability and Administrative Review asked California's 119 charter cities for information on salaries and total compensation for mayors, city council members, and top city administrators. Total compensation was described as including salary and all benefits. (A copy of the letter that was mailed to the cities is included.)

The cities provided self-generated information and the Committee did not have the resources to verify the accuracy of the information. Overall, the survey indicates a wide range of salaries and benefits, depending in some part on the size of the city. No cases of extremely high salaries and benefits, as seen in the City of Bell, were reported.

City manager salaries and benefits

According to the survey, 20 city managers earned more than \$300,000 in total compensation, including nine who work in cities with less than 100,000 people. City manager benefits often add significantly to total compensation, equaling as much as 40% to 245% of the base salary. For example, the city manager of Riverside has a base salary of \$289,864; but total compensation was more than \$419,000, in part because the city pays both the employer and employee share of retirement costs. Unusual city manager benefits include a \$25,334 longevity bonus for the Redondo Beach city manager, a \$57,144 incentive pay bonus to the San Ramon city manager, an agreement between the City of Palo Alto and the city manager in which the city offered to pay \$1.5 million toward a home purchase, as well as offering a \$500,000 home loan, to allow the city manager to buy a house in which ownership is shared, and the \$900,000 home loan by the City of Sunnyvale to the City Manager at .769% interest for five years.

Most city managers receive a vehicle allowance or use of a city-owned car. Some city managers, including those in Eureka and Santa Clara, took pay cuts in the last year due to their cities' budget problems. City manager salaries and benefits are typically approved by the City Council based on a negotiated contract.

Mayor/City Council salaries and benefits

Mayors and city council members are usually part-time positions with salaries and benefits that vary. Generally, small cities pay a small salary: five cities with part-time positions paid nothing or as little as \$120 per year. Other small- and medium-sized cities commonly paid in the range of \$3,000 to \$40,000, generally with some benefits.

Many city councils are paid extra for meeting as other boards. Few mayors and city council members received vehicle allowances, but many receive health and retirement benefits. The result is that while base salaries are relatively small, benefits can expand the total compensation by as much as 65%-325%. Differences in total costs for council members typically are due to differences in health care costs. Larger cities paid base salaries in the range of \$60,000 and up. Full-time mayors reported base salaries commonly over \$100,000 per year plus benefits more in line with top management employees.

Benefit categories include:

- Health – including medical, dental, vision care, annual physical exams
- Behavioral health, life, and short or long term disability insurance
- Vehicle or mileage allowance
- Executive, administrative, personal or career development leave
- Annual cash buy back for unused vacation, sick, executive or administrative leave
- Potential fitness award, fitness allowance
- Bonuses, longevity pay, management development pay,
- Housing allowances, mortgage loans
- Dues, subscriptions, membership fees, professional development
- Education expenses, tuition reimbursement
- Deferred compensation
- Incentive pay, merit pay, severance pay
- Expense allowances
- Bilingual bonus
- Retirement contributions (including employee share)
- Cell phone reimbursement or allowance, or home internet reimbursement
- Retiree medical trust, retiree health plans, and retiree deferred compensation

Transparency

In addition to asking for salary information, the Committee sought information about how accessible salary information was to the public. Most cities stated they posted salary information online. Committee staff found, however, that city websites were often difficult to navigate and that many cities posted incomplete information, or complicated salary schedules that would be difficult for the public to understand or contain only code numbers and no dollar figures. Very few posted total compensation data, instead posting only base salaries. Most did not include copies of the contracts for salaried, at-will employees.

Gilroy, Long Beach and Merced had simple, complete formats that were easy to locate online and contained all the requisite salary information. Huntington Beach provided us with a link to information that was easy to read and contained all the information pertaining to salary and benefits but we were unable to locate it on our own as it is contained in old news announcements.

Bell, Vernon, Irwindale, El Centro, and Chico are examples of cities with no web-based information on salaries and benefits for their constituents.

La Quinta and Burbank are examples of cities that claim to have the information posted online but it is incomplete or extremely difficult to locate.

The Committee asked how salaries were determined and whether the public had a chance to comment on proposed salary increases before elected officials approved them. Most cities stated that information on salaries was available to the public but as stated, above was generally not available or in a format that was useful. Cities generally reported salaries are established in the original charter or adopted by ordinance or resolution and then approved in open session by the City Council. In some instances, cities stated that members of the public could request salary

material at the City Clerk's Office or that it is posted in unnamed public places or run in a news publication.

Salaries and benefits data

The following spreadsheet includes data showing the base salary and total cost for mayors, city council members and city managers. Total cost includes items such as health costs and retirement payments that are not necessarily earned by the employee but are a cost to the city. (Also included in this binder is a salary survey of city managers conducted by the League of California Cities. Their survey's numbers differ from the Committee's numbers because they did not include health benefits or retirement contributions in their calculation of compensation.)

The spreadsheet also includes a "Notes" section that highlights any unusual benefits paid out to these officials. Populations of the cities also are included. Of the 119 charter cities in California, seven cities did provide salary data information by Wednesday, Sept. 22. Some did not provide complete information, such as actual 2009 compensation levels, in time to be included in this document. Blank spaces in the spreadsheet indicate the city did not provide the needed information.