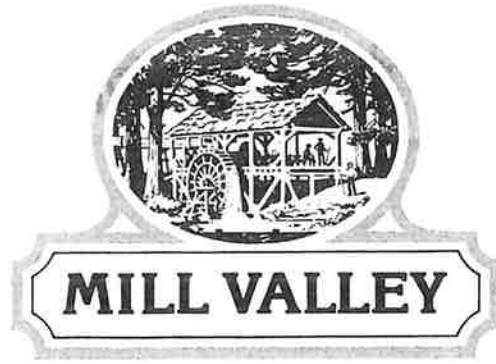


Sashi McEntee  
Mayor  
John McCauley  
Vice Mayor  
Jim Wickham  
Councilmember



Urban Carmel  
Councilmember  
Tricia Ossa  
Councilmember

July 7, 2020

The Honorable Judge Kelly V. Simmons  
Marin Superior Court  
P.O. Box 4988  
San Rafael, 94913-4988

Lucy Dilworth, Foreperson  
Marin County Civil Grand Jury  
3501 Civic Center Drive, Suite 275  
San Rafael, CA 94903

*Re: Response to Marin County Civil Grand Jury Report: "Follow-Up Report on Web Transparency of Agency Compensation Practices"*

Dear Judge Simmons and Foreperson,

The City of Mill Valley has been requested to respond to four of the Grand Jury's six findings and five of the seven recommendations in this report:

- **Grand Jury Finding 1(F1):** Many Marin public agencies fail to include on their websites either a link to the [publicpay.ca.gov](http://publicpay.ca.gov) site showing compensation for their elected officials, officers, and employees, or a table showing such data. The Grand Jury determined that these agencies fail to comply with the requirements of Government Code Section 53908.

**Recommendation 1 (R1):** To comply with the intent of Government Code Section 53908, no later than 90 days after the date of this report, agencies should include on their websites a link to the [publicpay.ca.gov](http://publicpay.ca.gov) site showing compensation of their elected officials, officers, and employees using the formatted URL examples noted in the report.

**City Response:** Agree. The City of Mill Valley currently utilizes the 'Transparent California' link on its website but will switch to the [publicpay.ca.gov](http://publicpay.ca.gov) link since it is specifically called out in Government Code Section 53908.



- **Grand Jury Finding 2 (F2):** Any link to compensation data on an agency’s website that takes more than five minutes or three clicks from the homepage to locate, does not reasonably satisfy the intent of the Government Code that the information be easily located and ‘conspicuous’ on the agency’s website.  
**Recommendation 2 (R2):** No later than 90 days after the date of this report, agencies should modify the location of their existing publicpay.ca.gov links to satisfy the requirement of Government Code Section 53908 that their link be “conspicuous.”

**City Response:** Agree. The Grand Jury suggests that the City place its ‘publicpay’ link at <http://www.cityofmillvalley.org/gov/departments/finance/default.htm>. Currently the City’s compensation data is found on the City’s “Transparency” page (<http://www.cityofmillvalley.org/gov/agendas/transparency/default.htm>). Staff will add the ‘publicpay’ link to both the City’s “Transparency” page and the “Finance” page as suggested by the Grand Jury.

- **Grand Jury Finding (F3):** Any link to publicpay.ca.gov on an agency’s website that fails to go directly to the agency’s current compensation data on that website does not satisfy the intent of the Government Code that information be easily located.  
**Recommendation (R3):** No later than 90 days after the date of this report, agencies should modify their existing publicpay.ca.gov links so that they provide a direct link to their current compensation data on the state site. To eliminate the need for annual updates, the URL used for the link should exclude any parameter specifying a year.  
**Recommendation (R4):** No later than 90 days after the date of this report, in addition to any other compensation links, agencies should include a link on their board of council web pages that leads directly to their “Elected Officials” page on the publicpay.ca.gov site.

**City Response:**

- R3 - Agree. Staff agrees with the Grand Jury’s findings and recommendations and will update the City’s links so that they automatically take the user to the most recent posted compensation data.
- **Grand Jury Finding (F5):** Regarding detailed disclosure of total compensation paid, most public agencies do not break out all components of compensation paid to their elected officials, including salary, meeting fees or stipends (including compensation for serving as liaison to other advisory committees, councils, or forums), reimbursements, health and retirement benefits, and other benefits such as equipment.  
**Recommendation (R6):** No later than 120 days after the date of this report, agencies should adopt a practice to compile and publish each year an annual report detailing the compensation actually paid to their elected officials for the previous calendar year. Compensation disclosures should include, at a minimum, salary, meeting fees or stipends (including compensation for serving as liaison to other advisory committees, councils, and forums), reimbursements, health and retirement benefits, and other benefits such as equipment. A link to this report should be posted on the agency’s board or council web page.

**City Response:** Agree in part. The City annually reports the total compensation paid to its elected officials. However, the City's web pages for these officials have not contained a detailed breakdown of the various elements of their prior year's compensation.

The difficulty of obtaining the actual salary and benefits costs expended from the financial statements of a city is one of the challenges to assessing the costs cities devote to employees. Transparency has been a focus in Mill Valley. One of the City's Councilmembers coauthored the recent Marin County Council of Mayors and Councilmembers (MCCMC) report titled: "Marin County Local Government Reform of Pensions and Other Post- Employment Benefits Revisiting the Problem & Scope of Local Solutions."

The MCCMC report addresses a variety of issues including transparency. The report made a recommendation on transparency that the Grand Jury could have considered in its report. Here is a brief discussion from the MCCMC report:

"Government entities follow the pronouncements of the Government Accounting Standards Board (GASB) when preparing financial statements. The guidance for how to assemble basic financial statements is Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments – or "GASB 34" as it is more commonly known. GASB 34, Paragraph 87 requires that expenses are grouped by "function." An example of such groupings may include categories such as Administration, Public Safety (Police and Fire protection), Public Works (Streets and Parks), Library, and Recreation. The total costs of each of these functions are aggregated for disclosure. Examples of these categories include payroll, benefits, materials, vendor, and other costs.

The footnotes to the financial statements disclose specific information on expenditures and liabilities for pension costs, pension obligation bonds, OPEBs, and compensated absences. In general, the financial statements do not separately disclose salaries and wages by function, nor aggregate total employee benefit costs by function or in total.

In the interest of providing more transparency, Mill Valley has added an extra table to their financial statements to provide this data. The table is titled Salary and Benefits Supplemental Summary, Government Activities (Supplemental Summary).

The table reveals that total employee payroll costs for salaries and wages were \$14,105,000 for the fiscal year ending June 30, 2017. Employee benefit costs totaled \$8,213,000, which is 58% of salaries and wages. The sum of total salaries, wages and benefits expenditures was \$22,318,000 over the period."

The City will add this table to our salary disclosures and encourage other cities to do the same.

Should the members of the Grand Jury require additional information, please contact Acting City Manager Alan Piombo at 415-388-4033 or [apiombo@cityofmillvalley.org](mailto:apiombo@cityofmillvalley.org).

Sincerely,

A handwritten signature in black ink that reads "Sashi McEntee". The signature is written in a cursive, flowing style.

Sashi McEntee  
Mayor

Cc: Mill Valley City Council  
City Manager  
File

RESPONSE TO GRAND JURY REPORT FORM

Report Title: Follow-Up Report on Web Transparency of Agency Compensation Practices

Report Date: April 28, 2020

Response by: City of Mill Valley

FINDINGS

- I (we) agree with the findings numbered: F1, F2, F3, F4
- I (we) disagree wholly or partially with the findings numbered F5  
 (Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered \_\_\_\_\_ have been implemented.  
 (Attach a summary describing the implemented actions.)
- Recommendations numbered R1, R2, R3, R4, R6 have not yet been implemented, but will be implemented in the future.  
 (Attach a timeframe for the implementation.)
- Recommendations numbered \_\_\_\_\_ require further analysis.  
 (Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered \_\_\_\_\_ will not be implemented because they are not warranted or are not reasonable.  
 (Attach an explanation.)

Date: 7/7/20 Signed: [Signature]

MARIN COUNTY  
COUNSEL'S OFFICE

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