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Sept. 10, 2010

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FOR IMMEDIATE RELEASE

## **League of California Cities Releases Manager Compensation Survey** *Survey Demonstrates Compensation in Bell is Extreme Outlier*

Today the League of California Cities announced the release of a recently completed voluntary International City/County Management Association (ICMA) survey of the compensation of city and town managers across California. The survey results are available on the League's website at [www.cacities.org/opengovernment](http://www.cacities.org/opengovernment). Below is a brief summary of the survey's key elements:

- Of the 468 cities and towns with managers, 90 percent responded to the survey, with more continuing to report. Twelve cities have no city manager, either because they are too small or they have the mayor-council form of government (e.g., L.A. and San Diego). The position may be vacant in others.
- In order to secure a quick but complete response, city managers were asked to report the amount of compensation that appeared in "Box 5" of the Federal W-2 form for Calendar Year 2009. Although not perfect, this is a uniformly available compensation figure that includes salary and a variety of fringe benefits (e.g., car allowance, deferred compensation, payouts of unused leave, life insurance greater than \$50,000, etc.). It does not include health insurance or employer payments to defined benefit retirement programs, however. This latter information will be collected in the upcoming report from the State Controller's Office, which the League and Cal-ICMA (the California Affiliate of ICMA) have both offered comments on to the State Controller's Office.
- City managers who felt the amount reported in Box 5 of the W-2 was neither complete (as some had already released more comprehensive data) or otherwise needed an accompanying explanation were provided the opportunity to provide that information.

In announcing the completion of the survey, League Executive Director Chris McKenzie explained: "Sunshine is the best antiseptic, and the League is working to ensure maximum transparency of compensation information to provide residents with the tools they need to ensure continued accountability at the local level. Within days of the revelations of the excessive and unreasonable salaries paid to the former city manager of Bell and others, the League's City Managers' Department responded immediately by conducting a manager compensation survey in partnership with the International City/County Management Association. The City Managers' Department also began to develop guidelines for city councils in setting the compensation levels for appointed city managers that are expected to be released shortly after review and approval by the League's board of directors."

By publicly releasing the results of the survey, the League and its City Managers' Department are helping promote transparency and accountability for local residents and taxpayers. At the same time that the survey was underway, many cities moved quickly to post compensation information for elected and appointed city officials in easy-to-access locations such as websites – a move the League applauds and supports. The compensation survey is an initial effort to provide an "apples to apples" comparison of actual compensation in a consistent, verifiable way.

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Robin Lowe, League president and Hemet city council member, said: "It is the responsibility of the elected city council to set and evaluate the compensation and job-performance of every city manager. Ultimately, it is the job of every resident to hold elected officials and appointed officials accountable for these decisions. In providing this information, we hope we can engage local citizens. Citizens and taxpayers are the ultimate decision makers in any community."

Ken Pulskamp, president of the League's City Managers' Department and Santa Clarita city manager, observed: "This survey clearly demonstrates that the compensation paid to a few top officials in the city of Bell was an extreme outlier and an egregious abuse of the taxpayers in that city. The survey further shows the broad range of compensation provided to city managers, depending in part on the size, location and complexity of their cities' services. Other factors affecting compensation include: the city's financial condition; the compensation of managers in similar cities; the manager's credentials and experience; and the compensation of other individuals in the organization that report to the city manager, reflecting the manager occupies the highest level of responsibility and accountability in the organization."

### **The Council-Manager Form of City Government**

The council-manager form of city government is in place in 468 of California's 480 cities. It was initially adopted during the Progressive era of late 19th and early 20th centuries as a way to reform the problems at that time with the mayor-council and commission forms of city government. Under the council-manager plan, the city council is responsible for the legislative function of the city, including establishing goals and policies, passing local ordinances, and approving the budget. The city manager is the chief executive officer of the municipal corporation (or city) and is responsible for the implementation of these goals, policies and ordinances as well as compliance with all state and federal laws. The city manager is also responsible for the effective and efficient delivery of city services that protect the public's safety, improve the quality of life, and enhance the community's economy.

- City managers are ultimately in charge of running police and fire departments, with police and fire chiefs reporting to them.
- City managers are responsible for the management of parks, libraries, recreation and youth activities that make our communities better places to live.
- City managers oversee utility services, planning services, road and street repairs, infrastructure development and business planning and support to enhance the local economy.

Many city managers today have advanced degrees in public administration and are required to be experienced and knowledgeable in public safety, budgeting, legislative affairs, human resources, organizational development, community and economic development, public works, planning and land use, community services and cultural activities. City managers are appointed and removed by city councils and operate under a code of ethics through their professional organization (ICMA) that governs their conduct and ensures the highest level of integrity.

We encourage media to contact individual cities if you have questions about information contained in the survey.

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