

City Manager's Message on Transparency & City Employee Compensation

The City of Benicia City Council and Staff firmly believe that our citizens have a right to full transparency with respect to public information, including the wages and benefits received by City employees. To that end, salary and benefit information has been available on the City's website for a number of years. More recently, in late 2010, the City added a button conveniently located on the front page of the web site which is entitled "Employee Compensation." Further, the City's website provides specific total compensation data for employees by name, not just base salary information by job title, which is the norm for other public sector organizations. The Employee Compensation page has been recently updated to include a report of 2010 compensation figures, and can be found at www.ci.benicia.ca.us under "Employee Compensation."

There has also been some concern expressed by members of the local community over the level of compensation provided to our employees and how this compares to other public agencies and the private sector. Comparing public employee compensation is much more complex than has been characterized. In order to achieve a true "apples-to-apples" comparison many more factors must be considered. Beyond population, some of the factors that need to be considered include the geographical size of the community, the level of services provided, the cost of living, the quality of life expected by residents, the organization's operating income, what other public/private employers the agency is in competition with to attract qualified employees, and the various elements that make up the compensation of comparator agencies, among others.

For example, Benicia is a true "full-service" city that provides all municipal services to its citizens, except utilities such as electricity and gas. Services in other communities may be provided by more than one public agency, such as a sewer, water or park district, with a separate governing Board and staff, thus reducing the level of responsibility of the city staff. Another example would be the quality of the parks and recreation services enjoyed by the city. The quality in one community may greatly exceed that provided by another, thereby increasing the cost to provide that service. Finally some comparative factors are not easily defined by simple geographical boundaries. In the case of Benicia, the cost of living is much more comparable to north Contra Costa County than to other cities in Solano County. A case in point would be housing costs.

With that said, the City Council and Staff fully understand the new economic realities created by the Great Recession and that everyone, including public agencies must tighten their belts, reduce costs and find more cost efficient ways to provide services. In regards to employee compensation in the last year alone the City of Benicia has taken steps to reduce salaries, cap City contributions to employee health benefits and reduce retirement benefits for new employees.

It is important to understand that when addressing employee compensation public agencies are required under California law to meet and confer with their employees as

part of the collective bargaining process. Existing collective bargaining agreements cover almost all City employees, including managers. These agreements, referred to as Memorandums of Understanding (MOU), detail the salary and benefits of each group. The recent compensation reductions were made via the meet and confer process with the City's various employee groups. The terms were reached through the negotiation process and memorialized in the MOU. It is a violation of law for an employer to change wage or benefits without negotiating in good faith with the organization that represents those employees. Copies of the MOU's can be obtained from the links on the Employee Compensation page.

Looking forward, the City Council recently initiated the budget process for Fiscal Years 11-13. A standing budgeting meeting has been scheduled for the fourth Tuesday of each month at 6 P.M. The public is encouraged to attend and provide input. Comments can also be submitted to the City to Anne Cardwell at acardwell@ci.benicia.ca.us. As part of the budget review process, the City Council will be closely examining all aspects of the City's revenues and expenditures, including employee compensation.

It is the City's intent to move quickly to address our fiscal situation and take some initial steps to mitigate any revenue shortfalls. However in order to achieve a long-term sustainable budget it is important that accurate information and data be obtained and utilized to guide the City in making critical expenditure decisions. Achieving a sustainable budget is critical to ensuring the City's on-going fiscal wellbeing; that we maintain and enhance the high quality of services our citizens enjoy and that we keep Benicia competitive in attracting talented and experienced staff that is responsible for providing those services. I encourage our citizens to become informed and involved in the City's budget process to ensure your interests are being considered.

For further information regarding City employee compensation, we invite you to review the information available via the various links, which can all be accessed on the City's website under "Employee Compensation". Recent additions to the website are marked ***New**.

We hope this information has made it easier to find information on City employee compensation. As always, please let us know if you have suggestions for improvement. I can be reached directly at (707) 746-4200 or at bkilger@ci.benicia.ca.us.

-Brad Kilger, City Manager
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