

# Public Officials' Compensation Report

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The City of Laguna Hills welcomes and encourages public participation and interest in the important decisions associated with governing our City and delivering the services that are most important to our citizens. Crucial to this undertaking is the establishment of a strong public trust. Your elected and appointed leaders are empowered by you, the citizenry, to make decisions that can have a significant impact on the quality of life in this community. That responsibility is taken very seriously. That is why good financial stewardship and transparency with regard to the expenditure of the City's treasury is so important. Pursuant to the Laguna Hills Municipal Code (chapter 2-44), the following compensation information is presented.

## CITY COUNCIL COMPENSATION:

City Council members are elected to serve four-year terms of office. They are paid a monthly stipend of \$623.66, as authorized under State Law, for the time they contribute to serving their community and fulfilling their constitutional duties. While it is considered a part-time job, there are periods of time when a great many hours must be committed to attending public meetings within the City and also to representing the City of Laguna Hills at events and meetings held by other governmental agencies.

Most of these meetings are held during the regular work week and require Council members to take leave from their private, full-time employment.

In an effort to streamline the land-use planning process and save money, the City Council also sits as the Laguna Hills Planning Agency. Council members do not receive any additional compensation for this service. The full City Council also appoints individual Council members to serve on a variety of regional boards. You can find a complete listing of all appointments [here](#). For the most part, Council members serve on these governing boards with no additional compensation; however, there are a few governing boards that pay meeting stipends to appointed members to compensate them for their mileage and the amount of time required to effectively serve. The Council members that are due to receive meeting stipends from the Boards on which they serve are as follows:

Orange County Fire Authority – Josh Sweeney: \$100 meeting stipend (\$300 maximum per month).

San Joaquin Transportation Corridor Agency – Erica Pezold: \$120 meeting stipend (maximum of eighteen meetings per quarter).

As part-time employees, City Council members and their dependent family members are eligible to participate in the City's group health plans (medical, dental, vision, and EAP) along with all other eligible City employees. The following list shows the

total insurance premium cost incurred by the City of Laguna Hills for each member of the City Council:

- Donald Caskey: \$ 1,375.92 for calendar year 2025
- Jared Mathis: \$ 1,375.92 for calendar year 2025
- Erica Pezold: \$ 37,047.36 for calendar year 2025
- David Wheeler: \$ 1,375.92 for calendar year 2025
- Josh Sweeney: \$ 35,201.52 for calendar year 2025

The City does not provide retired Council members with any retiree health coverage, nor are they permitted to purchase their health benefits through the City's group health plan after they retire.

In addition to the monthly stipends, CalPERS contribution, and insurance premiums as stated above, City Council members may be reimbursed for their routine travel and incidental expenses associated with attending training, meetings, or other official business pertaining to the City. This can vary widely from year-to-year depending on the circumstances and demands of City business.

## CITY ORGANIZATION:

The City of Laguna Hills is a General Law City which means that most of the laws we operate under were first established by the State of California. When permitted to do so by the State Constitution, the City may adopt new or more restrictive laws than those already established by the State. Laguna Hills operates under what is known as the Council-Manager form of Government. This form of government is modeled after the traditional corporate business model of a Board of Directors (the City Council) and a Chief Executive Officer (the City Manager). The role of the City Council is primarily to make policy-level decisions, to adopt the annual budget, and to make land-use decisions and other financial and legislative decisions as required by law. The City Manager's role is to oversee the day-to-day operations of the City, to implement the City's budget and to implement the laws and policies established by the City Council. The specific enumerated duties of the City Council and the City Manager are set forth in Sections 2-04 and 2-08 of the City of Laguna Hills Municipal Code.

Laguna Hills has always prided itself in being a streamlined and efficient organization, and while there are only 27 full-time employees, the City's actual total workforce is much higher. These positions are filled with a variety of full-time employees, part-time employees, and contractors. By design, the City Council and City Manager have chosen to use contracted services whenever advantageous to do so in lieu of hiring City employees to perform the work. This strategy has proven to be a cost-effective approach to providing traditional city services. It has also been proven to be a very effective way to quickly adjust staffing levels to properly reflect the changing demands that are often driven by the economic conditions of a given time period.

The City Manager has a management staff of five professionals who report directly to him. Collectively, they serve as department heads over all City operations. All management salaries are set by the City Council pursuant to authorizing Resolutions adopted at public meetings. Salaries are benchmarked against comparable positions in Orange County. The compensation of all management staff, beginning with the City Manager, is listed below.

## MANAGEMENT STAFF COMPENSATION

### **CITY MANAGER:**

The City Manager serves at the pleasure of the City Council. His specific powers and duties are established by law in the City of Laguna Hills Municipal Code. His compensation and other related terms of employment are embodied in an Employment Agreement. The City Manager may be removed from his position upon a majority vote of the City Council at a lawfully noticed public meeting conducted in accordance with the requirements set forth in the Municipal Code and his Employment Agreement.

The City Council has established a practice of setting the City Manager's salary at a level commensurate with his professional competence, knowledge, education, length of service, and performance. The City Manager receives all of the same employee fringe benefits that are afforded to all City employees. That includes, City-paid medical, dental and vision coverage; group life and disability insurance; a defined benefit pension plan through CalPERS; and supplemental retirement contributions. The City Manager pays his full share of the employees' individual contribution rate. The City also contributes toward additional benefits such as Deferred Compensation, and Excess Life and Disability Insurance.

Calendar year 2025 was a year of transition for the City Manager position. Jarad Hildenbrand began serving on May 16, 2022 and voluntarily terminated his employment effective August 8, 2025. Total wages for Mr. Hildenbrand was \$238,964.12, and the value of benefits totaled \$69,257.14. This equates to a total cost of \$308,221.26 in 2025. Assistant City Manager Joseph Ames was appointed Interim City Manager effective August 8, 2025. His tenure in this role lasted until November 30, 2025. Mr. Ames salary and benefits will be shown below, since his role also includes Assistant City Manager and Public Works Director duties. Effective December 1, 2025, the City Council hired Bob Wingenroth as the new City Manager. His annual base salary is currently \$290,000. Total wages for Mr. Wingenroth was \$11,153.85 in 2025, and the value of benefits totaled \$2,050.64. This equates to a total cost of \$13,204.49 in 2025.

### **ASSISTANT CITY MANAGER:**

The Assistant City Manager, Joseph Ames, is appointed by the City Manager and serves at his pleasure. He is an "At-Will" employee under State law. As the Assistant City Manager, Mr. Ames serves as the Public Works Director, the City Engineer, and the City Traffic Engineer. Mr. Ames directs the functions of the Engineering Division, Public Works Maintenance Division, Parks Division, Capital Improvement Administration, and is the principal staff for the City's Traffic Commission. He also directs the functions of Information Technology and Solid Waste Administration. Also, as previously mentioned above, Mr. Ames served as Interim City Manager for approximately 4 months in 2025.

Total wages for Mr. Ames was \$264,095.55 in 2025. Mr. Ames also received additional benefits (retirement, health, disability and life insurances, auto allowance) that had a total annual value of \$49,112.81. The combined total of all the above-listed annual compensation items is \$313,208.36.

### **FINANCE DIRECTOR:**

The Finance Director, Eric Hendrickson, is appointed by the City Manager and serves at his pleasure. He is an "At-Will" employee under State law. In addition to the traditional duties of Finance Director, he also functions as the department head for Budget, Investments, Benefits Administration and Risk Management.

Total wages for Mr. Hendrickson was \$229,278.57 in 2025. Mr. Hendrickson also received additional benefits (retirement, health, disability and life insurances, auto allowance) that had a total annual value of \$77,599.19. The combined total of all the above-listed annual compensation items is \$306,877.76.

### **COMMUNITY DEVELOPMENT DIRECTOR:**

The Community Development Director, Jennifer Lowe, is appointed by the City Manager and serves at his pleasure. She is an "At-Will" employee under State law. As the Community Development Director, she oversees the Planning, Building, Code Enforcement, and Receptionist functions for the City of Laguna Hills. She is the principal staff for the City's Planning Agency.

Total wages for Ms. Lowe was \$213,022.48 in 2025. Ms. Lowe also received additional benefits (retirement, health, disability and life insurances, auto allowance) that had a total annual value of \$38,978.33. The combined total of all the above-listed annual compensation items is \$252,000.81.

## **CHIEF OF POLICE SERVICES:**

The Chief of Police Services, Captain Bill Burk, is selected by the City Manager. He is an employee of the Orange County Sheriff's Department. In addition to the traditional duties of a Police Chief, he also oversees Emergency Management. As an employee of the Sheriff's Department, Capt. Burk does not receive any compensation directly from the City. The cost of his position is paid for under the City's contract with the Sheriff. For the current fiscal year, that annual cost to the City is \$535,851.

## **DIRECTOR OF COMMUNITY SERVICES:**

The Director of Community Services is appointed by the City Manager and serves at his pleasure. This individual is an "At-Will" employee under State law. The Director of Community Services is the department head of the Community Services Department and is responsible for the management of the 18-acre Laguna Hills Community Center and Sports Complex. Duties include, but are not limited to, parks and facility rentals, contract class administration, event management, and other parks and recreation functions. This person is also the principal staff support assigned to the City's Parks and Recreation Commission.

David Reynolds served in this role, and also as Deputy City Manager, through February 26, 2025. Total wages for Mr. Reynolds was \$112,350.64 in 2025. Mr. Reynolds also received additional benefits (retirement, health, disability and life insurances, auto allowance) that had a total annual value of \$42,657.82. The combined total of all the above-listed annual compensation items is \$155,008.46.

Effective March 10, 2025, Holland Gannon served as Interim Community Services Director, and in July 2025 became the permanent Community Services Director. Total wages for Ms. Gannon in this role (and including her previous role of Community Services Manager) was \$194,254.89 in 2025. Ms. Gannon also received additional benefits (retirement, health, disability and life insurances, auto allowance) that had a total annual value of \$27,391.54. The combined total of all the above-listed annual compensation items is \$221,646.43.

## **CITY CLERK:**

The City Clerk, Jennifer Lee, is appointed by the City Manager and serves at his pleasure. She is an "At-Will" employee under State Law. Ms. Lee oversees the City Clerk Services for the City, and is responsible for administering the City's legislative process including the publication of notices and ordinances, agenda preparation, recording and communicating all City Council actions taken and proceedings conducted, the City's Records Management Program, Municipal Elections, and preparation of the City's Municipal Code.

Total wages for Ms. Lee was \$174,633.59 in 2025. Ms. Lee also received additional benefits (retirement, health, disability and life insurances, auto allowance) that had a total annual value of \$64,867.26. The combined total of all the above-listed annual compensation items is \$239,500.85.

### California Public Employees Retirement System (CalPERS)

After incorporation in 1991, the City joined CalPERS in 1992. Today, of the over 480 cities in California, 449 are members of CalPERS. CalPERS offers a wide array of defined benefit pension plans, generally described by one of the following formulas:

- 2.0% at the age of 60
- 2.0% at the age of 55
- 2.5% at the age of 55
- 2.7% at the age of 55
- 3.0% at the age of 60

Laguna Hills retained the more conservative and sustainable 2.0% at 60 formula. In Orange County, many cities still provide the 2% at 55 pension plan or the more lucrative 2.5% or 2.7% at 55 formulas. These more lucrative 2.5% or 2.7% formulas serve to enhance pension benefits by 20% to 26% over and above the City of Laguna Hills' pension plan. Since January 1, 2013, pursuant to State law, all new employees who have not been a part of a public employee pension plan in the previous six months are under a 2% at 62 formula. It should also be noted that in Laguna Hills, the only compensation that can be legally used to calculate an employee's retirement pension is base salary, plus performance-based incentive pay. No other benefits, including vacation buy-outs, can be used to enhance an employee's pension.

There are two components of the City's contributions to CalPERS. The following table describes CalPERS contributions for Fiscal Year 2025/26.

<b>Pension data for Fiscal Year 2025/2026</b>	<b>Employee Contribution</b>	<b>Employer Contribution</b>	<b>Employer Unfunded Accrued Liability Cost</b>
Classic employees (those enrolled in CalPERS prior to 2013)	7.00%	11.54%	\$ 544,122
PEPRA employees (those enrolled in CalPERS 2013 and after)	8.25%	8.27%	\$ 9,134

The City's employer contributions are considered an asset of the City and not of its employees.

## Retiree Health Savings Plan

It is a common practice for governmental agencies to provide retiree health insurance coverage to their employees. Over fifteen years ago, the City evaluated the provision of this benefit to its employees. The analysis showed that it was just too expensive. As a cost-effective alternative, the City evaluated a Retiree Health Savings (RHS) plan for long-time employees. This type of plan functions like a defined contribution 401k plan. After ten years of full-time employment, employees are enrolled in the City's RHS plan and the City starts contributing \$5,000 annually while the employee is employed by the City. In addition, any unused sick leave over 160 hours is bought out by the City and deposited in the employee's RHS account. The employee may use these contributions to help defray medical expenses in retirement. When the employee retires, or exits employment with the City, the City has no post-employment benefit obligation. The City Council does not participate in this plan.

## Vacation Buy-out

City employees accrue vacation leave at various levels depending on years of service. State law requires that employees be compensated for unused vacation leave when they exit employment with the City. It is a recommended best management practice to limit the amount of vacation leave that an employee may accumulate. In Laguna Hills, the maximum number of hours that an employee may carry-over from one year to the next is 320 hours. If at the end of a given fiscal year, an employee has an excess of 320 hours of vacation, the City buys out all vacation leave in excess of the 320 hours. The City encourages all employees to reduce their unused leave balances each year to 160 hours or less. This practice allows the City to avoid the accumulation of large unfunded liabilities. To the extent that an employee has his or her vacation bought out by the City, it is taxable compensation. And, as stated above, it is illegal to include vacation buy-outs when an employee's pension is calculated. City Council members do not receive vacation, nor any other types of leave.