



CITY OF RANCHO PALOS VERDES

MEMORANDUM

TO: HONORABLE MAYOR & CITY COUNCIL MEMBERS
FROM: SEAN ROBINSON, HUMAN RESOURCES MANAGER
DATE: SEPTEMBER 30, 2014
SUBJECT: CLASSIFICATION / COMPENSATION STUDY UPDATE
REVIEWED: CAROLYNN PETRU, ACTING CITY MANAGER



RECOMMENDATION

1. Receive and file an update on the Classification and Compensation Study; and
2. Provide input to the consultant regarding comparator agencies for inclusion in the compensation study.

BACKGROUND

At its meeting on July 29, 2014, the City Council approved a Professional Services Agreement with Koff & Associates for a comprehensive classification and compensation study for all full-time and part-time personnel. As discussed in previous Staff Reports, the City of Rancho Palos Verdes last conducted a salary survey in 2010, and it has been over 20 years since the City completed a classification study. It is a recommended practice, as an industry standard, to periodically review and update personnel classifications and adjust compensation levels as necessary. Given the City is currently negotiating the next Memorandum of Understanding (MOU) with the City's Employee Association, it is pertinent to determine whether the City's defined classification structure and compensation levels are commensurate with similarly-sized and geographically local communities.

The components of the Classification and Compensation Study broadly include:

- Updating the classification plan for the approximately 50 classifications representing 62 full-time and 30 part-time employees;
- Developing a classification structure reflecting the City's overall classification and compensation strategy, with a clear definition of terms and the development of career ladders for full- and part-time Staff;
- Reviewing background materials;
- Conducting orientation and briefing sessions with employees, supervisors, manager,

- and department heads;
- Developing an employee questionnaire;
- Conducting interviews with all pertinent Staff;
- Matching labor market and benchmark classes most closely representing the City of Rancho Palos Verdes;
- Assigning salary ranges to each classification,
- Reflecting the results of the market survey and analysis of internal relationships;
- Assisting in the development of a strategy for implementing the compensation recommendations and plan; and
- Presenting the final Classification and Compensation Report to the City Council.

DISCUSSION

Staff coordinated meetings with the City's executive management team and Koff & Associates, as well as all interested and impacted personnel. These meetings were conducted on Tuesday, August 19th. Since that time, Staff launched the Position Description Questionnaires (PDQs). All Staff PDQs were reviewed by employees' supervisors and have been referred to Koff & Associates personnel.

Staff worked with Koff & Associates Project Manager Georg Krammer and his colleagues to schedule individual employee interviews. These interviews were scheduled to be conducted on Monday, September 29th; Tuesday, September 30th; and Wednesday, October 1st. Once all employee interviews have been completed, Staff anticipates Koff & Associates beginning the compensation portion of the study.

As per City Council prior direction, this evening Koff & Associates personnel seeks to engage the City Council in the identification of the desired comparator agencies from which compensatory data will be gathered. Attached is a matrix developed by Koff & Associates personnel, reflecting their best professional advice with regard to appropriately sized and similarly situated comparator agencies.

Agencies brought forth by Koff & Associates for comparative purposes include: City of Agoura Hills, City of Hermosa Beach, City of Dana Point, City of Redondo Beach, City of Rolling Hills Estates, City of Calabasas, City of Seal Beach, City of San Juan Capistrano, City of El Segundo, and the City of Malibu. Elements considered by which the comparator agencies were identified include: geographic proximity, agency population, full-time employee to population ratio, median household income, and median home price.

Based upon the timelines provided by Koff & Associates, the results of the study remain on schedule to be presented to the City Council by early December 2014.

Attachment:

- Proposed List of Comparator Agencies

City of Rancho Palos Verdes
Proposed List of Comparators
Total Compensation Study
August 2014

City	Criteria Comparison Score	Overall Ranking
City of Rancho Palos Verdes	9	1
1 City of Agoura Hills	80	2
2 City of Hermosa Beach	86	3
3 City of Dana Point	92	4
4 City of Redondo Beach	92	4
5 City of Rolling Hills Estates	96	6
6 City of Calabasas	98	7
7 City of Seal Beach	107	8
8 City of San Juan Capistrano	116	9
9 City of El Segundo	117	10
10 City of Malibu	117	10
11 City of Lawndale	118	12
12 City of Lomita	119	13
13 City of Cerritos	123	14
14 City of Cypress	123	14
15 City of Manhattan Beach	128	16
16 City of Laguna Beach	129	17
17 City of Palos Verdes Estates	131	18
18 City of Santa Monica	148	19
19 City of Newport Beach	149	20
20 City of Lakewood	155	21
21 City of Torrance	155	21
22 City of Carson	158	23
23 City of Compton	170	24