



**City of Santa Monica  
Compensation and Staffing Review  
Work Plan**

<b>I. Project Objectives</b>	
<ul style="list-style-type: none"> <li>• Perform a review of the City of Santa Monica’s overall a) wage and benefits setting process, b) wage and benefits packages, c) staffing methodology and levels, and d) use of overtime for public safety services in order to increase community understanding of, and visibility to, the City’s personnel costs and identify potential new City compensation strategies.</li> </ul>	
<b>II. Scope of Work</b>	
<b>Phase 1 – Project Initiation and Ongoing Management</b>	
1.1	Conduct kickoff meeting with Audit Subcommittee and Ad Hoc Committee (citizen’s committee appointed by City Manager) to confirm objectives, participants, schedule, and deliverables.
1.2	Submit document request list to City and 11 peers. Peers include Anaheim, Beverly Hills, Burbank, Culver City, El Segundo, Glendale, Inglewood, Pasadena, Redondo Beach, Santa Barbara, and Torrance.
1.3	Schedule interviews with City stakeholders, including City Manager’s Office, department heads, and bargaining unit heads.
1.4	Schedule interviews with peers.
1.5	Conduct project management and progress reporting.
1.6	Perform quality assurance.
<b>Phase 2 – Fact Finding</b>	
2.1	Obtain and review relevant documents from the City for the selected years (see III. Areas of Focus for the years that apply to each component of the project objective), including, but not limited to, budgets and CAFRs, service level agreements and reports, organizational charts, staffing lists, HR wage setting policies and procedures, labor agreements, overtime usage reports for Public Safety employees.
2.2	Conduct interviews with City stakeholders.
2.3	Gather information from peers through website searches, online survey, and interviews.
2.4	Develop preliminary findings (see III. Areas of Focus).
2.5	Present preliminary findings to Audit Subcommittee and Ad Hoc Committee.
2.6	Revise preliminary findings as necessary.

<b>II. Scope of Work</b>	
<b>Phase 3 – Analysis</b>	
3.1	Compare City Santa Monica’s a) overall wage setting process, b) wage and benefits package, c) staffing methodology and levels, and d) use of overtime for public safety services with that of peers.
3.2	Determine gaps between current City and peer practices and, to the greatest extent possible, reasons for gaps.
3.3	Conduct alternatives analysis to define solutions.
3.4	Prepare draft findings and recommendations and review with City to verify facts and test the practicality of recommendations.
3.5	Revise draft findings and recommendations as necessary.
<b>Phase 4 – Reporting</b>	
4.1	Submit draft report.
4.2	Submit final report.
4.3	Present final report to Audit Subcommittee and Ad Hoc Committee.

<b>III. Areas of Focus</b>	
A.	Wage and Benefit Setting Process: Document the current wage setting process for each bargaining unit, and assess processes for opportunities for improvement.
B.	Wages and Benefits: Understand the terms of bargaining unit agreements and, for a representative sample set of positions (levels and types of positions for each City department), document the wages and benefits for Santa Monica for the past five fiscal years (FY 12, FY 13, FY 14, FY 15, and FY 16), compare to peers for the past three fiscal years (FY 14, FY 15, and FY 16), and document comparison results. Also, document the compensation for top five highest paid positions for each of the top five largest cities in the United States.
C.	Staffing Methodology and Levels: Document the City’s staffing philosophy and related policies; document staffing levels for FY 07 through FY 16; and document results. Compare to peer service offerings and insourcing versus outsourcing practices. Compare to peer key performance indicators (e.g., efficiency measure such as cost per FTE or capita and effectiveness measure such as service delivery outputs or outcomes).
D.	Public Safety Overtime: Document overtime utilization for the past three fiscal years (FY 14, FY 15, and FY 16) by department, unit, and person. Compare to staffing levels, turnover, and key performance indicators (e.g., efficiency measure such as cost per FTE or capita and effectiveness measure such as crime rate or response time).

# MOSS ADAMS<sub>LLP</sub>

## IV. Schedule

- May 2017 project start and January 2018 project completion
- Committee Meetings (Audit Subcommittee with Ad Hoc Committee): project kickoff on August 23, 2017, briefing on preliminary findings on October 17, 2017, and delivery of final report on January 16, 2018

## V. Budget

- Professional fees not to exceed \$210,000, plus expenses
- Work will be performed in accordance with AICPA consultancy standards

## VI. Staffing

- Colleen Rozillis, PMP, Manager (PM)
- Mark Steranka, Partner (QA)
- Tammy Lohr, Consultant (Analysis)
- Emily Oxenford, Senior Research Analyst (Benchmarking)