



# The Municipal League of Beverly Hills

Since 1962 - The Residents' Voice

NEWSLETTER MARCH 2015

## Expansion of City Staff Size, Compensation and Benefits Continues

The economics of the City of Beverly Hills, and in particular the spending of our tax dollars, is a subject of substantial ongoing concern to many residents.

During the City's recent "negotiations" with its employee labor unions, City Council discussions and approvals occurred in closed sessions from which the public was excluded and prevented from commenting until after binding decisions were already made. Many were taken aback, once again, when it was learned that, even before the controversial compensation increases, the total average compensation for the 28 members of the Beverly Hills Executive Management Group was \$275,278 per employee. The Group consists of department directors, assistant directors and senior management employees, but does not include the City Manager and the City Clerk.

With a subsequent increase of 10% approved by the Council majority in January 2015, that average compensation rose to more than \$300,000.

The disproportionate scale of City of Beverly Hills staffing relative to other California cities is clearly demonstrated in the following chart.

CITY	POPULATION	STAFF SIZE	NO. OF RESIDENTS PER CITY EMPLOYEE
<b>Beverly Hills</b>	<b>34,677</b>	<b>1,200 *</b>	<b>29</b>
Newport Beach	86,874	1,180	73
Palm Springs	46,281	521	89
Santa Monica	92,472	1,700	54
West Hollywood	34,400	209 **	165

\* Approximate number of both full and part-time employees.

\*\* Police services are provided on a contract basis by the LA County Sheriff's Dept.

When weighing the cost, value and responsibility of the 28 members of the Beverly Hills Executive Management Group compensation, it may be useful to consider how these government positions compare:

POSITION	COMPENSATION
<b>Beverly Hills Executive Management Group, average of 28 positions - (excluding City Manager and City Clerk)</b>	<b>over \$300,000.00</b>
Chief Justice, California Supreme Court	\$249,341.00
Mayor, City of Los Angeles	\$207,274.00
Los Angeles County Supervisor	\$184,610.00
Governor, State of California	\$176,143.00
Senator, California Legislature	\$96,261.00
Assembly Member, California Legislature	\$93,962.00

The figures above are estimates based on reported data from published sources found for recent periods, and are believed to be reasonable for comparison purposes.

While the Group members now earn an average of \$300,000 plus, the median residential household income in Beverly Hills, according to the U.S. Census Bureau for 2013, was \$86,141.

Beverly Hills taxpayers spend approximately \$78,496,008 per year on employee wages and \$31,213,785 for retirement & health costs, which represents almost 70% of the City's General Fund. To put these figures in perspective, the City of Newport Beach spends a comparable amount on its staff, but they provide services for a residential population which is 2 ½ times greater than that of Beverly Hills.

It may be difficult to reform unbalanced and entrenched employee compensation practices, along with a broken retirement healthcare and pension system, but there is no question that such reform is needed, and that the City's lingering unfunded liabilities are unsustainable. Beverly Hills residents and taxpayers deserve efficient, conscientious fiscal management at all times, and a City Council who understands that its primary duty is to protect and safeguard the interests of our community.

## Good News From Our Schools

Hawthorne School has been selected as a California "School to Watch," a prestigious three year designation given to only seven schools in the state this year. This award is sponsored by the California Middle Grades Alliance and the California Department of Education. The award means that Hawthorne is an educational model for other schools of how to provide a quality middle school program.

In addition, all four K-8 schools remain in the top ten percent of all schools in the state of California for the first time in our district's history, each receiving a 900 or above on the latest Academic Performance Index (API) scores.

Our Academic Decathlon Team, under the leadership of Coach Dr. Phil Chase, has become a top five team in the state and tenth nationally in 2014. This year the team took third place in the L.A. County competition in February, and continues to the state level in Sacramento, March 18-22.

In January forty-six Beverly Hills students took part in the DECA SoCal Career Development Competition with 26 students receiving top three recognition in all aspects of events. DECA is a national organization, which prepares emerging leaders and entrepreneurs for careers in marketing, finance, hospitality and management. The BHHS DECA team headed to Santa Clara for the State Career Development Conference from February 26 to March 1, where the chapter was recognized for its service and given three spots to send students to participate in leadership academies.

The FIRST Robotics Competition is an annual international high school competition organized by FIRST (For Inspiration and Recognition of Science and Technology). Teams of high school students compete to build robots weighing up to 120 pounds, that can complete a specific set of tasks (the "Game"), which change every year. In 2013 and 2014 the BHHS Robotics Team, "MorTorq 1515," made it to the Robotics World Championship. Having just won the LA regional competitions in Long Beach in March, they will travel to St. Louis in April to take part in the World Championship for the third year in a row.

## **MTA Election - A Win For Beverly Hills**

The election of Inglewood Mayor James Butts to represent the Southwest Corridor sub-region on the Metro Board will hopefully better represent Beverly Hills, as well as all 15 cities in the South Bay Council of Governments and four Westside cities: Beverly Hills, West Hollywood, Santa Monica and Culver City. He will replace Santa Monica City Councilmember Pam O'Connor, who has represented our sub-region for the last 13 years and who has previously always run unopposed.

Ms. O'Connor was not sympathetic to our concerns regarding the routing of the Purple Line under Beverly Hills High School and, despite requests, refused to visit the school campus to see first hand what the issues were. O'Connor was supported by former Supervisor Zev Yaroslavsky and other local politicians who favor Metro's real estate developer-driven route decision. Councilmember Willie Brien also spoke on Ms. O'Connor's behalf. Councilmember John Mirisch, appointed by Mayor Lili Bosse to represent Beverly Hills, cast the city's vote for Mayor Butts.

Mayor Butts made it clear he would represent the cities that elected him, including Beverly Hills, rather than echo the views of his predecessor.

# Improved Utility Bill Aids Conservation - High Rates Unaffected

The Public Works Commission has unanimously approved a new utility bill for Beverly Hills that will break down the five services; Storm Water, Refuse, Alley Maintenance, Sewer, and Water. Further, the water component will be broken down to what is paid for each of the “tiers” that apply to your usage, for both residential and commercial customers. The charge for your water meter is also separately listed. All of this transparency should enable customers to better understand just what they are charged. The new bill includes a conversion chart that shows what a hundred cubic feet (HCF) equals in gallons and then what that equals in billable units.

This will create a more thorough way to evaluate conservation in your home, and allow for a better, more accurate dialog when questioning rates and charges. The city’s software will constantly be upgraded and changes will be implemented on future bills. For example, “Pay Online” options could be improved and perhaps more “tiers” added to the water component. The new bill could be sent out as early as spring this year.

The drought is continuing and the Public Works Commission, in compliance with the Governor’s “Emergency Conservation Measure” (implemented July 28, 2014), is working up a “Conservation Rate Concept” to present to the Council. If approved, the Commission will have figured out a way to reward conservation instead of just charging for over-usage.

Public Works Commission Meetings are held on the second Thursday of the month at City Hall, usually 8 A.M.

## **THE MUNICIPAL LEAGUE OF BEVERLY HILLS BOARD OF GOVERNORS**

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