

City of Long Beach Five-Year Wage Adjustment Summary FY 03 – FY 07

SUMMARY OF FISCAL YEAR INCREASES

ASSOCIATION	FY03	FY04	FY05	FY06	FY07	TOTAL	AVG/YR
CITY ATTORNEY	0%	3%	0%	3%	5%	11%	2.2%
CITY PROSECUTOR	0	3%	0	3%	6%	12%	2.4%
CONFIDENTIAL UNIT	0	3%	0	3%	5%	11%	2.2%
ENGINEERS	0	3%	0	6%	5%	14%	2.8%
FIREFIGHTERS	0	0	0	6%	6%	12%	2.4%
IAM	0	3%	0	3%	5%	11%	2.2%
LIFEGUARDS	0	0	0	6%	6%	12%	2.4%
POLICE OFFICERS *	0	0	0	6%	6%	12%	2.4%
MANAGEMENT **	0	0	0	1-6%	0-7%	1-13%	.2% - 2.6%

All employees pay 2% of salary toward retirement (PERS) and increased payment for health insurance.

- > 3 years with no salary adjustments
- ➤ Managers received an average of .2 to 2.6% per year over the last 5 years
- > Management pay adjustments based on performance

^{*} Above Police Officer Association increases are in addition to: 5% Longevity annual compensation increase for 10+ years of service (10/1/06); And an additional 5% annual compensation increase for 15+ years of service (10/1/07).

^{**} Increase % based on annual performance rating.



MANAGEMENT COMPENSATION Pay for Performance Structure

- Well defined Pay for Performance Compensation Structure
- Management Position Salary Ranges based upon job point value and comparable market data
- Annual Management Performance Appraisal based upon specific targeted results and managerial behavior criteria
- Targeted results established each October based upon City priorities; evaluated at year end

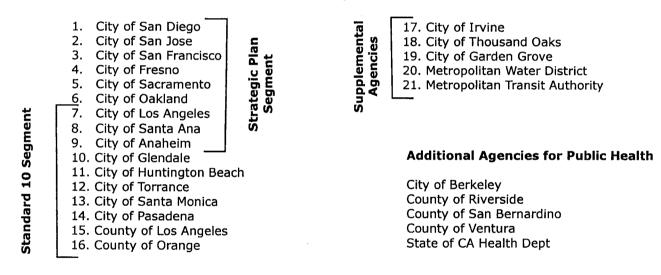
2006 Management Compensation Review

- Salary ranges had not been updated since 2001 due to salary freezes
- Pay-For-Performance negotiated in the Management MOU
- Management Association negotiated an external review of salary ranges in 2006
- Comprehensive market-based study conducted to bring salary ranges in-line with middle of the market



Management Salary Survey / Market Analysis

- RSG conducted an accurate, rigorous salary survey for the City.
- 21 agencies' salary data were collected by RSG.



• RSG performed the *job comparability* analysis for the 63 Long Beach **benchmark positions** versus each survey agency. [63 benchmarks ≈ one-third of the active management classes.]



Salary Survey Findings

- Current range midpoints for **79 percent** of the benchmark positions are *undervalued* versus the market.
- One-third of the benchmarks are *seriously* undervalued: from 11 to 31 percent below survey medians.
- Only 6 of the 63 positions surveyed have midpoints at, or slightly above, 4th quarter 2006 market medians.