



AGENDA REPORT

Meeting Date: December 1, 2009
Item Number: G-8
To: Honorable Mayor & City Council
From: Rod Wood, City Manager
Subject: **RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AMENDING THE COMPENSATION PLAN FOR DEPARTMENT DIRECTORS, ASSISTANT DEPARTMENT DIRECTORS, AND SENIOR MANAGEMENT EMPLOYEES**
Attachment: Resolution and Salary Schedule

RECOMMENDATION

The City Council approve the resolution amending the Compensation Plan for Department Directors, Assistant Department Directors and Senior Management Employees ("Compensation Plan" or "Plan").

INTRODUCTION

This amendment makes changes intended to be declarative of the existing definition of Management Incentive Pay and the existing practice related to salary ranges. It newly establishes specific amounts for the Management Incentive Pay in a three tier plan, consistent with existing groupings under the Plan.

DISCUSSION

The Public Employees' Retirement System ("PERS") is completing an audit of the City's retirement-plan reporting and related procedures. The PERS auditor has indicated a need for the City to formalize existing provisions related to Management Incentive Pay and employee salaries. Staff recommends these items be adopted and added to the Compensation Plan by the City Council. The definition of Management Incentive Pay is intended to be declarative of the existing program. The amendment adds specific dollar amounts at \$625 for Department Directors, \$400 for Assistant Directors and \$300 for Senior Managers. Previously, the amounts were set "at rates established by the City Manager." The salary schedule sets a formal range for each job classification in this group, but does not change the existing salaries of employees.

FISCAL IMPACT

The Management Incentive Pay amounts are being standardized in a three tier plan. The annual additional cost is estimated to be a little over \$10,000. Adoption of the formal salary ranges will have no fiscal impact since actual employee salaries are not changing.



Approved By
Rod Wood

RESOLUTION NO. 09-R-

RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS AMENDING THE COMPENSATION PLAN
FOR DEPARTMENT DIRECTORS, ASSISTANT
DEPARTMENT DIRECTORS, AND SENIOR MANAGEMENT
EMPLOYEES

The Council of the City of Beverly Hills resolves as follows:

Section 1. That certain amended Compensation Plan for Department Directors, Assistant Department Directors and Senior Management Employees (“Compensation Plan”), dated March 11, 2009, a copy of which is on file in the office of the City Clerk is hereby further amended as provided below.

Section 2. Section III of the Compensation Plan is hereby amended to read in its entirety as follows:

“III. MANAGEMENT INCENTIVE PAY

“Department Director, Assistant Department Director and Senior Management Employees shall be entitled to Management Incentive Pay (MIP) above their base pay, at rates established by the City Council, as listed below, and subject to change from time to time. MIP is a means of assuring the recruitment and retention of highly capable and qualified employees. It provides eligible employees extra pay for the unique nature of their jobs and the special skills, knowledge and abilities required. The compensation is paid as earned for normally required duties performed during normal work hours. It is not compensation in lieu of overtime nor in lieu of other benefits that are excluded from consideration under the statutes and regulations of the Public Employees’ Retirement System.

“Department Heads will be entitled to \$625.00 per month, Assistant Directors will be entitled to \$400.00 per month and Senior Management Employees will be entitled to \$300.00 per month.”

Section 3. A salary schedule specifying the salary range for each Department Director, Assistant Department Director and Senior Management classification, attached as Appendix A to this resolution, is hereby adopted and added to the Compensation Plan as

Appendix A to the Compensation Plan. The City Manager will set the base salary for each employee covered by the Compensation Plan within the specified salary range, subject to the guidelines provided in the Compensation Plan.

Section 4. The definition of Management Incentive Pay in Section 2, above, and the salary ranges in Appendix A, attached, are declarative of the terms, practices and intent existing on October 1, 2008 and continuing to present.

Section 5. The Management Incentive Pay amounts in Section 2, above, will be effective at the beginning of the first full pay period after adoption of this resolution.

Section 6. The City Manager or his designee shall administer the terms of the Compensation Plan on behalf of the City.

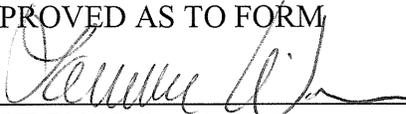
Section 7. The City Clerk shall certify to the adoption of this Resolution and shall cause this Resolution and his certification to be entered in the Book of Resolutions of the Council of this City.

Adopted:

NANCY KRASNE
Mayor of the City of Beverly Hills, California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM


LAURENCE S. WIENER
City Attorney

**DEPARTMENT HEAD - SENIOR MANAGEMENT SALARY RANGES
CITY OF BEVERLY HILLS
EFFECTIVE 10-1-08**

Classification Title	Current Monthly	Salary Range	
		Entry Rate	Max. Rate
ASSISTANT CITY CLERK	7,611	6,320	8,358
ASSISTANT CITY MANAGER	18,980	14,701	19,442
ASSISTANT DIRECTOR OF COMMUNITY SERVICES - LIBRARY SERVICES	12,110	10,669	14,109
ASSISTANT DIR. OF COMMUNITY SERVICES - RECREATION & PARKS	11,667	9,684	12,808
ASSISTANT DIR. OF COMMUNITY DEVELOPMENT - BUILDING OFFICIAL	12,108	11,123	14,711
ASSISTANT DIR. OF COMMUNITY DEVELOPMENT- CITY PLANNER	12,110	10,443	13,810
ASSISTANT DIR. OF PUBLIC WORKS & TRANSPORTATION - CITY ENGINEER	12,972	11,248	14,875
ASSISTANT POLICE CHIEF	17,574	13,966	18,470
ASST CHIEF INFORMATION OFFICER	10,810	9,371	12,394
ASST DIR ADMINISTRATIVE SERVICES - FINANCE	13,560	11,457	15,151
ASST DIR ADMINISTRATIVE SERVICES - HR	13,560	11,457	15,151
BUDGET AND MANAGEMENT OFFICER	9,347	8,746	11,567
CHIEF INFORMATION OFFICER	13,519	12,118	16,026
CHIEF OF POLICE	19,296	15,363	20,318
CITY CLERK	11,235	10,517	13,909
COMMUNITY DEVELOPMENT DIRECTOR	15,098	13,820	18,277
DEPUTY CITY ENGINEER	10,515	9,568	12,653
DEPUTY CITY MANAGER	12,110	9,966	13,180
DEPUTY CITY MANAGER	12,661	9,966	13,180
DEPUTY DIRECTOR OF TRANSPORTATION	11,228	10,271	13,584
DEPUTY FIRE CHIEF	17,400	13,217	17,480
DEPUTY FIRE CHIEF	17,400	13,217	17,480
DIRECTOR OF ADMINISTRATIVE SERVICES - CFO	15,854	13,944	18,441
DIRECTOR OF COMMUNITY SERVICES	14,892	12,952	17,129
DIRECTOR OF ECONOMIC DEVELOPMENT & MARKETING	10,727	9,238	12,218
DIRECTOR OF EMERGENCY MANAGEMENT	9,751	7,429	9,825
DIRECTOR OF PARKING OPERATIONS	11,440	9,771	12,923
DIRECTOR OF PROJECT ADMINISTRATION	10,595	9,247	12,229
DIRECTOR OF PUBLIC WORKS	15,826	14,106	18,655
DIVISION COMMANDER	13,089	10,346	13,089
ENVIRONMENTAL UTILITIES MANAGER	11,871	9,771	12,923
FIRE CHIEF	19,139	15,363	20,318
MAINTENANCE OPERATIONS MANAGER	10,590	10,284	13,601
RISK MANAGER	11,460	9,857	13,036
TRAINING AND DEVELOPMENT MANAGER	10,162	9,602	12,698

Pay Rates for Individuals: Actual rates are assigned WITHIN the entry to maximum range based on individual performance and periodic total compensation market surveys. There is No Entitlement to any specific rate within the range.

APPENDIX A