

CITY OF MANHATTAN BEACH
STEP VERSUS MERIT-ONLY COMPENSATION EXAMPLE

Teamster: Network Administrator
Hired January 2016

Management/Confidential: Senior Management Analyst
Hired January 2016

Steps Effective January 2016

<u>Progression</u>	<u>Monthly</u>	<u>Annual</u>	<u>% Chg.</u>	<u>Eff. Date</u>	<u>Monthly</u>	<u>Annual</u>	<u>% Chg.</u>
Hire - A	\$ 6,749	\$ 80,988		1/1/2016	\$ 6,985	\$ 83,820	
6-Month - AA	\$ 7,087	\$ 85,044	5%	7/1/2016	No Change	No Change	0%
1 Year Anniversary - B	\$ 7,441	\$ 89,292	5%				
2 Year Anniversary - C	\$ 7,813	\$ 93,756	5%				
3 Year Anniversary - D	\$ 8,204	\$ 98,448	5%				
4 Year Anniversary - E	\$ 8,614	\$ 103,368	5%				

Steps Effective January 2017

<u>Progression</u>	<u>Monthly</u>	<u>Annual</u>	<u>% Chg.</u>	<u>Chg.-PY</u>	<u>Eff. Date</u>	<u>Monthly</u>	<u>Annual</u>	<u>% Chg.</u>
Hire - A	\$ 6,900	\$ 82,800		2.24%				
6-Month - AA	\$ 7,245	\$ 86,940	5%	2.23%				
1 Year Anniversary - B	\$ 7,607	\$ 91,284	5%	2.23%	1/1/2017	\$ 7,141	\$ 85,692	2.23%
2 Year Anniversary - C	\$ 7,987	\$ 95,844	5%	2.23%				
3 Year Anniversary - D	\$ 8,387	\$ 100,644	5%	2.23%				
4 Year Anniversary - E	\$ 8,806	\$ 105,672	5%	2.23%				

Steps Effective January 2018

<u>Progression</u>	<u>Monthly</u>	<u>Annual</u>	<u>% Chg.</u>	<u>Chg.-PY</u>	<u>Eff. Date</u>	<u>Monthly</u>	<u>Annual</u>	<u>% Chg.</u>
Hire - A	\$ 7,107	\$ 85,284		3%				
6-Month - AA	\$ 7,462	\$ 89,544	5%	3%				
1 Year Anniversary - B	\$ 7,835	\$ 94,020	5%	3%				
2 Year Anniversary - C	\$ 8,227	\$ 98,724	5%	3%	1/1/2018	\$ 7,355	\$ 88,260	3.00%
3 Year Anniversary - D	\$ 8,639	\$ 103,668	5%	3%				
4 Year Anniversary - E	\$ 9,070	\$ 108,840	5%	3%				

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<u>Over a three year period (1/1/16-12/31/18)</u>							
Teamster: Network Administrator				Management/Confidential: Senior Management Analyst			
	<u>Monthly</u>	<u>Annual</u>	<u>Change</u>		<u>Monthly</u>	<u>Annual</u>	<u>% Chg.</u>
Starting January 1, 2016	\$ 6,749	\$ 80,988		Starting January 1, 2016	\$ 6,985	\$ 83,820	
Ending December 31, 2018	\$ 8,227	\$ 98,724		Ending December 31, 2018	\$ 7,355	\$ 88,260	
Difference	\$ 1,478	\$ 17,736	21.9%	Difference	\$ 370	\$ 4,440	5.3%
Average Adjustment	\$ 493	\$ 5,912		Average Adjustment	\$ 123	\$ 1,480	

Notes:

The sample progression assumes that:

1. Both positions are hired January 2016
2. The Network Administrator is hired in at A-step, progresses to AA-step after 6 months, and then subsequent steps annually
3. The Senior Management Analyst is assumed to be hired at the bottom of the range, with annual adjustments tied to Teamsters COLA. (2017-2.23%; 2018 - 3%)
4. Teamster raises are based on achieving at minimum satisfactory evaluation. There is no merit component. There is also no competition among the employees for limited resources. All employees receive the same amount regardless of performance as long as the minimum evaluation is obtained.
5. Management raises are based solely on merit and performance evaluations. There is no COLA component. Unlike Teamsters, Management adjustments are based on a maximum allocation, which may result in the City Manager's inability to recognize top performers.
6. All salary adjustment dates are highlighted in blue.