

The “\$100,000 Club” – City Employee Salaries Soaring

528 Employees – More Than Double A Year Ago – Budgeted For Six-Figure Base Salaries

By **GEORGE ECONOMIDES**
Publisher's Perspective

Considering that Mayor Bob Foster stated publicly last week that the City of Long Beach “is living pay check to pay check,” then the basic question each Long Beach City Councilmember must ask him or herself before approving the 2008 budget is: Does my approval of this budget best serve the needs of the taxpayers, or is it first serving the needs of city employees?

We're not being facetious. This is a legitimate, serious question that deserves an answer from each of the people elected to represent this city.

There have been significant increases during the past two years in the fees charged to taxpayers and the business community for permits and licenses to, as city staff so often says, “cover the cost of delivering services.” Yet during that same period, city employee salaries have soared. A reasonable argument can be made that the hike in fees were necessary to cover salary increases since the cost of a service is predicated largely on employee time.

The salary debate is not so much dictated by “do they deserve it?” as it is by “can we afford it?” What are the priorities of the elected officials in a city which is living pay check to pay check? Are employee salary increases – scores of which exceed \$12,000 in one year – more important than hiring additional police officers? Or fixing an aging city's infrastructure? Or renovating rundown fire stations?

How can Long Beach, whose population is one of the poorest in the state – e.g.: one of the highest in the number of people living below the poverty line; one of the lowest in home ownership; next to last in the state in per capita retail store sales – justify its salary increases? Doesn't it seem inconsistent?

Earlier this year, city councilmembers attempted to implement a compensation commission in order to increase their salaries. The ballot measure was soundly defeated by the voters. How do you think taxpayers would vote on city employee raises if given an opportunity – especially after reading this story's headline?

The \$100,000 Club

The Long Beach “Proposed Budget Fiscal Year 2008,” which goes into effect on October 1, 2007, lists 528 city employee positions with a base salary of \$100,000 or more. That's more than double the 259 listed in the 2007 budget, and more than triple the number of two years ago.

Put another way, approximately 1 of every 11 city employee posi-

A THREE-YEAR LOOK	
Budget Year*	\$100,000 Employees**
2008	528
2007	259
2006	166

*Fiscal year begins October 1.
**Not all budgeted positions may have been filled, or will be filled in the new fiscal year. Does not include benefits, overtime, etc.
Source: Data compiled from the City of Long Beach budget for each year shown

tions is budgeted at a six-figure base salary. With another 146 positions budgeted at \$90,000 to \$99,999, that means 1 in every 8.5 city positions is paid \$90,000 or more per year in base salary.

Let's take a wild guess that these employees aren't feeling the pain of living pay check to pay check.

The salary increases also affect payments into employee retirement benefits, nearly all of which are picked up by taxpayers. In the city's General Fund (which excludes the city departments of gas & oil, harbor, technology services and water), the projected pension cost for FY '08 is just over \$43.2 million, or nearly \$10 million more than the FY '05 cost of \$33.5 (refer to separate chart accompanying this story).

Not all budgeted positions are filled. Some go vacant the entire year. During the current year, for example, 436 of the roughly 5,770 employee positions were vacant as of the end of June. Which begs the question: What happens to the salary savings, which total tens of millions of dollars? If the money is already budgeted and not spent, where is it now?

Some Huge Salary Increases

Following are a few examples of hefty one- or two-year salary increases (see chart accompanying this story for more):

- Marine safety chief went from \$105,834 in the FY '06 budget to \$139,726 in FY '08 – 32%!
- Manager personnel operations went from \$95,037 to \$120,816 in two years – 27%!
- Deputy chief of police (3 positions) went from \$143,049 in '07 budget to \$163,530 in '08 – 14.3% in one year!

These examples are of individuals who certainly carry a lot of responsibility, but they are not department heads. It seems, however, that when a department head gets a hefty increase, as most in Long Beach have in the past two years, those below them also get a big, fat raise.

(We should note that some of the salaries listed in the FY '08 budget are already in place, while others will go into effect some time on or after October 1, 2007.)

Public Safety Salaries Way Up

Public safety is a good example of this. Take the fire department. Two years ago, in the 2006 budget, the fire chief's position was listed at \$158,064. It went up to \$175,312 in the current year's budget and next year jumps to \$189,570.

The top people below the fire chief got well rewarded. The three deputy fire chiefs went from \$128,257 in the FY '06 budget to

\$153,011 in the FY '08 budget. There are also three assistant fire chiefs. During the same period, they went from \$117,263 to \$144,000. The marine safety chief, listed earlier, received the biggest boost, up nearly \$34,000 in two years. The 12 battalion chiefs did okay, as well, going from \$103,219 to \$118,667.

When the men and women who work the streets collaring the bad guys and putting out fires – and placing their lives on the line – see their bosses get huge pay increases, they want their fair share, too.

Overtime is another big expense for taxpayers, especially with public safety personnel. The FY '08 budget lists police department salaries at \$106,246,262, with overtime budgeted at \$5,824,686. But the fire department is another story. Its salaries are listed at \$44,168,771, with another \$11,674,562 set aside for overtime. That translates, it seems, into most firefighter personnel earning another 25 percent, above their base salary, for overtime.

That totals \$17.5 million just in overtime for police and fire *after* hefty pay increases during the past two years. Now there's a line item requiring scrutiny.

Justifying The Increases?

City management personnel will tell you – if you ask them – that the raises are all justified. “We’re simply paying the going rate,” is the comeback. “We can’t keep good people if we don’t pay them well,” is another

reason heard often. The best one is: “We haven’t had a raise for years.”

Well, yes and no. Yes, we do have a lot of good people in key positions who earn every penny. But for every good worker earning a six-figure salary, there is another one who doesn’t deserve it – we’ve heard this from numerous city employees. “It’s difficult to lose your job in the public sector,” said one employee who demanded anonymity. “What they do is shift people who are weak performers or a problem out of one department to another; they hide them. Firing them is nearly impossible. You’re stuck with them, and their high salary.” Another city employee said, “We can do with a lot fewer managers, especially in public safety. Look at how top-heavy police and fire are.”

Yes, some positions are so tough to fill, we must pay top dollar. Top-notch engineers, for example, are few in number, so their salaries have jumped significantly the past several years. In many other positions, specifically in professional fields such as law, finance and accounting, city workers can earn much more in the private sector – if they’re good – so keeping good employees requires additional investment.

Yes, Long Beach has one of the largest port complexes in the world, so we need the best of the best running it. The port will continue to grow, and as it continues to evolve as a “green port,” more expertise in newer fields is required, as are the needs to meet Department of Homeland Security requirements.

Some department heads are running mini corporations, overseeing hundreds of employees and responsible for hundreds of millions of taxpayer dollars. Higher salaries are expected.

So, there certainly are areas where high salaries and big pay increases are justified.

But, no, we don’t buy the arguments set forth for most of the city positions. Somewhere between the clerks and the department heads, is where the problem exists. We don’t believe most employees will leave for other cities if they don’t receive a big salary increase. And if they do leave, most taxpayers would probably just wave goodbye. We also don’t believe most employees could earn comparable salaries in the private sector – or even get hired at comparable positions, if those positions are available in the first place.

Then there are the hired consultants who prepare salary studies.

These studies that are done by cities – including Long Beach – to justify increases are a sham. First, they are conducted by a small number of companies which specialize in municipal salary studies.

These companies are not hired to show that salaries are too high, now are they? Their job – and why they get paid big bucks – is to justify the salary increases. These companies do a study for Long Beach, examining, let’s say, the salaries in places like Anaheim, San Diego, San Francisco, etc. They come back and report that Long Beach’s pay scale is too low, so up go the salaries. Then they’re hired to do a study for Anaheim and discover its salaries – surprise!! – are lower than Long Beach’s. It’s a circle of friends. The only outcome will always be the same: increased salaries.

It’s similar in the public safety arena, where smart union bosses learned long ago how to play the game of pitting one city against another to justify salary increases.

As asked earlier, the issue is, can we afford it? In the end, it’s the taxpayers who are not only picking up the

Some Of The Highest Increases In Base Salaries Two-Year Increases: 2008-2006

(Selected due to the amount and/or percent of increase)

Position	Department	Increase In Salary	% Increase
Senior Mechanical Engineer (2 positions)	Gas & Oil	\$32,888	44.27%
Director of Maintenance	Harbor	\$32,376	37.80%
Marine Safety Chief	Fire	\$33,892	32.02%
Division Engineer (2 positions)	Water	\$29,386	29.69%
Chief of Police	Police	\$47,854	29.62%
Deputy General Manager (2 positions)	Water	\$35,533	29.61%
Chief Building Inspector (2 positions)	Planning & Building	\$21,546	28.49%
Manager Business Operations	Parks, Rec. & Marine	\$26,411	27.33%
Manager Personnel Operations	Human Resources	\$25,779	27.13%
Director of Financial Management	Financial Mgt.	\$34,747	26.31%
Executive Director	Harbor	\$50,419	25.95%
Petroleum Engineer II (6 positions)	Gas & Oil	\$25,318	25.85%
Police Commander (12 positions)	Police	\$27,230	24.18%
Director of Information Management	Harbor	\$22,315	23.48%
Assistant Fire Chief (3 positions)	Fire	\$26,737	22.80%
Senior Civil Engineer (8 positions)	Harbor	\$19,701	22.52%
Director of Human Resources	Human Resources	\$30,013	22.47%
Manager of Transportation Planning	Harbor	\$21,336	22.30%
Senior Civil Engineer (5 positions)	Public Works	\$18,070	21.21%
Deputy Chief of Police (3 positions)	Police	\$28,531	21.13%
Manager Housing Services	Community Development	\$19,907	20.95%
Director Library Services	Library	\$25,670	20.31%
Police Lieutenant (34 positions)	Police	\$20,137	20.25%
Fire Chief	Fire	\$31,506	19.93%
Police Sergeant (130 positions)	Police	\$16,859	19.26%
Deputy Fire Chief (3 positions)	Fire	\$24,754	19.03%
Director of Public Works	Public Works	\$30,074	18.79%
Director Health & Human Services	Health	\$27,188	18.01%
Assistant City Manager	City Manager	\$28,477	15.81%

Notes: Salary amounts shown in the FY '08 and FY '06 budgets were utilized. Some of the FY '08 salaries may already be in effect, while others will go into effect on or after October 1, 2007. Some of these positions may have been filled by new hires from outside the city, with market conditions for the position requiring a higher salary than was previously paid.

tab, but losing out on community benefits and services that are cut to pay for salaries and pensions. The salary consultants don't care. City management doesn't care because it has a study. The unions don't care because they have their "comparison cities." Elected officials don't give a hoot because they need the unions to get reelected or run for higher office.

The result: We're "living pay check to pay check" with no end in sight.

The Charts

At right and on the adjacent page is a list of all positions budgeted in the FY 2008 budget that are shown as \$90,000 or more in base salary. Where multiple positions exist, the average base salary is determined.

Below is a listing of some of the highest increases (both in actual dollars and/or percentage increase) over a two-year period. ■

City Of Long Beach Budgeted Retirement Benefit (PERS) Costs

	FY '04	FY '05	FY '06	FY '07	FY '08
General Fund	0	\$33,542,423	\$41,115,316	\$42,414,174	Civilian \$16,093,078 Sworn \$27,154,693
All Funds	0	\$50,800,893	\$64,709,341	\$69,158,417	\$72,278,410
Full-Time Equivalent Employees	5,850.46	5,613.95	5,646.57	5,776.57	5,852.72

Notes: General Fund includes all departments except harbor, gas & oil, technology services and water. Those four are added in for the total on the "All Funds" line. The city was superfunded through FY '04, that is, it had overpaid in prior years and owed nothing until '05. FY '06 represents the third year of rate adjustments from market losses incurred in 2001. Source: City of Long Beach

Position	Department	FY '08 Budgeted	Position	Department	FY '08 Budgeted
Executive Director	Harbor	\$244,676	City Clerk		129,897
City Attorney	City Attorney	225,565	Manager-Electric Generation	Gas & Oil	129,537
City Manager			Manager-Project Development	Community Devel.	128,598
(to be increased when new mgr hired)			Division Engineer (2 positions)	Water	128,351
Chief of Police	Police	209,419	Manager-Business Information Services	Technology Services	128,053
Assistant City Manager	City Manager	208,552	Manager-Government-Public Affairs	Water	127,454
General Manager-Water	Water	200,083	Manager-Admin & Planning	Public Works	127,362
Director-Planning and Building	Planning & Building	195,483	City Controller	Financial Mgt.	125,050
Director-Community Development	Community Devel.	195,289	Manager-Technology Infrastructure Services	Technology Svcs.	124,071
Director of Public Works	Public Works	190,138	Director of Communications	Harbor	123,846
Fire Chief	Fire	189,570	Petroleum Engineer II (6 positions)	Gas & Oil	123,250
Director-Long Beach Gas and Oil	Gas & Oil	187,158	Manager Business Operations	Parks, Rec & Marine	123,050
City Prosecutor	City Prosecutor	183,351	Public Health Physician (5 positions)	Health	122,440
Assistant Executive Director	Harbor	180,000	Deputy Chief Harbor Engineer II (4.2 positions)	Harbor	121,985
Assistant City Attorney (2 positions)	City Attorney	178,234	Manager-Environmental Services	Public Works	121,958
Director-Health & Human Services	Health	178,161	Manager-Fleet Services	Public Works	121,591
Director-Parks, Recreation & Marine	Parks/Rec/Marine	175,706	Manager-Property Services	Community Devel.	121,524
City Auditor	Auditor	174,409	Manager-Personnel Operations	Human Resources	120,816
Director of Financial Management	Financial Mgt.	166,800	Deputy Director-Civil Service	Civil Service	120,628
Director of Human Resources	Human Resources	163,568	City Mayor	Mayor/City Council	120,223
Deputy Chief of Police (3 positions)	Police	163,530	Director of Finance	Harbor	120,210
Managing Director (4 positions)	Harbor	160,066	Director of Properties	Harbor	120,000
Principal Deputy City Attorney (4 positions)	City Attorney	156,567	Manager-Neighborhood Services	Community Devel.	119,928
Deputy General Manager (2 positions)	Water	155,533	Manager-Marinas & Beaches	Parks/Rec/Marine	119,795
Deputy City Manager (2 positions)	City Manager	153,023	Manager of Railroad Facilities	Harbor	119,693
Deputy Fire Chief (3 positions)	Fire	153,011	Police Lieutenant (34 positions)	Police	119,565
Director-Library Services	Library	152,063	Administration Bureau Chief	Police	119,204
Senior Deputy City Attorney	City Attorney	150,667	Division Engineer-Oil Properties (4 positions)	Gas & Oil	118,869
Director-Technology Services	Technology Services	150,459			FY '08
City Health Officer	Health	148,674	Position	Department	Budgeted
City Engineer	Public Works	145,415	Battalion Chief (12 positions)	Fire	118,667
Executive Director-Civil Service	Civil Service	145,306	Deputy Chief Harbor Engineer I	Harbor	118,649
Assistant City Auditor	Auditor	145,010	Director of Maintenance	Harbor	118,026
Assistant Fire Chief (3 positions)	Fire	144,000	City Treasurer	Financial Mgt.	117,715
Occupational Health Services Officer	Health	142,644	Director of Information Management	Harbor	117,354
Police Commander (12 positions)	Police	139,840	Deputy City Attorney (17 positions)	City Attorney	117,265
Marine Safety Chief	Fire	139,726	Manager-Administration	Fire	117,237
Manager-Redevelopment	Community Devel.	138,647	Deputy City Auditor (4 positions)	Auditor	117,132
Superintendent-Building and Safety	Planning & Building	137,977	Manager of Master Planning	Harbor	117,000
Assistant City Prosecutor (2 positions)	City Prosecutor	136,836	Manager of Transportation Planning	Harbor	117,000
Chief Harbor Engineer (4 positions)	Harbor	136,500	Manager-Planning Bureau	Planning & Building	116,993
Executive Assistant-Mayor/Council	Mayor/City Council	135,000	Director of Security (2 positions)	Harbor	116,849
Manager-Fault Blocks/Upland	Gas & Oil	134,917	MIS Officer	Water	115,000
Manager-Oil Operations	Gas & Oil	133,954	Manager Housing Services	Community Devel.	114,946
Manager-Economic Development	Community Devel.	131,115	Senior Program Manager (4 positions)	Harbor	114,506
Manager-Engineering & Construction	Gas & Oil	130,579	Manager-Commercial Services	Financial Mgt.	114,376
Manager-Traffic & Transportation	Public Works	130,074	Supervisor Deputy City Prosecutor (3 positions)	City Prosecutor	114,065
			Engineering Plan Check Officer	Planning & Building	113,669
			Senior Structural Engineer	Planning & Building	113,428
			Senior Petroleum Engineer Associate	Gas & Oil	113,338

Knocking On The Door – \$90,000-\$99,999

FY '08

Director of Administration	Harbor	112,969
Employee Assistance Officer	Police	112,858
Manager-Business Relations	Financial Mgt.	112,460
Business Development Officer	Community Devel.	112,456
Senior Structural Engineer (2 positions)	Harbor	112,234
Manager, Performance Management/Budget	Financial Mgt.	112,046
Director of Trade/Maritime Services	Harbor	111,773
Executive Officer-Bd of Harbor Commissioners	Harbor	111,497
Water Treatment Superintendent	Water	110,996
Director Community Relations & Govt Affairs	Harbor	110,814
Manager-Special Events	Parks/Rec/Marine	110,155
Division Engineer (2 positions)	Public Works	109,987
Manager-Risk Management	Human Resources	109,319
Manager-Workforce Development	Community Devel.	109,263
Manager-Maintenance Operations	Parks/Rec/Marine	109,194
Manager of Leasing Sales (3 positions)	Harbor	109,171
Human Resources Officer	Human Resources	109,077
Employee Benefits/Service Officer	Human Resources	109,077
Building Inspection Officer	Planning/Building	108,620
Manager-Recreation Services	Parks/Rec/Marine	108,257
Business Information Systems Officer	Technology Services	107,854
Manager Housing Authority	Community Devel.	107,854
Urban Design Officer	Planning & Building	107,653
Manager Public Health	Health	107,306
Manager-Customer Service-Tech Services	Technology Svcs.	107,194
Senior Civil Engineer (8 positions)	Harbor	107,178
Engineer	Gas & Oil	107,178
Senior Electrical Engineer	Harbor	107,178
Senior Traffic Engineer	Harbor	107,178
Senior Mechanical Engineer (2 positions)	Gas & Oil	107,178
Senior Civil Engineer (4 positions)	Water	107,177
Manager-Engineering	Water	107,041
Manager-Airport	Public Works	106,893
Business Information Technology Officer	Technology Svcs.	106,891
Technical Support Officer	Technology Svcs.	106,534
Environmental Remediation Specialist II (2 positions)	Harbor	106,457
Commercial/Retail Development Officer	Community Devel.	106,271
Telecommunications Officer	Technology Svcs.	105,985
Port Risk Manager	Harbor	105,045
Manager-Human/Social Services	Health	104,857
Police Sergeant (130 positions)	Police	104,373
Project Management Officer (2 positions)	Public Works	104,318
Wireless Communications Officer	Technology Svcs.	104,237
Petroleum Engineer I (2 positions)	Gas & Oil	104,153
Manager Support Services-Health	Health	104,072
Treasury Operations Officer (2 positions)	Financial Mgt.	103,972
Accounting Officer	Water	103,784
Geologist I (2 positions)	Gas & Oil	103,466
Senior Civil Engineer (5 positions)	Public Works	103,267
Zoning Officer	Planning & Building	103,162
Advance Planning Officer	Planning & Building	103,049
Construction Service Officer	Public Works	102,773
Manager Business Operations	Gas & Oil	102,714
Rehabilitation Services Officer	Community Devel.	102,558
Manager-Planning	Water	102,556
Geologist II	Gas & Oil	102,357
Fire Captain (91)	Fire	102,148
Marine Safety Captain (3 positions)	Fire	102,010
Revenue Manager (2 positions)	Harbor	101,062
Manager-Admin & Financial Services	Community Devel.	101,040
Manager Planning & Development	Parks, Rec & Marine	100,994
Petroleum Operations Coordinator I (5 positions)	Gas & Oil	100,990
Manager, Workers' Compensation	City Attorney	100,832
Superintendent-Street Landscaping/Maint.	Public Works	100,825
General Superintendent	Public Works	100,742
Legal Administrator	City Attorney	100,736
Chief Investigator	City Attorney	100,811
Public/Government Affairs Officer	City Manager	100,646
Manager of Environmental Planning	Harbor	100,333

Position	Department	Budgeted
Budget Management Officer	Financial Mgt.	99,500
Manager Preventative Health	Health	99,332
Environmental Specialist II (3 positions)	Harbor	99,135
Chief Surveyor	Harbor	98,882
Chief Construction Inspector	Public Works	98,358
Business Systems Specialist VI (11 positions)	Technology Svcs.	98,111
Communications Specialist VI	Technology Svcs.	98,111
Business Systems Specialist VI (2 positions)	Water	98,111
Systems Support Specialist VI (3 positions)	Technology Svcs.	98,111
Manager Main Library Services	Library	98,040
Manager-Disaster Management	Fire	97,667
Technical Systems Officer	Financial Mgt.	97,556
Public Information Officer	City Manager	97,398
Administrative Officer Oil Properties	Gas & Oil	97,359
Chief Building Inspector (2 positions)	Planning & Building	97,180
Code Enforcement Officer	Community Devel.	96,994
Manager Environmental Health	Health	96,985
Environmental Remediation Specialist I	Harbor	96,822
Chief Construction Inspector	Harbor	96,792
Special Projects Officer (4 positions)	Public Works	95,579
Gen. Superintendent-Recreation (2 positions)	Parks, Rec & Marine	95,490
Manager-Security/Safety	Water	94,718
Manager Branch Library Services (3 positions)	Library	94,372
Superintendent-Traffic Operations	Public Works	94,256
Senior Civil Engineer	Planning & Building	94,141
Plan Checker-Fire Prevention II	Fire	94,084
Manager-Administration	Water	94,077
Supdt-Contract Mgt/Revenue Dev.	Parks, Rec & Marine	94,029
Redevelopment Project Officer (5 positions)	Community Devel.	93,912
Facilities Management Officer	Public Works	93,768
Telemetry Systems Superintendent	Water	93,409
Project Management Officer	Community Devel.	93,367
Park Development Officer (2 positions)	Parks, Rec & Marine	93,129
Video Communications Officer	Technology Svcs.	93,100
Neighborhood Improvement Officer	Community Devel.	92,655
Office Systems Analyst (6 positions)	Harbor	92,633
Administrative Officer-Public Works	Public Works	92,526
Business Services Officer	Financial Mgt.	92,500
City Clerk Bureau Manager (2 positions)	City Clerk	92,486
Civil Engineer (14 positions)	Harbor	92,442
Traffic Engineer (2 positions)	Harbor	92,231
Employment Services Officer	Civil Service	92,049
Nutrition Services Officer	Health	92,043
Structural Engineer	Harbor	92,033
Housing Development Officer	Community Devel.	91,964
Laboratory Services Supervisor	Water	91,611
Real Estate Officer (2 positions)	Community Devel.	91,495
Manager-Gas Services	Gas & Oil	91,335
Deputy City Prosecutor (14 positions)	City Prosecutor	91,333
Police Corporal (27 positions)	Police	91,106
Jail Administrator	Police	91,062
Water Treatment Supervisor II	Water	91,042
Laboratory Services Officer	Health	90,709
Senior Traffic Engineer (2 positions)	Public Works	90,386
Assistant Director of Communications	Harbor	90,237
Housing Operations Officer	Community Devel.	90,231
Airport Public Affairs Officer	Public Works	90,026

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