Council Meeting of
August 1, 2006

SUPPLEMENTAL TO ITEM 11D

Honorable Mayor and Members
Of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: SUPPLEMLENTAL MATERIAL #1 TO COUNCIL AGENDA ITEM 11D-Direction to prepare Salary Resolution for Elected Officials

In 2001 when the Council adopted to replace the step plan for department directors and managers with a "merit plan" based on performance, two department director positions were filled by elected officials, the City Treasurer and the City Clerk. While performing many duties of a department director they do not receive a formal performance evaluation from the Mayor and Council or the City Manager. Their performance evaluations are essentially given by Torrance residents every four years.

In lieu of a formal performance evaluation under the guidelines of the "merit plan" for department managers, a formula was used to compensate both the City Clerk and City Treasurer. The formula included the following language:

> "Employee General Increase, plus Department Pool less Employee General Increase Divided by two."

For example, in FY 2001-02 the Employee General Increase was defined at 3% and the Department Pool was determined to be 5%. The amount given to the City Clerk and City Treasurer was 4% ((3% +5%)/2).

This language was included in the City Clerk and City Treasurer pay resolution for the fiscal years beginning 2001 through 2004. The language was not included in the 2005 resolution.

This supplement is being provided for informational purposes only, as the Council provides direction to the City Manager with respect to the salaries of elected officials.

Respectfully Submitted,

LeROY J. JACKSON
CITY MANAGER

By _____
Eric E. Tsao
Finance Director

CONCUR:

_____
Mary K. Giordano
Assistant City Manager