

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

Members of the Council:

SUBJECT: City Manager – Adopt amendment to the Safety Management Employees Resolution for the Fire Division Chief modifying salary and benefits

RECOMMENDATION

Recommendation of the City Manager that the City Council adopt an amendment to the Safety Management Employees Resolution setting forth hours, wages and working conditions for the Fire Division Chief for the pay period beginning May 24, 2009.

Funding

Funding is available in the wage reserve.

BACKGROUND/ANALYSIS

The Memorandum of Understanding for the Torrance Fire Chief Officers Association (TFCOA) was approved by Your Honorable Body on May 5, 2009. In order to maintain the Fire Division Chief consistent with the changes in the TFCOA pay structure, the Safety Management Resolution is being modified. An additional amendment will be forthcoming to update the Safety Management Employees Resolution to reflect a proposed title change by the Fire Chief. The Fire Chief is in the process of working with the Human Resources Department in reviewing the Fire Division Chief job specification and intends on making minor changes, including changing the title of the Fire Division Chief to Deputy Fire Chief.

Respectfully submitted,

LeROY J. JACKSON
CITY MANAGER

By 
Aram Chaparyan
Assistant to the City Manager

CONCUR:


LeRoy J. Jackson
City Manager

RESOLUTION NO. 2009-___

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TORRANCE AMENDING RESOLUTION NO. 2009-30 SETTING
FORTH CHANGES REGARDING THE WAGES FOR SAFETY
MANAGEMENT EMPLOYEES**

The City Council of the City of Torrance does hereby resolve as follows:

SECTION I

That Resolution No. 2009-30 is hereby amended as follows:

SECTION II

Effective May 24, 2009

ARTICLE 2 - COMPENSATION

SECTION 2.1 SAFETY MANAGEMENT PAY RANGES AND CLASS TITLES

The pay grade hereby assigned to the classification of Safety Management - **Fire Division Chief** is effective as follows:

Effective May 24, 2009

Class Title	1
Fire Division Chief	13130

Effective January 2, 2010

Class Title	1
Fire Division Chief	13485

Effective January 2, 2011

Class Title	1
Fire Division Chief	13890

ARTICLE 3 - BENEFITS

SECTION 3.1 SAFETY MANAGEMENT EMPLOYEE INSURANCE**B. FIRE DIVISION CHIEF**

1. Effective January 1, 2009, the City shall pay \$101.00 per month per employee toward medical insurance. The \$101.00 employer contribution will apply only toward the health insurance premium of one of the authorized PERS health insurance plans. If the employee does not participate in the PERS insurance plans, the \$101.00 cannot

be used for any other purpose. Effective January 1, 2010 the amount shall increase to the PERS Mandated Amount, if above \$101.

2. The City shall continue payment as provided for in subsections B.1 and/or B.3 during an authorized medical leave of absence for a period not to exceed 12 months for any employee covered by this Agreement.
3. Active Employees:

In addition to the PERS Mandated Amount (addressed in the matrix below), active employees shall be provided with an amount which may be used by the employee to pay for approved health insurance plan premiums, dental, or vision insurance.

Health Insurance effective May 24, 2009

	1 Party	2 Party	3 Party
PERS Mandated Amount	\$101.00	\$101.00	\$101.00
City Cafeteria Contribution	\$383.00	\$805.00	\$1050.00
Totals	\$484.00	\$906.00	\$1,151.00
Any amount remaining may be used to offset family dental or towards two-party or family vision.			

Health Insurance effective January 1, 2010

	1 Party	2 Party	3 Party
PERS Mandated Amount	By Statute or minimum of \$101.00, whichever is greater	By Statute or minimum of \$101.00, whichever is greater	By Statute or minimum of \$101.00, whichever is greater
City Cafeteria Contribution	Total- PERS Mandated Amount	Total- PERS Mandated Amount	Total- PERS Mandated Amount
Totals	\$522.72	\$978.48	\$1243.08
Any amount remaining may be used to offset family dental or towards two-party or family vision			

Health Insurance effective January 1, 2011

	1 Party	2 Party	3 Party
PERS Mandated Amount	By Statute or minimum of \$101.00, whichever is greater	By Statute or minimum of \$101.00, whichever is greater	By Statute or minimum of \$101.00, whichever is greater
City Cafeteria Contribution	Total- PERS Mandated Amount	Total- PERS Mandated Amount	Total- PERS Mandated Amount
Totals	\$564.54	\$1,056.76	\$1,342.53
Any amount remaining may be used to offset family dental or towards two-party or family vision			

Any amount remaining may be used to offset family dental or towards two-party or family vision. Given the increases to the health insurance premiums provided for by this agreement, it is the intent of the parties to eliminate the previously provided cash contribution (i.e., city cafeteria contribution) to those employees who do not take health insurance from the City. However, given that existing employees have not taken City-paid health insurance have been provided a cash amount as part of their compensation, it is the intent of the parties to grandfather existing employees as of the date of approval of this agreement by the City Council with their current cafeteria cash amount of \$227.50. Accordingly, employees hired before January 1, 2010 shall receive cash back for any amount up to \$227.50 not used for medical, vision or dental insurance. Employees hired after January 1, 2010 will only have the option of

single, two-party, and family health insurance coverage. An employee will receive \$101 per month cash back if he or she shows proof of medical coverage from an outside source and does not utilize City provided health insurance.

4. If an employee receives cash in lieu of selecting a health insurance plan, such amount shall be reported as earned income for tax purposes but shall not be deemed earned income for retirement purposes as delineated in a letter from the U.S. Internal Revenue Service dated June 16, 1982. It is the understanding of the parties that dollars distributed to the employee as cash in this manner shall not be construed as earned income for PERS purposes.

Any change in this assumption shall require a payment by the using employee of both the employee's and the employer's share of any such liability from the inception of this program.

5. Annuitant:

The City shall allocate \$130.50 per month per annuitant for the purpose of deducting the payment of the employer's contribution to the administrative and contingency fee as required by the PERS insurance plan. After July 1, 1988, the City shall adjust the fee based on the actual fee charged by PERS administration. Futuristically, the fee shall be adjusted at the time PERS provides the information on the new administrative and contingency fee.

The remainder shall be used by the annuitant toward the balance payment of the PERS approved health insurance plan.

For the purposes of this section, an annuitant shall be defined as a Fire Division Chief who has retired from the City of Torrance through a service, industrial, or non-industrial disability retirement and who starts collecting his/her pension within 120 days of separating from the City of Torrance.

6. Retiree Health Allowance:

Retirees or surviving spouses who do not participate in the PERS insurance plan will receive \$146.50 per month toward the health insurance premium. This amount is subject to the method of payment and the method and degree of any audits required by the City.

7. The City will provide a \$50,000 life insurance policy for each employee covered under this agreement.
8. Employees covered by this agreement shall be covered by the City's STD/LTD plan.
9. All employees covered by this agreement will receive two-party dental insurance. This benefit has no cash value if not used. If employees want to cover additional family members not covered, additional insurance may be purchased and paid for by the employee.

10. All employees covered under this agreement will receive, at no cost to employees, one-party vision insurance. This benefit has no cash value if not used. If employees want to cover additional family members, additional insurance may be purchased and paid for by the employee.

SECTION III SEVERABILITY

If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction such decision shall not affect the validity of the remaining portions of the Resolution. The City Council hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

INTRODUCED, APPROVED AND ADOPTED this _____ day of June, 2009.

Mayor Frank Scotto

APPROVED AS TO FORM:
JOHN FELLOWS III, City Attorney

ATTEST:

By _____
Ronald T. Pohl, Assistant City Attorney

Sue Herbers, City Clerk