

**PUBLIC HEARING****(Companion Item to Redevelopment Agency Item 5A)**

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

Members of the Council:

**Subject:** Finance – Continue 1st public hearing/budget workshop on proposed budget revisions for second year of the City's two-year 2009-2011 operating budget.

**RECOMMENDATION**

Recommendation of the City Manager and the Finance Director that Council continue the 1st public hearing/budget workshop on the proposed budget revisions for the second year of the City's two-year 2009-11 operating budget and hold the second public hearing on June 15, 2010. (Companion item to Redevelopment Agency Item 5A.)

**BACKGROUND/ANALYSIS**

This public hearing was advertised and scheduled for the Council meeting this evening. This is a continuation of the first of two public hearings/budget workshops scheduled for the 2<sup>nd</sup> year of the 2009-11 operating budget. At the public hearing/budget workshop held on May 25, 2010, your Honorable Body had the opportunity to review the City Manager's proposed budget, and hear from the public regarding their concerns related to the proposed budget. Staff was directed to return with follow up items raised during the budget discussion. The materials this evening includes input received from members of the public, additional employee suggestions, research related to public pension benefits, as well as responses to inquiries specific to the proposed budget.

The City Manager has gathered information related to the specific questions raised at the first workshop and contacted all employee organizations to solicit any alternative budget reductions.

***Have these questions led to modification in the City Manager's recommendations?***

Our meeting with a joint group of general employee organizations resulted in a proposal to set aside recommended position reductions and offset the funding with a proposal to close City offices between Christmas and New Years funded through employee paid-time off balance, to charge positions to non-GF sources and to raise a series of fees,. Please see Attachment E for comments from the general employee groups. There have also been meetings with the Torrance Police Officers Association and Torrance Fire Fighters Association. TFFA proposed an alternative package in-lieu of what was originally recommended by the City Manager. This included changes to hiring procedure for firefighters to require Paramedic Certificate, reinstatement of the HazMat Team to 9 members with 7% premium through attrition, and the elimination of the HazMat Analyst position represented by the Engineers Association. Please see TFFA's proposal included at Attachment B. TPOA proposed an alternative option to address the PERS employee contribution by proposing to defer the upcoming Jan. 2011 raise by one month and requested that employees be credited with 8 hours of administrative leave or compensatory time off. Please see TPOA's proposal included as Attachment C.

The City Manager is appreciative of the rapid follow up by our department heads and for the willingness of our employee organizations to explore alternatives.

Since the first budget workshop and based on additional information from the departments and other sources the City Manager has made modifications to his original recommendations as stated below in **bold**.

These modifications continue to result in a balanced budget for 2010/11 and meets the criterion of minimizing impact to services provided to our citizens, avoidance of impact to employees and use of our limited reserves only where it bridges to the implementation of ongoing budget reductions.

### **Decision Making Elements for the City Council**

It is recommended that the City Council approach the budget through assessing individual budget decision packages. The decisions made within each of these packages will arrive at a dollar modification to the recommended budget. This will set the dollar adjustment required to the overall budget from the alternatives identified to remain balanced.

All of the proposed budget reductions are placed in the following categories:

- Elements with least negative impacts to program and services (**Group A**) ----- \$2,307,500
- Position Reductions with related program reductions – Non Safety (**Group B**) ----- \$1,338,000
- Fire Department Reductions (**Group C**) ----- \$667,000
- Program Changes Alternatives (**Group D**) ----- \$541,000
- Proposed phase out of City payment of employee contribution to PERS(**Group E**) ---- \$630,000
- Use of One-Time Monies (**Group F**) ----- \$4,523,500
- Sources of One-Time Monies (**Group G**) ----- \$4,565,000

### **Group A – Elements with least negative impacts to program and services ----- \$6,182,500**

*No City Manager recommended modifications.*

- Non Expansion of wages and materials for 2009-10 and 2010-11 ----- \$3,750,000
- Armed Forces Day Parade (PD) ----- \$30,000
- Reduction of department overtime (PD) ----- \$150,000
- Elimination of one police vehicle ----- \$13,000
- Reduction in the County Animal Control Contract (PD) ----- \$5,000
- Honda vehicle donation to Police ----- \$34,000
- Postage savings from phasing Season's magazine to online only (CM) ----- \$29,000
- Savings and efficiencies yielded from server consolidation (virtualization) project (CIT)---- \$55,000
- Extend the PC replacement cycle from 5 to 7 years (CIT)----- \$92,500
- Extend the telephone replacement cycle from 10 to 15 years and ----- \$147,000  
the network cable replacement cycle from 15 to 20 years (CIT)
- Reduction in the Data Communications budget - 3 years of lower support ----- \$7,000  
and maintenance costs for the new telephone system (CIT)
- Reduction in telephone system maintenance (CIT)----- \$110,000
- Traffic calming budget – reallocate budget to the general fund (CDD)----- \$150,000

• Housing Supervisor position – reallocate 20% of Housing Services Supervisor -----	\$20,000
back to Housing (CDD)	
• Reduction of department overtime (CDD)-----	\$10,000
• Reallocation of positions to the Redevelopment Program (CDD)-----	\$50,000
• Realignment of supply room functions (CS)-----	\$16,000
• Combination of registration desk with information desk (CS)-----	\$11,000
• Reduction of department overtime (FIN) -----	\$14,000
• Energy Savings from the Energy Efficiency and -----	\$45,000
Conservation Block Grant (EECBG) funded Capital Projects	
• Reallocation of WC Examiner and Reduction of Department overtime (HR)-----	\$50,000
• Wild Wednesdays - Eliminate the program, which covers three Wednesdays (CS)-----	\$13,000
• End support for portable restrooms at school sites (CS)-----	\$14,000
Option – seek reimbursement from non profit organizations	
• Hold City Yard Open House every other year -----	\$25,000
• Restructure Employee Service Award Dinner (HR) -----	\$10,000
• Info Bits – Post on TEN, eliminate printing -----	\$12,000
• Eliminate mailing of Annual Benefits Summary Statement -----	\$500
• Reduce pre-council meeting expenses -----	\$4,500
• Reduce color printing -----	\$5,000
• Employee energy conservation savings target -----	\$25,000
• Eliminate Manager’s workshop for 2011 -----	\$9,500
• Increase class fees – based on market study (CS) -----	\$152,000
• Increase picnic fees at additional parks (CS) -----	\$10,000
• DVD rental and late fees (CS) -----	\$15,000
• Defer increase to Self Insurance Fund -----	\$300,000
• Advanced Life Support (ALS) without paramedic escort revenues in excess -----	\$280,000
of the cost of phasing out the Hazardous Material positions	
• Energy efficiency savings from Capital Retrofit Projects including irrigation systems to ---	\$350,000
conserve water conservation, and energy efficient pool heating (GS)	
(See Group F for use of One-Time Monies)	
• Fire Dept. overtime reduction for the 4th of July Celebration -----	\$10,000
• Fire Services Day – discontinue the demonstrations at SCROC -----	\$11,000
• Extend non-emergency Fire vehicle life by one year -----	\$8,500
• Discontinue the Rose Parade Float -----	\$132,000

**Group B --Position Reductions with related program reductions – Non Safety -- - \$1,145,200**  
*With City Manager Recommended modification (in bold)*

• .5 Deputy City Attorney -----	\$62,000
• <b>2 Under-filling Deputy City Attorney positions</b> -----	<b>\$62,400</b>
• <b>1 Under-filling Senior Management Associate at CM’s Office</b> -----	<b>\$13,100</b>
• <del><b>1 Legal Secretary</b></del> -----	<del><b>\$89,500</b></del>
• 1 Public Works Inspector ( <i>General Fund portion is 50%</i> ) -----	\$60,500
(See section F for use of One-Time Monies)	
• 1. Building Inspector -----	\$111,000
• 1 Engineering Technician -----	\$85,000

• 1 Building Permit Technician -----	\$81,500
• 1 Typist Clerk (CS) -----	\$65,000
• .7 Senior Recreation Leader -----	\$19,500
• 1 Library Assistant I -----	\$71,000
• 1.6 maintenance workers (CS) -----	\$104,000
• 1 Cement Finisher (PW Concrete Crew) -----	\$94,700
• 1 Equipment Operator (PW Concrete Crew) -----	\$83,900
• 1 Maintenance Worker (PW Concrete Crew) -----	\$65,100
• <del>2 Maintenance Workers (PW Streetscape Crew) -----</del>	<del>N/A</del>
<b>To be further explored</b>	
• 1 Account Clerk (FIN) -----	\$77,000
• 1 Senior Custodian -----	\$83,500
• 1 Central Services Coordinator -----	\$99,000
• 1 Senior Administrative Assistant (HR) -----	\$95,000
• 1 Personnel Technician (HR) -----	\$82,000

**Group C –Recommended Fire Department Reductions ----- \$667,000**  
*No City Manager recommended modifications.*

• 2.0 Driver/Aides (Operations Specialist) -----	\$357,000
• Admin. Battalion Chief convert to non sworn position -----	\$150,000
• Admin. Fire Captain to non sworn -----	\$160,000

**Group D – Program Changes Alternatives ----- \$541,000**  
*No City Manager recommended modifications.*

*If Council desires to remove items from the City Manager's recommended budget, the following alternate program reductions or others that the Council may propose may be considered to arrive at a balanced budget*

- Elimination of the following programs:
  - Concerts in the Park ----- \$25,000
  - Library Hours – Close four (4) Sundays ----- \$12,000  
 Operate for 28 Sundays instead of the 32 currently
  - Oodles of Noodles ----- \$16,500
  - Reduce Park Patrols – Park Ranger Program ----- \$17,000  
 Discontinue one (1.0) roving unit from each season – 760 hours
  - Summer Musicals ----- \$63,000
  - 4<sup>th</sup> of July Celebration
    - Community Services ----- \$50,000
    - Police overtime ----- \$65,000
  - Aquacade ----- \$7,500
  - Halloween Carnival ----- \$5,500
  - Environmental Fair ----- \$6,500
  - Community nonprofit grants – reduce by 50% ----- \$20,000
  - General Fund subsidy to the Parks & Recreation Fund ----- \$100,000
  - Eliminate the refuse services low income exemption ----- \$79,000  
 for seniors/disabled for refuse services
  - Recover utilities for park facility usage ----- \$74,000

**Group E – Proposed phase out of City payment of employee contribution to the ----- \$630,000**  
*Public Employees Retirement System (PERS)*

- Fire ----- \$125,000
- Police ----- \$125,000
- Miscellaneous ----- \$380,000

*City Manager Recommended change in methodology*

The City Manager continues to recommend that new City employees assume the payment of the employee's share of the PERS plan contributions. This would be 7% for Miscellaneous Employees and 9% for Fire and Police Safety Employees. As presented, in order to implement this change the City would need to meet and confer with the affected employee organizations. Based on discussion with the affected employee groups, it appears unlikely that the City will be able to obtain an agreement by July 1<sup>st</sup>.

However the City Manager still believes that modifications will be required to the PERS benefit, or other parts of the compensation packages of our employee organizations. It is therefore recommended that the Council include the designated amounts as an objective to be sought in meet and confer with the employee organizations, and in the interim, use a combination of one time reserves and the one time savings of the Fire Department in overtime resulting from the appointment of 4 previously licensed paramedics to current vacancies thus saving overall training costs.

**Group F – Required Use of One-Time Monies ----- \$4,523,500**  
*With City Manager Recommended modification (in bold)*

- **1 Public Works Inspector (General Fund portion is 50%) ----- \$105,000**
- **1 Equipment Operator ----- \$86,000**
- **1 Senior Custodian ----- \$83,500**
- **1 Central Services Coordinator ----- \$99,000**
- **1 Admin. Battalion Chief convert to non sworn position ----- \$320,000**
- **Admin. Fire Captain to non sworn ----- \$300,000**
- Energy savings from projects ----- \$2,900,000
- Fire (9% PERS employee contribution for new hires) ----- \$125,000
- Police (9% employee contribution for new hires) ----- \$125,000
- Miscellaneous (7% employee contribution for new hires) ----- \$380,000

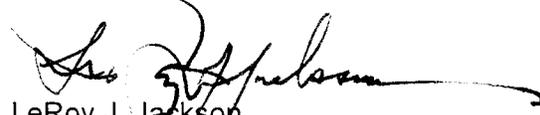
**Group G – Sources of One-Time Monies ----- \$4,540,000**  
*With City Manager Recommended modification (in bold)*

- RDA Downtown loan repayment ----- \$2,000,000
- **Reallocation of capital budget ----- \$1,200,000**
- Telephone replacement ----- \$500,000
- Police Department early conversion of non-sworn positions ----- \$300,000
- **TFFA overall paramedic overall training costs ----- \$240,000**

Responses to the questions that were raised during the May 25, 2010 budget hearing are included in this item as Attachment D.

Your Honorable Body has before it the City Manager's recommended modifications to the 2<sup>nd</sup> year of the 2009 – 2011 two year budget and a strategy to phase in a series of personnel and compensation reductions. You have also been given alternative program and other possible reductions. It is requested that the City Council receive community input and provide the City Manager with its directions for the preparation of a budget document to be returned to you for a final review, modification and adoption at the conclusion of the June 15, 2010 second budget hearing.

Respectfully submitted,



LeRoy J. Jackson  
City Manager

### Attachments

- A. Council Item 13A – City Manager's Proposed Modifications to the 2010/11 Fiscal Year Budget (May 25, 2010)
- B. Alternate proposal by TFFA/TFCOA
- C. Letter from TPOA President
- D. Follow up material since May 25 budget meeting
- E. Budget strategies from employee groups
- F. Season's Newsletter and Magazine Transition Plan
- G. Letter from Fiesta Floats regarding the Rose Parade Float
- H. Fee increases for Community Services
- I. Utility Recover for park usage
- J. Vendor Contracts
- K. Take Home Vehicles
- L. City's with two-tier PERS formulas
- M. Survey of Employee's share of PERS contribution
- N. Letter from the Chief of Police
- O. Long Beach survey of statewide budget strategies
- P. Article on statewide pension reform
- Q. Public Comments

Council Meeting of  
May 25, 2010

**PUBLIC HEARING**

**(Companion Item to Redevelopment Agency Item 5A)**

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

Members of the Council:

**Subject:** Finance - 1st public hearing/budget workshop on the proposed budget revisions for the 2<sup>nd</sup> year of the City's two-year 2009-11 operating budget

**RECOMMENDATION**

Recommendation of the City Manager and the Finance Director that Your Honorable Body open the first public hearing and budget workshop on the proposed budget revisions for the 2<sup>nd</sup> year of the City's two-year 2009-11 operating budget and hold the second public hearing on June 15, 2010. (Companion item to Redevelopment Agency Item 5A.)

**BACKGROUND/ANALYSIS**

This public hearing was advertised and scheduled for the Council meeting this evening. This is the first of two public hearings/budget workshops scheduled for the 2<sup>nd</sup> year of the 2009-11 operating budget. These hearings should offer the opportunity for public discussion on the budget before you tonight.

At tonight's meeting, no formal action is requested.

The City Manager respectfully transmits his proposed changes to the 2010-11 fiscal year budget that was adopted as part of the two year operating budget for the 2009-10 and 2010-11 fiscal years last June. The budget for 2009-11, as presented, was balanced by eliminating a \$4.5 million budget deficit. A copy of the original two year operating budget has been attached for your review (limited distribution).

Unfortunately, General Fund revenues did not rebound as originally projected due to the prolonged recession, which technically ended at 4<sup>th</sup> quarter 2009. There are many signs that the economy is improving but unemployment continues to stall any optimism. General Fund revenues are projected to decline by 3.6% from last year. The hardest hit were sales tax and utility users' tax both caused by the downturn in the economy reducing consumer spending and less demand for products and oil based goods. However, the General Fund's largest revenue source, property tax, grew overall by 4.5% and the secured roll grew by 5.2%.

As reported during the fiscal year, City General Fund revenues were projected to be \$6 - \$8 million below budget and current estimates have revenues coming below budget by \$8.7 million. Even though the 2009-10 budget has been rebalanced through one time solutions by not filling non-critical vacancies and reviewing all departmental expenditures, the revenue shortfall adversely affects the 2010-11 fiscal year.

The pace and steepness of the economic recovery is highly contingent on unemployment. Unemployment numbers continue to be disappointing, which continually takes away any momentum from the recovery. General Fund revenues for the 2010-11 fiscal year are projected to grow modestly by about \$3 million or by 1.8%. This is \$8.8 million or 5% lower than what was projected a year ago. Even with the projected growth, revenues for the 2010-11 fiscal year are below fiscal year 2007-08 levels, particularly in sales tax.

In balancing the budget the following key elements were considered: 1) minimize the impact to the community; 2) maintain major programs including front line safety personnel; and 3) avoid employee layoffs and employee furloughs. While

the budget includes funding for agreed to wage packages for public safety personnel, and automatic step and longevity increases for all employees, due to revenue downturns the budget does not provide for potential wage and material increases. The non expansion of the wage base beyond contractual agreements assisted in rebalancing the 2009-10 year which will carry into the 2010-11 fiscal year. The recommendations by the City Manager rebalances the budget over the five year forecast by reducing ongoing expenditures by \$8.9 million, which includes over 21 positions and again stands by current negotiated employee contracts and funds the normal step progression and premiums for all employees. The non expansion of wages and materials for the 2009-10 and 2010-11 fiscal years was \$1.5 million and \$2.25 million respectively. The City Manager has received input from the departments as well as employees in arriving at this recommended budget.

#### ***I. Public Employees' Retirement System Employee Contribution***

One of the major balancing strategies that is being recommended is pro-active and provides a locally controlled employee retirement option. It has immediate cost savings of \$630,000 in an area that has been one of the drivers of expenditure increases with the least impact to current personnel. It is the transfer of the responsibility of the employee share of the pension costs back to the employee for new hires. Currently, this contribution, 9% for Police and Fire and 7% for all others, is paid by the City (approx \$8.6 million). As noted, this change would be implemented for "new" employees only but does require the City to meet and confer with the affected employee organizations. Over the next four years the savings are estimated at \$2.5 million or \$630,000 annually and would continue to grow as the work force changes over.

- Fire \$125,000
- Police 125,000
- Miscellaneous 380,000

	Major Revenues - General Fund			Projected	
	Actuals (millions)			%	
	2007-08	2008-09	2009-10 (est)	2010-11	Growth
Property Tax	37.6	39.2	41.0	42.8	4.4%
Sales Tax	42.9	39.3	33.2	34.5	3.9%
Utility Users' Tax	35.8	33.2	33.3	34.4	3.3%
Occupancy Tax	7.9	6.9	7.8	8.0	2.6%
Business License	7.9	8.0	8.2	8.5	3.7%
Franchise Permits	5.4	5.7	6.4	6.8	6.3%
Investment Earnings	5.8	6.0	3.4	3.4	0.0%
	143.3	138.3	133.3	138.4	
% chg previous year		-3.5%	-3.6%	3.8%	
% of General Fund	84.9%	84.8%	80.6%	82.2%	

Budget deficit <\$8,900,000>

\$3,750,000  
<\$5,150,000>

\$630,000  
<\$4,520,000>

## **II. Public Safety**

Changes in public safety are more often than not always difficult. Last year, the Police Department made major in-roads towards the development and implementation of "Team Policing", a new way of delivering front-line police services to the community. These in-roads included redeployment schedules that increased the number of officers in the field during peak hours, to increasing Police Lieutenants responsibilities to become "true" managers and part of the command team, and to moving towards non-sworn positions to provide long-term development and expertise in the fields not requiring police powers.

Police continues to see reductions in actual overtime (\$150,000) and is realizing one-time savings (\$300,000) due to early conversion of their non-sworn personnel.

The City Manager recommends moving two of the three Battalion Chiefs' driver/aides to fill two of the current vacancies and convert the 3<sup>rd</sup> driver/aid to a 40 hour per week schedule to provide administrative support during the day for a savings of \$357,000. (Note: the driver/aid provides staff support to the Battalion Chief at major incidents.) Additionally, the City Manager recommends through attrition moving the Administrative Battalion Chief and the Administrative Fire Captain to comparable non-sworn manager positions at a savings of \$310,000 annually.

An alternate option considered in lieu of the driver/aide recommendation to achieve comparable savings would use the three BC driver/aide for first call constant staffing and to move the 40 hour per week Fire Captains and 40 hour per week Battalion Fire Chiefs to the 56 hour per week schedule. There would be a substantial reduction in constant staffing hours and an elimination of the 15% premium related to the 40 hour assignment. However, without the concurrence of the affected employee organizations this option could not be achieved. The summary of all budget reductions for public safety are as follows:

### **Police**

- Armed Forces Day Parade – \$30,000  
The Department is not recommending that the parade be eliminated; however, there are adjustments to the schedule of events that can be considered to reduce costs. Specifically, the consolidation of the advance trip to Washington, D.C. to meet with armed forces staff with the legislative trip to meet with federal legislators will result in a savings of approximately \$5,000. Additionally, substantially reducing the pre-parade dinner on Friday and the post event dinner on Saturday will result in a savings of approximately \$25,000, for a total savings of approximately \$30,000.
- Reduction of department overtime \$150,000

- Elimination of one police vehicle – \$13,000
- Reduction in the County Animal Control Contract – 5,000  
 The department has replaced the Animal Control Staff Assistant with an Animal Control Officer. The additional Animal Control Officer will allow the department to reduce its County call-out services cost by \$5,000 by having more staff available for call-outs
- Honda vehicle donation to Police 34,000

**Fire**

- 2.0 Driver/Aides to fill current vacancies 357,000
  - Admin. Battalion Chief to non sworn 150,000
  - Admin. Fire Captain to non sworn 160,000
  - Reduce overtime for the 4th of July Celebration 10,000
  - Fire Services Day – discontinue the demonstrations at Southern California Regional Occupation Center (SCROC) 11,000
  - Extend non-emergency vehicle life by one year 8,500
- \$928,500

<u>\$928,500</u> <\$3,591,500>
-----------------------------------

**III. Non Safety Position Reductions (\$1,427,500)**

The 19.8 positions being recommended below produces \$1,427,500 in savings and have a manageable affect on the community. The reductions are achievable due to reduced activity and work load resulting from the slowing of the economy; different ways of deploying personnel. All of the positions, with the exception of three, are vacant. Consistent with past policy those incumbent employees would remain employed at their current salary until attrition.

<u>\$1,427,500</u> <\$2,164,000>
-------------------------------------

**City Attorney’s Office** – Position reductions due to vacancies.

- 0.5 Deputy City Attorney I \$62,000
- 1.0 Legal Secretary 89,500

**Community Development Department** - Position reductions due to decreased demand for development related services as construction activity has slowed considerably as a result of the current economic downturn.

- Public Works Inspector *(General Fund portion is 50%)* \$ 60,500
- Building Inspector 111,000
- Engineering Technician 85,000
- Building Permit Technician 81,500

**Community Services Department** – Consolidation of the registration and information desks in the West Annex Lobby, administrative support reduction in Park Services, and additional efficiencies sought in the Library.

- Typist Clerk \$ 65,000
- Library Assistant I 71,000

**Community Services Department/Public Works Department** – The Community Services and the Public Works Department are forming an alliance to achieve budget savings while working towards minimizing the impact on the community. The alliance is with respect to the mowing operations, which both departments provide, one in parks and one in the public right- of- way, and concrete work, which is performed primarily by Public Works. The alliance results in 6.6 position deletions:

1.6 maintenance workers (CS)	\$104,160
1 Cement Finisher (PW Concrete Crew)	94,700
1 Equipment Operator (PW Concrete Crew)	83,900
1 Maintenance Worker (PW Concrete Crew)	65,100
2 Maintenance Workers (PW Streetscape Crew)	<u>130,200</u>
	\$478,060

Each June through September, three maintenance workers with concrete skills from the Community Services Department (CS) Project Crew will come to the Public Works Department (PW) to re-form the eliminated 3 person concrete crew for a period of 4 months. CS will keep the Lead Maintenance Worker from the Project Crew to mow and will hire three temporary employees to weed, edge, and sweep during these same high growth months. This alliance will replace the four months that the Project Crew would have been assigned to the parks to increase mowing in the summer, and PW will pick up four months of lost production in concrete during the summer.

As part of this joint effort to be least impactful to the public while achieving savings, PW will explore alternate ways to provide streetscape upkeep. Artesia Boulevard currently takes 1.0 FTE for mowing the parkways, which is a two person crew every other week. Public Works has received a bid to mow Artesia once a week for a period of a year for \$20,000. The Department is recommending that this be entered into as a trial period, as this reduces the cost by \$45,200 for these slender parkways. The summary of the savings anticipated to be gained from the alliance is as follows:

6.6 position eliminations	<u>\$478,060</u>
Applied to General Fund deficit	\$346,000
Applied to temporary summer mowing hires (from existing maintenance worker list: 3 to CS for mowing/2 to PW for median maintenance)	112,060
Applied to Artesia mowing contract	<u>20,000</u>
	\$478,060

**Finance Department** – Position reduction due to consolidation of functions as a result of the upcoming One Stop Permit Center.

- Account Clerk \$77,000

**Fire Department** – Refer to Section II Public Safety

**General Services Department** – Position reductions due to projected vacancy and efficiencies in printing operations.

- Senior Custodian \$83,500
- Central Services Coordinator 99,000

**Human Resources Department** – Position reductions due to vacancies and operational efficiencies.

- Senior Administrative Assistant \$95,000
- Personnel Technician 82,000

**IV. Operational Efficiencies (\$806,500)**

<u>\$806,500</u> <\$1,357,500>
-----------------------------------

**City Manager's Office – \$29,000**

- Postage savings from phasing Season's magazine to online only

**Communication and Information Technology - \$411,500**

- Savings and efficiencies yielded from server consolidation (virtualization) project. \$ 55,000
- Extend the PC replacement cycle from 5 to 7 years 92,500
- Extend the telephone replacement cycle from 10 to 15 years and the network cable replacement cycle from 15 to 20 years. 147,000
- Reduction in the Data Communications budget - 3 years of lower support and maintenance costs for the new telephone system 7,000
- Reduction in telephone system maintenance 110,000

**Community Development Department - \$230,000**

The Community Development Department provides land use permitting, construction plan checking and inspection services related to developments in the City. The demand for these services is related to the economic cycles experienced locally as well as nationally. The current economic cycle has decreased the demand for development related services as construction activity has slowed considerably. The slowdown softens the impact of deleting development related positions. As building activity returns, the three deleted positions will be re-evaluated.

- Traffic calming budget – reallocate budget to the general fund \$150,000
- Housing Supervisor position – reallocate 20,000  
20% of Housing Services Supervisor back to Housing
- Reduction of department overtime 10,000
- Reallocation of positions to the Redevelopment Program 50,000

**Community Services - \$27,000**

- Realignment of supply room functions \$16,000
- Combination of registration desk with information desk 11,000

**Finance Department**

- Reduction of department overtime \$14,000

**Fire Department** – (included in Public Safety above)

**General Services Department - \$45,000**

- Energy Savings from the Energy Efficiency and Conservation Block Grant (EECBG)

**Human Resources Department - \$50,000**

- Reallocation of WC Examiner
- Reduction of Department overtime

**Police Department** (included in Public Safety above)

**V. Program Reductions (\$27,000)**

- Wild Wednesdays \$13,000  
Eliminate the program, which covers three Wednesdays
- End support for portable restrooms at school sites \$14,000
  - Option – seek reimbursement from non profits

<u>\$27,000</u> <\$1,330,500>
----------------------------------

**VI. Employee Suggestions (\$223,500)**

- Hold City Yard Open House every other year \$ 25,000
- Eliminate Employee Service Award Dinner (\$35,000)
  - CM recommends restructuring 10,000
- Info Bits – Post on TEN, eliminate printing 12,000
- Eliminate mailing of Annual Benefits Summary Statement 500
- Eliminate pre-council meeting dinner – staff (\$9,000)
  - CM recommends reduction by 50% 4,500
- Reduce/Eliminate color printing
  - CM recommends reducing color printing 5,000
- Employee energy conservation
  - CM recommends savings target 25,000
- Discontinue Rose Parade Float 132,000
- Eliminate Manager's workshop
  - CM recommends revisit but hold for 2011 9,500

<u>\$223,500</u> <\$1,107,000>
-----------------------------------

**VII. Additional Fees (\$177,000)**

- |  |           |
|--|-----------|
| • Increase class fees                      | \$152,000 |
| ○ Based on market study                    |           |
| • Increase picnic fees at additional parks | \$10,000  |
| • DVD rental and late fees                 | \$15,000  |

<u>\$177,000</u> <\$930,000>
---------------------------------

**VIII. Internal Adjustments (\$580,000)**

- |  |           |
|--|-----------|
| • Defer increase to Self Insurance Fund  | \$300,000 |
| • Advanced Life Support (ALS) without paramedic escort revenues in excess of the cost of phasing out the Hazardous Materials premiums for Fire | \$280,000 |

<u>\$580,000</u> <\$350,000>
---------------------------------

**IX. Energy Investment (Capital Required - \$2.9M)**

- |                                     |           |
|-------------------------------------|-----------|
| • Energy savings from projects      | \$350,000 |
| ○ Requires \$2.9 million in capital |           |

<u>\$350,000</u> Balanced
------------------------------

**X. Sources of One Time Monies**

- |   |             |
|---|-------------|
| • RDA Downtown loan repayment                       | \$2,000,000 |
| • Telephone replacement                             | \$500,000   |
| • Early conversion of non-sworn positions in Police | \$300,000   |

**XI. If Council desires to remove items from the City Manager's recommended budget, the following alternate program reductions or others that the Council may propose may be considered to arrive at a balanced budget \$540,000**

- |   |           |
|---|-----------|
| • Elimination of the following programs:  |           |
| ○ Concerts in the Park  | \$25,000  |
| ○ Library Hours – Close four (4) Sundays  | \$12,000  |
| Operate for 28 Sundays instead of the 32 currently  |           |
| ○ Oodles of Noodles   | \$16,500  |
| ○ Reduce Park Patrols – Park Ranger Program   | \$17,000  |
| Discontinue one (1.0) roving unit from each season –  |           |
| 760 hours   |           |
| ○ Summer Musicals   | \$63,000  |
| ○ 4 <sup>th</sup> of July Celebration   |           |
| ▪ Community Services  | \$50,000  |
| ▪ Police overtime   | \$65,000  |
| ○ Aquacade  | \$7,500   |
| ○ Halloween Carnival  | \$5,500   |
| ○ Environmental Fair  | \$6,500   |
| ○ Community nonprofit grants – reduce by 50%  | \$20,000  |
| ○ General Fund subsidy to the Parks & Recreation Fund   | \$100,000 |
| ○ Eliminate the refuse services low income exemption for seniors/disabled for refuse services | \$79,000  |
| ○ Recover utilities for park facility usage   | \$74,000  |

**XII. Additional Areas to Explore (requires meet and confer - \$263,000)**

There are other options the City Manager will explore but due to requirements for the meet and confer process these will be considered for future budgets.

- Conversion of overtime rate in Fire from 2.1 to 1.5 (\$110,000)
- Restricting the maximum of compensatory time in Fire to 144 hours annually (\$53,000)
- Revisit how the City treats overtime in Fire for Fair Labor Standards purposes (\$100,000)
- Delay of Jan 2011 raises by 6 months (Fire) (\$430,000)
- Delay of Jan 2011 raises by 6 months (Police) (\$730,000)

Summary of Recommend Balancing Options		
<b>Projected Budget Deficit</b>		<b>\$ 8,900,000</b>
Reserves for Wages/Materials 2008/09	\$1,500,000	
Reserves for Wages/Materials 2009/10	2,250,000	
		5,150,000
PERS Employee Contribution	630,000	
Public Safety	928,500	
Positions Reductions	1,427,500	
Operational Efficiencies	806,500	
Program Reductions	27,000	
Employee suggestions	223,500	
Additional Fees	177,000	
Internal Adjustments	580,000	
Energy Investment	350,000	
Budget (surplus/deficit)		\$ -
as recommended by City Manager		
Other Balancing Options to Consider	540,000	

Several of the recommendations may require some use of one time monies for those positions that are not vacant, where the savings were averaged over four years (PERS contribution savings), or where capital improvements are required such as the energy retrofit programs.

As with past messages, this document becomes the City Council's and may be revised and amended as directed by your Honorable Body.

As directed by your Honorable Body staff has attached the refuse rate agenda item originally heard on March 23.

Respectfully submitted,



LeRoy J. Jackson  
City Manager

**Attachments:**

- A. Copy of Daily Breeze advertisement
- B. 2009-11 Operating Budget (Limited Distribution. A copy is available in the City Clerk's Office.)
- C. Refuse rate agenda item dated March 23, 2010

## Copy of Daily Breeze Advertisement

**DB 5-65**

**PUBLIC NOTICE**

**CITY OF TORRANCE**  
**NOTICE OF BUDGET WORKSHOPS/  
PUBLIC HEARINGS**

NOTICE IS HEREBY GIVEN that two budget workshops/public hearings will be held before the City Council on the proposed budget revisions for the 2nd year (2010-11) of the City's adopted two-year 2009-11 operating budget on Tuesday, May 25, 7:00 p.m., and Tuesday, June 15, 7:00 p.m., or as soon thereafter as Council business will permit, in the Council Chambers, 3031 Torrance Boulevard, Torrance.

Anyone with an interest in the matter may appear and be heard in person, or they may submit written material for Council consideration as long as it is delivered to the City Clerk, 3031 Torrance Boulevard, Torrance, CA, 90503, prior to the hearing.

This notice is given pursuant to the order of the City Council by order of LeRoy J. Jackson, City Manager, City of Torrance.

**Pub: May 15, 23, 2010**

**ATTACHMENT B**

City's Two-Year 2009-11 Operating Budget

Limited Distribution

Council Meeting of  
March 23, 2010

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

Members of the Council:

**SUBJECT: Finance & Public Works – RESOLUTION to approve increase of Refuse Rates**

### **RECOMMENDATION**

Recommendation of the Finance and Public Works directors that City Council adopt a **RESOLUTION** to approve an increase to monthly refuse rates by \$3.42 for the 1<sup>st</sup> year which includes an implementation loan for the General Fund that phases out completely after the 2<sup>nd</sup> year. The refuse rate would be increased by the May to May Consumer Price Index (five years) and there is no change to the current low income rate for senior and disabled residents.

### **BACKGROUND/ANALYSIS**

On January 12, 2010 the City Council conducted and closed the fee hearing to increase refuse rates by \$5.86 a month that would increase with the Consumer Price Index (CPI May-to-May) at the beginning of each fiscal year (for five years), which follows the guidelines as prescribed by Proposition 218. Staff's recommendation was to implement an increase to the refuse fee by \$5.86 a month from \$22.29 to \$28.15 and increase the low income exemption for seniors or disabled residents by \$1.48 from \$8.24 to \$9.72.

Staff is proposing to add weekly green waste collection in the City following two years of testing through a pilot program. The current residential recycling rate for areas without green waste is approximately 22%, which is well below the 50% requirement by the State under AB 939. Green waste represents about 30% of the waste stream in all of the test areas of the City and will allow residential collection to meet the State standard.

Throughout the trial period, the put-out rate for green waste containers has been approximately 65%, on average. Green waste is somewhat seasonal in our region but is fairly consistent throughout the year. The volume of green waste is also affected by weather, as we experienced this past January when the volume was 40% less than the volume in February. Staff analyzed the green waste volumes and put-out rate to determine the required number of routes for the program.

As presented during the rate hearing, Proposition 218 governs enterprise type rate increases. Proposition 218 for City operated refuse operations requires the fee not

to exceed proportional costs of the service attributable to the parcel. This clause is now being interpreted to apply to any discounts provided, including low income, seniors, disabled, etc. This means that the rate structure cannot favor any service receiver. Proposition 218 does not disallow discounts or exemptions but requires an offset from another source such as the General Fund. Many cities that operate their own refuse operations are discontinuing low income and discount programs. Proportional cost requirements do not affect those refuse operations not operated by a local government and it remains unclear whether it affects those operations awarded under a franchise agreement.

The City currently provides a discounted fee for those residents who are seniors or disabled with household incomes less than \$27,075. The rate is indexed to 2.5 times the Federal poverty level for a single family household (\$10,830). There are currently 466 residents that participate in this program at a cost of roughly \$79,000 annually. If this discount was increased to offset the proposed increase, the low income exemption program cost would increase to approximately \$103,000 a year.

In addition, the City provides free large item pick up service to the community. The same crew that provides this service also picks up refuse and recycling at City owned buildings. The entire cost of the large item pick up is about \$250,000 annually, of which \$50,000 is for City collection. The cost for large item pick up is allowable under Proposition 218 but the City portion of \$50,000 would be transferred to the City's General Fund. Based on the above modifications, the proposed rate change would be reduced by \$0.44. Staff recommends the funding of this by reducing 1.0 Engineering Technician III (vacant) and materials from the Public Works budget – General Fund.

Phasing the rate increase over two years - \$2.00 yr 1, \$1.00 yr 2

Staff is recommending phasing the rate increase over two years by borrowing from the General Fund's "Alternate Fuel Vehicle" Reserve. Staff has provided a two or a three year phase in option:

**Buying down the rate (per month)**

<u>1st Yr.</u>	<u>2nd Yr.</u>	<u>3rd Yr.</u>	<u>Cost</u>
\$(2.00)	\$(1.00)		\$1,050,000 (Recommended)
\$(2.00)	\$(1.33)	\$(0.67)	\$1,400,000

The line of credit would only be drawn on when needed to maintain a positive cash balance in the fund and would be repaid from year end operational savings when available. The rate of the interest charged would be the City's average portfolio yield plus 2% (4.5% based on current rates).

These recommendations would bring the rate increase from \$5.86 as originally proposed to \$3.42. As the General Fund loan is phased out the rate will increase by \$2.00 in the 3<sup>rd</sup> year.

Staff considered the following options to further mitigate the rate increase but at this time is not recommending these options:

Option 1 - Large Item Pickup Charge (\$0.21-\$0.58 per month)

Currently the City provides the community with large item pick up once a year (up to 20 items) at no charge. The City currently does not provide additional pick ups. If the City charged for this service, the refuse rate could be offset by the additional revenue generated:

Charge for 1st Large Item Pickup	Revenue Generated	Effect on Proposed Monthly Rate
\$25.00	\$ 72,500	\$ (0.21)
50.00	\$145,000	(0.42)
70.00	\$203,000	(0.58)

\*Subsequent pickups (per calendar) year would be - \$75.00

Option 2 - Reduce Residential Street Sweeping (\$1.00 per month)

The City currently provides weekly residential street sweeping that is paid for under the refuse rate. This service can be reduced to monthly sweeping, which is the minimum requirement under the County MS4 permit. Reducing street sweeping to this level will reduce the cost of refuse collection by \$1.00 per month. Proper street cleaning is needed to prevent materials from entering the storm drain system. The weekly street sweeping program collects about 40 tons of material per week in the residential areas. Some of the sweeping would be picked up by residents but other areas will go unswept until the next street sweeping. This reduced service level would increase the amount of materials entering the storm drain system and most likely require additional catch basin and storm drain maintenance caused by the additional debris.

Option 3 - Reduce Recycling Collection (\$1.23 per month)

Green waste is considered to be putrescible waste and must be collected weekly. Putrescible waste is "Solid waste that contains organic matter capable of being decomposed by microorganisms and of such a character and proportion as to cause obnoxious odors and to be capable of attracting or providing food for birds or animals." The Los Angeles County Health Code, Chapter 11, Section 11.16.030 states that "...such garbage or putrescible material, whether mixed with rubbish or other material or not, shall not be kept for more than seven days." Therefore, alternate week green waste collection is not an option to reduce the cost of the program.

However, the City could provide alternate week collection of recyclables. This option would result in a rate reduction of approximately \$1.23 per month. The option may be detrimental to the City meeting the required diversion goal because residents

may use the regular black containers for excess recyclables when their carts are full. Potential problems include storage issues for additional containers, the need for regulation of the waste stream, and lower recycling participation.

Per Council request the following information is being provided:

Low Income Rate Adjustments

At the close of the hearing staff was also directed to return with information on providing a 50% increase exemption for those households at the medium income (approximately \$35K) and not to increase the rate for those households 75 years and older at the medium income.

Staff has looked at several different indexes to calculate "medium" income and recommends using one of the two following indexes: 1) Continue using the Federal poverty level but increase the income qualification to 3.0 times the Federal poverty level which would increase the level to \$32,490; or 2) Use the Section 8 Housing income qualifier for a two (2) party household at \$31,700 or a three (3) party household at \$35,700. The number of households that would qualify for either the increased household income and for the 75 years or older households is difficult to determine. The City does not have access to household income or age information which includes single family households. The only data the City has available would be the 2000 Census that reports household income, size of household, age of household by unit size, etc. Unfortunately, it does not provide a direct correlation for our purposes in projecting the above exemption nor is the report current.

If the City's exemption program included income level up to \$32,000 to \$35,000 for qualification to offset 50% of the proposed increase of \$5.42, staff would estimate no more than an additional 800 participants. The cost of the program would increase by an additional \$26,000. If those households 75 years and over were exempted, staff would estimate an additional 800 participants at a cost of \$52,000. At this time, staff would not recommend enhancing the low income exemption program.

**RECOMMENDATION**

Staff recommends fully implementing a weekly green waste program to meet the waste reduction requirements and environmental goals of the City. The proposed increase to monthly refuse rates is \$3.42 for the 1st year which includes an implementation loan for the General Fund that phases out completely after the 2nd year. The refuse rate would be increased by the May to May Consumer Price Index (five years) and there is no change to the current low income rate for senior and

disabled residents. Continue providing a subsidy to the current low income program for senior and disabled residents at the current level (no increase) paid by the General Fund.

Respectfully submitted,

Eric. E. Tsao  
Finance Director

Robert J. Beste  
Public Works Director

CONCUR:

LeRoy J. Jackson  
City Manager

Attachments: A. Resolution  
B. Los Angeles County Code and Definition  
C. Council Item of January 12, 2010

Council Meeting of  
May 25, 2010

**SUPPLEMENTAL #1**

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

**Members of the Council:**

**SUBJECT: City Manager - Supplemental Information to Item 13A**

The City Manager received an email from Ken Carter, President of Torrance Fire Chief Officers' Association (TFCOA) regarding Item 13A (Proposed budget revisions for second year of 2009-2011 operating budget). Chief Carter objected to the term "Battalion Chiefs' Drivers Aide" and requested that the position be referred to as "Operations Specialist". The Chief also had concerns regarding the reference of Police Lieutenants as "real" managers. The original email is attached to this supplemental.

This supplemental is intended to provide additional information regarding the duties and the schedule of firefighters assigned to operations specialist duties. The tasks assigned to the operations specialist include driving and providing support to the Battalion Chiefs. Chief Carter did state that the Operations Specialist's driving responsibilities comprise about five to ten percent of duties.

The reference to Police Lieutenants as managers is a distinction that addresses the exempt status related to the Fair Labor Standard Act (FLSA) as well as other duties. The Police Lieutenants with the exception of the duties of Watch Commander do not receive overtime and have a very different distinction in that they mirror managers elsewhere in the organization.

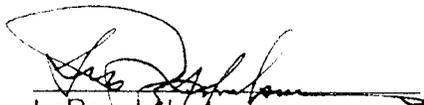
This supplemental also includes excerpts from the 2009 Budget Supplemental Material capturing TFFA's recommendations regarding budget efficiencies including the freeze and/or elimination of a Battalion Chief position and distribution of duties amongst remaining staff

Respectfully submitted,

LeROY J. JACKSON  
CITY MANAGER

By Aram Chaparyan  
Aram Chaparyan  
Assistant to the City Manager

CONCUR:

  
LeRoy J. Jackson  
City Manager

Attachment A: Email from Chief Ken Carter, President of TFCOA  
Attachment B: Operations Specialist typical schedule and duties  
Attachment C: TFFA Budget Reduction Recommendations from 2009 Budget Supplemental

**Chaparyan, Aram**

**From:** Carter, Ken

**Sent:** Friday, May 21, 2010 10:03 AM

**To:** Chaparyan, Aram

**Cc:** Jackson, LeRoy; Hansen, Mike; Serna, Martin; Samp, William; Besanceney, Carl

**Subject:** Operations Specialist Fire - TCFOA

As the President of Torrance Fire Chief Officers Association I object to the term "Battalion Chiefs' Drivers Aide" when referring to the Operations Specialist in the budget document that is to be presented at the May 25th, 2009 budget workshop. We (TFCOA) met with Aram yesterday (5/20/10) to discuss proposed budget efficiencies. During that meeting Aram was advised by both TFCOA (Ken Carter) and department representative Chief Dumais that the position is referred to as "Operations Specialist" and not a driver. The term driver and aide demeans that position and the responsibilities that go with that position. Aram agreed to that point and we would appreciate corrections to the document before further distribution.

On a second issue - although not discussed yesterday, referring to the Police Lieutenants in this same document as "real managers" is also demeaning to our Fire Chief Officers. These are tough times and professional respect and dignity needs to be maintained. These type of statements only create hostilities. We appreciate your response.

Respectfully,

Ken Carter  
President  
TFCOA

5/25/2010

Operations Specialist Daily Activities and Duties**Daily activities:**

0800-0830	Line-up
0830- 0900	Check vehicle for operational readiness
0900-1000	Physical Training
1000-1200	Check e-mails and start Telestaff . Telestaff duties include checking rosters 1-18 days for appropriate staffing levels i.e. Hazardous-Material team, Medics. Hire for openings, requested days off by vacation, comp., stand-by's, sick and personal leave. Order-in or move-up positions when needed. Transfer positions due promotion or shift trade. Organize all three shifts vacation picks and vacation qualified relief positions for the calendar year. Staff additional rigs due to emergencies i.e. SWAT detail, brush fires, Mutual Aid, 4 <sup>th</sup> of July, etc. Making sure Constant Staffing Rules are being followed. Payroll request and fixed problems that come up during the pay period.
1200-1330	Lunch
1330-1500	Telestaff
1500-1700	Monday – undercarriage Tuesday - wash and wax vehicle Thursday - lawns and yards Friday - kitchen field day Any training activities
1700- 1800	Dinner
1800 - 0630	Handle all Telestaff request via phone or electronic that arise during the remainder of the shift.
0630 - 0800	Handle all Telestaff request for sick leave or any roster changes that arise during the remainder of the shift.

**Positions Duties**

The Operations Specialist is a Firefighter by rank, who is assigned to each of our three platoons as part of the Command Team for the Operations Division. A Battalion Chief who fills the Platoon Commander position supervises the Operations Specialist. The Operations Specialist's primary function is to document the situation and resource status during emergency operations. This includes the mandatory requirement to satisfy an OSHA standard and National Fire Protection Association 1500 Standard on Firefighter Safety. The Standard requires an on scene person to be accountable for all Firefighting or rescue personnel within an immediate location of an emergency scene which poses an immediate danger to life or health.

Additionally, the Operations Specialist drives the Platoon Commander to meetings and functions as required during the tour of duty. Fire maintains this Command Team at all times as we do with any of our Engine, Truck, or Rescue Companies. In other words we do not break this unit up to perform other

functions. Having the Operations Specialist operate the Command vehicle allows the Battalion Chief to Communicate via radio with other units and begin to develop an incident action plan for managing the incident while en route to an emergency. This is a vital function for setting the tone of managing emergency incidents. It allows us to perform as an offensive, action-oriented fire department, which leads directly to lower loss of property. It also gives the Department the ability to be proactive in managing any incident in the most expedient, safe manner, rather than take a defensive stance toward the outcome of the incident.

While not assigned to an emergency, the Operations Specialist is responsible for staffing current shift strength and performing payroll duties by managing the Department's Telestaff hiring system and keeping all roster positions filled and payroll-coded correctly, per Constant Staffing agreement with TFFA. This function requires an intimate knowledge and application of the work rules used to fill the daily staffing roster.

Following is an overview of the Emergency and Administrative responsibilities for the position of Operations Specialists:

### Emergency

- Determines the most expedient, direct, and safe response route to an emergency scene allowing Platoon Commander to communicate with and track resources
- Tracks fire scene personnel (Accountability & Safety) required per OSHA and NFPA guidelines
- Tracks tactical assignments
- Situation Status - Maintains status of all units involved on an incident
- Resource Status – Tracks orders and accounts for resources ordered during an incident
- Assists in the Organization of Resources/ ICS positions at Command Post assigned to the incident
- Maintains written record of events during an incident
- Gather any emergency report information that the Platoon Commander may request
- Keeps communication apprised of status of Command Team
- Can provides rapid recon of emergency while Platoon Commander develops an Incident action Plan
- Sets up Incident Command Post
- Assists Incident Commander managing incident/event
- Assists with communications and community notifications
- Functions as Command Liaison with other agencies
- Serve as emergency scene messenger
- Monitor CO levels for Firefighters at fire incidents
- Safety Officer on incidents
- Monitor CO levels for Firefighters at fire incidents

### Administrative

- Maintains Staffing for Operations Division
- Performs Payroll input/corrections
- Applies Constant Staffing rules
- Drives and Maintains Command Vehicle & Inventory
- Monitors and documents radio transmissions
- Manages vacation selection process
- Tracks all leaves of Operations Division personnel
- Ensures payroll system (Telestaff) is updated
- Conducts emergency recall – as needed
- Receives and relays messages and orders in the name of the Platoon Commander
- Communicates with all fire stations

- Fields over-flow calls for Platoon Commander
- Tracks status of reserve vehicles and locations
- Updates/Manages Operations Division Activity Schedule as needed
- Handles inquiries relating to payroll and hiring, Telestaff, etc
- Update information in Department's Data management system (Firehouse)
- Handles office work/phone calls
- Recognizes and respects confidential matters
- Monitor radio while Battalion Chief is in meetings and relays messages
- Monitor radio status of Operational resources

### Conclusion

- The elimination of the Operations Specialist would impact the Department in both the Operations and Administration sides of the Department. Mandated emergency scene functions would have to be assigned to on scene operational personnel, thus taking them away from other fire / life rescue operations. The incident commander would have to request additional resources to then fill the position of the personnel who is now assigned to the Operations Specialist position on the incident.
- The day to day administrative duties would have to be spread out to shift operational personnel with the Department requesting an additional clerical position to assist with these tasks as well.

Prepared by David A. Dumais, Deputy Fire Chief

Meeting Notes with TFFA, City regarding FY 2009-2011 Proposed Budget  
June 11, 2009 at Fire Station #1

Representing TFFA: Howard Schneider, Nate Norris, Jeremy Bactat, Ryan Rasnick, Tim Cummings, Tim McAtee, Randy Brooks

Representing the City: Aram Chaparyan, Dave Dumais, Martin Serna, Viet Hoang

**Introduction – Aram Chaparyan**

- For 2009/10 budget, direction from Council is a 2% reduction in Fire Department (\$660,000)
- Purpose of the meeting is to discuss concepts City is considering to get the 2% reduction and to listen to TFFA's ideas on reducing budget
- Goal is to identify options for Council to consider at June 23, 2009, 2<sup>nd</sup> budget hearing and prior to budget adoption
- City intention is to identify alternative options in order to avoid the reduction of positions

**The City Team reviewed Chief Racowski's Proposed Areas for Reduction**

- The latest reduction total approximately \$465,000, and impact the following areas:
  - Reduction of Hazardous Materials response program from 9 members to 5 members through attrition
  - Reduction of contribution to the apparatus replacement fund
  - Modification of the Automatic Fire Alarms response
  - Tiered response to EMS calls
  - Efficiencies from hiring before firefighter openings reach 6
  - Reduction of CISM contract
- Other concepts City discussed as possible proposals
  - Reducing all overtime from 2.1 to 1.5 for a potential savings of approximately \$150,000
  - Reduction of the Hazmat premium pay:
    - From 13% to 7% as mentioned by Mayor Scotto at the June 9<sup>th</sup> budget hearing
    - From 13% to 11% for Hazmat, and reduce First Responder premium from 7% to 6% as recommended by the Fire Chief
  - Bringing EMS paramedic continuing education in-house for potential savings of \$100,000
  - Eliminating the uniform allowance for a potential savings of \$30,000
- Another area City is considering for budget reductions is Constant Staffing; even if City does not reduce for budgetary reasons, Constant Staffing is an area City wants to explore changing in the future
  - Changing comp-on-comp (employee working for another employee on leave will be paid, instead of receiving comp time), this will reduce the City's financial obligation as employee's accrue additional hours
  - Changing number of days notice for requesting time off
  - Changing number of staff who can be approved for time off at the same time

**TFFA's Response to City's Proposed Areas for Reduction**

- Until other options are considered, TFFA is not interested in discussing any of the City's proposals that require meet and confer
- Reducing the Hazmat team members from nine to five may be problematic staffing-wise; there would only be three captains and three engineers

- Some of the dollar values of the City's proposals may be underestimated, including Basic Life Support response, fuel savings, and alarms
- City's proposed Hazmat reduction through attrition does not help with immediate budget problems; savings will be realized over time
- TFFA proposed reductions and revenue generation concepts for the City to consider

### **TFFA's Proposed Areas of Reduction and Revenue Generation**

- These proposals are in sequential order based on how TFFA proposes their consideration (e.g. consider the first proposal before the second, etc.)
1. Citywide reductions and Revenue Generation for Fire Department
    - A. Review Citywide events that, while are nice to have during good times, are not necessary to have in lean times. Events and program to consider reducing or eliminating the following:
      - 4<sup>th</sup> of July Celebration;
      - Department Open Houses;
      - Vehicle Take Home policy
      - Employee Service Recognition Awards Dinner;
      - Cultural Arts programs;
      - Rose Parade Float;
      - Overtime pay for managers (Fire Battalion Chiefs) who attend retreats.
    - B. Specific to Fire Department, review apparatus maintenance policy.
    - C. Consider charging an EMS fee that will go directly to Fire Department budget. Based on 3,600 BLS calls x \$360 x 54% collection rate, a potential of \$700,000 may be generated. Currently, only money is collected when a Firefighter goes in the ambulance to the hospital.
  2. Recommendation to implement a Citywide hiring freeze, with a work down program for Fire Department; paying overtime is cheaper than hiring new employees
  3. When the next Battalion Chief leaves the city, do not fill the position; duties will be split among remaining staff
  4. Approach all employees and all employee groups (from the City Manager down) to meet and confer for a reduction for everyone

### **General Comments from the City**

- City emphasized urgency in coming up with proposals for Council's consideration; budget must be resolved on June 23, 2009; some areas may require meet and confer
- City requested TFFA to remain flexible and to continue to seek alternative options for Council consideration

### **General Comments from TFFA**

- TFFA seeks 100% response capability to the community and does not want any reduction that would impact this goal
- TFFA is available to meet to continue discussing solutions before and at the June 23 Council Meeting
- TFFA is not interested in discussing proposals which require changes to the MOU and any meet and confer subjects.

BACKGROUND

As part of the budget process for FY 2009-2010, the TFFA was directed to provide scenarios achieving two and four percent reductions. Subsequently, the Department was provided with a specific reduction target of 2% or \$660,000. To achieve that target amount, while at the same time avoiding personnel loss in operations, the eight efficiencies detailed below are presented for consideration to the Council.

IMPLEMENTATION OBJECTIVES

To accomplish the reduction efficiencies, the TFFA proposes the following:

- o Reduction of contribution to the Apparatus replacement fund and return to the previous replacement schedule (savings of \$100,000/yr)
- o Freeze a Battalion Chiefs position i.e. Fire Marshal or Administrative Chief (savings of \$270,000)
- o Alter the Department's response to Automatic Fire Alarms between the hours of 0800-0800 to a single engine response (savings of approx. \$40,000/yr)
- o Response modification of EMS calls, responding a rescue only instead of an engine and a rescue (savings of approx. \$55,000)
- o Eliminate the CISM contract (Savings of \$28,000/yr)
- o Eliminate a Fire Intern position (Savings of \$38,000/yr)
- o Freeze the open Fire Prevention Officer position currently vacant (Savings of \$126,000/yr)
- o Reduce the Recruit Academy from 14 weeks to 8 weeks (Savings of approx. \$285,000)

The eight proposed efficiencies from Fire's budget total \$942,000.

- **The TFFA seeks 100% response capability to the community and does not want any reduction that would impact this goal.**

## PUBLIC HEARING

(Companion Item to Redevelopment Agency Item 5A)

## SUPPLEMENTAL #2

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

Members of the Council:

**Subject:** Finance – Supplemental Information to Item 13A

The following changes are made to item 13A. The following changes were made to the following pages:

**Page 4**

Community Services Department, addition of 0.7 Senior Recreation Supervisor \$19,500, was mistakenly omitted. This addition does not affect the totals.

- Typist Clerk \$ 65,000
- Library Assistant I 71,000
- Sr. Recreation Supervisor 19,500

**Page 8**

Under XI, the amount should have read **\$541,000** instead of \$540,000.

***XI. If Council desires to remove items from the City Manager's recommended budget, the following alternate program reductions or others that the Council may propose may be considered to arrive at a balanced budget*** \$541,000

**Page 9**

Under XII, the amount should have read **\$261,160**, \$1,160,000 one time.

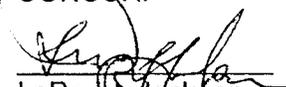
***XII. Additional Areas to Explore (requires meet and confer - \$261,160, \$1,160,000 one time)***

Respectfully submitted,



Eric E. Tsao  
Finance Director

CONCUR:



LeRoy W. Jackson  
City Manager

SUPPLEMENTAL MATERIAL

**13A**



### ALTERNATE PROPOSAL BY TFFA/TFCOA

The following package was proposed as an **alternative and in-lieu** of the City Manager's proposed budget reductions.

- **Fire Prevention** - Reassignment of duties from the HazMat Analyst position (through attrition and represented by the Engineers) to the Assistant Fire Marshall (Captain). Projected savings by TFFA/TFCOA of **\$229,000**. This proposal impacts the Engineers Association and would require meet and confer. Finance Department will review to determine potential savings to the General Fund, since the current HazMat Analyst position is \$163,000 and is funded by a HazMat fee.
- **Paramedic Hires Only** - changing the firefighter job specification to require paramedic certification prior to hire. Reduction of overtime due to not having to send firefighters to paramedic school and cover the vacancy with constant staffing. Savings presented are projected based on annual attrition of 10 positions. Annual projected OT savings of **\$586,000**. TFFA/TFCOA also want to realize one time savings of approximately **\$586,244.70** (\$234,000 for recent class of 4 fire recruits with a paramedic certification and \$352,000 as a result of hiring 6 recruits with paramedic certification for the upcoming July recruit class). The savings are a result of savings in constant staffing since the new hires will not need to be sent to Paramedic School.
- **HazMat Team** - reinstate the team to 9 members and reduce the premium from 13% to 7% through attrition. Assign additional duties to HazMat team to assist the *Hazardous Materials Division*. The Fire Department and TFFA will need to determine the level of constant staffing. Finance Department will have to verify if projected savings will be the same as reduction of the HazMat team from 9 members to 5 members.

TFFA/TFCOA estimates the proposed savings at \$815,000 (\$6,500 below City Manager's proposed reductions). These options are also intended to address the \$125,000 for the 9% PERS Employee contribution (which is subject to meet and confer).

#### CITY MANAGER'S Response to the TFFA/TFCOA Proposal

**Fire Prevention** – The City Manager does not recommend this proposed alternative option as it impacts another employee group and may entail meet and confer.

- **Paramedic Hires Only** – The Finance Department projects savings of **\$240,000** based on an average hire rate of 4 paramedics per year. This proposal would require meet and confer with TFFA to change the job specification for the firefighter position to require Paramedic Certification for all new hires. This change will expedite the implementation of the Paramedic Engine Assessment Units and the eventual conversion of existing Engine Companies to Paramedic Engine Companies.
- **HazMat Team** – The reinstatement of the HazMat team back to 9 members may entail additional costs related to carrying the 13% premium for existing members through attrition. The City Manager will recommend exploration of this option only if the switch is cost neutral to the City. If the City Council decided to revert back to the 9 member HazMat Team, the Fire Chief proposes maintaining the constant staffing for the HazMat Team at 5 members to allow operational flexibility with hiring and ability for HazMat team members to respond to out of area strike teams.



Aram,

I would like to take this opportunity to follow up with you on our correspondence last week. As stated in the prior email, we, at TPOA feel that the implementation of team policing, the loss of the three sworn officers and the early conversion of the CSI detail last year were unprecedented changes that were mutually agreed upon by both TPOA and Command Staff. That collaboration continues to reap financial benefits for the city. Also, as stated in that email, we feel very strongly that the proposed reform to the employee contribution of PERS would be extremely detrimental to the future of our department at this time. We fully understand that eventually, that reform will need to be addressed.

With that said, we also realize that we have a responsibility to the city and the community to do our part in an attempt to find solutions to the current budget crisis. With this in mind, we have conducted an emergency meeting of the TPOA board to discuss potential solutions to the problem.

As stated in the document presented in last weeks council meeting, the estimated savings that would be realized by the city if TPD implemented the 9% employee contribution to PERS would be \$125,000 for the first year. Assuming that the true reason for the current budget hearings are to identify solutions to get us through the **current** crisis, TPOA has identified a conceptual solution that would provide the city with the ability to recoup that amount of money.

TPOA will voluntarily agree to defer one month of the next scheduled raise in January of 2011. Essentially this means that instead of beginning the 3% raise in Jan. 2011 the raise would begin in Feb. 2011. The contract would still have the existing expiration date and would not be extended. This would be a savings to the city of \$121,666.00. This conceptual agreement would have the following caveats:

1. This offer would only be considered if council made a decision to eliminate an equivalent non essential expense item from the budget such as the 4th of July. My members are willing to do their part, but need some sort of commitment from Council to do the same.
2. Each member of TPOA would be granted 8 hours of comp or personal leave. If structured properly this would be a no cost item to the city but would be a good faith offering to the employees.

Obviously, these concepts are not intended as any sort of official agreement or offer and any details would need to be negotiated at a later date. This is simply our willingness to find a solution for the exigent budget crisis. Thanks you for the opportunity to discuss these issues.

Respectfully,

Donnie Edmonds  
TPOA President



## FOLLOW UP MATERIAL SINCE MAY 25 BUDGET MEETING

### I. Public Employees' Retirement System Employee Contribution

<b>Questions and Responses from May 25<sup>th</sup> budget meeting</b>	
<b>Question</b>	<b>Response</b>
<ul style="list-style-type: none"> <li>▪ How do we achieve \$630k in savings by making new hires pay the employee portion of PERS contribution even though we're cutting positions?</li> </ul>	<ul style="list-style-type: none"> <li>▪ There is natural attrition that will cause positions to become vacant and then will have to be filled with new candidates. This is what we averaged to be the possible savings. It could be more or less.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Why is City paying employee share of PERS contributions?</li> </ul>	<ul style="list-style-type: none"> <li>▪ It is part of the negotiated compensation package. If passed, we would look to phase in the new plan that will have the new hires pay their share now and then eventually all employees will be paying the Employee share of PERS contributions</li> </ul>

### II. Public Safety

<b>Questions and Responses from May 25<sup>th</sup> budget meeting</b>																	
<b>Question</b>	<b>Response</b>																
<ul style="list-style-type: none"> <li>▪ How do we save \$13,000 on the elimination of one police vehicle?</li> </ul>	<ul style="list-style-type: none"> <li>▪ This represents the maintenance and replacement cost savings for a one year period.</li> </ul>																
<ul style="list-style-type: none"> <li>▪ What is the average number of unlicensed businesses that are discovered annually?</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Finance Department does not keep statistics on the average number of unlicensed business discovered. The following are statistics that are related to unlicensed business.</li> </ul> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: center;">Year</th> <th style="text-align: center;">Licensed</th> <th style="text-align: center;">Unpaid/ Unlicensed</th> <th style="text-align: center;">% Licensed</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2010</td> <td style="text-align: center;">9,260</td> <td style="text-align: center;">360*</td> <td style="text-align: center;">96.2%</td> </tr> <tr> <td style="text-align: center;">2009</td> <td style="text-align: center;">10,403</td> <td style="text-align: center;">195</td> <td style="text-align: center;">98.1</td> </tr> <tr> <td style="text-align: center;">2008</td> <td style="text-align: center;">10,119</td> <td style="text-align: center;">181</td> <td style="text-align: center;">98.2</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>▪ To minimize the impact from the loss of a Revenue Inspector position, the Fire Department as part of their annual fire inspection was to check for business license.</li> <li>▪ Fire Department list of 315 unlicensed businesses was provided to Finance in May 2010</li> <li>▪ During the year, the Finance Department works on</li> </ul>	Year	Licensed	Unpaid/ Unlicensed	% Licensed	2010	9,260	360*	96.2%	2009	10,403	195	98.1	2008	10,119	181	98.2
Year	Licensed	Unpaid/ Unlicensed	% Licensed														
2010	9,260	360*	96.2%														
2009	10,403	195	98.1														
2008	10,119	181	98.2														

reducing the unpaid licenses, using all available resources. Throughout the renewal process the number of unpaid/unlicensed businesses fluctuates, and reducing the number of unpaid licenses is a continuous job function of the Finance Department performed daily. Attempts are made to contact businesses by sending notices along with follow-up telephone calls. The Finance Department also works with the Fire Department and Community Development Department in identifying, pursuing and reducing the number of unpaid businesses.

### III. Non Safety Position Reductions

Questions and Responses from May 25 <sup>th</sup> budget meeting	
Question	Response
<ul style="list-style-type: none"> <li>▪ So all 19.8 positions being cut are vacant?</li> </ul>	<ul style="list-style-type: none"> <li>▪ No, we'll be covering the non-vacant positions with one-time monies.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Consider holding vacant positions temporarily for more savings. Hold out another year or two. (Gave example of City Attorney's Deputy City Attorney positions using savings to spare the Legal Secretary position). There are some promotable positions that we could hold back on. Not to say that these positions should be eliminated but if we hold out a little longer then we could potentially realize more savings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ We've addressed most of those in GF in this recommendation. Vacancies that are in external/special funds won't help the General Fund.</li> </ul>
<ul style="list-style-type: none"> <li>▪ What suggestions would you have that would equal the recommended \$1.4 million in reductions?</li> <li>▪ A 4/10 schedule would reduce service to the community. There are also some employees who are already on the 4/10 schedule so the bulk of the real savings would be from reduced utilities</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>See ATTACHMENT E</b> – Balancing strategies provided by TPSA, TCEA/TRREO, Engineers/Fiscal, TPPREO and AFSCME Local 1117-Tme, TLEA and Crossing Guards. Response by the Engineers Association to the TFFA/TFCOA Proposal, and Memo from TCEA to Mayor and the City Council.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Concerned about construction crew moving to Public Works for few months. Employee would be one of the impacted positions.</li> <li>▪ Hiring temps would require a lot of resources to train them to do their jobs, only to have them leave shortly after because they are temporary.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Construction crews already do some concrete work so thought it would be a good idea to utilize the more technical end of the skill set they already possess.</li> <li>▪ This is still subject to meet and confer. We aim to make best use of personnel to achieve highest needs in the community. Staff will address questions brought up by all parties and determine if an alternate approach is feasible.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ The Community Services and Public Works Departments have modified their initial proposal to no longer reassign employees from Community Services to Public Works. The Public Works Department now proposes shifting current employees to cover for the Cement Finisher and Equipment Operator positions, and hiring temporary Maintenance Works. The Community Services Department will assign the Special Projects Crew to summer mowing operations, while maintaining the ability for the Crew to respond to special needs as needed.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Would pay scale be the same if they did concrete work?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Compensation issues are subject to meet and confer. The difference in pay between a Maintenance Worker to Cement Finisher is \$10,000 for the 4 months and \$6,000 for Equipment Operator.</li> </ul>
<ul style="list-style-type: none"> <li>▪ <i>19.8 positions – Are these funded positions?</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Oppose eliminating a recently vacated position because there is still a need for this position. Specifically, the Community Services Typist Clerk. This leaves one person in Park Services with no back up. The workload is too much for one person</li> </ul>	<ul style="list-style-type: none"> <li>▪ The vacant Typist Clerk position in question is within the Recreation Services Division, as the previous Typist Clerk transferred to the Transit Department in March 2010. This position is quite busy so the department was allowed to fill this vacancy on a temporary basis, but ultimately was chosen to be eliminated because it was a vacant position. The Community Services Department has a sum total of 3 Typist Clerks within the department, 1 in Recreation Services, 1 in Administrative Services and 1 in Park Services.</li> <li>▪ Staff have reviewed all three job functions within each division and found them to all be important, but in order to still provide clerical support to all three divisions, staff devised a plan to try and address these three job functions with minimal impact to the public and operations.</li> <li>▪ If this position is eliminated, staff would meet with the remaining Typist Clerks, Divisional Secretaries and Managers to work out as evenly as possible, the distribution of all three functions between the existing Typist Clerks and Divisional Secretaries. This plan would need to take into consideration office locations and impacts to each of the divisions.</li> </ul>

#### IV. Operational Efficiencies

Questions and Responses from May 25 <sup>th</sup> budget meeting	
Question	Response
<ul style="list-style-type: none"> <li>▪ Cut \$29k from Seasons printing? Weren't we just saying \$77k?</li> <li>▪ Want to see if we can transition Seasons publication to online version sooner to realize more savings</li> </ul>	<ul style="list-style-type: none"> <li>▪ \$77k is for this year's printing costs. It still costs money to develop the publication and place it on the net even if it is not going to be distributed as widely as it previously was. Please see <b>ATTACHMENT F</b> for a transition plan for the Season's Newsletter &amp; Guide.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Traffic calming for \$150k?</li> </ul>	<ul style="list-style-type: none"> <li>▪ This is contingency funding for potential problems. Issues have decreased significantly so the money can be returned for now. If need arises in the future, we will return to Council.</li> </ul>
<ul style="list-style-type: none"> <li>▪ So, extending the telephone and network cable replacement schedule from 10 to 15 years would save us \$147k?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes.</li> </ul>

#### V. Program Reductions

Questions and Responses from May 25 <sup>th</sup> budget meeting																	
Question	Response																
<ul style="list-style-type: none"> <li>▪ We should give users the option to pay for porta-potties rather than remove them.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Staff contacted each of the three Soccer Organizations that utilize the portable toilets funded by the City through the Park Ranger Program. The three affected regions are 12, 14, and 15. Staff inquired as to whether or not the Regions would be willing to cover the costs of the toilets used at their fields. Each of the three regions agreed to cover their respective costs; however they would likely consolidate the scheduling at certain fields. Here are the costs the City incurred in 2009: <table border="1" style="margin-left: 40px; margin-top: 10px;"> <thead> <tr> <th>Region</th> <th>Sites</th> <th>Toilets</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>12</td> <td>5</td> <td>10</td> <td>\$5,144.77</td> </tr> <tr> <td>14</td> <td>5</td> <td>10</td> <td>\$5,144.77</td> </tr> <tr> <td>15</td> <td>6</td> <td>12</td> <td>\$6,173.73</td> </tr> </tbody> </table> </li> <li>▪ Staff will work with each of the regions on the coordination of portable toilet placement with the Torrance Unified School District, should this reduction be approved.</li> </ul>	Region	Sites	Toilets	Cost	12	5	10	\$5,144.77	14	5	10	\$5,144.77	15	6	12	\$6,173.73
Region	Sites	Toilets	Cost														
12	5	10	\$5,144.77														
14	5	10	\$5,144.77														
15	6	12	\$6,173.73														
<ul style="list-style-type: none"> <li>▪ Who uses the portable toilets?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Non-profit organizations were using schools for games but there were many incidents of vandalism so the City provided porta-potties on school facilities for these sports organizations. Primarily used September through December. The cost is for rental and monthly servicing.</li> </ul>																
<ul style="list-style-type: none"> <li>▪ Could the City take over cleaning up vandalism</li> </ul>	<ul style="list-style-type: none"> <li>▪ There is no willingness on schools' part to go this</li> </ul>																

that may occur and stop providing the portable toilets?	route. They've experienced costly vandalism in the past.
---	--

## VI. Employee Suggestions

Questions and Responses from May 25 <sup>th</sup> budget meeting	
Question	Response
<ul style="list-style-type: none"> <li>▪ We've already paid for the 2011 Rose Float?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes. This reduction recommendation is for 2012 and on.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Is it possible to do a scaled back version of a float? Once we leave the Rose Parade it will be pretty difficult to come back in.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Our float is already at a minimal level.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Expressed concerns about completely eliminating the Rose Float. Possible to find offsets for \$132,000?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Please see <b>ATTACHMENT G</b> for a response from Mr. Tim Estes, CEO of Fiesta Float Designers.</li> </ul>

## VII. Additional Fees

Questions and Responses from May 25 <sup>th</sup> budget meeting	
Question	Response
<ul style="list-style-type: none"> <li>▪ How did we arrive at \$152k for increased class fees?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Performed market rate analysis. Our class fees targeted the middle range of prices of our competitors. Please see <b>ATTACHMENT H</b> for breakdown of class and program fees that are being recommended to be brought to the average market rate.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Increased picnic fees at parks? Provide analysis of increased picnic fees at additional parks.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4-6 parks can currently be reserved and rented. We have some additional parks that are busy enough that we think we can start charging for these as well.</li> </ul>
<ul style="list-style-type: none"> <li>▪ But then we're also looking to reduce Park Rangers?</li> </ul>	<ul style="list-style-type: none"> <li>▪ We think they can still handle the coverage.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Just to confirm, DVD fees already exist and we're just moving to increase them, right?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes. This increases the existing late fees on books and DVD late fees.</li> </ul>
<ul style="list-style-type: none"> <li>▪ The increase in late fees would be imposed on all books?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes.</li> </ul>
<ul style="list-style-type: none"> <li>▪ <i>Is the market study on class fees relatively recent?</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes, but not yet finalized.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Does this market study address non-resident rates?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes, but the \$152k savings proposed is just from increases to the resident rate.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Should bring back review of non-resident rates to see how they performed. Non-residents may</li> </ul>	<ul style="list-style-type: none"> <li>▪ Prior to the Fall of 2009, the registration fee for non-residents was \$10 per class. In the Fall</li> </ul>

be willing to pay more.

Season the non-resident fee was increased to \$20 per class. Here is the impact on non-resident registrations both before and after the increase:

Year	Season	# of NR
2008	Winter	1,724
2008	Spring	1,469
2008	Summer	2,933
2008	Fall	1,824
2009	Winter	1,647
2009	Spring	1,318
2009	Summer	2,739
2009	Fall	1,507
2010	Winter	1,500
2010	Spring	1,416
2010	Summer	pending

- For consistency in the comparison of all registration data, it is best to compare seasonally (fall to fall, spring to spring, etc.). Fall enrollment went from 1,724 and 1,647 in 2008 and 2009, respectively, to only 1,500 in 2010 after the increase. This decrease of 13% of non-resident registrants was likely due to the increase in non-resident fees, however other factors may have contributed, such as cancelled classes, class fees in general, and participant financial woes. Fall non-resident registrations fell by 17.5%, however Spring increased by 7% as compared to the previous year. As registration for summer programs began in May, and non-resident registration began June 1, we will not know the impact on the summer until late August/early September, as camps and swim classes take registration through the middle of August.
- In summary, after three seasons of the increased non-resident fees, total registration by non-residents is down by approximately 7.6%, or 366 participants out of 4,789. Staff will be monitoring non-resident enrollments this summer as it is typically the busiest season. One important note, all revenue associated with non-resident fees goes directly to the general fund through the registration office.

### VIII. Internal Adjustments

Questions and Responses from May 25 <sup>th</sup> budget meeting	
Question	Response
<ul style="list-style-type: none"> <li>▪ Explain ALS fee savings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Were going to use funds for engine company to become paramedic units but since it will take some time before they are ready to use these funds, we can count this as savings for now.</li> </ul>

### IX. Energy Investment (Capital Required)

- No questions asked

### X. Source of One Time Monies

Questions and Responses from May 25 <sup>th</sup> budget meeting	
Question	Response
<ul style="list-style-type: none"> <li>▪ Telephone savings of \$500k in one-time monies is different from \$147k savings from annual replacement for phones?</li> </ul>	<ul style="list-style-type: none"> <li>▪ \$500k is the amount remaining in the telephone system replacement fund after installing the new telephone system. In addition, a combination of a lower cost for the new telephone system and extending the replacement cycle funding from 10 to 15 years yields an ongoing savings of \$147k per year.</li> </ul>

### XI. Alternate Program Reductions

Questions and Responses from May 25 <sup>th</sup> budget meeting	
Question	Response
<ul style="list-style-type: none"> <li>▪ Is it possible to eliminate the July 4<sup>th</sup> celebration for 2010?</li> </ul>	<ul style="list-style-type: none"> <li>▪ If we did, it would affect our year-end carryover amount, not necessarily directly affect budget.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Interested in exploring cutting July 4<sup>th</sup> celebration for this year.</li> <li>▪ \$100k Parks and Recreation subsidy?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Will probably mean an increase in rates for youth programs. Will move closer to market rates if we remove this subsidy.</li> <li>▪ Staff have already sent out letters to the various non-profit and profit vendors to participate in the citywide 2010 Fourth of July Celebration, and entered into an agreement with the Pyrotechnical Company who will be providing the fireworks display. Due to what has already taken place, staff recommends providing a citywide Fourth of July</li> </ul>

	<p>Celebration for 2010 and eliminating the citywide 2011 Fourth of July Celebration for a savings of \$50,000 from the Community Services Department.</p> <ul style="list-style-type: none"> <li>▪ The reduction of the General Fund Subsidy to the Parks and Recreation Fund of \$100k would ultimately reduce program opportunities to the youth and seniors or require staff to further increase fees for these programs in order to continue offering them. As you are aware, staff are in the final stages of a through Market Rate analysis that assisted staff in their recommendations for fee increases to many of our existing classes and programs. Staff used this Market Rate analysis to bring all classes and programs to the “mean or average” with all other municipally offered programs that are similar in size and scope. In this very challenging economic time, many individuals are struggling with their own financial burdens and continuing to increase fees may impact the ability for our residents to afford these valuable and necessary programs and classes.</li> </ul>
<ul style="list-style-type: none"> <li>▪ For the list of alternative cuts, would other cuts impact our ability to enact these savings?</li> </ul>	<ul style="list-style-type: none"> <li>▪ No.</li> </ul>
<ul style="list-style-type: none"> <li>▪ The library cuts of the 4 Sundays would be during summer?</li> </ul>	<ul style="list-style-type: none"> <li>▪ No, we try to do the first 2 Sundays of the school year and the last 2 Sundays of the school year when we anticipate that traffic and demand are lower.</li> </ul>
<ul style="list-style-type: none"> <li>▪ 4<sup>th</sup> of July. If we made this cut, does that mean that the whole 4<sup>th</sup> of July program would be eliminated?</li> </ul>	<ul style="list-style-type: none"> <li>▪ If program was eliminated we would save \$50k but there would still be funding for increased patrols and coverage for security.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Recover \$74k in utilities for park facility usage? What are the cost savings if buildings such as Greenwood are not used due to the fees?</li> </ul>	<ul style="list-style-type: none"> <li>▪ We’re going to increase the light fees for use of the fields. Later correcting himself allowing Jason Minter to itemize the park facility usage revenue increase as: 1. Youth/non-profit use of field, 2. Short term 2 hour permits, and 3. Park building fees of \$5/hour for facilities. Fields mostly used by youth organizations (AYSO, little league, etc.).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Examples of these buildings?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Greenwood has classrooms, McMasters, Walteria, etc.</li> </ul>
<ul style="list-style-type: none"> <li>▪ If we start charging for Greenwood, none of those organizations would use it. They would just find other places that were free. Don’t think we’d make \$74k.</li> </ul>	<ul style="list-style-type: none"> <li>▪ If that’s the case, then the drop in fees would offset the revenues and so there would still be a savings. Please see <b><u>ATTACHMENT I</u></b> for a summary of how the proposed fees would impact the respective organizations for field and building use.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Think that increased fees for fields at Columbia</li> </ul>	<ul style="list-style-type: none"> <li>▪ These are recommended reductions, but we know</li> </ul>

would be disproportionately impactful for those users.	that these are complicated issues.
<ul style="list-style-type: none"> <li>▪ Reduction of park patrol - Rangers are working less hours?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes, same hours covered everyday but reduce the number of units and number of actual rangers out there for each of the shifts year-round.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Has there ever been consideration of a volunteer ranger program?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Generally want trained individuals for these positions.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Could we develop training program that could develop capable volunteers?</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Park Ranger Program is under the auspices of the Community Services Department. Staff will work with the City Volunteer Coordinator to develop a Park Ranger Volunteer option to support our existing Park Ranger staff members.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Can we explore possible corporate sponsorships for some of the programs that are being proposed to be reduced? For example, for the environmental fair, wouldn't it be possible to have companies that deem themselves to be "green" to sponsor these types of events?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Could be target of workshop to go out and seek sponsorships and then once funding was secured we could reinstate programs that were reduced. Same with other programs being proposed to be reduced right now – if at a later date some of the revenues return we could consider bringing some of these programs back.</li> </ul>

## XII. Additional Areas to Explore *(require meet and confer)*

- ]No Questions asked

## *Revenues and Other Issues*

<b>Questions and Responses from May 25<sup>th</sup> budget meeting</b>	
<b>Question</b>	<b>Response</b>
<ul style="list-style-type: none"> <li>▪ With gas prices going down, sales tax receipts are going to be affected dramatically?</li> </ul>	<ul style="list-style-type: none"> <li>▪ The State is removing their share (6% of the 9.75%) of the sales tax on gasoline and replacing it with an equal amount of excise tax (17.3 cents) effective July 1, 2010. This removes the revenue stream from the State's General Fund which allows them to reduce their school funding requirements. The City's share or local share of 1% of the 9.75% Los Angeles County sales tax rate on gasoline for cities is not impacted.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Possible to collect \$1 fee per cardholder at the library? There are approximately 140,000 members.?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fees for cards could potentially jeopardize money that we receive from the state. Need to explore further whether or not imposition of \$1 fee per library card holder would jeopardize State funding currently received.</li> <li>▪ Staff has verified that charging a fee for a library card may jeopardize state and grant funding.</li> </ul>

<ul style="list-style-type: none"> <li>▪ Similar to slide on page 4 (Top Ten Sales Tax Economic Segments) would it be possible to get 1<sup>st</sup> quarter results for years 08, 09, and 10?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unfortunately these figures won't be finalized until after August.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Homework Helpline will be funded again?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes, Little Company of Mary Hospital will fund it.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Some additional areas to explore: General Services, Transit, Community Services, all departments with Contracts</li> <li>▪ To what degree can current employees take over current vendor contract work (ex. Custodial work, etc)?</li> <li>▪ 4/10 schedule – Would there be savings if staggered the day off between Mondays and Fridays?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Please see <b>ATTACHMENT J</b> for additional information regarding vendor contracts</li> <li>▪ No, it would just be utility savings at that point (4/10 schedule).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Revenue side – Finding additional non-licensed businesses. To what degree are we ensuring that good enforcement of business licenses is maintained?</li> <li>▪ Extension of vehicle life in Fleet – How are our practices in comparison to other cities as far as vehicle life?</li> <li>▪ Furlough between Christmas and New Years – any cost savings?</li> </ul>	<ul style="list-style-type: none"> <li>▪ There would be an inequity because there are certain functions that we would not be able to stop, like picking up trash, refuse, water, field operations, payroll, etc. We would have to figure out who to furlough and then this would be subject to meet and confer.</li> <li>▪ Since critical functions will need to be maintained such as Police, Fire, Transit, Sanitation, Water, Payroll, etc., the impacts will be minimal. However, the City will conduct an analysis to determine which operations need to be staffed in part or in whole. Any furlough proposal will require meet and confer with employee groups.</li> <li>▪ Please see <b>ATTACHMENT E</b> for a proposal from the miscellaneous employee groups proposing to furlough on December 27<sup>th</sup>, 28<sup>th</sup>, and 29<sup>th</sup>. The employee groups recommend that employees be allowed to use vacation or cash-out to cover for the leaves. This proposal may have adverse impacts to employees without leave time. An analyses is needed to determine if there are actual savings as proposed.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Residents can request a late pick up for trash. Do/can we charge a fee for this convenience?</li> </ul>	<ul style="list-style-type: none"> <li>▪ No.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Want to defer discussion of fee increase for Refuse rates as long as it is legal, until CA makes it mandatory by penalty because we haven't met the 50% diversion goal. The refuse fee issue should be brought back for discussion at the First Quarter Budget Review.</li> </ul>	<ul style="list-style-type: none"> <li>▪ We can investigate the consequences.</li> </ul>

<ul style="list-style-type: none"> <li>▪ Possibility for savings with take-home vehicles?</li> </ul>	<ul style="list-style-type: none"> <li>▪ These are mostly utilized by employees that have call-out duties. Will review fleet once again to look for further opportunities.</li> <li>▪ Currently 21 vehicles are taken home by field service employees who have call out duties. The value of this based on mileage is approximately \$10,000 per year. The time saved by a faster call out response helps to offset the cost. Please see <b><u>ATTACHMENT K</u></b> for a list of vehicles assigned for emergency response.</li> </ul>
<p>To reconfirm some of the discussion about the Budget, here are some of the questions that we need to answer:</p> <ul style="list-style-type: none"> <li>▪ What is the possibility of creating a 2-tier pay structure for PERS retirement pay for all City employees?</li> <li>▪ What is the possibility of creating a 2-tier pay structure for our Police Dept. but not at the full amount of 9%?</li> <li>▪ Can we survey other cities to see what they have done?</li> <li>▪ Has the Police Dept. considered, through attrition, eliminating a Captain position instead of eliminating over time?</li> <li>▪ What is the possibility of creating a 2-tier system by which new employees receive 2 @ 50 for PD?</li> <li>▪ How many cities have done this?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Under the current PERS regulations, once employees are vested in a particular retirement formula, the formula cannot be changed without unanimous approval by impacted employees. Due to this provision, most agencies have implemented two-tier retirement formulas for new hires only.</li> <li>▪ The amount of employee contribution towards their contribution share is negotiable and subject to meet and confer. CALPERS has 95 agencies (includes safety and miscellaneous) who have a two-tier system (as of April 22, 2010). See <b><u>ATTACHMENT L</u></b> (two-tier retirement formulas) and <b><u>ATTACHMENT M</u></b> (PERS survey on employee contribution levels for South Bay Cities and agencies comparable in size and service to the City of Torrance. for employee's share of PERS contribution)</li> <li>▪ Please see <b><u>ATTACHMENT N</u></b> for a memo from Chief Neu addressing this issue.</li> <li>▪ The City may through the meet and confer process negotiate for a 2 @ 50 retirement formula for all new hires in the Police Department.</li> <li>▪ Please see <b><u>ATTACHMENT O</u></b> Long Beach survey on budget strategies.</li> <li>▪ Please see <b><u>ATTACHMENT P</u></b> for article related statement regarding statewide pension reform efforts.</li> </ul>

**Public Comments – See ATTACHMENT Q**



TO: Aram Chaparyan, City of Torrance Chief Labor Negotiator  
 FROM: Bill Byron, President TPSA; Debbie Collins, President TCEA/TRREO; Curt Dittman, President Engineers/Fiscal; Darin McClelland, President TPPREO; Jeannie Moorman, President AFSCME Local 1117-TME, TLEA, Crossing Guards  
 DATE: June 3, 2010

TPSA, TCEA/TRREO, Engineers/Fiscal, TPPREO and AFSCME Local 1117-TME, TLEA, Crossing Guards are jointly proposing that the following cuts be spared. In lieu of these cuts, we are providing additional budget balancing strategies for your consideration.

#### **PERS Contributions Offset**

This savings generated from our proposals would offset the savings from the **PERS contributions proposal** which was originally negotiated in lieu of pay raises for **miscellaneous employees (\$380,000)**. All miscellaneous groups are opposed to the proposal to phase in PERS reform at the Local level. We are not opposed to PERS reform in its entirety however we believe those decisions should be left at the state level where the losses were incurred and the plans administered. We are not in agreement that public employee retirement concerns are not overstated, in many cases and look forward to further investigation at the state level to uncover the true problems with PERS. We also understand that PERS reform proposals are moving through the legislature and to make changes at the local level at this time may create hardships once the state adopts their reforms. We suggest that we wait and see what options are provided once reform proposals are passed and address the problems that exist at that time, if there are any.

#### **Save Positions from Elimination**

We are concerned that the City has cut so many positions over the years that we can no longer effectively and efficiently provide quality service to the public. We propose that the City Council save the following positions from being eliminated:

Legal Secretary	89,500
Public Works Inspector	60,500
Building Inspector	111,000
Engineering Technician	85,000
Building Permit Technician	81,500
Typist Clerk	65,000
Library Assistant 1	71,000
1.6 Maintenance Workers	104,160
1 Cement Finisher	94,700
1 Equipment Operator	83,900
1 Maintenance Worker	65,100
2 Maintenance Workers	130,200
Account Clerk	77,000
Senior Custodian	83,500
Central Services Coordinator	99,000
Senior Administrative Assistant	95,000
Personnel Technician	82,500
<b><u>Total Jobs Saved</u></b>	<b>\$1,478,560</b>

**Proposal for Targeted Furloughs**  
**Close City Hall Three Working Days Between Christmas and New Year Holiday**

The City of Torrance celebrates both Christmas and New Year holidays by closing for Christmas Eve and Christmas Day as well as New Years Eve and New Years Day. In addition, if any of those holiday dates fall on a weekend, the City closes during the weekday closest to the holiday date. For 2010, we anticipate that we will be closed on Thursday, December 23<sup>rd</sup> and Friday, December 24<sup>th</sup> as well as Thursday, December 30<sup>th</sup> and Friday, December 31<sup>st</sup> as paid holidays. This leaves three working days between those holidays. They are Monday, December 27<sup>th</sup>, Tuesday, December 28<sup>th</sup> and Wednesday, December 29<sup>th</sup>. These are typically very slow days at City Hall and many employees take vacations during this time to spend with family and friends.

The miscellaneous employee groups are jointly proposing a three day targeted furlough through the shutdown of City Hall and all non-essential services (except police and fire) for the three working days between Christmas and New Years which, in effect closes City Hall from December 23<sup>rd</sup> through January 2<sup>nd</sup>. Employees may choose to take leave time, reducing the leave liability or to take the days as unpaid furlough days. Our proposal will leave only essential police and fire services operational during this time.

The cost savings, based on the comp report for all employees provided to us, (excluding all Police Officers, Sergeants, Fire Fighters, Paramedics and Fire Captains) would be \$1,368,077 for the three days. If additional staff are needed to work to provide essential public services, that cost savings number would be reduced, however not all of the above who have been excluded would be working so there would be an increase in savings due to the shifts impacted.

**Additional savings** would come from a 4/10 shift city wide as well as additional revenues, transfer of some employees from funding by the General Fund to funding all or part of their compensation through various enterprise funds and other suggestions as detailed below.

**Proposal for 4/10 work week throughout the City**

Employees who work 4 days a week, 10 hours a day, experience less absenteeism. The longer shift allows for more productivity time and less time setting up and tearing down. This is particularly important in the field jobs. We also experience a savings in fuel costs as vehicles will be going on one less day per two week period. As there will also be a drop in utilities used for that day, we will experience additional savings in that area. Residents will enjoy the longer hours that the City will remain open allowing them to make their visits after they get off of their jobs. They will also have less confusion trying to figure out if the City is open or closed on any given Friday. Employees will enjoy fuel savings with one less day to commute. Many other private companies, cities, counties and states have implemented 4/10 work weeks to save money during this economic crisis and a majority are very happy with the outcome.

This might be the best time to switch to a 4-10 due to all the Environmental issues the City is currently re-assessing. For example, the City is currently working on completing its carbon footprint analysis to identify our Energy consumption and determine what real environmental impact City operations have on the local environment. This is the first step in complying with the Sierra Club's Cool Cities program that the Mayor and Council voted to join about 2 years ago. The next step in the program is to create a Climate Action Plan that will identify how the City will be required to reduce its emissions to possibly 20% (?) below 1990 levels by 2020. This is not a lot of time to complete such a reduction and the energy savings from the additional day-off would represent a potential 11% reduction in energy consumption to operate portions of the Civic Center. The 4-10 also seems like an excellent opportunity to reduce the employee vehicle emissions caused by our commutes into town by 11% below the existing 9/80 work schedule levels, also aiding in Traffic Demand Management reduction policies. We support and encourage the City Councils efforts to go green and this helps in that regard.

### **Transfer Positions as Appropriate to Enterprise Funds**

We believe that moving some positions from the General Fund to Enterprise Funds would also help in balancing the General Fund budget. For example, it is appropriate for some funding for concrete and asphalt work to be charged to the Water Fund as some of the tasks involve demolition, repair and replacement of sidewalks and streets in adding new service, repair and replacement related to water mains, meters and other water systems. We believe that there may be other work that is charged to the General Fund that could be charged to various Enterprise Funds and would be more than happy to assist the City in identifying those jobs. The City of Los Angeles saved hundreds of jobs from layoff using this strategy.

### **Additional Revenues**

Several years ago the City deleted the Revenue Inspector Collector positions, believing that the business licenses should be on an honor system and that all Business Licenses could be processed onsite without field inspectors. Recent fire inspections have revealed that over 500 businesses in the City of Torrance were unlicensed or had expired licenses which resulted in lost revenue for the City.

We recommend that the City hire two new Revenue Inspector Collectors whose salaries and overhead will be offset by the revenue that they bring in through business license inspection and citations and increased fees for violators, including those 500 recently identified.

We also recommend that the city adopt a fee for gardeners who operate in the City of Torrance, as many other cities have adopted similar code. Enforcement of the Gardeners Business Licenses would be done by the Revenue Inspector Collectors who patrol the streets checking on the Gardeners Business License Sticker. The Business License sticker should be prominently displayed on their vehicles, to make sure that it is

current to ease in this enforcement. Similarly, Ice Cream Trucks should also be licensed and display a current City of Torrance Business License Sticker.

**Other revenues and suggestions for savings include:**

Enforcement of existing business license codes and NPDES codes

Collection/recovery of business license fees

Collection/recovery of NPDES fees

Statutory revisions for enforcement of scoff-laws

Investigate the value added by forming a Joint South Bay Powers Authority for Paramedics

Investigate licensing commercial vehicles using the Beverly Hills model

Establishment and enforcement of graduated re-inspection fees for construction permits

NPDES inspections, Business Licenses and property maintenance. For example, building projects started without benefit of permit are required to pay double the inspection fee. Currently the City does not have incentives to encourage compliance.

Establish a division to collect outstanding debt from all Departments – This used to be done by the Revenue Inspector Collectors that were deleted in previous budget shortages.

Fill essential positions through transfers and promotions only

Establish and promote a 'Green' Recycling program to reduce land fill fees

Review all consultant contracts and terminate those that compete with in-house services

**DATE: JUNE 3, 2010**

**TO: MARGIE WERNER for City Council Members**

**FROM: DEBBIE COLLINS, TCEA PRESIDENT**

**SUBJECT: ADDITIONAL TOPICS I WOULD LIKE TO DISCUSS WITH COUNCIL MEMBERS**

Thank you again for taking the time to meet with me on these very important issues. I have outlined the impact to TCEA members that the proposed budget reductions will cause.

The following TCEA positions are being proposed for elimination

**Human Resources Personnel Tech**

- This is one of only two promotional opportunities for TCEA clerical staff.
- The position was recently tested for and an eligibility list has been established
- Everyone on the list is a current City employee
- There is only one Personnel Tech position filled at this time, and although there aren't many new hires being processed now, but there are still new hires in Police/Fire and Recreation (green team & recreation leaders) that will have to be processed in the coming months.
- This will also cause heavy burden for the remaining Personnel Tech during the open benefit enrollment time.
- When testing and processing new hires does pick up, the over flow work will be assigned to other clerical staff in the department, which may cause a working out of class grievance.

What we propose:

- Temporarily cutting the Employee Recognition Dinner and Employee Health Fair. Using the money saved to retain the Personnel Tech position, fill the position for no more than two years with a temporary worker which will be approximately half of a permanent PERS employee. TCEA would not be opposed to this temporary assignment in order to retain this position.
- Reevaluate the cuts in staff incentives and staffing needs during next budget cycle.

**Community Services, Recreation Services Typist Clerk**

- This is a recently vacated position where the previous employee was transferred to the Transit Department.
- A temporary worker has been in this position since it was vacated.
- The position supports the front counter of the Recreation Division offices in the City Hall West Annex where every day dozens and up to hundreds of people and the general public come to inquiry about programs and special events, obtain information and/or details how to register for programs or to volunteer, or to speak to full and part-time Recreation Division staff.
- This position supports 16 full time staff.
- It is being proposed that the typist clerk in the Parks Services Division share duties with this position.
- Parks Services Division supports 43 employees. There are only two clerical staff working in Parks Services which allows for lunch breaks and short term leaves (i.e. vacation or sick leave). It will be nearly impossible for one clerical staff to sustain this work load on an on-going basis.

What we propose:

- Temporarily cut the following employee incentive programs
  - Department Holiday Party (\$3500)
  - Poinsettia plants during the holidays (\$2000)
  - The Summer Kick-off (this is a Saturday morning event where all Recreation recurrent employees are brought in and given training for the upcoming summer session). This can be done by the Sr. Supervisors in small group meetings during regular working hours. (\$3500) + Staff hours
- Temporarily cut the following programs: (in 2<sup>nd</sup> tier proposal)
 

Summer Concerts and Movies in the Park series	(\$25,000)
Ooodles of Noodles Festival	(\$ 9,000)
4 <sup>th</sup> of July Celebration	(\$50,000)
Rose Float	(\$125,000)
- TCEA would be in agreement to retain the current temporary worker on a long term assignment (no more than 2 years) at a cost savings of approximately half of the cost of a PERS employee.
- Reevaluate the cuts in programs during the next budget cycle to determine if they can be introduced back into the budget.

**City Attorney's Office/Legal Secretary**

TCEA would be in agreement to the City filling this position with a temporary worker on a long term assignment (no more than 2 years) and reevaluate the staffing needs in two years to determine if the position is sustainable.

## **Response to TFCOA/TFFA request to eliminate the civilian Hazardous Materials Analyst and replace it with a safety Fire Captain**

The Torrance Fire Department is the participating agency (PA) for the CUPA program that does hazardous material inventory and Community Right to Know; the Underground Storage Tank Program; and the California Accidental Release Program. The law requires that all monies received for this program is spent on the programs. These programs are fee neutral for the city and for the Torrance Fire Department.

The Hazardous Materials program brings in enough money to pay for 50% of the Fire Marshals (*Safety*) cost, 100% of the Hazardous Materials Analyst (*Civilian*) 100% of the Hazardous Materials Specialist (*Civilian*), 25% of the Senior Fire Prevention Officer (*Civilian*) and 100% of a Clerk Typist. The monies generated to pay these costs are done by placing fees on businesses that handle, store or process hazardous materials in quantities above a threshold amount. The hazardous materials program is designed for two purposes to provide expertise to businesses handling hazardous materials and to provide a link to the community under the SARA Title III Community Right to Know.

The TFCOA/TFFA is proposing to replace the Hazardous Materials Analyst with a Fire Captain (*Safety*) and to fully fund his salary with money from the Hazardous Materials program upon the retirement of the Hazardous Materials Analyst. It is unclear how this move would be beneficial to the CUPA program, the Community Right to Know; the Underground Storage Tank Program; and the California Accidental Release Program which is covered by money generated from the hazardous materials businesses in Torrance.

The proposal by TFCOA/TFFA will not qualify as efficiency. In reality it will actually cost the City more money to maintain the additional safety position. Replacing the Hazardous Materials Analyst (*Civilian*) with a Fire Captain (*Safety*) in the hazardous materials program will require roughly **\$66,400.00** more than the present management in the Fire Prevention and Hazardous Materials Administration. Thus the hazardous materials program will have to come up with roughly **\$66,400.00** more in fees to the businesses in Torrance with at the same time creating a diminishment of technical services and expertise to these businesses. The program already supports 50% of the Fire Marshal (*Safety*) position at or about **\$130,000.00** annually.

It was suggested that the hazardous material fees could be raised to pay for the new Fire Captain (*Safety*) position suggested by TFFA/TFCOA. This would be piling on more and more fees to the business community that already is taking hit by the recession. The hazardous materials program fees were already adjusted just last year and are indexed to the CPI.

Most hazardous materials programs are becoming more and more civilianized such as Orange County Fire Authority, Anaheim, Santa Fe Springs, Glendale and LA County, where if this new position is approved Torrance will be moving in the opposite direction. When it comes to hazardous materials management it makes no sense to increase the safety classification commitment which increases costs to businesses that will provide no more (Job specific) technical assistance.

The hazardous materials program presently consists of the (*Civilian*) Hazardous Materials Analyst with a, Ph.D. in Chemistry, and a (*Civilian*) Hazardous Materials Specialist with B.S. chemistry, M.S. emergency response. Replacing a (*Civilian*) Hazardous Materials Analyst possessing a PhD with a (*Safety*) Fire Captain in the hazardous materials program at an increased cost is not efficient, economical and will not be beneficial to the businesses community in Torrance.

As a result of these suggested changes by TFCOA/TFFA the Torrance Engineers Association believe that the wisest choice to make is to keep the present civilian status in the hazardous materials program. The TEA also concurs with TFCOA/TFFA with the recommendation of eliminating the Assistant Fire Marshal (*Safety Captain*) position but instead of reclassifying the position we support realizing the **\$229,800.00** savings in its entirety.

Also it has been mentioned before that the Assistant Fire Marshal (*Safety*) position is critical due to its arson investigation involvement. If the Assistant Fire Marshal is eliminated the Torrance Fire Department would still possess (2) full time arson investigators in the Fire Marshal and Senior Fire Inspector and a shift investigator program providing an additional investigator every shift (*Shift A, B & C*). That allows up to three personnel on any given day to respond to an arson investigation in the City of Torrance.

Torrance Engineers Association is open to meet and conferring on possibly consolidating some of the roles and responsibilities of the Assistant Fire Marshal into current job specifications to compensate for any possible impact this elimination of the Assistant Fire Marshal might incur.

Sincerely,

**The Torrance Engineers Association**

Curt Dittman, President

Richard Kazandjian, Vice President

Robert Golden, Secretary

Jill Weldin, Treasurer