

Agenda Report

TO: CITY COUNCIL

DATE: September 20, 1999

FROM: CITY MANAGER

SUBJECT: RESOLUTION DELEGATING AUTHORITY TO CITY MANAGER TO SUBMIT DISABILITY RETIREMENT APPLICATIONS ON BEHALF OF LOCAL SAFETY MEMBERS OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

RECOMMENDATION: It is recommended that the City Council approve the attached resolution delegating authority to the City Manager to submit disability retirement applications to the Public Employees' Retirement System on behalf of local safety members eligible for disability retirement.


BACKGROUND: Since July 1, 1977, the City has obtained retirement benefits for most sworn employees of the Police and Fire Departments, who are known as "local safety members", through a contract with the California Public Employees' Retirement System (PERS). Generally, a local safety member who becomes disabled from further employment as a fire fighter or police officer will apply to PERS for disability retirement. That application is forwarded by PERS to the Retirement Board of the Pasadena Fire and Police Retirement System for a determination of whether the applicant is indeed disabled from further employment. That determination is then remitted to PERS for processing. Occasionally, a local safety member who the Fire Chief or Police Chief believes is disabled decides not to submit an application for disability retirement to PERS even though he or she cannot as a result of physical or psychological impairment perform the duties of the position. Under the Public Employees Retirement Law, in such circumstances, the City may submit an application for disability retirement on behalf of that employee. That application is also sent by PERS to the Retirement Board for adjudication of disability in the same manner as any other application.

PERS requires that the City Council specifically authorize a City official to submit disability applications on behalf of local safety employees who for physical or emotional reasons cannot perform their duties but choose not to submit an application for disability retirement. That delegation of authority must be made by resolution. The attached resolution, which is in a form prescribed by PERS, delegates authority to submit disability retirement application on behalf of disabled safety employees to the City Manager.

::ODMA\PCDOCS\DOCS\557661

FISCAL IMPACT: Without a resolution delegating authority to the City Manager to make application for disability retirement for safety employees who do not do so, the City will be unable to retire personnel who cannot perform the duties of their position because of a physical or psychological infirmity. The result is that such personnel, who are by definition unable to perform their work and are on paid or unpaid leave, will occupy the personnel allotments of the Fire and Police Departments and prevent the hiring of new employees. Other employees will be required to compensate for the absence of these individuals resulting in increased overtime expense. The PERS statute prevents any prejudice to the employee from this procedure. The law prohibits the City from retiring disabled safety personnel before they have exhausted all their benefit and salary entitlements under Section 4850 of the Labor Code. Additionally, if an employee for whom the City submitted an application for disability retirement is found by the Retirement Board not to be disabled, the employee is entitled to reinstatement to his or her former position.

Respectfully submitted,

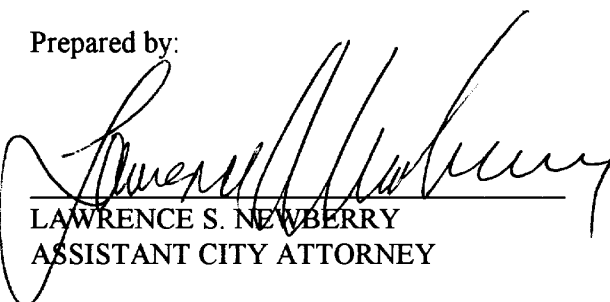

CYNTHIA J. KURTZ
CITY MANAGER

PROPOSED BY:


BERNARD MELEKIAN
POLICE CHIEF


ERNEST P. MITCHELL
FIRE CHIEF

Prepared by:


LAWRENCE S. NEWBERRY
ASSISTANT CITY ATTORNEY