



CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

AGENDA ITEM

Report: Side Letter Agreement with Glendale Fire Fighters' Association ("GFFA")
Pertaining to Staff Captain Pay

1. Motion Approving Side Letter Agreement Between the City and GFFA Modifying Language in the GFFA Memorandum of Understanding ("MOU") effective July 1, 2024 to June 30, 2027 to Clarify Intent of Staff Captain Pay

COUNCIL ACTION

Item Type: Action Item

Approved for _____ **April 29, 2025** _____ **calendar**

EXECUTIVE SUMMARY

As a contracting agency of the California Public Employees' Retirement System (CalPERS), the City of Glendale is subject to statutory and regulatory requirements that govern whether compensation is reportable for pension calculation purposes. The Public Employees' Retirement Law (PERL), the Public Employees' Pension Reform Act of 2013 (PEPRA), and the California Code of Regulations (CCR) require that contracting agencies must accurately reflect information related to compensation items in approved documentation. For compensation paid in addition to base salary, such as Staff Captain Pay, this must include the relevant intent, eligibility criteria, and conditions of payment.

By way of letter dated April 4, 2024, CalPERS determined that compensation paid as Staff Captain Pay was not compliant under the PERL for a retiring Fire Captain. The basis for the determination was that the compensation was not available in the same manner for Fire Captains and Fire Captain Paramedics, a requirement under the PERL. The City submitted an appeal on behalf of the retiring Fire Captain on June 6, 2024.

After working with CalPERS on bringing the compensation into compliance, the determination was rescinded. However, the item is not in compliance and able to be used in pension calculations until the MOU language is revised and additional payments are made to Staff Captain Paramedics to align with the City's original intent.

RECOMMENDATION

1. Approve the Side Letter modifying the Staff Captain Pay, bringing it into compliance for past retirees and future retirees.
2. Approve payment for the additional amounts related to Fire Captain Paramedics assigned as Staff Captain.

ANALYSIS

Staff Captain Pay

Staff Captain Pay most closely aligns with the definition of “Lead Worker/Supervisor Premium” special compensation under Title 2 California Code Regulations (“CCR”) section 571(a)(4) for classic CalPERS members and CCR section 571.1(b)(3) for PEPR CalPERS members. Special compensation encompasses items paid in addition to base salary that align with the exclusive list of items identified in CCR sections 571 and 571.1, and comply with other requirements therein.

Lead Worker/Supervisor Premium is defined in CCR section 571 as follows:

“Compensation to employees who are routinely and consistently assigned to a lead or supervisory position over other employees, subordinate classifications, or agency-sponsored program participants.”

The original intent of Staff Captain Pay was to provide assigned Fire Captains with additional compensation for developing and leading other employees in order to gain experience for the Battalion Chief position. When assigned, employees routinely and consistently lead and supervise other employees in an administrative capacity, which aligns with the definition of “Lead Worker/Supervisor Premium” special compensation.

Originally, Fire Captains and Fire Captain Paramedics assigned as Staff Captain were both paid additional compensation. However, for Fire Captain Paramedics, this was in the form of retaining the higher base salary related to the Fire Captain Paramedic classification. For CalPERS’ purposes, there must be a separation between special compensation and base salary. Under the PERL, the comparison of special compensation for Fire Captains and base salary for Fire Captain Paramedics indicates that Fire Captain Paramedics were not eligible for the additional special compensation, despite being assigned as Staff Captains and retaining their higher base salary. This results in a “group or class of employment” violation under Gov. Code section 20636(e) for classic CalPERS members and CCR section 571.1(a)(2)(A) for PEPR CalPERS members, when employees within the same group or class of employment are not eligible for the same compensation in the same manner.

While assigned, Fire Captain Paramedics still perform Paramedic duties and retain their base salary. So, they must continue to be paid the base salary for Fire Captain Paramedics. Thus, Fire Captain Paramedics must also receive the same additional “special compensation” in addition to their higher base salary or the Staff Captain Pay would be considered noncompliant.

STAKEHOLDERS/OUTREACH

N/A

FISCAL IMPACT

The fully loaded cost of the proposed action is \$43,377 and can be absorbed in the Fire Department's FY 2024/25 budget. Therefore, no new appropriation is being requested at this time. The funding is outlined below:

Existing Appropriation		
Amount	Account String	Funding Source
\$43,377	41101-1010-GFD-4000-P0000	General Fund

ENVIRONMENTAL REVIEW (CEQA/NEPA)

This matter is exempt under the common sense exemption of CEQA Guidelines Section 15061(b)(3) as it can be seen with certainty that there is no possibility that the acting and interim appointments will not have a significant effect on the environment.

CAMPAIGN DISCLOSURE

This item is exempt from campaign disclosure requirements.

ALTERNATIVES TO STAFF RECOMMENDATION

1. The Council could choose not to approve the Side Letter. Failure to approve the Side Letter will fail to bring Staff Captain Pay into compliance for pension calculation purposes and result in adverse impact to retirees.
2. The City Council may consider any other alternative not proposed by staff.

ADMINISTRATIVE ACTION

Submitted by:

Paula Adams, Chief Human Resources Officer

Prepared by:

Isabel Safie, Special Counsel

Aymee Martin, Assistant Director of Human Resources

Approved by:

Roubik R. Golanian, P.E., City Manager

EXHIBITS/ATTACHMENTS

Exhibit 1 – Side Letter Agreement Between the City of Glendale and the Glendale Fire Fighters' Association Local 776