



CITY OF TORRANCE

OFFICE OF THE CITY MANAGER

LeRoy J. Jackson
City Manager

June 14, 2012

G. Rick Marshall
2065 W. 235th Street
Torrance, CA 90501

Dear Mr. Marshall:

This letter is in response to the request you made at the Torrance City Council meeting of June 12, 2012 that the City Council construct a charter amendment regarding pension reform for voter consideration in the upcoming November 6, 2012 General Election. You specifically stated that the charter amendment should be structured based on recent voter-approved ballot measures in San Diego and San Jose.

Your request cannot be implemented since there are major differences between the cities you referred to and the City of Torrance. The cities of San Diego and San Jose have their own pension system established and governed by their city charters. Torrance, like many cities, counties, and special districts in California, contracts with the California Public Employees Retirement System, also known as CalPERS. Decisions such as employer contribution levels, types of benefit formulas, and vesting requirements are determined by the state legislature, not the individual public agencies. Therefore, any changes to the current CalPERS pension system will need to be made by the state legislature. To learn more about the provisions regarding the pension system, please check out Sections 20474 and 20475 of the California Government Code at <http://www.leginfo.ca.gov/calaw.html>.

Neither the City of Torrance charter nor its municipal code contains provisions regarding pension benefits, types of formulas, or contribution levels. These are decisions left to the discretion of the City Council based on the established rules, regulations and formulas made available by CalPERS.

I hope this letter clarifies the City's role in relation to the retirement system.

Sincerely,



LeRoy J. Jackson
City Manager