



Legislation Text

File #: 20-1196, **Version:** 1

Recommendation to adopt resolution approving to appoint John Gross, retired annuitant, as an interim appointment to a vacant position during recruitment for a permanent replacement in the Financial Management Department pursuant to Government Code 21221(h) and an exception to the 180-day waiting period for Public Agencies pursuant to Government Code 7522.56 and 21224. (Citywide)

On January 1, 2013, the Public Employees' Pension Reform Act added Sections 21221(h), 7522.56 and 21224 to the Government Code, which set forth post-retirement employment requirements applicable to all retirees who are employed by CalPERS employers on or after January 1, 2013. This change added the requirement that the retiree appointment must occur during the recruitment for a permanent appointment and that the retiree may only be appointed to the position once. This change also added the requirement that all retirees must wait 180 days after their retirement date before they are eligible to begin post-retirement employment with a CalPERS agency. An exception to the 180-day wait period can be made if a public agency certifies the nature of the employment and that the appointment is necessary to fill a critically needed position before 180 days have passed. The appointment must be approved by the governing body of the employer in a public meeting and may not be placed on a consent calendar.

The Financial Management Department requests City Council approval to hire John Gross, Director of Financial Management in the Financial Management Department, as the Interim Director of Financial Management, effective January 2, 2021 for a limited duration. Mr. Gross will provide high-level management and assistance with regard to financial policy and strategy in all financial areas, the new budget process, LB COAST Phase II development, and implementation and transition support for when the new Finance Director comes on board. Since Mr. Gross' proposed start date is less than the required 180-day waiting period subsequent to his retirement on December 30, 2020, City Council approval to hire Mr. Gross is required. The approved rate of pay will be \$111.220 per hour. This amount represents the hourly rate he will receive upon retirement and is within the minimum and maximum compensation paid to other employees performing comparable duties as listed in the City of Long Beach's (City) publicly available pay schedule and will be funded through vacancy savings in the Department of Financial Management and from the LB COAST Project Fund.

Mr. Gross has served as a Finance Director for various government agencies for many years and as the Director of Financial Management/CFO for the City for nine years. He has a comprehensive understanding of the City's operations, budget and finances, and also brings a wealth of high-level management and policy and strategy development experience. Bringing Mr. Gross back as a retired annuitant will provide for continuity of operations for a

limited term, provide high level management and strategic planning guidance, and provide for an ordered transfer of knowledge to help the City meet its challenging fiscal and operational needs and important financial and system deadlines.

This matter was reviewed by Principal Deputy City Attorney Gary J. Anderson on November 12, 2020 and by Revenue Management Officer Geraldine Alejo on November 18, 2020.

City Council action is requested on December 8, 2020, to ensure minimal impact to the Financial Management Department and the City.

The total annual cost is estimated at \$108,319. The cost is based on 960 hours over the CalPERS fiscal year ending June 30th, at a salary rate of \$111.220/ per hour plus Medicare. Actual costs will be based on hours worked. In Fiscal Year 2021, the cost is estimated at \$167,895 based on 1,488 hours covering the period from January 2021 to September 2021. These costs will be funded within existing appropriations from vacancy and other savings in the General Fund Group in the Financial Management Department. In addition, any work specific to the LB COAST project will be funded from the LB COAST project budgeted in the General Services Fund Group in the Technology and Innovation Department. This recommendation has no staffing impact beyond the normal scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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FRED VERDUGO
ACTING HUMAN RESOURCES DIRECTOR

APPROVED:

THOMAS B. MODICA
CITY MANAGER