

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Office of the
City Manager**

119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6700
Fax (559) 924-9003

Staff Report

ITEM SS-2

To: Lemoore City Council
From: Ron Hoggard, Interim City Manager *RH*
Date: April 30, 2015 **Meeting Date:** May 5, 2015
Subject: Future Funding for Retirement Functions

Discussion:

Council discussed increasing the City contribution amounts for retirement functions at the March 17, 2015 meeting. The staff report from that meeting is attached for your review. Council approved to amend the Fiscal Year 14/15 budget in the amount of \$4,000 to be used for retirements for city service. The policy will be amended to allow for years of service to be considered on the amount to be spent (on the function) as follows: Under 20 years - \$500; 20-30 years - \$1,000; 30-35 years - \$1,500 and 35 or more years - \$2,000.

The only amendment to the policy is stated above. Council agreed that the administrative policy will be reviewed and considered during the next budget cycle. Administrative Policy 2010-01 Retirement Functions and Gifts is also attached for your review.

As we are entering the next budget cycle, staff is bringing this item back to Council for further discussion and guidance.

Budget Impact:

Varies depending upon direction given by Council.

Recommendation:

None. For City Council discussion and direction.

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Maintenance &
Fleet Divisions**

711 W. Cinnamon Dr.
Lemoore, CA 93245
Phone (559) 924-6739
Fax (559) 924-6708

Staff Report

ITEM 4-3

To: Lemoore City Council
From: Joe Simonson, Parks and Recreation Director
Date: March 12, 2015 **Meeting Date:** March 17, 2015
Subject: Budget Amendment – Increase in Funding for Retirement Functions

Discussion:

The City of Lemoore has recently experienced several long time employee retirements and been faced with a budgeted amount of \$500 to thank them for their service. Department staff have several pending retirements this year and potential retirements in the next couple of years.

City Council Budgets in the past have footed a large portion of the expense for retiring employee's retirement parties, providing a small reception allowance. Currently, the amount allocated for retirement functions is \$500. This amount has been in existence since at least 2007 and maybe as early as 1999. The economy has dramatically changed in the ensuing years and \$500 does not meet reception/dinner needs for staff to provide an appropriate parting farewell.

Currently administrative staff/ employees pitch in to provide an appropriate farewell gift. In some instances where there has been a dinner/reception charge, employees have had to decide whether to fund a gift or pay to be at the event. Department head staff has recognized this and funded the majority of the expense to provide a no cost event that is open to all employees.

The current administrative policy for retirement functions has the following conditions: 1) A maximum of \$500 will be spent only on food, supplies, and other such needs to provide for a function in honor of the retiree; 2) No gifts will be purchased with these funds, Employees, Council Members, etc. are free to donate funds to purchase a gift for the retiree; 3) No alcohol will be purchased with these funds; 4) Any remaining funds will be returned to the City's General Fund; and 5) If the retiree prefers to forego a retirement function, the retiree may instead have the \$500 donated to one of the following charities: a) Lemoore Recreation Fund; b) Lemoore Teen Center; c) Lemoore Volunteers in Policing; d) Lemoore Police Explorers; or e) A charity or cause approved by the City Manager keeping with appropriate standards for the use of public funds.

Administration and staff would like to propose a budget amendment to provide a budget amount of \$4,000 for the remainder of the 2014-15 budget year for funding reception costs of retiring employees. The \$4,000 would be made available to a department for retiring employees in amounts as follows: under 20 years of service would receive a maximum of \$500 per event; for 20 to 30 years - \$1,000 per event; for 30 to 35 years - \$1,500 per event; 35 years and above would receive \$2,000 per event towards the dinner/reception event. City Council may at any time propose an amount that differs from this schedule should it choose. Employees whose contacts reach far into the community through regional committees, county partnerships and surrounding community commitments pose a larger group of individuals that would be invited to attend. Providing reasonable prices for attendees is staff's concern for those who have worked alongside or under the retiring employee. A proposal for future years would allocate a maximum of \$6,000 per budget cycle with the same proposed amounts as shown above.

If Council approves an increase in funding for retirement functions, the Administrative Policy will be updated to reflect those changes.

Budget Impact:

If approved by City Council, additional funds will be allocated to the City Council Fund 001-4211-4220 in the amount of \$4,000 for the balance of 2014-15 and propose a maximum of \$6,000 amount for 2015-16 budget year.

Recommendation:

That the City Council, by motion, approve a budget amendment to the City Council budget 001-4211-4220 in the amount of \$4,000 to be used for current and future retirement expenses of fiscal year 2014-15 as stated above or by City Council's stipulations.

Mayor
John Murray
Mayor Pro Tem
Mary Hornsby
Council Members
John Plourde
Willard Rodarmel
William Siegel



Office of the
City Manager

119 Fox Street
Lemoore • CA 93245
Phone ♦ (559) 924-6700
FAX ♦ (559) 924-9003

Administrative Policy 2010-01:

Retirement Functions & Gifts

PURPOSE:

The Purpose of this Administrative Policy is to further set forth a consistent system with regard to spending City funds on retirement functions and retirement gifts.

SCOPE:

This policy applies to all retiring employees of the City of Lemoore.

GENERAL:

From time to time we have employees that retire from service with the City. These employees that retire have obviously met the age requirements and therefore are generally agreed to have devoted a substantial amount of their lives to their career with the City of Lemoore.

As an incentive to length of service and as a reward for such, the City has found it in the best interest of all parties to establish written guidelines that would allow the City the freedom to plan for, and spend money on, retirement functions for employees that have put in at least 10 years of service with the City of Lemoore.

As a condition of this document, the new guidelines will take effect, which state in very general terms that:

1. A maximum of \$500 will be spent only on food, supplies, and other such needs to provide for a function in honor of the retiree.
2. No gifts will be purchased with these funds. Employees, Council Members, etc. are free to donate funds to purchase a gift for the retiree.
3. No alcohol will be purchased with these funds.
4. Any remaining funds will be returned to the City's General Fund.

5. If the retiree prefers to forego a retirement function, the retiree may instead have the \$500 donated to one of the following charities:
 - a. Lemoore Recreation Fund
 - b. Lemoore Teen Center
 - c. Lemoore Volunteers in Policing
 - d. Lemoore Police Explorers
 - e. A charity or cause approved by the City Manager keeping with appropriate standards for the use of public funds

This administrative policy nullifies and supersedes Administrative Policy No. 2006-1.

Jeff Britz, City Manager

Date