



# CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Council Benefits

**MEETING DATE:** July 5, 2000

**SUBMITTED BY:** City Manager

**RECOMMENDATION:** That the City Council adopt the attached Resolution authorizing "executive management benefits" as listed in Exhibit C to present members of the City Council and to members of the City Council who served after September 8, 1988.

**BACKGROUND INFORMATION:** On September 8, 1988 the City Manager's Office authorized the Personnel and Finance Director to make medical, dental and/or vision benefits available to members of the City Council (Exhibit A). Until then, benefits had not been given to members of the Lodi City Council. This decision was strictly an administrative decision from the City Manager's Office and not an action of the City Council. However, by signing up for these benefits, it would be correct to assume that the City Council had approved of this action.

In our research of City Council benefits, it has been found that in many cities, the Council benefits are authorized only by administrative action as shown in Exhibit B. The study shows that the cities of Manteca, Davis, Woodland and Turlock give their Councils benefits based on administrative approval. This is similar to Lodi with the exception of PERS retirement and deferred comp that were approved by City Council action. In some cities, the City Council is not given any benefits while in other cities the City Council enjoys a number of benefits. Also, the documentation used to approve these benefits varies. In some cities it is a City Council action and in other cities it is strictly an administrative action. There is no common thread.

Between September 1988 and now, the City Council has been given "executive management benefits" without question based on the approval of the City Manager's Office. The benefits were limited to medical insurance in the beginning and were extended to all "executive management benefits" over time.

Until recently, this action had not been questioned. However, with the recent focus of the City Council on "tuition reimbursement" the question has been raised as to how and what benefits should be authorized. The City Attorney reviewed the current benefits and found that the City has not acted improperly in granting these benefits to the City Council, to include the tuition reimbursements.

Based on recent comments by Council members and concerned community members, staff recommends that all Council benefits be ratified by City Council to ensure that everyone is in agreement with the benefits thus far offered and to ensure that there is documentation to support this action. This Resolution should provide approval for all benefits offered after September 1988 (Exhibit C).

APPROVED: \_\_\_\_\_

H. Dixon Flynn -- City Manager



# CITY OF LODI

# COUNCIL COMMUNICATION

### OTHER DISCUSSION AND OPTIONS

Included for further discussion are letters from members of the City Council:

- E-mail from Councilperson Hitchcock subject: "Council Benefits" dated June 28, 2000 Exhibit D
- Memo from Councilman Pennino regarding Council Benefits (Exhibit E)
- Letter from Mayor Mann regarding Council Benefits (Exhibit F)

Respectfully submitted,

H. Dixon Flynn  
City Manager

Attachments:	Exhibit A	September 8, 1988. Memo from City Manager's Office
	Exhibit B	Results of "other cities" Council benefits
	Exhibit C	List of Executive Management Benefits
	Exhibit D	E-Mail from Council Member Hitchcock
	Exhibit E	Memo from Council Member Pennino
	Exhibit F	Letter from Mayor Mann
	Exhibit G	Resolution No. 2000-121

APPROVED: \_\_\_\_\_

H. Dixon Flynn -- City Manager

MEMORANDUM

TO: Robert Holm, Finance Director  
~~Joanne Narloch, Personnel Director~~ JS

FROM: Eric Whitaker  
Administrative Assistant to the City Manager

DATE: September 8, 1988

SUBJ: Insurance Benefits for City Councilmembers

Effective fiscal year 1988-89, City Councilmembers may opt to receive City-paid medical, dental, and/or vision insurance. Councilmembers submitting enrollment forms should be treated as new hires for insurance purposes and will be eligible for COBRA continuation privileges at group rates upon separation from office in a manner similar to City employees.

This enrollment will be coordinated by the Office of the City Clerk, which will notify the Personnel Office by September 20, 1988 regarding the choices of the Councilmembers.

Please contact me if you have any questions or need further information.

  
Eric Whitaker  
Administrative Assistant to the City Manager

EW:br

cc: Assistant City Manager  
City Clerk

AAMEMO70

# City Council – Benefits

City of Lodi Human Resources Department

#	CITY	Benefits Available to City Council Members	How was decision made to provide these benefits?
1	<b>CHICO</b>	Medical, Dental, Vision.	Implemented by resolution.
2	<b>CLOVIS</b>	PERS (all Council members have the option of participating or not), Medical, Prescription, Dental, Vision, \$100,000 Life Insurance.	Clovis has always provided these benefits. There is no official record of Council extending these benefits to themselves.
3	<b>DAVIS</b>	CalPERS Health Program, Dental, \$100,000 Life Insurance.	Staff decided to extend these benefits to City Council many years ago and they have continued to this day.
4	<b>FAIRFIELD</b>	Medical, Dental, Vision, Life Insurance, Auto Allowance - \$300/month for Mayor, \$150/month for Council members.	Implemented by resolution.
5	<b>MANTECA</b>	CalPERS Health Program (includes pharmaceutical, Council has a choice of approximately 8 plans), Dental, Vision, PERS retirement. In lieu of participating in PERS retirement, Council members may choose the ICMA RC deferred compensation plan.	Staff can not recall a resolution extending these benefits to Council.
6	<b>MERCED</b>	No benefits provided.	N/A
7	<b>MODESTO</b>	PERS retirement - or if the Council member does not participate in this, another retirement plan known as PARS (used for part-time employees) is available. Medical, Dental, Vision.	Council member must pay their portion 7% of PERS or 3.75% of PARS - staff believes this was implemented by resolution. Medical, Dental, Vision are only available if the Council member pays full cost - this was implemented by staff alone, no resolution.
8	<b>REDDING</b>	PERS, Medical, Dental, Vision, Life Insurance, Travel Allowances.	The "Miscellaneous Employees Resolution" covers City Council members and all executive management employees. It specifically lists benefits Council receives.

# City Council – Benefits

City of Lodi Human Resources Department

#	CITY	Benefits Available to City Council Members	How was decision made to provide these benefits?
9	ROSEVILLE	No benefits provided.	N/A
10	STOCKTON	PERS, Social Security, deferred compensation.	Staff can not recall a resolution extending these benefits to Council.
11	TRACY	Medical, Dental, Vision, deferred compensation.	Council members must pay the full cost of these benefits themselves - implemented by resolution.
12	TURLOCK	PERS, Medical, Dental, Vision, Life Insurance, deferred compensation.	Staff can not recall a resolution extending these benefits to Council - deferred compensation was added as a benefit in the early 1980's, the others have always been available from a point in time earlier than this.
13	VACAVILLE	PERS - all Council members have the option of participating or they may choose deferred compensation.	Participation in PERS was presented to City Council.
14	VISALIA	PERS, Medical, Dental, Vision, deferred compensation. In lieu of participating in PERS retirement, Council members may choose the deferred compensation plan.	City Charter calls for any changes in compensation and benefits to be implemented by Council resolution, prospectively for the subsequent City Council.
15	WOODLAND	CalPERS Health Program, Dental, Vision, Life Insurance. Council members may receive cash reimbursement for the cost of medical insurance should they choose not to participate.	These benefits were not implemented by any Council action. The City Attorney determined these benefits could be extended to City Council members.

In most cities where benefits are provided, the City pays the full cost. In some instances a payment is required, e.g. for dependent coverage. As noted for the cities of Tracy and Modesto, Council must pay the full cost of benefits themselves.

<b>City Council Benefits</b>	
<i>Benefit</i>	<i>What You Receive</i>
<b>Accidental Death Insurance</b>	\$25,000 accidental death policy, in the event of death resulting from a line-of-duty injury.
<b>Accident Travel Insurance</b>	\$100,000 travel life insurance coverage from National Accident Insurance Group while traveling on City business outside the City limits.
<b>Chiropractic Insurance</b>	This benefit allows up to a maximum of 40 visits per calendar year and each visit is subject to a \$10.00 co-payment. A Landmark Chiropractor must be utilized.
<b>Credit Union</b>	Membership in the Lodi Employees Credit Union which offers savings plans, loans, and automatic payroll deductions.
<b>Deferred Compensation</b>	A contribution or a percentage may be made based on salary, up to \$8,000 per year, or 25% of their gross salary. The amount deferred and interest earned are not considered taxable income until withdrawn.
<b>Dental Insurance</b>	The City will pay 100% of the monthly premium for dental insurance.
<b>Direct Deposit</b>	Payroll checks may be deposited directly into a checking or savings account at a bank of choice.
<b>Employee Assistance Program</b>	6 free visits per year per family member with a licensed clinical social worker through "Options." This may be supplemented by medical insurance after exhaustion of the 6 free visits.
<b>Employee Development</b>	Training programs, professional and skills development courses, meetings, and seminars may be utilized to improve efficiency and broaden knowledge in the performance of duties.
<b>Executive Physical</b>	In accordance with Health Net guidelines, may receive a physical including office examination, blood panel, urinalysis, chest x-ray, EKG (resting), mammogram, and pap smear, if deemed necessary by the physician. Employee is reimbursed for costs not covered by medical insurance. Receipts should be submitted to Finance.
<b>Flexible Spending Account</b>	Each calendar year elections may be made to contribute pre-taxed dollars into:

<i>Benefits</i>	<i>What You Receive</i>
<b>Flexible Spending Account con't</b>	1) Premium conversion 2) unreimbursed medical 3) dependent care reimbursement
<b>Life Insurance</b>	1 ½ times annual salary rounded to the next highest \$1,000. Plus \$12,000 to a maximum of \$150,000 of coverage. Including dependent coverage. <u>Dependent Coverage Includes</u> Spouse \$1,500 Dependent Child (6mos.-22 years) \$1,500 Child (under 6mos.) \$ 150
<b>Medical Insurance</b>	City pays 100% of premium for family members.
<b>Medical Fringe</b>	Choosing single coverage on the medical insurance will allocate \$25 per pay period to a deferred compensation account. Electing to waive medical coverage will allocate \$71.15 per pay period to a deferred compensation account.
<b>Medical-Married City Employees</b>	If both the employee and the employee's spouse work for the City and are eligible for medical insurance, only one medical plan will be provided and the Medical Fringe benefit will apply to the employee who is not the primary provider. Employees and family members required to pay a co-payment due to loss of dual coverage will have co-payments reimbursed by the City of Lodi on a quarterly basis.
<b>Pharmaceutical</b>	Prescriptions, when prescribed by a physician, are limited to a 30-day supply, and subject to a \$10.00 co-pay per prescription.
<b>Recreation</b>	Lodi City Employees Association costs \$3 per month. The Association is headed by a Board of Directors composed of representative(s) from each department. They sponsor an annual dinner dance and annual picnic, and operate a booth at the Lodi Grape Festival each fall.
<b>Retirement</b>	2% @ 55-The city pays both employer and employee

<i>Benefits</i>	<i>What You Receive</i>
<b>Retirement con't</b>	contributions.
<b>Tuition Reimbursement</b>	The City shall provide up to \$300 per fiscal year for tuition reimbursement or the equivalent cost of tuition and books for two courses per semester or quarter at a State University beyond the level of an Associate of Arts degree, to be paid upon satisfactory completion of job-related course work. This section will be applied toward tuition at an accredited College or University.
<b>Vision Insurance</b>	The City provides a Family Vision Care insurance plan.
<b>Workers Compensation</b>	Employees are provided with Workers' Compensation benefits under State law and consist of medical payments, temporary disability, permanent partial disability, permanent total disability, and vocational rehabilitation. Compensation is for injuries arising out of and in the course of employment.

Jennifer Perrin

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**From:** Susan Hitchcock [syhjl@pacbell.net]  
**Sent:** Wednesday, June 28, 2000 2:02 AM  
**To:** Steve Mann; Keith Land; Alan Nakanishi; Philip Pennino; Randy Hays; Dixon Flynn  
**Subject:** Council Benefits

The unfortunate situation with tuition reimbursement for Mayor Mann did not have to take place. Contrary to comments made by Councilmembers and the City Manager, the City has a very clear and defined policy on tuition reimbursement.

The California codes and court decisions do provide a framework for compensation/benefits/expenses received by City Councilmembers. *The California Municipal Law Handbook* states:

*It is "the settled rule that compensation for official services depends entirely upon law; that statutes relating to such compensation are strictly construed in favor of the government; that a public officer may only collect and retain such compensation as is specifically provided by law, and that any money paid by a governmental agency without authority of law may be recovered from such officer"*

and

*"Under the authorities noted in the introduction to this topic, the statutes authorizing expense reimbursement are strictly construed against public officials. 'An expense must meet four requirements to be reimbursable: (1) It must be an expense of a member of the city council; (2) It must be an 'actual' expense; (3) The expense must have been 'incurred in the performance of official duties'; and (4) It must be a 'necessary' expense."*

and

*"In addition to the limitations on council compensation, expense reimbursement, and benefits provided by state and federal law, local ordinances regarding these subjects are common and will be effective to reduce or eliminate payments to which an official would otherwise be entitled."*

The City spells out very clearly its policy for payment of tuition reimbursement in the *City of Lodi Administrative Policy and Procedure Manual* and the *Rules For Personnel Administration*.

The *Administrative Policy and Procedure Manual* adopted May 1, 1995 (I believe Mayor Mann and Councilmember Pennino were on the Council at the time) spells out the policy and procedure for tuition reimbursement:

**Subject:** Tuition Reimbursement - Policy  
**Date Issued:** May 1, 1995  
**Section:** T

Section 1: Purpose

*"The purpose of tuition reimbursement is to encourage employees to broaden their knowledge in their occupational field and in the activities and functions of the City of Lodi through participation in educational courses of recognized schools or professional organizations. It is expected that as a result of such participation, the employee will enhance his/her career opportunities, and the City will benefit in terms of increased efficiency and quality of work."*

Section 2: Eligibility

*Participation is limited to full-time regular employees with the City of Lodi.*

Section 3: Reimbursement

*Subject to the terms and conditions of the appropriate memorandum of understanding, City shall reimburse employees the cost of tuition and books upon the satisfactory completion of job related coursework beyond the level of an Associate of Arts degree.*

*Employees must maintain continuous service from the date a course begins to the date of its completion.*

*Employees shall not be eligible for reimbursement when a course is paid for by another source.*

*The maximum amount reimbursable is subject to the terms and conditions of the appropriate memorandum of understanding.*

Section 4: Job Relationship

*Courses should pertain to an employee's career field, thus enhancing his/her career advancement opportunities and job skills. Courses related to an employee's job duties and responsibilities must exceed the educational level required to qualify for the employees's current classification.*

**Subject: Tuition Reimbursement - Procedure**

Date Issued: May 1, 1995

Section: T

Section I: Purpose

*The purpose of this procedure is to provide guidance in implementing the City of Lodi's Tuition Reimbursement policy.*

Section 2: Application Procedure

*Prior to enrollment in a course, the employee shall submit an application for participation in this program to his/her Department Head*

*The Department Head shall review the application and determine eligibility according to the Tuition Reimbursement policy and the appropriate memorandum of understanding. If the application is denied, a letter shall be sent by the Department Head to the employee explaining why it has been disapproved. If the application is approved, the Department Head shall sign the application and return it to the employee, who shall be responsible to retain it until the course is completed.*

*Upon completion of the course of instruction, the employee shall submit to the Department Head evidence of satisfactory completion (grade of "C" or equivalent or better). For ungraded courses, a statement from the school or the instructor must indicate successful completion of the course. This shall be accomplished within 30 calendar days of the completion of the course. In the event that such cannot be furnished within this time period, the employee shall provide a written statement explaining the reason for the delay.*

*The Department Head shall then authorize payment of the appropriate reimbursement.*

*The completed application, receipt, and evidence of grade shall be forwarded to the Finance Department and a reimbursement check shall be issued to the employee.*

Section 3: Conditions

*Participation in courses must not be during regular work hours and must not result in reducing either the normal work week of the employee or the quality and quantity of his/her services to the City; except that the City may grant time off for attendance at training courses during working hours if the course is given at no other times and if such time off does not disturb normal City operations. The best interests of the City shall at all times be the determining factor in the consideration of such time off.*

*Employees must complete courses within the regulation period of time allowed for them by the school or professional organization.*

*Participation in this program is to be considered a privilege rather than a right of the employee.*

*The City reserves the right to disapprove reimbursement for courses if the course requested is available at a substantially lower cost at a local school or college."*

The *City of Lodi Administrative Policy and Procedure Manual* contains very thorough explanations of policies and procedures. Besides tuition, the following topics are addressed: administrative leave, bereavement leave, discrimination complaints, dress code, drug and alcohol testing, employee performance evaluation, family medical leave, holiday leave, outside employment (moonlighting), nepotism, layoff, personnel records, smoking, salary, and travel and business expense. The distribution list shows that eighty-five copies of the manual are distributed to various positions or locations in the City. I would suggest all Councilmembers request a copy; it is very informative and enlightening to know there are policies in place, whether followed or not, for almost every situation. It was written for a purpose.

To understand exactly who a "regular employee" is described as eligible for tuition benefits, one must refer to the "Definition of Terms" as spelled out in the *Rules For Personnel Administration*:

Regular Employee: *An employee hired from an eligible list, who has successfully completed the probationary period for a class and occupies a budgeted position in the classified service.*

Classified Service: *All employees except for the following: elected officials; officers appointed by the City Council; Department Heads; members of appointed boards, commissions and committees; persons engaged under contract to render professional, scientific, technical or expert services; and part-time or temporary employees.*

Clearly, City Councilmembers do not qualify for tuition benefits under the very specifically spelled out tuition policy in the *City of Lodi Administrative Policy and Procedure Manual*. Therefore, the only compensation/benefits to which Councilmembers are entitled are those specifically adopted by statute as described in *The California Municipal Law Handbook for General Law Cities*.

It appears the City's tuition reimbursement policy has not been administered fairly in the past five years since adoption of the *Administrative Policy and Procedure Manual* because not only has a Councilmember been reimbursed for tuition, classes which are not related to an employee's career field (Joanne Narlock, Human Resources Director - courses such as Appellate Practice, Criminal Procedure, Trial Practice, etc.) have been reimbursed, and most recently I have heard contract employees have also been reimbursed tuition expenses.

**I would like to know why the policy is not being followed and at whose direction. Further, I request a written report of those employees who have received tuition reimbursement benefits during the past five years along with justification.** If we do not undertake a clean, in-house investigation, I know of citizens who are ready to refer this issue to the San Joaquin County Grand

Jury, if they haven't already.

On June 12, 2000, the City Manager sent Councilmembers a memo that is unclear and contradictory. He states City Council benefits were authorized as outlined in his attachment "executive management benefits offered to City Councilmembers" and cites a letter from Eric Whittaker, Administrative Assistant to the City Manager as authority for those benefits. Mr. Whittaker's memo is very specific that it refers only to insurance benefits, but more specifically, medical, dental and vision insurance. For most of the benefits listed in the June 9, 2000, City Council Benefits list, there is no supporting documentation, adopted policy or resolution that currently provides these benefits to Councilmembers.

We were not elected by citizens to the City Council to become "regular employees" of the City. Other than clarifying present benefits, I see no reason to further to discuss additional benefits for City Councilmembers.

## **Jennifer Perrin**

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**I would like to know why the policy is not being followed and at whose direction. Further, I request a written report of those employees who have received tuition reimbursement benefits during the past five years along with justification.** If we do not undertake a clean, in-house investigation, I know of citizens who are ready to refer this issue to the San Joaquin County Grand Jury, if they haven't already.

On June 12, 2000, the City Manager sent Councilmembers a memo that is unclear and contradictory. He states City Council benefits were authorized as outlined in his attachment "executive management benefits offered to City Councilmembers" and cites a letter from Eric Whittaker, Administrative Assistant to the City Manager as authority for those benefits. Mr. Whittaker's memo is very specific that it refers only to insurance benefits, but more specifically, medical, dental and vision insurance. For most of the benefits listed in the June 9, 2000, City Council Benefits list, there is no supporting documentation, adopted policy or resolution that currently provides these benefits to Councilmembers.

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CITY COUNCIL

STEVE MANN, Mayor  
MELANIE NAKANISHI  
Mayor Pro Tempore  
SUSAN HITCHCOCK  
KEITH LAND  
PHILLIP PENNINO

# CITY OF LODI

CITY HALL, 221 WEST PINE STREET  
P.O. BOX 3006  
LODI, CALIFORNIA 95241-1910  
(209) 333-6702  
FAX (209) 333-6807

EXHIBIT E

W. DIXON HENNING  
City Manager  
JACKIE TAYLOR  
Acting City Clerk  
RANDALL A. HAYS  
City Attorney

June 12, 2000

Mayor and Fellow Councilmembers

During the past week, there has been a lot of discussion regarding Councilmember's benefit package. All this centers around the absence of a clear policy regarding which benefits councilmembers are entitled to receive. It should be noted, in 1988 a memo from the City Managers Office stated "*that councilmembers may opt to receive City-paid medical, dental, and/or vision insurance.*" The memo goes on to say that councilmembers submitting enrollment forms should be treated as new hires for insurance purposes and will be eligible for CORBA continuation privileges at group rates upon separation from office in a manner similar to City employees.

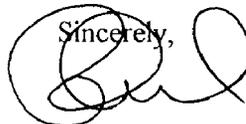
It is my understanding, that this memo, along with the approved "PERS" benefits established by the Council in 1998, sets the foundation that Councilmembers are city employees and therefore eligible for "approved" benefits.

Having said this, to help prevent any further misunderstanding I would like you to consider the following:

1. At a future meeting, the Council approve a policy establishing the appropriate benefits for City Councilmembers.
2. That a budget policy be approved that states:

*Each year in accordance with the budget, each councilmember will be appropriated an amount to be used at their discretion. The intent of these funds will be to further their knowledge, understanding, and work as a councilmember representing the City of Lodi. If a councilmember goes over the approved budget amount, a request from the councilmember shall be put on the council agenda under the consent calendar for approval by the council.*

I believe by approving these two policies, any misunderstanding could be avoided in the future. I hope each of you will concur with this recommendation and allow this to be put onto the next agenda.

Sincerely,  


Phillip Pennino  
Council Member

CITY COUNCIL

STEPHEN MANN, Mayor  
ALAN NAKANISHI  
Mayor Pro Tempore  
SUSAN HITCHCOCK  
KEITH LAND  
PHILLIP A. PENNINO

# CITY OF LODI

CITY HALL, 221 WEST PINE STREET  
P.O. BOX 3006  
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FAX (209) 333-6807

H. DIXON FLYNN  
City Manager  
JACQUELINE TAYLOR  
Interim City Clerk  
RANDALL A. HAYS  
City Attorney

June 29, 2000

Dear Fellow Council Members:

As you now know, an official resolution authorizing Council Members to receive benefits does not currently exist. Historically, Council Members have been considered full-time employees for the purpose of receiving management benefits. According to city records, nearly all Council Members over the past 12 years have received some level of benefits, including life, medical, dental, chiropractic, and vision insurance, to name a few. It now appears that there has only been administrative, rather than City Council, approval of these benefits.

My personal experience led to this discovery. Accordingly, I have asked that this item be placed on the agenda so that the Lodi City Council may deliberate the issues and come to an official resolution. It is in everybody's best interest to officially resolve what benefits, if any, Council Members may be entitled to receive. I propose to have the City Council appoint an Ad Hoc Committee to examine the possibilities, and to return within 30 days with a recommendation for Council consideration. By having an independent citizens committee study the issue, the Council will hopefully avoid any appearance of a conflict of interest.

Recent events have also brought to light the need to establish controls over Council spending. For example, the Council's "Protocol Account," which is used to finance special social events, is largely unrestricted, and at \$21,000 or more, I believe there needs to be some level of accountability put in place. While I am not concerned about the type of events that are being held, I am very concerned that this account is out of control. I hope you will agree that the City Council should adopt a specific policy governing this account.

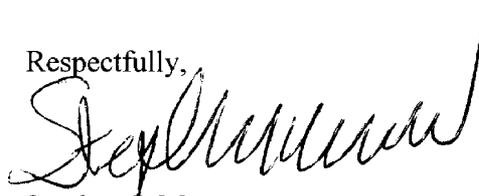
Finally, I would like to recommend that the City Council also adopt a policy governing Council Member travel budgets. Each Council Member has an annual \$5,000 travel budget. In recent years, some Council Members, myself included, have exceeded their respective allotment. I continue to believe that Council Members need to do a certain amount of traveling in order to stay abreast of the dynamic changes in government and technology. I am not personally opposed to Council Members occasionally exceeding their budgets, however I believe it is time to establish some kind of policy that specifically addresses this issue.

Accordingly, I respectfully request that the Lodi City Council approve these recommendations:

- Designate Council Members as full-time city employees for the purpose of receiving benefits, whatever they may be
- Impanel a citizens committee to study the issue of Council Member benefits, and to make specific recommendations for Council consideration
- Impose a \$100 limit for expenditures made from the City's "Protocol Account," above which would require specific City Council approval by placing the item on a regular City Council agenda
- Impose a \$100 limit upon Council Members' travel expenses, above which would require specific City Council approval by placing the item on a regular City Council agenda

I am acutely aware that my proposals represent a dramatic shift from current practice. However, I believe that by adopting these policies the public's best interests will be served. Thank you for your thoughtful consideration of these recommendations that have been most respectfully submitted.

Respectfully,

A handwritten signature in black ink, appearing to read "Stephen J. Mann". The signature is written in a cursive style with a large, sweeping initial "S".

Stephen J. Mann  
Mayor

RESOLUTION NO. 2000-121

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING  
AND RATIFYING SCHEDULE OF EXECUTIVE MANAGEMENT  
BENEFITS GRANTED TO CITY COUNCIL MEMBERS

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WHEREAS, never in the City of Lodi's past history has a policy regarding benefits to City Council Members ever been formally written; and

WHEREAS, typically any benefit granted to the City Council is done as an administrative matter, performed through the Office of the City Manager, except in 1992 and 1998 when the City Council voted to implement PERS retirement and deferred comp for City Council Members; and

WHEREAS, in September 8, 1988 the City Manager's office authorized the Personnel Director and the Finance Director to make available to City Council Members medical, dental and vision benefits, and other executive management benefits have been added since that time; and

WHEREAS, the current City Council is desirous of adopting a formal policy setting forth the benefits that City Council Members are eligible to receive and have received from 1988 to present, as shown on Exhibit A attached hereto and made a part hereof; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lodi has reviewed and hereby approves and ratifies the Schedule of Executive Management Benefits granted to City of Lodi City Council Members now and in effect since September 1988 until such time as this Resolution is amended or rescinded.

Dated: July 5, 2000

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I hereby certify that Resolution No. 2000-121 was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 5, 2000, by the following vote:

- AYES: COUNCIL MEMBERS –
- NOES: COUNCIL MEMBERS -
- ABSENT: COUNCIL MEMBERS -
- ABSTAIN: COUNCIL MEMBERS -

JACQUELINE L. TAYLOR  
City Clerk

# EXHIBIT # 11111 A

<b>City Council Benefits</b>	
<i>Benefit</i>	<i>What You Receive</i>
<b>Accidental Death Insurance</b>	\$25,000 accidental death policy, in the event of death resulting from a line-of-duty injury.
<b>Accident Travel Insurance</b>	\$100,000 travel life insurance coverage from National Accident Insurance Group while traveling on City business outside the City limits.
<b>Chiropractic Insurance</b>	This benefit allows up to a maximum of 40 visits per calendar year and each visit is subject to a \$10.00 co-payment. A Landmark Chiropractor must be utilized.
<b>Credit Union</b>	Membership in the Lodi Employees Credit Union which offers savings plans, loans, and automatic payroll deductions.
<b>Deferred Compensation</b>	A contribution or a percentage may be made based on salary, up to \$8,000 per year, or 25% of their gross salary. The amount deferred and interest earned are not considered taxable income until withdrawn.
<b>Dental Insurance</b>	The City will pay 100% of the monthly premium for dental insurance.
<b>Direct Deposit</b>	Payroll checks may be deposited directly into a checking or savings account at a bank of choice.
<b>Employee Assistance Program</b>	6 free visits per year per family member with a licensed clinical social worker through "Options." This may be supplemented by medical insurance after exhaustion of the 6 free visits.
<b>Employee Development</b>	Training programs, professional and skills development courses, meetings, and seminars may be utilized to improve efficiency and broaden knowledge in the performance of duties.
<b>Executive Physical</b>	In accordance with Health Net guidelines, may receive a physical including office examination, blood panel, urinalysis, chest x-ray, EKG (resting), mammogram, and pap smear, if deemed necessary by the physician. Employee is reimbursed for costs not covered by medical insurance. Receipts should be submitted to Finance.
<b>Flexible Spending Account</b>	Each calendar year elections may be made to contribute pre-taxed dollars into:

# EXHIBIT A

<i>Benefits</i>	<i>What You Receive</i>
<b>Flexible Spending Account con't</b>	1) Premium conversion 2) unreimbursed medical 3) dependent care reimbursement
<b>Life Insurance</b>	1 ½ times annual salary rounded to the next highest \$1,000. Plus \$12,000 to a maximum of \$150,000 of coverage. Including dependent coverage. <u>Dependent Coverage Includes</u> Spouse \$1,500 Dependent Child (6mos.-22 years) \$1,500 Child (under 6mos.) \$ 150
<b>Medical Insurance</b>	City pays 100% of premium for family members.
<b>Medical Fringe</b>	Choosing single coverage on the medical insurance will allocate \$25 per pay period to a deferred compensation account. Electing to waive medical coverage will allocate \$71.15 per pay period to a deferred compensation account.
<b>Medical-Married City Employees</b>	If both the employee and the employee's spouse work for the City and are eligible for medical insurance, only one medical plan will be provided and the Medical Fringe benefit will apply to the employee who is not the primary provider. Employees and family members required to pay a co-payment due to loss of dual coverage will have co-payments reimbursed by the City of Lodi on a quarterly basis.
<b>Pharmaceutical</b>	Prescriptions, when prescribed by a physician, are limited to a 30-day supply, and subject to a \$10.00 co-pay per prescription.
<b>Recreation</b>	Lodi City Employees Association costs \$3 per month. The Association is headed by a Board of Directors composed of representative(s) from each department. They sponsor an annual dinner dance and annual picnic, and operate a booth at the Lodi Grape Festival each fall.
<b>Retirement</b>	2% @ 55-The city pays both employer and employee

<i>Benefits</i>	<i>What You Receive</i>
<b>Retirement con't</b>	contributions.
<b>Tuition Reimbursement</b>	The City shall provide up to \$300 per fiscal year for tuition reimbursement or the equivalent cost of tuition and books for two courses per semester or quarter at a State University beyond the level of an Associate of Arts degree, to be paid upon satisfactory completion of job-related course work. This section will be applied toward tuition at an accredited College or University.
<b>Vision Insurance</b>	The City provides a Family Vision Care insurance plan.
<b>Workers Compensation</b>	Employees are provided with Workers' Compensation benefits under State law and consist of medical payments, temporary disability, permanent partial disability, permanent total disability, and vocational rehabilitation. Compensation is for injuries arising out of and in the course of employment.