



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Arturo Vela, Interim City Manager

**PREPARED BY:** Lisa Rossi, Human Resources Director  
Art Vela, Interim City Manager

**MEETING DATE:** January 13, 2026

**SUBJECT:** Consideration of Resolution 2026-07, Authorizing the Appointment of Retired Annuitant Kenneth Louie as Interim Finance Director

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### **RECOMMENDATION:**

Adopt Resolution 2026-07.

### **BACKGROUND:**

Since March 2025, the Finance Department has been in a critical transition period, requiring seasoned fiscal leadership to ensure long-term stability and operational excellence. Following her appointment at the March 25 City Council meeting, Michelle Green has leveraged her 30 years of expertise to provide vital oversight as Interim Finance Director.

However, as a CalPERS retired annuitant, Ms. Green is subject to a 960-hour annual limit. Given the department's intensive workload, she is at the end of her eligible hours. Finance has also enlisted the aid of Bonnie Johnson who assumed the interim role as of December 22nd, 2025. However, Ms. Johnson has voiced her desire to remain on special projects within Finance as she feels this is where she can have the most impact. To prevent any disruption in our financial operations, it is now necessary to transition leadership to a new interim director, ensuring total continuity of service for the city.

In early December, the City identified and engaged Mr. Kenneth Louie to fill the vacant Finance Director position on an interim basis while the recruitment for a permanent appointment continues. Mr. Louie is a highly qualified CalPERS retiree with over 30 years of distinguished experience in city management and municipal fiscal operations.

It is anticipated that Mr. Louie will officially assume the role of Interim Finance Director on January 14th, 2026, and Ms. Johnson will resume her role as extra help assisting with Finance special projects.

Pursuant to Government Code section 21221(h), the City is permitted to make limited-term appointments of CalPERS retirees to temporary positions, provided they adhere to requirements regarding compensation, duration, and hour limitations. In accordance with these guidelines, Mr. Louie is restricted to an aggregate of 960 hours per fiscal year across all CalPERS contracting agencies. His appointment ensures that the Finance Department remains under expert leadership during this pivotal transition period.

Staff recommends that the City Council approve by resolution the limited-term appointment of Kenneth Louie as Interim Finance Director, while the city recruits for a permanent appointment.

**JUSTIFICATION:**

The resolution for Interim Vacant Retired Annuitant under Gov. Code section 21221(h), is for CalPERS retirees hired to work in a vacant position while the employer recruits for a permanent replacement, such as an interim city manager, interim police or fire chief, interim department head, or any other unique managerial or executive position. An open recruitment to fill the vacancy with a permanent replacement is required to appoint a retiree. A retiree can only be appointed once to a vacant position. A retiree must reinstate from retirement to be employed in any regular staff position which includes any permanent positions including full time, part time, seasonal, limited term, permanent intermittent, exempt from membership, or any other type of temporary or periodic regular staff position.

**FISCAL IMPACT:**

Mr. Louie would be paid an hourly rate of \$111.4851 per hour, which is the hourly equivalent of the Finance Director position. He is not entitled to any additional compensation, benefits, vacation, or holidays.

**ALTERNATIVES:**

Do not adopt Resolution No. 2026-06 and provide staff alternate direction, which will lead to further shortages in the Finance Department.

**BUDGETED?:**

Yes

**CONTRACT/AGREEMENT:**

No

**ATTACHMENTS:**

1. [Resolution\\_2026- Kenneth Louie.docx](#)
2. [Louie\\_Kenneth\\_Final\\_Offer\\_of\\_Employment\\_01-14-26 rev01-08-26.doc](#)