



City Council Memorandum

To: Mayor Hicks & City Councilmembers
From: Julie Flaten, Administrative Services Director
Date: December 5, 2016
Item: Authorizing PERA Phased Retirement Option

Council Action Requested:

Authorize City participation in PERA Phased Retirement Option.

Background Information:

In 2009 Legislation passed that allows PERA coordinated plan members an option to begin receiving a PERA pension without formally resigning as long as certain conditions are met. The decision to make the Phased Retirement Option available is strictly up to the employer and employees must agree to substantially reduce the hours they work. The City may benefit from offering this option to certain staff to assist in the transfer of knowledge to other staff, retain key staff persons until a replacement is found or reduce hours for budgetary savings. The Phased Retirement Option is one year in duration and may be renewed for up to five years.

This item was included as part of the 2017 budget preparation with the Finance Committee. At this time the City is looking to offer this to option to one employee in 2017.

Financial Impact:

Reduction in salary costs.

Advisory Commission Discussion:

N/A

Council Committee Discussion:

N/A

Attachments:

Resolution

**CITY OF HASTINGS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION 11- -16

**RESOLUTION AUTHORIZING PHASED RETIREMENT OPTION,
DELEGATING AN OFFICIAL OR STAFF PERSON TO COORDINATE**

WHEREAS, the City of Hastings recognizes that it may be to the city's benefit to offer a phased retirement option to certain city staff either to enhance knowledge transfer to other staff, retain a key staff person until a replacement can be found or to reduce the hours of some staff for budgetary savings,

WHEREAS, City of Hastings recognizes that the Public Employees Retirement Association (PERA) offers a phased retirement option available to certain city staff who meet criteria outlined in statute,

WHEREAS, the City of Hastings recognizes the need to designate a city official or staff person to identify eligible staff, determine whether there is a benefit to the city to offering the phased retirement option to those staff and coordinate communication and implementation of the program to eligible staff,

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hastings hereby appoint the City Administrator as the designated coordinator for the PERA phased retirement option program and authorized the City Administrator to identify employees eligible to participate in the phased retirement program, determine whether there is a benefit to the City to offering the program to each of those employees and coordinate communication and implementation of the program to the persons determined eligible and suitable for the program.

Ayes:

Nays:

Absent:

Whereupon said resolution was declared passed and adopted on the 21st day of November, 2016.

Paul Hicks, Mayor

Julie Flaten, City Clerk
(SEAL)