



Request for City Council Committee Action from the Department of Human Resources

Date: September 10, 2009
To: Ways & Means/Budget Committee
Referral to: City Council
Subject: Retirement Incentive

Recommendation: Approve a Retirement Incentive for Sworn Police and Fire Department Employees

Department Information

Prepared by: Pamela French, Human Resources Director

Approved by: _____
Pamela French
Human Resources Director

Steven Bosacker, City Coordinator

Presenters in Committee: Pamela French, Human Resources Director

Financial Impact

- Request approved by the Chief Financial Officer

Supporting Information

Due to the economic downturn, including significant reductions in Local Government Aid, the 2010 Mayor's recommended budget includes resource reductions for City departments. As a part of those recommendations, it is anticipated that as many as 49 positions may be eliminated in the Minneapolis Police Department and 23 positions in the Minneapolis Fire Department. The proposed retirement incentive is being offered in order to reduce the number of layoffs that will be required to meet the reduced budgets in these two departments.

The attached ordinance requests approval for a retirement incentive which would apply to the sworn employees of the Minneapolis Police and Fire Departments who are eligible for a full or reduced retirement benefit under any public employee retirement plan. It provides for a one-time deposit of \$15,000 into the retiring employee's Health Care Savings account. Employees who elect to participate in the incentive must provide notice to the Director of Employee Services in Human Resources prior to or on November 6, 2009.

Additionally, employees that take advantage of this incentive may also be able to take advantage of a nine month COBRA benefit funded by the federal government for 65% of the cost of their health care premiums.