



AGENDA REPORT

City Council Meeting

TODAY'S DATE: March 5, 2025
MEETING DATE: March 19, 2025
TO: City Council
FROM: Cheryl Hughes, Central Services Director
SUBJECT: Approve Personnel Policy Changes

DESCRIPTION/BACKGROUND:

City Council adopted the current Personnel Policy on April 17, 2019. City staff recognizes two sections within the policy that need to be updated now; although the entire policy is being evaluated and updated and a revised Personnel Policy will be brought to Council for review and adoption when that large exercise is completed.

The following changes are being requested at this time:

1. Section XV – Employee Benefits
 - a. Section XV(A2b) – Paid Time Off (PTO) – Termination - Employer Contribution to be changed as follows:

Change 2b to read: Upon separation from service due to retirement, and the employee has reached 55 years of age or his/her applicable PERSI years of service, PTO payouts may be made in the form of employer contribution (not subject to FICA tax) to a HRA/VEBA account or as outlined in Section 2a above.

Currently, this Section 2b reads that the PTO must be made to a HRA/VEBA account if the employee separates from service for retirement. There are no requirements from PERSI that this must occur and prevents employees to leave the organization by retirement who want PTO paid out differently than to a HRA/VEBA account. The personnel policy as written currently does not provide an employee an option to retire, rather, they must resign if they wish to choose a different PTO payout. Because PERSI does not require this, the City will allow for flexibility and employees who have provided service to our community and organization, will now have the option to formally retire from the City without it affecting how their PTO is paid out.

2. Section XV – Employee Benefits
 - a. Section XV(E) – Leaves of Absence to be changed as follows:

Change E1 reference to division head to read “department” head instead;

Change E2 to read: Any request for unpaid leave in excess of five (5) days must be submitted to the Human Resources Director and approved by the Mayor. The request must include an

explanation of the reason for the unpaid leave and a statement from the department head stating how the employee's position will be covered on the employee's absence.

Currently, the policy requires City Council written approval for unpaid leave in excess of thirty (30) days. This is an operational decision and should not require Council approval. Additionally, these types of discussions cannot occur in a public meeting due to sensitive employee information and protections, which makes written Council approval not possible.

STAFF RECOMMENDATION:

Staff recommends City Council consider approving the changes to Section XV – Employee Benefits of the Personnel Policy regarding PTO and Termination and Leaves of Absences.

ACTION:

City Council to approve changes to Section XV – Employee Benefits of the Personnel Policy regarding PTO and Termination and Leaves of Absences.

WILL THERE BE ANY FINANCIAL IMPACT? No HAS THIS ITEM BEEN BUDGETED? N/A

ATTACHMENTS:

- Proposed Resolution
- Personnel Policy redlined sections