

Agenda Report

August 4, 2014 City Council Meeting

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Item No. 15

ISSUE: Police Pension CD Closeout and Transfer

BACKGROUND:

Currently there are two former employees who are part of an older police pension plan through the City. All current police personnel are part of the IPERS pension system. There are two CDs the City has worth \$50,000 each that were established to help cover the costs of this pension plan. Staff needs to close one of these CDs and transfer the funds to the police pension fund to cover the continuing costs of the plan. The \$50,000 will cover the costs for approximately 9 months, at which time the last remaining CD will need to be cashed out and transferred. If the Council is unwilling to do this you have two other options. The options include subsidizing the plan through the general fund at the tune of approximately \$75,000 annually (I would highly discourage this options as it will require cuts to other service areas) or raise the property tax levy approximately \$0.40 next fiscal year. Once these former employees are off the plan it will be closed out.

RECOMMENDATION:

Staff recommends the City Council approve the resolution

STAFF CONTACTS:

Jeff Fiegenschuh, City Administrator

Stacie Wright Accounting Clerk

THE CITY OF WINDSOR HEIGHTS, IOWA

RESOLUTION NO. 14-0843

A RESOLUTION TERMINATING THE POLICE PENSION CD IN THE AMOUNT OF \$50,000.00 AND REINVESTING SAID FUNDS IN THE POLICE PENSION FUND

WHEREAS, the City currently maintains a police pension CD in the amount of \$50,000.00; and

WHEREAS, the City wishes to terminate this CD and reinvest the \$50,000.00 in the Police Pension Fund; and

WHEREAS, the City deems it advisable and in the best interest of the City and the eligible members of the police staff to reinvest said funds in the Police Pension Fund.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Windsor Heights, Iowa:

1. The City Administrator and/or the Mayor are hereby authorized to execute such documents and other writings, and to take any other actions, as may be necessary or desirable to effectuate the purposes and intent of this resolution.

PASSED AND APPROVED THIS 4TH DAY OF AUGUST 2014.

Steven Peterson, Mayor Pro Tem

Attest:

Jeff Fiegenschuh, City Administrator/Clerk