

**PERSONNEL COMMITTEE MEETING  
COUNCIL CONFERENCE ROOM  
APRIL 8, 2009 AT 5:45 PM**

The Personnel Committee met on Wednesday, April 8, 2009, at 5:45 PM in the Council Conference Room, 2<sup>nd</sup> Floor, City Hall.

Committee members present were:

Councilman Dale Burkett, Chairman  
Councilman Dave Kirlin  
Councilman Walker Reid

Additional Council Members present:

Councilman John Howren  
Councilman Keith Tidwell

**Item 1: Retirement Incentive Plan**

Councilman Reid recognized Jim Palenick, City Manager, for the purpose of staff's presentation.

Mr. Palenick stated the purpose of the proposed Retirement Incentive Plan is to mutually benefit eligible employees and the City of Gastonia. The plan would offer a lump-sum payment to eligible employees in an attempt to reorganize, combine and/or eliminate some positions within the City. Currently, there are approximately 19 employees eligible to take advantage of the proposed plan.

After extensive research by staff, it was determined that retirement system rules will not allow the lump sum payment to be credited toward the formula for increasing monthly employee benefits. Also, any benefit received by the employee would be taxed at the usual withholding rate.

After much discussion of the proposed plan, it was determined that due to restrictions imposed through the Local Government Employees' Retirement System and the fact that long-term savings by the City are unlikely, staff recommended against consideration by full Council. An agreement was reached that this type of plan could be revisited at a later date.

**Recommendation:**

The Committee voted unanimously to deny recommendation to full Council. Councilman Burkett thanked Staff for their research and hard work.

**Item 2: Other Business**

Having no other business, Chairman Burkett adjourned the meeting.