

## Phased Retirement Option Information Sheet

Employees nearing retirement may be interested in exploring a new Public Employees Retirement Association (PERA) plan called the Phased Retirement Option (PRO.) PRO was authorized by the Minnesota Legislature in 2009, allowing PERA Coordinated and Basic members age 62 and over the option to work part time for a limited period while receiving a PERA pension. Each covered employer – in this case, the City of Saint Paul - has sole discretion in offering the Phased Retirement Option to an individual employee and establishing associated terms and conditions. Steps include:

- ✓ Contact your supervisor or Department Head to discuss if a PRO would be mutually beneficial to you and your department
- ✓ Retire from City employment
- ✓ Complete PRO forms, including signatures from your Director and the Director of HR
- ✓ Return to work as a temporary employee for the duration of your PRO Agreement

PERA has prepared a list of [Frequently Asked Questions](#) regarding Phased Retirement Options.

---

### Phased Retirement Option (PRO)

City of Saint Paul employees interested in pursuing a PRO will be subject to the following requirements:

- a) You must be a PERA Coordinated or Basic member and meet all requirements for a PERA pension
- b) You must be at least 62 years of age
- c) You must have worked at least half time in a PERA-covered position for a minimum of five years immediately prior to beginning Phased Retirement
- d) You must not be eligible for the State Employee Post-retirement Option program (for PERA members who are State employees.)
- e) You must agree to substantially reduce the hours you work – no more than 1044 per year, and no more than 20 per week
- f) In coordination with the City of Saint Paul, you must file a *Phased Retirement Agreement* form with PERA as well as any other required forms\*
- g) The initial offer from the City of Saint Paul to you cannot exceed one year, but can be renewed for periods of up to a year for a total of five years. A PRO agreement can be terminated by you or the City of Saint Paul at any time
- h) The City of Saint Paul is under no obligation to renew the PRO agreement. If the agreement is terminated or not renewed, you are not eligible to return to employment status except through normal PERA and City of Saint Paul rules
- i) As an employee covered by a PRO Agreement with the City of Saint Paul you are
  - a. Not eligible for City benefits other than retiree coverage and/or applicable temporary employee benefits under the labor contract for which you may qualify
  - b. Not eligible to participate in City sponsored optional coverages
  - c. Not eligible for the City contribution to deferred compensation
- j) You will be treated as a temporary employee and consequently will not be counted against the department's FTE count; however your department must remain within its authorized budget
- k) You will sign the Temporary Employee Permit