Policy Purpose
The purpose of this policy is to provide uniformity in process and to outline the circumstances when severance pay for appointed employees who are released from employment is allowed. Except for minor language revisions, this policy is duplicative of the city’s annual compensation plan that is adopted by city council by ordinance (which supersedes anything contained in this policy).

I. Subject to availability of funds, any current appointed employee who is not retained, not terminated for cause and who is separated from city employment involuntarily shall receive severance pay based upon their respective appointment date.

II. Severance pay shall be calculated using the employee’s salary rate in effect on the employee’s last date of employment. Receipt of severance pay is contingent upon execution of a release of all claims drafted and approved by the city attorney’s office. Severance pay shall be calculated as follows:
   
   a. Current appointed employees who were appointed between January 1, 1989 and January 1, 2000 shall receive severance pay equal to one month’s base salary for each continuous year of city employment in an appointed status. Severance pay shall be calculated on a pro-rata basis for a total pay of up to a maximum of six months.
   
   b. Current department heads, along with the mayor’s chief of staff and the executive director of the city council office, appointed on or after January 1, 2000 shall receive severance pay equal to two month’s base salary after one full year of continuous city employment in an appointed status; four months’ base salary after two full years of continuous city employment in an appointed status; or six months’ base salary after three full years or more of continuous city employment in an appointed status.
   
   c. Current appointed employees who are not department heads, and who were appointed on or after January 1, 2000 shall receive severance pay equal to one week’s base salary for each year of continuous city employment in an appointed status, calculated on a pro-rata basis, for a total pay of up to a maximum of six weeks.

III. Appointed employees with leave hour account balances under plan A or plan B shall, in addition to severance pay provided, receive a leave payout equal to the “retirement benefit” value provided under the leave plan of which they are a participant (either plan A or plan B), if separation is involuntary and not for cause. Vacation leave payout shall be the same as for any other employee who terminates employment with the city, including retirement.

IV. An appointed employee is ineligible to receive severance pay under the following circumstances:
   
   a. An employee who, at the time of termination of employment, has been convicted, indicted, charged or is under active criminal investigation concerning a public offense involving a felony or moral turpitude. This provision shall not restrict the award of full severance benefits should such employee subsequently be found not guilty of such charge or if the charges are otherwise dismissed.
   
   b. An employee who has been terminated or asked for a resignation by the mayor or department director under bona fide charges of nonfeasance, misfeasance or malfeasance in office.
   
   c. An employee who fails to execute a Release of All Claims drafted and approved by the city attorney’s office, where required as stipulated above.
Policy 3.02.03: Severance Pay

Current References:
3.01.02 New Hire & Training Requirements
Compensation Plan

Approved and passed this 31st date of December, 2016