

By Johnson

Amending Title 2, Chapter 20 of the Minneapolis Code of Ordinances relating to Administration: Personnel.

The City Council of The City of Minneapolis do ordain as follows:

Section 1. That Section 20.456 of the above-entitled ordinance be amended to read as follows:

20.456. 2005 Severance pay for appointed employees. (a) Beginning September 1, 2005, all full-time employees who are not represented through a collective bargaining agreement with the city but excluding those appointees in the council's and mayor's offices, shall enter into an employment contract with the city. The employment contract shall set forth all the terms and conditions of employment, including, except for those employees who are appointed for a term, the condition of employment that the employee is "at will" and may be removed from the appointed position by the appointing authority with or without cause. The employment contract shall provide that if the employee is removed from the employee's position, other than for malfeasance, misfeasance, or nonfeasance in office during his/her first three (3) years, he/she shall receive a lump sum payment equal to six (6) months annual salary. The lump sum payment shall be reduced by one month for each additional year of service in the position beyond the third year with the minimum lump sum payment equal to three (3) months of the employee's annual salary. The payment of this severance pay is pursuant to Minnesota Statutes Section 465.72 and 465.722 and is conditioned upon the employee agreeing to release the city from any and all causes of action or claims the employee may have against the city and complying with all applicable notice, waiver and rescission provisions in federal and state law and is in addition to any contribution to the health care savings plan authorized by section 20.440. Severance payments under this section shall be paid within thirty (30) days after the expiration of all applicable notice, wavier and rescission time periods. Employees who elect to not execute a general release of causes of action or claims have no right to any severance payment under this section. In no event shall any severance payment exceed the amount allowed under Minnesota law.

(b) In addition to the severance payment in paragraph (a), ~~the city will pay the full amount of the first six (6) months of COBRA (Consolidated Omnibus Budget Reconciliation Act) payments for health insurance~~ for those appointed employees who are removed, provide the city the general release required in paragraph (a) and do not accept another city position, the city will pay the following:

(1) Beginning April 1, 2009.

- a. If the appointed employee has medical coverage or medical and dental insurance coverage on the date of removal and the appointed employee elects to continue medical insurance through the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) or medical and dental insurance through COBRA, the following contribution to the employee's Health Reimbursement Arrangement Plan account:

<u>1st Month of COBRA Eligibility</u>	<u>Contribution Medical Coverage Level</u>	
	<u>Single</u>	<u>Family</u>
<u>May 2009</u>	<u>\$1,430</u>	<u>\$4,470</u>
<u>June 2009</u>	<u>\$1,450</u>	<u>\$4,540</u>
<u>July 2009</u>	<u>\$1,470</u>	<u>\$4,600</u>
<u>August 2009</u>	<u>\$1,490</u>	<u>\$4,670</u>
<u>September 2009</u>	<u>\$1,520</u>	<u>\$4,740</u>
<u>October 2009</u>	<u>\$1,540</u>	<u>\$4,800</u>
<u>November 2009</u>	<u>\$1,560</u>	<u>\$4,870</u>
<u>December 2009</u>	<u>\$1,580</u>	<u>\$4,940</u>
<u>January 2010</u>	<u>\$1,600</u>	<u>\$5,000</u>

- b. If the appointed employee has only dental insurance coverage on the date of removal and the appointed employee elects to continue dental insurance through COBRA, one hundred (100) percent of the premium for dental insurance for the first six (6) months of COBRA continuance at the level of coverage, single or family, in effect on the date of the removal and for the dental plan in effect on the date of the removal.

The terms of this section 20.465(b)(1) will expire on December 31, 2009.

(2) Beginning January 1, 2010.

- a. If the appointed employee elects to continue medical insurance through COBRA, one hundred (100) percent of the premium for medical insurance for the first six (6) months of COBRA continuance at the level of coverage, single or family, in effect on the date of the removal and for the medical plan in effect on the date of the removal.
- b. If an employee elects to continue dental insurance through COBRA, one hundred (100) percent of the premium for dental insurance for the first six (6) months of COBRA continuance at the level of coverage, single or family, in effect on the date of the removal and for the dental plan in effect on the date of the removal.

(c) If the executive committee does not intend to reappoint a department head who is appointed for a term, the executive committee shall provide notice of its decision to that department head at least three (3) months prior to the end of the department head's current term. If the executive committee fails to provide such notice, the department head shall receive, at the sole discretion of the executive committee, either an additional three (3) months of severance pay or outplacement assistance in an amount equal to three (3) months of severance pay.

(d) Those appointed employees that execute the release described in paragraph (a) and subsequently return to or accept another city position shall receive as severance pay an amount equal to the difference between the annual salary in the position from which the department was terminated and the annual salary for the position into which the employee is reemployed up to the maximum allowed in paragraph (a).

Section 2. That Section 20.900 of the above-entitled ordinance be amended to read as follows:

20.900. Insurance continuation. ~~All employees whose positions are eliminated pursuant to this ordinance and who are laid off shall be provided the following with respect to COBRA continuance of medical and dental insurance:~~(a) Beginning April 1, 2009. All employees whose positions are eliminated pursuant to this article and who are laid off shall be provided the following with respect to COBRA continuance of medical and dental insurance.

(1) If an employee has medical coverage or medical and dental insurance coverage on the date of layoff and the employee elects to continue medical insurance through COBRA or medical and dental insurance through COBRA, the city shall make the following contribution to the employee's Health Reimbursement Arrangement Plan account:

<u>1st Month of COBRA Eligibility</u>	<u>Contribution Medical Coverage Level</u>	
	<u>Single</u>	<u>Family</u>
<u>May 2009</u>	<u>\$1,430</u>	<u>\$4,470</u>
<u>June 2009</u>	<u>\$1,450</u>	<u>\$4,540</u>
<u>July 2009</u>	<u>\$1,470</u>	<u>\$4,600</u>
<u>August 2009</u>	<u>\$1,490</u>	<u>\$4,670</u>
<u>September 2009</u>	<u>\$1,520</u>	<u>\$4,740</u>
<u>October 2009</u>	<u>\$1,540</u>	<u>\$4,800</u>
<u>November 2009</u>	<u>\$1,560</u>	<u>\$4,870</u>
<u>December 2009</u>	<u>\$1,580</u>	<u>\$4,940</u>
<u>January 2010</u>	<u>\$1,600</u>	<u>\$5,000</u>

(2) If an employee has only dental insurance coverage on the date of layoff and the employee elects to continue dental insurance through COBRA, the city shall pay one hundred (100) percent of the premium for dental insurance for the first six (6) months of COBRA continuance at the level of coverage, single or family, in effect on the date of the layoff and for the dental plan in effect on the date of the layoff.

The terms of this section 20.900(a) will expire on December 31, 2009.

(b) Beginning January 1, 2010. All employees whose positions are eliminated pursuant to this article and who are laid off shall be provided the following with respect to COBRA continuance of medical and dental insurance:

- (1) If an employee elects to continue medical insurance through COBRA, the city shall pay one hundred (100) percent of the premium for medical insurance for the first six (6) months of COBRA continuance at the level of coverage, single or family, in effect on the date of the layoff and for the medical plan in effect on the date of the layoff.
- (2) If an employee elects to continue dental insurance through COBRA, the city shall pay one hundred (100) percent of the premium for dental insurance for the first six (6) months of COBRA continuance at the level of coverage, single or family, in effect on the date of the layoff and for the dental plan in effect on the date of the layoff.

The terms of section 20.900**(b)** ~~relating to the continuation of insurance benefits~~ will expire on December 31, 2011. The city council must take specific action to extend the terms of section 20.900**(b)** relating to the continuation of insurance benefits if the city council wants those specific insurance benefits to apply to laid off employees after December 31, 2011.