

A motion by Zerby to amend:

20.455. Severance pay for appointed employees. Beginning January 1, 1999, all full-time appointed employees who are not represented through a collective bargaining agreement with the city, including the Executive Director of the Minneapolis Community Development Agency, 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, the employee shall receive a lump sum payment equal to fifty (50) percent 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, waiver 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) — 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 employee was terminated and the annual salary for the — position into which the employee is reemployed up to the maximum allowed in — paragraph (a). (98 Or 137, § 2, 11-13-98; 2001 Or 061, § 5, 5-18-01; 2003 Or — 046, § 7, 4-4-03)~~

From: Anderson, Michael S
Sent: Thursday, April 08, 2004 2:16 PM
To: Zerby, Paul G
Cc: Bernard, Allan B; French, Pamela G; Schiller, Julie O; Rademacher, Myron M
Subject: First Quarter 2004 Severance Agreements

In the first quarter of this year we had two employees receive Severance packages:

Name Severance Amt	Department	Position Title
Brian Lokkesmoe \$57,144.00	Public Works-Admin	Deputy Director-Public Works
Robert Olson \$58,000.00	Police Department	Chief of Police

Severance Plans

In late January 2002, the Human Resources Department conducted a survey of various jurisdictions. The following information summarizes the responses received.

<u>Jurisdiction</u>	<u>Severance Plan?</u>	<u>Description of Plan</u>	<u>Name of Contact</u>
City of Virginia Beach	Yes	Three month severance package (35 employees fall into this category).	Fagan Stackhouse
County of Los Angeles	Yes	Six months of severance pay.	Susan Stern
✓ City and County of Denver	No →	Severance pay is only provided if it is part of a negotiated settlement agreement.	Jim Yearby
City of Little Rock	Yes	Severance packages are negotiated; typically for six months.	Don Flegal
✓ Broward County, Florida	No →	At-will employees receive pay out upon separation of all accrued vacation time and 25% of sick time based on a max accrual of 960 hrs.	Jim Acton
Hennepin County	Yes	They are currently examining possibility of creating employment contracts for top management and department directors. Their County Administrator has a contract which provides up to 6 months of severance.	Rafael Viscasillas
✓ City of Kansas City	No →	Only the City Manager is eligible for severance payment.	John Thigpen

<u>Jurisdiction</u>	<u>Severance Plan?</u>	<u>Description of Plan</u>	<u>Name of Contact</u>
Prince Georges County, Maryland	Yes→	Severance pay is permitted but not mandated; must be negotiated with CAO. Other benefits are granted such as County-paid life insurance, LTD, auto allowance.	Joe Adler
✓ City of Wichita	No→	The City Manager periodically negotiates severance packages.	Karen Marshall
✓ City of Detroit	No	Appointees with seniority in previous Civil Service titles can revert to their last permanent position.	Gail Gillespie
✓ City of Seattle	No	It is considered a gift of public funds.	Norma McKinney
City of Charlotte	Yes	One week of pay for each year of productive employment.	William Wilder
County of San Diego	Yes	CAO has authority to provide up to six months of pay for unclassified employees.	Carlos Arauz
✓ City of Milwaukee	No	Existing vacation balance for that year is paid out.	(written survey)
✓ City of Boston	No	If terminated, employees may request to be paid 20% of accrued sick leave. Existing vacation balance is paid out.	(written survey)

<u>Jurisdiction</u>	<u>Severance Plan?</u>	<u>Description of Plan</u>	<u>Name of Contact</u>
City of Colorado Springs	Yes	City Manager is only position w/severance included in employment agreement. If terminated for any reason other than just cause, severance will not exceed 6 months of salary and benefits. The other 55 at-will employees are not entitled to severance but are eligible. It is at the discretion of the department director or City Manager.	(written survey)
City of Cincinnati	Yes	City Manager is the only position w/severance agreement. Amount is negotiated each time; however, most recent one was paid approx. 6 months of salary.	(written survey)
✓ City of Pittsburgh	No	Existing vacation is paid out.	(written survey)
✓ City of Oklahoma City	No →	Those who voluntarily resign may be paid the balance of their sick leave, not to exceed 1,000 hours. Those involuntarily terminated do not receive any portion of their sick leave.	(written survey)
City of Phoenix	Yes	At discretion of City Manager. May receive up to one month of pay for each \$10,000 annual salary, not to exceed six months. Also continues to receive health/dental insurance at the same rate as prior to separation, for same period of time as determined for the pay benefit.	(written survey)