

Severance Plans

In late January 2002, the Human Resources Department conducted a survey of various jurisdictions. The following information summarizes the responses of those jurisdictions that provide severance benefits to at-will appointed employees.

Minnesota Jurisdictions

Description of Plan

Hennepin County

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.

Ramsey County

Department heads and division directors do not receive severance benefits but are eligible for a merit bonus. If they receive an "exceeds expectations" rating at review, they are eligible to receive a bonus equal to a step increase. This is paid out as a lump sum and the employee does not advance a step.

Minneapolis School Board

There are different levels of benefits for executives:

- Receive free family health coverage. If they elect single coverage, they receive \$4000/year in lieu of family coverage.
- \$400/month auto allowance.
- Larger district contribution to 403(b) or 457.
- \$1200/year wellness allowance.

Severance applies only if the employee retires. The employee is eligible to receive 50% of accrued sick time. The percentage increases with length of service.

City of St. Paul

Appointed/unclassified employees receive 1 1/2 times life insurance, disability bridge days and City-paid short-term disability. Termination pay is equal to 2 weeks' pay for each year of satisfactory service in a title covered by this policy, not to exceed 12 weeks of pay.

State of Minnesota

There is a severance package available to all state employees. Because they are unclassified managers, they would only need to serve five years to be eligible. A lot of Agency heads don't become eligible because the term of the Governor is only four years and new Governors usually appoint new Agency heads with the new administration. As a result, they don't meet the time requirement.

Other Jurisdictions

Description of Plan

City of Virginia Beach	Three month severance package (35 employees fall into this category).
County of Los Angeles	Six months of severance pay.
City and County of Denver	Severance pay is only provided if it is part of a negotiated settlement agreement.
Prince George's County, Maryland	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.
City of Wichita	The City Manager periodically negotiates severance packages.
City of Charlotte	One week of pay for each year of productive employment.
County of San Diego	CAO has authority to provide up to six months of pay for unclassified employees.
City of Colorado Springs	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.
City of Cincinnati	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.
City of Phoenix	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.