City Personnel Policy

SEVERANCE PAY

POLICY: 304

Council approval: # Pages: 1

POLICY:

It is the policy of the City that upon termination, any eligible employee who has completed one (1) year of continuous service with the City shall receive severance pay. Employees who voluntarily resign or are discharged for cause shall not be eligible for severance pay.

APPLICABILITY:

All regular full-time employees.

PROCEDURE:

1. Severance pay shall be paid at the employee's base rate of pay in effect at the date of termination. For the purpose of this policy, all Assistant Fire Chiefs, regardless of actual hours worked, shall receive payment based on a forty hour work week.

2. In the case of retirement, employees shall be required to provide two week notice prior to the effective date of the termination to be eligible for severance. For the purpose of this policy, retirement shall mean the employee is qualified to receive retirement benefits under IPERS, Police and Fire Retirement, and/or Social Security retirement programs.

3. Severance pay shall be paid based on the following continuous service requirements:

Years of Service	Amount of Severance
More than 1, but less than 5	40 hours pay
More than 5, but less than 10	80 hours pay
More than 10, but less than 15	120 hours pay
More than 15	160 hours pay

4. Employees hired on or after July 1, 2017 shall not be eligible to receive severance pay as outlined above in the event they choose a Bona Fide retirement, voluntarily resign or are discharged for cause.