

Title: Employee Retirement and Resignation Policy		Number: 8038
Reference: Administrative Committee	Adopted by City Council: November 16, 2009	Supersedes: New Policy
Prepared by: HUMAN RESOURCES		

STATEMENT:

THE CITY OF MEDICINE HAT SHALL ADMINISTER ALL EMPLOYEE INITIATED TERMINATIONS OF EMPLOYMENT IN A CLEAR, CONSISTENT, AND FAIR MANNER (THIS INCLUDES BOTH RETIREMENTS AND RESIGNATIONS).

PRINCIPLES:

1. To facilitate corporate recruitment processes and intradepartmental transfer of duties, the City seeks a reasonable notice period from the retiring / resigning employee.
2. The City will offer reasonable retirement planning and pension coordination services to any City employee regardless of whether formal written notice of the employee's intent to retire has been given.
3. The City will make official application to Alberta Pensions Services Corporation (APS) on behalf of a retiring employee only after formal written notice of retirement has been provided by the employee and accepted by the City.
4. A previously accepted retirement/resignation notice may be rescinded or modified only on the recommendation of the home department General Manager and the approval of the Chief Administrative Officer, Municipal Services (CAO) / Chief Operating Officer, Energy Services (COO).
5. The CUPE collective agreement states that an employee shall not lose his seniority in the event he resigns in writing and does not withdraw within two (2) days.
6. Beyond the termination date, any ex-employee seeking re-employment with the City must be rehired as a new employee in accordance with relevant collective agreements and City hiring policies.
7. The City shall consistently administer any applicable retroactive salary adjustments and/or accumulated vacation or other bank payouts as stipulated in the applicable collective agreement or the Procedures section of this Policy.

ROLE OF COUNCIL

To receive, review and adopt this policy and any recommended amendments thereto.

To approve a request to rescind or modify a previously accepted retirement/resignation notice for those employees that report directly to Council.

Policy: Employee Retirement and Resignation (8038)		PROCEDURE
Authority: Administrative Committee	Effective Date: November 16, 2009	Page 2 of 4

1. DEFINITIONS

1.01 Retirement:

An employee voluntarily terminating his/her employment and immediately commencing pension payments from Local Authorities or Special Forces Pension Plans.

1.02 Resignation:

An employee voluntarily terminating his/her employment for any reason other than to commence immediate pension payments.

1.03 Notice Period:

The time between the date of the formal written notice provided by an employee to the employer of his/her intent to retire or resign and the termination date.

1.04 Termination Date:

An employee's last day on pay.

1.05 Retroactive Payments:

Salary payments that apply to an employee who has worked for the City for any period dating from the effective date of a salary adjustment to the date upon which the salary adjustment was actually applied to that employee's biweekly pay.

Example: *A collective agreement is ratified in May with new wage rates to be effective January 1st. Payroll would implement the new wage rates perhaps on June 1st but would then apply retroactive payments to all impacted employees for the period of January 1st through May 31st.*

2. RESPONSIBILITIES

2.01 Administrative Committee

- (a) Make recommendations to City Council regarding any necessary changes to the Policy.
- (b) Receive, review, amend and adopt any recommended changes to the Procedures.

2.02 CAO / COO

- (a) Approve the recommendation of the General Manager / Manager that an employee be permitted to rescind or modify a previously accepted retirement / resignation notice.

2.03 General Managers / Managers / Employees

- (a) Be aware of this policy and follow its procedures.
- (b) When circumstances warrant, recommend to the CAO/COO that an employee be permitted to rescind a previously accepted retirement / resignation notice.

2.04 Human Resources

- (a) Develop and periodically review this Policy in relation to broad organizational objectives and Employment Standards and make recommendations to the Administrative Committee when revisions are required.
- (b) Communicate and administer the approved procedures with employees.

Policy: Employee Retirement and Resignation (8038)		PROCEDURE
Authority: Administrative Committee	Effective Date: November 16, 2009	Page 3 of 4

3. PROCEDURES

3.01 Serving Retirement / Resignation Notice:

- (a) Employees are encouraged to communicate as early as possible with their supervisors when contemplating retirement or resignation.
- (b) Formal notice is considered received by the City only when a dated and signed letter is provided to the supervisor or manager by the terminating employee. The letter must indicate the employee's intended last day of active duty (and, for retiring employees only, the intended termination date if different than last day of active duty).
- (c) To facilitate corporate recruitment processes and intradepartmental transfer of duties, permanent employees are encouraged to give no less than one (1) month's notice and temporary staff no less than two (2) week's notice - unless otherwise stipulated in a collective agreement or employment contract.

3.02 Vacation and Overtime Bank Handling at Termination.

- (a) A retiring permanent employee may extend their effective termination (retirement) date beyond their last actual day at work by using their remaining vacation and overtime bank accumulation. Any vacation or overtime banks remaining upon the termination date will be paid out with his / her final pay.
- (b) A resigning permanent or temporary employee will have their termination date coincide with their last actual day at work and any remaining vacation and overtime bank accumulations (as applicable) will be paid out with his/her final pay.
 - (1) If a resigning permanent employee wishes to use vacation during the notice period (subject to operational considerations and supervisor concurrence), he/she will be required to be actively at work for at least one week immediately prior to the termination date.

3.03 Retroactive payments owing to employees who terminate after the effective date of an applicable salary adjustment but before the salary adjustment was actually applied through the biweekly payroll process.

- (a) Previously employed in a unionized position - as governed by the applicable collective agreement.
- (b) Previously employed in a non-unionized position:
 - (1) Individuals that retire prior to the implementation of an otherwise applicable salary adjustment will receive retroactive payments for any period worked after the effective date of that salary adjustment regardless of whether the adjustment was approved or not prior to the termination date.
 - (2) Individuals that resign prior to the implementation of an otherwise applicable salary adjustment will receive retroactive payments for any period worked after the effective date of that salary adjustment only if the adjustment was approved prior to the individual's termination date.

Policy: Employee Retirement and Resignation (8038)		PROCEDURE
Authority: Administrative Committee	Effective Date: November 16, 2009	Page 4 of 4

- (3) Any additional payments to an individual contingent upon total pensionable earnings from the City exceeding the Local Authorities Pension annual contribution cap shall still apply so long as the terminated individual's earnings for the year exceeded the cap prior to termination.

3.04 Rescinding Retirement / Resignation Notice:

- a) A previously accepted retirement/resignation notice may be rescinded or modified only on the recommendation of the home department General Manager and the approval of the Chief Administrative Officer, Municipal Services (CAO)/Chief Operating Officer, Energy Services (COO).
- b) A previously accepted retirement/resignation notice by an employee reporting directly to Council may be rescinded or modified only on the approval of Council.

3.05 Application for Pension

- (a) The City will make application to Alberta Pension Services (APS) on behalf of a retiring employee only after formal written notice has been provided by that employee and accepted by the City.
- (b) Retiring employees should be aware that it can take up to 90 days for a pension application to be approved by the APS and actual pension payments to commence to the retiree.