



POLICY

POLICY NO:	414	APPROVAL DATE:	August 22, 2016
TITLE:	Employee Retirement and Resignation	REVISION DATE:	
SECTION:	Human Resource	PAGE	1 OF 2
DEPARTMENT:	Finance		

POLICY STATEMENT

The City of Grande Prairie (Employer) will recognize both resigning and retiring Employees who have contributed a minimum of ten (10) years' service to the organization.

REASON FOR POLICY

To ensure that Employees with a minimum of ten (10) years' service are appropriately, consistently and fairly recognized when they resign or retire.

APPLICATION

The Employer will provide the Employee with recognition as follows:

A. RETIREMENT AFTER MINIMUM TEN (10) YEARS CONSECUTIVE SERVICE

Upon the Employee's retirement from employment after a minimum of ten (10) years of consecutive service, the Employer will provide retirement severance pay of two (2) week's salary, plus one (1) day's pay for each complete year of service thereafter.

To qualify for retirement severance pay, the Employee must meet **all** of the following criteria:

- 1) The Employee must be in a full-time or part-time permanent position at the time of retirement.
- 2) The Employee must be eligible for and have applied for, deferred or transferred their Local Authorities Pension Plan (LAPP) benefit to another eligible pension plan via a transfer agreement. Eligibility for LAPP is based on being age 55 years or older at the time of retirement.

The retirement severance will be calculated based on the rate of pay and average work day and average weekly hours of the Employee at the time of retirement, not any past/historical rates or weekly hours.

B. RESIGNATION AFTER MINIMUM TEN (10) YEARS CONSECUTIVE SERVICE

Upon the Employee's resignation from employment after ten (10) years of consecutive service, the Employer will contribute one hundred dollars (\$100.00) plus ten dollars (\$10.00) for each year in excess of ten (10) years' service, up to a maximum of two hundred dollars (\$200.00) towards a parting gift.

DEFINITIONS

"Consecutive Service" means one (1) period of employment if not more than three (3) months have elapsed between the periods of employment. Prior or intermittent permanent or temporary employment will be counted in total service as long as there has not been a break in employment of more than three (3) months. Approved Leaves of Absence are counted in consecutive service. Casual service is not counted in consecutive service.

"Employee" means employees who occupy full-time or part-time permanent positions only.

"Retirement" means in the context of this policy, the LAPP definitions that are tied to the LAPP Pension, whereby retirement is the date the LAPP pension benefit becomes available to the employee, none earlier than age 55 years:

- 1) Early Retirement - retirement before being eligible to receive an unreduced LAPP Pension (age 55 years but less than the 85 factor).
- 2) Normal Retirement - retirement at exactly age 65 years (or when the 85 factor occurs, age 55 years plus years of pensionable service) to receive an unreduced LAPP Pension.
- 3) Postponed Retirement - retirement after age 65 years or after the age of entitlement to an unreduced LAPP Pension.

"Resignation" means that an employee does not qualify for Retirement/LAPP Pension benefit (under age 55 years) and voluntarily decides to leave his or her employment with the Employer.

RESPONSIBILITIES

City Council will review and approve any revisions to this policy.

City Manager will review and approve any procedures related to this policy.

City Administration will carry out the policy based on established procedures.