

City of Anaheim Accelerated Separation Program (“ASP”)

September 9, 2020

PROGRAM BENEFIT OPTIONS

A. For employees eligible to retire:

Either:

- Cash payment of 25% of base salary up to a maximum of \$25,000, subject to federal and state tax withholdings, such amount shall not be reportable to CalPERS as total compensation earnable
- Continued participation in the active employee medical and dental plans and tiers of coverage (Single, Two-Party, Family) equivalent to the plans and tiers the employee is enrolled in at the time of separation (or a lesser cost plan or tier at the employee’s option in accordance with all rules and laws concerning changes to coverage) as well as City contributions to such plans and tiers of coverage equal to those available for active employees, for twelve (12) months following separation, contingent upon continued eligibility of employee and covered dependents. Employees who are not enrolled in City sponsored medical or dental coverage shall not be eligible for this benefit or any equivalent benefit. Employee right to participate in and receive City contributions towards retiree medical and dental insurance after the first twelve (12) month period following separation will be in accordance with the applicable Memorandum of Understanding or Personnel Rules.

Or:

- Cash payment of 25% of base salary up to a maximum of \$15,000, subject to federal and state tax withholdings, such amount shall not be reportable to CalPERS as total compensation earnable
- Continued participation in the active employee medical and dental plans and tiers of coverage (Single, Two-Party, Family) equivalent to the plans and tiers the employee is enrolled in at the time of separation (or a lesser cost plan or tier at the employee’s option in accordance with all rules and laws concerning changes to coverage) as well as City contributions to such plans and tiers of coverage equal to those available for active employees for twenty-four (24) months following separation, contingent upon continued eligibility of employee and covered dependents. Employees who are not enrolled in City sponsored medical or dental coverage shall not be eligible for this benefit or any equivalent benefit. Employee right to participate in and receive City contributions towards retiree medical and dental insurance after the first twenty-four (24) month period following separation will be in accordance with the applicable Memorandum of Understanding or Personnel Rules.

B. For employees ineligible to retire and have served at least twenty (20) years with the City of Anaheim

- Cash payment of \$15, 000, subject to federal and state tax withholdings, such amount shall not be reportable to CalPERS as total compensation earnable
- COBRA coverage in the active employee medical and dental plans and tiers of coverage (Single, Two-Party, Family) equivalent to the plans and tiers the employee is enrolled in at the time of separation (or a lesser cost plan or tier at the employee's option in accordance with all rules and laws concerning changes to coverage) with City contributions to such plans and tiers of coverage equal to those available for active employees, for twelve (12) months following separation, contingent upon continued eligibility of employee and covered dependents. Employees who are not enrolled in City sponsored medical or dental coverage shall not be eligible for this benefit or any equivalent benefit. Eligibility to participate in any form of City sponsored coverage beyond the twelve (12) month period shall be subject to applicable law. Eligibility for City contributions shall cease following the twelve (12) month period.

C. For employees ineligible to retire and have served less than twenty (20) years with the City of Anaheim:

- Cash payment of \$10, 000, subject to federal and state tax withholdings, such amount shall not be reportable to CalPERS as total compensation earnable
- COBRA coverage in the active employee medical and dental plans and tiers of coverage (Single, Two-Party, Family) equivalent to the plans and tiers the employee is enrolled in at the time of separation (or a lesser cost plan or tier at the employee's option in accordance with all rules and laws concerning changes to coverage) as well as City contributions to such plans and tiers of coverage equal to those available for active employees, for twelve (12) months following separation, contingent upon continued eligibility of employee and covered dependents. Employees who are not enrolled in City sponsored medical or dental coverage shall not be eligible for this benefit or any equivalent benefit. Eligibility to participate in City sponsored coverage beyond the twelve (12) month period shall be subject to applicable law. Eligibility for City contributions shall cease following the twelve (12) month period.

WHO MAY APPLY?

- Full-time employees who
 - Are unrepresented or who are represented by a bargaining unit that has entered into a Letter of Understanding with the City concerns the terms of the program

- are prepared to separate from City service within the designated time period following notification of acceptance of their application for the program*, and either,
 - are eligible to retire from CalPERS and have served at least five (5) consecutive years with the City of Anaheim (for Option A benefits), or
 - are not yet retirement eligible (for Option B and C benefits) and have completed their initial probation period (Option C benefits)

*The required effective date of separation will be thirty (30) calendar days following notification of acceptance of the application, except when a longer period is required by law. The City maintains sole discretion to issue the notification of acceptance on a schedule to set the required separation date in accordance with City business needs.

APPLICATION PROCESS AND REQUIREMENTS

- Employees shall apply for the program during the open application period. ASP applications must be filled out completely upon submittal. Incomplete and/or late applications shall be rejected. Applications shall be submitted to the Human Resources Department or through the online system to be established for this purpose.
- Employees will be notified by Human Resources of their application status within the timeframe indicated below.
- Employees shall sign a required separation agreement within five (5) calendar days after notice of acceptance of application and shall separate from service by the required effective date of separation* from the date of receipt of notice of acceptance of application. Failure to meet these deadlines will result in an employee's immediate disqualification from the program.

*The required effective date of separation will be thirty (30) calendar days following notification of acceptance of the application, except when a longer period is required by law. The City maintains sole discretion to issue the notification of acceptance on a schedule to set the required separation date in accordance with City business needs.

PROCESS FOR DETERMINATION OF ACCEPTANCE OR DENIAL OF APPLICATIONS

- The City Manager reserves the right to close the application period, at any time. Applications received after the City Manager announces closure of the application period shall be deemed rejected.

- The City Manager has sole discretion to approve applications and shall base such decisions on the following factors:
 - Certification by the department head that the employee’s separation will result in meaningful structural savings to the department either by way of position elimination, restructuring of staffing, or other verifiable long-term structural savings. Meaningful structural savings shall generally be considered immediate and long-term savings that meets or exceeds the total cost of the position. Such savings shall be maintained at a level that is at least equal to the cost of the position.
 - Finding that any mission-critical specialized knowledge, skills or abilities possessed by the employee are not necessary to allow the ongoing efficient operations of the City.
 - Finding that the number of employees remaining in the same or related classifications is sufficient to ensure the City’s ability to maintain core services to residents and businesses.
 - Finding that staffing mandates of MOUs and/or Personnel Rules are not adversely impacted if an employee’s ASP application is accepted.
 - Other factors as deemed necessary and appropriate by the City Manager.
- The City Manager shall have the sole discretion to approve or deny applications and such decisions shall not be subject to appeal.

Timeline:

9/9/2020 @ 8:00 a.m.	ASP applications available
9/30/2020 @ 5:00 p.m. (no later than)	Last day to submit ASP application to the Human Resources Department, unless the City Manager sets an earlier date (late applications will not be accepted, no exceptions)
10/1/2020	Start of Notification Period
Varies based on City notification to employees (at least 30 days after notification)	Anticipated last day for separation for approved ASP applicants

Questions/Resources

Please contact the Human Resources Department at x5111 for additional questions related to the ASP.

CalPERS Retirement Estimate Calculator: <https://www.calpers.ca.gov/page/active-members/retirement-benefits/service-disability-retirement/retirement-estimate-calculator>

City benefit information: <http://insider/hr/HRHive/Home/Benefits>