

# STARLAND COUNTY POLICY MANUAL

**FUNCTION:** Council / Administration

**FUNCTION NUMBER:** 130

**POLICY:** Employment Contract following LAPP Termination

**POLICY NUMBER:** 130-2

**DATE:** September, 2013

**Purpose:** There may be employees that wish to start collecting their Local Authorities Pension after the age 55, but wish to continue their employment relationship with Starland County. As one component of the County's recruitment and retention strategy, it may be appropriate to re-employ these individuals.

These individuals likely possess the skills and abilities to perform a specific role, complete a special project or act as a resource in the transfer of knowledge to another individual. The ability to collect a retirement pension under the Local Authorities Pension Plan and still maintain an employment relationship with Starland County provides these employees with new opportunities.

## 2.0 Program Details:

1. The program is available to all employees that are members of the Local Authorities Pension Plan that are over age 55 and eligible to receive a retirement pension.
2. The employee must put forward a request to their direct supervisor that they wish to be considered for arrangements under the program with an effective date which can be no sooner than 3 months from their planned retirement date under the Local Authorities Pension Plan.
3. All requests will be reviewed by the Chief Administrative Officer, and a draft of the employment contract will be prepared for review by the employee. Once signed by the employee, the contract will be forwarded to Council for approval.
4. If the request is approved by Council, the following process will be followed:

- a) The employee must terminate employment with Starland County. All normal termination payments (sick days, any accrued holiday pay etc.) will be paid out to the employee upon termination.
  - b) Starland County will enter into a one or two year contract with the employee which will outline the employment arrangements agreed upon.
  - c) The employee must apply to start receiving pension under the Local Authorities Pension Plan, and is therefore no longer eligible to contribute to the plan.
  - d) Under the terms of the contract, the employee will still be eligible for the benefits program, with the group insurance coverage being based on the contract salary.
5. The contract will be reviewed annually with the employee, and may be renewed solely at the discretion of Starland County. Starland County is under no obligation to renew or extend a contract at the end of each term.
  6. A copy of the employment contract supplementary to this policy forms part of the policy, and acts as the base document for development of the contract arrangement.

### **3.0 Effective Date:**

The County has offered this contract employment option to employees effective September 01, 2013.

### **4.0 Policy Amendments:**

**EMPLOYMENT AGREEMENT  
FIXED TERM**

**BETWEEN:**

**STARLAND COUNTY**  
(the "Municipality")

AND:

**XXXXXXXXXXXXXXXXXXXX**  
(the "Employee")

**WHEREAS:**

The Employee has been employed by the Municipality as XXXXXXXXXXXXXXXXXXXX since XXXXXXXX XX, XXXX;

The Employee has expressed the desire to come to an agreement with the Municipality with respect to retirement so he may immediately access his pension income entitlement from the Local Authorities Pension Plan and has satisfied himself, through his own inquiry, that the terms and conditions of this Agreement will enable him to do so;

The parties wish to enter into an agreement which will replace all previous agreements between them;

The Municipality desires to engage the services of the Employee as its XXXXXXXXXXXXXXXXXXXX and the Employee desires to accept the Municipality's engagement upon the terms and conditions herein contained.

In consideration of the covenants and other good and valuable consideration herein contained, the parties hereto agree as follows:

**1     Resignation of Employment**

1.1     The Employee hereby tenders his resignation as XXXXXXXXXXXXXXXXXXXX of the Municipality effective XXXXXXXXXXXXXX XX, XXXX.

1.2     The Employee agrees that the termination of his employment is a voluntary resignation, and that he is therefore not entitled to reasonable notice either pursuant to the Employment Standards code nor pursuant to the common law.

2        **Position and Term**

2.1        The Municipality hereby agrees to appoint the Employee to the office of XXXXXXXXXXXX for the Municipality for a term of XXX (X) years commencing XXXXXXXXXXXX XX, XXXX and ending on XXXXXXXXXXXX XX, XXXX, (the "Term") subject to the terms and conditions set out in this Agreement.

3        **Employee's Responsibilities**

3.1        The Employee shall serve as the XXXXXXXXXXXXXXXXXXXX of the Municipality and shall be responsible and accountable to the Council of the Municipality for the XXXXXXXXXXXXXXXXXXXX within the Municipality.

3.2        The Employee shall well and faithfully perform the duties assigned to the Employee by the Council of the Municipality or as prescribed from time to time by Resolution or Bylaw of the Council of the Municipality, which duties include, but are not limited to those duties of the XXXXXXXXXXXXXXXXXXXX set forth in the Job Description which is attached hereto as Schedule "A".

4        **Remuneration**

4.1        For each year of the Term, the Municipality shall pay to the Employee an annual salary of:

- a)        \$XX,XXX.XX for Year One;
- b)        \$XX,XXX.XX for Year Two, such increase subject to an overall satisfactory performance review rating by the Supervisor of 90% or better based on the approved performance review format, a copy of which is attached hereto as Schedule "B", or such other format as may be agreed upon by both parties;

subject to required withholdings, payable in accordance with the regular payroll policies of the Municipality in existence from time to time. No additional increases to the Employee's salary shall be made due to the cost of living allowance. Council does however have the unfettered discretion to approve any adjustment to the annual salaries they see fit or appropriate.

5        **Performance and Evaluation**

5.1        The appropriate supervisor of the Municipality shall conduct a review and evaluation of the performance of the Employee annually.

5.2        The Municipality reserves the right, in its unfettered discretion, to conduct further or additional reviews and evaluations of the performance of the Employee from time to time.

6        **Continuing Education**

6.1        Professional development through such things as memberships in professional associations, courses, seminars, conferences and other networking opportunities is encouraged, and as such, membership fees and related expenses will be paid.

7        **Benefits**

7.1        The Employee shall be entitled to participate in all standard benefit plans as may be offered to employees of the Municipality according to Municipality policies in existence from time to time

and shall include the payment of premiums for benefits to be provided to the Employee as set forth in the attached Schedule "C", except contributions to the Local Authorities Pension Plan which shall not be made.

- 7.2 The Employee shall not participate in or contribute to the Local Authorities Pension Plan.
- 7.3 In lieu of the Municipality's portion of contributions that would otherwise have been made for the benefit of the employee to the Local Authorities Pension Plan, the Municipality agrees to contribute an equivalent amount to an RRSP or similar savings plan on behalf of the Employee, as directed by the Employee, up to a maximum of \$X,XXX.XX. (based on 40% of last year's LAPP Contributions)
- 7.4 The Employee authorizes the Municipality to make all necessary payroll deductions and to convey all necessary confidential information for the Employee's participation in the above plans or any benefit plan arrangements provided for in this Agreement.
- 7.5 The Municipality agrees that the Employee will be given full pay for all accumulated sick days standing to the credit of the Employee as of XXXXXXXXXXXX XX, XXXX up to the maximum number of sick days the employee may accumulate or 120 days. Any remaining sick days above the maximum for which the Employee is reimbursed will continue to remain available for use by the Employee in accordance with the terms and conditions of the Personnel Policy and Procedures Manual. The Employee will not receive any further compensation for accumulated or accumulate any further sick days.

## **8 Expense Reimbursement**

- 8.1 The Municipality shall reimburse the Employee for out of pocket expenses reasonably and directly incurred by the Employee in the discharge of the employee's duties under this Agreement pursuant to the Municipality's policies which at present consist of the "Employee Expenses" and "Accommodation, Mileage and Meal Rates" and "Other Expenses which include parking, computer, cab and other transportation costs", and which are approved annually by the Council of the Municipality at the Organizational Meeting of Council.

## **9 Vacation**

- 9.1 The Employee shall be entitled to accrue and take an annual vacation at a rate of XXX (X) weeks per year for the term of this agreement. The Employee is responsible for ensuring that he takes his vacation in the year in which it should be taken or, alternatively, obtains permission from the Municipality's Council to either have the vacation paid out at the end of the year or to accrue it forward into a subsequent year. Vacation may be taken in the year in which it is earned only with the approval of the Municipality's Council.

## **10 Termination**

- 10.1 The Municipality may terminate the employment of the Employee at any time for just cause without notice or compensation in lieu thereof.
- 10.2 The Municipality may terminate the employment of the Employee without cause for any reason, in its unfettered discretion, by providing to the Employee the lesser of:
  - a) six (6) months' advanced written notice to that effect, or, payment in an amount equivalent to six (6) months' salary and benefits, less required deductions, with such

notice or payment entitlement increasing by one and one-half months (1½) months for each year of service measured from the commencement of this agreement or XXXXXXXX XX, XXXX (calculated pro rata) at the time of termination.

- b) written notice of or payment in an amount equivalent to the salary and benefits payable for the remainder of the Term, less required deductions.

It is acknowledged and agreed by the parties that the provision of such notice or payment is reasonable and adequate and will fulfill all requirements for notice or payment in lieu thereof to which the Employee is entitled arising out of termination of the Employee's employment. The benefit component of the above payment will be calculated as the Municipality's share of benefit premiums for the required period to which the payment relates.

- 10.3 The Employee may terminate his employment by providing to the Municipality two (2) month's advance written notice to that effect. In the event that the Employee does provide notice of an intention to terminate his employment the Municipality may, in its complete discretion, choose to conclude the Employee's employment immediately by providing the Employee with the salary the Employee would have earned up to and including the Employee's intended date of resignation.
- 10.4 Upon termination of the Employee's employment as set forth in this Section (10) the Employee shall have no further claims against, or be entitled to any further remuneration or compensation from the Municipality.
- 10.5 The Employee's employment shall automatically conclude at the end of the Term, the end of the day XXXXXXXX XX, XXXX without the need for either party to provide advance notice or compensation of any kind to the other.

## **11 Technological Equipment**

- 11.1 The Municipality shall provide the Employee with a cell phone as required and computer and other office equipment to be used in accordance with established policies. All equipment remains as the property of the Municipality and must be returned to the Municipality in the event that the Employee resigns his employment with the Municipality or his employment is terminated by the Municipality.

## **12. Miscellaneous**

- 12.1 The Employee shall at no time conduct himself, either professionally or personally, in such a manner as to bring the Municipality, or its representatives or officers, into public disrepute or ridicule and the parties hereto agree that breach of this Section constitutes just cause for immediate termination of this Agreement in accordance with Section 10.1 hereof.
- 12.2 The Employee shall devote his full time and attention to properly and competently discharging the duties set out in this Agreement. Volunteer, board and representational work are considered to be within the duties of the Employee.
- 12.3 The Employee shall not commence any employment for or with any other person during the Term unless specifically authorized to do so in advance, in writing, by the Council of the Municipality at its absolute discretion.
- 12.4 The Employee acknowledges that any information whatsoever of which the Employee may become aware of during the course of his employment with the Municipality shall be held by him in strictest confidence and shall not be released, except as permitted and required in the course

of the Employee's normal scope of duties, without the prior written approval of the Council of the Municipality.

- 12.5 The parties agree that the contents of this Agreement deal with human resource and personal privacy issues and are confidential, and shall not be disclosed to any individual, except the parties legal or financial advisors, or as otherwise required by law.
- 12.6 The Agreement is not assignable, either in whole or in part.
- 12.7 The Agreement shall be governed by the laws of the Province of Alberta.
- 12.8 This Agreement constitutes the entire Agreement between the parties, and there have been no additional representations or warranties.

**13 Independent Legal Advice**

- 13.1 The Employee hereby acknowledges and confirms that he was advised by the Municipality to obtain independent legal or other professional advice and that by executing this Agreement, the Employee hereby confirms that he has had the opportunity to seek independent legal or professional advice prior to executing this Agreement and has either:
  - a) obtained such legal or other professional advice; or
  - b) waived the right to obtain such independent legal or other professional advice.

**THE PARTIES** acknowledge agreement to the above terms by their signature below:

**STARLAND COUNTY**

_____	_____
Date	J. Barrie Hoover, Reeve

_____	_____
Date	Allen Avramenko, Deputy Reeve

**SIGNED, SEALED AND DELIVERED** by  
 XXXXXXXXXXXXXXXXXXXX in the presence of:

Witness Signature: \_\_\_\_\_ )  
 Print Witness Name: \_\_\_\_\_ )  
 Address: \_\_\_\_\_ )  
 Telephone Number: \_\_\_\_\_ )

**EMPLOYEE**

\_\_\_\_\_  
 XXXXXXXXXXXXXXXXXXXX  
 \_\_\_\_\_  
 Date