401 W. Washington Street, East Peoria, Illinois 61611 Phone (309) 698-4715

MEMO

TO: Mayor Kahl & Commissioners Decker, Sutherland, Mingus & Hill

FROM: Teresa Durm, HR Director, SHRM-CP, PHR

DATE: March 18, 2020

RE: Separation Agreement

DISCUSSION:

Kevin Clark is retiring after serving the City of East Peoria for 32 years effective at the end of the day on March 20, 2020.

The attached Separation Agreement outlines that Mr. Clark is asking to be paid out 913.00 compensable hours.

RECOMMENDATION:

I recommend approving the attached Separation Agreement and paying Mr. Clark in three (3) installments of $12,331.60 on or before April 30, 2020; $12,331.58 on or before January 15, 2021; and $12,331.58 on or before January 15, 2022 totaling $36,994.76.

Attachment

RESOLUTION NO. 1920-130

EAST PEORIA, ILLINOIS

April 7, 2020

RESOLUTION BY COMMISSIONER _____

WHEREAS, Kevin Clark has been continuously employed by the City from December 28, 1987 through March 20, 2020, most recently occupying the position of Operator in the Water Department.

WHEREAS, Kevin Clark announced his intention to retire from employment effective at the end of the day on March 20,2020; and

WHEREAS, the City is appreciative of the long and continued service provided by Kevin Clark; and

WHEREAS, it is in the best interest of the City to execute the attached Separation Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF EAST PEORIA, TAZEWELL COUNTY, ILLINOIS, THAT:

Section 1. The above recitals are found to be true and correct.

Section 2. The Mayor is hereby authorized to execute the Separation Agreement with such changes as the Mayor, in his sole discretion, may decide are in the best interest of the City of East Peoria.

APPROVED:

_____
Mayor

ATTEST:

_____
City Clerk

OFFICE OF THE MAYOR
401 W. Washington Street
East Peoria, Illinois 61611
Phone: (309) 427-7605

John P. Kahl
Mayor

MEMORANDUM

TO: Kevin Clark

FROM: John P. Kahl, Mayor

DATE: Separation Pay and Benefits

RE: March 18, 2020

We understand that you have chosen to resign from employment with the City of East Peoria effective at the end of the day on March 20, 2020.

City records indicate that you will have the following accumulated employment benefits available to calculate your Separation Pay:

	Available Hours	**Compensable Hours (with release)**
Vacation Pay	200 hrs.	200 hrs.
Sick Leave	633 hrs.	633 hrs.
Earned Time-Off (ETO)	0	0
Personal Time	72 hrs.	72 hrs.
Floating Holiday	8 hrs.	8 hrs.
Accrued Holiday	0	0
Other _____	0	0

Total Compensable Hours – 913 hrs.

If you utilize a different quantity of accumulated employment benefits prior to your termination date, the Total Compensable Hours shall be adjusted accordingly, consistent with the policies and practices of the City of East Peoria. The actual Total Compensable Hours (as adjusted) shall be multiplied by the pay rate of $40.52 per hour

to determine the separation pay you will receive if you sign and return the Resignation and Release set forth below within twenty-one (21) days of this memorandum. If the Resignation and Release is signed and returned in a timely manner, you shall be paid your separation pay in three (3) installments of $12,331.60 on or before April 30, 2020; $12,331.58 on or before January 15, 2021; and $12,331.58 on or before January 15, 2022 totaling $36,994.76. In the event of your death prior to the last scheduled payment, any remaining payments will be paid to your estate. If you do not sign the Resignation and Release prior to this time period, you will be entitled to no separation pay except as otherwise provided by any applicable collective bargaining agreement, the Illinois Wage Payment and Collection Act, or the Fair Labor Standards Act.

In addition to the Separation Pay set forth above, the timely return of the Resignation and Release shall entitle you to continued coverage under the City's group health insurance plan in accordance with the terms and provisions of the City's Personnel Policy Manual, the plan document for the City's group health insurance plan, and any applicable bargaining contracts. Accordingly, if you accept post-retirement employment with an employer that offers health insurance coverage, you are required to enroll in that employer's health insurance plan, thereby making your new employer's health insurance coverage your primary coverage and making the City's plan secondary coverage during your employment with the new employer (this requirement may be modified if you are covered by an applicable bargaining contract). Thereafter, provided that you have properly maintained coverage under the City's health insurance plan and other provisions of the Personnel Policy Manual or the City's group health insurance plan do not apply, your coverage will revert to primary coverage when you are no longer eligible for coverage under your other employer's health insurance plan.

Furthermore, the City shall pay the same amount toward premium costs for your coverage under the City's group health insurance plan as it pays for regular active employees, until age 60, in which case, the City shall pay the entire premium. However, if you were hired by the City after April 30, 1993, you will contribute toward the premium cost for your coverage at the same amount as contributed by active City employees regardless of your age. **If you are required to pay premiums to the City for your coverage under the City's group health insurance plan, you must make timely premium payments in accordance with the provisions of the City's Personnel Policy Manual. Otherwise, if you do not make timely payment of your premium payments, your coverage under the City's group health insurance plan can be terminated.**

Also, if you maintain coverage under the City's group health insurance plan upon your retirement, you are required to enroll in Medicare when you become eligible for Medicare. When you become eligible for Medicare, the City's group health insurance plan will become secondary regardless of whether you have enrolled in Medicare or failed to do so. **Therefore, you should immediately enroll in both Part A and Part B of Medicare when you become eligible for Medicare.** You (and your spouse, if applicable) are advised to contact the local Medicare and Social Security office prior to

turning age 65 in order to determine the necessary procedures for enrolling in Medicare Part A and Part B.

You are advised to consult an attorney prior to signing the Resignation and Release set forth below.

RESIGNATION AND RELEASE

Kevin Clark
Full Name of Employee (Please type or print)

march 20 - 2020
Date

I hereby resign as an employee of the City of East Peoria (the "City") effective at the end of the day on March 20, 2020.

I have received the above memorandum from Teresa Durm which sets forth information pertaining to my accumulated employment benefits that will remain as of my resignation date. This information accurately includes an accounting of the various benefits I have accrued, my final pay rate and the benefits and amount of separation pay and benefits I am entitled to receive if I sign and return this Resignation and Release (this "Form").

In consideration of the separation pay and benefits reflected on the City Administrator's memorandum, I release the City, its Mayor, Commissioners, officers, employees, agents, assigns, insurers, and all persons identified in interest with the City, of and from any actions, claims, demands, or causes of action whatsoever which I may have against them, whether known or unknown, in law or equity, contract or tort, statutory or common law, whether arising under the laws of the State of Illinois or any of its political subdivisions or of any other state, or of the United States, including, without limitation, the Age Discrimination in Employment Act, the Fair Labor Standards Act, the Equal Pay Act, Title VII of the Civil Rights Act, the Americans With Disabilities Act, Section 1983 of Title 42 of the United States Code, the Illinois Wage Payment and Collection Act, the Illinois Human Rights Act, the Illinois Municipal Code, the Illinois Pension Code, the United States and Illinois Constitutions, and any other statute relating to employment or municipal government.

I expressly acknowledge the following:

(a) I have been given at least twenty-one (21) days to consider the City Administrator's memorandum and this Form. To the extent I am signing this Form prior to the expiration of this twenty-one (21) day period, I am doing so voluntarily with an

understanding that I could have considered these matters for the duration of the twenty-one (21) day period without penalty.

(b) I have been advised in writing to consult an attorney before signing this Form.

(c) I understand that I may revoke the release of claims against the City for a period of seven (7) days after I sign this Form. I further understand that the release of these claims will not become effective until the expiration of this seven day period and that I will not receive any separation pay, even if provided otherwise in the City Administrator's memorandum, until such time. I understand that I have no vested right to rescind my resignation from employment and that any such rescission must first be approved by the City.

(d) I understand and agree that by signing this Form, I will receive valuable monetary or other benefits (or both) as reflected on the Mayor's memorandum which exceed the benefits I would otherwise receive under the law.

(e) This Form and the Mayor's memorandum contain the entire understanding between the City and me as it relates to my separation from employment. There are no other representations, warranties, promises, covenants, or undertakings (oral or otherwise) that have been made to me or any representative of mine.

_____
Employee Signature

Date march - 20 · 2020

Approved and Accepted:

_____
Mayor

Date_____