

**CITY OF MODESTO
MEMORANDUM**

To: All City Employees

From: Greg Nyhoff, City Manager

Re: Retirement and Voluntary Separation Incentive Programs for Eligible City Employees

Date: March 25, 2009

The City of Modesto announces two voluntary programs that will provide eligible employees with a cash incentive for either a voluntary separation or retirement from City service. This memorandum provides important information regarding eligibility for participation. It is important that all interested employees review the information provided below as soon as possible.

By 4:30 p.m. on April 10, 2009, interested employees should review this information and, if eligible, must notify the City's Human Resources Department by submitting the attached mandatory letter to retire or separate to Barbara Santos in Human Resources. Please note that employees may only elect to participate in one of these programs. Participation in the program will be subject to the approval of the City Manager based on the City's needs and objectives. The City Manager's decision is final and is not appealable. Once the City Manager has made this determination, participating employees will be notified and will be required to sign a Separation Agreement and Release of All Claims provided by the City.

RETIREMENT INCENTIVE PROGRAM

Any eligible employee who has been approved by the City Manager to voluntarily retire from the City between April 15, 2009 and June 1, 2009 shall receive a cash incentive. Employees are eligible for this program if they have completed at least five (5) full years of continuous service in a regular position. The cash incentive is calculated based upon the employee's base salary and years of continuous service, with one week's base pay per completed year of service, up to a maximum of \$30,000. A method of distribution for cash incentives will be determined on a unit by unit basis.

VOLUNTARY SEPARATION PROGRAM

Any eligible employee who has been approved by the City Manager to voluntarily resign from the City between April 15, 2009 and June 1, 2009 shall receive a cash incentive. Employees are eligible for this program if they have completed at least five (5) full years of continuous service in a regular position. The cash incentive is calculated based upon the employee's base salary and years of service, with one week's base pay per completed year of continuous service, up to a maximum of \$30,000. A method of distribution for cash incentives will be determined on a unit by unit basis. Employees who participate in this program may not re-apply for City employment within the 12 months following the effective date of their resignation and are not eligible for unemployment benefits.

Implementation Timeline

- March 25 – April 10 Employees review materials and sign and submit letter of Separation/Retirement
- April 13 – April 20 City Manager confirms eligibility and notifies employees of approval/denial.
- April 15 – May 11 Approved employees attend meeting with Human Resources and sign Agreement and Release

Separations/Retirements effective no later than June 1, 2009.

If you have questions, please contact Barbara Santos at 577-5466.

Attachments:

- Letter of Separation/Retirement
- (PREVIEW COPY) Separation Agreements and Release of All Claims (2)