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|  |  | **Joseph P. Pennachetti**City Manager |
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**Voluntary Separation Program**

July 12, 2011

To: All Staff

From: Joseph P. Pennachetti, City Manager

**Re: Voluntary Separation Program – Permanent Employees**

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As indicated in my note to you yesterday, the City is continuing to review and find ways to address our 2012 budget shortfall of $774 million.

Therefore, to help assist with meeting our financial pressures and to effectively reduce the size and cost of government, I am announcing today that, subject to Council approval which I will be seeking at Council's meeting to be held on September 26 and 27, 2011, the City will offer a Voluntary Separation Program for permanent employees working in the Toronto Public Service.

All permanent employees represented by CUPE Local 79, TCEU Local 416, CUPE Local 2998 and non-union exempt/management employees but excluding employees who are represented by IAFF (TPFFA) Local 3888, are eligible to apply for this program. This Program does not apply to employees employed by the City's Agencies, Boards and Commissions.

The application form is available at: [***http://insideto.toronto.ca/hrweb/index.htm***](http://insideto.toronto.ca/hrweb/index.htm)and I have also attached a copy to this memo. Employees who wish to be considered for participation in this Program must complete the application form and ensure that it is received by the Human Resources Division **no later than Friday September 9, 2011**.

Following the application deadline, there will be a management review period, from September 12 to 30, 2011, after which employees will be notified if their applications for participation in the Program have been approved. In addition, employees who have been approved will be provided a departure date during the period October 1, 2011- December 31, 2011.

**Voluntary Separation Program Details**

An employee is eligible to receive up to a maximum 26 weeks salary as a lump sum payment, based upon her/his continuous years of service, pro-rated for part-time service,

with the Toronto Public Service at a rate of:

3 weeks per year of service for union and non-union exempt staff

4 weeks per year of service for management staff

* Employees who are eligible to retire with an immediate pension will receive retiree benefits, if eligible, in accordance with their collective agreement or policy
* Employees who would become eligible to retire with retiree benefits if their separation payment were paid as salary continuation will be eligible to receive salary continuance until the end of the month they turn age 55 with any remaining money paid in a lump sum upon retirement
* Employees who are not eligible to retire with retiree benefits are entitled to receive a benefit/transition allowance, the amount of which is based on their service calculation

All payments are subject to statutory deductions and such other deductions as are required by law and any employee with unused Registered Retirement Saving Plan (RRSP) room and/or who has service prior to 1996 may be eligible to transfer a portion of their lump sum payment to a RRSP.

**Other Payments Available**

Outstanding payments for vacation, float days and unused lieu time and sick pay gratuity, if eligible, are paid out upon separation in addition to any amount for which the employee is eligible for as per the Voluntary Separation Program. Employees who receive their separation payment in the form of salary continuation, as set out above, will receive their sick pay gratuity after any salary continuation period ends.

Employees represented by Locals 79 and 416 who are eligible to retire with an immediate pension may receive their sick pay gratuity, if eligible, in the form of salary continuation in order to contribute to the pension plan prior to retirement. Non-union employees of the former municipalities of Metro, Toronto and Etobicoke may also use their sick pay gratuity to extend time on payroll prior to retirement as per predecessor municipal policies.

**Application Submissions for the Voluntary Separation Program**

Employees who decide to apply to the Voluntary Separation Program must submit a signed application form for consideration to the Human Resources Division and ensure their application is received **by September 9, 2011**. Applications should be sent to

**Human Resources Workforce Transition Team**

**Metro Hall, 4th Floor,**

**55 John Street**

**Toronto, ON M5V 3C6**

Application drop-boxes will also be available next to the Security Desk at Toronto City Hall and each of the Civic Centres.

Any employee, whose application has been approved, is committed to irrevocably resign/retire from the City of Toronto – Toronto Public Service on the date provided in the approval notification letter. In the event that an employee is notified that his or her application has been denied, the employee's commitment to resign or retire is void.

An employee who wants to rescind his or her application must do so, in writing, submitted to the Human Resources Workforce Transition Team by September 30, 2011.

Any permanent employee who has already submitted their resignation or intent to retire as of the separation program announcement date of July 12, 2011, is not eligible for this program even if such employee rescinded their resignation/notice of retirement and subsequently applied to this separation program.

It is anticipated that employees will be notified of the status of their application by October 1, 2011.

**Approval Process**

All applications for participation in the Voluntary Separation Program will be considered and reviewed by City management, Finance and Human Resources Division representatives. The City Manager's approval will be required for any employee's participation in the Voluntary Separation Program. For all applications approved under the Voluntary Separation Program a corresponding permanent position must be deleted from the organization.

The approval or non-approval of any application is solely at the City's discretion.

**Additional Information and Information Sessions**

Question & Answer Information is available on Human Resources Division's website at the follow location: [**http://insideto.toronto.ca/hrweb/index.htm**](http://insideto.toronto.ca/hrweb/index.htm)

Human Resources Division and Pension, Payroll & Employee Benefits Division representatives will be holding Information Sessions over the coming weeks, to answer any questions that staff may have. A schedule with details of the sessions will be provided via

e-mail in the very near future.

If you have any questions about the Voluntary Separation Program in general, please e-mail your questions to voluntary@toronto.ca and you will receive a prompt response to your question.

**OMERS Pension Plan Information**

You may contact OMERS directly at (416)369-2444 or visit their website at [www.omers.com](http://www.omers.com) to use their on-line pension estimate calculator to get an updated pension quote.

You may also contact the Pension, Payroll & Employee Benefits Division for additional pension information, please contact:

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| **Pension, Payroll & Employee Benefits Division** |
| **Representative** | **Telephone Contact** | **Service Area** |
| Cathy Donison | 416-397-4998 | Deputy City Manager Gary Welsh' Office (Policy, Planning, Finance & Administration), Technical Services, Toronto Environment Office, Waterfront Secretariat, Deputy City Manager & Chief Financial Officer Cam Weldon’s Office, (Corporate Finance, Finance & Administration, Financial Planning, Information & Technology, Special Projects, Solid Waste Management Services, Toronto Water, Transportation Services, Treasurer’s Office, (Accounting Services, Pension, Payroll & Employee Benefits, Purchasing & Materials Management, Revenue Services) |
| Harsha Panchal | 416-397-5414 | Affordable Housing Office, Children’s Services, Employment & Social Services, Long Term Care Homes & Services, Public Health, Shelter, Support & Housing Administration, Social Development, Finance & Administration  |
| Helen Servinis | 416-397-4996 | Building Services, City Planning, Deputy City Manager Heather MacVicar's Office (311 Project Office, Affordable Housing, Toronto Office of Partnerships), Economic Development, Culture & Tourism, Municipal Licensing & Standards, Parks Forestry & Recreation |
| Rag Lall | 416-392-7127 | Chief Corporate Officer’s Office, (Public Information, Facilities Management, Facilities & Real Estate Services, Fleet Services), City Clerk’s Office, Court Services, Human Resources, Legal Services |
| Sandra Soon | 416-392-3903 | Auditor General’s Office, City Manager’s Office (Executive Management, Internal Audit, Strategic & Corporate Policy, Strategic Communications), Council, Emergency Medical Services, Fire Services, Integrity Commissioner’s Office, Lobbyist Registrar’s Office, Ombudsman’s Office |

**City Council Approval**

As I have indicated above, I will be going to City Council at its meeting of September 26 and 27, 2011, to seek approval for the implementation of this Voluntary Separation Program.