
City of Traverse City

Office of the City Clerk

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CITY OF TRAVERSE CITY

CITY COMMISSION RESOLUTION

RESOLUTION AUTHORIZING THE CITY MANAGER TO ADMINISTER AND EXECUTE PERSONNEL POLICY NO. 216-P (A.C.T. SEPARATION ALLOWANCE PLAN POLICY)

WHEREAS, the City Charter provides that all employees of the City of Traverse City, except the City Attorney, serve at the pleasure of the City Manager (Chapter V, Section 36(d)), with the City Clerk and City Treasurer subject to the appointment and removal provisions contained within the City Charter (Chapter V, Section 38); and

WHEREAS, the City Charter provides the framework and limitations on the City Manager's per transaction spending authority; and

WHEREAS, City of Traverse City maintains Policy No. 216-P, governing the Separation Allowance Plan for eligible unrepresented Administrative, Confidential, and Technical (A.C.T.) employees; and

WHEREAS, Policy No. 216-P establishes a uniform, equitable framework for providing transitional financial security and health benefit continuity to eligible employees who are separated from service due to permanent layoffs, organizational restructurings, employer-requested separations, or City-sponsored early retirement; and

WHEREAS, the terms, eligibility requirements, payout formulas, payment and benefit limitations, and required voluntary execution of a full release of legal claims are clearly defined within the parameters of Policy No. 216-P; and

WHEREAS, under the Traverse City Charter and administrative structure, the City Manager serves as the chief administrative officer responsible for the daily administration of personnel policy and workforce management.

WHEREAS, Policy No. 216-P provides that the City Manager maintains sole discretion to offer and provide a Separation Allowance Payment, limited to no more than twelve (12) weeks of prorated compensation to eligible A.C.T.; and

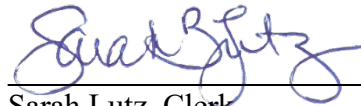
WHEREAS, such payment, based on the eligible employee's fixed compensation rate, may exceed the City Manager's spending authority; and

WHEREAS, City Commission review and approval for each routine administrative execution of Policy No. 216-P will likely cause unnecessary administrative delay in presenting and processing timely separations and financial transitions.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Traverse City, Michigan, as follows:

1. Delegation of Authority: Subject to the provisions of Policy 216-P, the City Manager is hereby authorized to administer, approve, and execute Separation Allowance Payments, benefit continuations, and associated separation agreements for eligible A.C.T. employees.
2. Condition of Release: The City Manager's authority to grant benefits under this resolution remains contingent upon each eligible employee executing a voluntary release of legal claims in a form approved by the City Attorney.
3. Reporting Expectation: The City Manager shall periodically inform the City Commission about authorized use of Policy No. 216-P as part of regular administrative or executive updates when such actions exceed the general spending authority afforded to the City Manager.
4. Effective Date: This resolution shall take effect immediately upon adoption.

I, Sarah Lutz, City Clerk of the City of Traverse City, do hereby certify that the above is a true and correct copy of a resolution adopted at the meeting of the City Commission of the City of Traverse City on September 21, 2026, at which a quorum was present and voted.



Sarah Lutz, Clerk
City of Traverse City, Michigan