

Board of County Commissioners
Budget Discussion Item

Date of Meeting: July 8, 2008
Date Submitted: July 1, 2008
To: Honorable Chairman and Members of the Board
From: Parwez Alam, County Administrator
Lillian Bennett, Human Resources Director
Subject: Acceptance of the Status Report on the Voluntary Separation Incentive Program

Statement of Issue:

This agenda item requests Board acceptance of a status report on the Voluntary Separation Incentive Program (VSIP).

Background:

At the March 11, 2008 Fiscal Year 2009 Budget Workshop, staff recommended, and the Board approved, a Voluntary Separation Incentive Program (VSIP) (Attachment #1). The primary objective of the VSIP was to create additional vacant positions (FTE's) throughout the organization that could eventually be eliminated to assist with reductions required in the FY 2008/09 budget. At the April 8, 2008 Board meeting, staff presented a status report on the Voluntary Separation Incentive Program (VSIP) which included the number of applications received by Division and the estimated cost impact and recurring savings of the twenty-eight (28) employees who submitted applications were approved to leave employment under the VSIP (Attachment #2).

Analysis:

Human Resources received twenty eight (28) applications from employees who expressed an interest in being considered for the VSIP program. This represented approximately 22% of the total 129 eligible employees. Of the 28 applications received, 19 employees were approved to receive VSIP Agreements. Twelve (12) employees or sixty-three percent (63%) of the approved employees have accepted the VSIP offer and agreements have been signed and executed.

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Table #1 reflects the total applications received and employees executing agreements in the following Divisions:

Table #1
 Number of Applications Received/Agreements Executed

Division	Number of Applications	Number of Employees Executing Agreements
Tourist Development	1	
Human Resources	1	
GEM-Building Inspection	2	
GEM-Development Services	1	1
Public Works-Engineering	3	1
Public Works-Fleet	2	
Public Works-Parks & Recreation	3	1
Public Works-Operations	3	2
Public Works-Solid Waste *	3	1
Management Services-Probation	1	
Management Services-Facilities	2	1
Public Services-Library	4	4
Public Services-Volunteers	1	
Public Services-Housing	1	1
Total	28	12

**Please note that one Agreement is still pending acceptance by employee.*

Fourteen positions were either not approved for participation in the VSIP or the employee declined further consideration for the program. One position is still pending acceptance by the employee with a deadline date of June 21, 2008. Employees participating in the VSIP will end employment with Leon County on or before September 30, 2008.

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The following chart shows the cost impact and recurring savings of those employees who executed the VSIP agreements:

Table # 2
Estimated Cost Impact of VSIP (Board Only)

Categories of Employees Offered VSIP	Number of Employee Applications Received	Cost of Financial Incentive	County 50% Cost of Medical Insurance	Total Cost of VSIP	Recurring Savings of Salaries & Benefits
DROP end date in 2011-2013	2	\$50,000	\$11,463	\$61,463	\$108,959
DROP end date in 2009-2010	3	\$75,000	\$19,192	\$94,192	\$188,987
Re-employed Retirees	4	\$90,522	\$19,192	\$109,714	\$169,465
30+ years of service	2	\$50,000	\$17,623	\$67,623	\$110,021
25-29 years of service	1	\$25,000	\$7,729	\$32,729	\$52,283
20-24 years of service	0				
19 years of service	0				
Total	12	\$290,522	\$75,199	\$365,721	\$629,715

The cost of the VSIP program is estimated at \$365,721, however, the recurring savings from salaries and benefits is estimated at \$629,715. This savings has been shown as a reduction in the FY 2008/09 Tentative Budget. Board Resolutions will be given to employees in the VSIP program with ten (10) or more years of service with Leon County at the July 27, 2008 Board meeting.

Options:

1. Approve Status Report on the Voluntary Separation Incentive Program (VSIP)
2. Do Not Approve Status Report on the Voluntary Separation Incentive Program (VSIP)
3. Board Direction

Recommendation:

Option #1

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Attachments:

1. March 11, 2008 Budget Discussion Item of Board Adoption of a Voluntary Separation Incentive Program (without attachments)
2. April 8, 2008 Agenda Item on Status Report on the Voluntary Separation Incentive Program (without attachments)

PA/LB/AC