

Resolution 1-1

Whereas, the Sangamon County Board has a long history of fiscal prudence and effective management of its financial resources; and,

Whereas, the long-term financial planning performed by the Sangamon County Board and the Sangamon County Auditor's Office has contributed to the financial security of Sangamon County; and,

Whereas, in 1995 the citizens of Sangamon County voted in favor to adopt the provisions of the Property Tax Extension and Limitation Law (aka "Tax Caps"); and,

Whereas, "tax caps" require government agencies to operate more efficiently within the taxes provided by the citizens of Sangamon County; and,

Whereas, a large part of operating efficiently is deliberately controlling the expenses of government through long-term financial forecasting; and,

Whereas, personnel expenses compose approximately two-thirds of the expense budget for Sangamon County; and,

Whereas, long-term financial forecasts show that it is prudent for Sangamon County to take action to help control the future personnel and operating expenses of the County before it becomes a serious situation; and,

Whereas, the Sangamon County Employee Voluntary Severance Plan will control future personnel and operating expenses while fairly rewarding the hardworking employees of Sangamon County; and,

Now therefore be it resolved by the Sangamon County Board in session this 29th Day of September, 2005, that the Sangamon County Employee Voluntary Severance Plan as attached to this resolution is hereby adopted and approved.



Paul Palazzolo, Sangamon County Auditor

FILED

SEP 28 2005



Gae Aiello
Sangamon County Clerk

Sangamon County
Employee Services Committee

Debra
Debbie Cimaretti
Abe Forsyth
Myra Landace
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Sangamon County
Finance Committee

Bob Gloman
Bill Decker
Rosemarie Long
William H. Moss
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Sangamon County Employee Voluntary Severance Plan

Goal: To preserve the long-term financial stability of Sangamon County through the effective management of personnel and employee benefit expenses.

Method: Provide employees a financial incentive to voluntarily terminate their employment with Sangamon County and take advantage of their years of dedicated service and accrued benefit leave. The expense of the financial incentive is structured to be absorbed within the FY 2006 budget and will not result in any additional appropriated expenses in the ongoing fiscal periods.

Details: The program is strictly voluntary and no employees will be specifically targeted for participation. Although participation is specifically excluded for individuals holding office as Elected Officials or County Board Members, the employees in the offices of the elected officials may be included. Each elected official will be allowed to determine if their office will participate in the plan. All departments under the direct supervision of the County Board will participate.

Participating employees may choose to terminate their employment with any effective date between December 1, 2005 and March 31, 2006, both dates inclusive. However, employees must communicate their intent to participate in the plan by October 31, 2005. Employees electing to participate will not be allowed to secure employment with Sangamon County for 4 years following their termination date.

Employees are not required to "retire" to take advantage of this program. This means that any employee can participate in this plan. The decision of the employee to enter into a retirement designation with IMRF is totally separate from this plan. That is a decision between the employee and IMRF. This plan is not associated in any way with the IMRF programs.

Incentives: Employees who participate in this program would receive incentive payments for the following:

1. Payment of all accrued vacation and compensatory time at the participating employee's hourly rate in effect at the date of termination; plus
2. Payment equal to 1 day's salary for every 3 days of unused sick leave; plus
3. Payment of 1 week's salary for every 2 years of service with Sangamon County up to a **maximum of 25 years of service; plus**
4. Continued participation in the employee health insurance plan until December 31, 2006 with the county continuing its contribution to the premium and the employee paying the "employee portion" of the premiums at the "employee rate" **OR** an additional incentive payment of \$2,000. (NOTE: Employee life and dental insurance will not extend beyond termination under either choice.)

Employee Procedures:

Employees wishing to participate in this plan should complete the "Request to Participate in the Voluntary Severance Plan" form that is attached to this document. The form shall be submitted by the employee to the Sangamon County Auditor's Office no later than 5:00 pm on October 31, 2005. The Auditor's Office will review the request, calculate the employee's estimated incentive payment (based on the expected termination date), and return the form to the employee by November 1, 2005. The requesting employee would then indicate their desire to participate and their approval of the estimated incentive payment by signing the form in the appropriate place and returning it to the Auditor's Office no later than 5:00 pm on November 2, 2005. **In those departments/offices participating in the plan, the permission of the respective Elected Official or Department Head is not required for any employee to participate. Participation is exclusively the decision of the employee.**

All employees interested in this plan will be strongly encouraged to meet with one of the County's deferred compensation providers. This will provide the employee a private consultation with a licensed financial expert. Employees should consider the entire financial effect of this decision and should take time to consider the financial impact of this plan.

Employee Replacement Procedures:

Any headcount reductions resulting from employees taking advantage of the plan will remain in effect for six months from the termination date of the departing employee.

The Elected Official/Department Head will have the option of replacing the position or taking advantage of the Staff Realignment Incentive (SRI) Policy adopted by the Finance Committee on September 14, 2004.

Authorized employee headcounts will be reduced by the number of employees taking advantage of the plan and increased as employees are added back to the department.

Any positions that are replaced will be subject to a "budgetary cap" and must not have a combined cost (the sum of the cost of the replacement plus any promotions arising from the vacancy that are given to other employees) to the department budget greater than 60% of the salary and benefit costs of the departing employees.

Replacements within the budgetary cap will follow all normal hiring procedures. All provisions of the Pay-for-Performance plan will be followed. The Elected Official/Department Head is strongly encouraged to attend the committee meetings where these positions will be considered for replacement.

Requests for exceptions to these rules must be reviewed and approved, on a case by case basis, by the department oversight committee and the Finance Committee of the Sangamon County Board. In recognizing exceptions, the highest level of consideration will be given to public safety positions.

Request to Participate in the Sangamon County Employee Voluntary Severance Plan

I. REQUEST FOR ESTIMATE OF INCENTIVE PAY

I hereby request the Sangamon County Auditor to calculate an estimate of the "Incentive Payment" amount that I would be eligible for if I elect to participate in the Sangamon County Employee Voluntary Severance Plan.

Printed Name: _____

Address: _____

Latest Expected Termination Date
(Must be between 12/1/05 & 3/31/06)

Signature: _____

Date: _____

II. INCENTIVE PAYMENT ESTIMATE

The following "Incentive Payment" estimate is provided for the above-named employee in accordance with the terms provided for in the Sangamon County Employee Voluntary Severance Plan:

- 1. _____ Accrued vacation and compensatory time
- 2. _____ One (1) day's salary for each three (3) days
unused sick leave
- 3. _____ One (1) week's salary for every two (2) years
service w/Sangamon County (up to a maximum
of 25 years of service)

_____ Total estimated pre-tax cash payout (NOTE: This amount will be \$2,000 higher if you choose below to discontinue health insurance coverage.)

III. ACCEPTANCE OF ESTIMATE AND ELECTION TO PARTICIPATE

I understand that my election to participate is irrevocable, and that I may not be employed by Sangamon County, in any capacity, during the four years immediately following the effective date of my termination under the plan. I hereby declare my acceptance of the estimate of the "Incentive Payment" and my voluntary election to participate in the Sangamon County Employee Voluntary Severance Plan. Additionally, my selection of either continued insurance coverage or the additional incentive payment is indicated below:

I hereby elect to continue my existing health insurance coverage and will continue to pay my "employee portion" of the premium monthly

I hereby elect to receive the \$2,000 additional incentive pay in lieu of continued health insurance coverage. My insurance coverage will end upon my termination of County employment.

Signature: _____

Date: _____