



AGENDA ITEM EXECUTIVE SUMMARY

Title: 2011 VSIP Update Presentation
Presenter: Kathy Livernois

Please check appropriate box:

<input checked="" type="checkbox"/>	Government Operations – 1/17/12	<input type="checkbox"/>	Government Services
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council

Estimated Cost:	N/A	Budgeted:	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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If NO, please explain how item will be funded:

Executive Summary:

As you recall, a Voluntary Separation Incentive Program (VSIP) was an SSI initiative that was offered to all current full-time or regularly scheduled (IMRF) part-time employees in 2011. The goal of this optional and voluntary program was to reduce long-term costs through deferring replacement, restructuring, and/or eliminating positions.

A total of 17 employees left City employment or retired through the VSIP – 16 full-time employees and one part-time employee. Hiring and promotions for vacant positions that were deemed necessary for replacement have been completed. The City will realize a savings for fiscal year 2011/2012 of \$888,733.58. This presentation will provide a summary of the cost savings by department and fund for this and future years.

Attachments: *(please list)*

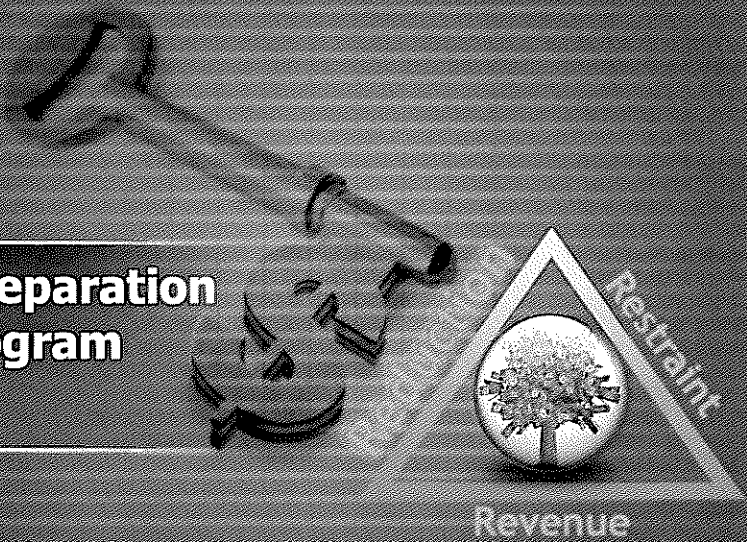
Voluntary Separation Incentive Program Update Presentation

Recommendation/Suggested Action *(briefly explain):*

This presentation is for information and discussion. No action is needed at this time.

For office use only: Agenda Item Number: 4a

2011 Voluntary Separation Incentive Program Update



City of St. Charles

As you recall . . .

- SSI initiative
- Optional and voluntary
- Reduces long-term costs through deferring replacement, restructuring, and/or eliminating positions.
- 3 Separation Payout Options:
 1. \$10,000; 1 yr. health insurance.; 1 wk. pay per year of service, up to \$10,000 or
 2. \$10,000; 2 yrs. health insurance; or
 3. \$10,000; 1 wk. pay per year of service, up to \$20,000.

VSIP

17 employees left or retired.

- 1 part-time employee and 5 full-time employees at Option 1.
- 6 full-time employees at Option 2
- 5 full-time employees at Option 3

VSIP

Cost/Savings by Fund

Fund	Cost of option with benefits	Savings for FY 11/12	Net Savings for FY 11/12	Savings for FY 12/13	Savings for FY 13/14	Savings for FY 14/15	Savings for FY 15/16
General (100)	\$450,555.04	\$703,629.08	\$253,074.04	\$560,090.80	\$542,195.06	\$529,448.10	\$522,362.06
Electric (200)	\$107,896.02	\$144,102.85	\$36,206.83	\$156,969.37	\$160,108.76	\$163,310.93	\$166,577.15
Water (210)	\$41,559.33	\$41,001.65	(\$557.68)	(\$1,013.33)	(\$1,033.59)	(\$1,054.26)	(\$1,075.35)
Total Savings	\$600,010.39	\$888,733.58	\$288,723.19	\$716,046.84	\$701,270.23	\$691,704.77	\$687,863.86

Analysis based upon salary/benefit of former employees compared to salary/benefit of newly hired employees.

VSIP

Cost/Savings by Department

Department	Savings/(Cost)				
	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Community Development	\$141,857.15	\$172,034.68	\$175,475.37	\$178,984.88	\$182,564.57
Finance	\$85,274.80	\$84,801.07	\$86,497.09	\$88,227.04	\$89,991.58
Fire	\$238,959.91	\$104,823.10	\$81,671.20	\$63,828.93	\$51,830.04
Police	\$79,134.91	\$70,367.76	\$71,775.12	\$73,210.62	\$74,674.83
Public Works	\$343,506.81	\$284,020.24	\$285,851.45	\$287,453.30	\$288,802.84
Total Savings All Departments	\$888,733.58	\$716,046.85	\$701,270.23	\$691,704.77	\$687,863.86

Analysis based upon salary/benefit of former employees compared to salary/benefit of newly hired employees.

VSIP

Questions?

Comments?