



Blount County Government

Human Resources Department

Human Resources and Payroll

397 Court Street

Maryville, Tennessee 37804

Phone: 865/273-5780

Fax: 865/273-5783

HR@blounttn.org

www.blounttn.org/hr

TO: Blount County Commissioners

RE: Voluntary Retirement Incentive Phase II

DATE: June 30, 2021

In November of 2020 Commission approved \$1,180,000 to fund a Voluntary Retirement Incentive Plan (VRIP). These funds were setup as a lump sum in Central Services (101-52220) until the final payments could be calculated for those eligible employees who opted to participate in the plan. In March the initial VRIP payout figures were finalized and subsequently the transfers were approved to allocate among the corresponding departments. Two departments, however, were excluded from the original plan offering because retirements in those particular offices, Information Technology and Trustee, would have created a hardship for the County at the time. The second phase, effective June 21, 2021, was offered only to eligible employees in the two departments excluded from the initial offering. The incentive payments and payouts for the phase II participants have been made and the bi-weekly separation payments have been calculated, the total amount to be allocated among the 2 departments is \$121,677.54.

Due to the timing of phase II, the incentive payments and payouts were made on June 28, 2021 which was in FY20-21, but the 13-week separation payments will be made in FY21-22. The sum of both amounts will be covered by the approved VRIP program funds that were originally appropriated in FY20-21.

The VRIP incentive payouts made in June will need to be covered by a transfer across departments. Because this was done in FY20-21, the transfer needed to be booked on 6/30/2021 so it's recorded in the correct year. We are requesting that you approve this transfer since it crosses department codes within the General Fund. This amount totals \$62,472.53.

The VRIP Phase II bi-weekly separation payments will not be recorded until FY21-22. We are requesting that approved funds for the VRIP be re-appropriated from fund balance to cover these amounts. The funds fell to fund balance at the end of FY20-21. This amount totals \$59,205.01.