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COMMONWEALTH OF VIRGINIA

Compensation Board

P.O. Box 710
Richmond, Virginia 23218-0710

February 28, 2011

MEMORANDUM

TO: Compensation Board Members

FROM: Robyn M. de Socio, Executive Secretary

RE: Conferees Report

Following is a summary of funding and language amendments recommended by the conferees to biennial funding recommendations in HB1500 impacting Constitutional Officers and the Compensation Board. Also included are items proposed in the Budget Bill as introduced that remain unchanged.

All Constitutional Officers

- Budget language was removed that provided localities with the option to require employees hired prior to July 1, 2010 to contribute a 5% employee-share amount toward the cost of VRS retirement premiums if provided with a pay raise. Language was reverted to its original form, providing again that the local decision to contribute the 5% employee-share amount for these employees is irrevocable.
- Budget language is included to limit the Compensation Board's retirement reimbursement cap for constitutional officers and their employees at no more than the FY11 state employee rate (2.13%). With a FY12 approved rate of 2.08% through March 2012, changing to 3.79% through June 2012, it appears that the Compensation Board will reimburse a maximum of 2.08% for July 2011 through March 2012, and a maximum of 2.13% for April through June 2012.
- Budget language was approved providing that in the event of the consolidation of a county and city into a consolidated city, any positions in the constitutional offices of the former county which are available for reallocation as a result of the transition shall be first reallocated in accordance with Compensation Board staffing standards to the constitutional officers in the consolidated city.

Budget Bill proposals, unchanged in Conference:

- Reduction of \$1.7 million in funding for the cost of the Virginia Risk Management liability insurance and surety bond premiums paid by the Compensation Board on behalf of Constitutional Officers, Directors of Finance, and Regional Jails. The Compensation Board presently pays this premium and recovers 50% of such cost from reimbursements to localities. Language has been amended providing for the recovery of 100% of the cost in FY12 from localities.

- No other funding of future salary increases or salary bonuses for Constitutional Officers and their employees is included.

Sheriffs and Regional Jails

- Restoration of \$6 million to offset a portion of the remaining shortfall in FY12 that resulted from the failed passage of the Virginia Public Safety Fund fee during the 2010 session of the General Assembly.
 - This amount approved by the legislature is in addition to \$8.3 million restored in FY11 and \$8.3 million restored in FY12 by Governor McDonnell in the introduced budget, addressing the 2010 failure to restore any of the \$30 million in funds eliminated in the 2010 budget bill anticipated to be replaced with new Public Safety Fund fees that ultimately failed.
 - Based upon these restorations to the originally unrestored 2010 funding reduction amount of \$30 million, the remaining shortfall will result in reductions of \$7.4 million to office budgets in FY12 below FY11 levels.
- Based upon the passage of HB2435 to eliminate unnecessary local mandates, budget language was stricken requiring Sheriffs and Jail Administrators to provide to the Department of Corrections (DOC) reports on the numbers of contract or federal prisoners held in their jails. The language was unnecessary as this information is already available to DOC from the Compensation Board as needed through LIDS jail inmate reporting data.
- Budget language is included under sections related to the Department of Corrections (DOC) to require the DOC to assess staffing of the Piedmont Regional and Western Tidewater Regional Jails, and that provides the Compensation Board the authority to staff jail bed capacity housing state and local responsible inmates in beds formerly built for housing federal inmates, were federal contracts under which the beds were previously built with federal funds have expired.
- Budget language is included under sections related to the Department of Corrections (DOC) directing the DOC to report annually on the double-bunking capacity of local and regional jails.

Budget Bill proposals, unchanged in Conference:

- Additional positions and funding totaling \$1.3 million is included in FY12 for staffing the expansion project of the Blue Ridge Regional Jail (Amherst) beginning January 1, 2012.

Jail Per Diem Funds

- Additional inmate per diem funding of \$6.1 million in FY11 (the net result of a Budget Bill increase of \$7.4 million based upon fall inmate population forecasts, and a Conference Report reduction of \$1.3 million based on actual inmate populations through January 2011.)

Commonwealth's Attorneys

- No program specific changes were included in the approved Conference Report.

Circuit Court Clerks

- Budget language is included that clarifies the intent of changes approved by the 2010 General Assembly to commissions paid to Circuit Court Clerks, where commissions should continue to be paid on revenues collected by the Circuit Court, but not on revenues deposited by lower courts.

Budget Bill proposals, unchanged in Conference:

- Reduction of \$3,474,837 in FY11 and \$6,229,597 in FY12 to the appropriation for the Clerks' Technology Trust Fund to match actual cash balances available and projected revenues. This is a technical adjustment that does not affect TTF cash or funds available for budgeting to Clerks' offices.

Treasurers, Commissioners of Revenue, Directors of Finance

- No program specific changes were included in the approved Conference Report.

Administration

- No additional Administrative program changes were included in the approved Conference Report.

Budget Bill proposals, unchanged in Conference:

- Reduction of \$51,922 in Administrative funding of LIDS query and reporting costs.
- Reduction of \$14,500 in previously earmarked FY10 carryover funding to meet a portion of Administrative budget reductions
- Technical adjustments to move \$1,004,500 in appropriated funding for the SAVIN victim notification system support from the Administration to the Sheriffs and Regional Jails program and to correct language reflecting an incorrect appropriated funding amount.
- Technical adjustment to distribute the 2010 session \$5.27 million reduction associated with fringe benefits adjustments from the Executive Management item to the appropriate Constitutional Officers' programs for FY12.
- Technical adjustment to clarify Administrative language providing that Compensation Board supported training programs will be conducted based on appropriated funding.
- All language regarding mandatory reappropriation of prior fiscal year-end balances has been removed from all programs.

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As you know, these matters remain subject to review or change at the upcoming "veto" session on April 6, 2011. Please contact Charlotte Lee or me if you have any questions.

cc:

Compensation Board staff
Lisa M. Hicks-Thomas, Secretary of Administration
The Honorable Ryant L. Washington, President, Virginia Sheriffs' Association
The Honorable Robert Beasley, President, Virginia Association of Commonwealth's Attorneys
The Honorable W. Ann Davis, President, Treasurers' Association of Virginia
The Honorable T. Scott Harris, President, Commissioner of the Revenue Association of Virginia
The Honorable Frank Hargrove, Jr., President, Virginia Court Clerks' Association
The Honorable James Plowman, President, Virginia Association of Local Elected Constitutional Officers
Elton Blackstock, President, Virginia Association of Regional Jails
Michael E. Amyx, Executive Director, Virginia Municipal League
James D. Campbell, Executive Director, Virginia Association of Counties
John Jones, Executive Director, Virginia Sheriffs' Association
Robert Q. Harris, Director, Commonwealth's Attorneys' Services Council
Alan D. Albert, LeClair Ryan
Madeline Abbitt, Abbitt Consulting
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