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EXECUTIVE SECRETARY

## COMMONWEALTH OF VIRGINIA

### *Compensation Board*

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

December 16, 2013

#### **EMAIL MEMORANDUM**

**TO:** The Honorable John "Jack" Weisenburger, President, Virginia Sheriffs' Association  
The Honorable Raymond Morrogh, President, Virginia Association of Commonwealth's Attorneys  
The Honorable Marty T. Eubank, President, Treasurers' Association of Virginia  
The Honorable Ross Mugler, President, Commissioners of the Revenue Association of Virginia  
The Honorable Tina Sinnen, President, Virginia Court Clerks' Association  
The Honorable Robert J. McCabe, President, Virginia Association of Local Elected Constitutional Officers  
Walter Minton, President, Virginia Association of Regional Jails  
R. Michael Amyx, Executive Director, Virginia Municipal League  
James D. Campbell, Executive Director, Virginia Association of Counties

**FROM:** Robyn M. de Socio, Executive Secretary

**RE:** Overview of Compensation Board Funding Contained in the Governor's Recommended Budget (FY14 Caboose and FY15/16 Biennial Budget)

Attached please find an overview of Governor McDonnell's budget proposals submitted today to the General Assembly. Based upon our preliminary analysis, this overview presents items that directly affect Constitutional Officers and Aid to Localities funding on their behalf. If additional analysis is needed based on these and any other proposals found in the detailed budget document, we will make that available as soon as possible.

The Compensation Board will review these recommendations at its meeting with Association Leadership on January 7, 2014, at 2:00PM at our office in Richmond.

Please feel free to call me or Charlotte Lee should you need additional information or have any questions concerning the enclosed summary.

#### **Attachment**

**cc:** Compensation Board Members  
Lisa Hicks-Thomas, Secretary of Administration  
Compensation Board Staff  
John Crooks, Analyst, Department of Planning and Budget  
John Jones, Executive Director, Virginia Sheriffs' Association  
Robert Q. Harris, Director, Commonwealth's Attorneys' Services Council  
Alan D. Albert, LeClair Ryan  
Chip Dicks, FutureLaw, L.L.C.  
Ron Jordan, Advantus Strategies  
Madeline I. Abbitt, Abbitt Consulting Inc  
Michael L. Edwards, Kemper Consulting  
Janet Areson, Virginia Municipal League  
Dean A. Lynch, Virginia Association of Counties

OVERVIEW OF COMPENSATION BOARD FUNDING  
INCLUDED IN THE GOVERNOR'S RECOMMENDED BUDGET  
FOR FY14 CABOOSE AND FY15/16 BIENNIUM

December 16, 2013

FY14 Caboose Bill (HB29/SB29) Budget Amendments

Jails

- Recommended jail inmate per diem funding of \$4.5 million is included for FY14, which represents approximately half of the funding amount requested based upon revised growth percentages approved by the Inmate Population Forecasting Committee for local and state responsible inmates.

FY15-16 Budget Bill (HB30/SB30) Budget Proposals

All Constitutional Officers

- No performance based or across-the-board salary increases are included for constitutional officers and their employees in FY15 or FY16. Some specific targeted salary increases are included in individual officer items. A proposed bonus for state employees in December, 2014 of up to 3%, contingent upon specific revenue and year-end fund balance requirements, does not extend to constitutional officers and their employees.
- Language and funding is included in Central Appropriations to provide an additional \$1.18 million in each year to support the increased cost of retiree health insurance credit contributions for constitutional officers and their employees, payable by the Compensation Board. The partial contribution amount of \$805,450 that is currently recovered from locality reimbursements is anticipated to remain unchanged.

Sheriffs and Regional Jails

- Additional funding of \$4,651,300 is included in each year to support a 2% salary increase for each Grade 7 and Grade 8 sworn sheriff's deputy and regional jail officer effective July 1, 2014. This amendment includes non-supplanting language preventing local governments from supplanting local salary funds with Compensation Board funds provided for this purpose;
- Additional funding of \$1,536,315 in FY15 and \$1,679,216 in FY16 and 48 temporary corrections deputy/officer positions is included to alleviate overcrowding conditions of 100% of rated capacity or greater in local and regional jails;
- Additional funding of \$928,203 and 29 positions in FY15 and \$2,070,767 and an additional 33 positions in FY16 is included to support a total of 62 new law enforcement deputies over the biennium, which represents 25 percent and 50 percent of the positions needed to meet the statutory requirement of one deputy per 1,500 locality population;
- Additional funding of \$390,575 is included in each year to allow additional participation in the Sheriffs' and Regional Jails' Master Deputy/Jail Officer Programs;

- Additional funding is included, along with new positions, to support jail construction projects scheduled to be completed in FY15, including:
  - 1) \$1,974,691 in FY15 and \$3,089,039 in FY16 and 88 positions beginning October 1, 2014 to support staffing of the Rappahannock/Shenandoah/Warren Regional Jail based upon a three-month delay from a projected opening date of July 1, 2014;
  - 2) \$2,615,280 in FY15 and \$4,678,458 in FY16 and 144 positions beginning November 1, 2014 to support staffing of an expansion of the Southwest Virginia Regional Jail based upon a three-month delay from a previous projected opening date of August 1, 2014;
  - 3) Technical adjustment providing \$276,069 in each year to support the annualized cost of staffing associated with the replacement of the Richmond City Jail funded to open in January 2014;
- No funding or positions were included to support the expansion of Central Virginia Regional Jail which is scheduled to be completed in January, 2016 (FY16).

#### Jails

- No additional funding was recommended for the projected need of \$10.7 million in FY15 and \$11.7 million in FY16 for jail inmate per diem payments, based upon revised growth percentages provided by the Inmate Population Forecasting Committee, for local and state responsible inmates.

#### Commonwealth's Attorneys

- Additional funding of \$2,120,757 million in each year is included to support a salary increase for each full-time Assistant Commonwealth's Attorney of \$3,308 and each part-time Assistant Commonwealth's Attorney of \$1,654, effective July 1, 2014. This funding supports the second phase of the Governor's two-year initiative to raise the starting salary of an Assistant Commonwealth's Attorney to provide parity with salaries paid by the Commonwealth for public defenders;
- Additional funding of \$109,425 is included in each year to support qualified and unfunded participation in the Assistant Commonwealth's Attorneys' Career Prosecutor Program;
- Technical adjustment is included to remove \$14,984 from the base budget that was approved as one-time equipment funding for the conversion of the Cumberland County Commonwealth's Attorney's office from part-time to full-time in fiscal year 2014.

#### Circuit Court Clerks

- Additional funding of \$430,789 is provided in each year to support a 4% increase in salary for each Deputy Clerk I (DCI) position and a 2% increase for each Deputy Clerk II (DCII) position, effective July 1, 2014. This amendment includes non-supplanting language preventing local governments from supplanting local salary funds with Compensation Board funds provided for this purpose.

### Treasurers

- Additional funding of \$12,303 is included in each year to support qualified and unfunded participation in the Treasurers' Career Development Program;
- Additional funding of \$68,382 is included in each year to support qualified and unfunded participation in the Deputy Treasurers' Career Development Program.

### Finance Directors

- No program specific changes were included in the Governor's Budget Bill recommendations.

### Commissioners

- Additional funding of \$132,509 is included in each year to support qualified and unfunded participation in the Commissioners' Career Development Program;
- Additional funding of \$57,319 is included in each year to support qualified and unfunded participation in the Deputy Commissioners' Career Development Program.

### Administration

- Additional funding of \$60,395 is included in each year to pay for the agency's share of ongoing Performance Budgeting system operating and maintenance costs;
- Additional funding of \$18,900 in FY15 and \$19,089 in FY16 is included to support costs associated with contracting for webhosting services previously provided by VITA for which agencies were not charged;
- Additional \$3,885 in FY15 and \$6,339 in FY16 is provided to support an increase in rent charges;
- Additional \$3,102 in FY15 and \$19,130 in FY16 is provided to support costs associated with increased information technology and telecommunication charges;
- Additional \$6 in each year is included to support costs associated with Automobile Insurance Liability program changes;
- Reduction of \$208 in FY15 and \$194 is included in FY16 for reduced costs associated with Worker's Compensation premium changes;
- Reduction of \$7,960 in each year is included based on the anticipated savings from changes to the contract for human resource management for state agencies. an additional cost of \$2,423 associated with this contract for FY14 is funded in the caboose bill for FY14;
- Additional \$44,512 in FY16 is included to support costs associated with the Cardinal accounting system.

### Other Agencies

- Language is included in Central Appropriations to provide funding for the recommendations of the State Employee Compensation Work Group, including \$800,000 in FY16 to update previous JLARC total compensation studies, and funding of \$9 million in FY15 and \$10.3 million in FY16 to provide a targeted 2% increase effective July 25, 2014 to begin addressing retention issues in high turnover job roles, relieve salary compression and maintain market relevance. Position roles identified for increases include Law Enforcement Officer I, Security Officer I, Security Officer III, and District Court Deputy Clerk Grades 6-8;