

**FY20
COMPENSATION BOARD
BUDGET HEARING**

April 11, 2019 – Richmond, VA

11:00 a.m.

**Tyrone Nelson, Chairman
Martha Mavredes, Ex-officio Member
Craig Burns, Ex-officio Member**

COMPENSATION BOARD FY20 BUDGET PRIORITIES

The Compensation Board develops priorities each year to be used in establishing the budgets for all Constitutional Officers. To begin the budgeting process, the Compensation Board applies its general priorities in establishing a base funding level for each office, considering annual budget requests of constitutional officers and General Assembly actions, prior to determining individual budget amounts. These general priorities include:

- ◆ Level funding of existing base budgets for personnel, including salaries for permanent positions, fringe benefits, hourly-wage/temporary funding and office expense funding.
- ◆ Continued funding for existing participants in career development programs.
- ◆ Allocation of any positions and funding established through legislative actions.
- ◆ Salary adjustments for Constitutional Officers changing population groups.
- ◆ Reclassifications where there is no salary cost.
- ◆ Allocation of positions based on the position reallocation policy.
- ◆ No funding is available for equipment for any offices. For local and regional jails, LIVESCAN equipment funding previously considered during the budget allocation process for will be considered on an individual request basis at regularly scheduled Board Meetings (Clerks' Technology Trust Funds are not a part of base budget funds and budgeted separately beginning in the late summer).

**COMPENSATION BOARD
FY20 LEGISLATIVE ISSUES
ALL CONSTITUTIONAL OFFICERS**

**Conflict of Interest Act Training
for Local Elected Officials:**

SB1430 requires all local elected officials to take training on the provisions of the State and Local Government Conflict of Interests Act at least once every two years. The bill requires such officials in office on July 1, 2019, to complete such training no later than December 31, 2019. The Council may provide such training by online means. The Clerk of the locality will be responsible for maintaining records of those officers subject to the training requirements and the dates of completion of the training.

**Freedom of Information Act
Training for Local Elected
Officials:**

SB1431 requires the Virginia Freedom of Information Advisory Council or the local government attorney to provide, and local elected officials to complete, an online training session on the provisions of the Virginia Freedom of Information Act. The bill requires local elected officials to complete such training at least once every two years while they are in office. [The bill also eliminates the three-day notice requirement for an expedited hearing on a petition for mandamus or injunction where violations relating to the open meeting requirements of the Act are alleged.] The requirement of the bill for online training for local officials has a delayed effective date of July 1, 2020. The Clerk of the locality will be responsible for maintaining records of those officers subject to the training requirements and the dates of completion of the training.

COMPENSATION BOARD FY20 LEGISLATIVE ISSUES SHERIFFS AND REGIONAL JAILS

Sheriffs' Vehicles, Standard Markings:

HB2585 requires that all marked motor vehicles used by sheriffs' offices conspicuously display on each front side door the words "Sheriff's Office" or "Sheriff" and the name of the county or city. Current law requires such vehicles to be solid dark brown or some other solid color, with a reflectorized gold, five-point star on each front side door and requires that the lettering on such stars say "Sheriff's Office" or "Sheriff" in a half-circle above the Seal of the Commonwealth or the seal of the jurisdiction. Current law also requires that the name of the county or city be placed in a half-circle below the Seal and the words "Sheriff's Office" or "Sheriff" be placed on the rear of the trunk.

Eligibility for Voluntary Participation In Inmate Work Forces:

HB1935 clarifies that the sheriff may provide to a designee the authority to approve and supervise an inmate's eligibility for voluntary participation in an inmate workforce.

Regional Jail employees Possession and Administration Of Naloxone:

HB1878 adds employees of regional jails to the list of individuals who may possess and administer naloxone or other opioid antagonist, provided that they have completed a training program.

DNA Sampling for Local Ordinance Violations:

HB2439/SB1166 adds persons convicted of a violation of a local ordinance that is similar to certain crimes listed under current law to the list of persons from whom a blood, saliva, or tissue sample shall be taken for DNA analysis and sent to the Department of Forensic Science.

**COMPENSATION BOARD
FY20 LEGISLATIVE ISSUES
SHERIFFS AND REGIONAL JAILS**

**Involuntary Treatment of Inmates
In Jail Incapable of Giving
Informed Consent:**

HB1933 establishes a process for the sheriff or administrator in charge of a local or regional jail to petition a court to authorize medical or mental health treatment for a prisoner in such facility who is incapable of giving informed consent for the treatment. The process parallels the existing process for the Director of the Department of Corrections to seek authorization to provide involuntary treatment to prisoners in state correctional facilities.

**Exchange of Medical and
Mental Health Information:**

HB2213 adds local probation officers to the list of persons among whom the medical and mental health information and records of any person committed to jail, and transferred to another correctional facility, may be exchanged.

SB1644 directs the Department of Behavioral Health and Developmental Services (DBHDS) to convene a work group to study the issue of and develop a plan for sharing protected health information of individuals with mental health treatment needs who have been confined to a local or regional jail in the Commonwealth and who have previously received mental health treatment from a community services board or behavioral health authority in the Commonwealth. The bill requires DBHDS to report by October 1, 2019, to the Governor and the General Assembly regarding the results of the work group.

COMPENSATION BOARD FY20 LEGISLATIVE ISSUES SHERIFFS AND REGIONAL JAILS

Minimum Standards for Health Care Services in Local and Regional Jails:

HB1918/SB1598 authorizes the Board of Corrections (Board) to establish minimum standards for health care services in local and regional jails and procedures for enforcing such minimum standards, with the advice of and guidance from the Commissioner of Behavioral Health and Developmental Services and State Health Commissioner. The standards are to require that each jail submit a standardized quarterly continuous improvement report documenting the delivery of health care services and improvements made. This proposal was a recommendation of the Joint Commission on Health Care.

HB1942 authorizes the Board of Corrections (Board) to establish minimum standards for behavioral health services in local and regional jails. The bill also includes provisions related to the exchange of medical and mental health information and records, and further provides that the Chairman of the Board of Corrections shall convene a work group including local and regional jail representatives, behavioral health representatives, and other relevant stakeholders to determine the cost of implementing these provisions, with the work group reporting its findings and conclusions by November 1, 2019. Separate budget language related to the extension of mental health pilot projects in six jails also provides for collaboration between the Department of Criminal Justice Services, the Compensation Board and the Board of Corrections to identify the resources required for jails to comply with the forthcoming minimum behavioral health treatment standards to be established by the Board of Corrections, by June 30, 2020.

**COMPENSATION BOARD
FY20 LEGISLATIVE ISSUES
OTHER OFFICES**

**Volunteer Assistant Attorneys
For the Commonwealth:**

SB1686 permits Commonwealth's Attorneys to appoint volunteer assistants in any jurisdiction. Under current law, Commonwealth's Attorneys may only appoint volunteer assistants in cities with a population over 350,000, any city contiguous thereto, and the City of Richmond.

**Use of Private Collections Agents
By Treasurers for Delinquent
Account Collections:**

SB1301 allows a local treasurer to employ private collections agents to assist with the collection of delinquent amounts due to the locality, other than delinquent local taxes. Current law allows only for the collection of delinquent taxes by private collections agents.

**COMPENSATION BOARD
FY20 SPECIFIC BUDGET ISSUES
ALL OFFICES**

Salary Increases:

Funding is included to support a 3% across-the-board salary increase effective July 1, 2019, for all constitutional officers, regional jails and their employees, provided that the governing authority of such employees uses such funds to support salary increases, and general guidance supports that a local salary increase of 3% provided within the current biennium (FY19 and/or FY20) would meet the intent of the language.

New Positions:

With the exception of language providing for the appropriation of additional general funds to support the allocation of 32 positions in Commonwealth's Attorneys' offices, no additional funding or positions were approved by the 2019 General Assembly to address additional staff needs based upon general staffing standards for the offices of Constitutional officers, Regional Jails, or Finance Directors.

Career Development Programs:

The 2019 General Assembly did not approve funding to support additional participation in existing career development programs in FY20. Salary increases for newly funded participation in FY20 will be approved where existing funds have accrued through attrition of former funded participants.

COMPENSATION BOARD FY20 SPECIFIC BUDGET ISSUES ALL OFFICES

Premium Recoveries:

In FY20, The Compensation Board will recover:

- 100% of the cost of premiums paid on behalf of constitutional officers, regional jails, and their employees to the Division of Risk Management (DRM) for the VARISK general liability insurance and surety bond coverage;
- 100% of the unfunded portion of the premium paid to the Virginia Retirement System (VRS) for the retiree health care credit (the unfunded portion represents 38% of the total projected premiums to be paid by the Compensation Board);
- \$80,000 from sheriffs and regional jails to support jail risk management training.

Since FY17, budget language requires the Division of Risk Management (DRM) to identify premium amounts by office, incorporating factors such as claims history, staffing, and average daily jail populations into the methodology for the distribution of premium recovery amounts by office, which can result in significant shifts of cost among offices from year to year. In FY20, the total VARISK general liability premium will increase approximately 9.75% by \$1 million statewide, and every office's proportion of the new total will change somewhat in FY20 based upon these factors; some offices will see an increase of up to 49.75% in their premium amounts, while other offices will see a decrease in their premium amounts.

**COMPENSATION BOARD
FY20 SPECIFIC BUDGET ISSUES
ALL OFFICES**

Salary Increase Non-Supplanting Language:

Language preventing local governments from using Compensation Board funding to supplant local funds provided for salary increases of constitutional officers and their employees on July 1, 2012, under the provisions of Chapter 822, 2012 Acts of Assembly, remains unchanged.

In accordance with the provisions of SB497 from the 2012 Session of the General Assembly (aka Chapter 822, 2012 Acts of Assembly), localities provided a 5% salary increase (unless phasing in) on July 1, 2012 to constitutional officers and their employees to offset the transition of the payment of the 5% member contribution to VRS for retirement premiums from the locality to the employee. Any Compensation Board funded salary increase funds cannot be used to offset the 5% salary increase amount (or phase-in amount) funded by the locality in association with this VRS contribution change.

This language regarding non-supplanting of local funds does not apply to any salary supplement amounts provided by localities that exceed the 5% increase related to the VRS member contribution amount, nor does it apply to employees hired into a Compensation Board funded position after July 1, 2012 (or after July 1, 2010 if locality implemented phase 1 and phase 2 programs at that time).

COMPENSATION BOARD FY20 SPECIFIC BUDGET ISSUES SHERIFFS AND REGIONAL JAILS

**Positions for New or
Expanded Jail Capacity:**

Funding and positions to support the expansion of the Prince William Manassas Regional Jail were included in the budget bill based on an anticipated completion date of March, 2020 with 79 new positions, and were approved by the 2019 General Assembly.

**Automatic Regrades from Grade
7 to 8 for Sworn Deputies:**

Automatic regrades from grade 7 to grade 8 for deputy sheriffs and regional jail officers that occur on the first of the month on or after the one-year anniversary of the date of hire into a grade 7 deputy or officer position are accompanied by a 4.56% salary increase.

Jail Per Diem Payments:

Based on current projections of slight inmate population growth in the next biennium, FY20 funding of \$59.1 million was included in the introduced budget and was approved by the 2019 General Assembly.

Language in the Appropriation Act provides that should funds available for a quarterly per diem payment be insufficient to cover the entire amount of the payment, the payment will be pro-rated accordingly.

Any revisions to the additional funds needed associated with inmate population growth for FY20 will be determined based on updated population forecasting during the fall 2019 budget development process and considered during the 2020 General Assembly session.

**Federal Overhead Cost
Recovery:**

The methodology for recovery of the costs borne by the Commonwealth associated with the housing of federal inmates in local and regional jails (excluding construction costs) remains unchanged in FY20.

COMPENSATION BOARD FY20 SPECIFIC BUDGET ISSUES SHERIFFS AND REGIONAL JAILS

**Nottoway County Funding
For Offenders from Virginia
Center For Behavioral
Rehabilitation:**

Beginning with FY17, the General Assembly has approved funding of \$100,000 in each year to reimburse Nottoway County for incurred costs of confinement of residents of the Virginia Center for Behavioral Rehabilitation arrested for new offenses and housed in Piedmont Regional Jail. Budget language provides for the reimbursement timeline and necessary demonstration of costs incurred for the Compensation Board to reimburse the County.

Withholding of Reimbursements: Since July 1, 2016, the Compensation Board has been authorized to withhold reimbursements due the locality for sheriff and jail expenses if the sheriff fails to self-certify their compliance with information transmittal requirements to the Sex Offender and Crimes Against Minors Registry of the Virginia State Police.

Since July 1, 2007, the Compensation Board has been authorized to withhold reimbursements due the locality for sheriff and jail expenses upon notification from the Superintendent of State Police that there is reason to believe that crime data reported by a locality to the Department of State Police in accordance with § 52-28, Code of Virginia, is missing, incomplete or incorrect.

Upon subsequent notification by the Superintendent that crime reporting data is submitted accurately and/or timely, or upon certification by the sheriff that information transmittals are meeting requirements, the Compensation Board shall make reimbursement of withheld funding due the locality, when such corrections and/or certifications are made within the same fiscal year that funds have been withheld. The Board will review and act upon late data reporting as notified by the Department of State Police on a quarterly and/or annual basis and upon failures to certify compliance with information transmittal requirements on an annual basis.

COMPENSATION BOARD FY20 SPECIFIC BUDGET ISSUES COMMONWEALTH'S ATTORNEYS

**Positions for Staffing Standards,
Assistant Commonwealth's
Attorneys and Administrative
Staff:**

The 2019 General Assembly approved funding and positions for the Compensation Board to allocate an additional 20 assistant commonwealth's attorney and 12 administrative staff positions in accordance with staffing standards, effective July 1, 2019.

Insurance Fraud Prosecutors:

Based on action during the 2017 and 2018 General Assembly sessions, a non-general fund appropriation of \$600,000 and five positions in each year of the biennium from the Virginia State Police Insurance Fraud Fund is provided to allocate and fund multi-jurisdictional Assistant Commonwealth's Attorney positions to prosecute insurance fraud. Allocation of these positions is contingent upon Virginia State Police identification of localities and local agreement to participate in the prosecution of these activities. Currently four of the five additional Assistant Commonwealth's Attorney positions have been allocated in accordance with the recommendations of the Virginia State Police; at this time the fifth position is not recommended for allocation in FY20.

**Local Support for Body Worn
Camera Implementation:**

The 2019 General Assembly approved language based on a recommendation of the 2018 Body Worn Camera study work group establishing guidelines for staffing requirements by localities for Commonwealth's Attorneys' offices to provide funding to support one Assistant Commonwealth's Attorney for every 75 body worn cameras employed by local law enforcement officers, but allows for any locality to implement alternative staff funding with the consent/agreement of the Commonwealth's Attorney. Any agreed upon funding formula between the impacted Commonwealth's Attorney and the locality employing body worn cameras shall be filed with the Compensation Board by July 1, 2019 and shall remain in effect unless modified by the agreement of both parties until June 30th of the following year.

**COMPENSATION BOARD
FY20 SPECIFIC BUDGET ISSUES
COMMONWEALTH'S ATTORNEYS**

**Commonwealth's Attorneys'
Body Worn Camera Study:**

The 2019 General Assembly approved language directing the Secretary of Public Safety and Homeland Security to convene and expand the previous body worn camera workgroup (that was limited to reviewing the impact of body worn cameras on the workload of Commonwealth's Attorneys) to examine the workload impact, as well as other fiscal and policy impacts, on the Commonwealth's public safety and judicial agencies as a whole, to include representatives from the Supreme Court, the Compensation Board, staff of the House Appropriations and Senate Finance Committees, Department of Criminal Justice Services, Commonwealth's Attorneys, local governments, and other stakeholders deemed appropriate by the Secretary. Recommendations of the working group are to be reported to the Chairmen of the House Appropriations and Senate Finance Committees by November 15, 2019, and are to include greater detail from each Commonwealth's Attorney's office in localities that employ body worn cameras regarding hours of footage and hours of redaction, in conjunction with the law enforcement agency using the body worn cameras, as reported to the Compensation Board and the workgroup.

**COMPENSATION BOARD
FY20 SPECIFIC BUDGET ISSUES
OTHER OFFICES**

**Circuit Court Clerks'
Foreclosure Pilot:**

The 2019 General Assembly approved language and \$75,000 in funding for the Williamsburg/James City County Circuit Court Clerk's office to conduct a pilot program to provide an online listing of foreclosures, continued courthouse posting of foreclosures, and to provide notice of foreclosures to the local newspaper for a limited period of time.

**Circuit Court Clerks'
Technology Trust Funds:**

Beginning with FY11, the General Assembly approved a line of credit in the amount of \$8 million each year for budgeting Technology Trust Fund cash in the year in which it is collected. Amounts available for budgeting each fall are based upon any unspent collections from prior years and a projection of incoming cash for the current year, which may be less than the maximum \$8 million level. Reimbursements for expenses incurred cannot exceed actual cash collected during the budget year.

Language providing for the use of Technology Trust Funds (TTF) to offset previous general fund budget reductions continues to designate \$1.98 million of TTF collections each year for this purpose.

**Adjustment to the Career
Development Salary Increase
For Commissioners of the
Revenue:**

The 2019 General Assembly approved adjusting the salary increase for Commissioners of the Revenue currently receiving 4.7% or 7.0% to 9.3% effective July 1, 2019, to be consistent with career development salary increases provided in all other programs.

**Study of the Feasibility of
Allocating Shared Positions:**

Language remains as approved by the 2018 General Assembly directing the Compensation Board to review the feasibility and benefits of allocating positions that can be shared between offices in multiple localities or multiple offices within one locality for small localities that currently have minimal staffing, and to provide recommendations based on this review to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2019 (FY20).

COMPENSATION BOARD FY20 REIMBURSEMENT POLICIES FUNDING LEVELS

OFFICER SALARIES

**Sheriffs/Regional Jails,
Commonwealth's Attorneys,
and Clerks:**

100% of Appropriation Act amount.

**Treasurers and
Commissioners:**

50% of 1980 salary amount plus 100%
of all increases to Appropriation Act amount.

OFFICER BENEFITS

**Sheriffs/Regional Jails and
Commonwealth's Attorneys:**

FICA at 7.65% and VRS retirement at actual rate, not
to exceed 2.13%, paid on 100% of approved salary
amounts. Contributions for VRS Group Life Insurance
will be required in FY20, and reimbursement will be
made at 0.28%.

Clerks:

Benefit rates as stated above, paid on two-thirds of
approved salary amounts.

**Treasurers and
Commissioners:**

Benefit rates as stated above, paid at same
percentage level as officer's salary.

FULL-TIME PERMANENT STAFF SALARIES & TEMPORARY (HOURLY/WAGE) STAFF SALARIES

**Sheriffs/Regional Jails*,
Commonwealth's Attorneys,
and Clerks:**

100% of Compensation Board approved amount.

**Treasurers and
Commissioners:**

50% of Compensation Board approved amount.

*Exception: Reimbursement amounts for Medical, Treatment, Classification, and
Records positions in Sheriffs' offices and regional jails represent 2/3rds of the total salary
approved by the Compensation Board.

**COMPENSATION BOARD
FY20 REIMBURSEMENT POLICIES
FUNDING LEVELS**

**FULL-TIME PERMANENT STAFF BENEFITS
& TEMPORARY (HOURLY-WAGE) STAFF BENEFITS**

**Sheriffs/Regional Jails
and Commonwealth's
Attorneys:**

FICA at 7.65% for full-time staff and hourly staff, and VRS retirement at actual rate, not to exceed 2.13% for permanent staff positions only, paid on 100% of approved salary amounts. Contributions for VRS Group Life Insurance will be required in FY20, and reimbursement will be made at 0.28%.

Clerks:

Benefit rates as stated above, paid on two-thirds of approved salary amounts.

**Treasurers and
Commissioners:**

Benefit rates as stated above, paid on one-half of approved salary amounts.

OFFICE EXPENSES

**Sheriffs/Regional Jails,
Commonwealth's Attorney's,
And Clerks:**

100% of Compensation Board approved amount.

**Treasurers and
Commissioners:**

50% of Compensation Board approved amount.

COMPENSATION BOARD FY20 REIMBURSEMENT POLICIES FUNDING LEVELS

EQUIPMENT

Sheriffs/Regional Jails:

No funding is provided in FY20 for equipment.

Funding previously considered during the budget allocation process for LIVESCAN equipment is now considered on an individual request basis at regularly scheduled Board Meetings.

Commonwealth's Attorneys, Treasurers and Commissioners:

No funding is provided in FY20 for equipment.

Clerks:

Clerks' technology funding requests will be considered by the Compensation Board at its September 2019 Board Meeting after on-line budget requests are submitted in August. A stress factor will not be applied. An estimate of fiscal year 2020 technology trust funds has been provided on the Compensation Board website to assist in automation planning for the upcoming fiscal year.

Based on language approved by the 2010 General Assembly, a line of credit of up to \$8 million will allow the Compensation Board to budget incoming collections in FY20.

Budget language allows for up to \$1.98 million in non-general technology trust funds to be used in each year to offset a like amount of general fund operating budget reductions, that would otherwise impact clerks' staffing funding, from a previous biennium that have not been restored.

COMPENSATION BOARD FY20 REIMBURSEMENT POLICIES FUNDING LEVELS

MEETING AND CONFERENCE EXPENSES

All Officers:

We anticipate continuing to offer programs in FY20 for new officers and lawful employment practices. Reimbursement will continue to be provided for expenses related to attendance at these training programs. Training will also be provided on a monthly basis for COIN (reimbursement and personnel processing system) and LIDS (Local Inmate Data System – per diems). No other funding is available for reimbursement of attendance at non-Compensation Board sponsored training events, although associated expenses may be reimbursed through existing office expense budgets.

SUBSTITUTE PROSECUTOR EXPENSES

**Commonwealth's Attorneys
Only:**

Direct reimbursement of travel expenses is provided to all Commonwealth's Attorneys and assistant Commonwealth's Attorneys not requesting hourly rate reimbursement.

Reimbursement of hourly rate fees, not to exceed \$50 per hour, plus expenses, only provided for "part time" Commonwealth's Attorneys or assistants.

EXCEPTION TO TREASURERS' FUNDING LEVELS

100% of all Compensation Board approved expenses are reimbursed for Treasurers in the cities of Colonial Heights, Lynchburg, and Richmond. Two-thirds of all Compensation Board approved salary and office expenses are reimbursed for Treasurers in the cities of Danville, Petersburg, and Williamsburg.

COMPENSATION BOARD FY20 REIMBURSEMENT POLICIES FUNDING LEVELS

JAIL PER DIEM PAYMENTS

Per Diem Payments:

Funding rates established to compensate localities for the costs of housing inmates remain unchanged in FY20. The per diem rates for offenders that are arrested on a state warrant are, as required by law: \$4 for local responsible inmates housed in a local or regional jail, and \$18 for such inmates housed in a jail farm; \$12 for all state responsible inmates housed in all jail facilities.

Federal Overhead Recovery:

Language is included in the Appropriation Act for the recovery of the federal and out-of-state share of all state-funded costs including personnel, non-personnel (excluding construction costs), vehicle expenses, and grants, based upon the number of federal and out-of-state inmates housed in jail on a per day basis. The Compensation Board determines the overhead recovery amount based upon the per day state revenues provided in the most recent available Jail Cost Report, and will deduct it from the quarterly per diem payment for state and local inmates. Jails that are not owed sufficient quarterly per diem amounts against which to recover the overhead amount will be required to submit a payment to the Compensation Board in the amount that the overhead cost exceeds the per diem payment amount.

Emergency Medical Expenses:

The Compensation Board may reimburse localities for costs of emergency medical care incurred outside the jail for state responsible inmates overdue for transfer to the Department of Corrections, not to exceed \$377,010 per year statewide. The Compensation Board approves and reimburses in November and May of each fiscal year expenses incurred in the previous six months.