

## **OVERVIEW OF COMPENSATION BOARD FY22 BUDGET PRIORITIES AND POLICIES**

### **New Positions, FY22**

- **New Positions:** Additional positions and funding have been approved by the 2021 General Assembly for FY22, as follows:
  - 29 new court services deputy sheriff positions;
  - 19 Assistant Commonwealth's Attorney positions and 10 paralegal and administrative positions in Commonwealth's Attorneys' offices;
  - 14 deputy clerk positions to establish a minimum of three staff positions in each Circuit Court Clerk's office.

A limited number of deputy sheriff, deputy circuit court clerk and deputy finance director positions available through the position reallocation policy will be reallocated in FY22. No other constitutional officer programs have funded positions available for reallocation in FY22.

- Additional positions have been approved by the 2020 General Assembly for FY22 for staffing a jail expansion project scheduled for completion in FY22. Jail related positions for expanded capacity have been allocated in accordance with funding approved by the General Assembly for FY22 as follows:
  - 107 new positions for staffing an expansion project for the Henry County Jail with funding effective January 1, 2022.

### **Permanent Salaries, FY22**

- **FY22 Salaries:** The FY22 budget provided on May 1, 2021, provides the base salary amounts approved for FY22, effective July 1, 2021.

The 2020 General Assembly passed legislation and approved funding to increase the minimum wage from \$7.25/hour to \$9.50/hour effective May 1, 2021, and to \$11.00/hour effective January 1, 2022. Although the current minimum salary on the Compensation Board's classification and pay plan exceeds or will exceed each new minimum salary level in FY22, any position with a Compensation Board salary that is currently underfunded with a salary set at less than \$19,760 will be affected by this language, and will be increased in accordance with the approved legislation effective May 1, 2021 (FY21). Any positions remaining underfunded with a salary set at less than \$22,880 as of January 1, 2022 will be increased effective January 1, 2022.

**Salary Increases during FY22:** Salary increases for specific constitutional office staff have been approved by the 2021 General Assembly for FY22, as follows:

- Specific increases to entry level regional jail officers to match an increase previously provided for entry level deputy sheriffs - \$897 for each entry level jail officer with less than one year of service (grade 7) and \$938 for those with more than one year of service (grade 8) in a Compensation Board funded entry level jail officer position;
- Specific increases to Compensation Board funded Circuit Court Clerks' staff positions in Pay Bands 1 and 2 to address pay equity with district court clerk positions by increasing the Compensation Board entry-level salary and increasing salaries for positions with current salaries below the new entry-level of \$30,660 (\$32,193 after 5% increase on 7/1/21);
- Specific increases to deputy and staff salaries in Treasurers' offices through re-funding approximately 50% of salaries of underfunded positions and re-funding salaries of 10% of unfunded positions to the entry-level salaries of their current pay band;
- Specific increases to deputy and staff salaries in Commissioners of the Revenue's offices through re-funding 100% of salaries of underfunded positions and re-funding salaries of 10% of unfunded positions to the entry-level salaries of their current pay band.

Funding for a salary increase of 5% effective July 1, 2021 has been approved by the 2021 General Assembly for FY22 for all constitutional officers and their Compensation Board funded employees, provided the governing authority of such employees uses such funds to support salary increases. The Compensation Board will increase the minimum and maximum salaries of its pay bands for constitutional officer employees by 5% effective July 1, 2021.

- **Population-Based Salary Increases for FY22:** Based on 2021 population estimates provided by the Weldon Cooper Center for Public Service, Warren County has met a locality population based threshold of 40,000. Based upon this change, the salaries of the Sheriff, Circuit Court Clerk, Treasurer and Commissioner of the Revenue serving this locality have been adjusted to reflect an increase effective July 1, 2021, based on authorizing language contained in the 2021 Appropriation Act. The salary of the Commonwealth's Attorney is not affected by this population based threshold change.
- **Automatic Regrades from Grade 7 to 8 for Sworn Deputies and Jail Officers (RBL):** Automatic re-grades from grade 7 to grade 8 for deputy sheriffs and regional jail officers occur on the first of the month on or after the one-year anniversary of the date of hire into a grade 7 position and are accompanied by a 4.56% salary increase.

### **Career Development Programs, FY22**

The 2021 General Assembly did not approve funding to support additional participation in any career development program in FY22. However, salary increases for newly funded participation in FY22 are approved effective July 1, 2021 in some cases where existing funds have accrued through attrition of former funded participants. Salary increases for newly funded participants using existing program

funding through attrition are included in the salaries listed in the FY22 budget provided on May 1, 2021.

- **Sheriffs' Career Development Programs:** The Career Development Program includes two tracks: one for sheriffs whose offices are accredited by certain law enforcement standards committees/associations and one for sheriffs achieving certification with Virginia Commonwealth University. For FY22, 46 officers have qualified for the Career Development Program and have received a 9.30% salary increase effective July 1, 2021, including 4 newly funded officers using funds from attrition of former participants.
- **Master Deputy/Jail Officer Programs:** The 2013 General Assembly eliminated language that suspended the Master Deputy/Jail Officer programs and restricted participation to pre-2010 participants, and restored some previously reduced funds allowing participation at reduced levels using attrition funding. The 2017 General Assembly approved additional funding for further participation in the programs, allowing for full funding of the program for pre-2010 participating offices and for new offices certifying their participation through FY22.

For future participation by additional offices, budget language still requires that any office wishing to opt-in to participate in the Master Deputy/Jail Officer programs will need to notify the Compensation Board by July 1 that they have established the Program in their office, recognizing that additional funds will need to be requested for appropriation to the Compensation Board by the General Assembly.

- **Career Prosecutor Program:** The 2013 General Assembly eliminated language that suspended the program and restricted participation to pre-2010 participants, and restored some previously reduced funds. A total of 114 Career Prosecutors continue to be funded in the program in FY22, and 12 new Career Prosecutors are funded in the program in FY22 effective July 1, 2021 using available attrition savings. Existing funding is insufficient to fund 24 Career Prosecutors newly certified by the Commonwealths' Attorney for FY22.
- **Treasurers and Commissioners of the Revenue Career Development Programs:** The 2013 General Assembly eliminated language that suspended the programs and restricted participation to pre-2010 participants, and restored some previously reduced funds. A total of 68 Treasurers and 64 Commissioners continue to be funded in the programs in FY22, and 3 new Treasurers and 2 new Commissioners are funded in the programs in FY22 effective July 1, 2021 using available attrition savings. Existing funding is insufficient to fund 6 Treasurers newly certifying for FY22, and 2 Commissioners newly certifying for FY22.
- **Deputy Treasurers and Deputy Commissioners of the Revenue Career Development Programs:** The 2013 General Assembly eliminated language that suspended the programs and restricted participation to pre-2010 participants, and restored some previously reduced funds. A total of 196 Deputy Treasurers and 177 Deputy Commissioners continue to be funded in the programs in FY22 and 20 new Deputy Treasurers and 8 new Deputy Commissioners are funded in the program in FY22 effective July 1, 2021 using available attrition savings. Existing funding is insufficient to fund 23 Deputy

Treasurers and 74 Deputy Commissioners newly certified by their Officers for FY22.

- **Circuit Court Clerks' Career Development Plan:** A total of 30 Circuit Court Clerks continue to be funded in the program in FY22, and no new Circuit Court Clerks are funded in the program in FY22 effective July 1, 2021 using existing program funding. Existing funding is insufficient to fund 2 Circuit Court Clerks newly certifying for FY22.
- **Deputy Circuit Court Clerks Career Development Plan:** A total of 76 Deputy Circuit Court Clerks continue to be funded in the program in FY22, and 8 new Deputy Circuit Court Clerks are funded in the program in FY22 effective July 1, 2021 using existing program funding. Existing funding is insufficient to fund 100 Deputy Circuit Court Clerks newly certified by their Clerk for FY22.

### **Other Funding Items, FY22**

- **Technology Trust Funds:** Appropriation Act language provides for the use of \$0.98 million of Technology Trust Funds (TTF) in FY22 to offset previous general fund budget reductions. The 2021 General Assembly approved an additional \$1.0 million GF to reduce the amount of TTF used to offset previous budget reductions from \$1.98 million to \$0.98 million per year beginning in FY22. The Compensation Board will continue to offset general operating budget reductions by this amount in FY22.
- **Office Equipment Funding:** No funding has been provided for office equipment in the approved budget for Constitutional Officers for FY22. For Sheriffs and Regional Jails, requests for Livescan/upgrades previously considered by the Compensation Board through the budget approval process will now be considered on an individual basis and presented as a docket request item at the Compensation Board's regularly scheduled monthly board meetings. Sheriffs and Superintendents are reminded that the Board may consider one-time transfers of an office's accrued vacancy savings to fund its livescan/upgrade needs. (Note for Clerks: Technology Trust Funds are not a part of your base budget funds and budgeting is handled separately in the months of August and September).
- **Training Events:** Additional allowance funding is not available for the reimbursement of attendance at non-Compensation Board-sponsored training events such as VALECO and the Association's annual meeting. However, attendance at these events is considered a reimbursable expense if funds are available in your budget. All Officers will continue to be reimbursed for the approved travel-related expenses associated with attending Compensation Board-sponsored training events such as Lawful Employment and New Officer Training.

## **Transfer Policy, FY22**

- **Vacancy Savings:** Policies restricting transfers of accumulated vacancy funds to other budget categories for one-time use for all Constitutional Officers are not required for FY22 at this time.
  - Officers who wish to leave permanent positions vacant for the entire fiscal year and transfer the funds to temporary salaries or office expenses should submit their requests to the Compensation Board not later than July 9 for Compensation Board action on July 22. Offices requesting to transfer annual salary amounts for medical and food service contracts must provide information regarding the costs of such contracts.
- **Turnover:** Turnover funds are not currently restricted and can be used by all offices for restoration to prior base salary amounts for positions with salaries reduced due to previous across-the-board budget reductions, through April 15, 2022 and prior to the May 1 setting of the budget for a subsequent fiscal year.
- **Base transfers:** Base budget transfers of turnover funds to other budgeted categories may be considered under special circumstances in FY22. Base budget transfers within other budget categories can be requested by all offices but require Compensation Board action.
- **One-time transfers:** One-time transfers can be made by all offices as follows:
  - From Vacancy Savings, Temporary or Office Expenses to Equipment (not in the base) but transfers require Compensation Board action;
  - Between Temporary and Office Expenses or from Vacancy savings to one of these categories, not to exceed \$10,000 per month (not in the base); amounts requested for transfer above \$10,000 per month require Compensation Board action.

## **Other Funding Policies, FY22**

- **5% Salary Amount and Transition of 5% VRS Member Contribution to Officer/Employee related to Chapter 822, 2012 Acts of Assembly (SB497 of 2012 General Assembly) – Non-Supplanting Language:** While not a matter of Compensation Board policy, during the reconvened session of the 2013 General Assembly, a Governor's amendment was approved preventing local governments from using Compensation Board funding to supplant local funds provided for the salaries of constitutional officers and their employees under the provisions of Chapter 822, 2012 Acts of Assembly, who were affected members in service on June 30, 2012. 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 "plan 2" employees have been required to pay their own 5% member contribution since that time).

- **Required Data Submissions:** Language was approved by the 2014 General Assembly requiring that all law enforcement agencies receiving funding from the Compensation Board (including local and regional jails) provide the necessary data and meet the necessary data requirements to participate in the Statewide Automated Victim Information and Notification System (SAVIN), administered for the Commonwealth's jails through the Virginia Center for Policing Innovation.
- **Constitutional Officers' VRS Retiree Health Care Credit Premium Recovery:** Included in the Appropriation Act for FY22 is continued language requiring that 100% of the unfunded amount of the Compensation Board's payment for the retiree health care credit premium on behalf of Constitutional Officers and their employees to the Virginia Retirement System be recovered from payments made to localities. The recovery amount is estimated at a statewide total of \$922,755 and the Compensation Board is appropriated base funding of just under \$1.71 million in FY22 to pay the difference between the recovery amount and the estimated premium amount of \$2.63 million in FY22. Distribution of the recovery amount for the retiree health care credit is based upon a prorated amount projected for each office based upon prior year actual costs, and does not include recoveries on behalf of Directors of Finance, Regional Jails, or localities not participating in the Virginia Retirement System. Changes in estimated costs for FY22 based upon actual FY21 costs may result in a change to each office's estimated recovery amount. Each office's related cost is anticipated to be recovered from the July payroll reimbursement amount prior to fund transfer to the locality.
- **Division of Risk Management Liability Insurance/Surety Bond Premium Recovery:** Included in the Appropriation Act for FY22 is continued language requiring that 100% of the amount of the Compensation Board's payment for liability insurance and surety bond premiums on behalf of Constitutional Officers and their employees to the Division of Risk Management (DRM) be recovered from payments made to localities. Language approved by the 2016 General Assembly requires that DRM identify premium amounts by office, incorporating factors such as claims history, staffing, and average daily jail populations, and results in a different distribution of premium recovery amounts by office than the previous distribution based upon staffing levels. For FY22, the total VARISK general liability premium will remain unchanged, however, every office's proportion of the total will change somewhat in FY22 based upon these factors; some offices will see an increase in their premium amounts, while other offices will see a decrease. Estimates of the FY22 recovery amounts reflecting these changes were provided on March 12, 2021. Each office's related cost is anticipated to be recovered from the July payroll reimbursement amount prior to electronic transfer of funds to the locality. However, budget language allows for recoveries to occur in more than one month if necessary.

- **Body Worn Camera Local Funding Language:** 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 of each year and shall remain in effect unless modified by the agreement of both parties until June 30th of the following year. Additional information regarding reporting for this requirement and additional workload impact data collection requirements for Commonwealth's Attorneys and local law enforcement agencies for FY22 will be provided in a separate communication.
  
- **Withholding of Reimbursements:** Language in the Appropriation Act provides that the Compensation Board is 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 the data is accurate, the Compensation Board shall make reimbursement of withheld funding due the locality when such corrections are made within the same fiscal year that funds have been withheld.
  - **Withholding language** was also approved by the 2015 General Assembly and amended by the 2016 General Assembly to provide that the Compensation Board is also authorized to withhold reimbursements due the locality for sheriff and jail expenses if a Sheriff fails to self-certify his or her compliance with the information transmittal requirements for the Sex Offender and Crimes Against Minors Registry. Any funds withheld shall be reimbursed once the Sheriff makes the proper certification regarding compliance when the certification is made within the same fiscal year that funds have been withheld.
  
- **June Payroll Shift:** Based upon action by the 2002 General Assembly, the Compensation Board's reimbursement cycle for fiscal year payroll and expenses has permanently changed. While the Compensation Board has always reimbursed expenditures one month in arrears, prior to FY02 it included an accelerated schedule in June to reimburse both May and June expenditures prior to the end of the fiscal year. In FY02, localities did not receive a reimbursement for June expenditures. Instead, June 2002 expenditures were reimbursed in the month of July 2002, or the beginning of FY03. In FY03, localities received reimbursements for the months of June through May. Since FY04, this reimbursement schedule has remained the same, with localities receiving reimbursement payments for the months of June through May in the months of July through June. This has not changed the budget cycle for the fiscal year, however, which is still established on a fiscal year cycle, beginning July 1 and ending June 30. Because of this

change, officers should keep in mind that expenditures in the month of June of each year will be reimbursed out of budgeted funds available for the following fiscal year and could result in a delay in reimbursement of expenditures in the later months of the fiscal year.

### **Requests for Additional Compensation Board Funding**

- Due to funding limitations, requests for additional funding in any budget category are unlikely to be approved during FY22. The Compensation Board reserves the right to make future budget adjustments as may be necessary to limit expenditures in the case of reduced appropriation balances that emerge at a later date.

### **Exceptions**

- The Compensation Board will consider exceptions to these policies upon written request of Constitutional Officers, Finance Directors or Jail Superintendents.

If you have further questions, please contact a member of the Compensation Board staff:

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