

2013 BUDGET ISSUES FOR VIRGINIA'S TREASURERS

**Senate Finance General
Government Subcommittee**

January 29, 2013

TREASURERS: SNAPSHOT

- 125 principal officers, elected pursuant to Constitution
- 735 Compensation Board-authorized deputies
- By statute, deputy costs are split 50-50 with locality; in fact, unfunded state share is presently ***\$5.7 million per year***
- Collect state & local taxes/revenues
- State functions include income tax, DMV satellite offices, pilot program for collection of delinquent state taxes

***ISSUE #1:* CONTINUATION OF CAREER DEVELOPMENT FUNDING PROVIDED IN 2012 SESSION**

Career Development background

- Program legislatively created by money committees in 2002 to retain experienced deputies, promote professional development; similar to Master Deputy Sheriff, Career Prosecutor programs
- Rigorous coursework, testing administered by Cooper Center for Public Service, U.Va.
- Provides small salary bump for those who earn certification (state pays only the state share of this bump – 50% for deputies)
- Funding frozen since 2008 – at this time last year, there were more than 110 treasurers & deputies who had qualified but were unfunded, most for years

PARTICIPANTS NEWLY FUNDED IN 2012 WILL SUFFER SALARY **CUT** ON JULY 1

- 2012 Session provided first-year money sufficient to fund **55** treasurers and deputies who had been waiting for years
- Governor's Budget Bill does not include second-year funding
- Without small appropriation (\$72,204), these 55 treasurers and deputies will suffer a 9.3% salary **cut** on July 1.

LOCALITIES WITH OFFICERS WHO WILL SUFFER SALARY CUTS (* = 2 or more)

- **Campbell***
- **Caroline***
- **Charlottesville**
- **Craig**
- **Culpeper**
- **Fauquier***
- **Fredericksburg**
- **Giles***
- **Hampton**
- **Hanover**
- **Henry***
- **Highland**
- **Hopewell***
- **King & Queen**
- **Lancaster**
- **Manassas**
- **Manassas Park**
- **Mathews**
- **Middlesex**
- **Newport News***
- **Orange**
- **Portsmouth***
- **Powhatan***
- **Prince Edward**
- **Richmond Co**
- **Roanoke City***
- **Roanoke Co**
- **Rockingham***
- **Shenandoah***
- **Stafford**
- **Suffolk**
- **Surry**
- **Tazewell***
- **Virginia Beach***
- **Wise***
- **York**

ISSUE #2: CAREER DEVELOPMENT FUNDING FOR THOSE PREVIOUSLY QUALIFIED

- In addition to those funded in 2012, there are another **62** officers who have qualified and have been waiting for several years
- In reliance on the Program, they have taken the same coursework, passed the same tests, and met the same qualifications as those who receive the benefit – but received nothing.
- Small appropriation (\$133,911) will cover all 62 of these officers.

LOCALITIES WITH OFFICERS WHO WILL IMMEDIATELY BENEFIT (* = 2 or more)

- | | |
|-----------------------|------------------------|
| ■ Amelia | ■ New Kent |
| ■ Bedford* | ■ Norfolk* |
| ■ Charlotte* | ■ Northumberland |
| ■ Charlottesville | ■ Patrick |
| ■ Chesterfield | ■ Portsmouth* |
| ■ Clarke | ■ Prince George |
| ■ Colonial Heights* | ■ Richmond Co* |
| ■ Dinwiddie | ■ Roanoke City |
| ■ Falls Church | ■ Roanoke Co |
| ■ Gloucester | ■ Southampton* |
| ■ Grayson | ■ Spotsylvania* |
| ■ Greenville | ■ Stafford* |
| ■ Hampton | ■ Suffolk* |
| ■ Harrisonburg* | ■ Tazewell |
| ■ King & Queen* | ■ Virginia Beach* |
| ■ Lancaster | ■ Warren* |
| ■ Lunenburg | ■ Washington |
| ■ Madison* | ■ Wise |
| ■ Mecklenburg* | ■ York* |

ISSUE #3: SALARY ADJUSTMENT

- Treasurers join in the request to consider an across-the-board salary adjustment for these offices.
 - There have been no funds for raises for five years.
 - Constitutional office employees have not received the one-time bonuses provided to state employees.
 - Health care costs have risen significantly.
- An entry-level deputy treasurer makes **\$19,856/year**.
- At this level, these employees fall only **\$15** above the qualifying level for food stamps for a household of two (that is, employee and spouse)
- A household of three (officer, spouse and one child) would fall more than **\$400 below** the level necessary to qualify for food stamps.

ISSUE #4: BEGIN RESTORATION OF STATE SHARE OF OFFICE OPERATING COSTS

- Cumulative budget cuts over recent biennia now total **\$5.7 million per year** in unfunded state share of treasurer office operations costs
- To place this in context, this is the equivalent of the state share of funding for over **550** deputy treasurers; the state share for one deputy is only slightly over \$10,000, because the cost is split 50-50 with the locality.
- Localities have been forced to absorb this state responsibility.
- It is important to **start** the restoration; we propose a 15% restoration in FY14, with the hope that 15% to 20% can be restored in succeeding years.