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From: Luck, Charlotte (SCB) [Charlotte.Luck@scb.virginia.gov]
Sent: Monday, September 21, 2009 7:59 AM
To: SCB - All Users - (SCB)
Subject: Governor's FY10 Budget Reduction Plan Implementation

September 21, 2009

EMAIL MEMORANDUM

To: Constitutional Officers, Regional Jail Superintendents
From: Robyn de Socio, Executive Secretary
Subject: Governor's FY10 Budget Reduction Plan Implementation

Governor Kaine announced on September 8 his FY10 Budget Reduction Plan to address a \$1.35 billion shortfall in funding for the current fiscal year, and on September 16 the Compensation Board approved plans for the implementation of the designated reductions. The Governor's full reduction plan can be located on the web at <http://www.dpb.virginia.gov/forms/20090908-1/Reductions2010.PDF>.

For FY10 funding for constitutional officers, two overall strategies impacting all constitutional officers were included in the FY10 reduction plan and will be implemented by the Compensation Board – across-the-board reductions, and the conversion of the 90 day vacancy freeze and restrictions on the use of vacancy savings to additional across-the-board reductions. The combination of these two reduction plans results in overall across-the-board reductions to be implemented in the following approximate percentages:

Sheriffs and Regional Jails: 6.9%
Commonwealth's Attorneys: 9.9%
Circuit Court Clerks: 15.6%
Treasurers, Finance Directors, Commissioners: 17.6%

These reduction amounts are based upon the budgets set by the Compensation Board on May 1 for FY10, excluding the salaries of the elected constitutional officers. Spreadsheets identifying the budget reduction amounts for each office are available at the following links:

Sheriffs/Reg Jails: <http://www.scb.virginia.gov/docs/budgetreductionssheriffs.pdf>
Comm Attorneys: <http://www.scb.virginia.gov/docs/budgetreductioncas.pdf>
Clerks: <http://www.scb.virginia.gov/docs/budgetreductionclerks.pdf>
Treasurers: <http://www.scb.virginia.gov/docs/budgetreductiontreasurers.pdf>
Finance Directors: <http://www.scb.virginia.gov/docs/budgetreductiondofs.pdf>
Commissioners: <http://www.scb.virginia.gov/docs/budgetreductioncors.pdf>

These budget reduction amounts are identified as a bottom-line budget adjustment, and not an adjustment to specific line items or salaries in the budget. Reduced authorized amounts for reimbursement will be adjusted through the COIN budget and reimbursement balance screens and will be identified on the Compensation Board's budget webpages.

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Because the budget has been adjusted at the overall authorized level (although not reflected in detailed salary and budgetary line items), local governments cannot be obligated by Compensation Board action to fund the amounts that have been reduced from each office's reimbursable budget balance. Offices have the flexibility to work with their localities to identify means to reduce their reimbursement requests to the Compensation Board to reflect the necessary savings amounts during the course of the fiscal year. As the budget in COIN will reflect a reduced authorized budget, officers that do not achieve savings by seeking reduced reimbursement during the year will cease receiving reimbursement payments when all authorized budgeted funds have been reimbursed in the fiscal year.

Should reductions be approved by the 2010 General Assembly as a base, across-the-board reduction for FY11, a process to reduce officer budgets at the individual salary, position and line item level will be included as a part of the budget development process for FY11 in the spring of 2010.

Beginning on October 1, modifications will be available in COIN and web-based budgets identifying reduction amounts and vacancy savings screens in COIN will display currently available vacancy fund amounts available to meet budget reduction amounts. All offices will be able to fill any positions that become vacant without delay, or will be able to use the full amount of vacancy savings from the empty position to meet their targeted reduction. Any officer that has vacancy savings in their office from vacancies that have already occurred will be able to use those funds to meet their targeted reduction. Additional information regarding COIN modifications to assist in the implementation of budget reductions by officers will be available in the coming weeks.

Additional questions regarding the Governor's Budget Reduction Plan for offices and Compensation Board implementation can be directed to your Compensation Board technician, Charlene Rollins, Charlotte Luck, or me.

C: Governing Bodies
 Compensation Board Members
 Compensation Board Staff