

Commission on Local Government

Estimate of Local Fiscal Impact

2022 General Assembly Session

Bill: HB56

Special Session:

Patron: Wiley

Date: 1/19/2022

In accordance with the provisions of §30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of the above-referenced legislation:

Bill Summary:

Pensions; enhanced retirement benefits for juvenile detention specialists. Requires each political subdivision participating in the Virginia Retirement System and each county or city participating in the Virginia Retirement System to provide retirement benefits comparable to the benefits provided to state police officers to juvenile detention specialist

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### Executive Summary:

Localities evaluated a negative fiscal impact ranging from \$0 - \$0.23 million.

Most of the responding localities reported a fiscal impact of \$0, as they do not employ juvenile detention specialist or similar positions. For the localities which did reported a fiscal impact, the cost stems from increases in employer payments towards those employee's retirement, due to the increase in employer contribution rates. However, those localities also reported a minimal fiscal impact, as the cost of juvenile detention are frequently shared between localities or require a relatively low number of employees relative to the local government's workforce.

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### Local Analysis:

**Locality:** Amherst

**Estimated Fiscal Impact:** \$1,000.00

We participate in a regional juvenile detention home. There would be an increase to our share but a 10% increase would only equate to approximately \$1,000.

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Locality: Augusta County

Estimated Fiscal Impact: \$0.00

It appears from the bill that the duties of the specialist will be similar to that of a juvenile corrections officer. Is this a change in title only?

If the duties are similar, then similar retirement benefits are warranted.

I don't see the cost being significant for the County as we are part of a regional commission.

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**Locality:** Chesterfield County

**Estimated Fiscal Impact:** \$283,500.00

Increased VRS benefits would impact an estimated 44 employees in Chesterfield County. The change in employer contributions to VRS as a result of the increased benefit rate would total \$283,500 on an annual basis.

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Locality: City of Alexandria..

Estimated Fiscal Impact: \$200,000.00

\$200,000 per year

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**Locality:** City of Danville

**Estimated Fiscal Impact:** \$0.00

Danville does not participate in VRS. However, to keep pace with VRS, this could be an additional \$250,000 yearly. This also includes adding our Adult Detention specialists for equity.

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Locality: City of Manassas

Estimated Fiscal Impact: \$5,000.00

The City of Manassas does not directly employ juvenile detention specialists. This is a shared service with Prince William County and the City pays per usage of the detention center. While the expense will increase, we expect it to be minimal.

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**Locality:** City of Roanoke

**Estimated Fiscal Impact:** \$0.00

The City of Roanoke would not be impacted because the VRS SPORS supplement is higher, however, this multiplier is lower.

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Locality: City of Virginia Beach

Estimated Fiscal Impact: \$0.00

Assuming this applies to juvenile detention counselors as well as specialists, Virginia Beach has 50 juvenile counselors. It would be impossible to determine financial impact due to number of variables including number of years of service, retirement date, salary, etc. It is estimated that the impact would be minimal.

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**Locality:** City of Winchester

**Estimated Fiscal Impact:** \$0.00

City of Winchester is supportive of this change, No immediate budgetary impact, only impact could possibly on our future OPEB liability.

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Locality: County of Albemarle

Estimated Fiscal Impact: \$0.00

HB 56 will likely increase the juvenile detention center's employer contribution rate as this bill increases the benefits to participants. A more enriched retirement plan increases the plan's liability resulting in an increase in the employer rate/contribution. An actuarial analysis will need to be conducted for a more accurate estimate of costs.

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**Locality:** County of Bland

**Estimated Fiscal Impact:** \$0.00

Bland County, due to our small size, does not employ any juvenile detention specialists.

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Locality: County of Mecklenburg

Estimated Fiscal Impact: \$0.00

Our county does not operate a detention home or secure facility.

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**Locality:** Martinsville

**Estimated Fiscal Impact:** \$0.00

No impact, since we do not have these positions on staff.

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Locality: Montgomery County

Estimated Fiscal Impact: \$0.00

no juvenile detention specialists

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**Locality:** Norfolk

**Estimated Fiscal Impact:** \$300,000.00

Fiscal impact will be minimal at first due to the current employer contribution rate for all political subdivisions. As Norfolk is in the beginning of the VRS transition, we have a very limited VRS population so adding up to 54 hazardous duty employees, the impact will be negligible in the near future. In the long term, once the VRS population is greater and if we were to add 54 hazardous duty members, the impact will be greater for the reason that the hazardous duty member benefit calculations are greater.

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Locality: Nottoway County

Estimated Fiscal Impact: \$0.00

Nottoway County currently does not staff a Juvenile Detention Specialist and there is no change expected in the near future.

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**Locality:** Prince George County

**Estimated Fiscal Impact:** \$17,000.00

Prince George County does not locally employ juvenile detention specialists, but utilizes Crater Youth Care Commission. We requested estimated cost from CYCC, but did not receive a response (they may not be aware of rate to use). We estimated impact at a 5% increase over current contribution at approximately \$17,000.00.

**Locality:** Richmond County

**Estimated Fiscal Impact:** \$0.00

n/a

**Locality:** Town of Blacksburg

**Estimated Fiscal Impact:** \$0.00

The Town does not have juvenile detention specialists.

**Locality:** Town of Chincoteague, Inc

**Estimated Fiscal Impact:** \$0.00

The Town does not now or intend in the future to employ juvenile detention specialists.

**Locality:** Town of Christiansburg

**Estimated Fiscal Impact:** \$0.00

This would not have a direct fiscal impact on the Town of Christiansburg, but would impact Montgomery County as part of the New River Valley Juvenile Detention Commission.

**Locality:** Town of Leesburg

**Estimated Fiscal Impact:** \$0.00

The Town does not operate any juvenile detention centers.

**Locality:** Town of Luray

**Estimated Fiscal Impact:** \$0.00

The Town does not operate a jail or juvenile facility, however the impact on our County would be high.

**Locality:** Town of Marion.

**Estimated Fiscal Impact:** \$0.00

Town does not have this position

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Locality: Town of Scottsville

Estimated Fiscal Impact: \$0.00

This bill has no direct fiscal impact upon the Town of Scottsville or similarly situated small towns.

Juvenile detention is usually budgeted at the county level, or regionally through an authority. Our town is not a fiscal partner in the budgeting for the J.D. services in our region. The bill might increase personnel costs, but the Town does not contribute to this budget.

Enhancing the benefits might increase retention and decrease turnover among staff, enhancing services from which the Town benefits.

I do not know if some large towns have a different arrangement with their counties, or operate these services on their own. I believe Scottsville's zero-impact case is common for small towns.

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