

FISCAL NOTE

STATE OF ALASKA
2001 LEGISLATIVE SESSION

Fiscal Note Number: 5
 Bill Version: CSSB 145 (JUD)
 (S) Publish Date: 4/23/01

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title: An Act relating to the expansion of the Village BRU: VPSO Program
public safety officer program to include the provision of . . . Component: VPSO/contracts
 Sponsor: Senator Halford
 Requester: Senate Finance Committee Component Number: 516

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	165.6	331.3	331.3	331.3	331.3	331.3
Travel	4.7	9.4	9.4	9.4	9.4	9.4
Contractual	127.7	32.7	32.7	32.7	88.7	32.7
Supplies	29.2	7.6	12.3	7.6	23.8	12.3
Equipment						
Land & Structures						
Grants & Claims	779.9	779.9	779.9	779.9	779.9	779.9
Miscellaneous						
TOTAL OPERATING	1,107.1	1,160.9	1,165.6	1,160.9	1,233.1	1,165.6

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	1,006.0	1,160.9	1,165.6	1,160.9	1,233.1	1,165.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
1007 I/A Receipts	101.1					
TOTAL	1,107.1	1,160.9	1,165.6	1,160.9	1,233.1	1,165.6

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

POSITIONS

Full-time	4	4	4	4	4	4
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See attached pages for line-item details by section.

In FY2002 one-time federal grant funding will be available to cover training and equipment related costs including: ALETS Academy, boat lease/purchases, snowmachines and four-wheelers.

Prepared by: Ken Bischoff, Director Phone 465-5488
 Division: Administrative Services Date/Time 4/18/01 12:00 AM
 Approved by: Glenn Godfrey, Commissioner Date 4/18/01
 Agency: Department of Public Safety

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SB 145 makes two significant changes to the current Village Public Safety Officer (VPSO) program. First, VPSO program is amended to specifically incorporate probation and parole activities. Secondly, VPSOs would be made members of the Public Employees' Retirement System (PERS). The bill will also create a new Regional Public Safety Officer job class.

Note: Fiscal note was developed based upon the assumption that all provisions of the bill are fully funded. To the extent program changes under Sec. 4 – 8 are not funded, the VPSO program will necessarily experience a reduction in funded positions and/or direct services provided.

Sec. 2 of the bill expands the Village Public Safety Officer (VPSO) program to include probation and parole supervision to persons under supervision of the Department of Corrections (DOC). VPSOs will be required to communicate with and monitor the activities and progress of these persons at the direction of DOC probation and parole officers. Chapter 137 SLA 98 provided \$115,000 to establish a Pilot Project within the VPSO program to provide probation and parole supervision through the Bristol Bay Native Association (BBNA) and their eleven (11) VPSOs. \$20,000 was provided to train the 11 VPSOs on Probation/Parole supervision duties and \$95,000 for direct compensation. The pilot program has been continued through FY2000 and FY2001 with level funding.

	Personal Services	Indirect Costs	Total	Employees	Grand Total
Per VPSO Cost	\$ 6,784	\$ 1,843	\$ 8,627	11	\$ 94,987

Based on current contract with BBNA for 11 VPSOs (in bold above). Total contract is for \$94,897

SB 145 proposes to expand the VPSO oversight program to the other eight (8) regional non-profits who collectively employ 73.5 VPSOs. Using the same rate of compensation developed for the pilot program noted above, a statewide program will require \$634.1 in additional funding.

New 8 VPSO Programs compensation:

Native Corporations	APIA	AVCP	CHUG	KANA	KAWA	MANI	TCC	THCC	TOTAL
VPSOs	5.5	26	3	5	10	7	10	7	73.5
VPSO Personal Services	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	\$ 6,784	
Individual Indirect Costs	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	\$ 1,843	
Total for Personal Services	\$37,312	\$176,384	\$20,352	\$33,920	\$67,840	\$47,488	\$67,840	\$ 47,488	\$498,624
Total for Indirect Costs	\$10,137	\$ 47,918	\$ 5,529	\$ 9,215	\$18,430	\$12,901	\$18,430	\$ 12,901	\$135,461
Total	\$47,449	\$224,302	\$25,881	\$43,135	\$86,270	\$60,389	\$86,270	\$ 60,389	\$634,085

Amount noted above (\$634.1) is reflected on the Grants & Claims line.

Sec. 3 of this legislation will expand public safety presence in rural Alaska with the establishment of four Regional Public Safety Officer positions. Six months of funding and associated up front costs are requested in FY02. Details below:

	Year 1 FY02	Year 2 FY03	Year 3 FY04	Year 4 FY05	Year 5 FY06	Year 6 FY07
Average Cost of Entry Level Officer (Four Positions)	165.6	331.3	331.3	331.3	331.3	331.3
Personal Services Total	165.6	331.3	331.3	331.3	331.3	331.3
Instate Field Travel (transp, PD, training, aircraft charter)	4.7	9.4	9.4	9.4	9.4	9.4
Travel Total	4.7	9.4	9.4	9.4	9.4	9.4
Communications & DP Services (phones, fax, radio, data, postage, DP services)	12.7	25.3	25.3	25.3	25.3	25.3
Photo Processing/Reproduction	0.4	0.7	0.7	0.7	0.7	0.7
ALETS Academy Costs (tuition)	28.3					
PSEA Physical	1.2	1.2	1.2	1.2	1.2	1.2
Boat Lease/Purchase	48.0				21.6	
Computer Lease/Purchase	9.6				9.6	
Snow machine/Four-wheeler	24.8				24.8	
Misc. Contractual (conf., training, equip. repair)	2.7	5.5	5.5	5.5	5.5	5.5
Contractual Total	127.7	32.7	32.7	32.7	88.7	32.7
Office & DP Supplies	1.4	2.8	2.8	2.8	2.8	2.8
Uniform & Access. (est. life 18 mos.)	9.4		4.7		4.7	4.7
Ammunition, law enforcement, fuel.	2.4	4.8	4.8	4.8	4.8	4.8
Firearms (Pistol & Shotgun)	4.5					
Radios	11.5				11.5	
Supplies Total	29.2	7.6	12.3	7.6	23.8	12.3
Combined Total	327.2	381.0	385.7	381.0	453.1	385.7

Personal Services: Year 1 costs equals six months of salary & benefits (74A - Bethel Location)

Contractual: Year 1 includes 1/2 cost of "annualized contractual", one-time purchases (ALETS Training), and Equipment Lease/Purchase (boat, snow-machine, four-wheeler, and computer).

Supplies: Year 1 includes 1/2 cost of "annualized supplies" and one-time purchases (firearms and radio).

General Notes:

In calculating the cost per officer, we did not include office space.

Sections 4 – 7 relate to making VPSOs members of the State's PERS retirement system

Nonprofit	FY01 Salaries	Employer Contributions				Employee Contributions	
		PERS %	Indirect Rate	PERS Retirement	PERS %	PERS Retirement	
		1	2	3	4	5	6
			Column 1x2		column 3x4		column 1x6
APIA	195,025	8.26%	16,109	1.253	20,185	6.75%	13,164
AVCP	889,212	8.26%	73,448	1.162	85,348	6.75%	60,022
BBNA	347,209	8.26%	28,679	1.273	36,509	6.75%	23,437
CHUG	66,781	8.26%	5,516	1.300	7,171	6.75%	4,508
KANA	126,875	8.26%	10,479	1.258	13,184	6.75%	8,564
KAWE	351,769	8.26%	29,056	1.260	36,611	6.75%	23,744
MANI	231,628	8.26%	19,132	1.220	23,342	6.75%	15,635
TCC	376,758	8.26%	31,120	1.167	36,317	6.75%	25,431
THCC	196,896	8.26%	16,263	1.165	18,947	6.75%	13,290
Base Total	2,782,153				277,613		187,795
PERS costs attributed to Probation and Parole Monitoring	573,200	8.26%	47,346	1.208	57,194	6.75%	38,691
					334,807		226,486
Net Offset for existing retirement benefits					(189,000)		
Net PERS Employer Fiscal Impact					145,807		

The amount noted above (\$145.8) is reflected on the Grants & Claims line.

NOTES:

1. The non-profits presently pay retirement benefit contributions of approximately \$189,000. This fiscal note is prepared on the assumption that participation in PERS would eliminate current retirement cost reimbursements to non-profits where VPSOs become PERS members. The fiscal note amount is reduced by netting \$334,807 in projected PERS costs against the \$189,000 in current retirement cost reimbursements.
2. Assumes that mandatory Employee contributions of 6.75% would be deducted from the employee's salary and have no impact to the non-profits employers or state grant program. It is the department's understanding that VPSOs do not presently make employee contributions to existing non-profit retirement plans.
3. Section 5 relates to entitlement to prior credited service. Employees do not have an option to buy back credited service until vested, after 5 years. At that time, the cost would fall solely to the employee. VPSOs who become PERS members would become Tier III members and would vest for retirement in 5 years, vest in 10 years for medical and would be eligible for retirement at age 60.
4. Salaries related to probation monitoring and parole activities were from the sum of salaries reported on the two schedules on page two of this fiscal analysis.