

Subject: FW: Message from the Governor on the State Budget
Date: Thursday, March 26, 2015 at 4:50:43 PM Eastern Daylight Time
From: Johnna Cossaboon
To: Johnna Cossaboon



Commonwealth of Virginia

Office of Governor Terry McAuliffe

March 26, 2015

Dear Fellow State Employees:

It has been 14 months since I was sworn in as Governor, and I want to take this opportunity to let all of you know what a pleasure and an honor it has been to work with you to serve the citizens of the Commonwealth of Virginia.

We have faced significant challenges together, and we have seized opportunities that have made this state a better place to live and work. I thank you for the extra effort you put into your jobs every day, for your willingness to embrace new ideas and for the positive attitudes I encounter when I visit our state agencies across the Commonwealth.

I hope you feel as proud as I do of our accomplishments over the past 14 months, and in particular those made during the recent General Assembly session. The spirit of bipartisan cooperation we experienced this winter has allowed us to make meaningful progress on our priorities and reach consensus on a fair and sustainable budget, which I signed into law today.

I know you take great satisfaction in providing high-quality services that benefit families in every community. It's important to me that your own families receive the support they need to be successful as well.

I am so pleased that revenue improvements during the session allowed us to include improvements in

compensation and benefits for state employees. Among the highlights:

- A 2 percent salary increase for state employees starting Aug. 10, 2015. A larger pay increase will be granted to certain positions with high turnover.
- A salary increase of \$65 per year of service to address salary compression for employees with at least five years of service.
- A salary increase of \$80 per year of service for sworn officers of the State Police with three or more years of service. The budget also includes \$3.7 million for additional pay increases for the agency.
- A \$1,000 increase in the annual salaries for correctional officers and senior correctional officers at the Department of Corrections.
- \$32.3 million to fund 90 percent of VRS board-certified rates for state employee plans in FY 2016.
- Additional health insurance benefits, including reduced physical therapy co-pays, enhanced telemedicine services, an annual routine hearing exam and coverage for autism treatments up to age 10 beginning on July 1, 2016. Health insurance premiums will experience a modest increase of 2.9 percent in the next fiscal year.

Of course, we all are stronger when our state is enjoying economic growth. That's why I am so pleased that legislators supported my plans for attracting and strengthening job-creating businesses in Virginia. Among our successes was the extension of a tax incentive for high-tech investment; new avenues for success for small, women-owned and minority-owned businesses; and reforms to our workforce development system.

We also included key funding for the First Lady's initiative to get more students the nutrition they need to succeed in school. The additional funding in the state budget will be amplified by an \$8.8 million federal grant Virginia received thanks to more than a year of hard work by our First Lady. She has identified food security and nutrition as key elements necessary for educational success and building healthy communities. Her work was recently highlighted in the inspiring documentary, [Living in a Food Desert](#), which premiered at the Richmond International Film Festival this month.

This session also resulted in significant progress for Virginia's public education system, which is so crucial to my success in building a new Virginia economy. We were able to avoid further program cuts to K-12 and higher education in the introduced budget, and the General Assembly used increased revenues to enhance our Commonwealth's investment in education.

As a result of our efforts this session, Virginia children will learn and play in safer and better-regulated day care centers. We worked with lawmakers to pass measures ensuring that every day care facility that receives a state subsidy properly adheres to state standards aimed at protecting the safety and wellbeing of our children. Their efforts will also require family day homes to maintain a reasonable ratio of adults to children and ensure that the state receives regular information about unlicensed day homes operating within the Commonwealth.

We also secured funding to ensure that 22,000 Virginians who are uninsured and have a serious mental illness can receive medical, behavioral and prescription drug services. We won support for our program to provide dental services to low-income pregnant women. And we are continuing to move forward with a commonsense measure that enables eligible children of state employees to obtain insurance through the FAMIS program. If you have not received information about this option, please ask your human resources representative if your children can participate.

We have worked together to make life better for all Virginians, and I remain committed to making sure your lives are also touched by our successes. I thank you for your contributions to building a new

Virginia economy. It's my pleasure to be your colleague and your Governor. Keep up the great work.

Sincerely,