

# Independent

| <b>Proposed Adjustments as Introduced</b> |                         |                |                         |                |
|---|-------------------------|----------------|-------------------------|----------------|
| (\$ in millions)                          |                         |                |                         |                |
|   | <b>FY 2017 Proposed</b> |                | <b>FY 2018 Proposed</b> |                |
|   | <u>GF</u>               | <u>NGF</u>     | <u>GF</u>               | <u>NGF</u>     |
| 2016-18 Base Budget, Ch. 665              | \$1.2                   | \$512.3        | \$1.2                   | \$512.3        |
| Proposed Increases                        | 0.0                     | 52.2           | 0.0                     | 82.7           |
| Proposed Decreases                        | <u>(1.0)</u>            | <u>(0.0)</u>   | <u>(0.9)</u>            | <u>(0.0)</u>   |
| \$ Net Change                             | (1.0)                   | 52.2           | (0.9)                   | 82.7           |
| <b>HB/SB 30, as Introduced</b>            | <b>\$0.2</b>            | <b>\$564.5</b> | <b>\$0.3</b>            | <b>\$594.9</b> |
| % Change                                  | (83.0%)                 | 10.2%          | (75.0%)                 | 16.1%          |
| FTEs                                      | 13.00                   | 1,717.0        | 13.00                   | 1,717.0        |
| # Change                                  | (13.00)                 | 29.00          | (13.00)                 | 29.00          |

- **Virginia Retirement System**

- *Volunteer Firefighters and Rescue Squad Workers' Service Award Fund.* Adds \$32,585 GF the first year and \$50,000 GF the second year to cover the program's administrative costs.
- *New Portfolio Management System.* Includes \$925,000 NGF each year for the purchase of a new portfolio management system.
- *Strategic Opportunities Portfolio Oversight.* Adds \$882,072 NGF the first year and \$927,792 NGF the second year and 3 positions each year to oversee activities in the externally-managed Strategic Opportunities Portfolio.
- *Fund Final Phase of myVRS Navigator Transition.* Proposes \$5.2 million NGF the first year and \$1.9 million NGF the second year to fund the final phase of implementation of the new myVRS Navigator benefit management system.
- *Implement Computer Replacement Schedule.* Includes \$239,000 NGF each year to support replacement of agency laptops and desktops.

- ***Business Solution Support Services.*** Adds \$533,000 NGF the first year and \$500,000 NGF the second year for additional contract staff to support the agency’s benefits system. Existing agency resources have been diverted to complete transition to myVRS Navigator system.
- ***IT Security Measures.*** Proposes \$416,350 NGF the first year and \$36,350 NGF the second year to implement additional IT security measures to comply with state security requirements.
- ***Update NetApp Production Storage System.*** Includes \$538,000 NGF the first year to update hardware and software for the agency’s production storage system.
- ***Upgrade Microsoft SQL Server Database Management System.*** Proposes \$604,333 NGF the first year and \$302,167 NGF the second year to improve security and maintenance features for the agency’s SQL server database management system.
- ***Part-Time Communications Writer Position.*** Proposes \$74,326 NGF each year to support writing and communications efforts of the defined contribution and hybrid retirement plans and the Line of Duty Act program.
- ***Additional Staff in Defined Contributions Plan Unit.*** Proposes \$99,756 NGF and 2 positions each year for administrative responsibilities for the Virginia Retirement System resulting from allowing school divisions to establish and administer their own deferred compensation and cash match plans.
- ***Change Management Expert Position.*** Proposes \$113,570 NGF each year for a wage position to support the agency’s transition to the new benefit management system following completion of the modernization project.
- ***New Financial Education Program.*** Proposes \$120,000 NGF the first year and \$145,000 NGF the second year to support a new online financial and retirement education program for members in new retirement plans.

- **State Corporation Commission**

- ***Reduce Funding for Federal Health Benefit Exchange.*** Proposes reduction of \$1.0 million GF in FY 2016 and elimination of 13 vacant positions related to operation of the Federal Health Benefit Exchange. The proposal would require the Commission to revert to the general fund all unexpended appropriations for plan management activities from funds reimbursed by the U.S. Department of Health and Human Services.
- ***Adjust Appropriations to Reflect Historical Expenditures.*** Proposes reductions totaling \$4.0 million NGF in each year based upon historical expenditures for the

Insurance Fees and Assessments and Public Service Company Fees and Taxes programs.

- *Clerk's Information System.* Includes a technical amendment transferring \$554,333 NGF over the biennium from the Regulation of Public Utilities Program to the Regulation of Business Practices Program in order to support the costs of replacing the Clerk's Office mainframe.

- **Virginia College Savings Plan**

- *Adjust Appropriations for Projected Payments.* Includes an increase in the NGF base appropriation of \$31.0 million the first year and \$67.0 million the second year for projected increases in benefits payments for tuition and fees for participants in the Virginia529 prePAID Program.
- *Enterprise Workflow Solution Funding.* Adds \$1.4 million NGF the first year and \$1.8 million NGF the second year to implement improvements related to operational efficiencies, information technology data security, data integrity, and media services.
- *Expand Communication and Outreach Efforts.* Proposes \$505,442 NGF the first year and \$536,203 NGF the second year and five positions to expand the agency's marketing activities.

- **Virginia Workers' Compensation Commission**

- *Adjust Maximum Employment Level.* Adds 10 positions each year to the agency's maximum employment level to reflect base funding for 285 full-time equivalent positions.
- *Additional Support at Central and Regional Offices.* Proposes \$598,027 NGF each year and seven positions to address workload increases in the Alternative Dispute Resolution and Criminal Injuries Compensation Fund programs, Lebanon Regional Office, and central fiscal office.