



Readers' Guide to this Budget Document

This publication describes Governor Warner's proposed budget amendments to the Commonwealth for the 2004-2006 biennium. It contains the following information:

Part A: Overview

This section contains four chapters:

- ▶ **Readers' Guide to this Budget Document:**
- ▶ **Overview of Budget Actions:** a summary of the Governor's recommended budget amendments.
- ▶ **Economic Forecast:** a discussion of the status of Virginia's economy; and
- ▶ **Revenue Forecast:** a review of the state's fiscal outlook, including the projected revenues underlying the Governor's recommended amendments to the 2004-2006 biennial budget.

Part B: Executive Amendments to the 2004-2006 Biennial Budget

Section 1: Operating Budget

This section presents the Governor's operating budget amendments for the 2004-2006 biennium. The sections are organized by branch of government and, within the Executive Department, by secretarial area. Agencies appear in this document in the same order as in the Budget Bill.

State Agencies, Legislative and Judicial Branches, Independent Agencies, and Executive Offices

For each secretarial area in the Executive Branch, you will find:

- ▶ **Summary table.** This table summarizes the total recommended funding for each secretarial area by amendment category. See "How to Read the Tables: 2004-2006 Budget Summary Tables (Operating)" on page 4.

- ▶ **Agency-by-agency detail.** For each agency, the document provides the following information:
 - **Mission statement of the agency:** The current mission statement of the agency. For executive branch agencies this is the mission statement found in Virginia Results.
 - **Services the agency provides:** A listing of the primary services provided by the agency is shown.
 - **Historical Appropriations:** This section provides historical appropriations data. Actual appropriations, as enacted by the General Assembly, are shown for fiscal years 2001 through 2006. The changes in dollars and positions for the present amendments will show in the detail table following each section. The information is broken out to show dollar amounts for personnel services (salaries and fringe benefits of employees), dollar amounts for all other funding of the agency, and the agency's position level. Dollar amounts reflect all funds, both from nongeneral funds and the general fund. Position level refers to the maximum number of classified state employees, faculty, and appointed officials, and does not include hourly or wage employees.
 - **Recommended Budget Amendments:** The bolded area captures the basic budget changes from the previous year. "Bullet items" for each agency describe specific budget actions proposed by the Governor. Within each "bullet item," amounts recommended are designated either "GF" (general fund) or "NGF" (nongeneral fund). The term "positions" refers to the maximum positions authorized. It includes only full-time classified employees, faculty, and appointed officials, and does not include wage or contract

employees. The parenthetical listing in italics at the end of each bullet item indicates the category impacted by the proposed budget action. If the Governor has no specific budget actions for an agency, the beginning sentence will read, "The Governor recommends no overall dollar changes in this agency."

- ▶ **Detail table.** This table appears at the end of each secretarial area. It details, by agency, each of the Governor's proposed operating recommendations within that secretarial area. The table shows the amount and source of funding (general fund or nongeneral fund) for each budget recommendation, compares the total recommended amount to the legislative appropriation for the 2004-2006 biennium (percent change), and displays any recommended staffing changes for the agency. For complete notes on these tables, see "How to Read the Tables: 2004-2006 Budget Detail Tables (Operating)" on page 5.

Section 2: Capital Budget

This section summarizes the Governor's recommended amendments for capital projects in the 2004-2006 biennium. The information is grouped by branch of government and, within the Executive Department, by secretarial area. Only agencies for which the Governor proposes capital funding are included in this section. Agencies appear in the same order as in the Budget Bill.

Following the short narrative descriptions of recommended capital projects ("bullet items") is a detail table that provides a comprehensive list of all amended capital projects recommended for funding in the amended Governor's 2004-2006 biennial budget. See "How to Read the Tables: 2004-2006 Budget Detail Tables (Capital)" on page 7.

Part C: Other

Section 1: State Aid to Localities

This section describes the Governor's recommendations for state aid to localities. These funds either go directly to localities for locally operated programs or are spent by the state on behalf of localities for specific programs.

- ▶ **Table 1** shows the recommended amount of state funds for localities, listed by the state agency that provides the funding.
- ▶ **Table 2** shows the amount of state aid recommended for local school divisions, listed by individual locality.

Section 2: Supplemental Information

This section presents information about tax-supported debt capacity and per capita appropriations, as required by the 2004 Appropriation Act.

Section 3: Studies and Evaluations

This section lists the various studies, evaluations, and assessments of agencies or agency programs or projects that have been conducted in the two most recent fiscal years (2003 and 2004). It also indicates where copies of each study can be viewed or obtained.

Section 4: Cross-Reference to Budget Bill

This section provides a handy reference to help readers locate the effect of the proposed budget actions contained in this document to the Budget Bill, the proposed legislation introduced by the Governor (HB 1500/SB 700).



Planning & Performance Budgeting Information

All executive branch agencies have strategic planning and performance measurement information in place. This information can be accessed centrally through Virginia Results, the Commonwealth's automated performance management information system. The web site can be accessed at: <http://dpb.virginia.gov/VAResults>.

Virginia has been recognized nationally and internationally as a leader in the area of performance management. Virginia's performance management efforts date to the early 1980s when goals and measures were required to be provided by state agencies as part of their budget submissions.

Virginia's current performance management system has been operational since 1995. It is comprised of four linked processes: strategic planning, performance measurement, program evaluation, and performance budgeting. These efforts lay the foundation for budget

development and implementation of the performance management systems and processes prescribed by the Legislature in Chapter 900, 2003 Acts of Assembly.

Strategic planning and performance measurement information for all executive branch agencies can be accessed through *Virginia Results*, the Commonwealth's automated performance management information system, at: <http://dpb.virginia.gov/VAResults>
