

**General Fund
Six-Year Financial Plan**

Fiscal Years 2013 to 2018

Department of Planning and Budget

Introduction

This “Six-Year Financial Plan” report has been prepared to meet the provisions of Section 2.2-1503.1, Code of Virginia, which requires the Governor to submit a six-year financial plan to the General Assembly at the beginning of each regular legislative session held in an even-numbered year. The contents include revenue and appropriation data recommended for the next two fiscal years as contained in the Governor’s 2012-2014 biennial budget submission as well as estimates for anticipated revenue and spending over an additional four-year period.

General Fund Financial Plan

Balances: The beginning balance for each fiscal year equals the ending balance of the prior fiscal year (difference between resources and spending). If the balance for the prior fiscal year is less than zero, the beginning balance for the next fiscal year is assumed to be zero.

Revenue: The general fund revenue estimates presented in this plan come from the official six-year revenue forecast prepared in conjunction with the Governor’s budget recommendations which were submitted to the General Assembly on December 19, 2011. This forecast assumes revenue growth of:

- +3.1 percent for FY 2013;
- +4.4 percent for FY 2014;
- +4.3 percent for FY 2015;
- +4.7 percent for FY 2016;
- +4.1 percent for FY 2017; and,
- +3.9 percent for FY 2018.

This six-year revenue forecast is derived from the standard US economic outlook, as projected by Global Insight, and the corresponding economic outlook for Virginia.

Transfers: There are two types of transfers included in the general fund resources.

<i>State Sales Tax for Education</i>	The sales tax transfer consists of the 1/4 cent sales tax increase enacted by the General Assembly during the 2004 special session which is earmarked for public education. This source is deposited to a nongeneral fund account and transferred into the general fund for public education purposes. The projections for this source are consistent with the long-term forecast for sales tax collections embedded in the overall forecast of general fund revenues.
<i>Other Transfers</i>	Other transfers include one-time transactions to deposit nongeneral fund balances into the general fund as well as recurring transfers for indirect cost recoveries, ABC profits, and other charges payable to the general fund. For FY 2015 and beyond, “Other Transfers” consists solely of the recurring transfers (e.g., indirect cost recoveries and ABC profits, etc.) that normally appear in the Appropriation Act year after year. See Appendix B for a detailed listing of “Other Transfers” for FY 2015 through FY 2018.

Health Care Fund: The Health Care Fund was created by the General Assembly in the 2004 session and consists of taxes on tobacco products, 41.5 percent of the revenue collected from the agreement with tobacco manufacturers (including the escrow accounts of nonparticipating manufacturers), and Medicaid recoveries. The fund is used to pay for the Medicaid program.

Total Resources: The sum of the balances, the projected revenue, the different type of transfers and the Health Care Fund equals the projected “Total Resources” for the general fund.

Spending: The spending forecast included in this report is built from information contained in the Governor’s introduced budget bill (HB 30) for fiscal years 2013 and 2014. Future costs are then built from the assumptions included in the FY 2014 base.

The detailed assumptions to make the spending projections are outlined in Appendix A.

Results: The comparison of projected general fund resources versus general fund spending is presented in Table 1. The results indicate that projected revenue exceeds projected general fund spending through FY 2018.

General Fund Six-Year Financial Plan For Fiscal Years 2013 to 2018

Table 1 - Statewide Summary

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Resources:						
Balances	\$546.0	\$13.0	\$31.4	\$59.1	\$178.9	\$274.8
Adjustments to Balance	\$3.6	\$3.6	(\$0.5)	(\$0.5)	(\$0.5)	(\$0.5)
Revenue	\$16,246.5	\$16,969.5	\$17,707.2	\$18,538.9	\$19,299.3	\$20,054.7
Sales Tax for Education	\$226.1	\$233.9	\$254.0	\$266.9	\$280.1	\$293.4
Other Transfers	\$169.3	\$176.6	\$165.1	\$165.1	\$165.1	\$165.1
Health Care Fund ¹	\$274.9	\$296.5	\$296.5	\$296.5	\$296.5	\$296.5
Total Resources	\$17,466.3	\$17,693.1	\$18,453.7	\$19,326.0	\$20,219.4	\$21,084.0
Spending Items:						
Elementary & Secondary Education (K-12)	\$5,190.1	\$5,233.0	\$5,478.1	\$5,612.7	\$5,908.9	\$6,041.9
Health and Human Resources	\$5,339.8	\$5,504.8	\$5,755.9	\$6,040.4	\$6,348.4	\$6,676.7
Higher and Other Education	\$1,724.0	\$1,724.1	\$1,826.9	\$1,929.8	\$2,032.7	\$2,135.7
Public Safety	\$1,697.1	\$1,668.1	\$1,702.6	\$1,722.9	\$1,734.6	\$1,748.3
Finance	\$1,862.3	\$1,929.6	\$1,921.7	\$2,045.8	\$2,035.9	\$1,858.1
Administration	\$642.1	\$642.7	\$654.9	\$662.4	\$669.5	\$676.7
Judicial	\$417.4	\$418.7	\$420.0	\$420.8	\$421.6	\$422.4
Commerce and Trade	\$195.1	\$175.7	\$194.0	\$177.7	\$175.8	\$168.4
Natural Resources	\$141.5	\$88.7	\$88.7	\$88.7	\$88.7	\$88.7
Legislative	\$69.4	\$69.4	\$69.4	\$69.4	\$69.4	\$69.4
Agriculture and Forestry	\$45.0	\$45.0	\$45.0	\$45.0	\$45.0	\$45.0
Executive Offices	\$26.3	\$26.3	\$26.3	\$26.3	\$26.3	\$27.1
Transportation	\$45.0	\$41.0	\$41.0	\$41.0	\$41.0	\$41.0
Veterans Services and Homeland Security	\$9.6	\$9.7	\$9.7	\$9.7	\$9.7	\$9.7
Technology	\$8.4	\$8.7	\$8.7	\$8.7	\$8.7	\$8.7
Independent	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Grants to Nonstate Agencies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Centrally Funded Items	\$40.2	\$76.2	\$151.8	\$245.8	\$328.5	\$413.1
Capital Outlay	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Spending/Savings	\$17,453.3	\$17,661.7	\$18,394.6	\$19,147.1	\$19,944.7	\$20,430.7
Balance	\$13.0	\$31.4	\$59.1	\$178.9	\$274.8	\$653.3

¹ Health Care Fund is shown as part of the general fund spending projection.

APPENDIX A

Detailed Spending Projections
And
General Fund Spending
Assumptions
Through FY 2018

General Fund Spending Through FY 2018 Legislative Department

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Senate	\$12.5	\$12.5	\$12.5	\$12.5	\$12.5	\$12.5
House of Delegates	\$21.6	\$21.6	\$21.6	\$21.6	\$21.6	\$21.6
Auditor of Public Accounts	\$10.5	\$10.5	\$10.5	\$10.5	\$10.5	\$10.5
Capitol Police	\$7.3	\$7.4	\$7.4	\$7.4	\$7.4	\$7.4
Legislative Services	\$5.8	\$5.8	\$5.8	\$5.8	\$5.8	\$5.8
Legislative Automated Systems	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2	\$3.2
Joint Legislative Audit & Review Commission	\$3.3	\$3.3	\$3.3	\$3.3	\$3.3	\$3.3
All other spending	\$5.2	\$5.2	\$5.2	\$5.2	\$5.2	\$5.2
Total, spending and savings items	\$69.4	\$69.4	\$69.4	\$69.4	\$69.4	\$69.4

Legislative Department General Fund Spending Assumptions

- ❖ In the Legislative Department, out-year projections are a continuation of FY 2014 funding level contained in HB/SB 30 as introduced.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the agencies and activities listed below, based on funding in HB/SB 30, the introduced budget for the 2012-2014 biennium. Out-year funding is continued at the FY 2014 level.
 - Autism Advisory Council
 - Brown vs. Board of Education
 - Capital Square Preservation Council
 - Chesapeake Bay Commission
 - Civil War Sesquicentennial
 - Commission on Prevention of Human Trafficking
 - Commission on Civics Education
 - Commission on Electric Utility Restructuring
 - Commission on Unemployment Compensation
 - Commission On Youth
 - Dr. M. L. King Memorial Commission
 - Energy & Environment Commission
 - Housing Study Commission
 - Joint Commission on Tech/Science
 - Joint Commission on Health Care
 - Joint Commission on Administrative Rules
 - Legislative Reversion Clearing Account
 - Manufacturing Development Commission
 - National Conference of Commissioners
 - Small Business Commission
 - State Water Commission
 - Virginia Coal/Energy Commission
 - Virginia Commission on Intergovernmental Cooperation
 - Virginia State Crime Commission
 - Virginia Bicentennial of the American War of 1812 Commission
 - Virginia Code Commission
 - Virginia Commission on the Centennial of the Woodrow Wilson Presidency
 - Virginia Disability Commission
 - Virginia Freedom of Information Advisory Council

**General Fund Spending Through FY 2018
Judicial Department**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Criminal Fund	\$110.8	\$110.8	\$112.1	\$112.9	\$113.7	\$114.5
All other spending	\$306.6	\$307.9	\$307.9	\$307.9	\$307.9	\$307.9
Total, spending and savings items	\$417.4	\$418.7	\$420.0	\$420.8	\$421.6	\$422.4

Judicial Department General Fund Spending Assumptions

- ❖ Criminal Fund includes the state’s costs for providing for indigent defense through the use of court-appointed attorneys. The appropriated amounts were level-funded for FY 2013 and FY 2014. Therefore, the amount required for FY 2014 may need to be adjusted based on updated forecasts. The data for FY 2015 and beyond is based on the latest forecast and includes an additional \$4.2 million each year for a special waiver program that authorizes the Executive Secretary of the Supreme Court to make payments beyond the statutory fee caps to court appointed attorneys in atypical cases.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the other government activities of the Judicial Branch. These amounts were straight-lined in the out-years. Such spending would include:
 - Judicial System (other than Criminal Fund)

**General Fund Spending Through FY 2018
Executive Offices**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Governor	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4
Lieutenant Governor	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3
Attorney General	\$19.5	\$19.5	\$19.5	\$19.5	\$19.5	\$19.5
Transition Support	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.8
All other spending	\$2.1	\$2.1	\$2.1	\$2.1	\$2.1	\$2.1
Total, spending and savings items	\$26.3	\$26.3	\$26.3	\$26.3	\$26.3	\$27.1

Executive Offices General Fund Spending Assumptions

- ❖ In Executive Offices, out-year projections are a continuation of the FY 2014 funding level, except for the transition costs of the three statewide elected offices that will be inaugurated in January 2018. The expenditures for FY 2018 include an estimated \$766,000 for these costs.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the agencies and activities listed below, based on funding in HB/SB 30 as introduced for the 2012-2014 biennium. Out-year funding is continued at the FY 2014 level.
 - Secretary of the Commonwealth
 - Interstate Organization Contributions

General Fund Spending Through FY 2018 Administration

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Consolidated laboratory	\$12.2	\$12.2	\$12.2	\$12.2	\$12.2	\$12.2
Statewide procurement services	\$2.1	\$2.1	\$2.1	\$2.1	\$2.1	\$2.1
Statewide human resource management	\$3.5	\$3.5	\$4.0	\$4.0	\$4.0	\$4.0
Board of Elections	\$8.1	\$8.1	\$8.1	\$8.1	\$8.1	\$8.1
Sheriffs and regional jails	\$412.1	\$412.8	\$419.8	\$426.8	\$433.8	\$440.8
Jail per diems	\$49.9	\$49.9	\$54.6	\$55.1	\$55.2	\$55.4
Other Constitutional Officers	\$143.8	\$143.8	\$143.8	\$143.8	\$143.8	\$143.8
All other spending	\$10.3	\$10.3	\$10.3	\$10.3	\$10.3	\$10.3
Total, spending and savings items	\$642.1	\$642.7	\$654.9	\$662.4	\$669.5	\$676.7

Administration General Fund Spending Assumptions

- ❖ Out-year funding for consolidated laboratory, statewide procurement services, human resource management, and Board of Elections are at the FY 2014 level.
- ❖ Sheriffs and regional jails include the state's share of the costs of operating local sheriffs' departments and regional jails. For each year beyond FY 2014, it is assumed that an additional \$7 million will be needed to cover the costs of meeting the standard of one law-enforcement deputy per 1,500 population in each locality, hiring extra deputies needed for overcrowded jails, and staffing new or expanded jails.
- ❖ Jail per diem payments include the state's share of the costs of housing local and state responsible prisoners in local and regional jails. Because of the method of budgeting per diem payments, the amounts shown for FY 2013 and FY 2014 are preliminary and may be adjusted. The Appropriation Act stipulates that any projected growth in per diem payments must be based on actual inmate population counts in the first quarter of the affected fiscal year. Thus, the actual recommended appropriations for FY 2013 and FY 2014 cannot be determined until the falls of 2013 and 2014, respectively. The amounts shown for the years beyond FY 2014 are based on the projected growth in the state and local inmate populations and on projected prison openings. Due to changes in the per diem rates approved by the 2010 General Assembly, these amounts are lower than they have been in previous six-year plans.
- ❖ Other constitutional officers include the funding for the offices of local finance officers, commissioners of the revenue, treasurers, clerks of court, and Commonwealth's attorneys. No major increases in funding are anticipated for these offices in future years.

- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the agencies and activities listed below, based on funding in HB/SB 30, the introduced budget for the 2012-2014 biennium. Out-year funding is continued at the FY 2014 level.
 - Secretary of Administration
 - Compensation Board, central administration costs only.
 - Department of General Services other than the consolidated laboratory and statewide procurement services
 - Department of Minority Business Enterprise
 - Human Rights Council
 - Department of Employee Dispute Resolution

**General Fund Spending Through FY 2018
Agriculture and Forestry**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Agriculture	\$30.0	\$30.3	\$30.3	\$30.3	\$30.3	\$30.3
Forestry	\$14.7	\$14.3	\$14.3	\$14.3	\$14.3	\$14.3
All other spending	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3
Total, spending and savings items	\$45.0	\$45.0	\$45.0	\$45.0	\$45.0	\$45.0

Agriculture and Forestry General Fund Spending Assumptions

- ❖ Spending for the Departments of Agriculture and Consumer Services and Forestry is based on funding in HB 30, as introduced for the 2012-2014 biennium. Out-year funding is continued at the FY 2014 level.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the Office of the Secretary of Agriculture and Forestry, based on funding in HB 30 as introduced for the 2012-2014 biennium. Out-year funding is continued at the FY 2014 level.

**General Fund Spending Through FY 2018
Commerce and Trade**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Base Realignment and Closure Assistance	\$7.5	\$0.0	\$7.5	\$7.5	\$7.5	\$7.5
Governor's Development Opportunity Fund	\$11.8	\$11.8	\$11.8	\$11.8	\$11.8	\$11.8
Governor's Motion Picture Opportunity Fund	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5
Research Grant	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Semiconductor manufacturing performance grants	\$5.4	\$5.4	\$3.8	\$0.0	\$0.0	\$0.0
Virginia Investment Partnership, Major Eligible Employer, and Virginia Economic Development Incentive grants	\$8.8	\$11.6	\$16.6	\$17.9	\$16.5	\$15.8
AeroSpace Engine Manufacturer Incentive	\$9.3	\$10.4	\$16.6	\$3.3	\$3.4	\$3.7
Virginia Research and Technology Investment Program	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0	\$10.0
Major Employment and Investment site planning	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Advanced Shipbuilding Training Facility Grant	\$5.0	\$5.0	\$8.2	\$7.6	\$7.2	\$0.0
Commonwealth Center for Advanced Manufacturing	\$0.0	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0
Biosciences research consortium	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0	\$5.0
All other spending	\$125.8	\$111.0	\$111.0	\$111.0	\$111.0	\$111.0
Total, spending and savings items	\$195.1	\$175.7	\$194.0	\$177.7	\$175.8	\$168.4

Commerce and Trade General Fund Spending Assumptions

- ❖ Funding for Base Realignment and Closure Assistance is level funded in the amount of \$7.5 million in FY 2013 and each of the projected years 2015 through 2018.
- ❖ Annual spending for the Governor's Development Opportunity Fund is level funded in the out-years.
- ❖ General fund support for the Governor's Motion Picture Opportunity Fund is level funded in the amount of \$3.5 million in each year of the out-years. Revenue generated from a nongeneral fund digital media fee, enacted by the 2009 General Assembly, also supports the fund.
- ❖ Spending for the research grant continues through FY 2013, when the Commonwealth will satisfy its commitment with the final payment of the \$22 million total incentive for SRI International.

- ❖ Spending for semiconductor manufacturing performance grants is based on estimates provided by the Virginia Economic Development Partnership, consistent with Code of Virginia provisions related to the program.
- ❖ Spending for Virginia Investment Partnership, Major Eligible Employer, and Virginia Economic Development Incentive grants is based on payments scheduled to occur in the out-years. Estimates are provided by the Virginia Economic Development Partnership, in accordance with negotiated company agreements and consistent with Code of Virginia provisions related to the program.
- ❖ Spending for the aerospace engine manufacturer incentive to Rolls-Royce is on-going through FY 2028. Payments are provided for in negotiated company agreements and under provisions in the Code of Virginia related to the incentive grant programs.
- ❖ Virginia Research and Technology Investment Program. Implements provisions of Chapters 816 and 874, 2011 Acts of Assembly. Funding for deposit to the Center for Innovative Technology’s GAP Funds and to the Commonwealth Research and Commercialization Fund.
- ❖ Major Employment and Investment site planning funds. Provides funds for deposit to the site planning fund. Funding is one-time.
- ❖ Advanced Shipbuilding Training Facility Grant. Funding for a grant to the City of Newport News or its industrial development authority is ongoing through FY 2017. The anticipated payment will be \$32.8 million over a five year period; in accordance with a negotiated performance agreement with the institute and legislation enacted by the 2011 legislative session.
- ❖ Commonwealth Center for Advanced Manufacturing. Funding is level funded in the out-years.
- ❖ Funding for a biosciences research consortium is level funded in the amount of \$5.0 million in the out-years.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the agencies and activities listed below, based on funding in HB 30 as introduced for the 2012-2014 biennium, and not listed separately in the table. Out-year funding is continued at the FY 2014 level.

- Secretary of Commerce and Trade
- Department of Business Assistance
- Department of Housing and Community Development

- Department of Labor and Industry
- Department of Mines, Minerals and Energy
- Virginia Economic Development Partnership

- Virginia Employment Commission
- Virginia Tourism Authority

General Fund Spending Through FY 2018 K-12

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Standards of Quality (SOQ)	\$3,849.2	\$3,848.9	\$4,032.4	\$4,100.2	\$4,331.9	\$4,403.6
Sales Tax revenues for SOQ	\$1,202.5	\$1,243.7	\$1,302.3	\$1,365.8	\$1,426.7	\$1,484.1
Categorical grants	\$54.8	\$57.3	\$59.3	\$61.3	\$63.5	\$65.7
Incentive Programs	\$16.4	\$16.7	\$17.1	\$17.8	\$18.6	\$19.4
Supplemental Education	\$9.5	\$9.1	\$9.6	\$10.3	\$11.0	\$11.7
Department of Education - Central Office	\$49.0	\$48.5	\$48.5	\$48.5	\$48.5	\$48.5
School for Deaf & Blind	\$8.8	\$8.8	\$8.8	\$8.8	\$8.8	\$8.8
All other spending	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total, spending and savings items	\$5,190.1	\$5,233.0	\$5,478.1	\$5,612.7	\$5,908.9	\$6,041.9

Elementary & Secondary Education (K-12) General Fund Spending Assumptions

- ❖ The Standards of Quality for public education are assumed to be fully funded across all six years presented in this plan. Fiscal years 2015 through 2018 are assumed to continue the same methodology used in FY 2014.
- ❖ Standards of Quality programs for FY 2013 and FY 2014 are adjusted using the latest enrollment (ADM and fall membership) information. Based on projected increases in costs, out-year spending assumes growth rates of 4.77 percent the first year and 0.48 percent the second year for the 2014-2016 biennium and 4.77 percent the first year and 0.48 percent the second year for the 2016-2018 biennium. The first-year rate of 4.77 percent is based on the average growth from the base year to the first year of each biennium for the last six biennia. This incorporates three biennia prior to the recession and three biennia during the recession to mitigate the impact of the large fluctuations in funding that occurred over that period. The second-year rate of 0.48 percent is based on the average annual growth in enrollment using fiscal years 2009 through 2011, which are the most recent fiscal years for which there is actual enrollment data available.
- ❖ Standards of Quality programs for FY 2016 through FY 2018 are also adjusted to account for a 2.0 percent salary increase provided to all public education employees (instructional and support) beginning on December 1, 2015 (fiscal year 2016) and December 1, 2017 (fiscal year 2018).
- ❖ The one and one-eighth cent sales tax revenue estimates for the 2012-2014 biennium and out-year projections are based on the latest information provided by the Department of Taxation as of December 2011.

- ❖ Categorical Programs for the 2012-2014 biennium are adjusted for the latest child count and reimbursement information. Out-year spending assumes a 4.38 percent annual increase for enrollment-based programs and those that reimburse school divisions for actual costs.
- ❖ Incentive Programs for the 2012-2014 biennium are adjusted for the latest child count and reimbursement information. Out-year spending assumes a 4.62 percent annual increase for Governor's School based on anticipated growth in costs and enrollment. Funding for all other incentive programs remains constant for out-year spending.
- ❖ Supplemental Education funding for the 2012-2014 biennium is adjusted for additional funding for teachers eligible for National Board Certification (NBC) bonuses, as well as targeted new funding for specific programs. Out-year spending is held constant at the FY 2014 level for all accounts except NBC, which assumes a 10.8 percent annual increase.
- ❖ The 2012-2014 biennium amounts for the School for the Deaf and Blind are based on maintaining existing requirements such as Standards of Learning testing and additional Board of Education standards placed on the school for the education of its students. Out-year projections are held constant at the FY 2014 level.
- ❖ Central office spending for the Department of Education is also held constant for out-year projections.

General Fund Spending Through FY 2018 Higher Education and Other Education

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Educational and General Programs *	\$1,256.8	\$1,256.9	\$1,356.9	\$1,456.9	\$1,556.9	\$1,656.9
Other Higher Education (VPI-VSU Ext & VIMS)	\$82.5	\$82.5	\$82.5	\$82.5	\$82.5	\$82.5
Higher Education Research	\$28.5	\$28.5	\$28.5	\$28.5	\$28.5	\$28.5
Student Financial Assistance	\$165.7	\$165.7	\$167.9	\$170.1	\$172.4	\$174.7
Tuition Assistance Grant (TAG) - SCHEV	\$61.8	\$61.8	\$62.4	\$63.1	\$63.7	\$64.3
Two-Year College Transfer Grant - SCHEV	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1
Higher Ed Centers and Institutes	\$14.1	\$14.1	\$14.1	\$14.1	\$14.1	\$14.1
Museums and Cultural Agencies	\$52.0	\$52.4	\$52.4	\$52.4	\$52.4	\$52.4
All other spending	\$61.5	\$61.1	\$61.1	\$61.1	\$61.1	\$61.1
Total, spending and savings items	\$1,724.0	\$1,724.1	\$1,826.9	\$1,929.8	\$2,032.7	\$2,135.7

Higher Education and Other Education General Fund Spending Assumptions

- ❖ Amounts for Educational and General (E&G) Programs include core funding for instructional, student service and administrative operations of colleges and universities, excluding those amounts set out below. Also included in these amounts is funding to support OCR programs and activities at Virginia State and Norfolk State Universities. The amounts included in the introduced budget support each institution's six-year plan, consistent with the objectives of the Higher Education Opportunity Act. Amounts in the out-years are increased by \$100 million each year as a future investment in higher education by providing base operating funding, enrollment growth, degree completion and other initiatives.
- ❖ Other higher education agencies include the Virginia Tech and Virginia State Extension Divisions and the Virginia Institute of Marine Science. The FY 2014 amount is continued in the out-years.
- ❖ The projections for student financial assistance for FY 2015 to FY 2018 factor in projected growth in enrollment based on historical trends.
- ❖ Funding of \$61.8 million is included in each year of the biennium to support the Tuition Assistance Grant (TAG) program. The additional funding increases the TAG award by \$100, from \$2,650 to \$2,750 in each year of the biennium. TAG funding of \$375,700 for students attending Eastern Virginia Medical School (EVMS) is included in the appropriation for the medical school. These students are no longer eligible for TAG funding through the State Council of Higher Education for Virginia. The projections for Tuition Assistance Grants for FY 2015 to FY 2018 factor in projected growth in enrollment, based on historical trends for enrollments at private colleges and universities.

- ❖ Funding of \$1,050,000 is included in each year of the biennium to fully implement the Two-Year College Transfer Grant program. The funding, included under the State Council of Higher Education appropriation, provides eligible transfer students with a \$1,000 award, and an additional \$1,000 award for science, technology, education, math or nursing majors. Students must meet financial aid criteria to be eligible for this program.
- ❖ Amounts for the higher education centers and institutes include funding to support the operations at the New College Institute, the Institute for Advanced Learning and Research, Roanoke Higher Education Authority, Southern Virginia Higher Education Center, Southwest Virginia Higher Education Center, and Jefferson Science Associates, LLC. The FY2014 amount is continued in the out years.
- ❖ Amounts for museums and cultural agencies include funding to support operations at the Virginia Museum of Fine Arts, Science Museum of Virginia, Gunston Hall, Frontier Culture Museum, Jamestown-Yorktown Foundation, Commission for the Arts, and the Library of Virginia. The FY 2014 amount is continued in the out-years.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the agencies and activities listed below, based on funding in HB 30, the budget for the 2012-2014 biennium. Out-year funding is continued at the FY 2014 level.
 - Secretary of Education
 - State Council of Higher Education for Virginia
 - Eastern Virginia Medical School (other than research)

General Fund Spending Through FY 2018

Finance

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Debt Service	\$624.0	\$657.9	\$693.1	\$697.6	\$697.1	\$653.3
Financial assistance to localities	\$48.1	\$48.1	\$48.1	\$48.1	\$48.1	\$48.1
Line of Duty assistance to state agencies	\$5.1	\$5.1	\$5.1	\$5.1	\$5.1	\$5.1
Revenue Stabilization Fund	\$132.7	\$166.4	\$123.2	\$242.9	\$233.4	\$99.4
Personal Property Tax Relief	\$950.0	\$950.0	\$950.0	\$950.0	\$950.0	\$950.0
All other spending	\$102.4	\$102.2	\$102.2	\$102.2	\$102.2	\$102.2

Finance General Fund Spending Assumptions

- ❖ The Department of the Treasury's estimates for debt service are based on actual debt service for all previously issued fixed-rate debt and estimated debt service for future issues and any variable rate issues. Debt service estimates have been budgeted using the most recent interest rate assumptions. Future issues were projected with consideration to past spending practices and the latest draw schedules provided to Treasury. The proposed debt issuance schedule through the biennium is consistent with the Capital Implementation Plan, authorizations and issuances in the 2012-2014 biennium through the Virginia Public Building Authority and the Virginia College Building Authority, as authorized in Chapter 781, 2009 Acts of Assembly, and Chapter 1, 2008 Acts of Assembly, Special Session I. The continuation of funding equipment through the Virginia College Building Authority is also assumed throughout the six-year period.
- ❖ Spending for financial assistance to localities assume an elimination of the distributions of ABC profits and wine tax collections.
- ❖ Starting in FY 2012, support for the Line of Duty Act (LODA) program is derived from premiums charged to state agencies and localities, based on the number of employees who would be potentially eligible to receive benefits under the program. For FY 2012, the premium rate charge per full-time equivalent was \$233.89. For FY 2013-2014, an estimated rate of \$440 was used; exact rates will not be known until July 1, 2012, when localities are required to opt irrevocably to stay in or be removed from the state program. FY 2013 and FY 2014 budgets include \$5.1 million in general fund appropriation for support of the general fund share of state agency costs. Out years assume state agency costs continue at this level.
- ❖ Revenue Stabilization Fund payments are based on the latest revenue projections provided by the Department of Taxation.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the agencies and activities listed below, based on funding in HB 30, as introduced for the 2012-2014 biennium. Out-year funding is continued at the FY 2014 level.
 - Secretary of Finance
 - Department of Planning and Budget
 - Revenue Stabilization Fund
 - Department of Taxation
 - Department of the Treasury
 - Recordation Tax Distribution
 - Department of Accounts

General Fund Spending Through FY 2018 Health & Human Resources

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Comprehensive Services Act (special education & foster care)	\$252.4	\$255.7	\$263.4	\$271.3	\$279.4	\$287.8
Medicaid utilization and inflation	\$3,264.3	\$3,463.5	\$3,717.2	\$3,988.2	\$4,277.4	\$4,586.1
Medicaid (all other)	\$273.5	\$255.2	\$236.6	\$233.7	\$235.8	\$238.1
Indigent health care	\$96.2	\$96.3	\$96.3	\$96.3	\$96.3	\$96.3
Health Care Fund	\$274.9	\$296.5	\$296.5	\$296.5	\$296.5	\$296.5
State mental health/mental retardation facilities	\$237.9	\$237.9	\$237.9	\$237.9	\$237.9	\$237.9
Community mental health/mental retardation programs	\$284.0	\$254.0	\$254.0	\$254.0	\$254.0	\$254.0
Civil Commitment of Sexually Violent Predators	\$27.3	\$28.2	\$32.4	\$36.6	\$40.8	\$45.0
Community health programs	\$122.4	\$116.0	\$116.0	\$116.0	\$116.0	\$116.0
TANF income benefits *	\$44.3	\$44.3	\$44.3	\$44.3	\$44.3	\$44.3
Mandated child care *	\$24.1	\$24.1	\$24.1	\$24.1	\$24.1	\$24.1
Foster care (Title IV-E) maintenance *	\$24.9	\$24.9	\$26.1	\$27.5	\$28.8	\$30.3
Adoption subsidy obligations *	\$71.7	\$71.7	\$74.6	\$77.6	\$80.7	\$83.9
All other spending	\$341.9	\$336.5	\$336.5	\$336.5	\$336.5	\$336.5
Total, spending and savings items	\$5,339.8	\$5,504.8	\$5,755.9	\$6,040.4	\$6,348.4	\$6,676.7

*Amounts reflect the general fund portion of these programs.

Health & Human Resources General Fund Spending Assumptions

- ❖ Amounts for the Comprehensive Services Act reflect a modest annual growth of three percent from FY 2015 through FY 2018. The full implementation of previously adopted programmatic changes and the increased push towards community based care should result in minimal growth over the next several years.
- ❖ Medicaid utilization and inflation reflects the consensus forecast of Medicaid expenditures completed in November 2011 by the Department of Planning and Budget and the Department of Medical Assistance Services. In addition, the introduced budget bill

includes the Governor's recommended reductions for the Medicaid program. The reductions eliminate annual inflation adjustments for providers; reduces indigent care funding for the teaching hospitals; and also reduces eligibility for some individuals. The funding for Medicaid reflects an increase in Medicaid expenditures primarily due to the restoration of inflation for providers (which is reduced through a separate amendment) and to continued enrollment growth. In FY 2012, Medicaid enrollment is projected to increase 2.8 percent. In FY 2013 it is expected to increase by 1.7 percent and 0.9 percent in FY 2014 (excluding the expansion population from federal health care reform). Medicaid utilization and inflation funding reflects estimated growth of approximately 8.1 percent in FY 2013, 6.1 percent in FY 2014, and about 7.3 percent each year from FY 2015 through FY 2018.

- ❖ The Medicaid (all other) line includes the funding for all non-Medicaid programs in the Department of Medical Assistance Services and the Medicaid costs of state mental retardation and mental health facilities. The estimates reflect an increase in projected expenditures for the Family Access to Medical Insurance Security (FAMIS) program based on the November 2011 consensus forecast reflecting continuing enrollment growth. The out-years reflect a projected 5.0 percent average annual growth rate for FAMIS. Funding for the Medicaid Children's Health Insurance Program (CHIP) is slowly phased out by FY 2016 to reflect the shift in funding for these children from the CHIP grant to Medicaid as required by federal health care reform. Otherwise, the other programs included in this line are straight-lined.
- ❖ Funding for indigent health care provided by the Virginia Commonwealth University Health System and the University of Virginia Health System is based on the consensus forecast completed in November 2011. The numbers were also adjusted based on the Governor's budget recommendations for Medicaid, which resulted in a modest reduction in indigent care funding.
- ❖ The Health Care Fund reflects the latest revenue estimates. Revenue from the Master Settlement Agreement with tobacco companies was reduced based on last year's collections. Tobacco tax revenues are projected to increase slightly. Medicaid recoveries are projected to be slightly lower in FY 2013 and to grow substantially in FY 2014 due to a significant increase in staffing at the Office of Attorney General to investigate Medicaid fraud. The out-years are straight-lined.
- ❖ The projections for the program to treat civilly committed sexually violent predators for FY 2013 through FY 2018 assumes previously adopted legislative changes. Projections for FY 2015 and beyond assume the addition of 60 new residents per month at a cost of \$70,000 per resident. The existing facility will be at capacity by the beginning of FY 2015, and there will be capital costs to procuring or building a second facility.
- ❖ The Community Health Services line represents spending in the Virginia Department of Health for supporting and providing services in local health departments (service areas: communicable disease control, state health services, community health services and environmental health services). The amounts also reflect funding provided to community human services organizations.
- ❖ The total spending on Temporary Assistance for Needy Families (TANF) cash assistance payments is forecasted at \$109.3 million for FY 2013 and \$109.8 million for FY 2014. These estimates reflect a decline in TANF cash assistance as expected over the next 30 months. The long-term projections assume that the amount of cash assistance will level off in FY 2015 and beyond. The amounts shown in the six-year projections are only the general fund share of TANF payments; the remaining costs are funded with

federal TANF dollars. Therefore, the general fund amount would stay constant, while the allocation of TANF resources would change related to the overall cash assistance need.

- ❖ Caseload and expenditures associated with mandated child care provided to participants in the Virginia Initiative for Employment not Welfare (VIEW) are expected to remain relatively level with only a small increase over the 2012-14 biennium. The general fund share of mandated child care costs are expected remain constant at \$24.1 million while the remaining nongeneral funds (TANF and CCDF) will be adjusted to meet actual expenditures.
- ❖ The six year amounts for foster care only reflect general fund spending. However total spending can be derived by doubling these amounts since the federal government provides a match of approximately fifty percent. Spending on foster care maintenance payments have tracked below the amount budgeted in Chapter 890 and continues to decline at a less significant rate through FY 2014. This is primarily due to more children being placed in permanent houses via adoption. However, it is expected that trend will reverse and costs will begin to modestly increase in FY 2015. The introduced budget and six-year spending plan accounts for this trend. The projections for FY 2015 and beyond assume that foster care costs will continue a modest increase of five percent each year. The projections do not include future mandated foster family rate increases.
- ❖ The amounts in the six-year spending plan reflect anticipated expenditures for both Title IV-E adoptions (federally mandated) as well as special needs adoption subsidies (state mandated). The amounts shown only represent the general fund provided for these programs. Title IV-E adoption expenditures also receive a fifty percent federal match. The increased spending estimate is directly related to an increase costs and in more children achieving a permanent home. The subsidy spending has been further adjusted (\$2.6 million is moved from general to federal) to account for a Department of Social Services strategy to ensure that expenditures are properly allocated to Title IV-E. It is assumed that adoption subsidy expenses will continue growing at a four percent rate for FY 2015 and beyond.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the agencies and activities listed below, based on funding in HB 30, the introduced budget for the 2010-2012 biennium, and not listed separately in the table. Out-year funding is continued at the FY 2012 level.
 - Department for the Aging
 - Virginia Department for the Deaf and Hard of Hearing
 - Virginia Department of Health
 - Department of Behavioral Health and Developmental Services (such as Central Office)
 - Department of Rehabilitative Services
 - Department of Social Services (including CSA administration)
 - Department for the Blind and Vision Impaired
 - Board for People with Disabilities
 - Tobacco Settlement Foundation

**General Fund Spending Through FY 2018
Natural Resources**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Water Quality Improvement Fund deposit	\$50.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
All other spending	\$91.4	\$88.7	\$88.7	\$88.7	\$88.7	\$88.7
Total, spending and savings items	\$141.5	\$88.7	\$88.7	\$88.7	\$88.7	\$88.7

Natural Resources General Fund Spending Assumptions

- ❖ FY 2013 includes \$50.3 million was deposited to the Virginia Water Quality Improvement Fund (WQIF). Of this amount, 90 percent, or \$45.3 million, was deposited to the WQIF within the Department of Environmental Quality, and ten percent, or \$5.0 million, was deposited to the WQIF within the Department of Conservation and Recreation. The projections do not include any assumptions regarding out-year funding.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the agencies and activities listed below, based on funding in HB 30 as Introduced for the 2012-2014 biennium, and not listed separately in the table. Out-year funding is continued at the FY 2014 level.
 - Secretary of Natural Resources
 - Department of Conservation and Recreation
 - Department of Environmental Quality
 - Department of Historic Resources
 - Marine Resources Commission
 - Virginia Museum of Natural History

General Fund Spending Through FY 2018 Public Safety

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Operation of adult prisons	\$775.4	\$758.9	\$785.9	\$795.7	\$801.7	\$807.7
Operation of juvenile correctional facilities	\$77.8	\$77.8	\$77.8	\$77.8	\$77.8	\$77.8
Local juvenile detention facilities	\$34.0	\$34.0	\$34.0	\$34.0	\$34.0	\$34.0
State Police	\$229.1	\$227.9	\$227.9	\$229.9	\$227.9	\$227.9
Forensic science	\$36.5	\$36.3	\$36.3	\$36.3	\$36.3	\$36.3
HB599	\$172.4	\$172.4	\$179.9	\$188.4	\$196.1	\$203.7
All other spending	\$371.9	\$360.8	\$360.8	\$360.8	\$360.8	\$360.8
Total, spending and savings items	\$1,697.1	\$1,668.1	\$1,702.6	\$1,722.9	\$1,734.6	\$1,748.3

Public Safety General Fund General Fund Spending Assumptions

- ❖ Operation of Adult Prisons includes all the costs of operating secure adult correctional facilities. In order to meet the need to house additional inmates in the future, the 2007 General Assembly authorized the construction of a medium-security prison, which was completed in early FY 2011. Because of budget restrictions and reduced inmate growth, that facility is not planned to be opened until FY 2015. Partial year funding for this facility is included in the assumption for FY 2015. The full operational costs of that facility are included in the data for FY 2016 and beyond. There is an additional \$6 million included for each year after FY 2014 for projected increases in inmate medical costs.
- ❖ Operation of Juvenile Correctional Facilities includes all the costs of operating the state's facilities for juvenile offenders. No major increases in the costs for this activity are projected for the future.
- ❖ Local juvenile detention facilities include the state's share of the costs of operating local secure detention facilities. No major increases in the costs for this activity are projected for the future.
- ❖ State Police includes all the costs of operating the department. Due to scheduled replacement of equipment for the new STARS communication system, it is projected that the agency will need an additional \$2 million in FY 2016. No other major increases in the costs for this agency are projected for the future.
- ❖ Forensic Science includes all the costs of operating the department. No major increases in the costs for this agency are projected for the future.
- ❖ HB599 includes the funds provided to localities with police departments. By state law, the funding level for this activity is tied to changes in the general fund revenue forecast. However, the budget overrides that provision of general law and the amounts for FY 2013 and FY 2014 are the same amount that was appropriated for this function in FY 2012. It is anticipated that after the 2012-2014 biennium, the process set out in general law will be resumed. Accordingly, funding for the years beyond FY 2014 are based

on projected increases in GF revenue, as follows: FY 2015, + 4.35 percent; FY 2016, +4.70 percent; FY 2017, + 4.10 percent; and FY 2018, + 3.91 percent.

❖ The “All Other Spending Category” includes estimated general fund expenditures for the other government activities of the Public Safety Secretariat. These amounts were straight-lined in the out-years. Such spending would include:

- Department of Corrections -Central Administration
- Department of Corrections-Community Corrections
- Department of Juvenile Justice-Central Administration
- Department of Juvenile Justice-Community Corrections
- Department of Military Affairs
- Department of Correctional Education
- Commonwealth’s Attorneys Services Council
- Department of Criminal Justice Services (other than the HB 599 program)
- Department of Emergency Management
- Virginia Parole Board
- Department of Fire Programs
- Secretary of Public Safety

**General Fund Spending Through FY 2018
Technology**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Innovatrion & Enterpreneurship Investment	\$5.9	\$6.2	\$6.2	\$6.2	\$6.2	\$6.2
VITA	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0
All other spending	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Total, spending and savings items	\$8.4	\$8.7	\$8.7	\$8.7	\$8.7	\$8.7

Technology General Fund Spending Assumptions

- ❖ All funding for technology agencies is level funded at the FY 2014 level.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the Secretary of Technology based on funding in HB/SB 30, the introduced budget for the 2012-2014 biennium. Out-year funding is continued at the FY 2014 level.

**General Fund Spending Through FY 2018
Transportation**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Route 58 support	\$40.0	\$40.0	\$40.0	\$40.0	\$40.0	\$40.0
Port localities road maintenance	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
All other spending	\$4.0	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)	(\$0.0)
Total, spending and savings items	\$45.0	\$41.0	\$41.0	\$41.0	\$41.0	\$41.0

Transportation General Fund Spending Assumptions

- ❖ General fund support for the Route 58 Corridor Development Fund is provided in lieu of the deposit of the state recordation taxes to the fund. The historical level for this appropriation is \$40 million each fiscal year, which is continued in the out-years.
- ❖ The amount shown for port localities road maintenance is a supplemental payment to localities surrounding Virginia-owned ports. The budget directs this funding to be used for road maintenance within these localities. Because this infusion was originally intended as an on-going commitment to account for lost real estate revenues to these localities, expenditures are shown as continuing in the out-years.

**General Fund Spending Through FY 2018
Veterans Services and Homeland Security**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Veterans Services	\$9.1	\$9.2	\$9.2	\$9.2	\$9.2	\$9.2
All other spending	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Total, spending and savings items	\$9.6	\$9.7	\$9.7	\$9.7	\$9.7	\$9.7

Veteran’s Services and Homeland Security General Fund Spending Assumptions

- ❖ Veterans Services includes the entire appropriation for the Department of Veterans Services.
- ❖ The “All Other Spending Category” includes estimated general fund expenditures for the other government activities of the secretariat. These amounts were straight-lined in the out-years. Such spending would include:
 - Secretary of Veterans Affairs and Homeland Security

General Fund Spending Through FY 2018 Centrally Funded Items

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
State employee retirement contributions	\$42.2	\$44.0	\$86.8	\$90.6	\$88.9	\$92.7
State employee health insurance	\$44.2	\$56.1	\$95.8	\$127.9	\$162.4	\$199.2
Other state employee benefits	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Future public employee salary increases	\$0.0	\$0.0	\$0.0	\$43.1	\$78.0	\$121.9
Economic Contingency and Legal Defense	\$13.0	\$30.0	\$8.2	\$8.2	\$8.2	\$8.2
Aid to Localities Reductions	(\$50.0)	(\$45.0)	(\$30.0)	(\$15.0)	\$0.0	\$0.0
Miscellaneous Reversions	(\$2.4)	(\$2.9)	(\$2.9)	(\$2.9)	(\$2.9)	(\$2.9)
Higher Education interest & credit card rebate	\$3.2	\$3.9	\$3.9	\$3.9	\$3.9	\$3.9
All other spending	(\$10.5)	(\$10.5)	(\$10.5)	(\$10.5)	(\$10.5)	(\$10.5)
Total, spending and savings items	\$40.2	\$76.2	\$151.8	\$245.8	\$328.5	\$413.1

Centrally Funded Items General Fund Spending Assumptions

- ❖ Out-year projections for state employee retirement are based on projected employer contribution rates provided by the Virginia Retirement System. The rates assume an eight percent investment rate of return, a 2.5 percent rate of inflation, and a 30-year amortization and are based on June 30, 2011 actuarial valuations.
- ❖ State employee health insurance premiums assume that FY 2014 employer costs will increase by seven percent each year (after adjusting for one-time savings in FY 2014).
- ❖ Out-year projections for other state employee benefits, which include group life insurance, the retiree health credit, and the sickness and disability program, are level funded at the FY 2014 amount.
- ❖ Future salary increases assume two percent salary increases in November 2015 and November 2017 for state employees and state-supported local employees.
- ❖ Out-year projections for economic contingency and legal defense do not include one-time funding in FY 2014 for the Federal Action Contingency Trust Fund and telephone system replacement. All other spending in this program is level-funded at the FY 2014 amount.
- ❖ The reductions to selected aid to locality programs are projected to be fully phased out in the 2016-18 biennium.
- ❖ Miscellaneous reversions continue at \$2.9 million each year. Beginning in the 2014-16 biennium, these amounts will be allocated to the appropriate agencies.
- ❖ Higher education interest and credit card rebates are level-funded at the FY 2014 amount.
- ❖ “All Other Spending Category” remains constant at the FY 2014 level.

**General Fund Spending Through FY 2018
Independent Agencies**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Independent Agencies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
All other spending	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total, spending and savings items	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

Independent Agencies General Fund Spending Assumptions

- ❖ No general fund dollars are appropriated for independent agencies in the 2012-14 biennium and none is anticipated in the out-years.

**General Fund Spending Through FY 2018
State Grants to Nonstate Entities**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Grants to nonstate entities	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
All other spending	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total, spending and savings items	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

State Grants to Nonstate Entities General Fund Spending Assumptions

- ❖ No general fund dollars are appropriated for state grants to nonstate entities in the 2012-14 biennium. No funding is projected for the out-years.

**General Fund Spending Through FY 2018
Capital Outlay**

Item	HB30		Projected Amounts			
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Maintenance Reserve	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Construction and renovation	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Equipment	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Planning	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
All other spending	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total, spending and savings items	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

Capital Outlay General Fund Spending Assumptions

- ❖ Pursuant to Chapter 839, 2002 session, given that projected revenue growth is less than five percent, no general fund dollars are included for capital outlay.

APPENDIX B

Detailed Listing Of
“Other Transfers”
To The General Fund
Through FY 2018

Detailed Listing Of “Other Transfers” To The General Fund

- ❖ As previously indicated cash transfers to the general fund for fiscal years 2013 and 2014 equal the amounts included in the introduced budget bill. In future years, “other transfers” equal recurring items as listed on the following list:

Cash Transfers, FY 2015 Through FY 2018	Amount*
Miscellaneous interfund transfers	\$74,936,039
ABC profits transfer	\$54,000,000
Unrefunded marine fuels transfer	\$7,416,469
Local sales tax compliance transfer	\$5,680,260
Transportation sales tax compliance transfer	\$2,787,842
Nongeneral fund indirect costs transfer	\$6,691,692
Transfer general fund to the game protection fund	(\$3,000,000)
Transfer general fund to the Children's Health Program	(\$14,065,627)
General fund transfer to the Game Protection Fund	(\$10,635,320)
Transfer from the Game Protection Fund for Debt service payments for high hazard dam safety repairs	\$405,000
Tobacco Commission share of Tobacco Settlement enforcement unit	\$244,268
Foundation for Healthy Youth share of Tobacco Settlement enforcement unit	\$48,854
Court debt Collections	\$4,000,000
Uninsured motorist fees transfer	\$7,400,000
Intensified Drug Enforcement Jurisdictions Fund Transfer	\$6,500,000
Alcoholic Beverage Control Operational Efficiencies	\$1,550,385
Trauma Center Fund transfer	\$9,055,000
Land Preservation Fund Transfer	\$600,000
Alcia Law transfer	\$650,000
Special Emergency Medical Fund transfer	\$10,518,587
Indirect costs from the communications sales and use tax	\$114,775
Virginia Public School Authority reimbursement for administrative costs	\$201,000
Total	\$165,099,224

*Negative amounts denote transfers from the general fund to other funds.