

Secretariat of Agriculture & Forestry

A Presentation to
the
Subcommittee on Economic
Development and Natural Resources
of the
Senate Finance Committee
January 21, 2009

Overview of presentation

- The importance of Agriculture and Forestry to the Virginia Economy
- Operating Budget Overview 2009-2010

The Economic Impact of Agriculture and Forestry on the Commonwealth of Virginia

Report to the Governor and Secretary of
Agriculture and Forestry

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August 21, 2008



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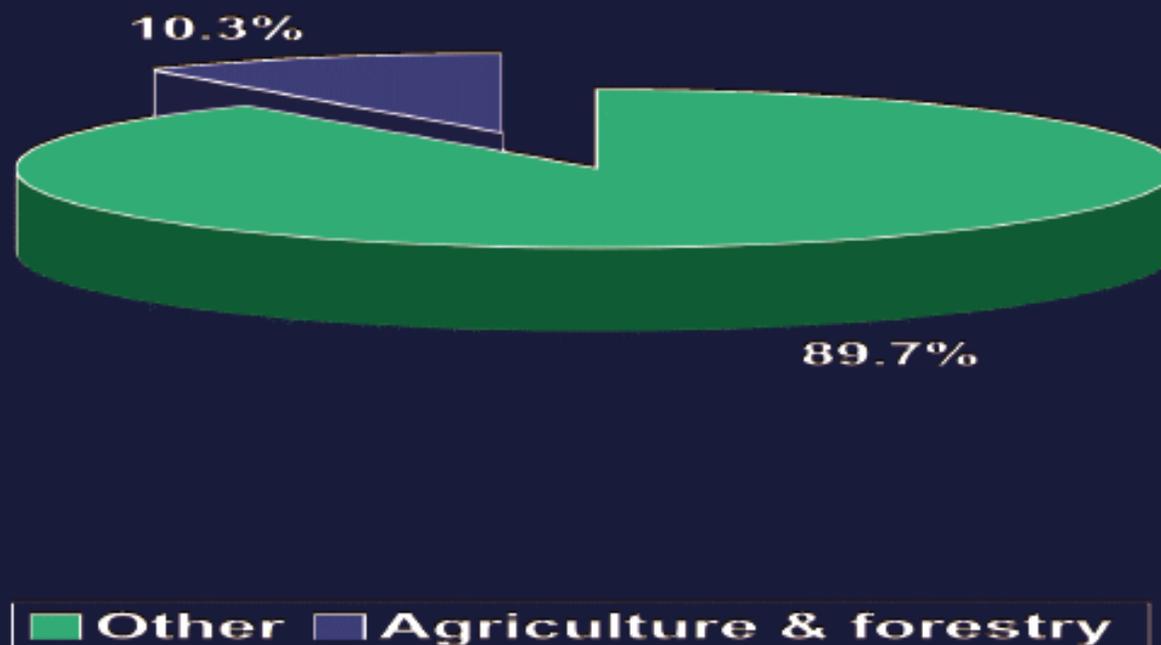
University of Virginia

Total Economic Impact

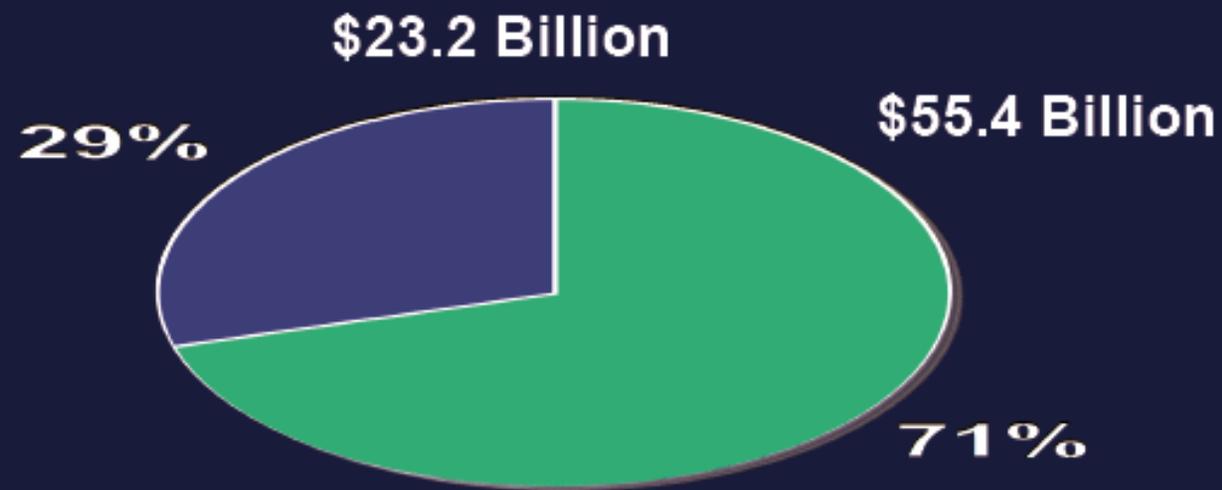
- The total economic impact of agriculture and forestry related industry is nearly \$79 billion in total industrial output and 501,500 jobs.

Impacts Compared to Virginia Economy

One in 10 jobs



Impacts by Sector



■ Agriculture ■ Forestry

Other Economic Effects

- No attempt is made to measure other social benefits (e.g., open space, water quality, carbon sequestration).
- No attempt was made to capture economic impacts of agritourism or forest recreation (e.g., wildlife recreation, horse shows, agricultural festivals).
 - Other studies suggest that tourism activities alone account for billions of dollars in total output.

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Operating Budget Overview
2009-2010

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Operating Budget Summary

FY 2009-2010

	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>Positions</u>
2009 Base Budget	51,262,956	39,013,188	864.38
2009 Addenda	(3,657,109)	444,965	(16.00)
2009 Total	47,605,847	39,458,153	848.38
2010 Base Budget	51,758,936	39,013,188	864.38
2010 Addenda	(5,474,179)	3,050,117	(42.38)
2010 Total	46,284,757	42,063,305	822.00

VDACS

Operating Budget Summary

FY 2009 - 2010

	General Fund	Nongeneral Fund	Positions
2009 Base Budget	\$32,209,456	\$28,252,732	538.00
2009 Addenda	\$(1,757,276)	\$444,965	(12.00)
2009 Total	\$30,452,180	\$28,697,697	526.00

	General Fund	Nongeneral Fund	Positions
2010 Base Budget	\$32,705,436	\$28,252,732	538.00
2010 Addenda	\$(3,179,652)	\$708,747	(19.00)
2010 Total	\$29,525,784	\$28,961,479	519.00

VDACS: Major Reduction Strategies 2009-2010

- Eliminate GF positions
- Reduce travel/administrative costs
- Transfer NGF cash balances to GF
- Eliminate Specialty AG Research Grants
- Increase testing fees at the Animal Health Labs
- Reduce Appropriation to the VA Wine Distribution Corporation
- Reduce PDR matching funds

DOF

Operating Budget Summary

FY 2009 - 2010

	General Fund	Nongeneral Fund	Positions
2009 Base Budget	\$18,604,326	\$10,270,122	323.38
2009 Addenda	\$(1,899,833)	\$0	(4.00)
2009 Total	\$16,704,493	\$10,270,122	319.38

	General Fund	Nongeneral Fund	Positions
2010 Base Budget	\$18,604,326	\$10,270,122	323.38
2010 Addenda	\$(2,292,692)	\$2,341,370	(23.38)
2010 Total	\$16,311,634	\$12,611,492	300.00

DOF: Major Reduction Strategies 2009 - 2010

- Eliminate vacant GF positions
- Transfer the cost of 8 GF positions to NGF
- Implement fees to cover administrative costs for R/T programs
- Consolidate regional offices
- Capture NGF balances
- Capture turnover/vacancy savings
- Reduce administrative costs

Conclusions/Questions?