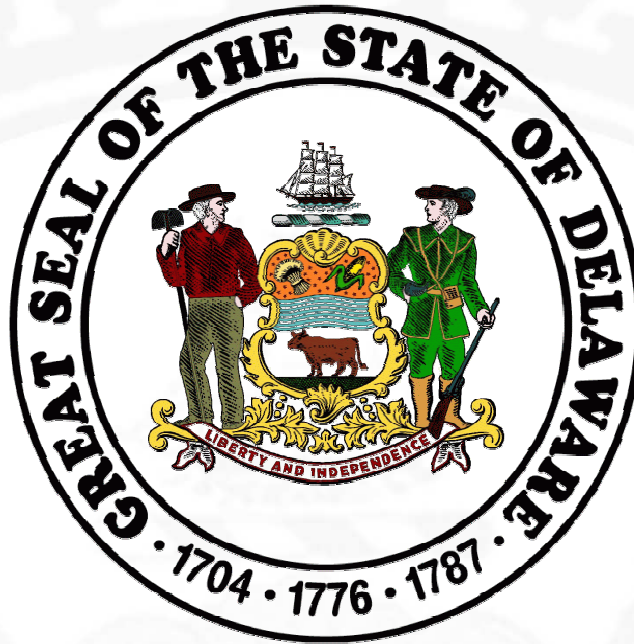


State of Delaware Office of the Governor



Fiscal Year 2013 Operating and Capital Budget Summary

Governor's Principles



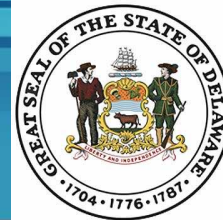
Invest in Priorities:

- Job Growth.
- Stronger Schools.
- Governing Responsibly.

Keep Core Commitments:

- Public Safety.
- Healthcare.
- K-12 and Higher Education.

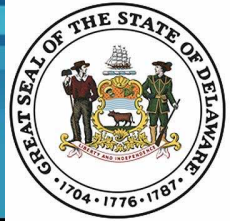
Creating Jobs and Building a Stronger Economy



- \$40.0 million to supplement the Transportation Trust Fund.
- \$30.0 million investment in the Strategic Fund.
- \$19.9 million in agency Minor Capital Improvements and Equipment (MCI) and Maintenance and Restoration.
- \$13.3 million in statewide trails and pathways.
- \$4.0 million investment in Housing Preservation to leverage federal funds and expand low-income housing capacity.
- \$3.2 million for the Riverfront Development Corporation.
- \$1.0 million for the Experimental Program to Stimulate Competitive Research (EPSCOR).
- \$1.0 million in state match for the IDeA Network of Biomedical Research Excellence (INBRE) Program.
- \$1.0 million for Fraunhofer Vaccine Development.



Creating a World-Class Education System



Operating Budget Investments.

- \$27.4 million in Education Sustainment Fund to maintain funding level from loss of Federal Education Jobs Fund Act support.
- \$8.7 million to maintain school classroom size and fully fund unit count (111 units).
- \$1.5 million in School Improvement Funds to support grants to low achieving non-Title I schools in accordance with the waiver for No Child Left Behind (NCLB).
 - \$920,000 to fully fund Student Excellence Equals Degree (SEED) Scholarship Program and Inspire Scholarship Program.
 - \$400,000 in the Department of Safety and Homeland Security to fund the development of school safety plans.



Creating a World-Class Education System



Capital Budget Investments.

\$119.8 million for Public Education projects.

- Funding for major capital projects in Appoquinimink, Brandywine, Capital, Laurel, Red Clay, Woodbridge, Seaford, New Castle County Vo-Tech, Polytech and Sussex Vo-Tech school districts.
- Funding for Minor Capital Improvements.



\$9.5 million for Higher Education projects.

- Funding for projects at Delaware State University, Delaware Technical and Community College and the University of Delaware.



\$2.6 million investments in libraries statewide.

- Funding for Wilmington Institute Public Library, Lewes Public Library, Duck Creek Regional Library (Smyrna), Delmar Public Library, Frankford Public Library and Route 9/13 Community Library.

Ensure Fiscal Responsibility.

- Only appropriated 98% of revenue.
- Fully funded Rainy Day Fund.
- Adhered to three-part debt limit.
- Maintained AAA-bond rating.
- Invested one-time revenues in infrastructure and economic development.
- Directs abandoned property revenue above the current DEFAC estimate to K-12 construction, debt reduction and State's Other Post-Employment Benefits (OPEB) Trust Fund.



Investing in Core Commitments

Public Safety. Healthcare. K-12 and Higher Education.



Operating Budget Investments.

- \$21.7 million in Medicaid to address caseload and inflationary growth.
- \$10.7 million in the Department of Health and Social Services to support additional community placements and community housing supports.
- \$10.0 million contribution to the State's OPEB Trust Fund.
- \$6.8 million in the Department of Health and Social Services, Division of Developmental Disabilities Services to support additional community placements and special school graduates.
- \$1.6 million in the Department of Services for Children, Youth and Their Families to meet increasing demand for inpatient mental health services.
- \$1.5 million in Elder Tax Relief and Education Expense Fund.
- \$1.1 million in the Department of Safety and Homeland Security for additional State Police vehicles.
- \$500,000 in the Department of Agriculture for Poultry Disease Research and the Diagnostic Poultry Program.

Investing in Core Commitments

Public Safety. Healthcare. K-12 and Higher Education.



Capital Budget Investments.

- \$10.0 million investment in Open Space Preservation.
- \$10.0 million investment in Agricultural Lands Preservation, including the Delaware Young Farmer Program.
- \$9.9 million for Howard R. Young Correctional Institution new kitchen construction.
- \$8.2 million for new Troop 3 in Camden and new Troop 7 in Lewes.
- \$3.6 million for State Police Helicopter lease payment.
- \$2.2 million for redevelopment of strategic sites.
- \$1.9 million for the Drinking Water State Revolving Fund, leveraging \$9.3 million in federal funds.
- \$1.3 million for Clean Water State Revolving Fund, leveraging \$6.5 million in federal funds.

Supporting Public Services



- \$14.1 million for 1% pay increase for state employees, effective July 1, 2012.
- \$11.1 million to fund step increases for State Police, School District and Delaware Tech employees and to fund increases for Paraprofessionals.
- \$6.3 million for 1% increase for state pensioners, effective July 1, 2012.
- \$3.0 million for State Rental Assistance Program (SRAP) to meet increasing demand.
- \$2.8 million to the Departments of Health and Social Services, Services for Children, Youth and Their Families and Correction to fund a 1% increase for State providers of services to clients.
- \$781,000 for General Assistance to increase client payments to \$90.00 a month.
- \$708,800 in Judicial for two Superior Court Judges and 16 support staff.
- \$450,000 to Employment and Training to support workforce investment and job search efforts.
- \$100,000 to increase Department of Labor's Summer Youth program by 60 participants.

FY 2013 Financial Package



General Fund Operating Budget	\$3,586.8 million
Transportation Trust Fund Budget	\$346.6 million
Grants-in-Aid	\$44.2 million
Bond and Capital Improvements Act	\$429.4 million
- State Capital Projects.....	\$255.9 million
- Transportation Projects.....	\$173.5 million

FY 2013 General Fund Operating Budget is 2.2% greater than the FY 2012 Operating Budget.