

GOVERNOR'S BUDGET OVERVIEW

The Fiscal Year 2014 Governor's Recommended Budget reflects the commitment to sound financial principles. These principles include:

- Adhering to constitutional spending limitations by fully funding Delaware's Rainy Day Fund and only appropriating 98 percent of available revenues that have led to our Triple-A bond rating;
- Keeping commitments to core services provided to all Delawareans in the areas of healthcare, public safety and the environment; and
- Investing in the Governor's priorities of job growth, stronger schools and Delaware's youth while driving efficiency in state government.

The Governor's proposed Fiscal Year 2014 Operating Budget totals \$3,712.0 million. This budget, in combination with the Recommended Bond and Capital Improvements Act of \$423.5 million and recommended set aside for Grants-in-Aid of \$43.0 million, is within the constitutionally mandated 98 percent limit on appropriations.

Government Efficiency

The proposed budget continues to hold the line on agency personnel growth. The recommended budget contains 1,085 fewer state agency FTEs compared to the Fiscal Year 2009 budget.

Preserving Jobs

The Recommended Bond and Capital Improvements Act contains several funding initiatives designed to enhance Delaware's economy and generate jobs.

- \$29.0 million for the Delaware Strategic Fund. The Delaware Strategic Fund represents the primary funding source used by the Delaware Economic Development Office to provide customized financial assistance to businesses. Recent projects supported through Strategic Fund resources include grants to JP Morgan Chase, Amazon, Civil Air Terminal, Ashland, Atlantis Industries, Capital One, Citi and Kraft Foods.
- \$1.0 million for the sixth year of funding for the Experimental Program to Stimulate Competitive Research. These state matching funds leverage \$3.0 million in federal funds.
- \$1.0 million for Fraunhofer Center for Molecular Biotechnology (CMB) Vaccine Development. Funding is intended to create high-tech, high-impact jobs, spin-off businesses, new partnerships and alliances and enable CMB to leverage its unique technologies in the biotech marketplace.
- \$1.0 million in state match for the fifth year of a five-year commitment to the IDeA Network of Biomedical Research Excellence program. This program is designed to build a statewide

infrastructure in facilities for research into cancer, neuroscience and cardiovascular diseases.

- \$3.15 million for the Riverfront Development Corporation.

Investing in Delaware's Schools and in our Youth

The Governor's Recommended Operating Budget and Bond and Capital Improvements Act reaffirm the Governor's commitment to education and providing the needed supports to allow our youth to succeed.

- \$8.8 million to fund salary steps for school and Delaware Technical and Community College employees.
- \$8.8 million to fully fund a projected growth of 110 units for school year 2013-2014.
- \$6.0 million to increase supports for youth which includes the following:
 - \$3.3 million to expand middle school behavior health services;
 - \$2.2 million for targeted prevention services through access to substantive after-school activities; and
 - \$0.5 million for the "Ready by 21" program that provides supports for the basic needs of youth aging out of foster care.
- \$2.3 million for increased projected expenditures for Pupil Transportation.
- \$2.0 million to expand full day kindergarten to the Indian River School District. With this additional funding, all 19 school districts and eligible charter schools will offer full day kindergarten.
- \$0.4 million to increase the per child subsidy for the Early Childhood Assistance Program.
- \$0.3 million to accelerate the development of school safety plans for all schools from five years to two years.
- \$99.0 million for Public Education capital projects. Included is Minor Capital Improvements funding and funding for projects in the Laurel, Woodbridge, Sussex Technical, Polytech, Seaford, Red Clay, Capital and Indian River school districts.
- \$9.6 million for capital projects at Delaware State University, Delaware Technical and Community College and the University of Delaware.