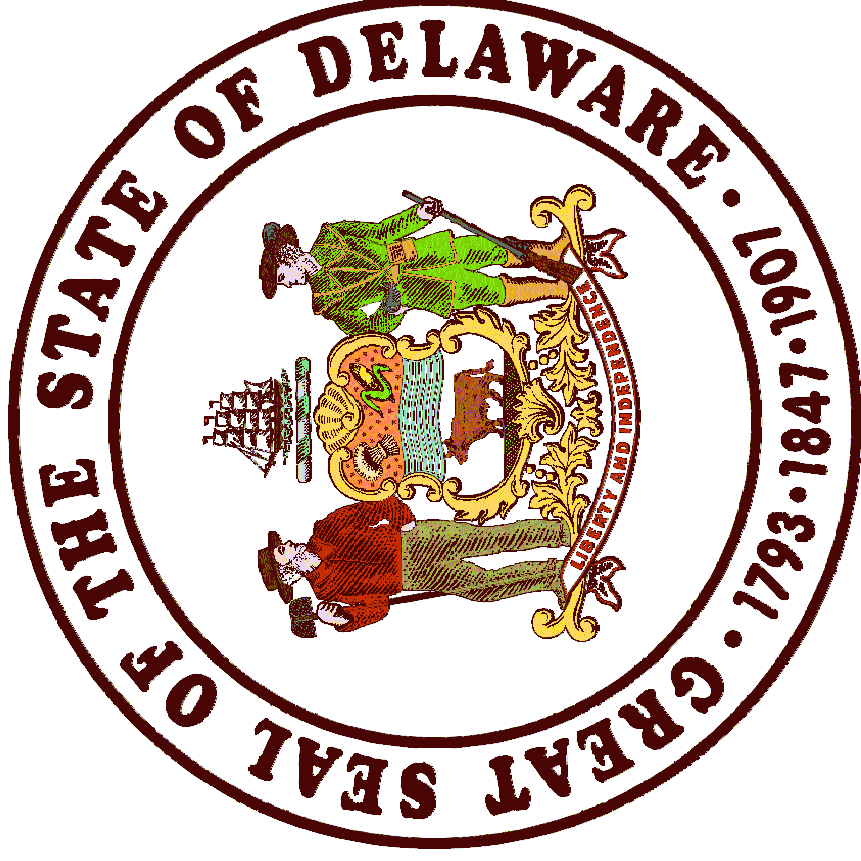
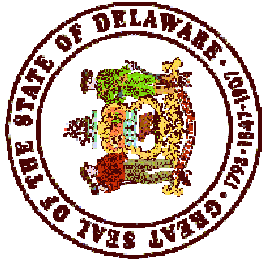


State of Delaware
Office of the Governor



Financial Overview
Fiscal Year 2002

December 28, 2000
2:00 p.m.



Governor's Recommended Financial Package

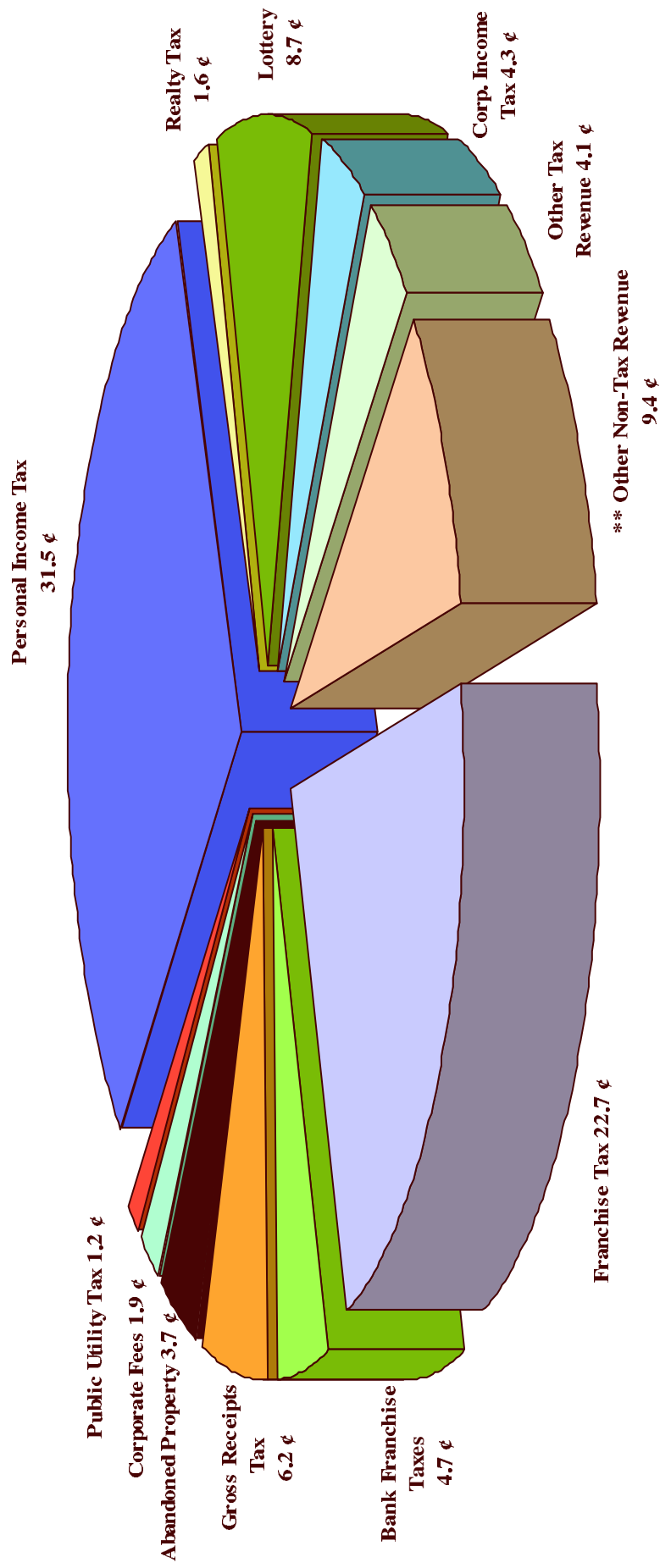
Fiscal Year 2002

- **General Fund Operating Budget** **\$2,298.7 M**
 - *GF Operating Budget Growth - 5.3%*
 - *GF Position Growth - 198.9 FTEs*
 - *101.6 FTEs Department of Education*
 - *GF Unappropriated - 1%, \$24.6 M*
- **Grants-In-Aid** **\$36.5 M**
- **Bond and Capital Improvements Act**
 - State Capital Projects **\$210.1 M**
 - *G.O. Bonds & Interest (\$121.6 M)*
 - *One-Time Cash (\$52.1 M)*
 - *Reprogramming, Reauthorization, Other (\$36.4 M)*
 - Transportation Projects **\$181.1 M**



Governor's Recommended Operating Budget

Fiscal Year 2002 Revenue Dollar Sources of Funds*



* Net of Refunds

** Includes Prior Year Unencumbered Cash



*Estimated General Fund Revenue **

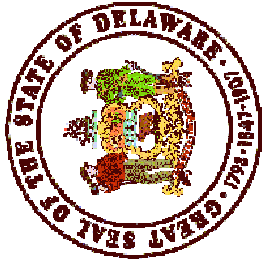
Fiscal Years 2001 - 2002

<u>Revenue Categories</u>	<u>Forecast FY 2001</u>	<u>Forecast FY 2002</u>
Personal Income Taxes	\$732.4	\$775.6
Public Utility Taxes	29.8	30.2
Realty Transfer Taxes	37.5	38.6
Lottery Sales	204.5	214.2
Corporate Income Taxes	106.2	105.7
Other Taxes **	97.1	101.2
Other Non-Tax Revenue ***	185.8	203.2
Franchise Tax	516.4	557.6
Corporate Fees	45.9	48.2
Bank Franchise Taxes	100.0	115.0
Gross Receipts Taxes	145.0	153.1
Abandoned Property	<u>125.0</u>	<u>90.0</u>
TOTAL	<u>\$2,325.6</u>	<u>\$2,432.6</u>

* Net of Revenues

** Includes: Cigarette, Estate, Insurance Taxes

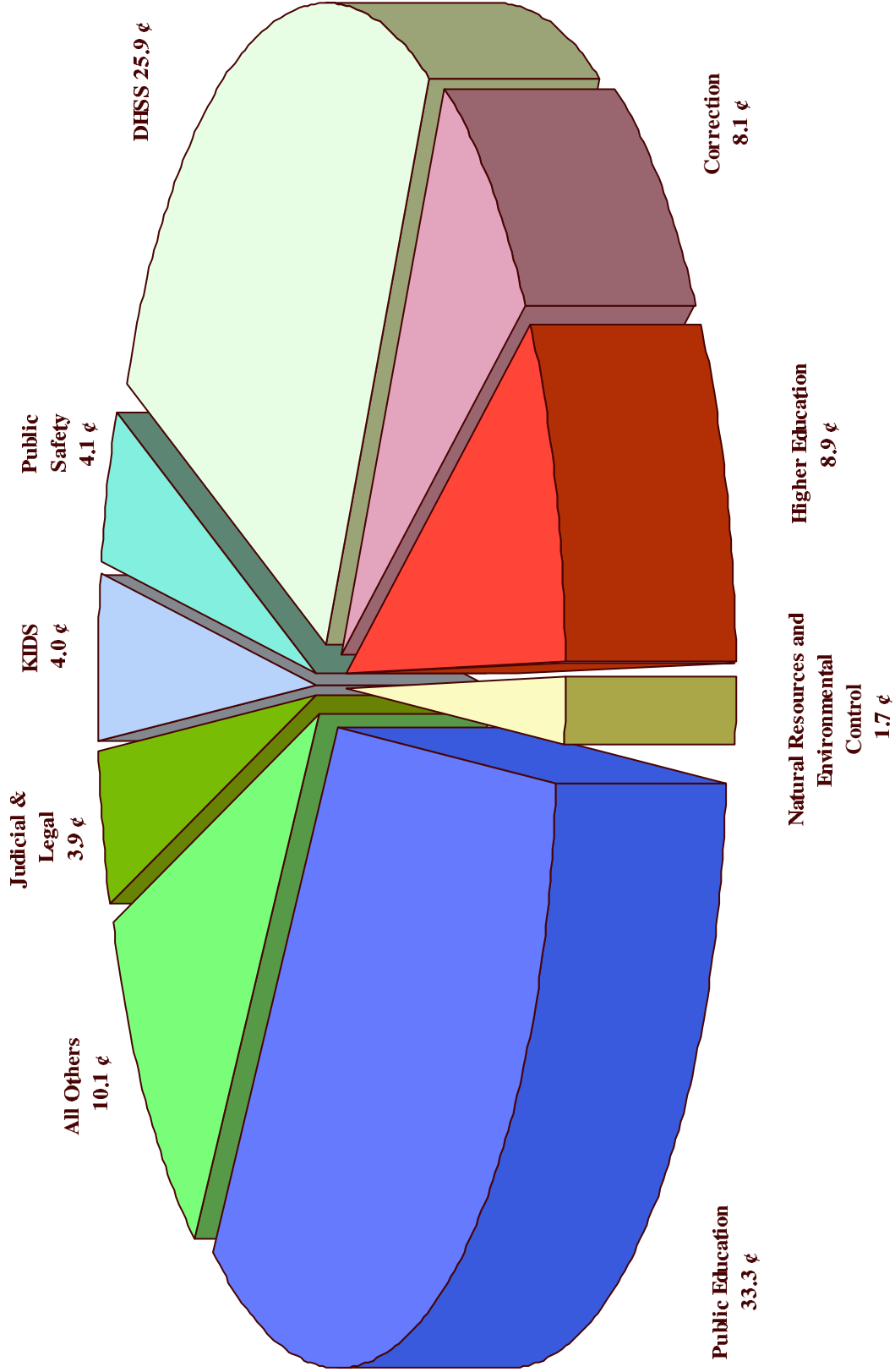
*** Includes: Other Revenue, Hospital Board & Treatment,
Dividends and Interest, School District Reimbursement,
Limited Partnerships, and Unencumbered Cash



Governor's Recommended Operating Budget

Fiscal Year 2002 Budget Dollar

General Fund Appropriations





Operating Budget Appropriations Fiscal Years 2001 - 2002

	FY 2001 *	FY 2002 ***
Legislative	\$ 11,572.1	\$ 11,764.8
Judicial	60,944.3	62,540.3
Executive	103,568.1	91,971.5
Other Elective Offices	24,663.0	37,387.7
Legal	25,669.4	27,771.5
State	14,335.8	14,300.5
Finance	16,025.5	16,128.5
Administrative Services	39,525.8	38,942.6
Health and Social Services	547,175.4	596,235.9
Children, Youth & Their Families	89,246.0	91,319.4
Correction	178,903.2	185,674.7
DNREC	38,228.7	38,296.2
Public Safety	90,272.3	93,938.7
Labor	5,800.2	6,025.4
Agriculture	6,134.5	6,280.0
Elections	3,149.9	3,300.8
Fire Prevention Commission	3,920.4	3,991.6
Delaware National Guard	3,149.0	3,294.5
Exceptional Citizens	108.0	110.8
Higher Education	200,449.5	204,927.8
Public Education	720,228.5	764,502.8
Statewide Total	\$ 2,183,069.6	\$ 2,298,706.0

* Budgeted
** Governor's
Recommend



Governor's Recommended Operating Highlights

Fiscal Year 2002

- **STATEWIDE**

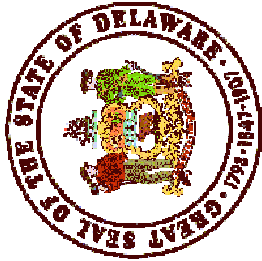
- \$14,682.6 - Employee Health Insurance

- \$7,076.5 - Retiree Health Insurance

- \$4,460.0 - DOE/DTCC Steps

- \$3,939.8 - Debt Service

- \$2,469.8 - Energy



Governor's Recommended Operating Highlights

Fiscal Year 2002

- **PUBLIC EDUCATION**

- \$10,259.5 - Fully Support Professional Development and

Educator Accountability

- \$3,600.0 - Professional Development Days
- \$4,000.0 - Knowledge, Skill and Responsibility Supplements
- \$2,695.5 - School Building Awards

- \$4,784.4 - General Contingency

- \$2,921.5 - Delaware Student Testing Program

- \$1,388.7- Student Re-testing, End of Summer Testing, Additional Indicators

- \$1,238.6 - Off-grade Assessment

- \$294.2 - On-grade Assessment



Governor's Recommended Operating Highlights

Fiscal Year 2002

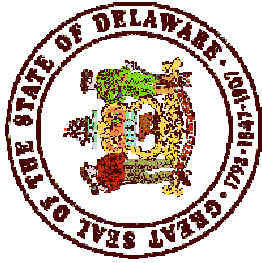
- PUBLIC EDUCATION (cont'd)
 - \$2,036.7 - Transportation
 - \$1,500.0 - Unique Alternatives
 - \$367.9 - Adult Education Block Grant
 - \$322.2 - James H. Groves High School
 - \$27.0 - Diploma at a Distance
 - \$18.7 - Alternative Secondary Education
 - \$229.2, 3.0 FTEs - DSTP, Pupil Accounting, Capacity Needs



Governor's Recommended Operating Highlights

Fiscal Year 2002

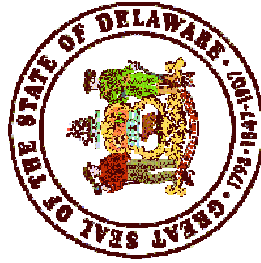
- **HEALTH AND SOCIAL SERVICES**
 - \$38,000.0 - Medicaid Caseload
 - \$3,554.2 - SB 115, Annualize Phase 1, Implement Phase 2
 - \$1,473.9 - Mental Retardation
 - \$820.0 - Contractor Inflation
 - \$485.0 - Purchase of Care
 - \$168.0 - Purchase of Community Services
 - \$1,567.4 - Alcoholism, Drug Abuse and Mental Health
 - \$712.0 - Medications
 - \$364.4 - Community Placements
 - \$491.0 - Annualizations



Governor's Recommended Operating Highlights

Fiscal Year 2002

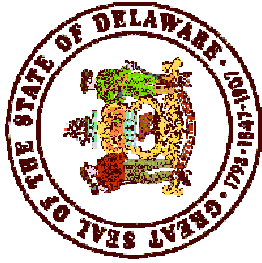
- **JUDICIAL**
 - \$1,136.8 ASF, 21.0 ASF FTEs - Register in Chancery Transfer
 - \$249.2, 17.0 FTEs - New Castle County Courthouse Operations
 - \$175.3, 10.0 FTEs - Capitol Police, New Castle County Courthouse Security



Governor's Recommended Operating Highlights

Fiscal Year 2002

- **CORRECTION**
 - \$438.7, 15.0 FTEs - Additional Staffing at Delaware Correctional Center Secure Housing Unit/Maximum Housing Unit
 - \$74.2, 6.0 FTEs - Secure Movement of Offenders inside New Castle County Courthouse
 - \$137.4, 8.0 FTEs - Probation and Parole Officers to address Level III Caseloads



Governor's Recommended Operating Highlights

Fiscal Year 2002

- **NATURAL RESOURCES AND ENVIRONMENTAL CONTROL**
 - \$584.7, 1.0 FTE - Total Maximum Daily Load Program
 - \$150.0 - West Nile Encephalitis Virus Prevention and Control Program
 - \$85.2 - Annualize Office of Recycling, Municipal Grant Program



Capital Budget Sources of Funds

Fiscal Years 2000 - 2002

SOURCE	Actual FY 2000	Actual FY 2001	Governor's Recommended FY 2002
General Obligation Bonds	\$ 70,000.0	\$ 117,170.0	\$ 121,630.0
Deauthorization of IRBs	620.0	643.0	165.0
First State Improvement Fund	45.0	40.0	75.0
Reversions and Reprogramming	1,050.0	50.0	30,770.0
Stripper Well Funds	200.0	200.0	300.0
Bond Sale Interest	1,962.6	3,000.0	--
Twenty-First Century Fund	8,000.0	6,900.0	5,000.0
General Funds	279,000.0	197,469.0	52,148.4
Sub-Total (Non-Transportation):	\$ 360,877.6	\$ 325,472.0	\$ 210,088.4
TRANSPORTATION PROJECTS			
Transportation Trust Fund	\$ 160,561.0	\$ 257,854.0	\$ 181,140.0
Transportation Trust Fund - Reauthorization	15,570.0	7,165.0	--
Sub-Total (Transportation):	\$ 176,131.0	\$ 265,019.00	\$ 181,140.0
GRAND TOTAL:	\$ 537,008.6	\$ 590,491.0	\$ 391,228.4



Governor's Recommended Capital Highlights

Fiscal Year 2002

(Non-Transportation Projects)

Enhancing Public Safety	
Stevenson House	\$1,825,000
Helicopter Replacement	540,000
Troop 2 Replacement - Phase IIB	1,300,000
New Castle County Courthouse Equipment	2,500,000
Smyrna Readiness Center	300,000
Protecting the Environment	
Conservation Cost Share	2,345,000
Tax/Public Ditches	800,000
Beach Preservation	1,000,000
Park Rehabilitation	1,000,000
Forts/Wilmington Parks	500,000
Economic Development and Job Creation	
Strategic Fund	10,000,000
DSU High Technology Incubator	4,000,000
Biotech Institute	5,000,000
Riverfront	5,000,000
Diamond State Port Corporation (\$15.0 MM in TTF)	-

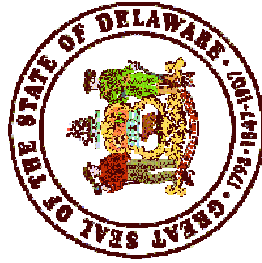


Governor's Recommended Capital Highlights

Fiscal Year 2002

(Non-Transportation Projects)

Improving Education	
Public Libraries	\$5,347,600
University of Delaware	5,500,000
Delaware State University	5,500,000
Delaware Technical and Community College	5,500,000
Construction Contingency	10,000,000
School Facilities Condition Assessment	709,500
Second and Third Year Construction Funding	89,268,300
Referendum Contingency	24,000,000
Strengthening Families	
YMCA Transitional Housing	1,000,000
Boys and Girls Clubs	1,000,000



Governor's Financial Overview
Fiscal Year 2002

End of Presentation