



Governor Ruth Ann Minner



January 26, 2006

To Members of the 143rd General Assembly and to all Delawareans:

In compliance with 29 Del. C. Section 6335(a), I respectfully submit for your consideration the Fiscal Year 2007 Governor's Policy Overview and Budget for the State of Delaware. The proposed Fiscal Year 2007 operating budget totals \$3,002.8 million. This budget presents a balanced expenditure plan which furthers the policy goals to which my administration is committed while ensuring services to all Delawareans will be delivered effectively and in a cost efficient manner.

This budget is presented at a time when optimistic revenue forecasts for the current and ensuing fiscal years should be put in perspective due to the rising costs of core government services, corporate restructurings and federal budget cuts and cost shifts to states. As such, I am presenting a strategy that balances this tempered outlook by maintaining the prudent financial principles that underlie our AAA bond ratings while also making investments in core state government services. This budget appropriates less than 98 percent of available revenues but continues to fully fund projected increases in public education enrollment, supports the Medicaid program ensuring quality health care for those in need, and funds federal budget reductions in children's adoption services. The budget I am presenting today addresses spending pressures in such areas as health care, energy and pensions. Though significant increases in those areas are included in this budget, my recommended financial plan remains sustainable into ensuing fiscal years without compromising our financial stability.

This budget also continues to invest additional resources to achieve the policy goals of the Minner-Carney administration. Continuing the planned implementation of full-day Kindergarten by 2008 and expanding the number of math specialists statewide will help better prepare children academically. Continuing to implement the recommendations of the Cancer Council, increasing the allotment of state police troopers and providing additional resources to expand nursing education will help ensure the health and safety of Delawareans. Finally, fully funding the projected Fiscal Year 2007 operating costs of the state veteran's home will ensure that this much needed facility will open on schedule.

In cooperation with the members of the 143rd General Assembly, I look forward to implementing my Fiscal Year 2007 Recommended Budget.

Sincerely,

Ruth Ann Minner
Governor