Fiscal Year 2012 Operating and Capital Budget Summary
Governor’s Priorities

✓ Creating Jobs and Building a Stronger Economy.
  • Helping put Delawareans back to work.
  • Establishing New Jobs Infrastructure Fund.

  • Reducing debt.
  • Reducing taxes for businesses and citizens.

✓ Creating a World-Class Education System.
  • Investing in Early Childhood Education.
  • Investing in Higher Education - New Economy.
Creating Jobs and Building a Stronger Economy

- $55.0 million investment in New Jobs Infrastructure to attract new, job-creating industries to Delaware.
- $40.0 million to supplement the Transportation Trust Fund.
- $35.0 million investment in Delaware Asset Preservation.
- $31.9 million investment in the Strategic Fund.
- $22.9 million in agency Minor Capital Improvements and Equipment (MCI).
- $14.0 million investment in Housing Preservation to leverage federal funds and expand our low-income housing capacity.
- $10.0 million for the Diamond State Port Corporation.
$3.2 million investment for Brownfield Redevelopment.

$3.1 million for the Riverfront Development Corporation.

$3.0 million for North Street Improvements – Dover.

$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 Delaware Biotechnology Institute.

$1.0 million for Fraunhofer Vaccine Development.

$300,000 for Delaware Sustainable Chemistry Alliance.
Making Government More Cost Effective

✓ Responsible Debt Reduction – $37.0 million

✓ Responsible Tax Reductions – $29.6 million

• $9.5 million – Public Utility Tax Reduction and Energy Efficiency Investment Program.

• $6.8 million – Personal Income Tax Reduction.

• $6.2 million – Gross Receipts Tax Reduction with Small Business exemption.

• $3.7 million – Unemployment Insurance Trust Fund.

• $3.4 million – Financial Services Jobs Incentive.
Creating a World-Class Education System

Operating Budget Investments

- $22.0 million investment in early child care and education initiative.
- $6.7 million to maintain school classroom size and fully fund unit count (100 teacher units).
- $3.8 million to support increased school and student accountability through the development and enhancements of the Delaware Comprehensive Assessment System (DCAS).
- $2.1 million for Full-day Kindergarten implementation in Milford and Christina school districts.
- $2.0 million to fully fund Student Excellence Equals Degrees (SEED) Scholarship Program and Inspire Scholarship Program.
- $1.9 million to the Department of Education to fund Foreign Language Expansion to ensure our students will be more competitive in the global economy.
$125.5 million for Public Education projects.
- Funding for Minor Capital Improvements.
- Funding for major capital projects in Appoquinimink, Cape Henlopen, Capital, Laurel, New Castle County VoTech, Polytech, Seaford, Sussex Tech and Woodbridge.

$40.5 million for Higher Education projects.
- Funding for projects at Delaware State University, Delaware Technical and Community College and the University of Delaware.

$6.8 million investments in libraries statewide.
- Funding for Bear Public Library, Claymont Branch Library, Dover Public Library, Duck Creek Regional Library (Smyrna), Frankford Public Library, Greenwood Public Library and Wilmington Institute Public Library.
✓ Operating Budget Investments.

• $51.3 million to fund the State’s Medicaid commitment.

• $17.8 million to fund the Temporary Assistance to Needy Families (TANF) program.

• $10.0 million contribution to the State’s Other Post-Employment Benefits (OPEB) Trust Fund.

• $6.5 million in the Department of Health and Social Services to support additional community placements and special school graduates.

• $3.5 million in the Department of Health and Social Services to transition additional clients from the Delaware Psychiatric Center to the community.

• $1.3 million investment in the Department of Safety and Homeland Security for additional vehicles for the State Police.
Investing in State Priorities

✓ Capital Budget Investments.

• $10.0 million investment in Open Space Preservation.
• $10.0 million investment in Agricultural Lands Preservation, including the creation of the Delaware Young Farmer Program.
• $7.0 million for Prison Facilities Roof Replacements.
• $6.7 million for new Troop 3 in Camden.
• $2.3 million for NVF site redevelopment.
• $1.9 million for the Drinking Water State Revolving Fund, which leverages $9.3 million in federal funds.
• $1.5 million for State Police Helicopter Refurbishment to extend engine lifecycle.
• $1.4 million for Clean Water State Revolving Fund, which leverages $7.2 million in federal funds.
$14.7 million for 2% pay increase for state employees, effective January 1, 2012.

$10.8 million to fund step increases for Attorney General, Public Defender, DNREC Enforcement Officers, Nurses, State Police, Education and Delaware Tech employees.

$5.7 million for 2% increase for state pensioners, effective January 1, 2012.

$5.4 million to the Departments of Health and Social Services, Services for Children, Youth and Their Families and Correction to fund a 2% increase for State providers of services to clients.

$1.5 million to establish the State Rental Assistance Program.

$300,000 to increase Department of Labor’s Sheltered Workshop program.

$100,000 to increase Department of Labor’s Summer Youth program by 65 participants.
## Building Delaware’s Future Now Summary

<table>
<thead>
<tr>
<th>Building Delaware’s Future Now</th>
<th>Amount</th>
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<tbody>
<tr>
<td>✓ New Jobs Infrastructure</td>
<td>$55.0 M</td>
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<tr>
<td>✓ Transportation Trust Fund</td>
<td>$40.0 M</td>
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<tr>
<td>✓ Delaware Asset Preservation</td>
<td>$35.0 M</td>
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<tr>
<td>✓ Housing Preservation</td>
<td>$14.0 M</td>
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<tr>
<td>✓ Open Space Preservation</td>
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### Responsible Debt and Tax Reductions

<table>
<thead>
<tr>
<th>Responsible Debt and Tax Reductions</th>
<th>Amount</th>
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<tbody>
<tr>
<td>✓ Debt Reduction</td>
<td>$37.0 M</td>
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<tr>
<td>✓ Reduction in Public Utility Tax and Energy Efficiency Investment Program</td>
<td>$9.5 M</td>
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<tr>
<td>✓ Personal Income Tax Reduction</td>
<td>$6.8 M</td>
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<tr>
<td>✓ Gross Receipts Tax Reduction</td>
<td>$6.2 M</td>
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<tr>
<td>✓ Unemployment Insurance Trust Fund</td>
<td>$3.7 M</td>
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<tr>
<td>✓ Financial Services Jobs Incentives</td>
<td>$3.4 M</td>
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### Investing in our Children

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<thead>
<tr>
<th>Investing in our Children</th>
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<tr>
<td>✓ Higher Education</td>
<td>$30.0 M</td>
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<tr>
<td>✓ Early Child Care and Education</td>
<td>$22.0 M</td>
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### Investing in Agriculture and the Environment

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<thead>
<tr>
<th>Investing in Agriculture and the Environment</th>
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<tr>
<td>✓ Aglands Preservation and Young Farmers</td>
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<tr>
<td>✓ Brownfield Redevelopment</td>
<td>$3.2 M</td>
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<td>✓ Clean Water Grant</td>
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<tr>
<td>✓ Ground Water Monitoring</td>
<td>$600,000</td>
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Fiscal Year 2012 Financial Package

General Fund Operating Budget
Budget Growth: 6.15%

Grants-In-Aid

Bond and Capital Improvements Act
- State Capital Projects ...........$432.4 million
- Transportation Projects ........$219.5 million
- Debt Reduction ..................$ 12.0 million

Additional Debt Reduction
$25.0 million

Tax Reductions
$29.6 million
<table>
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<tr>
<th>Category</th>
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<td>Public Education</td>
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<td>Higher Education</td>
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<td>Services for Children, Youth and Their Families</td>
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<tr>
<td>Judicial</td>
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<td>All Others *</td>
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<td>Health and Social Services</td>
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<td>Safety and Homeland Security</td>
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<tr>
<td>Correction</td>
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* Includes one-time items.