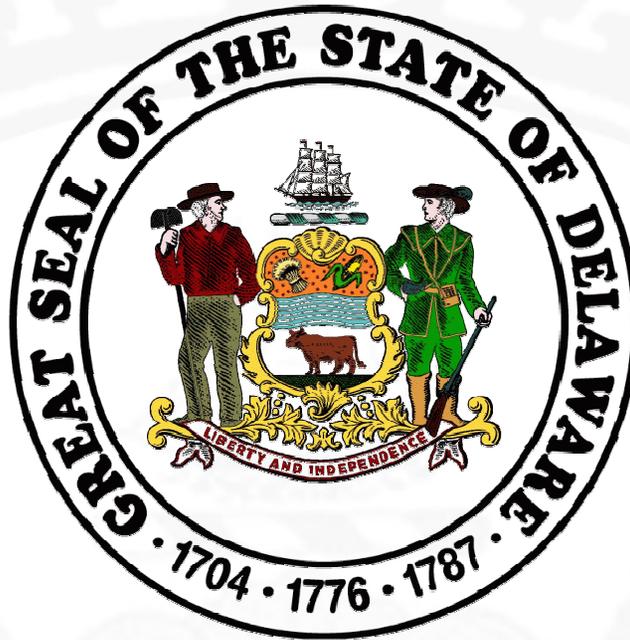


State of Delaware Office of the Governor



Fiscal Year 2017 Operating and Capital Budget Summary

Governor's Budgeting Principles



Invest in Priorities:

- Job Growth.
- Stronger Schools.
- Quality of Life.

Keep Core Commitments:

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

Ensure Fiscal Responsibility:

- Creating a balanced budget despite fiscal challenges.
- Maintaining AAA-bond rating.
- Fully funding Rainy Day Fund.
- Only appropriating 98 percent of revenue.
- Adhering to three-part debt limit.

Creating Jobs and Building a Stronger Economy



Capital Budget Investments.

- \$29.3 million in agency Minor Capital Improvements and Equipment (MCI) and Maintenance and Restoration.
- \$15.8 million for the Diamond State Port Corporation.
- \$10.0 million investment in the Strategic Fund.
- \$8.3 million to continue efforts to revitalize neighborhoods across the State through the creation of Downtown Development Districts.
- \$8.2 million for statewide facility improvements.
- \$2.9 million for the Riverfront Development Corporation.
- \$2.5 million for Statewide Trails and Pathways.
- \$1.0 million for Fraunhofer Vaccine Development.
- \$250,000 to the Delaware Stadium Corporation.



Creating a World-Class Education System



Operating Budget Investments.

- \$15.8 million to maintain classroom size and fully fund projected unit count (188 units).
- \$10.2 million for step increases for school employees and the enhanced paraprofessional pay plan.
- \$9.4 million for the continuation of projects that support access to high-quality early learning programs for low-income children and improve early learning opportunities for families throughout Delaware.



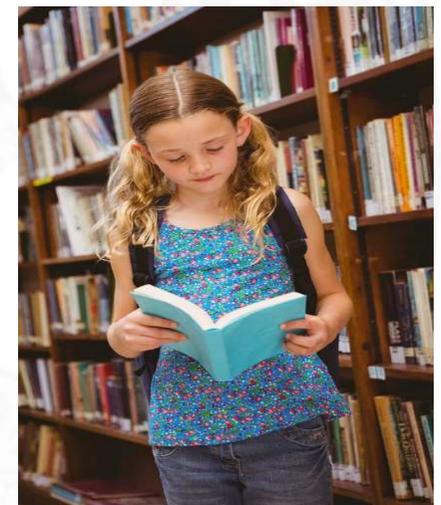
- \$3.0 million for pupil transportation associated with enrollment growth and an increase to the public school transportation operating allowance.
- \$1.0 million to pilot teacher-leadership roles and for National Board Certification stipends.
- \$562,600 for the projected increase in expenditures for the SEED Scholarship.

Creating a World-Class Education System



Capital Budget Investments.

- \$76.4 million for Public Education projects.
 - Funding for Minor Capital Improvements.
 - Funding for major capital projects in the Brandywine, Caesar Rodney, Cape Henlopen, Christina, Lake Forest, NCC Vo-Tech and Polytech School Districts.
- \$16.5 million for Higher Education projects.
 - Funding for projects at Delaware State University, Delaware Technical Community College and the University of Delaware.
- \$10.7 million investment in libraries statewide.
 - Funding for Route 9/13, Duck Creek Regional, Harrington and Selbyville libraries.



Investing in Core Commitments



Operating Budget Investments.

- \$63.1 million for Medicaid growth and contractual services.
- \$33.3 million for state employee and retiree healthcare in addition to plan design changes.
- \$20.3 million for a general salary increase of \$750 or 1.5 percent, whichever is greater, effective October 1, 2016.
- \$9.9 million to fund the State's Debt Service obligation.
- \$4.0 million in the Department of Correction to fund inmate medical services.
- \$3.8 million in the Division of Developmental Disabilities Services to support residential placements, including 75 additional placements.
- \$3.0 million for the Primary and General Elections.
- \$1.3 million reduction to reflect a gasoline price adjustment and reduced energy costs resulting from the electricity reverse auction.
- \$1.0 million to the Division of Developmental Disabilities Services to support special school graduates, including an estimated 140 additional graduates.
- \$309,600 in the Department of Safety and Homeland Security to provide Capitol Police 12 ballistic resistant shields and Delaware State Police 20 ballistic resistant vests, five explosive ordnance disposal suits and 100 Automated External Defibrillators.
- \$250,000 for community-based services for individuals with serious and persistent mental illness.

Investing in Core Commitments



Capital Budget Investments.

- \$6.0 million for the Housing Development Fund to support the Affordable Rental Housing Program.
- \$4.5 million for the Redevelopment of Strategic Sites including NVF and Fort DuPont.
- \$3.5 million for Park and Wildlife Area Rehabilitation.
- \$3.8 million for Resource, Conservation and Development.
- \$3.0 million investment in Agricultural Lands Preservation.
- \$1.5 million for High Hazard Dam and Dike Repair and Replacement.
- \$1.5 million for Conservation Cost Share, leveraging \$2.0 million in federal funds.
- \$1.8 million for the Drinking Water State Revolving Fund, leveraging \$8.9 million in federal funds.
- \$1.4 million for the Clean Water State Revolving Fund, leveraging \$7.0 million in federal funds.

Fiscal Year 2017 Financial Package



General Fund Operating Budget **\$4,084.1 million**

Fiscal Year 2017 Operating Budget reflects 4.49% growth.

Transportation Trust Fund Budget **\$337.5 million**

Grants-In-Aid **\$45.9 million**

Bond and Capital Improvements Act **\$501.4 million**

- State Capital Projects.....\$236.3 million
- Transportation Projects.....\$265.1 million