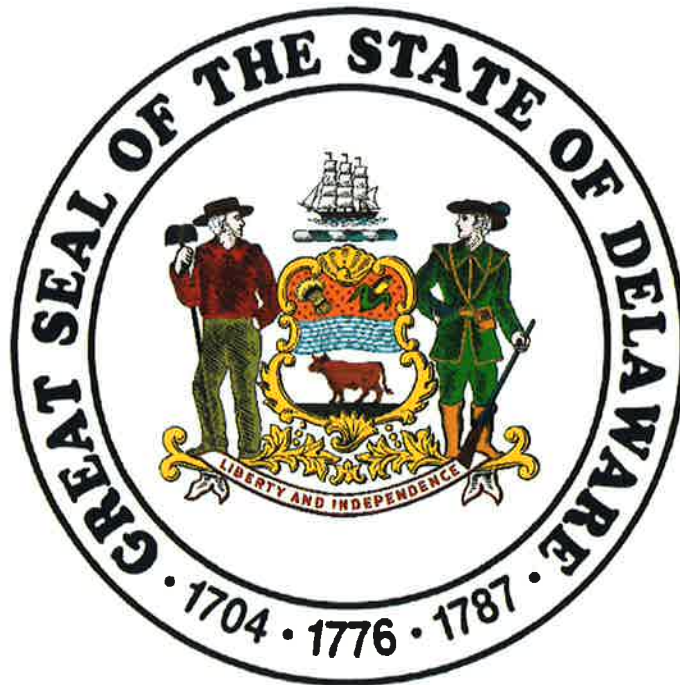


BUDGET RESET

GOVERNOR CARNEY



BUDGET SUMMARY

for Fiscal Year 2018

March 23, 2017

Fiscal Year 2018 Budget Summary

STATEWIDE

- ◆ Recommend \$11,311.6 for Public Education and Delaware Technical and Community College employees salary steps.
- ◆ Recommend \$9,860.3 for projected Debt Service payments for the State's General Obligation debt.
- ◆ Recommend \$6,750.0 to annualize the October 1, 2016 general salary increase.
- ◆ Recommend \$3,038.5 for retiree health increases.
- ◆ Recommend a net (\$1,543.4) in pension funding to reflect an increase in the basic pension rate from 9.58 percent to 10.42 percent and a decrease in the rate for Post Retirement Increases. Post retirement increases are amortized over a five year period and this completes the amortization period for two increases provided for in Fiscal Year 2012 and 2013.
- ◆ Recommend (\$6,534.0) for employee health care.
- ◆ Recommend (\$7,344.7) decrease in the yearly contribution to the Other Post Employment Benefits (OPEB) Trust Fund.
- ◆ Recommend (\$3,500.0) to eliminate the double state share health insurance benefit.
- ◆ Recommend (\$5,000.0) to reflect an elimination of 200 positions statewide.
- ◆ Recommend (\$594.3) to reflect a 10 percent reduction to all pass through programs contained in the operating budget, and (\$3,695.5) reflecting the reallocation of all 501(c)3 pass through programs to the Grants in Aid legislation.
- ◆ Recommend (\$500.0) in Energy due to energy and cost savings improvements.
- ◆ Recommend (\$200.0) in statewide Fleet, reflecting a reduction in fuel prices.

(10) EXECUTIVE

Office of Management and Budget (10-02-00)

- ◆ Recommend (\$933.1) in operations.
- ◆ Recommend (\$5,000.0) in the Elder Tax Relief and Education Expense Fund by reducing the reimbursement by \$100.

Criminal Justice (10-07-01)

- ◆ Recommend (\$171.1) by eliminating the Board of Parole.

Delaware Justice Information System (10-07-02)

- ◆ Recommend (\$387.0) to switch fund operating expenses to ASF. These costs will be offset by a proposed increase in the DELJIS surcharge from \$1 to \$3.

Fiscal Year 2018 Budget Summary

(11) TECHNOLOGY AND INFORMATION

- ◆ Recommend (\$367.9) by expanding cost recovery initiatives to pay for general operating expenditures.

(20) STATE

- ◆ Recommend (\$583.9) and \$583.9 ASF as a result of switch funding Veterans Home costs to special funds.
- ◆ Recommend (\$525.6) and \$525.6 ASF as a result of switch funding a portion of Library Standards funding to special funds. Recommend a further reduction of (\$270.8) to Library Standards.

(35) HEALTH AND SOCIAL SERVICES

- ◆ Recommend \$11,810.9 in Medicaid for increased capitation payments and the projected growth in eligibles.
- ◆ Recommend \$1,000 for Substance Use Disorder services.
- ◆ Recommend \$823.7 in Birth to Three program for the projected caseload increase for those children identified and eligible for early intervention services.
- ◆ Recommend (\$4,964.1) in adjustments to programs which will now be funded through the Tobacco Master Settlement Agreement (MSA).
- ◆ Recommend (\$2,500.0) to eliminate the Delaware Prescription Assistance Program.
- ◆ Recommend (\$3,075.0) due to projected savings from leveraging Medicaid reimbursement for certain departmental programs.
- ◆ Recommend (\$2,604.0) by reducing Medicaid reimbursement rates for dental services by 14 percent. This proposal lowers Delaware's reimbursement rate, currently the highest in the country for dental services provided through Medicaid.
- ◆ Recommend (\$1,409.8) in the TANF Cash Assistance program due to projected utilization.
- ◆ Recommend (\$440.0) reduction due to implementation of utilization efficiencies in Medicaid non-emergency transportation.
- ◆ Recommend (\$477.1) in projected savings due to a renegotiation of the health care contract for Stockley Center.
- ◆ Recommend (\$2,947.1) in additional reductions throughout the Department.

Fiscal Year 2018 Budget Summary

(38) CORRECTION

- ◆ Recommend \$8,080.8 to address security in prison facilities to include:
 - \$4,500.0 for a \$1,500 increase to Hazardous Duty Pay.
 - \$2,326.3 for 50 Correctional Officers for the James T. Vaughn Correctional Center and 25 Correctional Officers for the Baylor Women's Correctional Facility.
 - \$1,254.5 in security and safety equipment.

- ◆ Recommend \$9,159.0 in Medical Services for contractual inflators, as well as increased costs associated with the treatment of Hepatitis C.

(40) NATURAL RESOURCES AND ENVIRONMENTAL CONTROL

- ◆ Recommend (\$592.1) and \$592.1 ASF to switch fund 4.0 FTEs in the Division of Energy and Climate to Regional Greenhouse Gas Initiative (RGGI) Administration costs, and the Solid Waste Program to Scrap Tire funds.

- ◆ Recommend (\$309.6) in additional reductions throughout the department.

(45) SAFETY AND HOMELAND SECURITY

- ◆ Recommend (\$700.0) in State Police to accurately reflect a 50/50 share of costs through an existing agreement with Sussex County for 44 State Troopers.

- ◆ Recommend (\$250.0) and \$250.0 ASF to switch fund State Police operating costs to the Fund to Combat Violent Crime.

(55) TRANSPORTATION

- ◆ Recommend (\$500.0) in General Fund support for Contractual E-ZPass Operations.

(90) HIGHER EDUCATION

University of Delaware

- ◆ Recommend (\$2,411.9) reflecting a reduction to University Operations, College programs and scholarships.

Delaware State University

- ◆ Recommend (\$658.8) reflecting a reduction to University Operations.

Delaware Technical and Community College

- ◆ Recommend (\$198.0) to reflect a reduction in funding for the Environmental Training Center which provides technical training for local and municipal water and wastewater treatment, and reduction of funding for the Associate in Arts program.

Fiscal Year 2018 Budget Summary

(95) EDUCATION

- ◆ Recommend \$25,071.5 in Public Education enrollment growth to reflect unit growth of 333.6 units over two years.
- ◆ Recommend \$751.2 in Related Services. This program allows for districts and charters to purchase services such as speech, occupational, and physical therapy.
- ◆ Recommend \$4,700.0 in Early Childhood Initiatives for projected expenditures in 3, 4 and 5 Star Tiered Reimbursements.
- ◆ Recommend \$1,000.0 in Education Opportunity Grants aimed at schools with a high population of low income students and English Language Learners.
- ◆ Recommend (\$21,974.4) in the Educational Sustainment Fund. School districts will have the authority to recover these reductions through generating additional local revenue without a referendum.
- ◆ Recommend (\$15,000.0) representing approximate a 1.5 percent reduction to school operations.
- ◆ Recommend (\$488.3) for a reduction to the Division II Energy unit value.
- ◆ Recommend (\$442.2) reflecting a 5 percent reduction to the Adult Education and Workforce Training grant.
- ◆ Recommend (\$1,022.0) to other programs in the Department of Education.