

Highlights of the FY 2021 Budget

(as of 6/29/20)

- General Fund Operating budget totals \$4,547.0 limiting growth to **2.1%**
- Overall revenue forecast reductions since January were over \$530 million.
- No budget cuts but few budget increases. Basically funding FY 20 budget with adjustments.
- No layoffs or furloughs, no cuts to schools.
- Within constitutional limits on appropriations, fully funds Rainy Day Fund.
- Using half of Budget Stabilization Fund to build a bridge from beginning of the downturn to the end of the downturn.
 - The Governor and General Assembly established and funded this account during the past few years to build up a level of savings for use in mitigating downturns in State revenues.
- Leaves \$63.1 million in the Budget Stabilization Fund
- AAA rating recently reaffirmed by rating agencies
- Funds “door openers” such as:
 - \$31.2 million for K-12 enrollment growth
 - \$21.8 million for salary steps (Education, DSP, DTCC, agency and executed collective bargaining agreements)
 - \$8.4 million for a contingency for DOC health costs
 - \$8.5 million for pupil transportation
 - \$3.7 million for primary and general election costs
 - \$2.9 million for debt service
 - \$1.3 million for Department of Correction water/sewer costs

Improving Our Schools for all Delaware Children:

- Education Opportunity Fund: Second Year funding of a total of \$75 million over a three-year period for the following:
 - \$20 million/year in weighted funding for low-income students and English learners (EL) across all grade levels
 - \$5.0 million/year to provide mental health and reading supports for grades K-5
 - \$500,000 to evaluate the results of this program and identify best practices
- Investing in Educators:
 - Funding for annual salary steps for educators
- Investing in the City of Wilmington:
 - Continued support of \$1.5 million for the Christina School District schools located in the City of Wilmington

A Healthier Delaware:

- Supporting the Most Vulnerable:
 - \$5.8 million for caseload increases of those with disabilities
 - \$2.4 million for increased costs of the Birth to Three program serving children
 - \$5.6 million supplemental funding for Child Welfare, Prevention and Behavioral Health services
- Supporting Healthy Children:
 - \$2.8 million for the Children’s Health Insurance Program (CHIP) due to decreased federal funding

Highlights of the FY 2021 Capital Budget
(as of 6/29/20)

- Bond bill totals: \$708.0 million (FY 20: \$862.9 million, FY 21 Rec: \$892.8 million)
 - \$344.4 million for state agency projects:
 - General Obligation Bonds: \$227.5 million
 - General Fund Cash: \$35.4 million
 - Other: \$81.5 million
 - \$363.6 million for Transportation Trust Fund

- **Economic Development:** \$34.6 million to support the Delaware economy including:
 - Delaware Strategic Fund: \$14.2 million
 - Research Collaboration: \$8.0 million
 - Transportation Infrastructure Investment Fund: \$10.0 million (combined GF and TTF)
 - Riverfront Development Corporation: \$3.0 million
 - Delaware Prosperity Partnership: \$2.0 million
 - Redevelopment of State Strategic Sites (Ft DuPont): \$2.2 million

- **Improving Our Schools for All Delaware Children:** \$175.7 million for Public Education projects including:
 - New construction/renovation in the Capital, Cape Henlopen, Appoquinimink, Indian River, Smyrna, Seaford, and Christina, districts: \$152.9 million
 - City of Wilmington Education Initiative: \$7.5 million
 - Minor Capital Improvements: \$13.5 million
 - Market Pressure funds – Brandywine district: \$1.8 million

- **Supporting Higher Education:** \$30.0 million to support UD, DSU and DTCC:
 - University of Delaware deferred maintenance: \$10.0 million
 - Delaware State University campus improvements and Excellence Through Technology: \$10.0 million
 - Delaware Technical Community College critical capital needs and deferred maintenance: \$10.0 million

- **Quality of Life Projects Leveraging Matching Funds:** \$48.5 million including:
 - Drinking Water/Clean Water/Resource Conservation and Development: \$13.0 million
 - Open Space and Farmland Preservation: \$10.0 million
 - Housing Development Fund and Strong Neighborhoods Program: \$8.8 million
 - Libraries (Rehoboth Beach, Selbyville): \$4.2 million
 - Shoreline and Waterway Management: \$5.0 million
 - Downtown Development Districts: \$3.6 million

- **Security Upgrades:** \$18.0 million including:
 - 800 MHz infrastructure refresh and First Responder radios: \$8.4 million
 - DOC Level IV and V security camera equipment and network hardware: \$4.0 million
 - DOC 700 MHz radio system upgrade: \$4.2 million

- **Maintaining State facilities and assets:** \$47.5 million