



Appendices

**STATE AID FOR LOCAL SCHOOL DISTRICTS
CONSOLIDATED SUMMARY
GENERAL FUND AND PROPERTY TAX RELIEF FUND**
(thousands)

	----- Recommended Fiscal Year 2017 -----					
	Expended Fiscal 2015	Adjusted Appropriation Fiscal 2016	Requested Fiscal 2017	General Fund	Property Tax Relief Fund	Total
Formula Aid Programs:						
Equalization Aid	\$ 6,070,004	\$ 6,070,004	\$ 6,088,957	\$ 3,933	\$ 6,085,024	\$ 6,088,957
Supplemental Enrollment Growth Aid	4,141	4,141	4,141	---	4,141	4,141
Per Pupil Growth Aid	13,460	13,460	13,460	---	13,460	13,460
PARCC Readiness	13,460	13,460	13,460	---	13,460	13,460
Professional Learning Community Aid	---	---	13,427	---	13,427	13,427
Educational Adequacy Aid	82,397	82,397	82,397	---	82,397	82,397
Security Aid	195,491	195,491	199,525	---	199,525	199,525
Adjustment Aid	568,602	570,551	571,607	---	571,607	571,607
Preschool Education Aid	652,388	655,517	655,517	---	655,517	655,517
Under Adequacy Aid	16,763	16,763	16,763	---	16,763	16,763
School Choice	49,246	52,468	53,690	---	53,690	53,690
Special Education Categorical Aid	763,304	763,304	769,628	---	769,628	769,628
Transportation Aid	186,530	186,859	192,991	---	192,991	192,991
Less:						
Growth Savings - Payment Changes	(3,437)	(912)	(7,573)	---	(7,573)	(7,573)
Assessment of EDA Debt Service	(26,529)	(26,529)	(26,529)	---	(26,529)	(26,529)
Subtotal, Formula Aid Programs	\$ 8,585,820	\$ 8,596,974	\$ 8,641,461	\$ 3,933	\$ 8,637,528	\$ 8,641,461
School Building Aid	55,688	51,768	45,992	---	45,992	45,992
School Construction Debt Service Aid	57,757	63,403	72,542	---	72,542	72,542
School Construction and Renovation Fund	512,220	884,167	936,258	50,000	886,258	936,258
Subtotal, School Facilities Projects	\$ 625,665	\$ 999,338	\$ 1,054,792	\$ 50,000	\$ 1,004,792	\$ 1,054,792
TOTAL FORMULA AID	\$ 9,211,485	\$ 9,596,312	\$ 9,696,253	\$ 53,933	\$ 9,642,320	\$ 9,696,253
Other Aid to Education:						
Nonpublic School Aid	\$ 94,839	\$ 92,753	\$ 86,503	\$ 86,503	\$ ---	\$ 86,503
Charter School Aid	5,677	10,000	7,157	---	7,157	7,157
Host District Support Aid	---	---	25,860	---	25,860	25,860
Commercial Valuation Stabilization Aid	---	---	32,000	---	32,000	32,000
Payment for Children with Unknown District of Residence	38,500	37,500	38,500	---	38,500	38,500
Extraordinary Special Education Costs Aid	164,972	165,000	170,000	3,978	166,022	170,000
General Vocational Aid	4,324	4,860	4,860	4,860	---	4,860
County Vocational Partnership Grant Program	3,000	3,000	---	---	---	---
Integration Assistance Aid	---	1,276	---	---	---	---
Other Aid	217	4,300	300	---	300	300
Subtotal, Other Aid to Education	\$ 311,529	\$ 318,689	\$ 365,180	\$ 95,341	\$ 269,839	\$ 365,180
Subtotal, Department of Education	\$ 9,523,014	\$ 9,915,001	\$ 10,061,433	\$ 149,274	\$ 9,912,159	\$ 10,061,433
Direct State Payments for Education:						
Teachers' Pension and Annuity Fund	503,246	761,169	1,083,157	---	1,083,157	1,083,157
Teachers' Pension and Annuity Fund - Post Retirement Medical	847,823	891,306	930,755	---	930,755	930,755
Teachers' Pension and Annuity Fund - Non-Contributory Insurance	37,867	39,392	40,851	---	40,851	40,851
Affordable Care Act Fees	2,030	2,091	1,662	---	1,662	1,662
Debt Service on Pension Obligation Bonds	181,167	184,840	210,750	---	210,750	210,750
Post Retirement Medical Other Than TPAF	190,693	206,218	215,306	---	215,306	215,306
Teachers' Social Security Assistance	748,879	764,295	768,295	---	768,295	768,295
Subtotal, Direct State Payments for Education	\$ 2,511,705	\$ 2,849,311	\$ 3,250,776	\$ ---	\$ 3,250,776	\$ 3,250,776
TOTAL	\$ 12,034,719	\$ 12,764,312	\$ 13,312,209	\$ 149,274	\$ 13,162,935	\$ 13,312,209

APPENDIX

PROPERTY TAX RELIEF (millions)

	FY 2016	FY 2017	Change	
	Adjusted Approp.	Budget	\$	%
School Aid	\$ 12,764.3	\$ 13,312.2	547.9	4.3
Municipal Aid				
Consolidated Municipal Property Tax Relief Aid (CMPTRA) / Energy Tax Receipts ^(a)	\$ 1,382.6	\$ 1,411.6	29.0	2.1
Transitional Aid to Localities	107.4	107.4	---	---
Open Space Payments in Lieu of Taxes (PILOT)	6.5	6.5	---	---
Highlands Protection Fund Aid	4.4	4.4	---	---
Subtotal, Municipal Aid	\$ 1,500.9	\$ 1,529.9	29.0	1.9
Other Local Aid				
Transportation Trust Fund - Local Project Aid ^(b)	\$ 278.6	\$ 279.6	1.0	0.4
County College Aid ^(c)	220.7	222.9	2.2	1.0
Employee Benefits on behalf of Local Governments	129.0	163.1	34.1	26.4
Support of Patients in County Psychiatric Hospitals	113.7	105.2	(8.5)	(7.5)
General Assistance Administration	27.7	27.7	---	---
Supplemental Nutrition Assistance Program Administration	24.2	24.2	---	---
Essex County Jail Substance Use Disorder Programs	20.0	20.0	---	---
Library Aid	11.7	11.7	---	---
South Jersey Port Corporation Property Tax Reserve Fund	5.1	5.1	---	---
Consolidation Implementation	4.0	4.0	---	---
County Prosecutor Funding Initiative Pilot Program	4.0	4.0	---	---
County Environmental Health Act	2.7	2.7	---	---
Union County Inmate Rehabilitation Services	2.5	2.5	---	---
County Offices on Aging	2.5	2.5	---	---
Essex Crime Prevention	2.0	2.0	---	---
Supplementary County Highway Aid	4.0	---	(4.0)	(100.0)
Subtotal, Other Local Aid	\$ 852.4	\$ 877.2	24.8	2.9
Property Taxpayer Relief Programs				
Property Tax Deduction Act ^(d)	\$ 424.5	\$ 440.2	15.7	3.7
Homestead Benefit Program	341.0	322.5	(18.5)	(5.4)
Senior and Disabled Citizens' Property Tax Freeze	218.7	204.9	(13.8)	(6.3)
Veterans' Property Tax Deductions	53.8	51.2	(2.6)	(4.8)
Senior and Disabled Citizens' Property Tax Deductions	12.0	10.9	(1.1)	(9.2)
Subtotal, Property Taxpayer Relief Programs	\$ 1,050.0	\$ 1,029.7	(20.3) ^(e)	(1.9)
GRAND TOTAL, PROPERTY TAX RELIEF	\$ 16,167.6	\$ 16,749.0	581.4	3.6

Notes:

- (a) Energy Tax Receipts, funding at \$788.5 million, not part of budgeted State expenditures.
- (b) Not part of budgeted State expenditures, and excludes the portion of the Transportation Trust Fund Subaccount for Debt Service for Prior Bonds appropriated in the Property Tax Relief Fund.
- (c) Includes \$18.8 million in funding from the Supplemental Workforce Fund for Basic Skills, not part of budgeted State expenditures.
- (d) Not part of budgeted State expenditures, and excludes property tax credit claims.
- (e) FY 2017 continues these programs unaltered. The change amount reflects the change in forecasted costs.

STATE LOTTERY FUND SCHEDULE
(thousands)

The estimated revenue available from the State Lottery Fund for education and institutions in fiscal year 2017 is \$965 million. These funds will be applied to support a portion of the programs listed in the schedule below.

DIRECT STATE SERVICES

Department of Education

Statewide Assessment Program.....	\$ 25,550
Marie H. Katzenbach School for the Deaf.....	6,590

Department of Human Services

Operation of State Psychiatric Hospitals.....	302,513
Operation of Centers for People with Developmental Disabilities.....	101,576

Department of Military and Veterans' Affairs

Operation of Homes for Disabled Soldiers.....	15,656
<i>Subtotal, Direct State Services.....</i>	<u>\$ 451,885</u>

GRANTS-IN-AID

Higher Educational Services

Senior Public Institutions	\$ 699,459
Tuition Aid Grants.....	403,647
Higher Education Capital Improvement Program.....	61,931
Opportunity Program Grants.....	26,019
Higher Education Facilities Trust Fund.....	19,693
Supplementary Education Program Grants.....	12,803
Student Tuition Assistance Reward Scholarship (NJSTARS I & II).....	6,907
Aid to Independent Colleges and Universities.....	1,000
Governor's Urban Scholarship Program.....	945
<i>Subtotal, Grants-in-Aid.....</i>	<u>\$ 1,232,404</u>

STATE AID

Department of Agriculture

School Nutrition.....	\$ 5,613
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Department of Education

Nonpublic School Aid.....	86,503
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<i>Subtotal, State Aid.....</i>	<u>\$ 92,116</u>
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<i>Grand Total.....</i>	<u>\$ 1,776,405</u>
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CASINO REVENUE FUND

The Casino Revenue Fund (CRF) was established in 1976 with the provision that State revenues derived from casino gambling would be applied solely for the purpose of “providing funding for reductions in property taxes, rental, telephone, gas, electric, and municipal utilities charges of eligible senior citizens and disabled residents of the State in accordance with such formulae as the Legislature shall by law provide.” The Fund’s authorized use was expanded in 1981 to include additional or expanded health services or benefits, transportation services or benefits to eligible senior and disabled residents.

Total CRF resources of \$199.9 million, including \$175,000 from the Casino Simulcasting Fund, are projected for fiscal 2017. This total also includes revenues from Internet gaming, which was launched in November 2013.

The Pharmaceutical Assistance to the Aged and Disabled (PAAD) program, which at one point in time consumed a majority of the revenues in the CRF, has become less costly as most recipients now receive medications through the federally funded Medicare Part D program. This has allowed greater CRF support for expanded community based services for residents with developmental disabilities.

The summary and projection table on the following page displays CRF revenues and the programs receiving Fund

appropriations over the past several years. Some CRF appropriations have been shifted to the General Fund during that time (see the “General Fund Support” section of the table).

BUDGET INITIATIVES AND ONGOING PROGRAMS

The following programs are currently receiving significant funding through the Casino Revenue Fund:

- Developmental Disabilities Residential Care
— \$151.9 million
- Transportation Assistance to Seniors and Disabled
— \$17.5 million
- Community Based Senior Programs
— \$14.7 million
- Pharmaceutical Assistance to the Aged and Disabled (PAAD)
— \$8.2 million
- Disability Services Personal Assistance
— \$3.7 million
- Sheltered Workshop Transportation
— \$2.2 million

CASINO REVENUE FUND SUMMARY AND PROJECTION
(thousands)

	<u>Fiscal 2013</u>	<u>Fiscal 2014</u>	<u>Fiscal 2015</u>	<u>Revised 2016</u>	<u>Budget 2017</u>
Opening Surplus	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Revenues	214,596	221,226	205,964	202,996	199,752
Lapses and Adjustments (a)	69,244	162,308	63,887	1,189	175
TOTAL RESOURCES	<u>\$ 283,840</u>	<u>\$ 383,534</u>	<u>\$ 269,851</u>	<u>\$ 204,185</u>	<u>\$ 199,927</u>
MEDICAL ASSISTANCE					
Community Based Senior Programs	14,748	14,747	14,737	14,748	14,748
Disability Services Waivers (b)	16,502	16,502	---	---	---
Global Budget for Long Term Care (b)	100,000	37,850	---	---	---
Hearing Aid Assistance	30	25	23	120	120
Human Services Administration	824	902	850	871	871
PAAD -- Expanded	63,038	50,000	9,261	8,625	8,176
Personal Assistance	3,734	3,734	3,734	3,734	3,734
Personal Care (b)	---	---	---	---	---
Statewide Birth Defects Registry	528	528	516	529	529
TRANSPORTATION ASSISTANCE					
Senior Citizens and Disabled Residents	24,632	20,343	18,264	18,824	17,523
Sheltered Workshop Transportation	2,196	2,196	2,196	2,196	2,196
HOUSING PROGRAMS					
Developmental Disabilities	57,516	236,615	220,178	154,446	151,938
OTHER PROGRAMS					
Home Health Aide Certification	92	92	92	92	92
TOTAL APPROPRIATIONS	<u>\$ 283,840</u>	<u>\$ 383,534</u>	<u>\$ 269,851</u>	<u>\$ 204,185</u>	<u>\$ 199,927</u>
ENDING SURPLUS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
GENERAL FUND SUPPORT					
Developmental Disabilities	454,646	311,652	291,508	271,003	288,017
Global Budget and Waivers (b)	27,175	106,297	---	---	---
Managed Long Term Services and Supports (b)	---	---	215,602	439,943	431,239
PAAD -- Expanded	16,524	33,005	65,700	60,239	53,547
Personal Care/Community Programs (b)	55,198	63,170	31,721	40,507	40,507
Senior and Disabled Citizens' Property Tax Freeze	220,983	211,635	203,572	218,700	204,900
SOBRA for Aged and Disabled	219,552	234,262	237,629	241,690	246,852
TOTAL GENERAL FUND SUPPORT	<u>\$ 994,078</u>	<u>\$ 960,021</u>	<u>\$ 1,045,732</u>	<u>\$ 1,272,082</u>	<u>\$ 1,265,062</u>

Notes:

- (a) Lapses and Adjustments include Interest Earnings, Casino Simulcasting Funds, and General Fund support in years that CRF revenue is less than expenditures.
- (b) Beginning in FY 2015, Global Budget, Personal Care and Waiver services are provided through the Managed Long Term Services and Support program.

9-1-1 SYSTEM AND EMERGENCY RESPONSE FEE
(thousands)

The estimated revenue from the mobile telecommunications service and telephone exchange service fee in fiscal year 2017 totals \$124.3 million. In accordance with the enabling legislation (P.L.2004, c.48), these funds will be deposited into the 9-1-1 System and Emergency Response Trust Fund account and applied to offset a portion of the cost of related programs listed below:

Department of Law and Public Safety

Emergency Operations Center and Hamilton TechPlex Maintenance.....	\$ 3,773
Office of Homeland Security and Preparedness.....	9,978
Rural Section Policing.....	53,398
Urban Search and Rescue.....	1,000
Division of State Police - Remaining Operating Budget.....	237,300

Department of Military and Veterans' Affairs

Military Services - National Guard Support Services.....	3,807
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Department of the Treasury

Office of Emergency Telecommunication Services (OETS).....	900
Statewide 9-1-1 Emergency Telecommunication System.....	13,122

<i>Total, State Appropriations.....</i>	<u>\$ 323,278</u>
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NEW JERSEY TRANSPORTATION CAPITAL PLAN (thousands)

The New Jersey Transportation Capital Plan funds the development and preservation of the State's transportation infrastructure through the Transportation Trust Fund Authority (P.L.1984, c.73 as amended), federal transportation system appropriations and third-party sources. The Transportation Trust Fund Authority funds State highway and bridge projects and public transportation projects outlined in the Department of Transportation's annual capital plan. Funds appropriated to the Authority are composed of toll road authority contributions, motor fuels taxes, petroleum products gross receipts taxes, and sales and use taxes. The Authority issues bonds to supplement State appropriations.

	FY 2015 Expended	FY 2016 Adjusted Approp.	Year Ending	
			----- June 30, 2017 ----- Requested	Recommended
Total, State Transportation Funds	\$ 1,191,111	\$ 1,247,000	\$ 1,600,000	\$ 1,600,000
Total, Federal Highway & Public Transportation Trust Funds	1,474,649	2,505,649	1,966,038	1,966,038
Third-Party Funds - NJ DOT (a)	644,770	988,637	235,000	235,000
Third-Party Funds - NJ Transit (a)	18,264	18,824	17,523	17,523
Total, Federal Economic Stimulus	4	---	---	---
SUBTOTAL	\$ 3,328,798 (b)	\$ 4,760,110	\$ 3,818,561	\$ 3,818,561 (c)
Port Authority of New York & New Jersey (PANYNJ)	233,488	353,000	---	---
TOTAL TRANSPORTATION CAPITAL PLAN	\$ 3,562,286 (b)	\$ 5,113,110	\$ 3,818,561	\$ 3,818,561 (c)

STATE TRANSPORTATION FUNDS - DISTRIBUTION

By Project Type				
State Highway Projects - NJ DOT	\$ 537,062	\$ 464,935	\$ 737,935	\$ 737,935
Local Aid Highway Projects	189,484	278,565	279,565	279,565
Public Transportation Projects - NJ Transit	464,565	503,500	582,500	582,500
Total, State Transportation Funds	\$ 1,191,111	\$ 1,247,000	\$ 1,600,000	\$ 1,600,000
NJ DOT & NJ Transit Project List by Transportation Asset Category				
Airport Assets	3,852	4,000	4,000	4,000
Bridge Assets	85,767	99,250	253,768	253,768
Capital Program Delivery	160,620	156,300	197,300	197,300
Congestion Relief	12,511	10,010	51,296	51,296
Local System Support	270,866	287,892	285,973	285,973
Mass Transit Assets	433,116	457,278	547,263	547,263
Multimodal Programs	11,074	9,000	9,000	9,000
Road Assets	161,583	158,000	180,400	180,400
Safety Management	20,896	25,400	26,800	26,800
Transportation Support Facilities	30,826	39,870	44,200	44,200
Total, State Transportation Funds	\$ 1,191,111	\$ 1,247,000	\$ 1,600,000	\$ 1,600,000

FEDERAL HIGHWAY, PUBLIC TRANSPORTATION AND THIRD-PARTY FUNDS - DISTRIBUTION

By Project Type				
State Highway Projects - NJ DOT	\$ 1,732,478	\$ 2,242,800	\$ 1,120,200	\$ 1,120,200
Public Transportation Projects - NJ Transit	638,693	1,623,310	1,098,361	1,098,361
Total, Federal Highway, Public Transportation & Third-Party Funds	\$ 2,371,171	\$ 3,866,110	\$ 2,218,561	\$ 2,218,561
Federal Economic Stimulus - NJ DOT	4	---	---	---
Total, Federal Economic Stimulus	\$ 4	\$ ---	\$ ---	\$ ---
Total, Federal Highway, Public Transportation, Third-Party & Economic Stimulus Funds	\$ 2,371,175	\$ 3,866,110	\$ 2,218,561	\$ 2,218,561
NJ DOT & NJ Transit Project List by Transportation Asset Category				
Bridge Assets	1,317,583	1,553,500	532,400	532,400
Capital Program Delivery	33,790	45,900	41,000	41,000
Congestion Relief	127,004	210,900	251,500	251,500
Local System Support	100,147	131,669	112,343	112,343
Mass Transit Assets	602,899	1,532,941	993,318	993,318
Multimodal Programs	12,141	69,900	4,100	4,100
Road Assets	113,257	241,900	206,500	206,500
Safety Management	64,354	79,400	77,400	77,400
Total, Federal Highway, Public Transportation, Third-Party & Economic Stimulus Funds	\$ 2,371,175	\$ 3,866,110	\$ 2,218,561	\$ 2,218,561

Notes:

- (a) Third-party funds represent funding provided from other sources, including but not limited to, bi-state and autonomous authorities, private entities and local governments.
- (b) FY 2015 expended is derived from the FY 2015 Transportation Capital Program and includes the federal economic stimulus program authorized by the "American Recovery and Reinvestment Act of 2009."
- (c) The specific projects represented by these amounts will be outlined in the Draft FY 2017 Transportation Capital Program, to be issued in April 2016, and finalized in the FY 2017 Transportation Capital Program when the FY 2017 Budget is adopted.

APPENDIX

STATE OF NEW JERSEY STATEMENT OF GENERAL LONG-TERM DEBT June 30, 2015 (thousands)

	ACT OF	AUTHORIZED	UNISSUED	RETIRED (a)	OUTSTANDING
Clean Waters Bonds	1976	\$ 120,000	\$ 3,400	\$ 116,085	\$ 515
State Land Acquisition and Development Bonds	1978	200,000	---	199,560	440
Natural Resources Bonds	1980	145,000	9,600	134,180	1,220
Energy Conservation Bonds	1980	50,000	1,600	48,340	60
Water Supply Bonds	1981	350,000	73,150	269,055	7,795
Hazardous Discharge Bonds	1981	100,000	43,000	57,000	---
New Jersey Green Acres Bonds	1983	135,000	14,500	120,500	---
Refunding Bonds (b)	1985	6,134,330	---	4,809,620	1,324,710
Pinelands Infrastructure Trust Bonds	1985	30,000	6,750	22,765	485
Hazardous Discharge Bonds	1986	200,000	38,000	152,635	9,365
Green Acres, Cultural Centers and Historic Preservation Bonds	1987	100,000	1,000	95,480	3,520
New Jersey Open Space Preservation Bonds	1989	300,000	22,600	275,605	1,795
Public Purpose Buildings and Community-Based Facilities Construction Bonds	1989	125,000	5,000	120,000	---
Stormwater Management and Combined Sewer Overflow Abatement Bonds	1989	50,000	9,500	33,640	6,860
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation Bonds	1992	345,000	12,880	322,110	10,010
Developmental Disabilities Waiting List Reduction and Human Services Facilities Construction Bonds	1994	160,000	---	156,005	3,995
Green Acres, Farmland and Historic Preservation and Blue Acres Bonds	1995	340,000	18,000	311,630	10,370
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration and Delaware Bay Area Economic Development Bonds	1996	300,000	72,800	142,000	85,200
Statewide Transportation and Local Bridge Bonds	1999	500,000	---	493,335	6,665
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bonds	2003	200,000	38,750	108,010	53,240
Green Acres, Farmland, Blue Acres, and Historic Preservation Bonds	2007	200,000	27,500	88,730	83,770
Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bonds	2009	400,000	170,200	10,770	219,030
Building Our Future Bonds	2012	750,000	200,000	6,350	543,650
Total Long-Term Debt		\$ 11,234,330	\$ 768,230	\$ 8,093,405	\$ 2,372,695

Notes:

- (a) The amounts shown under the "Retired" column include bonds for which provision for payment has been made through the issuance of refunding bonds.
- (b) The amount shown under the "Authorized" column represents the aggregate amount of refunding bonds issued. The refunding bond act does not limit the amount of refunding bonds which may be issued, provided certain other restrictions are met. The issuance of refunding bonds may defease bonds previously issued under any bond act.

Excludes bonds that have no amounts unissued or outstanding.

**STATE APPROPRIATIONS LIMITATION ACT
(CAP Law)**

The State Appropriations Limitation Act (P.L.1990, c.94), commonly called the CAP Law, limits the growth of appropriations in the Direct State Services section of the budget, which encompasses the operations of State government. Exempt from the limitation are Grants-In-Aid; State Aid to counties, municipalities, local school districts and other instrumentalities; federal funds appropriations; Capital Construction; Debt Service; and monies deposited in and expended from the Property Tax Relief Fund, the Casino Control Fund, the Casino Revenue Fund and the Gubernatorial Elections Fund.

The State may exceed the maximum appropriations if a bill making an appropriation is agreed to by a two-thirds vote of all members of each legislative body.

Under the formula in the law, the maximum appropriation for fiscal year 2017 is computed by multiplying the base year appropriation (fiscal 2016) subject to the percentage limitation by the average three-year growth rate in per capita personal income calculated on a fiscal basis. The fiscal 2017 CAP is calculated using 2.88%.

The calculation results in a maximum increase of \$185.2 million over the fiscal 2016 Adjusted Appropriation, or a maximum appropriation of \$6.614 billion for Direct State Services for fiscal 2017. The Governor’s recommendation for fiscal 2017, for items under the CAP, is \$6.218 billion, or \$395.9 million under the CAP limit. Data used to compute the appropriation limit are presented in the accompanying tables.

STATE INCOME
(in millions)

Fiscal 2012	\$478,760
Fiscal 2013	\$493,390
Fiscal 2014	\$499,405
Fiscal 2015	\$525,386

Source: United States Department of Commerce, Bureau of Economic Analysis

STATE POPULATION

Fiscal 2012	8,867,749
Fiscal 2013	8,899,339
Fiscal 2014	8,938,175
Fiscal 2015	8,958,013

Source: United States Department of Commerce, Census Bureau

STATE PER CAPITA PERSONAL INCOME

	Personal Income	Percentage Change
Fiscal 2012	53,989	
Fiscal 2013	55,441	2.69%
Fiscal 2014	55,873	0.78%
Fiscal 2015	58,650	4.97%
Three-Year Average		2.88%

Source: United States Department of Commerce, Census Bureau

APPENDIX

COMPUTATION OF FISCAL 2017 CAP SUBJECT TO EXPENDITURE LIMITATION LAW PERCENTAGE (thousands)

Adjusted Appropriations for Fiscal 2016	\$ 34,063,875
Adjustment: Balances Available in the State Health Benefits Fund*	107,370
Less Statutory Exemptions:	
Grants-In-Aid	(9,585,397)
State Aid	(491,146)
Capital Construction	(1,523,565)
Debt Service	(445,835)
Property Tax Relief Fund	(14,469,240)
Casino Control Fund	(55,202)
Casino Revenue Fund	(204,185)
Gubernatorial Elections Fund	-
Less: Defined Benefit Pension Contributions	(431,857)
Less: Funding In Accordance with Court Settlements	(381,496)
Less: Federal Funds Support of Employee Benefits	(154,462)
Fiscal 2016 Base Subject to Percentage Limitation	<u>\$ 6,428,860</u>
Per Capita Personal Income Growth Rate	2.88%
Maximum Increase in Appropriation for Fiscal 2017	\$ 185,151
Maximum Appropriation for Fiscal 2017	6,614,011
Fiscal 2017 Recommendation	7,319,125
Less: Defined Benefit Pension Contributions	(616,926)
Less: Funding In Accordance with Court Settlements	(315,342)
Less: Federal Funds Support of Employee Benefits	(168,715)
Amount of Fiscal 2017 Appropriation Subject to the CAP Limitation	<u>\$ 6,218,142</u>
Amount Over/(Under) the CAP Limitation	\$ (395,869)

* For the purposes of the "State Appropriations Limitation Act," P.L.1990, c.94 (C.52:9H-24 et seq.), amounts representing balances deemed available in the State Health Benefits Fund shall be deemed a "Base Year Appropriation" in accordance with the Appropriations Act, P.L.2012, c.18.

DEBT SERVICE SCHEDULE
(thousands)

The schedule below lists all debt service payments to be made from State appropriations in fiscal year 2017, including general obligation debt as well as other debt subject to appropriation.

Department of Education	
School Construction and Renovation Fund	\$ 1,008,800
Pension Obligation Bonds	210,750
Department of Environmental Protection	
General Obligation Bonds	50,712
Department of Health	
Hospital Asset Transformation Program	19,649
University Hospital	12,064
Department of Human Services	
Mental Health Bonds - Human Services Facilities	2,089
Higher Educational Services	
Higher Education Capital Improvement Program	61,391
County College Debt Service (P.L.1971, c.12)	36,723
Higher Education Facilities Trust	19,693
Equipment Leasing Fund	16,566
Pension Obligation Bonds	9,248
Technology Infrastructure Fund	3,732
Dormitory Safety Trust Fund	390
Department of Transportation	
Transportation Trust Fund	1,296,831
NJ Transit Certificates of Participation	64,220
Department of the Treasury	
General Obligation Bonds	290,122
Pension Obligation Bonds	20,787
South Jersey Port Corporation Debt Service Reserve Fund	18,919
Public Library Project Fund	3,735
Interdepartmental	
Pension Obligation Bonds	156,719
New Jersey Building Authority	104,358
Open Space Preservation	97,701
Capital Leases	89,100
New Jersey Sports and Exposition Authority	65,064
Line of Credit (all agencies)	57,298
Greystone Psychiatric Hospital	21,482
Municipal Rehabilitation and Economic Recovery	14,144
Liberty Science Center	9,700
Economic Development Authority	6,248
Interest on Short Term Notes	6,000
Biomedical Research Bonds	4,239
Lafayette Yard	2,347
Interest on Interfund Borrowing	100
Total Debt Service Appropriation	\$ 3,780,921

APPENDIX

HEALTH CARE SUBSIDY FUND
(thousands)

	<u>Actual FY 2014</u>	<u>Actual FY 2015</u>	<u>Revised FY 2016</u>	<u>Budget FY 2017</u>
FUND BALANCE JULY 1.....	\$ 135	\$ 10,036	\$ 13,446	\$ 2,000
REVENUES				
Provider Taxes				
HMO Premiums Assessment.....	144,790	159,047	182,449	186,449
.53% Hospital Assessment.....	106,264	111,055	116,122	121,419
Ambulatory Care Facility Assessment.....	55,873	55,578	56,282	56,996
Cosmetic Medical Procedures Tax (a).....	4,128	302	---	---
Other Revenue Sources				
Cigarette Tax.....	396,500	396,500	396,500	396,500
Alcohol Excise Tax.....	22,000	22,000	22,000	22,000
Investment Earnings.....	31	48	50	50
TOTAL REVENUES.....	\$ 729,586	\$ 744,530	\$ 773,403	\$ 783,414
TOTAL RESOURCES.....	\$ 729,722	\$ 754,566	\$ 786,849	\$ 785,414
EXPENDITURES				
Charity Care.....	541,402	550,000	502,000	352,000
Children's Health Insurance Program (CHIP).....	118,797	125,546	65,238	44,570
Federally Qualified Health Centers.....	39,326	28,786	28,000	28,000
Hospital Mental Health Offset Payments.....	12,106	12,207	12,327	12,327
Delivery System Reform Incentive Payments (b).....	30,602	28,853	28,835	20,655
NJ FamilyCare.....	---	---	175,772	353,185
TOTAL EXPENDITURES.....	\$ 742,233	\$ 745,392	\$ 812,172	\$ 810,737
<i>General Fund Support.....</i>	<i>(22,547)</i>	<i>(4,272)</i>	<i>(27,323)</i>	<i>(27,323)</i>
NET EXPENDITURES.....	\$ 719,686	\$ 741,120	\$ 784,849	\$ 783,414
Projected Surplus/Deficit.....	\$ 10,036	\$ 13,446	\$ 2,000	\$ 2,000
Federal Funds Appropriated to Programs Above				
Charity Care.....	133,598	100,000	---	---
Children's Health Insurance Program (CHIP).....	207,944	219,999	306,159	326,946
Hospital Mental Health Offset Payments.....	12,106	12,207	12,237	12,237
Delivery System Reform Incentive Payments (b).....	73,353	75,102	75,120	83,300

Notes:

- (a) The tax on cosmetic surgery procedures was lowered in FY14 and eliminated in FY15.
- (b) Total funding for Delivery System Reform Incentive Payments is unchanged. Amount budgeted in Health Care Subsidy Fund has decreased.

WORKFORCE

Full-time employees have been reduced by approximately 10,000 between the beginning of the Christie Administration and January 8, 2016. The Administration continues to manage staffing levels by budgeting the fiscal funded 2017 level at a continuation of the fiscal 2016 funded level for most agencies. The budget displays position growth from the fiscal 2016 funded level in programs impacted by enacted legislation or the Administration's priorities. Examples are listed below. While the fiscal 2017 column represents budgeted positions, the Administration remains committed to aggressively managing the State's workforce downwards.

The Department of Children and Families' funded growth of 111 (all fund sources) is required to meet increases in clients and caseload supervision requirements.

The Department of Human Services reflects a net increase of 71 State and non-State funded positions, most notably due to an increase to provide psychiatric hospital staffing improvements. Reduced staffing is needed for the Developmental Centers with the continued shift in client services from those centers to community placements.

State funded growth of 73, net of attrition, within the Department of Law and Public Safety, is due to the graduation of the 157th State Trooper class. In addition, the fiscal 2017 budget provides funding in support of the 158th class. After this class graduates in fiscal 2018, the expected Trooper level will be at its highest since 2011, and will be the eighth new class trained since 2010.

The pretrial detention constitutional amendment for bail reform that will take effect on January 1, 2017, will result in an increase of 50 State funded positions within the Office of the Public Defender and 400 State funded positions within the Judiciary.

APPENDIX

STATE FUNDED WORKFORCE

	FY 2015 Actual	FY 2016 1/8/16	FY 2017 Funded Positions
AGRICULTURE	86	86	87
BANKING AND INSURANCE	---	---	---
CHIEF EXECUTIVE OFFICE	112	112	112
CHILDREN AND FAMILIES	4,724	4,720	4,788
COMMUNITY AFFAIRS	92	87	101
CORRECTIONS (Balance)	7,570	7,370	7,370
- Parole Board	599	572	600
EDUCATION	413	420	439
ENVIRONMENTAL PROTECTION	821	659	720
- CBT Dedication	---	---	---
HEALTH	358	341	351
HUMAN SERVICES (Total)	8,398	7,864	7,974
- Management and Budget	299	295	295
- Medical Assistance	144	158	159
- Disability Services	15	15	14
- Family Development	191	176	199
- Commission for the Blind and Visually Impaired	175	172	172
- Deaf and Hard of Hearing	7	5	5
- Developmental Disabilities	3,288	2,652	2,580
- Mental Health and Add. Srvs.	4,083	4,199	4,355
- Div of Aging	196	192	195
LABOR AND WORKFORCE DEVELOPMENT (Balance)	178	173	174
- Public Employee Relations Commission	32	33	34
- Civil Service Commission	234	245	246
LAW AND PUBLIC SAFETY (Balance)	2,160	2,174	2,155
- State Police	2,038	2,033	2,106
- Office of Homeland Security and Preparedness	75	69	76
- Election Law Enforcement Commission	62	62	69
- State Ethics Commission	11	10	12
- Juvenile Justice	960	950	999
- Division of Gaming	---	---	---
MILITARY AND VETERANS' AFFAIRS	1,293	1,257	1,271
STATE (Balance)	143	150	156
- Secretary of Higher Education	16	15	19
- Student Assistance	---	---	---
TRANSPORTATION	1,531	1,573	1,582
- Motor Vehicle Commission	---	---	---
TREASURY (Balance)	2,323	2,336	2,350
- Office of State Comptroller	89	85	100
- Casino Control Commission	---	---	---
- Office of Administrative Law	83	81	82
- Office of Information Technology	---	---	---
- Public Defender	1,182	1,189	1,239
- Board of Public Utilities	---	---	---
MISCELLANEOUS COMMISSIONS	1	1	1
<i>SUBTOTAL EXECUTIVE BRANCH</i>	35,584	34,667	35,213
LEGISLATURE	438	441	442
- SCI	43	42	47
JUDICIARY	7,422	7,358	7,766
<i>GRAND TOTAL</i>	43,487	42,508	43,468

NON-STATE FUNDED WORKFORCE

	FY 2015 Actual	FY 2016 1/8/16	FY 2017 Funded Positions
AGRICULTURE	114	121	127
BANKING AND INSURANCE	476	452	515
CHIEF EXECUTIVE OFFICE	---	---	---
CHILDREN AND FAMILIES	1,842	1,829	1,872
COMMUNITY AFFAIRS	816	817	838
CORRECTIONS (Balance)	246	222	234
- Parole Board	---	---	---
EDUCATION	350	330	356
ENVIRONMENTAL PROTECTION	1,698	1,694	1,771
- CBT Dedication	195	331	322
HEALTH	775	723	753
HUMAN SERVICES (Total)	4,208	3,689	3,650
- Management and Budget	170	182	182
- Medical Assistance	310	313	313
- Disability Services	9	9	13
- Family Development	181	161	181
- Commission for the Blind and Visually Impaired	88	89	89
- Deaf and Hard of Hearing	---	---	---
- Developmental Disabilities	3,244	2,742	2,676
- Mental Health and Add. Srvs.	89	83	90
- Div of Aging	117	110	106
LABOR AND WORKFORCE DEVELOPMENT (Balance)	2,605	2,522	2,530
- Public Employee Relations Commission	---	---	---
- Civil Service Commission	---	---	---
LAW AND PUBLIC SAFETY (Balance)	1,239	1,200	1,229
- State Police	535	551	562
- Office of Homeland Security and Preparedness	16	23	23
- Election Law Enforcement Commission	---	---	---
- State Ethics Commission	---	---	---
- Juvenile Justice	166	156	153
- Division of Gaming	259	225	225
MILITARY AND VETERANS' AFFAIRS	154	149	167
STATE (Balance)	9	6	6
- Secretary of Higher Education	1	3	3
- Student Assistance	137	128	138
TRANSPORTATION	1,484	1,542	1,559
- Motor Vehicle Commission	2,098	2,040	2,040
TREASURY (Balance)	809	695	716
- Office of State Comptroller	44	40	47
- Casino Control Commission	47	44	51
- Office of Administrative Law	6	10	11
- Office of Information Technology	725	733	733
- Public Defender	1	1	1
- Board of Public Utilities	227	228	248
MISCELLANEOUS COMMISSIONS	---	---	---
SUBTOTAL EXECUTIVE BRANCH	21,282	20,504	20,880
LEGISLATURE	---	---	---
- SCI	---	---	---
JUDICIARY	1,444	1,435	1,438
GRAND TOTAL	22,726	21,939	22,318

A supplementary display of Other Governmental Funds and Proprietary Funds can be found online at the following address:

www.state.nj.us/treasury/omb/publications/17budget

