



Appendices

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

	Expended Fiscal 2016	Adjusted Appropriation Fiscal 2017	Requested Fiscal 2018	----- Recommended Fiscal Year 2018 -----		
				General Fund	Property Tax Relief Fund	Total
Formula Aid Programs:						
Equalization Aid	\$ 6,070,004	\$ 6,088,957	\$ 6,088,957	\$ 310,659	\$ 5,778,298	\$ 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	13,427
Educational Adequacy Aid	82,397	82,397	82,397	---	82,397	82,397
Security Aid	195,491	199,525	199,525	---	199,525	199,525
Adjustment Aid	570,551	566,024	566,024	---	566,024	566,024
Preschool Education Aid	655,517	655,517	655,517	---	655,517	655,517
Under Adequacy Aid	16,763	16,763	16,763	---	16,763	16,763
School Choice	52,468	53,690	55,038	---	55,038	55,038
Special Education Categorical Aid	763,304	769,628	769,628	---	769,628	769,628
Transportation Aid	186,859	192,991	195,991	---	195,991	195,991
Less:						
Growth Savings - Payment Changes	(1,971)	(7,573)	(317)	---	(317)	(317)
Assessment of EDA Debt Service	(26,529)	(26,529)	(26,529)	---	(26,529)	(26,529)
Subtotal, Formula Aid Programs	\$ 8,595,915	\$ 8,635,878	\$ 8,647,482	\$ 310,659	\$ 8,336,823	\$ 8,647,482
School Building Aid	51,478	45,992	40,572	---	40,572	40,572
School Construction Debt Service Aid	63,403	72,542	89,887	---	89,887	89,887
School Construction and Renovation Fund	840,278	898,258	918,767	50,000	868,767	918,767
Subtotal, School Facilities Projects	\$ 955,159	\$ 1,016,792	\$ 1,049,226	\$ 50,000	\$ 999,226	\$ 1,049,226
TOTAL FORMULA AID	\$ 9,551,074	\$ 9,652,670	\$ 9,696,708	\$ 360,659	\$ 9,336,049	\$ 9,696,708
Other Aid to Education:						
Nonpublic School Aid	\$ 96,603	\$ 95,503	\$ 86,503	\$ 86,503	\$ ---	\$ 86,503
Charter School Aid	5,667	42,565	51,355	---	51,355	51,355
Host District Support Aid	---	25,860	27,683	---	27,683	27,683
Commercial Valuation Stabilization Aid	---	32,000	32,000	---	32,000	32,000
Payment for Children with Unknown District of Residence	37,500	38,500	41,000	---	41,000	41,000
Extraordinary Special Education Costs Aid	164,989	170,000	170,000	3,978	166,022	170,000
General Vocational Aid	4,416	4,860	4,860	4,860	---	4,860
County Vocational Partnership Grant Program	3,000	1,000	---	---	---	---
Integration Assistance Aid	1,243	---	---	---	---	---
Lead Testing for Schools	---	10,000	---	---	---	---
Other Aid	4,258	803	300	---	300	300
Subtotal, Other Aid to Education	\$ 317,676	\$ 421,091	\$ 413,701	\$ 95,341	\$ 318,360	\$ 413,701
Subtotal, Department of Education	\$ 9,868,750	\$ 10,073,761	\$ 10,110,409	\$ 456,000	\$ 9,654,409	\$ 10,110,409
Direct State Payments for Education:						
Teachers' Pension and Annuity Fund	761,169	1,083,157	1,495,975	---	1,495,975	1,495,975
Teachers' Pension and Annuity Fund - Post Retirement Medical	944,044	913,755	970,058	---	970,058	970,058
Teachers' Pension and Annuity Fund - Non-Contributory Insurance	37,969	40,051	38,770	---	38,770	38,770
Affordable Care Act Fees	1,718	1,662	784	---	784	784
Debt Service on Pension Obligation Bonds	184,840	210,750	226,217	---	226,217	226,217
Post Retirement Medical Other Than TPAF	206,218	211,306	225,469	---	225,469	225,469
Teachers' Social Security Assistance	747,696	768,295	758,351	---	758,351	758,351
Subtotal, Direct State Payments for Education	\$ 2,883,654	\$ 3,228,976	\$ 3,715,624	\$ ---	\$ 3,715,624	\$ 3,715,624
TOTAL	\$ 12,752,404	\$ 13,302,737	\$ 13,826,033	\$ 456,000	\$ 13,370,033	\$ 13,826,033

APPENDIX

PROPERTY TAX RELIEF (millions)

	FY 2017	FY 2018	Change	
	Adjusted Approp.		Budget	\$
School Aid	\$ 13,302.8	\$ 13,826.0	523.2	3.9
Municipal Aid				
Consolidated Municipal Property Tax Relief Aid (CMPTRA) / Energy Tax Receipts ^(a)	\$ 1,411.6	\$ 1,427.7	16.1	1.1
Transitional Aid to Localities	107.4	93.0	(14.4)	(13.4)
Open Space Payments in Lieu of Taxes (PILOT)	6.5	6.5	---	---
Highlands Protection Fund Aid	4.4	4.4	---	---
Subtotal, Municipal Aid	\$ 1,529.9	\$ 1,531.6	1.7	0.1
Other Local Aid				
Transportation Trust Fund - Local Project Aid ^(b)	\$ 280.4	\$ 496.7	216.3	77.1
County College Aid ^(c)	222.9	223.7	0.8	0.4
Employee Benefits on behalf of Local Governments	163.1	184.6	21.5	13.2
Support of Patients in County Psychiatric Hospitals	105.2	105.2	---	---
General Assistance Administration	27.7	27.7	---	---
Supplemental Nutrition Assistance Program Administration	24.2	17.2	(7.0)	(28.9)
Essex County Jail Substance Use Disorder Programs	20.0	-	(20.0)	(100.0)
Library Aid	11.7	11.7	---	---
South Jersey Port Corporation Property Tax Reserve Fund	5.1	5.1	---	---
Consolidation Implementation	4.0	1.0	(3.0)	(75.0)
County Prosecutor Funding Initiative Pilot Program	4.0	-	(4.0)	(100.0)
County Environmental Health Act	2.7	2.7	---	---
Union County Inmate Rehabilitation Services	2.5	-	(2.5)	(100.0)
County Offices on Aging	2.5	2.5	---	---
Essex Crime Prevention	2.0	-	(2.0)	(100.0)
Subtotal, Other Local Aid	\$ 878.0	\$ 1,078.1	200.1	22.8
Property Taxpayer Relief Programs				
Property Tax Deduction Act ^(d)	\$ 455.8	\$ 462.2	6.4	1.4
Homestead Benefit Program	322.5	291.9	(30.6)	(9.5)
Senior and Disabled Citizens' Property Tax Freeze	204.9	200.3	(4.6)	(2.2)
Veterans' Property Tax Deductions	51.2	48.5	(2.7)	(5.3)
Senior and Disabled Citizens' Property Tax Deductions	10.9	9.9	(1.0)	(9.2)
Subtotal, Property Taxpayer Relief Programs	\$ 1,045.3	\$ 1,012.8	(32.5) ^(e)	(3.1)
GRAND TOTAL, PROPERTY TAX RELIEF	\$ 16,756.0	\$ 17,448.5	692.5	4.1

Notes:

(a) Energy Tax Receipts, funding at \$788.5 million, not part of budgeted State expenditures.

(b) Not part of budgeted State expenditures.

(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 2018 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 2018 is \$1.014 billion. 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.....	307,248
Operation of Centers for People with Developmental Disabilities.....	94,576
Department of Military and Veterans' Affairs	
Operation of Homes for Disabled Soldiers.....	15,656
<i>Subtotal, Direct State Services</i>	<u>\$ 449,620</u>

GRANTS-IN-AID

Higher Educational Services	
Senior Public Institutions	\$ 699,459
Tuition Aid Grants.....	419,359
Higher Education Capital Improvement Program.....	66,652
Opportunity Program Grants.....	26,019
Higher Education Facilities Trust Fund.....	19,697
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>\$ 1,252,841</u>

STATE AID

Department of Agriculture	
School Nutrition.....	\$ 5,613
Department of Education	
Nonpublic School Aid.....	86,503
<i>Subtotal, State Aid</i>	<u>\$ 92,116</u>
Grand Total	<u>\$ 1,794,577</u>

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 \$223.6 million, including \$175,000 from the Casino Simulcasting Fund, are projected for fiscal 2018. 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/Property Tax Relief 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
— \$175.4 million
- Transportation Assistance to Seniors and Disabled
— \$17.8 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 2014</u>	<u>Fiscal 2015</u>	<u>Fiscal 2016</u>	<u>Revised 2017</u>	<u>Budget 2018</u>
Opening Surplus	\$ ---	\$ ---	\$ ---	\$ 7,479	\$ ---
Revenues	221,226	205,964	209,243	215,906	223,469
Lapses and Adjustments (a)	162,308	63,887	2,421	(1,877)	175
TOTAL RESOURCES	<u>\$ 383,534</u>	<u>\$ 269,851</u>	<u>\$ 211,664</u>	<u>\$ 221,508</u>	<u>\$ 223,644</u>
MEDICAL ASSISTANCE					
Community Based Senior Programs	14,747	14,737	14,748	14,748	14,748
Disability Services Waivers (b)	16,502	---	---	---	---
Global Budget for Long Term Care (b)	37,850	---	---	---	---
Hearing Aid Assistance	25	23	120	120	120
Human Services Administration	902	850	871	871	871
PAAD -- Expanded	50,000	9,261	8,625	8,176	8,176
Personal Assistance	3,734	3,734	3,734	3,734	3,734
Statewide Birth Defects Registry	528	516	529	529	529
TRANSPORTATION ASSISTANCE					
Senior Citizens and Disabled Residents	20,343	18,264	18,824	17,523	17,801
Sheltered Workshop Transportation	2,196	2,196	2,196	2,196	2,196
HOUSING PROGRAMS					
Developmental Disabilities	236,615	220,178	154,446	173,519	175,377
OTHER PROGRAMS					
Home Health Aide Certification	92	92	92	92	92
TOTAL APPROPRIATIONS	<u>\$ 383,534</u>	<u>\$ 269,851</u>	<u>\$ 204,185</u>	<u>\$ 221,508</u>	<u>\$ 223,644</u>
ENDING SURPLUS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,479</u>	<u>\$ 0</u>	<u>\$ 0</u>
GENERAL FUND/PROPERTY TAX RELIEF FUND SUPPORT					
Developmental Disabilities	311,652	291,508	296,743	274,826	274,482
Global Budget and Waivers (b)	106,297	---	---	---	---
Managed Long Term Services and Supports (b)	---	215,602	315,258	381,538	461,150
PAAD -- Expanded	33,005	65,700	53,404	53,547	53,054
Personal Care/Community Programs (b)	63,170	31,721	35,977	40,507	38,007
Senior and Disabled Citizens' Property Tax Freeze	211,635	203,572	205,707	204,900	200,300
SOBRA for Aged and Disabled	234,262	237,629	244,164	263,419	276,277
TOTAL GENERAL FUND SUPPORT	<u>\$ 960,021</u>	<u>\$ 1,045,732</u>	<u>\$ 1,151,253</u>	<u>\$ 1,218,737</u>	<u>\$ 1,303,270</u>

Notes:

- (a) Lapses and Adjustments include Interest Earnings, Casino Simulcasting Funds, and shifts in General Fund support.
(b) Beginning in FY 2015, Global Budget and Waiver services are provided through the Managed Long Term Services and Support program.

APPENDIX

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 2018 totals \$134.3 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.....	9,478
Rural Section Policing.....	53,398
Urban Search and Rescue.....	1,000
Division of State Police - Remaining Operating Budget.....	238,174
Department of Military and Veterans' Affairs	
Military Services - National Guard Support Services.....	3,807
Department of the Treasury	
Office of Emergency Telecommunication Services (OETS).....	900
Statewide 9-1-1 Emergency Telecommunication System.....	26,822
Total, State Appropriations.....	\$ 337,352

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 2016 Expended	FY 2017 Adjusted Approp.	Year Ending ----- June 30, 2018 -----	
			Requested	Recommended
<i>Total, State Transportation Funds</i>	\$ 1,172,464	\$ 1,600,000	\$ 2,000,000	\$ 2,000,000
<i>Total, Federal Highway & Public Transportation Trust Funds</i>	1,387,834	1,994,745	1,611,439	1,611,439
<i>Third-Party Funds - NJ DOT</i> (a)	1,019,952	290,100	220	220
<i>Third-Party Funds - NJ Transit</i> (a)	18,824	17,523	17,801	17,801
<i>Total, Federal Economic Stimulus</i>	---	---	---	---
SUBTOTAL	\$ 3,599,074 (b)	\$ 3,902,368	\$ 3,629,460	\$ 3,629,460 (c)
<i>Port Authority of New York & New Jersey (PANYNJ)</i>	136,506	---	---	---
TOTAL TRANSPORTATION CAPITAL PLAN	\$ 3,735,580 (b)	\$ 3,902,368	\$ 3,629,460	\$ 3,629,460 (c)

STATE TRANSPORTATION FUNDS - DISTRIBUTION

By Project Type				
State Highway Projects - NJ DOT	\$ 453,595	\$ 737,085	\$ 826,300	\$ 826,300
Local Aid Highway Projects	210,574	280,415	496,700	496,700
Public Transportation Projects - NJ Transit	508,295	582,500	677,000	677,000
Total, State Transportation Funds	\$ 1,172,464	\$ 1,600,000	\$ 2,000,000	\$ 2,000,000
NJ DOT & NJ Transit Project List by Transportation Asset Category				
Airport Assets	1,180	4,000	4,000	4,000
Bridge Assets	178,258	269,168	296,912	296,912
Capital Program Delivery	114,237	174,000	165,400	165,400
Congestion Relief	8,046	14,396	92,539	92,539
Local System Support	185,255	286,073	498,573	498,573
Mass Transit Assets	482,508	547,263	575,604	575,604
Multimodal Programs	7,642	11,000	37,500	37,500
Road Assets	149,438	227,300	223,000	223,000
Safety Management	9,700	14,700	34,800	34,800
Transportation Support Facilities	36,200	52,100	71,672	71,672
Total, State Transportation Funds	\$ 1,172,464	\$ 1,600,000	\$ 2,000,000	\$ 2,000,000

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

By Project Type				
State Highway Projects - NJ DOT	\$ 1,880,323	\$ 1,214,457	\$ 955,290	\$ 955,290
Public Transportation Projects - NJ Transit	682,793	1,087,911	674,170	674,170
Total, Federal Highway, Public Transportation & Third-Party Funds	\$ 2,563,116	\$ 2,302,368	\$ 1,629,460	\$ 1,629,460
Federal Economic Stimulus - NJ DOT	---	---	---	---
Total, Federal Economic Stimulus	\$ ---	\$ ---	\$ ---	\$ ---
Total, Federal Highway, Public Transportation, Third-Party & Economic Stimulus Funds	\$ 2,563,116	\$ 2,302,368	\$ 1,629,460	\$ 1,629,460
NJ DOT & NJ Transit Project List by Transportation Asset Category				
Bridge Assets	1,312,364	504,800	211,070	211,070
Capital Program Delivery	21,282	28,100	37,140	37,140
Congestion Relief	199,810	307,700	323,700	323,700
Local System Support	79,295	97,220	105,310	105,310
Mass Transit Assets	634,168	1,000,391	586,650	586,650
Multimodal Programs	132,999	116,200	19,890	19,890
Road Assets	139,627	189,700	282,800	282,800
Safety Management	43,571	58,257	62,900	62,900
Total, Federal Highway, Public Transportation, Third-Party & Economic Stimulus Funds	\$ 2,563,116	\$ 2,302,368	\$ 1,629,460	\$ 1,629,460

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 2016 expended is derived from the FY 2016 Transportation Capital Program and may include 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 2018 Transportation Capital Program, to be issued in April 2017, and finalized in the FY 2018 Transportation Capital Program when the FY 2018 Budget is adopted.

APPENDIX

STATE OF NEW JERSEY STATEMENT OF GENERAL LONG-TERM DEBT June 30, 2016 (thousands)

	ACT OF	AUTHORIZED	UNISSUED	RETIRED ^(a)	OUTSTANDING
Clean Waters Bonds.....	1976	\$ 120,000	\$ 3,400	\$ 116,535	\$ 65
State Land Acquisition and Development Bonds.....	1978	200,000	---	199,975	25
Natural Resources Bonds.....	1980	145,000	9,600	135,400	---
Energy Conservation Bonds.....	1980	50,000	1,600	48,400	---
Water Supply Bonds.....	1981	350,000	73,150	273,160	3,690
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	6,265,655	---	5,141,450	1,124,205
Pinelands Infrastructure Trust Bonds.....	1985	30,000	6,750	23,020	230
Hazardous Discharge Bonds.....	1986	200,000	38,000	152,980	9,020
Green Acres, Cultural Centers and Historic Preservation Bonds.....	1987	100,000	1,000	98,785	215
New Jersey Open Space Preservation Bonds.....	1989	300,000	22,600	276,780	620
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	36,650	3,850
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation Bonds.....	1992	345,000	12,880	330,055	2,065
Developmental Disabilities Waiting List Reduction and Human Services Facilities Construction Bonds.....	1994	160,000	---	159,865	135
Green Acres, Farmland and Historic Preservation and Blue Acres Bonds.....	1995	340,000	18,000	319,200	2,800
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration and Delaware Bay Area Economic Development Bonds.....	1996	300,000	72,800	184,195	43,005
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bonds.....	2003	200,000	38,750	151,485	9,765
Green Acres, Farmland, Blue Acres, and Historic Preservation Bonds.....	2007	200,000	27,500	118,370	54,130
Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bonds.....	2009	400,000	170,200	18,460	211,340
Building Our Future Bonds.....	2012	750,000	200,000	23,515	526,485
Total Long-Term Debt.....		\$ 10,865,655	\$ 768,230	\$ 8,105,780	\$ 1,991,645

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 2018 is computed by multiplying the base year appropriation (fiscal 2017) subject to the percentage limitation by the average three-year growth rate in per capita personal income calculated on a fiscal basis. The fiscal 2018 CAP is calculated using 3.34%.

The calculation results in a maximum increase of \$208 million over the fiscal 2017 Adjusted Appropriation, or a maximum appropriation of \$6.435 billion for Direct State Services for fiscal 2018. The Governor’s recommendation for fiscal 2018, for items under the CAP, is \$6.203 billion, or \$232.6 million under the CAP limit. Data used to compute the appropriation limit are presented in the accompanying tables.

STATE INCOME
(in millions)

Fiscal 2013	\$493,390
Fiscal 2014	\$499,405
Fiscal 2015	\$525,386
Fiscal 2016	\$545,541

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

STATE POPULATION

Fiscal 2013	8,899,339
Fiscal 2014	8,938,175
Fiscal 2015	8,958,013
Fiscal 2016	8,944,469

Source: United States Department of Commerce, Census Bureau

STATE PER CAPITA PERSONAL INCOME

	Personal Income	Percentage Change
Fiscal 2013	55,441	
Fiscal 2014	55,873	0.78%
Fiscal 2015	58,650	4.97%
Fiscal 2016	60,992	3.99%
Three-Year Average		3.34%

Source: United States Department of Commerce, Census Bureau

APPENDIX

**COMPUTATION OF FISCAL 2018 CAP
SUBJECT TO EXPENDITURE LIMITATION LAW PERCENTAGE
(thousands)**

Adjusted Appropriations for Fiscal 2017	\$	34,615,724
Less Statutory Exemptions:		
Grants-In-Aid		(9,609,295)
State Aid		(848,035)
Capital Construction		(1,548,438)
Debt Service		(340,834)
Property Tax Relief Fund		(14,637,380)
Casino Control Fund		(50,268)
Casino Revenue Fund		(221,508)
Gubernatorial Elections Fund		(14,080)
Less: Defined Benefit Pension Contributions		(616,926)
Less: Funding In Accordance with Court Settlements		(333,349)
Less: Federal Funds Support of Employee Benefits		(168,421)
		(23,277,540)
Fiscal 2017 Base Subject to Percentage Limitation	\$	6,227,190
 Per Capita Personal Income Growth Rate		 3.34%
 Maximum Increase in Appropriation for Fiscal 2018	 \$	 207,988
Maximum Appropriation for Fiscal 2018		6,435,178
 Fiscal 2018 Recommendation		 7,484,300
Less: Defined Benefit Pension Contributions		(800,543)
Less: Funding In Accordance with Court Settlements		(318,837)
Less: Federal Funds Support of Employee Benefits		(162,322)
		(1,281,702)
Amount of Fiscal 2018 Appropriation Subject to the CAP Limitation	\$	6,202,598
 Amount Over/(Under) the CAP Limitation	 \$	 (232,580)

DEBT SERVICE SCHEDULE
(thousands)

The schedule below lists all debt service payments to be made from State appropriations in fiscal year 2018, including general obligation debt as well as other debt subject to appropriation.

Department of Education	
School Construction and Renovation Fund.....	\$ 1,008,654
Pension Obligation Bonds.....	226,217
Department of Environmental Protection	
General Obligation Bonds.....	39,046
Department of Health	
Hospital Asset Transformation Program.....	15,492
University Hospital.....	12,064
Department of Human Services	
Mental Health Bonds - Human Services Facilities.....	1,156
Higher Educational Services	
Higher Education Capital Improvement Program.....	66,652
County College Debt Service (P.L.1971, c.12).....	35,630
Higher Education Facilities Trust.....	19,697
Equipment Leasing Fund.....	16,343
Pension Obligation Bonds.....	9,926
Technology Infrastructure Fund.....	3,733
Dormitory Safety Trust Fund.....	365
Department of Transportation	
Transportation Trust Fund.....	1,311,533
NJ Transit Certificates of Participation.....	64,220
Department of the Treasury	
General Obligation Bonds.....	287,324
Pension Obligation Bonds.....	22,312
South Jersey Port Corporation Debt Service Reserve Fund.....	17,654
Public Library Project Fund.....	3,730
Interdepartmental	
Pension Obligation Bonds.....	168,221
Open Space Preservation.....	97,683
Capital Leases.....	89,100
New Jersey Building Authority.....	86,156
New Jersey Sports and Exposition Authority.....	64,193
Line of Credit (all agencies).....	55,938
Greystone Psychiatric Hospital.....	21,483
Municipal Rehabilitation and Economic Recovery.....	14,141
Liberty Science Center.....	9,739
Economic Development Authority.....	6,238
Interest on Short Term Notes.....	6,000
Biomedical Research Bonds.....	3,483
Lafayette Yard.....	2,465
Interest on Interfund Borrowing.....	100
Total Debt Service Appropriation.....	\$ 3,786,688

APPENDIX

HEALTH CARE SUBSIDY FUND (thousands)

	Actual FY 2015	Actual FY 2016	Budget FY 2017	Budget FY 2018
FUND BALANCE JULY 1	\$ 10,036	\$ 13,446	\$ 4,678	\$ 3,892
REVENUES				
Provider Taxes				
HMO Premiums Assessment.....	159,047	185,101	195,467	204,073
.53% Hospital Assessment.....	111,055	115,480	120,526	125,793
Ambulatory Care Facility Assessment.....	55,578	54,935	54,386	53,842
Cosmetic Medical Procedures Tax (a).....	302	19	---	---
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.....	48	156	50	50
TOTAL REVENUES	\$ 744,530	\$ 774,191	\$ 788,929	\$ 802,258
TOTAL RESOURCES	\$ 754,566	\$ 787,637	\$ 793,607	\$ 806,150
EXPENDITURES				
Charity Care.....	550,000	502,000	302,000	252,000
Children's Health Insurance Program (CHIP).....	125,546	68,076	17,544	28,758
Federally Qualified Health Centers.....	28,786	30,408	28,000	28,000
Hospital Mental Health Offset Payments.....	12,207	12,251	12,327	12,327
Delivery System Reform Incentive Payments.....	28,853	28,835	20,655	20,655
NJ FamilyCare.....	---	171,772	411,517	488,000
TOTAL EXPENDITURES	\$ 745,392	\$ 813,342	\$ 792,043	\$ 829,740
<i>General Fund Support</i>	<i>(4,272)</i>	<i>(30,383)</i>	<i>(2,328)</i>	<i>(27,482)</i>
NET EXPENDITURES	\$ 741,120	\$ 782,959	\$ 789,715	\$ 802,258
Projected Surplus/Deficit	\$ 13,446	\$ 4,678	\$ 3,892	\$ 3,892
Federal Funds Appropriated for Programs Above				
Charity Care.....	100,000	---	---	---
Children's Health Insurance Program (CHIP).....	219,999	319,410	401,119	433,719
Hospital Mental Health Offset Payments.....	12,207	12,251	12,237	12,237
Delivery System Reform Incentive Payments.....	75,102	75,120	83,300	83,300

Notes:

(a) The tax on cosmetic surgery procedures was eliminated in FY15.

WORKFORCE

Full-time employees have been reduced by over 10,000 between the beginning of the Christie Administration and January 20, 2017. The Administration continues to manage staffing levels by budgeting the fiscal 2018 funded level at a continuation of the 2017 filled level for most agencies. The budget displays position growth from the 2017 filled level in programs impacted by enacted legislation or the Administration's priorities. Examples are listed below. While the fiscal 2018 column represents budgeted positions, the Administration remains committed to aggressively managing the State's workforce downwards.

State funded growth of 76, net of attrition, within the Department of Law and Public Safety, is partly due to the graduation of the 158th State Trooper class. The fiscal 2018 budget provides funding for the recruitment of the 159th class. This will be the ninth new class trained since 2010. With the graduation of the 159th class, the State Trooper level is expected to be at its highest level since the beginning of this Administration. In addition, the fiscal 2018 budget provides for new forensic positions in response to the pretrial detention constitutional amendment for bail reform.

The pretrial detention constitutional amendment for bail reform took effect on January 1, 2017. As a result, the fiscal 2018 budget supports 68 additional State funded positions within the Office of the Public Defender and 159 additional non-State funded positions within the Judiciary. The fiscal 2018 budget also supports 80 additional State funded positions, including 20 new judges authorized by the enactment of P.L.2016, c.103, which further support the implementation of bail reform.

APPENDIX

STATE FUNDED WORKFORCE

	FY 2016 Actual	FY 2017 1/20/17	FY 2018 Funded Positions
AGRICULTURE.....	87	84	84
BANKING AND INSURANCE.....	---	---	---
CHIEF EXECUTIVE OFFICE.....	112	110	108
CHILDREN AND FAMILIES.....	4,698	4,789	4,789
COMMUNITY AFFAIRS.....	86	84	84
CORRECTIONS (Balance).....	7,392	7,487	7,493
- Parole Board.....	578	574	576
EDUCATION.....	409	408	408
ENVIRONMENTAL PROTECTION.....	964	957	962
- CBT Dedication.....	---	---	---
HEALTH.....	344	353	353
HUMAN SERVICES (Total).....	7,876	7,783	7,776
- Management and Budget.....	293	308	308
- Medical Assistance.....	158	144	144
- Disability Services.....	15	12	13
- Family Development.....	178	168	168
- Commission for the Blind and Visually Impaired	175	174	174
- Deaf and Hard of Hearing	5	5	5
- Developmental Disabilities	2,645	2,518	2,512
- Mental Health and Addiction Services.....	4,216	4,248	4,246
- Division of Aging.....	191	206	206
LABOR AND WORKFORCE DEVELOPMENT (Balance).....	171	167	169
- Public Employee Relations Commission	32	32	33
- Civil Service Commission.....	242	234	235
LAW AND PUBLIC SAFETY (Balance).....	2,162	2,142	2,159
- State Police.....	2,038	2,080	2,139
- Office of Homeland Security and Preparedness	68	75	79
- Election Law Enforcement Commission	63	66	70
- State Ethics Commission.....	11	11	11
- Juvenile Justice Commission.....	950	947	974
- Division of Gaming.....	---	---	---
MILITARY AND VETERANS' AFFAIRS.....	1,257	1,214	1,214
STATE (Balance).....	150	142	150
- Secretary of Higher Education.....	15	14	17
- Student Assistance.....	---	---	---
TRANSPORTATION.....	1,520	1,561	1,555
- Motor Vehicle Commission.....	---	---	---
TREASURY (Balance).....	2,348	2,232	2,233
- Office of State Comptroller.....	84	90	90
- Casino Control Commission.....	---	---	---
- Office of Administrative Law.....	81	78	78
- Office of Information Technology.....	---	---	---
- Public Defender.....	1,187	1,200	1,268
- Board of Public Utilities	---	---	---
MISCELLANEOUS COMMISSIONS.....	1	1	1
SUBTOTAL, EXECUTIVE BRANCH.....	34,926	34,915	35,108
LEGISLATURE.....	442	435	442
- SCI	41	44	47
JUDICIARY	7,337	7,251	7,331
GRAND TOTAL.....	42,746	42,645	42,928

NON-STATE FUNDED WORKFORCE

	FY 2016 Actual	FY 2017 1/20/17	FY 2018 Funded Positions
AGRICULTURE.....	120	112	115
BANKING AND INSURANCE.....	455	453	515
CHIEF EXECUTIVE OFFICE.....	---	---	---
CHILDREN AND FAMILIES.....	1,829	1,797	1,797
COMMUNITY AFFAIRS.....	824	783	819
CORRECTIONS (Balance).....	224	214	210
- Parole Board.....	---	---	---
EDUCATION.....	333	327	327
ENVIRONMENTAL PROTECTION.....	1,715	1,674	1,668
- CBT Dedication.....	---	---	---
HEALTH.....	734	709	710
HUMAN SERVICES (Total).....	3,710	3,472	3,470
- Management and Budget.....	184	203	201
- Medical Assistance.....	310	300	300
- Disability Services.....	9	8	11
- Family Development.....	161	145	145
- Commission for the Blind and Visually Impaired	89	88	88
- Deaf and Hard of Hearing.....	---	---	---
- Developmental Disabilities.....	2,763	2,547	2,544
- Mental Health and Addiction Services.....	85	75	75
- Division of Aging.....	109	106	106
LABOR AND WORKFORCE DEVELOPMENT (Balance).....	2,496	2,509	2,513
- Public Employee Relations Commission.....	---	---	---
- Civil Service Commission.....	---	---	---
LAW AND PUBLIC SAFETY (Balance).....	1,200	1,174	1,208
- State Police.....	557	553	526
- Office of Homeland Security and Preparedness	23	26	28
- Election Law Enforcement Commission.....	---	---	---
- State Ethics Commission.....	---	---	---
- Juvenile Justice Commission.....	158	165	166
- Division of Gaming.....	229	229	229
MILITARY AND VETERANS' AFFAIRS.....	147	151	151
STATE (Balance).....	6	6	6
- Secretary of Higher Education.....	3	3	3
- Student Assistance.....	124	137	137
TRANSPORTATION.....	1,544	1,558	1,562
- Motor Vehicle Commission.....	2,043	2,052	2,052
TREASURY (Balance).....	691	695	698
- Office of State Comptroller.....	38	40	40
- Casino Control Commission.....	44	40	44
- Office of Administrative Law.....	9	9	9
- Office of Information Technology.....	735	724	727
- Public Defender.....	1	---	1
- Board of Public Utilities	227	225	248
MISCELLANEOUS COMMISSIONS.....	---	---	---
SUBTOTAL, EXECUTIVE BRANCH.....	20,219	19,837	19,979
LEGISLATURE.....	---	---	---
- SCI.....	---	---	---
JUDICIARY	1,424	1,528	1,687
GRAND TOTAL.....	21,643	21,365	21,666

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/18budget