



Appendices

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

	----- Recommended Fiscal Year 2014 -----					
	Expended Fiscal 2012	Adjusted Appropriation Fiscal 2013	Requested Fiscal 2014	General Fund	Property Tax Relief Fund	Total
Formula Aid Programs:						
Equalization Aid	\$ 6,002,377	\$ 6,030,060	\$ 6,070,004	\$ 37,819	\$ 6,032,185	\$ 6,070,004
Educational Adequacy Aid	82,397	82,397	82,397	---	82,397	82,397
Preschool Education Aid	619,098	633,670	648,070	---	648,070	648,070
Adjustment Aid	570,097	556,064	566,808	---	566,808	566,808
Security Aid	174,489	190,404	195,491	---	195,491	195,491
Special Education Categorical Aid	711,228	757,471	763,304	---	763,304	763,304
Under Adequacy Aid	---	---	16,763	---	16,763	16,763
Supplemental Enrollment Growth Aid	---	4,141	4,141	---	4,141	4,141
Transportation Aid	137,219	184,930	186,859	---	186,859	186,859
School Choice	20,604	33,100	49,065	---	49,065	49,065
Less:						
Growth Savings - Payment Changes	(85,877)	(14,976)	(11,481)	---	(11,481)	(11,481)
Assessment of EDA Debt Service	(14,682)	(20,991)	(33,950)	---	(33,950)	(33,950)
Subtotal, Formula Aid Programs	\$ 8,216,950	\$ 8,436,270	\$ 8,537,471	\$ 37,819	\$ 8,499,652	\$ 8,537,471
School Building Aid	77,098	73,739	67,352	---	67,352	67,352
School Construction Debt Service Aid	58,064	58,033	57,417	---	57,417	57,417
School Construction and Renovation Fund	410,350	428,839	522,516	50,000	472,516	522,516
Subtotal, School Facilities Projects	\$ 545,512	\$ 560,611	\$ 647,285	\$ 50,000	\$ 597,285	\$ 647,285
TOTAL FORMULA AID	\$ 8,762,462	\$ 8,996,881	\$ 9,184,756	\$ 87,819	\$ 9,096,937	\$ 9,184,756
Other Aid to Education:						
Nonpublic School Aid	\$ 88,443	\$ 82,503	\$ 83,503	\$ 83,503	\$ ---	\$ 83,503
Payment for Children with Unknown District of Residence	35,801	39,938	39,000	---	39,000	39,000
Extraordinary Special Education Costs Aid	162,196	162,731	162,731	50,000	112,731	162,731
General Vocational Aid	4,483	4,860	4,860	4,860	---	4,860
Charter School Aid	12,871	13,100	16,000	---	16,000	16,000
Other Aid	1,385	200	200	200	---	200
Subtotal, Other Aid to Education	\$ 305,179	\$ 303,332	\$ 306,294	\$ 138,563	\$ 167,731	\$ 306,294
Subtotal, Department of Education	\$ 9,067,641	\$ 9,300,213	\$ 9,491,050	\$ 226,382	\$ 9,264,668	\$ 9,491,050
Direct State Payments for Education:						
Teachers' Pension and Annuity Fund	286,462	612,433	985,948	---	985,948	985,948
Teachers' Pension and Annuity Fund - Post Retirement Medical	630,822	722,362	767,459	---	767,459	767,459
Teachers' Pension and Annuity Fund - Non-Contributory Insurance	30,744	32,564	33,255	---	33,255	33,255
Debt Service on Pension Obligation Bonds	143,417	155,587	167,931	---	167,931	167,931
Post Retirement Medical Other Than TPAF	131,246	155,341	187,032	---	187,032	187,032
Teachers' Social Security Assistance	727,408	738,500	754,800	---	754,800	754,800
Subtotal, Direct State Payments for Education	\$ 1,950,099	\$ 2,416,787	\$ 2,896,425	\$ ---	\$ 2,896,425	\$ 2,896,425
TOTAL	\$ 11,017,740	\$ 11,717,000	\$ 12,387,475	\$ 226,382	\$ 12,161,093	\$ 12,387,475

APPENDIX

PROPERTY TAX RELIEF (millions)

PROGRAM DESCRIPTION	FY 2013	FY 2014	Change	
	Adjusted Approp.	Budget	\$	%
School Aid	\$ 11,716.8	\$ 12,387.4	\$ 670.6	5.7 %
Municipal Aid				
Consolidated Municipal Property Tax Relief Aid (CMPTRA) / Energy Tax Receipts ^(a)	\$ 1,342.1	\$ 1,364.3	\$ 22.2	1.7 %
Transitional Aid to Localities	108.7	94.5	(14.2)	(13.1)
Open Space Payments in Lieu of Taxes (PILOT)	6.5	---	(6.5)	(100.0)
Highlands Protection Fund Aid	4.4	4.4	---	---
Subtotal Municipal Aid	\$ 1,461.7	\$ 1,463.2	\$ 1.5	0.1 %
Other Local Aid				
Transportation Trust Fund - Local Project Aid ^(b)	\$ 190.1	\$ 284.1	\$ 94.0	49.4 %
County College Aid	215.6	214.3	(1.3)	(0.6)
Aid to County Psychiatric Hospitals	130.2	130.2	---	---
Employee Benefits on behalf of Local Governments	103.4	134.6	31.2	30.2
General Assistance Administration	29.7	27.7	(2.0)	(6.7)
Library Aid	11.7	11.7	---	---
SJPC Property Tax Reserve Fund (PILOT)	5.1	5.1	---	---
County Prosecutors	4.0	4.0	---	---
County Environmental Health Act	2.7	2.7	---	---
Subtotal Other Local Aid	\$ 692.5	\$ 814.4	\$ 121.9	17.6 %
Direct Property Tax Relief				
Homestead Benefit Program	\$ 398.5	\$ 400.5	\$ 2.0	0.5 %
Property Tax Deduction Act ^(b)	409.6	427.6	18.0	4.4
Senior/Disabled Citizens' Property Tax Freeze	223.7	214.2	(9.5)	(4.2)
Veterans' Property Tax Deductions	61.0	59.2	(1.8)	(3.0)
Senior/Disabled Citizens' Property Tax Deductions	16.0	14.8	(1.2)	(7.5)
Subtotal Direct Property Tax Relief	\$ 1,108.8	\$ 1,116.3	\$ 7.5	0.7 %
GRAND TOTAL - PROPERTY TAX RELIEF	\$ 14,979.8	\$ 15,781.3	\$ 801.5	5.4 %

Notes:

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

(b) Not part of budgeted State expenditures.

STATE LOTTERY FUND SCHEDULE
(thousands)

The estimated revenue available from the State Lottery Fund for education and institutions in fiscal 2014 is \$1.020 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	\$ 19,794
Marie H. Katzenbach School for the Deaf	3,590

Department of Human Services

Operation of State Psychiatric Hospitals	279,174
Operation of Centers for People with Developmental Disabilities	158,992

Department of Military and Veterans' Affairs

Operation of Homes for Disabled Soldiers	32,389
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<i>Subtotal, Direct State Services</i>	\$ 493,939
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GRANTS-IN-AID

Higher Educational Services

Senior Public Institutions	\$ 718,663
Tuition Aid Grants	341,161
Higher Education Capital Improvement Program	43,883
Opportunity Program Grants	26,019
Supplementary Education Program Grants	12,803
Student Tuition Assistance Reward Scholarship (NJSTARS I & II)	10,629
Aid to Independent Colleges and Universities	1,000
Governor's Urban Scholarship Program	1,000

<i>Subtotal, Grants-in-Aid</i>	\$ 1,155,158
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STATE AID

Department of Agriculture

School Nutrition	\$ 5,613
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Department of Education

Nonpublic School Aid	83,503
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Higher Educational Services

Aid to County Colleges for Operational Costs	112,323
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<i>Subtotal, State Aid</i>	\$ 201,439
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<i>Grand Total</i>	\$ 1,850,536
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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 \$435.8 million, including \$350,000 from the Casino Simulcasting Fund, are projected for fiscal 2014. Total CRF resources also include \$13.7 million from three taxes implemented in fiscal 2004. These taxes are: an increase in the casino parking fee from \$2 to \$3, a \$3 per room per day fee on casino hotel rooms, and an 8% tax on multi-casino progressive slot machine revenue. The tax on casino comps put in place in fiscal 2004 expired at the end of fiscal 2009 and no longer produces revenue for the CRF.

Total available CRF resources in fiscal 2014 are forecast to increase from the fiscal 2013 appropriated amount by \$151.8 million. Much of this increase reflects the impact of internet gambling, but improving conditions in the local and national economy are also expected to contribute to earnings and offset pressure from new gaming facilities in neighboring states.

The summary and projection table at the end of this section illustrates CRF revenues and the programs receiving Fund appropriations over the past several years. Some CRF appropriations have been shifted to the General Fund and other funds over the past several fiscal years (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 — \$236.6 million
- Global Budget for Long Term Care — \$90.0 million
- Pharmaceutical Assistance to the Aged and Disabled (PAAD) — \$50.0 million
- Transportation Assistance to Seniors and Disabled — \$20.3 million
- Disability Services Waiver Initiatives — \$16.5 million
- Community Based Senior Programs — \$14.7 million
- Disability Services Personal Assistance — \$3.7 million
- Sheltered Workshop Transportation — \$2.2 million

CASINO REVENUE FUND SUMMARY AND PROJECTION
(millions)

	<u>Fiscal 2008</u>	<u>Fiscal 2009</u>	<u>Fiscal 2010</u>	<u>Fiscal 2011</u>	<u>Fiscal 2012</u>	<u>Revised 2013</u>	<u>Budget 2014</u>
Opening Surplus	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Revenues	411.1	350.6	295.7	265.9	239.0	235.0	435.4
Lapses and Adjustments ^(a)	5.1	64.9	38.7	3.8	6.0	0.4	0.4
TOTAL RESOURCES	\$ 416.2	\$ 415.4	\$ 334.4	\$ 269.7	\$ 245.0	\$ 235.4	\$ 435.8
MEDICAL ASSISTANCE							
Personal Assistance	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Home Care Expansion ^(b)	0.1	0.1	0.0	0.0	0.0	0.0	0.0
PAAD -- Expanded	220.1	209.3	128.5	91.7	51.1	50.0	50.0
Global Budget for Long Term Care	27.8	24.5	27.6	0.0	20.0	64.4	90.0
Community Based Senior Programs	0.0	0.0	0.0	14.7	14.7	14.7	14.7
Disability Services Waivers	16.5	16.5	16.5	16.5	16.5	16.5	16.5
Respite Care ^(b)	5.4	5.4	5.3	0.0	0.0	0.0	0.0
Hearing Aid Assistance	0.1	0.1	0.1	0.0	0.0	0.1	0.1
Statewide Birth Defects Registry	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Human Services Administration	0.9	0.9	0.9	0.9	0.7	0.9	0.9
Personal Care ^(c)	60.1	77.7	77.7	77.7	77.7	0.0	0.0
TRANSPORTATION ASSISTANCE							
Senior Citizens and Disabled Residents	36.9	33.0	30.2	29.1	25.1	24.6	20.3
Sheltered Workshop Transportation	2.4	2.4	2.2	2.2	2.2	2.2	2.2
HOUSING PROGRAMS							
Congregate Housing Support ^(b)	2.0	2.0	2.0	0.0	0.0	0.0	0.0
Safe Housing and Transportation ^(b)	1.7	1.7	1.4	0.0	0.0	0.0	0.0
Developmental Disabilities	32.5	32.5	32.5	32.5	32.5	57.5	236.6
OTHER PROGRAMS							
Home Delivered Meals ^(b)	1.0	0.5	1.0	0.0	0.0	0.0	0.0
Adult Protective Services ^(b)	1.8	1.8	1.7	0.0	0.0	0.0	0.0
Adult Day Care - Alzheimer's ^(b)	2.7	2.7	2.3	0.0	0.0	0.0	0.0
Home Health Aide Certification	0.1	0.1	0.1	0.1	0.1	0.1	0.1
TOTAL APPROPRIATIONS	\$ 416.2	\$ 415.4	\$ 334.4	\$ 269.7	\$ 245.0	\$ 235.4	\$ 435.8
ENDING SURPLUS	\$ 0.0	\$ 0.0					
GENERAL FUND SUPPORT							
SOBRA for Aged and Disabled	166.2	178.4	186.9	189.6	220.4	222.8	240.1
Global Budget and Waivers	38.7	38.5	48.1	98.7	104.0	61.7	48.5
Personal Care/Community Programs ^(c)	77.4	44.1	38.3	79.2	111.7	59.8	58.1
Senior Citizens Property Tax Freeze	148.5	166.6	189.3	163.3	212.2	223.7	214.2
Developmental Disabilities	521.7	434.5	338.5	328.0	485.7	448.3	279.6
PAAD -- Expanded	0.0	0.0	39.4	30.3	0.0	24.4	15.4
TOTAL GENERAL FUND SUPPORT	\$ 952.5	\$ 862.2	\$ 840.4	\$ 889.0	\$ 1,134.0	\$ 1,040.7	\$ 855.9

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 fiscal 2011, these programs were consolidated into the *Community Based Senior Programs* line item.
- (c) Personal Care services are now provided through Medicaid managed care organizations.

APPENDIX

911 SYSTEM AND EMERGENCY RESPONSE FEE (thousands)

The estimated revenue from the mobile telecommunications service and telephone exchange service fee in fiscal year 2014 totals \$124 million. In accordance with the enabling legislation (P.L. 2004, c.48), these funds will be deposited into the 911 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	3,695
Rural Section Policing	53,398
Urban Search and Rescue	1,000
Division of State Police - Remaining Operating Budget	234,138

Department of Military and Veterans' Affairs

Military Services - National Guard Support Services	3,663
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Department of Treasury

Office of Emergency Telecommunications Service (OETS)	900
Statewide 911 Emergency Telephone System	12,372

<i>Total, State Appropriations</i>	<u>\$ 312,939</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 2012 Expended	FY 2013 Adjusted Approp.	Year Ending	
			----- June 30, 2014 ----- Requested	Recommended
<i>Total, State Transportation Funds</i>	\$ 1,294,325	\$ 1,247,000	\$ 1,224,000	\$ 1,224,000
<i>Total, Federal Highway & Public Transportation Trust Funds</i>	1,298,502	1,563,150	1,820,650	1,820,650
<i>Third-Party Funds - NJ DOT</i>	26,198	124,100	526,850	526,850
<i>Third-Party Funds - NJ Transit</i>	27,509	37,615	37,615	37,615
<i>Total, Federal Economic Stimulus</i>	5,714	---	---	---
SUBTOTAL	<u>\$ 2,652,248 ^(a)</u>	<u>\$ 2,971,865</u>	<u>\$ 3,609,115</u>	<u>\$ 3,609,115 ^(b)</u>
<i>Port Authority of New York & New Jersey (PANYNJ)</i>	78,531	353,000	376,000	376,000
TOTAL TRANSPORTATION CAPITAL PLAN	<u>\$ 2,730,779 ^(a)</u>	<u>\$ 3,324,865</u>	<u>\$ 3,985,115</u>	<u>\$ 3,985,115 ^(b)</u>

STATE TRANSPORTATION FUNDS - DISTRIBUTION

By Project Type				
State Highway Projects - NJ DOT	491,693	467,400	444,400	444,400
Local Aid Highway Projects	154,275	190,100	284,100	284,100
Public Transportation Projects - NJ Transit	648,357	589,500	495,500	495,500
Total, State Transportation Funds	<u>\$ 1,294,325</u>	<u>\$ 1,247,000</u>	<u>\$ 1,224,000</u>	<u>\$ 1,224,000</u>
NJ DOT & NJ Transit Project List by Transportation Asset Category				
Airport Assets	5,200	5,000	5,000	5,000
Bridge Assets	91,200	105,300	96,010	96,010
Capital Program Delivery	195,600	152,900	156,100	156,100
Congestion Relief	19,360	27,160	20,760	20,760
Local System Support	155,378	197,172	292,383	292,383
Mass Transit Assets	614,524	543,898	448,477	448,477
Multimodal Programs	12,900	13,000	13,000	13,000
Road Assets	157,400	137,300	135,900	135,900
Safety Management	23,500	39,400	24,500	24,500
Transportation Support Facilities	19,263	25,870	31,870	31,870
Total, State Transportation Funds	<u>\$ 1,294,325</u>	<u>\$ 1,247,000</u>	<u>\$ 1,224,000</u>	<u>\$ 1,224,000</u>

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

By Project Type				
State Highway Projects - NJ DOT	1,000,337	1,435,000	2,024,250	2,024,250
Public Transportation Projects - NJ Transit	430,403	642,865	736,865	736,865
Total, Federal Highway & Public Transportation Funds	<u>\$ 1,430,740</u>	<u>\$ 2,077,865</u>	<u>\$ 2,761,115</u>	<u>\$ 2,761,115</u>
Federal Economic Stimulus - NJ DOT	5,714	---	---	---
Federal Economic Stimulus - NJ Transit	---	---	---	---
Total, Federal Economic Stimulus	<u>\$ 5,714</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>
Total, Federal Highway, Public Transportation & Third-Party Funds	<u>\$ 1,436,454</u>	<u>\$ 2,077,865</u>	<u>\$ 2,761,115</u>	<u>\$ 2,761,115</u>
NJ DOT & NJ Transit Project List by Transportation Asset Category				
Bridge Assets	397,451	564,100	1,268,000	1,268,000
Capital Program Delivery	24,900	43,300	41,000	41,000
Congestion Relief	188,400	339,700	238,050	238,050
Local System Support	169,909	237,345	212,745	212,745
Mass Transit Assets	402,894	588,120	676,120	676,120
Multimodal Programs	84,400	35,400	125,100	125,100
Road Assets	130,200	210,600	164,100	164,100
Safety Management	38,300	59,300	36,000	36,000
Total, Federal Highway & Public Transportation Funds	<u>\$ 1,436,454</u>	<u>\$ 2,077,865</u>	<u>\$ 2,761,115</u>	<u>\$ 2,761,115</u>

Notes:

- (a) FY 2012 expended is derived from the FY 2012 Transportation Capital Program and includes the federal economic stimulus program authorized by the "American Recovery and Reinvestment Act of 2009."
- (b) The specific projects represented by these amounts will be outlined in the Draft FY 2014 Transportation Capital Program, to be issued in April 2013, and finalized in the FY 2014 Transportation Capital Program when the FY 2014 Budget is adopted.

APPENDIX

STATE OF NEW JERSEY STATEMENT OF GENERAL LONG-TERM DEBT June 30, 2012 (thousands)

	<u>ACT OF</u>	<u>AUTHORIZED</u>	<u>UNISSUED</u>	<u>RETIRED (a)</u>	<u>OUTSTANDING</u>
Clean Waters Bonds	1976	\$ 120,000	\$ 3,400	\$ 115,850	\$ 750
State Land Acquisition and Development Bonds	1978	200,000	---	199,075	925
Natural Resources Bonds	1980	145,000	9,600	130,800	4,600
Energy Conservation Bonds	1980	50,000	1,600	48,340	60
Water Supply Bonds	1981	350,000	73,150	268,275	8,575
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	---	4,021,265	2,113,065
Pinelands Infrastructure Trust Bonds	1985	30,000	6,750	22,715	535
Hazardous Discharge Bonds	1986	200,000	48,000	152,000	---
Green Acres, Cultural Centers and Historic Preservation Bonds	1987	100,000	1,000	95,045	3,955
Jobs, Education & Competitiveness Bonds	1988	350,000	---	349,220	780
New Jersey Open Space Preservation Bonds	1989	300,000	22,600	275,475	1,925
Public Purpose Buildings and Community-Based Facilities Construction Bonds	1989	125,000	5,000	119,110	890
Stormwater Management and Combined Sewer Overflow Abatement Bonds	1989	50,000	13,000	32,465	4,535
New Jersey Green Acres, Clean Water, Farmland and Historic Preservation Bonds	1992	345,000	12,880	320,785	11,335
Developmental Disabilities Waiting List Reduction and Human Services Facilities Construction Bonds	1994	160,000	---	153,995	6,005
Green Acres, Farmland and Historic Preservation and Blue Acres Bonds	1995	340,000	21,000	307,685	11,315
Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration and Delaware Bay Area Economic Development Bonds	1996	300,000	116,500	136,480	47,020
Statewide Transportation and Local Bridge Bonds	1999	500,000	---	464,540	35,460
Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bonds	2003	200,000	42,250	84,495	73,255
Green Acres, Farmland, Blue Acres, and Historic Preservation Bonds	2007	200,000	59,000	81,320	59,680
Green Acres, Water Supply and Floodplain Protection, and Farmland and Historic Preservation Bonds	2009	400,000	400,000	---	---
Total Long-Term Debt		\$ 10,834,330	\$ 893,230	\$ 7,556,435	\$ 2,384,665

- 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 2014 is computed by multiplying the base year appropriation (fiscal 2013) subject to the percentage limitation by the average three-year growth rate in per capita personal income calculated on a fiscal basis. The fiscal 2014 CAP is calculated using 1.29%.

The calculation results in a maximum increase of \$84.6 million over the fiscal 2013 Adjusted Appropriation, or a maximum appropriation of \$6.642 billion for Direct State Services for fiscal 2014. The Governor's recommendation for fiscal 2014, for items under the CAP, is \$6.631 billion, or \$11 million under the CAP limit. Data used to compute the appropriation limit are presented in the accompanying tables.

**STATE INCOME
(millions)**

Fiscal 2009	\$442,437
Fiscal 2010	\$436,327
Fiscal 2011	\$453,368
Fiscal 2012	\$467,891

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

STATE POPULATION

Fiscal 2009	8,707,739
Fiscal 2010	8,803,388
Fiscal 2011	8,834,773
Fiscal 2012	8,864,590

Source: United States Department of Commerce,
Census Bureau

STATE PER CAPITA PERSONAL INCOME

	Personal Income	Percentage Change
Fiscal 2009	\$50,810	
Fiscal 2010	\$49,564	-2.45%
Fiscal 2011	\$51,316	3.53%
Fiscal 2012	\$52,782	2.86%
Three-Year Average		1.29%

Source: United States Department of Commerce,
Census Bureau

APPENDIX

COMPUTATION OF FISCAL 2014 CAP SUBJECT TO EXPENDITURE LIMITATION LAW PERCENTAGE (thousands)

Adjusted Appropriations for Fiscal 2013	\$ 32,167,463
Adjustment: Balances Available in the State Health Benefits Fund*	70,000
Less Statutory Exemptions:	
Grants-In-Aid	(9,143,766)
State Aid	(1,802,300)
Capital Construction	(1,383,582)
Debt Service	(411,947)
Property Tax Relief Fund	(12,201,385)
Casino Control Fund	(55,344)
Casino Revenue Fund	(235,362)
Gubernatorial Elections Fund	(6,200)
Less: Funding In Accordance with Court Settlements	(314,264)
Less: Federal Funds Support of Employee Benefits	(126,099)
Fiscal 2013 Base Subject to Percentage Limitation	\$ 6,557,214
Per Capita Personal Income Growth Rate	1.29%
Maximum Increase in Appropriation for Fiscal 2014	84,588
Maximum Appropriation for Fiscal 2014	6,641,802
Fiscal 2014 Recommendation	7,082,868
Less: Funding In Accordance with Court Settlements	(299,380)
Less: Federal Funds Support of Employee Benefits	(152,908)
Amount of Fiscal 2014 Appropriation Subject to the CAP Limitation	\$ 6,630,580
Amount Over/(Under) the CAP Limitation	\$ (11,222)

* 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.

**NEW JERSEY TOTAL SPENDING
DEPARTMENTS, AUTHORITIES AND COLLEGES**

(thousands of dollars)

The following financial data is provided in accordance with the provisions of Executive Order 8, signed by Governor Christie on January 20, 2010. It reflects amounts, by fund source, that are represented in the fiscal 2014 Governor's budget. Separately, it also includes revenues that are uniquely available to State authorities and colleges and universities for which the State is financially accountable. The bottom line of this report shows the full value of services provided by State government and its associated entities. Note the majority of federal Super Storm Sandy funds are not reflected in this schedule as of this printing, March 12, 2013.

Summary by Fund	FY 2013	FY 2014
State, Federal and Dedicated	49,697,950	51,941,634
State Appropriations	32,167,463	32,921,362
Federal Funds	10,799,137	11,993,282
All Other Funds (Dedicated)	4,526,450	4,587,590
Transportation Trust Fund	2,204,900	2,439,400
Special Revenue / Trust / Bonds / Proprietary Funds	9,317,164	8,565,374
Special Revenue / Trust / Bond Funds	1,892,966	1,564,104
Proprietary Fund (Unemployment Insurance)	5,525,450	4,990,450
Proprietary Fund (Lottery)	1,898,748	2,010,820
Independent Authorities, Colleges and Universities	10,312,950	10,439,762
Grand Total	69,328,064	70,946,770

Summary by Organization and Fund	FY 2013	FY 2014
Legislature	76,656	76,154
State Appropriations	76,656	76,154
Chief Executive	6,810	6,810
State Appropriations	6,035	6,035
All Other Funds (Dedicated)	775	775
Agriculture	507,363	462,178
Federal Funds	427,755	432,564
State Appropriations	19,623	19,573
All Other Funds (Dedicated)	9,855	9,529
Special Revenue / Trust / Bond Funds	50,130	512
Banking and Insurance	70,767	63,982
State Appropriations	63,450	63,450
All Other Funds (Dedicated)	1,445	480
Special Revenue / Trust / Bond Funds	52	52
Federal Funds	5,820	0
Children and Families	1,584,015	1,601,181
State Appropriations	1,063,706	1,049,926
Federal Funds	467,128	498,104
All Other Funds (Dedicated)	53,181	53,151

APPENDIX

NEW JERSEY TOTAL SPENDING DEPARTMENTS, AUTHORITIES AND COLLEGES (thousands of dollars)

Summary by Organization and Fund	FY 2013	FY 2014
Community Affairs	1,277,375	1,255,421
State Appropriations	756,882	749,993
Federal Funds	454,291	436,224
All Other Funds (Dedicated)	59,629	64,547
Special Revenue / Trust / Bond Funds	6,573	4,657
Corrections	1,125,276	1,123,360
State Appropriations	1,084,881	1,084,476
All Other Funds (Dedicated)	27,298	27,768
Federal Funds	13,094	11,113
Special Revenue / Trust / Bond Funds	3	3
Education	12,631,902	13,308,915
State Appropriations	11,788,095	12,465,775
Federal Funds	830,361	830,361
All Other Funds (Dedicated)	13,446	12,779
Environmental Protection	1,095,493	834,934
State Appropriations	360,945	349,668
Special Revenue / Trust / Bond Funds	435,407	201,401
Federal Funds	208,748	194,649
All Other Funds (Dedicated)	90,393	89,216
Health	1,873,277	1,849,741
All Other Funds (Dedicated)	763,922	765,471
Federal Funds	739,138	727,970
State Appropriations	364,801	350,890
Special Revenue / Trust / Bond Funds	5,416	5,410
Human Services	14,034,438	15,201,508
Federal Funds	6,708,299	7,908,608
State Appropriations	6,542,701	6,495,260
All Other Funds (Dedicated)	762,288	776,484
Special Revenue / Trust / Bond Funds	21,150	21,156
Labor and Workforce Development	7,017,863	6,533,299
Proprietary Fund (Unemployment Insurance)	5,525,450	4,990,450
Special Revenue / Trust / Bond Funds	562,727	612,384
Federal Funds	520,175	520,175
All Other Funds (Dedicated)	249,722	250,951
State Appropriations	159,789	159,339

NEW JERSEY TOTAL SPENDING
DEPARTMENTS, AUTHORITIES AND COLLEGES
(thousands of dollars)

Summary by Organization and Fund	FY 2013	FY 2014
Law and Public Safety	953,106	946,350
State Appropriations	566,679	569,274
All Other Funds (Dedicated)	201,302	191,961
Federal Funds	161,292	161,784
Special Revenue / Trust / Bond Funds	23,833	23,331
Military and Veterans' Affairs	188,844	192,903
State Appropriations	94,271	94,074
Federal Funds	90,973	93,622
All Other Funds (Dedicated)	3,527	5,134
Special Revenue / Trust / Bond Funds	73	73
State	1,320,203	1,234,334
State Appropriations	1,176,750	1,190,383
Federal Funds	28,333	28,052
All Other Funds (Dedicated)	14,823	15,524
Special Revenue / Trust / Bond Funds	100,297	375
Transportation	4,671,935	4,991,344
Transportation Trust Fund	2,204,900	2,439,400
State Appropriations	1,267,502	1,298,849
All Other Funds (Dedicated)	1,002,991	1,056,561
Special Revenue / Trust / Bond Funds	174,917	174,909
Federal Funds	21,625	21,625
Treasury	5,791,563	5,860,821
State Appropriations	2,208,513	2,163,417
Proprietary Fund (Lottery)	1,898,748	2,010,820
All Other Funds (Dedicated)	1,160,648	1,155,477
Special Revenue / Trust / Bond Funds	512,388	519,841
Federal Funds	11,266	11,266
Miscellaneous Commissions	976	776
State Appropriations	976	776
Interdepartmental Accounts	3,935,817	4,100,159
State Appropriations	3,892,227	4,056,569
All Other Funds (Dedicated)	43,590	43,590
The Judiciary	851,435	862,838
State Appropriations	672,981	677,481
Federal Funds	110,839	117,165
All Other Funds (Dedicated)	67,615	68,192

APPENDIX

NEW JERSEY TOTAL SPENDING DEPARTMENTS, AUTHORITIES AND COLLEGES (thousands of dollars)

Summary by Organization and Fund	FY 2013	FY 2014
Independent Authorities (a)	5,882,967	5,955,599
New Jersey Transit Corporation	2,430,700	2,467,800
New Jersey Turnpike Authority (b)	1,497,873	1,517,063
Higher Education Student Assistance Authority	1,207,891	1,271,262
New Jersey Housing and Mortgage Finance Agency (b)	258,072	222,607
South Jersey Transportation Authority (b)	120,365	121,569
Environmental Infrastructure Trust	67,000	68,100
Casino Reinvestment Development Authority (b)	88,909	64,863
Atlantic City Convention & Visitors Authority (b)	46,006	55,995
Economic Development Authority (b)	34,436	44,141
New Jersey Meadowlands Commission	30,876	39,000
New Jersey Water Supply Authority	25,789	25,795
New Jersey Sports and Exposition Authority (b)	42,867	25,700
South Jersey Port Corporation (b)	22,857	22,767
New Jersey Health Care Facilities Financing Authority (b)	3,950	3,678
New Jersey Educational Facilities Authority	3,387	3,305
New Jersey Redevelopment Authority (b)	1,554	1,554
New Jersey Schools Development Authority (b)	435	400
Colleges and Universities (a)	4,429,983	4,484,163
Rutgers, The State University	1,714,450	1,769,060
University of Medicine and Dentistry of New Jersey	973,488	973,488
Montclair State University	277,273	282,844
New Jersey Institute of Technology	266,613	266,613
Rowan University	218,491	218,491
Kean University	186,992	186,992
The College of New Jersey	168,270	164,768
The Richard Stockton College of New Jersey	155,892	156,867
William Paterson University of New Jersey	152,641	152,890
Ramapo College of New Jersey	102,326	101,254
New Jersey City University	95,560	95,560
New Jersey Agricultural Experiment Station	60,723	59,802
Thomas Edison State College	57,264	55,534
Grand Total	69,328,064	70,946,770

Notes:

- (a) Revenues do not include State appropriations or bond proceeds.
- (b) Authority operates on a calendar year budget. In these instances, FY 2013 represents calendar-year ending 12/31/2012, and FY 2014 represents calendar-year ending 12/31/2013.

DEBT SERVICE SCHEDULE
(thousands)

The schedule below lists all debt service payments to be made from State appropriations in fiscal year 2014, including general obligation debt as well as other debt subject to appropriation.

Department of Education	
School Construction and Renovation Fund	\$ 579,933
Pension Obligation Bonds	167,931
Department of Environmental Protection	
General Obligation Bonds	21,506
Department of Health and Senior Services	
Hospital Asset Transformation Program	1,541
Department of Human Services	
Mental Health Bonds - Human Services Facilities	2,695
Higher Educational Services	
Higher Education Capital Improvement Program	43,883
County College Debt Service (P.L.1971, c.12)	35,599
Pension Obligation Bonds	7,369
Dormitory Safety Trust Fund	6,489
Department of Transportation	
Transportation Trust Fund	1,160,552
NJ Transit Certificates of Participation	64,219
Department of Treasury	
General Obligation Bonds	322,374
South Jersey Port Corporation Debt Service Reserve Fund	15,271
Pension Obligation Bonds	16,563
Public Library Project Fund	3,764
Interdepartmental	
Pension Obligation Bonds	124,878
New Jersey Building Authority	36,616
New Jersey Sports and Exposition Authority	71,462
Capital Leases	89,100
Open Space Preservation	97,716
Line of Credit (all agencies)	38,839
Business Employment Incentive Program	27,963
Greystone Psychiatric Hospital	8,153
Municipal Rehabilitation and Economic Recovery	14,142
Economic Development Authority	7,707
Liberty Science Center	7,395
Interest on Short Term Notes	6,000
New Jersey Performing Arts Center	5,578
Designated Industries	2,903
Lafayette Yard	2,028
Interest on Interfund Borrowing	100
Total Debt Service Appropriation	\$ 2,990,269

APPENDIX

CLEAN ENERGY FUND (thousands)

The estimated revenue from the Clean Energy Fund in fiscal 2014 is \$152,185,000.
These funds will be applied toward energy-related needs as identified below:

DIRECT STATE SERVICES

State Facilities	
Fuel and Utilities Expenses	<u>\$ 79,600</u>
<i>Subtotal, Direct State Services</i>	<u>\$ 79,600</u>

GRANTS-IN-AID

New Jersey Transit	
Propulsion Electricity - Rail Operations	43,502
Other Fuel and Utilities Expenses	<u>29,671</u>
<i>Subtotal, Grants-In-Aid</i>	<u>\$ 73,173</u>
Grand Total	<u>\$ 152,773</u>

HEALTH CARE SUBSIDY FUND
(thousands)

	<u>Actual</u> <u>FY 2011</u>	<u>Actual</u> <u>FY 2012</u>	<u>Revised</u> <u>FY 2013</u>	<u>Budget</u> <u>FY 2014</u>
FUND BALANCE JULY 1	\$ 6,166	\$ 13,450	\$ 687	\$ 442
REVENUES				
Provider Taxes				
HMO Premiums Assessment	116,706	132,840	144,403	142,263
.53% Hospital Assessment	79,354	100,411	102,442	105,000
Ambulatory Care Facility Assessment	47,510	53,232	58,555	64,411
Cosmetic Medical Procedures Tax ^(a)	10,763	11,016	7,066	3,533
Other Revenue Sources				
Cigarette Tax	396,500	396,500	396,500	396,500
NJ MMRA Fund Transfer ^(b)	---	---	9,500	---
Alcohol Excise Tax	22,000	22,000	22,000	22,000
Investment Earnings	234	55	200	200
TOTAL REVENUES	\$ 673,068	\$ 716,054	\$ 740,666	\$ 733,907
TOTAL RESOURCES	\$ 679,234	\$ 729,504	\$ 741,353	\$ 734,349
EXPENDITURES				
Charity Care	573,951	531,447	538,475	541,402
FamilyCare Children	101,575	108,770	115,753	122,107
Federally Qualified Health Centers	44,980	47,712	50,200	50,200
Health Care Stabilization Fund	30,000	15,000	15,000	---
Hospital Mental Health Offset Payments	11,801	11,945	12,327	12,327
Hospital Health Care Subsidy Payments	20,655	24,705	30,323	---
Delivery System Reform Incentive Payments	---	---	---	30,602
TOTAL EXPENDITURES	\$ 782,963	\$ 739,579	\$ 762,077	\$ 756,638
<i>General Fund Support</i>	<i>(117,179)</i>	<i>(10,762)</i>	<i>(21,166)</i>	<i>(22,731)</i>
NET EXPENDITURES	\$ 665,784	\$ 728,817	\$ 740,911	\$ 733,907
Projected Surplus/Deficit	\$ 13,450	\$ 687	\$ 442	\$ 442
Federal Funds Appropriated to Programs Above				
Charity Care	90,826	143,553	136,525	133,598
Health Care Stabilization Fund	---	15,000	15,000	---
FamilyCare Children	191,590	193,889	215,310	237,349
Hospital Mental Health Offset Payments	11,801	11,945	12,327	12,327
Hospital Health Care Subsidy Payments ^(c)	83,300	79,250	73,632	---
Delivery System Reform Incentive Payments ^(c)	---	---	---	73,353

Notes:

- (a) The tax rate on cosmetic surgery procedures has been lowered from 6% to 4% in FY13. The rate will be lowered to 2% in FY14, then 0% thereafter.
- (b) In fiscal year 2013, the Property-Liability Insurance Guaranty Association (PLIGA) will be deactivated. The New Jersey Medical Malpractice Reinsurance Association (NJMMRA) will donate the remaining PLIGA funds to support charity care.
- (c) Total federal amounts include funding used to match General Fund appropriations not included on this page.

APPENDIX

WORKFORCE

Full-time employees have been reduced by 5,172 between the beginning of the Christie Administration and January 11, 2013. The State funded portion will decline by another 271 during fiscal year 2014. Increased availability of federal and other non-State funding will support 456 additional positions from these resources in Fiscal 2014 compared to the January 11, 2013 level.

The Department of Children and Families' growth (for both State and non-State funding) is required to meet increases in clients and caseload supervision requirements.

The Department of Education State funded increase of 22 is needed to continue the Governor's priority of Education Reform.

State funded growth of 12 in the Department of Environmental Protection is mainly attributable to hiring for the Forest Resource Management program.

State funded growth in the Department of Health includes seven staff to expand the newborn screening program in accordance with "Emma's Law", and six staff to fully implement the New Jersey Compassionate Use Medical Marijuana Act.

The Department of Human Services reflects a 252 net reduction for combined State and non-State funding, most notably due to a 305 position reduction in the State institutions for individuals with developmental disabilities; increased community placements being made consistent with the U.S. Supreme Court's Olmstead decision reduce staffing needs at the State facilities. There will be 75 new staff provided to care for developmentally disabled clients placed in the community along with increases in Grants-In-Aid funding.

The fiscal 2014 Budget provides funding to recruit and select two new State Police trooper classes during the year.

Also, 23 State funded growth in the Department of Military and Veterans' Affairs will allow the Department to fill vacancies at the Veterans Homes and in other critical areas.

An increase of 13 for the Public Defender represents bringing more legal work in house at a lower cost.

Executive branch non-State funded positions reflect a net increase of 283.

Growth at the Department of Transportation will allow the Department to better discharge the responsibilities associated with \$1 billion in annual federal transportation funding and support the rebuilding of critical transportation infrastructure damaged by a series of recent disasters including but not limited to Hurricane Irene and Super Storm Sandy. Most of the work associated with rebuilding efforts will be done through contracted vendors.

The Motor Vehicle Commission's growth of 52 will allow the Commission to support critical backfills to reduce wait times at the agencies; also included are 14 staff to comply with federally mandated audits of the Motor Carriers International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP) programs.

STATE FUNDED WORKFORCE

	FY 2012 Actual	FY 2013 1/11/2013	FY 2014 Funded Positions
AGRICULTURE	91	88	91
BANKING AND INSURANCE	---	---	---
CHIEF EXECUTIVE OFFICE	113	108	108
CHILDREN & FAMILIES	4,657	4,810	4,832
COMMUNITY AFFAIRS	95	90	100
CORRECTIONS (Balance)	7,911	7,841	7,841
- Parole Board	614	608	620
EDUCATION	361	363	385
ENVIRONMENTAL PROTECTION	760	802	814
- CBT Dedication	---	---	---
HEALTH AND SENIOR SERVICES	574	359	383
HUMAN SERVICES (Total)	9,660	9,496	9,199
- Management and Budget	305	325	325
- Medical Assistance	144	153	153
- Disability Services	14	14	15
- Family Development	194	191	191
- Commission for the Blind and Visually Impaired	179	182	182
- Deaf and Hard of Hearing	8	8	8
- Developmental Disabilities	4,267	4,186	3,899
- Mental Health and Add. Svcs.	4,549	4,227	4,216
- Div of Aging	---	210	210
LABOR (Balance)	194	191	192
- Public Employee Relations Commission	30	33	36
- Civil Service Commission	222	244	248
LAW AND PUBLIC SAFETY (Balance)	2,192	2,166	2,181
- State Police	2,065	1,991	1,972
- Office of Homeland Security & Preparedness	80	83	83
- Election Law Enforcement Commission	65	68	65
- Violent Crimes Compensation Agency	30	29	32
- State Ethics Commission	11	10	12
- Juvenile Justice	1,081	1,038	1,051
- Division of Gaming	---	---	---
MILITARY AND VETERANS' AFFAIRS	1,300	1,318	1,341
STATE (Balance)	138	148	148
- Secretary of Higher Education	13	15	16
- Student Assistance	---	---	---
TRANSPORTATION	1,613	1,616	1,606
- Motor Vehicle Commission	---	---	---
TREASURY (Balance)	2,533	2,519	2,501
- Office of State Comptroller	112	100	100
- Casino Control Commission	---	---	---
- Office of Administrative Law	90	86	88
- Office of Information Technology	---	---	---
- Public Defender	1,083	1,159	1,172
- Board of Public Utilities	---	---	---
MISCELLANEOUS COMMISSIONS	1	1	1
<i>SUBTOTAL EXECUTIVE BRANCH</i>	<u>37,689</u>	<u>37,380</u>	<u>37,218</u>
LEGISLATURE	442	446	446
- SCI	45	41	46
JUDICIARY	7,370	7,396	7,282
<i>GRAND TOTAL</i>	<u>45,546</u>	<u>45,263</u>	<u>44,992</u>

APPENDIX

NON-STATE FUNDED WORKFORCE

	FY 2012 Actual	FY 2013 1/11/2013	FY 2014 Funded Positions
AGRICULTURE	114	119	125
BANKING AND INSURANCE	489	496	515
CHIEF EXECUTIVE OFFICE	---	---	---
CHILDREN & FAMILIES	1,840	1,804	1,811
COMMUNITY AFFAIRS	831	805	822
CORRECTIONS (Balance)	311	312	310
- Parole Board	---	---	---
EDUCATION	401	433	455
ENVIRONMENTAL PROTECTION	1,737	1,697	1,705
- CBT Dedication	238	225	228
HEALTH AND SENIOR SERVICES	987	823	837
HUMAN SERVICES (Total)	4,961	5,047	5,092
- Management and Budget	184	185	185
- Medical Assistance	291	306	306
- Disability Services	11	12	11
- Family Development	169	178	178
- Commission for the Blind and Visually Impaired	96	93	93
- Deaf and Hard of Hearing	---	---	---
- Developmental Disabilities	4,102	4,048	4,085
- Mental Health and Add. Svcs.	108	103	114
- Div of Aging	---	122	120
LABOR (Balance)	2,797	2,726	2,734
- Public Employee Relations Commission	---	---	---
- Civil Service Commission	---	---	---
LAW AND PUBLIC SAFETY (Balance)	1,348	1,336	1,342
- State Police	653	573	569
- Office of Homeland Security and Preparedness	21	22	22
- Election Law Enforcement Commission	---	---	---
- Violent Crimes Compensation Agency	---	---	---
- State Ethics Commission	---	---	---
- Juvenile Justice	251	181	181
- Division of Gaming	260	245	251
MILITARY AND VETERANS' AFFAIRS	172	166	174
STATE (Balance)	13	12	14
- Secretary of Higher Education	2	3	6
- Student Assistance	152	152	162
TRANSPORTATION	1,382	1,495	1,508
- Motor Vehicle Commission	2,173	2,181	2,233
TREASURY (Balance)	743	726	743
- Office of State Comptroller	23	34	37
- Casino Control Commission	58	57	58
- Office of Administrative Law	8	7	7
- Office of Information Technology	719	711	711
- Public Defender	1	1	1
- Board of Public Utilities	248	238	257
MISCELLANEOUS COMMISSIONS	---	---	---
<i>SUBTOTAL EXECUTIVE BRANCH</i>	22,933	22,627	22,910
LEGISLATURE	---	---	---
- SCI	---	---	---
JUDICIARY	1,540	1,536	1,709
<i>GRAND TOTAL</i>	24,473	24,163	24,619

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/14budget

NOTES