

**MINUTES of the
DELAWARE ECONOMIC & FINANCIAL ADVISORY COUNCIL**

Buena Vista, June 15, 2026

Attendance:

Member	Present
K. Agne	Yes
P. Anderson	Yes
C. Baker	Yes
S. Bravo	Yes
C. Davis	Yes
L. Davis	Yes
J. DiPaula	No
C. DuVilla	No
P. Gupta	No
S. Hastings	Yes
K. Hensley	No
M. Jackson	Yes
P. Key	Yes
T. Lawson	Yes
A. Levin	Yes
G. Marcozzi	No
B. Maxwell	Yes

Member	Present
D. Mell	Yes
R. Miller	Yes
R. Mitchell	Yes
K. Myers	Yes
T. Paradee	Yes
C. Patibanda-Sanchez	Yes
B. Pettyjohn	Yes
P. Reese	Yes
T. Shopa	Yes
M. Smith	Yes
W. Smith	Yes
P. Swain	Yes
D. Tam	Yes
K. Williams	Yes
B. Wise	Yes
C. Linke Young	Yes

Members in Attendance: 28

Members Absent: 5

Others Present: R. Ames, S. Bolden, A. Brown, L. Clymer, K. Conner, A. Deutsch, C. Dillon, B. DiVirgilio, M. Fowser, A. Giuttari, A. Godfrey, R. Goldsmith, J. Johnstone, B. Khanal, D. Killen, N. Konzelman, R. Korn, M. Marlin, T. Micik, E. Nestlerode, A. Norman, R. Osmond, J. Patterson, B. Philbin, B. Phillips, K. Pritchard, R. Ramsburg, K. Revel, D. Reynolds, L. Rice, J. Richardson, D. Roose, D. Rohrbough, B. Scoglietti, J. Seemans, M. Seemans, J. Smith, M. Smith, S. Snyder, J. Stango, A. Starobynski, M. Steele, S. Stegg, S. Steward, R. Stojkovski, K. Stomberg, M. Strauss, K. Tabeling, K. Taylor-Roberts, S. Tiberi, K. Thomas, K. Thomson, L. Tucker, L. Vella, A. Visalli, A. Webb, A. Wright

Opening Business: Mr. Levin called the meeting to order at 1:00 pm.

The minutes from the May meeting were approved as submitted.

Expenditure Forecasts:

Mr. Jackson and Ms. Godfrey presented the General Fund Expenditure forecasts.

General Fund Expenditures - Fiscal Year 2026:

Mr. Jackson reviewed the balance sheet method and the current year appropriations. The Fiscal Year (FY) 2026 spending authority is \$8,752.0 million, with expected reversions and encumbered funds remaining at the amounts set at the May DEFAC meeting, at \$100.0 million and \$60.0 million respectively. The total forecast for FY 2026 is now \$7,117.3 million, which reflects a decrease of \$35.0 million from the May forecast.

Ms. Godfrey then reviewed the revised FY 2026 projected expenditures as compared to the May DEFAC projections. The primary drivers of the revised forecast are a decrease in anticipated Contractual Services and Grants expenditures, which is due to the timing of payments at fiscal year-end. The offset to this is reflected in the FY 2027 forecast.

A motion was made, seconded and approved to accept \$7,117.3 million as the Expenditure estimate for FY 2026.

General Fund Expenditures - Fiscal Year 2027:

Ms. Godfrey next reviewed the FY 2027 expenditure forecast of \$7,640.3 million, reflecting a net increase of \$130.8 million compared to the May forecast. The increase reflects the Mark-up changes made by the Joint Finance Committee to the FY 2027 Budget and the corresponding offset to revisions made in the Fiscal Year 2026 forecast. Ms. Godfrey noted that these changes reflect the information available at this time, with the understanding that the Bond Bill Committee has not yet convened and that the Joint Finance Committee is expected to reconvene next week to consider changes to Grants-in-Aid.

Mr. W. Smith inquired about anticipated changes in Medicaid enrollment. Ms. Young responded that it is difficult to forecast enrollment at this point in the year due to the implementation of new Medicaid work requirements. She noted that a downward trend in enrollment is expected, primarily among healthier individuals, but that it remains difficult to determine what overall Medicaid membership will look like.

Mr. Levin asked Dr. Tam how he is budgeting for anticipated Medicaid changes at his institution. Dr. Tam agreed with Ms. Young that the impact is difficult to project at this stage, but indicated that he expects the changes to result in a shift in costs to other groups.

A motion was made, seconded and approved to accept \$7,640.3 million as the Expenditure estimate for FY 2027.

Revenue Forecasts:

Mr. Roose presented the General Fund Revenue forecasts.

Economic Outlook

Mr. Roose reviewed the U.S. economic outlook, noting that the S&P Global forecast now projects stronger real GDP growth for 2026 and 2027 than projected in the May outlook, by 0.1 and 0.3 percentage points, respectively. He noted that inflation is now expected to take nearly a year longer to reach the Federal Reserve's 2% objective, raising questions about the potential for future interest rate cuts. He also noted that higher energy prices are more than offsetting the benefits of the One Big Beautiful Bill Act (OBBBA) tax cuts and the wealth effect from equity markets, putting some pressure on consumer spending.

Mr. Roose highlighted several positive factors in the outlook, including accelerating economic growth and resilient consumer spending. He also noted that, although the University of Michigan reported record-low consumer sentiment, overall growth in personal consumption expenditures remains healthy and employment has rebounded.

Mr. Mell asked which sectors are experiencing growth. Mr. Roose responded that growth is being seen in sectors where energy is an important factor.

Mr. Myers asked about the impact of credit card debt on the overall economic outlook. Mr. Roose responded that data is not available at that level of detail regarding consumer debt. He noted that Federal Reserve data indicates that consumer debt remains at relatively similar levels and is not increasing significantly. He suggested that one contributing factor may be the prevalence of long-term auto loans and the increasing age of the vehicle fleet. He noted that consumers are purchasing fewer new vehicles and, consequently, are not taking on as much additional debt.

Ms. Patibanda-Sanchez provided an update on the Port Project. Construction is expected to begin later this month and is expected to create approximately 3,000 construction jobs and 1,000 permanent jobs. Mr. Levin asked about the annual wages associated with these positions. Ms. Patibanda-Sanchez responded that the University of Delaware is conducting a comprehensive economic study of the project that will include this information.

General Fund Revenues:

Mr. Roose resumed his presentation on the remaining general fund revenues.

FY 2026				FY 2027			
Revenue Category	May-26	Jun-26	Change	Revenue Category	May	Jun	Chan
Unclaimed Property Refunds	(168.0)	(200.0)	(32.0)	Limited Partnerships & LLC's	575.0	712.6	137.6
PIT Refunds	(362.7)	(333.7)	29.0	PIT Refunds	(360.5)	(331.7)	28.8
Personal Income Tax	2,933.2	2,913.9	(19.3)	Unclaimed Property Refunds	(130.0)	(115.0)	15.0
Corporation Income Tax	443.0	437.3	(5.7)	Franchise Tax	1,338.0	1,344.0	6.0
Gross Receipts Tax	449.5	444.3	(5.2)	Realty Transfer Tax	257.8	252.3	(5.5)
Bank Franchise Tax	99.4	102.7	3.3	Corporate Fees	175.0	179.5	4.5
Dividends and Interest	183.6	186.4	2.8	Bank Franchise Tax	106.0	102.4	(3.6)
Other Revenues	89.7	88.3	(1.4)	Dividends and Interest	152.2	155.7	3.5
Lottery	256.3	255.2	(1.1)	Public Utility Tax	36.1	37.5	1.4
Other Refunds	(12.0)	(11.1)	0.9	Lottery	260.4	259.2	(1.2)
Realty Transfer Tax	247.9	247.4	(0.5)	Other Revenues	92.5	91.6	(0.9)
Cigarette Taxes	82.4	82.0	(0.4)	Personal Income Tax	3,019.9	3,019.5	(0.4)
Alcoholic Beverage Tax	31.4	31.6	0.2	Cigarette Taxes	78.3	77.9	(0.4)
				Alcoholic Beverage Tax	31.4	31.6	0.2

For a complete listing of FY 2026 and 2027 estimates, see Table 2.

Mr. Roose noted that there are still two unknowns that may impact the forecast. Corporate and Personal estimated tax payments for the second calendar-year quarter are due today and could affect the forecast. He also highlighted several other notable changes, including a \$32.0 million decrease in Unclaimed Property Refunds, driven by both reciprocal claims and replenishment of the stock buyback fund. Personal Income Tax Refunds also do not appear to be as high as initially expected, while the Gross Receipts Tax reflects a tracking change of (\$5.2) million. The remaining changes are marginal.

Ms. Levin asked about the process for the stock buyback. Mr. M. Smith responded that the stock is held for a period of time before being sold, as required by statute.

Ms. Davis noted that the Dividends and Interest forecast reflects a 12.6% increase in expected dividend and interest payments, representing a record return over the past eight years. She also noted that her term as State Treasurer will conclude later this year and took the opportunity to recognize her team for their work and contributions.

Mr. Roose concluded by stating that the FY 2027 General Fund revenue forecast reflects a net increase of \$185 million, including the significant impact of HB 400 of the 153rd General Assembly. Of the total net increase, \$142 million is attributable to HB 400.

Fiscal Year 2026 Estimate Adopted:

A motion was made, seconded and approved to accept \$6,971.3 million as the revenue estimate for FY 2026. The estimate represents a decrease of \$29.4 million or 0.4% below the May FY 2026 forecast.

Fiscal Year 2027 Estimate Adopted:

A motion was made, seconded and approved to accept \$7,224.4 million as the revenue estimate for FY 2027. The estimate represents an increase of \$185.0 million or 2.6% over the May FY 2027 forecast.

Balance and Appropriations Worksheet:

Mr. Roose presented the Balance and Appropriations worksheet. With the revenue and expenditure projection changes, the 98% appropriation limit is now \$7,480.5 million, which reflects an increase of \$152.5 million from the May DEFAC meeting.

Transportation Trust Fund (TTF):

TTF—Expenditures: Ms. Giuttari presented the Transportation Trust Fund FY 2026 expenditure forecast, which reflects a net decrease of \$21.0 million for a total projected expenditure projection of \$1,097.3 million. There were no changes made to U.S. 301 forecasted expenditures or operations. The decrease is primarily driven by a decrease in anticipated State Capital expenditures.

A motion was made, seconded, and approved to accept \$1,097.3 million as the FY 2026 TTF expenditure estimate (see Table 4).

TTF—Revenues: Ms. Giuttari next presented the FY 2026 Transportation Trust Fund revenue forecast, noting that while there are some tracking changes across Toll Road Revenues, Motor Fuel Tax, Division of Motor Vehicles and Other Transportation Revenue, the bottom line reflects no change from the May DEFAC meeting. As for FY 2027, there is expected to be a reduction of \$9.7 million to the revenue forecast.

Mr. W. Smith inquired about the alternative fuel vehicle fees. Ms. Hastings responded that the fees are part of a tiered system based on the type and weight of the vehicle, and she expects to have more data on this in the future.

Fiscal Year 2026 Estimates:

A motion was made, seconded, and approved to accept \$711.8 million as the FY 2026 TTF revenue estimate.

Fiscal Year 2027 Estimates:

A motion was made, seconded, and approved to accept \$731.5 million as the FY 2027 TTF revenue estimate.

FY 2027 Debt Limit

Mr. Roose presented the FY 2027 debt limit, which reflects the revised revenue forecast. The new tax-supported debt limit for FY 2027 is \$361,220,000

Other Business:

Mr. Levin announced the next (tentatively) scheduled DEFAC meeting date:

- Monday, October 19th, 2026

Public Comment:

There was one member of the public that provided comment, Lisa Rice.

Mr. Levin adjourned the meeting at 1:51 p.m.

Respectfully submitted,

Kylie Taylor-Roberts

Table 1a.

DEFAC Expenditures Forecast for General Fund Disbursements FY2026 (\$ in millions)

June 15, 2026

	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2025</u>		<u>FY2026</u>
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>		<u>Appropriations</u>
Budget Act	4,525.2	4,771.5	5,099.7	5,606.7	6,129.2		6,580.8
Supplementals	-	221.1	378.6	194.6	168.4		37.6
Cash to Bond Bill	35.4	692.3	855.5	753.4	427.5		368.3
Grant-in-Aid	54.5	63.2	69.4	72.0	98.5		98.3
Continuing & Encumbered (from prior years)	431.3	495.8	1,098.6	1,575.0	1,864.6		1,666.9
<i>Fiscal Year Spending Authority</i>	5,046.4	6,243.9	7,501.7	8,201.7	8,688.1		8,752.0
<i>% increase/(decrease)</i>	(0.7%)	23.7%	20.1%	9.3%	5.9%		0.7%
<u>Less:</u>						<u>FY2026</u>	<u>FY2026</u>
						<u>Oct.</u>	<u>Dec.</u>
						<u>Mar.</u>	<u>May</u>
						<u>June</u>	
Reversions to the General Fund	53.4	85.8	67.4	105.0	95.9	25.0	100.0
Continuing & Encumbered to next fiscal year	495.8	1,098.6	1,575.0	1,864.6	1,666.9	1,477.0	1,433.6
<i>Encumbered to next fiscal year</i>	<i>53.1</i>	<i>71.6</i>	<i>57.3</i>	<i>61.6</i>	<i>70.4</i>	<i>60.0</i>	<i>60.0</i>
<i>Continuing to next fiscal year</i>	<i>442.6</i>	<i>1,027.0</i>	<i>1,517.7</i>	<i>1,802.9</i>	<i>1,596.4</i>	<i>1,417.0</i>	<i>1,373.6</i>
<i>Fiscal Year Budgetary Expenditures</i>	4,497.2	5,059.5	5,859.3	6,232.1	6,925.3	7,250.0	7,218.3
<i>% increase/(decrease)</i>	(0.4%)	12.5%	15.8%	6.4%	11.1%	4.7%	4.2%
<u>Comments:</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Oct.</u>	<u>Dec.</u>
Expenditures / Spending Authority	89.1%	81.0%	78.1%	76.0%	79.7%	82.8%	82.5%
Total Continuing / Spending Authority	8.8%	7.1%	20.2%	22.0%	18.4%	16.2%	15.7%
						<u>Mar.</u>	<u>May</u>
						<u>June</u>	
						82.3%	81.7%
						15.9%	16.5%
							81.3%
							16.9%

Table 1b.

DEFAC Expenditures Forecast for General Fund Disbursements (\$ in millions)
June 15, 2026

	FY2026			FY2026			FY2027			FY2027		
	<u>May</u>	<u>June</u>	<u>Var (\$)</u>	<u>YoY (\$)</u>	<u>YoY (%)</u>		<u>May</u>	<u>June</u>	<u>Var (\$)</u>	<u>YoY (\$)</u>	<u>YoY (%)</u>	
Salaries	2,202.4	2,205.9	3.5	137.0	6.6%		2,347.8	2,373.6	25.9	167.7	7.6%	
Fringe Benefits	<u>824.8</u>	<u>822.3</u>	<u>(2.5)</u>	<u>56.4</u>	<u>7.4%</u>		<u>900.5</u>	<u>917.1</u>	<u>16.6</u>	<u>94.9</u>	<u>11.5%</u>	
Health Care	634.5	632.0	(2.5)	44.6	7.6%		697.7	713.8	16.2	81.8	12.9%	
Other	190.3	190.3	0.0	11.8	6.6%		202.8	203.3	0.4	13.0	6.8%	
Pension	<u>594.1</u>	<u>593.0</u>	<u>(1.0)</u>	<u>(12.3)</u>	<u>(2.0%)</u>		<u>642.3</u>	<u>662.0</u>	<u>19.7</u>	<u>68.9</u>	<u>11.6%</u>	
Contribution	292.5	291.5	(1.0)	15.7	5.7%		311.8	315.2	3.4	23.7	8.1%	
Health Care	229.3	229.2	0.0	13.9	6.4%		247.0	249.7	2.7	20.5	8.9%	
Other	72.3	72.3	0.0	(41.8)	(36.6%)		83.5	97.0	13.6	24.7	34.2%	
Medicaid	1,178.2	1,178.2	0.0	97.3	9.0%		1,315.4	1,315.4	0.0	137.2	11.6%	
Debt Service	262.1	262.1	0.0	10.5	4.2%		273.0	273.0	0.0	10.9	4.2%	
Capital Outlay	158.6	158.6	0.0	(52.9)	(25.0%)		147.4	147.4	0.0	(11.2)	(7.1%)	
Contractual Services	1,024.7	1,009.7	(15.0)	7.7	0.8%		984.4	1,026.4	42.0	16.7	1.7%	
Grants	814.5	794.5	(20.0)	(50.1)	(5.9%)		808.6	835.3	26.7	40.8	5.1%	
Supplies & Materials	93.0	93.0	0.0	(1.8)	(1.9%)		90.1	90.1	0.0	(2.9)	(3.1%)	
Total Expenditures	7,152.2	7,117.3	(35.0)	191.9	2.8%		7,509.5	7,640.3	130.8	523.0	7.3%	

DEFAC General Fund Revenue Worksheet

June-26 DEFAC Meeting	FY 2025 A Actual Collections	FY 2026				
		B DEFAC May-26	C % B over A	D DEFAC Jun-26	E % D over A	F \$ Increase D over B
Revenue Category						
Personal Income Tax	2,718.2	2,933.2	7.9%	2,913.9	7.2%	(19.3)
Less: Refunds	(335.0)	(362.7)	8.3%	(333.7)	-0.4%	29.0
PIT Less Refunds	2,383.2	2,570.5	7.9%	2,580.2	8.3%	9.7
Franchise Tax	1,324.4	1,338.0	1.0%	1,338.0	1.0%	0.0
Limited Partnerships & LLC's	522.1	575.0	10.1%	575.0	10.1%	0.0
Subtotal Franchise + LP/LLC	1,846.5	1,913.0	3.6%	1,913.0	3.6%	0.0
Less: Refunds	(20.2)	(22.0)	9.0%	(22.0)	9.0%	0.0
Net Franchise + LP/LLC	1,826.3	1,891.0	3.5%	1,891.0	3.5%	0.0
Business Entity Fees	171.4	185.0	7.9%	185.0	7.9%	0.0
Uniform Commercial Code	32.5	35.0	7.7%	35.0	7.7%	0.0
Unclaimed Property	554.0	554.0	0.0%	554.0	0.0%	0.0
Less: Refunds	(128.0)	(168.0)	31.2%	(200.0)	56.2%	(32.0)
Unclaimed Prop Less Refunds	426.0	386.0	-9.4%	354.0	-16.9%	(32.0)
Gross Receipts Tax	388.5	449.5	15.7%	444.3	14.4%	(5.2)
Lottery	230.0	256.3	11.4%	255.2	11.0%	(1.1)
Corporation Income Tax	452.5	443.0	-2.1%	437.3	-3.4%	(5.7)
Less: Refunds	(81.1)	(95.0)	17.2%	(95.0)	17.2%	0.0
CIT Less Refunds	371.4	348.0	-6.3%	342.3	-7.8%	(5.7)
Realty Transfer Tax	235.8	247.9	5.1%	247.4	4.9%	(0.5)
Cigarette Taxes	87.5	82.4	-5.8%	82.0	-6.2%	(0.4)
Bank Franchise Tax	114.8	99.4	-13.4%	102.7	-10.5%	3.3
Insurance Taxes and Fees	100.3	96.8	-3.5%	96.8	-3.5%	0.0
Hospital Board and Treatment	23.5	22.1	-5.9%	22.1	-5.9%	0.0
Public Utility Tax	36.0	38.1	5.9%	38.1	5.9%	0.0
Alcoholic Beverage Tax	31.5	31.4	-0.3%	31.6	0.3%	0.2
Dividends and Interest	165.5	183.6	10.9%	186.4	12.6%	2.8
Other Revenues	82.2	89.7	9.1%	88.3	7.4%	(1.4)
Less: Other Refunds	(12.2)	(12.0)	-1.3%	(11.1)	-8.7%	0.9
Net Receipts	6,694.3	7,000.7	4.6%	6,971.3	4.1%	(29.4)

DEFAC General Fund Revenue Worksheet

June-26 DEFAC Meeting	FY 2027					FY 2028				
	G DEFAC May-26	H % G over B	I DEFAC Jun-26	J % I over D	K \$ Increase I over G	L DEFAC May-26	M % L over G	N DEFAC Jun-26	O % N over I	P \$ Increase N over L
Revenue Category										
Personal Income Tax	3,019.9	3.0%	3,019.5	3.6%	(0.4)	3,151.9	4.4%	3,154.0	4.5%	2.1
Less: Refunds	(360.5)	-0.6%	(331.7)	-0.6%	28.8	(372.4)	3.3%	(342.6)	3.3%	29.8
PIT Less Refunds	2,659.4	3.5%	2,687.8	4.2%	28.4	2,779.5	4.5%	2,811.4	4.6%	31.9
Franchise Tax	1,338.0	0.0%	1,344.0	0.4%	6.0	1,338.0	0.0%	1,344.0	0.0%	6.0
Limited Partnerships & LLC's	575.0	0.0%	712.6	23.9%	137.6	575.0	0.0%	712.6	0.0%	137.6
Subtotal Franchise + LP/LLC	1,913.0	0.0%	2,056.6	7.5%	143.6	1,913.0	0.0%	2,056.6	0.0%	143.6
Less: Refunds	(10.0)	-54.5%	(10.0)	-54.5%	0.0	(10.0)	0.0%	(10.0)	0.0%	0.0
Net Franchise + LP/LLC	1,903.0	0.6%	2,046.6	8.2%	143.6	1,903.0	0.0%	2,046.6	0.0%	143.6
Business Entity Fees	175.0	-5.4%	179.5	-3.0%	4.5	175.0	0.0%	179.5	0.0%	4.5
Uniform Commercial Code	33.0	-5.7%	33.0	-5.7%	0.0	33.0	0.0%	33.0	0.0%	0.0
Unclaimed Property	554.0	0.0%	554.0	0.0%	0.0	525.0	-5.2%	554.0	0.0%	29.0
Less: Refunds	(130.0)	-22.6%	(115.0)	-42.5%	15.0	(130.0)	0.0%	(130.0)	13.0%	0.0
Unclaimed Prop Less Refunds	424.0	9.8%	439.0	24.0%	15.0	395.0	-6.8%	424.0	-3.4%	29.0
Gross Receipts Tax	459.4	2.2%	459.4	3.4%	0.0	481.0	4.7%	481.0	4.7%	0.0
Lottery	260.4	1.6%	259.2	1.6%	(1.2)	264.3	1.5%	263.0	1.5%	(1.3)
Corporation Income Tax	335.0	-24.4%	335.0	-23.4%	0.0	362.4	8.2%	362.4	8.2%	0.0
Less: Refunds	(91.8)	-3.4%	(91.8)	-3.4%	0.0	(80.0)	-12.9%	(80.0)	-12.9%	0.0
CIT Less Refunds	243.2	-30.1%	243.2	-29.0%	0.0	282.4	16.1%	282.4	16.1%	0.0
Realty Transfer Tax	257.8	4.0%	252.3	2.0%	(5.5)	268.1	4.0%	258.4	2.4%	(9.7)
Cigarette Taxes	78.3	-5.0%	77.9	-5.0%	(0.4)	74.4	-5.0%	74.0	-5.0%	(0.4)
Bank Franchise Tax	106.0	6.6%	102.4	-0.3%	(3.6)	108.2	2.1%	108.0	5.5%	(0.2)
Insurance Taxes and Fees	121.6	25.6%	121.6	25.6%	0.0	119.8	-1.5%	119.8	-1.5%	0.0
Hospital Board and Treatment	21.4	-3.2%	21.4	-3.2%	0.0	21.0	-1.9%	21.0	-1.9%	0.0
Public Utility Tax	36.1	-5.2%	37.5	-1.6%	1.4	35.3	-2.2%	36.9	-1.6%	1.6
Alcoholic Beverage Tax	31.4	0.0%	31.6	0.0%	0.2	31.4	0.0%	31.6	0.0%	0.2
Dividends and Interest	152.2	-17.1%	155.7	-16.5%	3.5	122.0	-19.8%	120.9	-22.4%	(1.1)
Other Revenues	92.5	3.1%	91.6	3.7%	(0.9)	94.0	1.6%	93.0	1.5%	(1.0)
Less: Other Refunds	(15.3)	27.5%	(15.3)	37.8%	0.0	(15.9)	3.9%	(15.9)	3.9%	0.0
Net Receipts	7,039.4	0.6%	7,224.4	3.6%	185.0	7,171.5	1.9%	7,368.6	2.0%	197.1

Table 3,

Balance and Appropriations Worksheet

June-26

FY 2026 EXPENDITURES

Total Spending Authority	\$8,752.0
Less: Continuing Appropriations & Encumbrances from FY 2026	(\$1,534.7)
Less: Reversions	<u>(\$100.0)</u>
Total Expenditures	\$7,117.3

FY 2026 BUDGET

Budget	\$6,580.8
Grants	\$98.3
Supplemental	\$406.0
Total Appropriations	\$7,085.1
Plus: Continuing Appropriations & Encumbrances from Prior Years	<u>\$1,666.9</u>
Total Spending Authority	\$8,752.0

FY 2026 BALANCES

Total Expenditures	\$7,117.3
vs. FY 2026 Revenues	6,971.3
Operating Balance	(146.0)
Prior Year Cash Balance	2,925.3
Less: Budget Stabilization Fund (29 Del. C. § 6533(k))	<u>(\$469.3)</u>
Cumulative Cash Balance	2,310.1
Less: Continuing Appropriations & Encumbrances from FY 2026	(1,534.7)
Less: Budgetary Reserve Account	<u>(\$366.5)</u>
Unencumbered Cash Balance 6/30	\$408.8

FY 2027 APPROPRIATION LIMITS

FY 2027 Revenue Estimate	\$7,224.4
Unencumbered Cash Balance from FY 2026	<u>\$408.8</u>
100% Appropriation Limit	\$7,633.2
98% Appropriation Limit	<u>\$7,480.5</u>
Prior 98% Appropriation Limit	\$7,328.0
Increase (Decrease) from Prior Meeting	\$152.5
October 2025 98% Appropriation Limit	\$6,733.0
Increase (Decrease) from October 2025	\$747.5

FY 2026 RESERVES

2% Set Aside	\$144.6
Budget Reserve Account	\$366.5
Budget Stabilization Fund	<u>\$469.3</u>
Reserves	\$980.4
Revenue Resolution (Gross)	\$7,330.9
Reserve Ratio	13.4%

Table 4.

Delaware Department of Transportation FY 2026 Expenditures, Through May 31, 2026												92%
	FY2024 Actual	FY2025 Actual	FY2026 Appropriation	OCTOBER FY2026 Forecast	DECEMBER FY2026 Forecast	MARCH FY2026 Forecast	MAY FY2026 Forecast	JUNE FY2026 Forecast	\$ difference May to June	\$ difference Forecast V. FY2025 Actual	FY2026 YTD Spend	% spent YTD
Operations			<u>w/o US301</u>									
Debt Service	82.2	91.6	91.5	91.5	91.5	91.5	91.5	91.5	0.0	(0.1)	91.5	100%
Personnel Costs	117.3	129.3	133.8	133.8	133.8	133.8	137.3	137.3	0.0	8.0	125.6	91%
Operations/Capital Outlay	82.1	90.2	95.6	95.6	95.6	103.7	109.6	109.6	0.0	19.4	88.8	81%
Transit Operations (DTC)	<u>98.2</u>	<u>118.4</u>	<u>120.6</u>	<u>120.6</u>	<u>120.6</u>	<u>120.6</u>	<u>120.6</u>	<u>120.6</u>	0.0	2.2	<u>110.5</u>	92%
Total Expenditures - Operations	379.8	429.5	441.5	441.5	441.5	449.6	459.0	459.0	0.0	29.5	416.4	91%
State Capital												
Road System	258.1	213.8	189.0	189.0	189.0	180.0	159.5	137.1	(22.4)	(76.7)	118.3	86%
Grants & Allocations	35.5	37.0	38.7	38.7	38.7	38.7	28.7	30.1	1.4	(6.9)	26.9	89%
Support Systems	51.9	67.1	36.5	36.5	36.5	35.5	35.5	35.5	0.0	(31.6)	31.1	88%
Transit	<u>14.3</u>	<u>8.2</u>	<u>13.8</u>	<u>13.8</u>	<u>13.8</u>	<u>13.8</u>	<u>12.3</u>	<u>12.3</u>	0.0	4.1	<u>9.8</u>	80%
State Capital	359.8	326.1	278.0	278.0	278.0	268.0	236.0	215.0	(21.0)	(111.1)	186.1	87%
Federal Capital												
Federal Capital	331.6	373.9	375.0	375.0	375.0	400.0	400.0	400.0	0.0	26.1	335.9	84%
Total Expenditures - Capital	691.4	700.0	653.0	653.0	653.0	668.0	636.0	615.0	(21.0)	(85.0)	522.0	85%
TOTAL EXPENDITURES	1,071.2	1,129.5	1,094.5	1,094.5	1,094.5	1,117.6	1,095.0	1,074.0	(21.0)	(55.5)	938.4	87%

	OCTOBER FY2026 Forecast	DECEMBER FY2026 Forecast	MARCH FY2026 Forecast	MAY FY2026 Forecast	JUNE FY2026 Forecast	\$ difference May to June	FY2026 YTD Spend	% spent YTD
DelDOT	1,094.5	1,094.5	1,117.6	1,095.0	1,074.0	\$ (21.0)	\$ 938.4	87%
US301	23.3	23.3	23.3	23.3	23.3	\$ -	\$ 12.3	53%
TOTAL	1,117.8	1,117.8	1,140.9	1,118.3	1,097.3	\$ (21.0)	\$ 950.7	85%

Table 5.

DELAWARE DEPARTMENT OF TRANSPORTATION Transportation Trust Fund Revenues									
	FY24	FY25	% Chg.	Fiscal 2026			Fiscal 2027		
				5/18/2026 Approved	6/15/2026 Recomm	% Chg. FY 25	5/18/2026 Approved	6/15/2026 Recomm	% Chg. FY 26
<u>TOLL ROAD REVENUES:</u>									
I95 Newark Plaza	\$133.5	\$121.7	-8.9%	\$136.7	\$129.1	6.1%	\$164.2	\$136.2	5.5%
Route 1 Toll Road	61.1	59.0	-3.4%	\$98.0	\$96.6	63.7%	\$98.4	\$103.8	7.5%
Concessions	<u>2.4</u>	<u>2.2</u>	-8.8%	<u>\$2.4</u>	<u>\$2.2</u>	-5.4%	<u>\$2.5</u>	<u>\$2.5</u>	13.6%
Total Toll Road Revenues	197.0	182.9	-7.2%	\$237.1	\$227.9	24.6%	\$265.1	\$242.5	6.4%
MOTOR FUEL TAX ADMIN.	137.4	135.0	-1.7%	\$129.7	\$132.2	(2.1%)	\$127.1	\$129.6	(2.0%)
<u>DIVISION OF MOTOR VEHICLES</u>									
Motor Vehicle Document Fees	149.1	162.4	8.9%	\$171.7	\$177.2	9.1%	\$188.5	\$188.5	6.4%
Motor Vehicle Registration Fees	61.0	62.3	2.2%	\$62.8	\$60.9	-2.3%	\$64.0	\$62.0	1.8%
Other DMV Revenues	40.2	43.2	7.4%	\$42.9	\$44.1	2.1%	\$43.3	\$44.8	1.6%
Alternative Fuel Vehicle Fees	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>	<u>\$2.6</u>	<u>\$3.3</u>	<u>0.0%</u>	<u>\$4.1</u>	<u>\$5.0</u>	<u>50.2%</u>
Total DMV Revenues	250.3	267.9	7.0%	\$280.0	\$285.5	6.6%	\$299.9	\$300.3	5.2%
<u>OTHER TRANSPORTATION REV.</u>									
Other Transportation Rev	9.1	10.2	12.4%	\$25.2	\$25.7	151.2%	\$9.3	\$14.3	-44.4%
Investment Income(Net)	<u>19.5</u>	<u>10.8</u>	-44.8%	<u>\$8.7</u>	<u>\$9.4</u>	-10.8%	<u>\$5.0</u>	<u>\$10.0</u>	6.4%
Total Other Transp. Revenue	28.6	21.0	-26.6%	\$33.9	\$35.1	67.2%	\$14.3	\$24.3	-30.8%
GRAND TOTAL	\$613.3	\$606.8	-1.1%	\$680.7	\$680.7	12.2%	\$706.4	\$696.7	2.3%
	FY24	FY25	% Chg.	Fiscal 2026			Fiscal 2027		
US301 Revenues	\$ 25.4	\$ 27.7	9.1%	\$ 31.0	\$ 31.0	12.0%	\$ 34.8	\$ 34.8	12.0%
TOTAL	\$ 638.7	\$ 634.5	-0.7%	\$ 711.8	\$ 711.8	12.2%	\$ 741.2	\$ 731.5	2.8%

PROJECTED NEW GENERAL OBLIGATION DEBT AUTHORIZATION

In accordance with 29 Delaware Code, § 7423, the Delaware Economic and Financial Advisory Council (DEFAC) is required to publish semi-annually (in December and June) projections of the State's new tax-supported debt authorization for the next fiscal year. As defined in 29 Delaware Code, § 7422(b), the aggregate principal amount of tax-supported obligations which may be authorized by the State in any one fiscal year may not exceed five percent (5%) of the estimated net General Fund revenue for that fiscal year from all sources as determined by the joint resolution approved by a majority of the General Assembly and signed by the Governor in connection with the adoption of the annual budget appropriation bill.

Estimated Revenue for FY 2027	\$7,224,400,000
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x 0.05

New Tax-Supported Debt Limit for FY 2027	\$361,220,000
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Monday, June 15, 2026