

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

WebEx Event – October 18, 2021

Attendance:

Member	Present
N. Batta	No
C. Bo	Yes
C. Bonini	Yes
J. Bullock	Yes
L. Davis Burnham	Yes
R. Byrd	Yes
C. Cade	Yes
W. Carson	No
N. Cook	Yes
C. Davis	Yes
K. Dwyer	Yes
B. Fasy	Yes
R. Geisenberger	Yes
R. Glen	Yes

Member	Present
G. Hindes	Yes
J. Horty	No
M. Houghton	Yes
R.A. Jones	Yes
A. Lubin	Yes
M. Magarik	Yes
N. Majeski	Yes
G. Marcozzi	Yes
I. McConnel	No
C. Morgan	Yes
E. Ratledge	Yes
T. Shopa	Yes
D. Short	Yes
D. Sokola	Yes

Members in Attendance: 24
Members Absent: 4

Others Present: Sen. T. Paradee, A. Aka, R. Armitage, C. Cassell-Carter, J. Cole, V. Coverdale, B. DiVirgilio, W. Emsley, C. Engelsiepen, N. Freedman, R. Goldsmith, K. Gordy, D. Haw-Young, A. Jenkins, J. Johnstone, K. Knight, L. Lewis, J. Maddox, M. Marlin, V. McCartan, S. McNeeley, R. Morris, S. Mullin, R. Reichardt, D. Roose, M. Rosen, R. Scoglietti, J. Seemans, S. Sokolowski, A. Solomon, S. Steward, C. Stewart and members of the press.

Opening Business: Mr. Houghton called the meeting to order at 1:30 p.m.

After describing their exceptional achievements and extraordinary services to the State, Mr. Houghton announced the resignations of Mr. Kenneth Lewis and Mr. David Swayze from DEFAC.

Mr. Lewis was the Chair of the DEFAC Revenue Subcommittee and a faculty member at the University of Delaware where he developed a forecasting model for Delaware’s general fund revenues. He is possibly the longest sitting member of DEFAC, according to

Mr. Houghton.

Mr. Swayze is a distinguished lawyer who was one of the architects of the State's banking legislation of the 1980s. He was also a special assistant to a Governor, a member of the Wilmington Economic and Financial Advisory Council (WEFAC), former Chair of the Wilmington Housing Authority, Chair of numerous public organizations and has been a personal friend to Mr. Houghton for over 30 years.

Mr. Houghton added the services of Mr. Lewis and Mr. Swayze will be formally recognized later in Spring. He welcomed Ms. Lindsay Davis Burnham as the new Chairperson of the DEFAC Revenue Subcommittee.

The minutes from the June meeting were approved as submitted.

Expenditure Forecasts:

Mr. Ratledge and Ms. Engelsiepen presented the General Fund Expenditure forecasts.

General Fund Expenditures - Fiscal Year 2022:

Mr. Ratledge began his presentation by reviewing the Balance Sheet method. He noted an FY 2022 budget act of \$4,771.5 million, Cash to the Bond Bill of \$692.3 million (a significant departure from the previous year's \$35.4 million), Grant-in-Aid of \$63.2 million, Continuing and Encumbered of \$495.8 million, and Supplementals of \$221.1 million.

Mr. Ratledge said the Reversions estimate was \$15 million, while the Encumbered and Continuing estimates stood at \$40 million and \$1,089.5 million, respectively. Ms. Engelsiepen had indicated during the Expenditure Subcommittee meeting that Reversions were kept at a base amount and the Encumbered estimate was in line with historical trends.

Mr. Ratledge reviewed the Functional method, noting moderate to large growth in the estimates for Salaries, Pension, Debt Services, Grants, Medicaid, Contractual Services and Capital Outlay.

During the Subcommittee meeting Ms. Engelsiepen had attributed the growth in Salaries to step increases for public school teachers, collective bargaining agreements (estimated to cost \$29 million), increased salaries for State employees (\$22 million), pay policy in the form of one-time bonuses (\$55 million), and unit count growth (\$20 million). She added that vacancies were taken into account when developing the Salaries estimate.

Meanwhile, pay policy (i.e., \$500 bonus for retirees costing \$15 million) and an increase in

the pension rate explained the increase in the Pension estimate, according to Ms. Engelsiepen who also said the Debt Service estimate reflected the State's existing debt obligations. She indicated that the large, \$247.5 million increase in Grants was due to a rise in the Grant-in-Aid amount and a high number (105) of cash projects, which included the Community Redevelopment/Reinvestment Fund, South Market Street, the State's Strategic Fund, Riverfront Development, Higher Economic Development Fund, Drinking Water and Clean Water projects.

Turning to the Medicaid estimate which saw an increase of about \$97 million from the past fiscal year, Ms. Engelsiepen attributed the increase to three main factors: first, the expected expiration of the enhanced Federal Medical Assistance Percentages (FMAP) on December 31, 2021, which will lead to an increase in the State share of Medicaid payments.

In addition, the number of Medicaid participants continues to rise, with the number of eligibles standing at 279,597 in September 2021, as opposed to 252,023 a year earlier, and the number of newly eligibles rising from 11,506 last September to 14,125. Furthermore, the negotiated Managed Care Organization (MCO) rate is expected to increase by 2.2% in January 2022. Finally, an outstanding Federal-State reconciliation worth about \$23 million is expected to be resolved this fiscal year.

Ms. Engelsiepen attributed the \$92 million increase in the Contractual Services estimate to cash projects in the Bond Bill and spending of one-time monies, including funds for child care, mental health, and the Group Health Insurance Plan. She pointed out that the availability of federal grants could affect the estimate by December. Mr. Houghton said several members have asked about the interplay between State and Federal funds and that Mr. Geisenberger will provide a brief overview later during the meeting.

Ms. Engelsiepen said the increase in the Capital Outlay estimate can be traced to one-time spending on technology and funds from the cash projects. (See Table 1a and Table 1b for complete details).

A motion was made, seconded and approved to accept \$5,099.4 million as the Expenditure estimate for FY 2022. The estimate represents an increase of \$580.4 million from FY 2021.

General Fund Expenditures - Fiscal Year 2023:

Mr. Ratledge said the FY 2023 expenditure figures include major changes from FY 2022, especially for Grants, Medicaid and Contractual Services.

During the Expenditure Subcommittee meeting Ms. Engelsiepen had indicated that FY 2023 estimates are full of unknowns since the State was at the beginning of the budget cycle. According to her, the change in Grants assumes Grant-in-Aid at FY 2022 level.

Meanwhile, the increase in the Medicaid estimate can be traced to a higher State share, a higher number of eligibles, and assumes no Federal reconciliation. Finally, the increase in Contractual Services is due to continued cash projects and additional funds needed for the second year of implementation of House Bill 100, which pertains to mental health initiatives. (See Table 1c for complete details).

A motion was made, seconded and approved to accept \$5,217.7 million as the Expenditure estimate for FY 2023. The estimate represents an increase of \$118.3 million from FY 2022.

Revenue Forecasts:

Ms. Davis Burnham and Mr. Roose presented the General Fund Revenue forecasts.

Economic Outlook

Mr. Aka presented economic forecasts for the U.S. (produced by IHS Markit (“IHS”)) and Delaware (developed by the Department of Finance). He reviewed the IHS assumptions and noted that the national economic forecasts does account for the \$1.2 trillion Infrastructure Investment and Jobs Act but does not include any assumptions regarding the Build Back Better Act.

Mr. Aka said IHS and most participants of the Blue Chip economic survey continue to believe that inflationary pressures will be transitory. Turning to other national economic series, he indicated that the near-term outlook provided by IHS looked worse than the one provided in June. This is because the firm’s forecast of real GDP growth for FY 2021 has been revised down each month since June, from 7.3% in June to 4.5%, owing to weaker forecasts for third-quarter economic performance.

Weak incoming data, a worsening near-term outlook for supply-constrained vehicle sales, and a further deceleration of personal consumption expenditures in response to the spread of the delta strain of the coronavirus have compelled IHS to revise third-quarter growth estimate down, from more than 8% in June to less than 2%.

Turning to regional employment Mr. Aka said through August 2021, employment has exceeded the February 2020 level in only two states (Idaho and Utah). Delaware’s employment is 3% below the February level and neighboring Maryland, New Jersey and Pennsylvania have a gap of 4% to 6%. Mr. Aka mentioned he expected 4% job growth for Delaware during FY 2022, which is a percentage point lower than in June. However, at 2.7% the State’s FY 2023 employment growth is a percentage point higher than in June.

Meanwhile, the State’s wage and salary forecast is expected to be strong, but its personal

income growth is expected to be flat in the ongoing fiscal year, as the bulk of stimulus payments was distributed in FY 2020 and FY 2021. These payments, which are classified as transfer receipts in the National Income and Product Accounts, accounted for all of the 4.1% growth in personal income during FY 2020, and for almost 60% of income growth in FY 2021.

Mr. Bonini noted that oil prices were \$81 per barrel at the time of the meeting and that it could rise to \$140 next year. Mr. Aka agreed this could happen but indicated that the IHS WTI oil price forecast for CY 2021 is based on an average price of \$70-75 for the third and fourth quarters of the calendar year. Next year's forecast will be revised up if oil prices in the fourth quarter turn out to be much greater than expected by IHS, according to Mr. Aka. Ms. Davis Burnham asked Mr. Bonini if he sees the rapid price jump affecting employment. Mr. Bonini replied that energy is used in various sectors of the economy and that one should keep an eye out on its prices.

General Fund Revenues - Fiscal Year 2022:

The Revenue Subcommittee recommended the following updates to June's estimates:

Revenue Category	Jun-21	Oct-21	Change
Personal Income Tax	2,014.2	2,088.4	74.2
Realty Transfer Tax	214.2	285.7	71.5
Corporation Income Tax	214.9	278.7	63.8
Dividends and Interest	18.6	49.3	30.7
Gross Receipts Tax	284.8	304.8	20.0
Unclaimed Property	540.0	554.0	14.0
Corporate Fees	142.5	148.5	6.0
Lottery	220.0	225.8	5.8
Other Refunds	(19.3)	(23.9)	(4.6)
PIT Refunds	(226.0)	(230.5)	(4.5)
Cigarette Taxes	112.4	115.7	3.3
Alcoholic Beverage Tax	27.9	30.0	2.1
Other Revenues	59.4	60.8	1.4
Insurance Taxes	82.2	81.1	(1.1)
Franchise Tax	1,113.8	1,113.0	(0.8)
Bank Franchise Tax	88.4	88.8	0.4

For a complete listing of FY 2022 estimates, see Table 2.

Mr. Roose said actual FY 2021 collections were \$37.3 million above the June DEFAC estimate. He attributed the gap to less refunds from Unclaimed Property, more receipts from the Gross Receipts Tax, and higher amount of stale checks.

Mr. Roose said most revenue categories continue to see very strong growth. He added the potential for significant federal tax changes to the individual income and corporate income tax may have caused taxpayers (especially corporate taxpayers) to accelerate income into this year. Mr. Roose noted the enactment of federal tax changes could have a direct impact on Delaware revenues as well as an indirect impact through the change in taxpayers' behaviors.

Discussion of FY 2022 Estimates:

Personal Income Tax (PIT) Less Refunds: Mr. Roose recommended an increase in the estimate by \$69.7 million.

Mr. Roose mentioned an increase in the withholding forecast, which he attributed to higher collections and strong forecast for Delaware's wage and salary income (up 9.1%). He noted that on a consistent period withholding was up 11% year to date and added that hitting the estimate will require a modest slowdown in the remaining months of the fiscal year.

Mr. Roose said estimated payments were up 42% for tax year 2021 to date. He pointed out that if fourth-quarter payments, traditionally the largest quarter, are strong this year, the estimate for estimated payments could be increased.

Mr. Roose pointed to the extent to which potential federal tax changes are accelerating income into this year as a risk to the forecast. He noted that, if enacted, any change to capital gains tax will likely be effective as of the date at which the bill was introduced (September 13, 2021). Thus, capital gains would yield no tax benefit moving forward although they are possibly surging ahead of the potential federal tax increase. Mr. Roose indicated there will be no meaningful information on estimated payments until after the December DEFAC meeting.

Ms. Davis Burnham asked Mr. Shopa whether the financial advisory industry is recommending clients to shift income into this tax year. Mr. Shopa replied that while waiting for the passage of a bill, the industry has been preparing clients to set their income tables to bring more income in. He added that one should expect to see a higher amount of estimated payments this year. Mr. Roose noted that capital gains may be very strong and that real estate might be contributing to the growth.

Gross Receipts Tax: Mr. Roose recommended an increase in the estimate by \$20 million.

Mr. Roose said fiscal year to date growth was strong at 22%, with 6% of the growth relating to the timing of special fund transfers. He attributed the strong

growth to oil prices and inflation.

Mr. Roose said that, in order to hit the estimate, collections will need to grow by 4.8% over the rest of the year, a rate of growth that is a bit higher than trend growth. He noted that the top taxpayers are doing quite well, with the top 10 payers (which represent 10% of the total) being up 31% fiscal year to date.

Corporate Income Tax (CIT) Less Refunds: Mr. Roose recommended an increase in the estimate by \$63.8 million.

Mr. Roose said receipts are up 65% for the fiscal year after adjusting for delayed due dates last fiscal year. Even without said adjustment, revenue is up 13%. Mr. Roose mentioned that the gross CIT estimate would range from \$220 million to \$250 million, a range that exceeds the current forecast, if the pattern of collections followed the ones exhibited in the last 2 recessions. He added that the above range could represent the worst case scenario since no recession is expected in the forecast.

Although a higher estimate is possible, Mr. Roose cautions that the impending federal tax changes, which would raise the tax rate from 21% to either 25% or 28%, may have accelerated income into tax year 2021. To hit the DEFAC estimate, a 7.9% growth is needed in remaining months of the fiscal year, which will represent a steep deceleration from the growth seen thus far.

Mr. Roose mentioned that next year's first-quarter tentative payment is important since it represents 50% of liability expected for the tax year. In response to a question from Ms. Davis Burnham, Mr. Roose said the first-quarter payment is due on April 15.

Realty Transfer Tax (RTT): Mr. Roose recommended an increase in the estimate by \$71.5 million.

Mr. Roose said growth this fiscal year has been extraordinary. He mentioned growth of 42% fiscal year-to-date through September that will increase to 49% through October. Mr. Roose said he did not expect a steep turnaround in collections in the near term.

He attributed the rising RTT to demographic growth, ongoing developments in Sussex County, availability of new homes, higher prices for new and old homes, higher value for farmland, rising household formation, strong stock market driving up reallocation of capital to real estate, and extraordinary transactions.

Mr. Lubin echoed Mr. Roose's comments. He said there are many more extraordinary transactions on the books. Moreover, the aggressive training programs designed to meet the need of growing companies have also attracted

many new homebuyers and family formations that will support existing and new home sales growth in New Castle County and the retirement community of Sussex County.

Mr. Lubin said southern Smyrna and northern Kent County are currently experiencing substantial business and commercial growth. He expected the strong and reliable RTT growth to continue in the short to medium term. Answering Ms. Davis Burnham, Mr. Lubin said the trend in development will continue to move South given its availability of land for development.

Lottery: Mr. Roose recommended an increase in the estimate by \$5.8 million.

Mr. Roose said growth was strong year to date but will run into more difficult comparison periods going forward, as Pennsylvania closed its casinos several weeks around last New Year and Video play took off in March. He also described the increasing competition from neighboring states, Maryland and Virginia. Mr. Roose indicated that game changes in traditional lottery may increase the likelihood of large jackpots.

Ms. Davis Burnham asked for more clarification pertaining to changes in the games. Mr. Roose pointed to changes in Powerball frequency. Mr. Geisenberger also noted changes pertaining to Lucky for Life games.

Dividends and Interest: Mr. Roose recommended an increase in the estimate by \$30.7 million.

Ms. Davis attributed the higher estimate to realized gains from security sales.

Unclaimed Property Less Refunds: Mr. Roose recommended an increase in the estimate by \$14.0 million.

Mr. Roose said the estimate was brought to the cap of \$554 million due to sustained strength following a reassessment of inventory and forthcoming collections.

Mr. Bonini asked why the revenue category continues to display sustained strength. Mr. Geisenberger explained that the cap is net of expenses of running Unclaimed Property (annual expenses are close to \$50-60 million) and said factors such as inventory, examinations, annual payments are taken into account when deciding to walk the estimate up to the cap.

Mr. Houghton pointed out that the revenue category has benefited from very successful Voluntary Disclosure Agreements (VDAs) in addition to audits.

Public Accommodations tax: Mr. Roose recommended an increase in the

estimate by \$1.4 million.

Mr. Roose said the revenue group, which was hard hit by the pandemic, is essentially back to normal after a strong rebound this summer.

Other changes were attributed to tracking.

FY 2022 Estimate Adopted:

A motion was made, seconded and approved to accept \$5,407.1 million as the revenue estimate for FY 2022. The estimate represents an increase of \$282.2 million from the June estimate.

Mr. Roose said there were \$5.9 million of legislative reductions, the bulk of which consisting of the refundable Earned Income Tax Credits. He added that changes in the FY 2022 revenue estimate are largely across the board.

General Fund Revenues - Fiscal Year 2023:

The Revenue Subcommittee recommended the following updates to June's estimates:

Revenue Category	Jun-21	Oct-21	Change
Realty Transfer Tax	203.5	300.0	96.5
Franchise Tax	1,018.0	1,113.0	95.0
Personal Income Tax	2,105.2	2,149.2	44.0
Gross Receipts Tax	297.6	315.5	17.9
Corporation Income Tax	216.0	200.0	(16.0)
Corporate Fees	135.8	148.5	12.7
Dividends and Interest	20.2	26.6	6.4
Limited Partnerships & LLC's	392.3	398.6	6.3
PIT Refunds	(228.3)	(232.9)	(4.6)
Lottery	222.0	225.7	3.7
Cigarette Taxes	108.3	111.5	3.2
Alcoholic Beverage Tax	28.3	30.4	2.1
Insurance Taxes	99.1	98.1	(1.0)
Uniform Commercial Code	26.7	26.2	(0.5)
Other Revenues	61.3	61.5	0.2
Bank Franchise Tax	90.9	91.1	0.2
Other Refunds	(19.4)	(19.3)	0.1

For a complete listing of FY 2023 estimates, see Table 2.

Discussion of FY 2023 Estimates:

Personal Income Tax (PIT) Less Refunds: Mr. Roose recommended an increase in the estimate by \$39.4 million.

Mr. Roose mentioned the above trend withholding growth for FY 2023 as the labor market continues to recover.

Corporate Income Tax Less Refunds: Mr. Roose recommended a decrease in the estimate by \$16 million.

Mr. Roose attributed the decrease in the estimate to the accelerated income into tax year 2021.

Corporate Franchise Tax: Mr. Roose recommended an increase in the estimate by \$95 million.

Mr. Roose said the increase is due to a reassessment of recent trends.

Dividends and Interest: Mr. Roose recommended an increase in the estimate by \$6.4 million.

Ms. Davis attributed the higher estimate to the receding negative impact on market value as interest rate rises.

Other changes reflected the carrying forward of changes made in FY 2022.

FY 2023 Estimate Adopted:

A motion was made, seconded and approved to accept \$5,355 million as the revenue estimate for FY 2023. The estimate represents an increase of \$266.2 million from the June estimate. The adjusted growth rate is -1.3%.

Mr. Roose said the Corporate Franchise Tax and Realty Transfer Tax accounted for 35% of the upward revisions.

Long-Term General Fund Forecast: Mr. Roose reviewed the 5-year revenue forecasts. He said these forecasts may be less useful than usual this year, as underlying economic trend may be changing, the very strong growth seen for some categories may mean more uncertain out-year forecasts, and other issues (such as federal tax changes and the expiration of PIT provisions of the Tax Cuts and Jobs Act after 2025) may add to the

uncertainty. Mr. Roose said he expected a low single digit growth for the long term.

Balance and Appropriations Worksheet: Mr. Roose presented the Balance and Appropriations worksheet. The result of this exercise is attached as Table 3.

Transportation Trust Fund (TTF):

TTF -- Expenditures: Ms. Haw-Young presented the Transportation Trust Fund's expenditure forecast.

State Operations Expenditure: There was no change from the FY 2022 appropriation of \$313.3 million.

Ms. Haw-Young said debt payment was made in July, leading to a relatively high fiscal year to date debt service.

State Capital Expenditure: There was no change from the FY 2022 appropriation of \$320.0 million.

Ms. Haw-Young said the expenditure category is tracking well.

Federal Capital Expenditure: There was no change from the FY 2022 appropriation of \$250.0 million.

Ms. Haw-Young said the expenditure category is tracking as forecast.

U.S. 301 Capital Expenditure: There was no change from the FY 2022 appropriation of \$34.8 million.

Ms. Haw-Young said DeIDOT is in the process of finalizing several construction contracts.

A motion was made, seconded, and approved to accept \$918.1 million as the FY 2022 TTF expenditure estimate. The estimate was unchanged from the FY 2022 appropriation (See Table 4.)

TTF -- Revenues: Ms. Haw-Young presented the Transportation Trust Fund's revenue forecast.

FY 2022 Estimates:

The following changes were made from the June estimates.

Toll Road Revenues: Increased from \$185.7 million in June to \$191.7 million.

Ms. Haw-Young attributed the increase in the estimate to stronger-than-expected traffic counts.

Motor Fuel Tax Administration: There was no change from the June estimate of \$139.7 million.

Division of Motor Vehicles: There was no change from the June estimate of \$232.3 million.

Other Transportation Revenues: Decreased from \$15.5 million in June to \$12.0 million.

Ms. Haw-Young attributed the decrease in the estimate to the cancellation of a contract. Responding to Ms. Davis Burnham, Ms. Haw-Young said the contract was not moved into another year but was cancelled altogether.

U.S. 301 Revenues: There was no change from the June estimate of \$23.4 million.

A motion was made, seconded, and approved to accept \$599.1 million as the FY 2022 TTF revenue estimate. The estimate represents an increase of \$2.5 million from the June estimate.

FY 2023 Estimates:

The following changes were made from the June estimates.

Toll Road Revenues: There was no change from the June estimate of \$202.6 million.

Motor Fuel Tax Administration: There was no change from the June estimate of \$146.9 million.

Division of Motor Vehicles: There was no change from the June estimate of \$236.4 million.

Other Transportation Revenues: Decreased from \$17.7 million in June to \$13.2 million.

Ms. Haw-Young attributed the decrease to the cancellation of a railway contract.

U.S. 301 Revenues: There was no change from the June estimate of \$23.7 million.

A motion was made, seconded, and approved to accept \$622.8 million as the FY 2023 TTF revenue estimate. The estimate represents a decrease of \$4.5 million from the June estimate (See Table 5.)

Other Business:

Mr. Geisenberger presented two slides on the interplay between State and Federal funds pertaining to COVID-19 matters. He mentioned that some COVID-19 funds went directly to States while others went to State agencies. In Delaware, all COVID-19 funds have run through the State clearinghouse process.

Mr. Geisenberger said many of the programs that have been passed in the past year are essentially increases to existing State grant programs. The only two programs that are additive to regular grant programs are the Coronavirus Relief Fund (CRF) and the American Rescue Plan Act (ARPA).

Mr. Geisenberger proceeded to describe these two programs and provided website links for additional information. He noted that CRF funds, which must be expended before December 31, 2021, have been used for several initiatives including the State unemployment insurance trust fund gap, Delaware small business relief grants, health care institutions (\$200 million), child care (\$100 million), higher education grants (\$141 million), contact tracing and testing.

Under ARPA, Mr. Geisenberger said the State received \$925 million while locals received \$344 million. He noted \$113 million for the COVID Capital Project Fund. Mr. Geisenberger said all funds are supposed to be committed by the end of 2024 and fully expended by the end of 2026.

Mr. Geisenberger described allowable uses of the ARPA funds, including support to COVID-19 public health emergency, provision of premium pay for essential workers and government services, and investment in water, sewer or broadband infrastructure. He mentioned that prohibited usage of the funds include deposits into pension funds and offsets to revenue reductions through tax cuts, rebates and credits. Mr. Geisenberger said more information is forthcoming at the December meeting.

Websites mentioned by Mr. Geisenberger in his presentation are:

- www.de.gov/relief
- www.nccde.org/2036/CARES-ACT

- www.de.gov/rescueplan
- <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments>

Threshold Adjustment Factor Calculation: Mr. Roose mentioned that filing thresholds have been adjusted for calendar year 2022 and aligned with the consumer price index.

Mr. Houghton announced the next scheduled DEFAC meeting dates:

- December 20, 2021
- March 21, 2022

Mr. Houghton said these meetings will both be in-person and online.

There being no further business, Mr. Houghton adjourned the meeting at 3:00 p.m.

Respectfully submitted,

Arsene Aka

Table 1a.

DEFAC Expenditures Forecast for General Fund Disbursements FY2022 (\$ in millions)																															
October 18, 2021																															
	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021								FY2022											
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual								Appropriation											
Budget Act	3,091.5	3,305.3	3,508.6	3,586.8	3,718.2	3,809.5	3,908.5	4,084.1	4,106.9	4,270.8	4,451.9	4,547.0								4,771.5											
Cash to Bond Bill	0.0	91.0	115.3	53.4	60.9	23.8	0.0	12.6	0.0	189.0	184.3	35.4								692.3											
Grant-in-Aid	35.4	35.2	41.2	44.2	44.8	45.4	43.0	45.9	37.3	52.1	55.1	54.5								63.2											
Continuing & Encumbered (from prior years)	183.7	184.9	303.7	301.1	276.4	194.8	201.3	181.5	178.6	184.1	329.6	431.3								495.8											
Supplementals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	49.2	62.0	0.0								221.1											
Fiscal Year Spending Authority	3,310.6	3,616.4	3,968.8	3,985.5	4,100.2	4,073.5	4,152.8	4,324.3	4,322.8	4,745.2	5,082.8	5,068.2								6,243.9											
LESS:																															
														Oct	Dec	Mar	Apr	May	June												
Reversions to the General Fund	49.3	42.1	75.3	50.5	111.3	39.6	57.5	39.6	20.6	21.4	137.6	53.4		15.0																	
Encumbered to next fiscal year	37.7	35.2	39.3	35.6	40.2	39.5	40.8	37.5	35.8	41.5	54.0	53.2		40.0																	
Continuing to next fiscal year																															
Operating Budget																															
Bond Bill																															
Total Continuing	147.2	268.4	261.8	240.9	154.6	161.8	140.7	141.1	148.3	288.1	377.3	442.6		1089.50																	
Subtotal	234.1	345.7	376.4	327.0	306.1	240.9	239.0	218.2	204.7	351.0	568.9	549.2		1,144.5	0.0	0.0	0.0	0.0	0.0	(1,144.5)											
Fiscal Year Budgetary Expenditures	3,076.5	3,270.7	3,592.4	3,658.5	3,794.1	3,832.6	3,913.7	4,106.1	4,118.1	4,394.3	4,513.9	4,519.0								5,099.4											
% increase(decrease)		6.31%	9.84%	1.84%	3.71%	1.01%	2.12%	4.92%	0.29%	6.71%	9.61%	2.84%								12.8%											
Comments:																															
Expenditures / Spending Authority	FY2010 92.9%	FY2011 90.4%	FY2012 90.5%	FY2013 91.8%	FY2014 92.5%	FY2015 94.1%	FY2016 94.2%	FY2017 95.0%	FY2018 95.3%	FY2019 92.6%	FY2020 88.8%	FY2021 89.2%	5-Yr Avg	92.2%						FY2022 81.7%											
Reversions / Spending Authority	1.5%	1.2%	1.9%	1.3%	2.7%	1.0%	1.4%	0.9%	0.5%	0.5%	2.7%	1.1%	1.1%							0.2%											
Encumbered / Spending Authority	1.1%	1.0%	1.0%	0.9%	1.0%	1.0%	1.0%	0.9%	0.8%	0.9%	1.1%	1.0%	0.9%							0.6%											
Total Continuing / Spending Authority	4.4%	7.4%	6.6%	6.0%	3.8%	4.0%	3.4%	3.3%	3.4%	6.1%	7.4%	8.7%	5.8%							17.4%											

Recommended by Expenditures Subcommittee;
October 18, 2021

Table 1b.

DEFAC Expenditures Forecast for General Fund Disbursements FY2021 (\$ in millions)																				
October 18, 2021																				
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	Difference	% change	Annual Avg.		FY2022 YTD	% spent	% of	% of	% of	% of			
	Actual	Actual	Actual	Actual	Actual	Actual	Oct	'22 vs. '21	'21 vs. '20	2020 vs. '15		(actual 09/30/21)	(actual 09/30/21)	FY2021	FY2020	FY2019	FY2018			
Salaries	1,361.8	1,402.9	1,421.1	1,499.9	1,558.6	1,593.0	1,656.8	63.8	4.0%	3.19%		471.5	32.9%	35.3%	34.5%	34.1%	34.5%			
Fringe Benefits	453.7	480.5	479.6	494.4	506.1	513.3	521.2	7.9	1.5%	2.50%		137.1	9.6%	11.4%	11.2%	11.3%	11.6%			
Health Care	334.1	359.0	357.9	362.6	369.0	372.5	375.0	2.5	0.7%	2.20%		94.8	6.6%	8.2%	8.2%	8.3%	8.7%			
Other	119.6	121.5	121.7	131.8	137.1	140.8	146.2	5.4	3.8%	3.32%		42.3	2.9%	3.1%	3.0%	3.0%	3.0%			
Pension	297.3	317.7	316.7	360.8	360.1	372.5	410.9	38.4	10.3%	4.61%		129.5	9.0%	8.2%	8.0%	8.2%	7.7%			
Contribution	150.6	152.4	167.6	201.5	205.0	209.1	233.9	24.9	11.9%	6.78%		73.7	5.1%	4.6%	4.5%	4.6%	4.1%			
Health Care	105.0	130.2	136.0	145.4	145.9	149.3	153.5	4.2	2.8%	7.30%		48.4	3.4%	3.3%	3.2%	3.3%	3.3%			
Other	41.7	35.1	13.1	13.9	9.2	10.1	23.5	13.3	131.5%	-24.64%		7.4	0.5%	0.2%	0.2%	0.3%	0.3%			
Debt Service	169.4	179.0	187.2	183.9	184.1	187.3	205.7	18.4	9.8%	2.03%		67.2	4.7%	4.1%	4.1%	4.2%	4.5%			
Grants	349.6	365.7	362.9	445.2	507.1	433.2	680.7	247.5	57.1%	4.38%		258.8	18.0%	9.6%	11.2%	10.1%	8.8%			
Medicaid	689.1	739.7	750.2	733.4	702.0	734.1	830.7	96.6	13.2%	1.27%		192.5	13.4%	16.2%	15.6%	16.7%	18.2%			
Contractual Services	513.6	537.6	526.1	589.0	600.5	607.5	699.5	92.0	15.1%	3.42%		151.3	10.5%	13.4%	13.3%	13.4%	12.8%			
Supplies & Materials	66.9	68.7	61.9	69.3	64.7	60.9	63.3	2.4	3.9%	-1.86%		18.8	1.3%	1.3%	1.4%	1.6%	1.5%			
Capital Outlay	<u>12.3</u>	<u>14.3</u>	<u>12.4</u>	<u>18.5</u>	<u>30.6</u>	<u>17.2</u>	<u>30.6</u>	<u>13.4</u>	77.9%	6.94%		8.4	0.6%	0.4%	0.7%	0.4%	0.3%			
FY Budgetary Expenditures	3,913.7	4,106.1	4,118.1	4,394.3	4,513.9	4,519.0	5,099.4	580.4	12.8%	2.92%		1434.9	100.0%	100.0%	100.0%	100.0%	100.0%			
Comments:																				

Table 1c.

DEFAC Expenditures Forecast for General Fund Disbursements FY2023-2026 (\$ in millions)												
October 18, 2021												
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022		FY2023	FY2024	FY2025	FY2026
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>October</u>		<u>October</u>	<u>October</u>	<u>October</u>	<u>October</u>
Salaries	1,361.8	1,402.9	1,421.1	1,499.9	1,558.6	1593.0	1656.8		1733.6	1788.8	1845.8	1904.6
Fringe Benefits	453.7	480.5	479.6	494.4	506.1	513.3	521.2		541.5	555.1	569.1	583.4
Health Care	334.1	359.0	357.9	362.6	369.0	372.5	375.0		390.2	398.8	407.6	416.5
Other	119.6	121.5	121.7	131.8	137.1	140.8	146.2		151.3	156.3	161.5	166.9
Pension	297.3	317.7	316.7	360.8	360.1	372.5	410.9		409.5	463.9	494.3	527.3
Contribution	150.6	153.7	167.6	201.5	205.0	209.1	233.1		248.9	265.8	283.8	303.0
Health Care	105.0	131.3	136.0	145.4	145.9	149.3	166.5		178.6	191.7	205.7	220.7
Other	41.7	32.7	13.1	13.9	9.2	10.1	11.3		8.5	6.4	4.8	3.6
Debt Service	169.4	179.0	187.2	183.9	184.1	187.3	205.7		220.7	225.2	229.7	234.4
Grants	349.6	365.7	362.9	445.2	507.1	433.2	680.7		466.0	486.4	507.7	530.0
Medicaid	689.1	739.7	750.2	733.4	702.0	734.1	830.7		808.7	819.0	829.4	840.0
Contractual Services	513.6	537.6	526.1	589.0	600.5	607.5	699.5		951.6	984.1	1017.7	1052.5
Supplies & Materials	66.9	68.7	61.9	69.3	64.7	60.9	63.3		68.3	67.0	65.8	64.6
Capital Outlay	<u>12.3</u>	<u>14.3</u>	<u>12.4</u>	<u>18.5</u>	<u>30.6</u>	<u>17.2</u>	<u>30.6</u>		<u>17.8</u>	<u>19.0</u>	<u>20.4</u>	<u>21.8</u>
FY Budgetary Expenditures	3,913.7	4,106.1	4,118.1	4,394.3	4,513.9	4,519.0	5,099.4		5,217.7	5,408.6	5,579.9	5,758.5
Comments:												
Forecast FY2024-FY2026 is based on the annual average growth rate for each category FY2016-FY2021(October Estimate).												

Table 1c.

OMB General Assumptions FY2023 Forecast													
The FY2023 projected spend takes the following into consideration:													
1. FY2023 Operating spend at FY2022 levels (budget requests unknown at this time)													
2. FY2023 Grant in Aid budget at FY2022 level													
3. Does not include a FY2023 One Time Supplemental amount													
4. Does not include FY2023 Bond Bill Cash projects													
5. Continuing Funds from Cash Projects and One Time funds													
Salary - Includes increase for Steps/CBAs and Unit Count growth													
Fringe Other/Fringe Healthcare/Pension - Rates at the FY2022 level; impact from Steps/CBAs/Unit Count growth													
Debt Service – Increased \$15M for both existing and new debt													
Grants - Includes Grant in Aid at FY2022 level, , funding provided to UD and Housing													
Medicaid - Projected the state share at 35.4% in conjunction with the increased level of Eligible participants and 2.2% MCO rate increase													
Contractual Services -Includes \$350M spend for continued cash projects and an additional \$20M for HB100 Mental Health Year 2													
Supplies - projected at FY2022 level, with \$5M spend from continued cash projects													
Capital - projected at FY2022 operational level													

Table 2. DEFAC General Fund Revenue Worksheet

October-21 DEFAC Meeting	FY 2021 DEFAC Jun-21	FY 2021 A Actual Collections	FY 2021 Variance Actual - June	FY 2022					
				B DEFAC Jun-21	C % B over A	D DEFAC Oct-21	E % D over A	EE Legislative Changes	F \$ Increase D over B
Revenue Category									
Personal Income Tax	2,119.1	2,123.8	4.7	2,014.2	-5.2%	2,088.4	-1.7%		74.2
Less: Refunds	(231.8)	(235.4)	(3.6)	(226.0)	-4.0%	(230.5)	-2.1%	(4.5)	(4.5)
PIT Less Refunds	1,887.3	1,888.4	1.1	1,788.2	-5.3%	1,857.9	-1.6%		69.7
Franchise Tax	1,092.0	1,082.5	(9.5)	1,113.8	2.9%	1,113.0	2.8%		(0.8)
Limited Partnerships & LLC's	379.6	385.3	5.7	398.6	3.5%	398.6	3.5%		0.0
Subtotal Franchise + LP/LLC	1,471.6	1,467.8	(3.8)	1,512.4	3.0%	1,511.6	3.0%		(0.8)
Less: Refunds	(12.0)	(11.7)	0.3	(10.0)	-14.8%	(10.0)	-14.8%		0.0
Net Franchise + LP/LLC	1,459.6	1,456.0	(3.6)	1,502.4	3.2%	1,501.6	3.1%		(0.8)
Business Entity Fees	142.5	148.3	5.8	142.5	-3.9%	148.5	0.2%		6.0
Uniform Commercial Code	25.6	26.7	1.1	26.2	-1.9%	26.2	-1.9%		0.0
Unclaimed Property	554.0	554.0	0.0	540.0	-2.5%	554.0	0.0%		14.0
Less: Refunds	(115.0)	(105.4)	9.6	(160.0)	51.9%	(160.0)	51.9%		0.0
Unclaimed Prop Less Refunds	439.0	448.6	9.6	380.0	-15.3%	394.0	-12.2%		14.0
Gross Receipts Tax	272.5	279.9	7.4	284.8	1.8%	304.8	8.9%		20.0
Lottery	214.0	215.7	1.7	220.0	2.0%	225.8	4.7%	(0.8)	5.8
Corporation Income Tax	252.8	255.3	2.5	214.9	-15.8%	278.7	9.2%		63.8
Less: Refunds	(47.0)	(45.6)	1.4	(70.0)	53.4%	(70.0)	53.4%		0.0
CIT Less Refunds	205.8	209.7	3.9	144.9	-30.9%	208.7	-0.5%		63.8
Realty Transfer Tax	236.4	236.5	0.1	214.2	-9.4%	285.7	20.8%		71.5
Cigarette Taxes	113.2	115.7	2.5	112.4	-2.9%	115.7	0.0%		3.3
Bank Franchise Tax	75.1	74.9	(0.2)	88.4	18.1%	88.8	18.6%		0.4
Insurance Taxes and Fees	99.0	97.1	(1.9)	82.2	-15.3%	81.1	-16.4%	(0.7)	(1.1)
Hospital Board and Treatment	22.1	23.1	1.0	22.4	-3.2%	22.4	-3.2%		0.0
Public Utility Tax	36.0	35.0	(1.0)	29.7	-15.2%	29.7	-15.2%		0.0
Alcoholic Beverage Tax	31.9	32.7	0.8	27.9	-14.7%	30.0	-8.3%		2.1
Dividends and Interest	64.0	64.0	(0.0)	18.6	-70.9%	49.3	-23.0%		30.7
Other Revenues	54.0	62.9	8.9	59.4	-5.6%	60.8	-3.4%		1.4
Less: Other Refunds	(25.0)	(25.0)	(0.0)	(19.3)	-22.9%	(23.9)	-4.5%		(4.6)
Net Receipts	5,353.0	5,390.3	37.3	5,124.9	-4.9%	5,407.1	0.3%	(5.9)	282.2

Changes in Revenue Resolution

(5.9)

Net DEFAC Changes

288.1

Adj Growth Rate

8.0%

Table 2. DEFAC General Fund Revenue Worksheet

October-21 DEFAC Meeting	FY 2023						FY 2024		FY 2025		FY 2026	
	G DEFAC Jun-21	H % G over B	I DEFAC Oct-21	J % I over D	JJ Legislative Changes	K \$ Increase I over G	L DEFAC Oct-21	M % L over I	N DEFAC Oct-21	O % N over L	P DEFAC Oct-21	Q % P over N
Revenue Category												
Personal Income Tax	2,105.2	4.5%	2,149.2	2.9%		44.0	2,254.4	4.9%	2,364.9	4.9%	2,450.7	3.6%
Less: Refunds	<u>(228.3)</u>	1.0%	<u>(232.9)</u>	1.0%	(4.6)	(4.6)	<u>(233.1)</u>	0.1%	<u>(244.5)</u>	4.9%	<u>(256.5)</u>	4.9%
PIT Less Refunds	1,876.9	5.0%	1,916.3	3.1%		39.4	2,021.3	5.5%	2,120.4	4.9%	2,194.3	3.5%
Franchise Tax	1,018.0	-8.6%	1,113.0	0.0%		95.0	1,124.1	1.0%	1,135.4	1.0%	1,146.7	1.0%
Limited Partnerships & LLC's	<u>392.3</u>	-1.6%	<u>398.6</u>	0.0%		6.3	<u>402.6</u>	1.0%	<u>406.6</u>	1.0%	<u>410.7</u>	1.0%
Subtotal Franchise + LP/LLC	1,410.3	-6.8%	1,511.6	0.0%		101.3	1,526.7	1.0%	1,542.0	1.0%	1,557.4	1.0%
Less: Refunds	<u>(10.0)</u>	0.0%	<u>(10.0)</u>	0.0%		<u>0.0</u>	<u>(10.0)</u>	0.0%	<u>(10.0)</u>	0.0%	<u>(10.0)</u>	0.0%
Net Franchise + LP/LLC	1,400.3	-6.8%	1,501.6	0.0%		101.3	1,516.7	1.0%	1,532.0	1.0%	1,547.4	1.0%
Business Entity Fees	135.8	-4.7%	148.5	0.0%		12.7	150.0	1.0%	151.5	1.0%	153.0	1.0%
Uniform Commercial Code	26.7	1.9%	26.2	0.0%		(0.5)	26.5	1.1%	26.7	1.0%	27.0	1.0%
Unclaimed Property	500.0	-7.4%	500.0	-9.7%		0.0	500.0	0.0%	500.0	0.0%	500.0	0.0%
Less: Refunds	<u>(160.0)</u>	0.0%	<u>(160.0)</u>	0.0%		0.0	<u>(160.0)</u>	0.0%	<u>(160.0)</u>	0.0%	<u>(130.0)</u>	-18.8%
Unclaimed Prop Less Refunds	340.0	-10.5%	340.0	-13.7%		0.0	340.0	0.0%	340.0	0.0%	370.0	8.8%
Gross Receipts Tax	297.6	4.5%	315.5	3.5%		17.9	328.1	4.0%	341.2	4.0%	354.9	4.0%
Lottery	222.0	0.9%	225.7	0.0%	(0.8)	3.7	226.3	0.3%	228.3	0.9%	230.4	0.9%
Corporation Income Tax	216.0	0.5%	200.0	-28.2%		(16.0)	203.4	1.7%	211.9	4.2%	220.8	4.2%
Less: Refunds	<u>(70.0)</u>	0.0%	<u>(70.0)</u>	0.0%		<u>0.0</u>	<u>(70.0)</u>	0.0%	<u>(70.0)</u>	0.0%	<u>(70.0)</u>	0.0%
CIT Less Refunds	146.0	0.8%	130.0	-37.7%		(16.0)	133.4	2.6%	141.9	6.4%	150.8	6.3%
Realty Transfer Tax	203.5	-5.0%	300.0	5.0%		96.5	270.0	-10.0%	286.2	6.0%	300.2	4.9%
Cigarette Taxes	108.3	-3.6%	111.5	-3.6%		3.2	108.9	-2.3%	104.9	-3.7%	101.0	-3.7%
Bank Franchise Tax	90.9	2.8%	91.1	2.6%		0.2	92.9	2.0%	94.8	2.0%	96.7	2.0%
Insurance Taxes and Fees	99.1	20.6%	98.1	21.0%	(0.7)	(1.0)	87.2	-11.1%	104.0	19.3%	93.2	-10.4%
Hospital Board and Treatment	22.6	0.9%	22.6	0.9%		0.0	23.8	5.3%	24.9	4.6%	26.1	4.8%
Public Utility Tax	28.7	-3.4%	28.7	-3.4%		0.0	27.7	-3.5%	26.8	-3.4%	25.9	-3.4%
Alcoholic Beverage Tax	28.3	1.4%	30.4	1.3%		2.1	30.9	1.5%	31.3	1.5%	31.8	1.5%
Dividends and Interest	20.2	8.6%	26.6	-46.0%		6.4	31.6	18.8%	36.7	16.3%	41.8	14.0%
Other Revenues	61.3	3.2%	61.5	1.2%		0.2	62.4	1.5%	63.5	1.8%	64.5	1.6%
Less: Other Refunds	<u>(19.4)</u>	0.5%	<u>(19.3)</u>	-19.2%		0.1	<u>(19.4)</u>	0.5%	<u>(19.5)</u>	0.2%	<u>(19.5)</u>	0.1%
Net Receipts	5,088.8	-0.7%	5,355.0	-1.0%	(6.0)	266.2	5,458.3	1.9%	5,635.6	3.2%	5,789.5	2.7%

Changes in Revenue Resolution

(6.0)

Net DEFAC Changes

272.2

Adj Growth Rate

-1.3%

1.8%

Table 3. Balance and Appropriations Worksheet

October-21

FY 2022 EXPENDITURES

Total Spending Authority	\$6,243.9
Less: Continuing Appropriations & Encumbrances from FY 2022	(\$1,129.5)
Less: Reversions	<u>(\$15.0)</u>
Total Expenditures	\$5,099.4

FY 2022 BALANCES

Total Expenditures	\$5,099.4
vs. FY 2022 Revenues	5,407.1
Operating Balance	307.7
Prior Year Cash Balance	1833.4
Less: Budget Stabilization Fund (83 Del Law c 54; HB 250, Section 72)	<u>(\$287.3)</u>
Cumulative Cash Balance	1,853.8
Less: Continuing Appropriations & Encumbrances from FY 2022	(1,129.5)
Less: Budgetary Reserve Account	<u>(\$280.3)</u>
Unencumbered Cash Balance 6/30	\$444.0

FY 2023 APPROPRIATION LIMITS

FY 2023 Revenue Estimate	\$5,355.0
Unencumbered Cash Balance from FY 2022	<u>\$444.0</u>
100% Appropriation Limit	\$5,799.0
98% Appropriation Limit	<u>\$5,683.0</u>
Prior 98% Appropriation Limit	NA
Increase (Decrease) from Prior Meeting	NA
October 2021 98% Appropriation Limit	\$5,683.0
Increase (Decrease) from October 2021	\$0.0

FY 2022 BUDGET

Budget	\$4,771.5
Grants	\$63.2
Supplemental	\$913.4
Total Appropriations	\$5,748.1
Plus: Continuing Appropriations & Encumbrances from Prior Years	<u>\$495.8</u>
Total Spending Authority	\$6,243.9

Table 4.

Delaware Department of Transportation FY 2022 Expenditures, Through September 30, 2021								25%
	FY2020 Actual	FY2021 Actual	FY2022 Appropriation	OCTOBER FY2022 Forecast	\$ difference June to October	\$ difference Forecast V. FY2021 Actual	FY2022 YTD Spend	% spent YTD
Operations			<u>w/o US301</u>					
Debt Service	91.5	93.5	67.0	67.0	0.0	(26.5)	52.3	78%
Personnel Costs	102.3	102.6	106.0	106.0	0.0	3.4	28.0	26%
Operations/Capital Outlay	59.7	60.5	60.5	60.5	0.0	0.0	18.5	31%
Transit Operations (DTC)	<u>94.8</u>	<u>46.6</u>	<u>79.8</u>	<u>79.8</u>	<u>0.0</u>	<u>33.2</u>	<u>20.0</u>	<u>25%</u>
Total Expenditures - Operations	348.3	303.2	313.3	313.3	0.0	10.1	118.8	38%
State Capital								
Road System	254.8	258.3	200.3	200.3	0.0	(58.0)	52.6	26%
Grants & Allocations	37.4	30.2	43.2	43.2	0.0	13.0	8.0	19%
Support Systems	53.9	54.7	41.3	41.3	0.0	(13.4)	8.7	21%
Transit	<u>28.7</u>	<u>27.0</u>	<u>35.2</u>	<u>35.2</u>	<u>0.0</u>	<u>8.2</u>	<u>6.8</u>	<u>19%</u>
State Capital	374.8	370.2	320.0	320.0	0.0	(50.2)	76.1	24%
Federal Capital								
Federal Capital	278.5	293.5	250.0	250.0	0.0	(43.5)	72.3	29%
Total Expenditures - Capital	653.3	663.7	570.0	570.0	0.0	(93.7)	148.4	26%
TOTAL EXPENDITURES	1,001.6	966.9	883.3	883.3	0.0	(83.6)	267.2	30%

	OCTOBER FY2022 Forecast	\$ difference May to June	FY2022 YTD Spend	% spent YTD
DelDOT	883.3	\$ -	\$ 267.2	30%
US301	34.8	\$ -	\$ 2.1	6%
TOTAL	918.1	\$ -	\$ 269.3	27%

Table 5.

DELAWARE DEPARTMENT OF TRANSPORTATION Transportation Trust Fund Revenues									
	FY20	FY21	% Chg.	Fiscal 2022			Fiscal 2023		
				6/18/2021 Approved	10/18/2021 Recomm	% Chg. FY 21	6/18/2021 Approved	10/18/2021 Recomm	% Chg. FY 22
<u>TOLL ROAD REVENUES:</u>									
I95 Newark Plaza	\$114.3	\$114.4	0.1%	\$124.3	\$130.3	14.1%	\$136.6	\$136.6	4.8%
Route 1 Toll Road	54.2	55.0	1.5%	\$59.6	\$59.6	8.3%	\$63.9	\$63.9	7.2%
Concessions	<u>1.9</u>	<u>1.3</u>	<u>-31.6%</u>	<u>\$1.8</u>	<u>\$1.8</u>	<u>0.0%</u>	<u>\$2.1</u>	<u>\$2.1</u>	<u>0.0%</u>
Total Toll Road Revenues	170.4	170.7	0.2%	\$185.7	\$191.7	12.3%	\$202.6	\$202.6	5.7%
MOTOR FUEL TAX ADMIN.	138.7	128.5	-7.4%	\$139.7	\$139.7	8.8%	\$146.9	\$146.9	5.2%
<u>DIVISION OF MOTOR VEHICLES</u>									
Motor Vehicle Document Fees	113.6	138.9	22.3%	\$126.2	\$126.2	-9.0%	\$128.5	\$128.5	1.8%
Motor Vehicle Registration Fees	53.8	60.8	13.0%	\$62.1	\$62.1	2.1%	\$63.2	\$63.2	1.8%
Other DMV Revenues	<u>39.4</u>	<u>37.0</u>	<u>-6.1%</u>	<u>\$44.0</u>	<u>\$44.0</u>	<u>19.0%</u>	<u>\$44.7</u>	<u>\$44.7</u>	<u>1.6%</u>
Total DMV Revenues	206.8	236.7	14.5%	\$232.3	\$232.3	-1.9%	\$236.4	\$236.4	1.8%
<u>OTHER TRANSPORTATION REV.</u>									
Other Transportation Rev	11.2	11.4	1.8%	\$12.5	\$9.0	-20.8%	\$12.7	\$9.2	2.2%
Investment Income(Net)	<u>5.9</u>	<u>2.4</u>	<u>-59.3%</u>	<u>\$3.0</u>	<u>\$3.0</u>	<u>27.1%</u>	<u>\$5.0</u>	<u>\$4.0</u>	<u>33.3%</u>
Total Other Transp. Revenue	17.1	13.8	-19.3%	\$15.5	\$12.0	-13.0%	\$17.7	\$13.2	10.0%
GRAND TOTAL	\$533.0	\$549.7	3.1%	\$573.2	\$575.7	4.7%	\$603.6	\$599.1	4.1%
					\$2.5			(\$4.5)	
	FY20	FY21	% Chg.	Fiscal 2022			Fiscal 2023		
US301 Revenues	\$ 25.8	\$ 19.9	-22.9%	\$ 23.4	\$ 23.4	0.00%	\$ 23.7	\$ 23.7	0.00%
TOTAL	\$ 558.8	\$ 569.6	1.9%	\$ 596.6	\$ 599.1	5.2%	\$ 627.3	\$ 622.8	4.0%