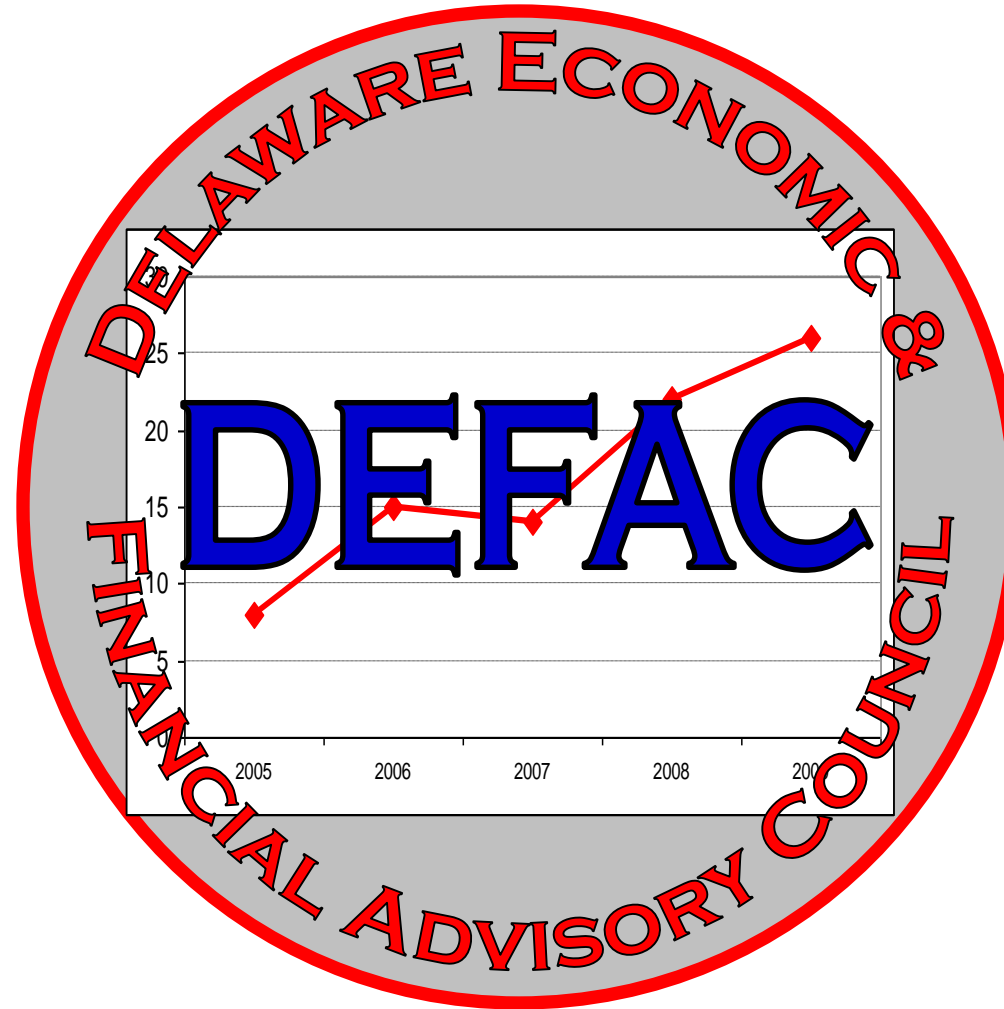


**PLEASE NOTE:** The projections contained in this package are NOT official.  
They have been submitted for DEFAC's consideration.  
Final projections may differ based on the outcome of DEFAC's deliberations.



# PRESS PACKAGE

June 16, 2023

**GENERAL FUND**  
**DEFAC FORECAST**  
**SUMMARY**

# DEFAC FORECAST SUMMARY

\$ Amounts in Millions

June-23

## ECONOMIC OUTLOOK

- ▶ Slightly smaller recession risk in 2023 thanks to positive incoming data
- ▶ Robust inflation to continue this year

	Average	Annual % Change		
	<u>FY20-22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>
GDP	1.9	1.6	1.1	1.5
US Employment	0.0	3.3	1.1	-0.1
DE Employment	0.0	2.8	1.4	-0.4

## REVENUE UPDATE

	<u>FY 22</u>	<u>FY23 (Est)</u>	<u>FY24 (Est)</u>	<u>FY25 (Est)</u>
<b>NET GENERAL FUND</b>	\$5,829.9	\$6,280.9	\$6,039.4	\$6,189.3
<b>ANNUAL GROWTH RATES</b>	8.2%	7.7%	-3.8%	2.5%

### MAJOR CHANGES SINCE LAST MEETING

	<u>FY 23</u>		<u>FY 24</u>
Corporation Income Tax	\$14.5	Personal Income Tax	\$6.1
Personal Income Tax	\$11.2	CIT Refunds	(\$6.0)
Unclaimed Property Refunds	\$10.0	Realty Transfer Tax	\$5.6
<b>TOTAL CHANGE</b>	<b>\$58.4</b>	<b>TOTAL CHANGE</b>	<b>\$1.1</b>

## EXPENDITURE UPDATE

### FY 23 Estimate

\$5,838.9

### COMPARISON VERSUS

	<u>\$ Change</u>	<u>% Change</u>
DEFAC's last meeting	\$45.8	0.8%
FY 2022 Actual Expenditures	\$781.0	15.4%

### Appropriation Limit

## FY 24 BUDGET OUTLOOK

\$6,634.2

### COMPARISON VERSUS

	<u>\$ Change</u>	<u>% Change</u>
DEFAC's last meeting	\$84.3	1.3%
Since Governor's FY 24 Recommended Budget	\$59.3	0.9%
Current Budget (FY 23)	\$1,534.5	30.1%

# **GENERAL FUND**

## **BALANCE & APPROPRIATIONS WORKSHEET**

# Balance and Appropriations Worksheet

June-23

## FY 2023 EXPENDITURES

Total Spending Authority	\$7,503.4
Less: Continuing Appropriations & Encumbrances from FY 2023	(\$1,598.0)
Less: Reversions	<u>(\$66.5)</u>
<b>Total Expenditures</b>	<b>\$5,838.9</b>

## FY 2023 BALANCES

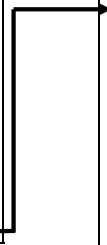
Total Expenditures	\$5,838.9
vs. FY 2023 Revenues	6,280.9
Operating Balance	442.0
Prior Year Cash Balance	2605.3
Less: Budget Stabilization Fund (83 Del Law c 325; SB 250, Section 71)	<u>(\$402.6)</u>
Cumulative Cash Balance	2,644.7
Less: Continuing Appropriations & Encumbrances from FY 2023	(1,598.0)
Less: Budgetary Reserve Account	<u>(\$316.4)</u>
<b>Unencumbered Cash Balance 6/30</b>	<b>\$730.2</b>

## FY 2024 APPROPRIATION LIMITS

FY 2024 Revenue Estimate	\$6,039.4
Unencumbered Cash Balance from FY 2023	<u>\$730.2</u>
100% Appropriation Limit	\$6,769.7
98% Appropriation Limit	<u>\$6,634.2</u>
Prior 98% Appropriation Limit	\$6,549.9
Increase (Decrease) from Prior Meeting	\$84.3
October 2022 98% Appropriation Limit	\$6,268.7
Increase (Decrease) from October 2022	\$365.5

## FY 2023 BUDGET

Budget	\$5,099.7
Grants	\$69.4
Supplemental	\$1,234.1
<b>Total Appropriations</b>	<b>\$6,403.2</b>
Plus: Continuing Appropriations & Encumbrances from Prior Years	<u>\$1,100.2</u>
<b>Total Spending Authority</b>	<b>\$7,503.4</b>



**GENERAL FUND**  
**EXPENDITURE REPORT**

DEFAC Expenditures Forecast for General Fund Disbursements FY2023 (\$ in millions)																			
June 16, 2023																			
	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023					
	Actual	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	5,099.7					
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	855.5					
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	69.4					
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	1,100.2					
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	378.6					
<b>Fiscal Year Spending Authority</b>	<b>3,310.6</b>	<b>3,616.4</b>	<b>3,968.8</b>	<b>3,985.5</b>	<b>4,100.2</b>	<b>4,073.5</b>	<b>4,152.8</b>	<b>4,324.3</b>	<b>4,322.8</b>	<b>4,745.2</b>	<b>5,082.8</b>	<b>5,068.2</b>	<b>6,243.9</b>	<b>7,503.4</b>					
<b>LESS:</b>																			
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	85.8	40.0					
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	71.6	59.6					
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	1,028.6	1,607.6					
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	1,186.0	1,707.2					
<b>Fiscal Year Budgetary Expenditures</b>	<b>3,076.5</b>	<b>3,270.7</b>	<b>3,592.4</b>	<b>3,658.5</b>	<b>3,794.1</b>	<b>3,832.6</b>	<b>3,913.7</b>	<b>4,106.1</b>	<b>4,118.1</b>	<b>4,394.3</b>	<b>4,513.9</b>	<b>4,519.0</b>	<b>5,057.9</b>	<b>5,838.9</b>					
<b>% increase/(decrease)</b>		<b>6.31%</b>	<b>9.84%</b>	<b>1.84%</b>	<b>3.71%</b>	<b>1.01%</b>	<b>2.12%</b>	<b>4.92%</b>	<b>0.29%</b>	<b>6.71%</b>	<b>9.61%</b>	<b>9.74%</b>	<b>15.10%</b>	<b>15.4%</b>					
<b>Comments:</b>	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	5-Yr Avg					
Expenditures / Spending Authority	92.9%	90.4%	90.5%	91.8%	92.5%	94.1%	94.2%	95.0%	95.3%	92.6%	88.8%	89.2%	81.0%	89.4%					
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%	1.4%	1.2%					
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%	1.1%	1.0%					
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%	16.5%	8.4%					

Recommended by Expenditures Subcommittee;  
 June 16, 2023

DEFAC Expenditures Forecast for General Fund Disbursements FY2023 (\$ in millions)																				
June 16, 2023																				
	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	Difference	% change	Annual Avg.		FY2023	% spent	% of	% of	% of	% of	% of		
	Actual	Actual	Actual	Actual	Actual	Actual	June	'23 vs. '22	'23 vs. '22	'23 vs. '18		(actual 05/31/23)	(actual 05/31/23)	FY2022	FY2021	FY2020	FY2019	FY2018		
<b>Salaries</b>	1,402.9	1,421.1	1,499.9	1,558.6	1,593.0	1,657.0	1,796.9	139.9	8.4%	4.80%		1,612.4	30.1%	32.8%	35.3%	34.5%	34.1%	34.5%		
<b>Fringe Benefits</b>	480.5	479.6	494.4	506.1	513.3	515.4	560.5	45.1	8.8%	3.17%		510.8	9.5%	10.2%	11.4%	11.2%	11.3%	11.6%		
<b>Health Care</b>	359.0	357.9	362.6	369.0	372.5	369.3	401.2	31.9	8.6%	2.31%		367.9	6.9%	7.3%	8.3%	8.2%	8.3%	8.7%		
<b>Other</b>	121.5	121.7	131.8	137.1	140.8	146.1	159.3	13.2	9.0%	5.53%		142.9	2.7%	2.9%	3.1%	3.0%	3.0%	3.0%		
<b>Pension</b>	317.7	316.7	360.8	360.1	360.8	421.0	664.0	243.0	57.7%	15.96%		623.0	11.6%	8.3%	8.0%	8.0%	8.2%	7.7%		
<b>Contribution</b>	152.4	167.6	201.5	205.0	201.5	239.7	239.7	0.0	0.0%	7.42%		331.9	6.2%	4.7%	4.5%	4.5%	4.6%	4.1%		
<b>Health Care</b>	130.2	136.0	145.4	145.9	145.4	157.2	170.6	13.3	8.5%	4.63%		253.7	4.7%	3.1%	3.2%	3.2%	3.3%	3.3%		
<b>Other</b>	35.1	13.1	13.9	9.2	13.9	24.1	253.7	229.7	953.7%	80.91%		37.4	0.7%	0.5%	0.3%	0.2%	0.3%	0.3%		
<b>Debt Service</b>	179.0	187.2	183.9	184.1	187.3	202.6	218.4	15.8	7.8%	3.13%		218.4	4.1%	4.0%	4.2%	4.1%	4.2%	4.5%		
<b>Grants</b>	365.7	362.9	445.2	507.1	433.2	671.0	730.1	59.1	8.8%	15.01%		679.7	12.7%	13.3%	9.6%	11.2%	10.1%	8.8%		
<b>Medicaid</b>	739.7	750.2	733.4	702.0	734.1	823.6	928.4	104.8	12.7%	4.35%		853.4	15.9%	16.3%	16.3%	15.6%	16.7%	18.2%		
<b>Contractual Services</b>	537.6	526.1	589.0	600.5	607.5	674.7	803.9	129.2	19.1%	8.85%		733.9	13.7%	13.3%	13.5%	13.3%	13.4%	12.8%		
<b>Supplies &amp; Materials</b>	68.7	61.9	69.3	64.7	60.9	67.1	75.1	8.0	11.9%	3.94%		69.1	1.3%	1.3%	1.4%	1.4%	1.6%	1.5%		
<b>Capital Outlay</b>	14.3	12.4	18.5	30.6	17.2	25.5	61.6	36.1	141.6%	37.79%		58.5	1.1%	0.5%	0.4%	0.7%	0.4%	0.3%		
<b>FY Budgetary Expenditures</b>	4,106.1	4,118.1	4,394.3	4,513.9	4,507.3	5,057.9	5,838.9	781.0	15.4%	7.06%		5,359.1	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		



DEFAC Expenditures Forecast for General Fund Disbursements FY2023-2028 (\$ in millions)													
<b>June 16, 2023</b>													
	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023		FY2024	FY2025	FY2026	FY2027	FY2028
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>June</u>		<u>June</u>	<u>June</u>	<u>June</u>	<u>June</u>	<u>June</u>
Salaries	1,402.9	1,421.1	1,499.9	1,558.6	1593.0	1657.0	1,796.9		1,737.3	1,820.8	1,908.2	1,999.9	2,096.0
Fringe Benefits	480.5	479.6	494.4	506.1	513.3	515.4	560.5		602.5	621.3	640.8	661.0	682.0
Health Care	359.0	357.9	362.6	369.0	372.5	369.3	401.2		451.6	462.0	472.7	483.6	494.8
Other	121.5	121.7	131.8	137.1	140.8	146.1	159.3		150.9	159.2	168.1	177.4	187.2
Pension	317.7	316.7	360.8	360.1	360.8	421.0	664.0		491.0	544.0	618.4	729.9	907.2
Contribution	153.7	167.6	201.5	205.0	201.5	238.8	239.7		274.9	295.3	317.2	340.7	366.0
Health Care	131.3	136.0	145.4	145.9	145.4	170.6	170.6		186.4	195.1	204.1	213.6	223.5
Other	32.7	13.1	13.9	9.2	13.9	11.6	253.7		29.7	53.7	97.1	175.6	317.7
Debt Service	179.0	187.2	183.9	184.1	187.3	202.6	218.4		235.8	243.2	250.8	258.6	266.7
Grants	365.7	362.9	445.2	507.1	433.2	671.0	730.1		709.7	816.2	938.7	1,079.5	1,241.5
Medicaid	739.7	750.2	733.4	702.0	734.1	823.6	928.4		1,020.2	1,064.6	1,111.0	1,159.4	1,209.9
Contractual Services	537.6	526.1	589.0	600.5	607.5	674.7	803.9		1,013.3	803.0	374.0	407.1	443.2
Supplies & Materials	68.7	61.9	69.3	64.7	60.9	67.1	75.1		73.4	76.3	79.3	82.4	85.7
Capital Outlay	14.3	12.4	18.5	30.6	17.2	25.5	61.6		38.5	53.1	73.1	100.7	138.8
FY Budgetary Expenditures	4,106.1	4,118.1	4,394.3	4,513.9	4,507.3	5,057.9	5,838.9		5,921.7	6,042.4	5,994.3	6,478.6	7,070.9

Comments:

Forecast FY2025-FY2028 is based on the annual average growth rate for each category FY2018-FY2023.

**OMB General Assumptions FY2024 Forecast**

FY2024 Operating Budget final draft \$5,606.72 M

FY2024 Grant in Aid projected at current year level

FY2024 One-Time Supplemental Budget final draft \$194.56 M

FY2024 Capital Cash Governor Recommended Budget currently \$684.7 M

Includes spend from operating and capital cash continued funds

**Salary** - Includes increase for Steps/CBAs and Unit Count growth, pay scale adjustments with 3% increase for all other state employees, 6% supplement for classroom teachers

**Fringe Other/Fringe Healthcare/Pension** - pension rate changes and Group Health Insurance funding included

**Debt Service** – Increased \$15M for both existing and new debt

**Grants** - Projected using current year Grant in Aid budget, operational funding provided to UD and Housing

**Medicaid** - Eligibility redeterminations begin April 2023 and continue through December 2023; enhanced FMAP phase down quarterly; 2.5% increase for MCO rates effective Jan 2024

**Contractual Services** - Includes \$44M for passed legislation and spending from continued cash projects

**Supplies** - projected using current year spend level for agency operations

**Capital** - projected using current year spend level for agency operations

**GENERAL FUND**  
**REVENUE REPORT**

## DEFAC General Fund Revenue Worksheet

June-23 DEFAC Meeting	FY 2022	FY 2023				
	A Actual Collections	B DEFAC May-23	C % B over A	D DEFAC Jun-23	E % D over A	F \$ Increase D over B
Revenue Category						
<b>Personal Income Tax</b>	<b>2,375.8</b>	<b>2,388.6</b>	<b>0.5%</b>	<b>2,399.8</b>	<b>1.0%</b>	<b>11.2</b>
Less: Refunds	<u>(466.4)</u>	<u>(297.5)</u>	-36.2%	<u>(297.5)</u>	-36.2%	<u>0.0</u>
<b>PIT Less Refunds</b>	<b>1,909.4</b>	<b>2,091.1</b>	<b>9.5%</b>	<b>2,102.3</b>	<b>10.1%</b>	<b>11.2</b>
Franchise Tax	1,300.4	1,406.1	8.1%	1,406.1	8.1%	0.0
Limited Partnerships & LLC's	422.6	464.0	9.8%	464.0	9.8%	0.0
Subtotal Franchise + LP/LLC	1,723.1	1,870.1	8.5%	1,870.1	8.5%	0.0
Less: Refunds	<u>(14.3)</u>	<u>(15.0)</u>	4.8%	<u>(15.0)</u>	4.8%	<u>0.0</u>
Net Franchise + LP/LLC	1,708.7	1,855.1	8.6%	1,855.1	8.6%	0.0
<b>Business Entity Fees</b>	<b>164.2</b>	<b>159.4</b>	<b>-2.9%</b>	<b>159.4</b>	<b>-2.9%</b>	<b>0.0</b>
<b>Uniform Commercial Code</b>	<b>31.0</b>	<b>28.9</b>	<b>-6.9%</b>	<b>28.9</b>	<b>-6.9%</b>	<b>0.0</b>
Unclaimed Property	554.0	554.0	0.0%	554.0	0.0%	0.0
Less: Refunds	<u>(204.6)</u>	<u>(160.0)</u>	-21.8%	<u>(150.0)</u>	-26.7%	<u>10.0</u>
Unclaimed Prop Less Refunds	349.4	394.0	12.8%	404.0	15.6%	10.0
<b>Gross Receipts Tax</b>	<b>331.0</b>	<b>354.9</b>	<b>7.2%</b>	<b>360.9</b>	<b>9.0%</b>	<b>6.0</b>
<b>Lottery</b>	<b>236.0</b>	<b>239.6</b>	<b>1.5%</b>	<b>239.6</b>	<b>1.5%</b>	<b>0.0</b>
Corporation Income Tax	379.5	447.9	18.0%	462.4	21.8%	14.5
Less: Refunds	<u>(65.3)</u>	<u>(81.0)</u>	24.1%	<u>(75.0)</u>	14.9%	<u>6.0</u>
CIT Less Refunds	314.2	366.9	16.8%	387.4	23.3%	20.5
<b>Realty Transfer Tax</b>	<b>304.3</b>	<b>240.8</b>	<b>-20.9%</b>	<b>246.8</b>	<b>-18.9%</b>	<b>6.0</b>
<b>Cigarette Taxes</b>	<b>115.3</b>	<b>102.0</b>	<b>-11.6%</b>	<b>102.0</b>	<b>-11.6%</b>	<b>0.0</b>
Bank Franchise Tax	113.2	101.1	-10.7%	106.0	-6.4%	4.9
Insurance Taxes and Fees	98.6	110.6	12.1%	107.8	9.3%	(2.8)
Hospital Board and Treatment	21.0	23.4	11.5%	21.9	4.3%	(1.5)
<b>Public Utility Tax</b>	<b>29.6</b>	<b>36.0</b>	<b>21.6%</b>	<b>35.0</b>	<b>18.2%</b>	<b>(1.0)</b>
<b>Alcoholic Beverage Tax</b>	<b>30.9</b>	<b>32.4</b>	<b>4.8%</b>	<b>31.4</b>	<b>1.6%</b>	<b>(1.0)</b>
<b>Dividends and Interest</b>	<b>12.6</b>	<b>28.9</b>	<b>129.2%</b>	<b>36.0</b>	<b>185.5%</b>	<b>7.1</b>
<b>Other Revenues</b>	<b>70.8</b>	<b>82.7</b>	<b>16.7%</b>	<b>81.8</b>	<b>15.5%</b>	<b>(0.9)</b>
Less: Other Refunds	<u>(10.6)</u>	<u>(25.3)</u>	138.7%	<u>(25.4)</u>	139.7%	(0.1)
<b>Net Receipts</b>	<b>5,829.9</b>	<b>6,222.5</b>	<b>6.7%</b>	<b>6,280.9</b>	<b>7.7%</b>	<b>58.4</b>

Adj Growth Rate

3.8%

## DEFAC General Fund Revenue Worksheet

June-23 DEFAC Meeting	FY 2024					FY 2025				
	G DEFAC May-23	H % G over B	I DEFAC Jun-23	J % I over D	K \$ Increase I over G	L DEFAC May-23	M % L over G	N DEFAC Jun-23	O % N over I	P \$ Increase N over L
Revenue Category										
<b>Personal Income Tax</b>	<b>2,370.0</b>	<b>-0.8%</b>	<b>2,376.1</b>	<b>-1.0%</b>	<b>6.1</b>	<b>2,468.0</b>	<b>4.1%</b>	<b>2,472.6</b>	<b>4.1%</b>	<b>4.6</b>
Less: Refunds	<u>(287.0)</u>	<b>-3.5%</b>	<u>(287.0)</u>	<b>-3.5%</b>	<u>0.0</u>	<u>(272.7)</u>	<b>-5.0%</b>	<u>(272.7)</u>	<b>-5.0%</b>	<u>0.0</u>
<b>PIT Less Refunds</b>	<b>2,083.0</b>	<b>-0.4%</b>	<b>2,089.1</b>	<b>-0.6%</b>	<b>6.1</b>	<b>2,195.3</b>	<b>5.4%</b>	<b>2,199.9</b>	<b>5.3%</b>	<b>4.6</b>
Franchise Tax	1,278.9	-9.0%	1,278.9	-9.0%	0.0	1,278.9	0.0%	1,278.9	0.0%	0.0
Limited Partnerships & LLC's	460.8	-0.7%	460.8	-0.7%	0.0	460.8	0.0%	460.8	0.0%	0.0
Subtotal Franchise + LP/LLC	1,739.7	-7.0%	1,739.7	-7.0%	0.0	1,739.7	0.0%	1,739.7	0.0%	0.0
Less: Refunds	<u>(10.0)</u>	<b>-33.3%</b>	<u>(10.0)</u>	<b>-33.3%</b>	<u>0.0</u>	<u>(10.0)</u>	<b>0.0%</b>	<u>(10.0)</u>	<b>0.0%</b>	<u>0.0</u>
Net Franchise + LP/LLC	1,729.7	-6.8%	1,729.7	-6.8%	0.0	1,729.7	0.0%	1,729.7	0.0%	0.0
<b>Business Entity Fees</b>	<b>150.0</b>	<b>-5.9%</b>	<b>150.0</b>	<b>-5.9%</b>	<b>0.0</b>	<b>150.0</b>	<b>0.0%</b>	<b>150.0</b>	<b>0.0%</b>	<b>0.0</b>
<b>Uniform Commercial Code</b>	<b>26.5</b>	<b>-8.3%</b>	<b>26.5</b>	<b>-8.3%</b>	<b>0.0</b>	<b>26.5</b>	<b>0.0%</b>	<b>26.5</b>	<b>0.0%</b>	<b>0.0</b>
Unclaimed Property	525.0	-5.2%	525.0	-5.2%	0.0	500.0	-4.8%	500.0	-4.8%	0.0
Less: Refunds	<u>(150.0)</u>	<b>-6.3%</b>	<u>(150.0)</u>	<b>0.0%</b>	<u>0.0</u>	<u>(150.0)</u>	<b>0.0%</b>	<u>(150.0)</u>	<b>0.0%</b>	<u>0.0</u>
Unclaimed Prop Less Refunds	375.0	-4.8%	375.0	-7.2%	0.0	350.0	-6.7%	350.0	-6.7%	0.0
<b>Gross Receipts Tax</b>	<b>358.7</b>	<b>1.1%</b>	<b>358.7</b>	<b>-0.6%</b>	<b>0.0</b>	<b>371.3</b>	<b>3.5%</b>	<b>368.0</b>	<b>2.6%</b>	<b>(3.3)</b>
<b>Lottery</b>	<b>236.2</b>	<b>-1.4%</b>	<b>236.2</b>	<b>-1.4%</b>	<b>0.0</b>	<b>239.8</b>	<b>1.5%</b>	<b>239.8</b>	<b>1.5%</b>	<b>0.0</b>
Corporation Income Tax	358.7	-19.9%	358.7	-22.4%	0.0	362.0	0.9%	362.0	0.9%	0.0
Less: Refunds	<u>(70.0)</u>	<b>-13.6%</b>	<u>(76.0)</u>	<b>1.3%</b>	<u>(6.0)</u>	<u>(70.0)</u>	<b>0.0%</b>	<u>(70.0)</u>	<b>-7.9%</b>	<u>0.0</u>
CIT Less Refunds	288.7	-21.3%	282.7	-27.0%	(6.0)	292.0	1.1%	292.0	3.3%	0.0
<b>Realty Transfer Tax</b>	<b>221.5</b>	<b>-8.0%</b>	<b>227.1</b>	<b>-8.0%</b>	<b>5.6</b>	<b>257.4</b>	<b>16.2%</b>	<b>263.8</b>	<b>16.2%</b>	<b>6.4</b>
<b>Cigarette Taxes</b>	<b>98.6</b>	<b>-3.3%</b>	<b>98.6</b>	<b>-3.3%</b>	<b>0.0</b>	<b>96.2</b>	<b>-2.4%</b>	<b>96.2</b>	<b>-2.4%</b>	<b>0.0</b>
Bank Franchise Tax	104.9	3.8%	103.8	-2.1%	(1.1)	107.2	2.2%	109.9	5.9%	2.7
Insurance Taxes and Fees	108.1	-2.3%	105.3	-2.3%	(2.8)	112.8	4.3%	110.0	4.5%	(2.8)
Hospital Board and Treatment	23.8	1.7%	22.3	1.8%	(1.5)	24.0	0.8%	22.5	0.9%	(1.5)
<b>Public Utility Tax</b>	<b>34.9</b>	<b>-3.1%</b>	<b>33.9</b>	<b>-3.1%</b>	<b>(1.0)</b>	<b>33.7</b>	<b>-3.4%</b>	<b>32.8</b>	<b>-3.2%</b>	<b>(0.9)</b>
<b>Alcoholic Beverage Tax</b>	<b>32.9</b>	<b>1.5%</b>	<b>31.9</b>	<b>1.6%</b>	<b>(1.0)</b>	<b>33.2</b>	<b>1.0%</b>	<b>32.2</b>	<b>0.9%</b>	<b>(1.0)</b>
<b>Dividends and Interest</b>	<b>113.2</b>	<b>291.7%</b>	<b>115.6</b>	<b>221.1%</b>	<b>2.4</b>	<b>107.0</b>	<b>-5.5%</b>	<b>111.1</b>	<b>-3.9%</b>	<b>4.1</b>
<b>Other Revenues</b>	<b>69.5</b>	<b>-16.0%</b>	<b>69.9</b>	<b>-14.5%</b>	<b>0.4</b>	<b>70.1</b>	<b>0.9%</b>	<b>71.8</b>	<b>2.7%</b>	<b>1.7</b>
Less: Other Refunds	<u>(16.9)</u>	<b>-33.2%</b>	<u>(16.9)</u>	<b>-33.5%</b>	<u>0.0</u>	<u>(16.9)</u>	<b>0.0%</b>	<u>(16.9)</u>	<b>0.0%</b>	<u>0.0</u>
<b>Net Receipts</b>	<b>6,038.3</b>	<b>-3.0%</b>	<b>6,039.4</b>	<b>-3.8%</b>	<b>1.1</b>	<b>6,179.3</b>	<b>2.3%</b>	<b>6,189.3</b>	<b>2.5%</b>	<b>10.0</b>

Adj Growth Rate

-5.0%

2.8%

**TRANSPORTATION TRUST FUND**  
**EXPENDITURE REPORT**

**Delaware Department of Transportation  
US 301 FY 2023 Expenditures, Through May 31, 2023**

92%

	FY2021 Actual	FY2022 Actual	FY2023 Appropriation	OCTOBER FY2023 Forecast	DECEMBER FY2023 FORECAST	MARCH FY2023 Forecast	MAY FY2023 Forecast	JUNE FY2023 Forecast	\$ difference March to May	\$ difference Forecast V. FY2022 Actual	FY2023 YTD Spend	% spent YTD
<b>US301 Operations</b>												
Debt Service - TRB Operations	13.4 3.1	15.3 2.6	15.5 <u>3.1</u>	15.5 <u>3.1</u>	15.5 <u>3.1</u>	15.5 <u>3.1</u>	15.5 <u>3.1</u>	15.5 <u>3.1</u>	0.0 <u>0.0</u>	0.2 <u>0.5</u>	4.9 <u>2.3</u>	32% 74%
Total Expenditures - Operations	16.5	17.9	18.6	18.6	18.6	18.6	18.6	18.6	0.0	0.7	7.2	39%
<b>US301 Capital</b>												
Toll Revenue Bonds	6.0	7.8	7.2	7.2	7.2	7.2	1.2	1.2	0.0	(6.6)	1.0	83%
TIFIA Loan	<u>20.9</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	0%
Total US301	<u>26.9</u>	7.8	7.2	7.2	7.2	7.2	1.2	1.2	0.0	(6.6)	1.0	83%
<b>TOTAL EXPENDITURES</b>	<b>43.4</b>	<b>25.7</b>	<b>25.8</b>	<b>25.8</b>	<b>25.8</b>	<b>25.8</b>	<b>19.8</b>	<b>19.8</b>	<b>0.0</b>	<b>(5.9)</b>	<b>8.2</b>	<b>41%</b>

**Delaware Department of Transportation  
FY 2023 Expenditures, Through May 31, 2023**

92%

	FY2021 Actual	FY2022 Actual	FY2023 Appropriation	OCTOBER FY2023 Forecast	DECEMBER FY2023 Forecast	MARCH FY2023 Forecast	MAY FY2023 Forecast	JUNE FY2023 Forecast	\$ difference May to June	\$ difference Forecast V. FY2022 Actual	FY2023 YTD Spend	% spent YTD
<b>Operations</b>			<u>w/o US301</u>									
Debt Service	93.5	67.0	80.5	80.5	83.0	83.0	83.0	83.0	0.0	16.0	83.0	100%
Personnel Costs	102.6	105.6	116.5	116.5	116.5	116.5	111.9	111.9	0.0	6.3	99.2	89%
Operations/Capital Outlay	60.5	66.8	73.6	73.6	73.6	73.6	67.1	67.1	0.0	0.3	60.9	91%
Transit Operations (DTC)	<u>46.6</u>	<u>79.8</u>	<u>80.3</u>	<u>80.3</u>	<u>80.3</u>	<u>80.3</u>	<u>80.3</u>	<u>80.3</u>	<u>0.0</u>	<u>0.5</u>	<u>73.6</u>	92%
<b>Total Expenditures - Operations</b>	<b>303.2</b>	<b>319.2</b>	<b>350.9</b>	<b>350.9</b>	<b>353.4</b>	<b>353.4</b>	<b>342.3</b>	<b>342.3</b>	<b>0.0</b>	<b>23.1</b>	<b>316.7</b>	<b>93%</b>
<b>State Capital</b>												
Road System	258.3	197.7	205.8	205.8	205.8	205.8	210.5	210.5	0.0	12.8	184.2	88%
Grants & Allocations	30.2	26.7	44.2	44.2	44.2	44.2	44.2	44.2	0.0	17.5	27.8	63%
Support Systems	54.7	45.8	40.7	40.7	40.7	40.7	48.9	48.9	0.0	3.1	44.8	92%
Transit	<u>27.0</u>	<u>29.9</u>	<u>29.4</u>	<u>29.4</u>	<u>29.4</u>	<u>29.4</u>	<u>23.2</u>	<u>23.2</u>	<u>0.0</u>	<u>(6.7)</u>	<u>19.0</u>	82%
<b>State Capital</b>	<b>370.2</b>	<b>300.1</b>	<b>320.1</b>	<b>320.1</b>	<b>320.1</b>	<b>320.1</b>	<b>326.8</b>	<b>326.8</b>	<b>0.0</b>	<b>26.7</b>	<b>275.8</b>	<b>84%</b>
<b>Federal Capital</b>												
Federal Capital	293.5	261.1	325.0	325.0	325.0	300.0	275.0	275.0	0.0	13.9	219.2	80%
<b>Total Expenditures - Capital</b>	<b>663.7</b>	<b>561.2</b>	<b>645.1</b>	<b>645.1</b>	<b>645.1</b>	<b>620.1</b>	<b>601.8</b>	<b>601.8</b>	<b>0.0</b>	<b>40.6</b>	<b>495.0</b>	<b>82%</b>
<b>TOTAL EXPENDITURES</b>	<b>966.9</b>	<b>880.4</b>	<b>996.0</b>	<b>996.0</b>	<b>998.5</b>	<b>973.5</b>	<b>944.1</b>	<b>944.1</b>	<b>0.0</b>	<b>63.7</b>	<b>811.7</b>	<b>86%</b>

	OCTOBER FY2023 Forecast	DECEMBER FY2023 Forecast	MARCH FY2023 Forecast	MAY FY2023 Forecast	JUNE FY2023 Forecast	\$ difference May to June	FY2023 YTD Spend	% spent YTD
DelDOT	996.0	998.5	973.5	944.1	944.1	\$ -	\$ 811.7	86%
US301	25.8	25.8	25.8	19.8	19.8	\$ -	\$ 8.2	41%
<b>TOTAL</b>	<b>1,021.8</b>	<b>1,024.3</b>	<b>999.3</b>	<b>963.9</b>	<b>963.9</b>	<b>\$ -</b>	<b>\$ 819.9</b>	<b>80%</b>



**TRANSPORTATION TRUST FUND**  
**REVENUE REPORT**

**DELAWARE DEPARTMENT OF TRANSPORTATION**  
**Transportation Trust Fund Revenues**

	FY21	FY22	% Chg.	Fiscal 2023			Fiscal 2024		
				5/15/2023 Approved	6/16/2023 Recomm	% Chg. FY 22	5/15/2023 Approved	6/16/2023 Recomm	% Chg. FY 23
<b><u>TOLL ROAD REVENUES:</u></b>									
I95 Newark Plaza	\$114.4	\$142.2	24.3%	\$135.5	\$134.5	-5.4%	\$140.0	\$140.0	4.1%
Route 1 Toll Road	55.0	62.6	13.8%	\$61.6	\$59.9	-4.3%	\$64.9	\$64.9	8.3%
Concessions	<u>1.3</u>	<u>1.6</u>	<u>23.1%</u>	<u>\$2.1</u>	<u>\$2.1</u>	<u>28.8%</u>	<u>\$2.2</u>	<u>\$2.2</u>	<u>4.8%</u>
<b>Total Toll Road Revenues</b>	170.7	206.4	20.9%	\$199.2	\$196.5	-4.8%	\$207.1	\$207.1	5.4%
<b>MOTOR FUEL TAX ADMIN.</b>	128.5	136.7	6.4%	\$138.0	\$135.8	(0.6%)	\$146.1	\$146.1	7.6%
<b><u>DIVISION OF MOTOR VEHICLES</u></b>									
Motor Vehicle Document Fees	138.9	146.2	5.3%	\$164.0	\$164.0	12.2%	\$130.4	\$130.4	-20.5%
Motor Vehicle Registration Fees	60.8	57.4	-5.6%	\$59.5	\$61.0	6.2%	\$64.2	\$64.2	5.2%
Other DMV Revenues	<u>37.0</u>	<u>39.7</u>	<u>7.3%</u>	<u>\$40.7</u>	<u>\$39.7</u>	<u>0.1%</u>	<u>\$45.3</u>	<u>\$45.3</u>	<u>14.1%</u>
<b>Total DMV Revenues</b>	236.7	243.3	2.8%	\$264.2	\$264.7	8.8%	\$239.9	\$239.9	-9.4%
<b><u>OTHER TRANSPORTATION REV.</u></b>									
Other Transportation Rev	11.4	9.6	-15.8%	\$8.0	\$8.0	-16.3%	\$9.2	\$9.2	15.0%
Investment Income(Net)	<u>2.4</u>	<u>1.3</u>	<u>-45.8%</u>	<u>\$8.5</u>	<u>\$9.5</u>	<u>611.1%</u>	<u>\$4.0</u>	<u>\$4.0</u>	<u>-57.9%</u>
<b>Total Other Transp. Revenue</b>	13.8	10.9	-21.0%	\$16.5	\$17.5	60.6%	\$13.2	\$13.2	-24.6%
<b>GRAND TOTAL</b>	\$549.7	\$597.3	8.7%	\$617.9	\$614.5	2.9%	\$606.3	\$606.3	-1.3%
					(\$3.4)			\$0.0	
	FY21	FY22	% Chg.	Fiscal 2023			Fiscal 2024		
<b>US301 Revenues</b>	\$ 19.9	\$ 22.0	10.6%	\$ 23.7	\$ 26.0	18.0%	\$ 24.0	\$ 24.0	-7.7%
<b>TOTAL</b>	\$ 569.6	\$ 619.3	8.7%	\$ 641.6	\$ 640.5	3.4%	\$ 630.3	\$ 630.3	-1.6%

# **MISCELLANEOUS**

# **DEFAC**

## **Recommended General Fund Revenue Estimate**



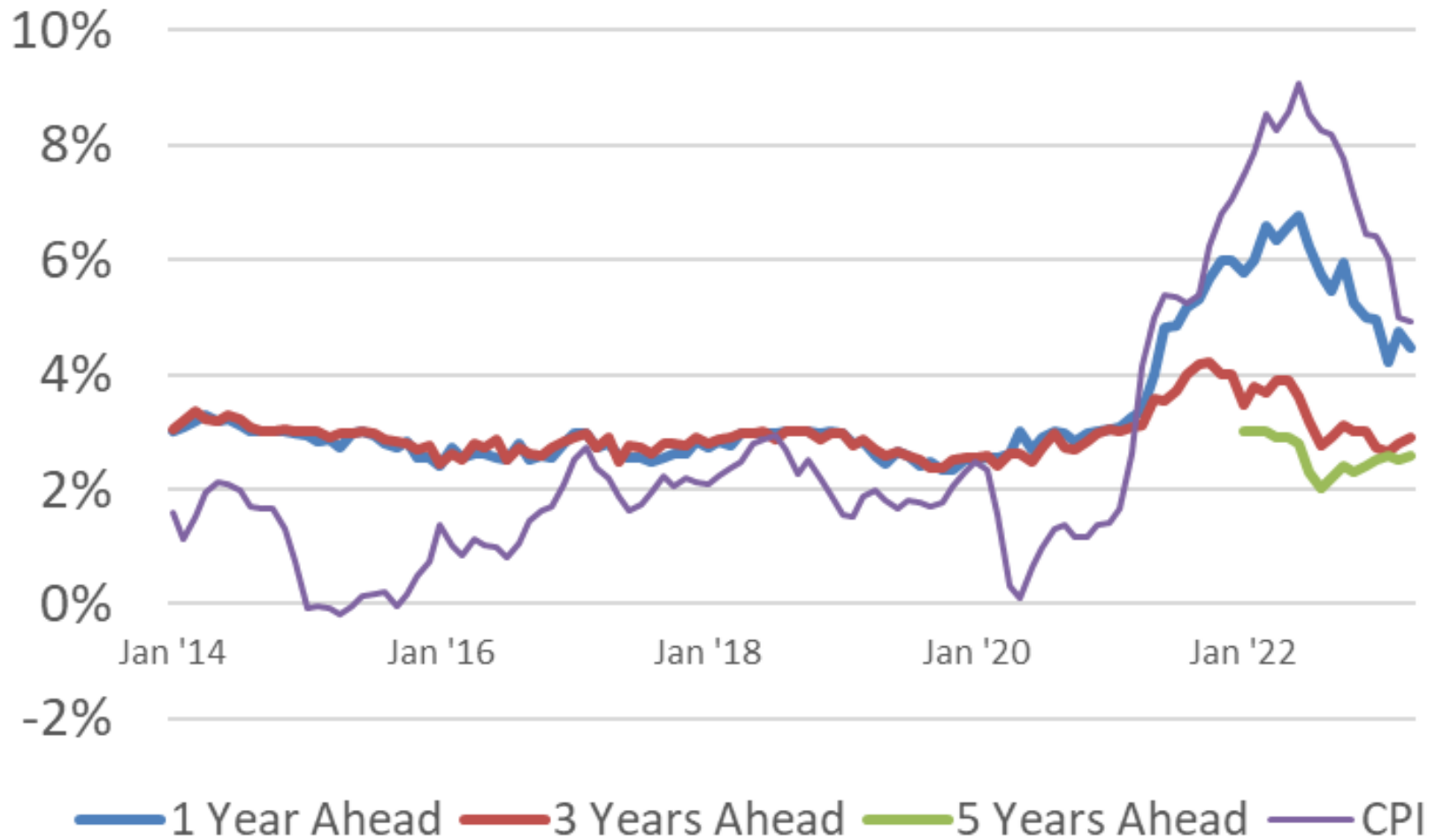
June 16, 2023

# S&P Forecast Highlights

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- BEA revised Q1 real GDP growth upward
- Real-time Q2 data is strong
- Resolution of debt ceiling crisis removes assumed financial headwinds from forecast
- Inflation improving in some respects, but must come down quickly to avoid set expectations
- Expecting Fed to raise rates 25 bp in July

# Are Inflation Expectations Shifting?



Source: Survey of Consumer Expectations, © 2013-2023 Federal Reserve Bank of New York (FRBNY).  
The SCE data are available without charge at <http://www.newyorkfed.org/microeconomics/sce> and may be used subject to license terms posted there. FRBNY disclaims any responsibility or legal liability for this analysis and interpretation of Survey of Consumer Expectations data.

# Resilient Economy...or Not

Current Strengths	Signs of Recession/Weakness
<ul style="list-style-type: none"><li>▪ Labor market remains tight</li><li>▪ Layoffs well below recessionary levels</li><li>▪ Excess savings roughly 6% of GDP</li><li>▪ Housing is underbuilt and building at a bottom—at worst, will not be a drag</li><li>▪ Most state and local governments in sound financial condition</li><li>▪ Philadelphia Fed Beige Book reports no evidence of a recession and expectations for modest growth</li></ul>	<ul style="list-style-type: none"><li>▪ High inflation and tight monetary policy typically lead to recessions</li><li>▪ Yield curve remains inverted—and expected to remain so</li><li>▪ ISM Purchasing Managers' Index below 50 (contractionary) for seven months</li><li>▪ Unemployment rose 30 basis points</li><li>▪ Q1 nonfinancial corporate profits fell</li><li>▪ Blue Chip consensus is 57% chance of recession this year</li></ul>

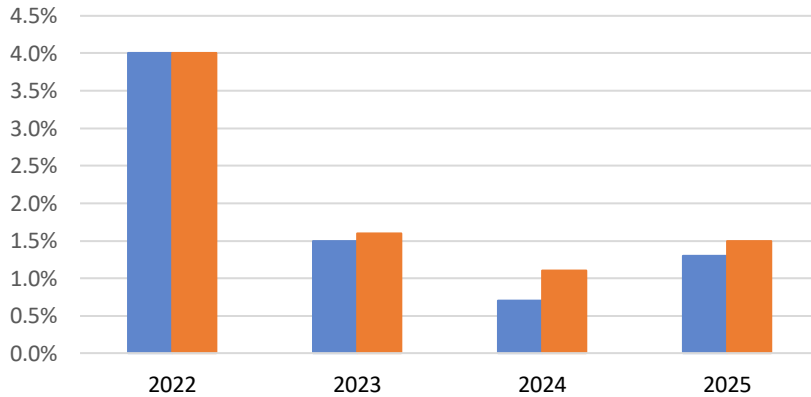
In my more than 30 years as a professional economist, I have never seen such recession pessimism. But I have also never seen such a resilient economy. Something has to give. I suspect it will be the pessimists.

—Mark Zandi

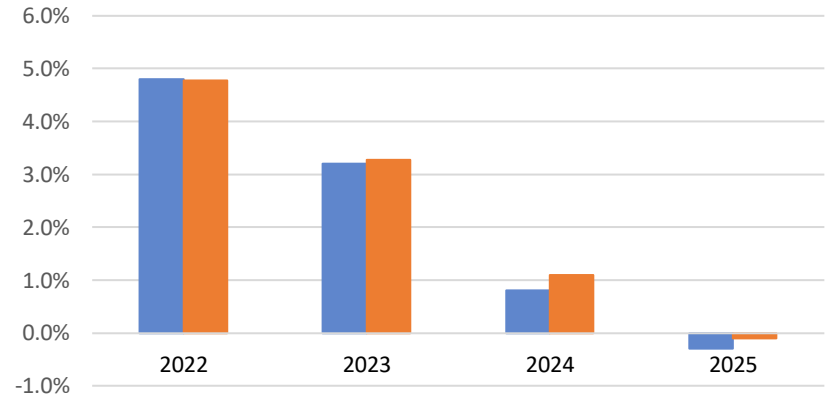
# US Outlook Slightly Stronger

## Fiscal Year Forecasts, U.S. Economy

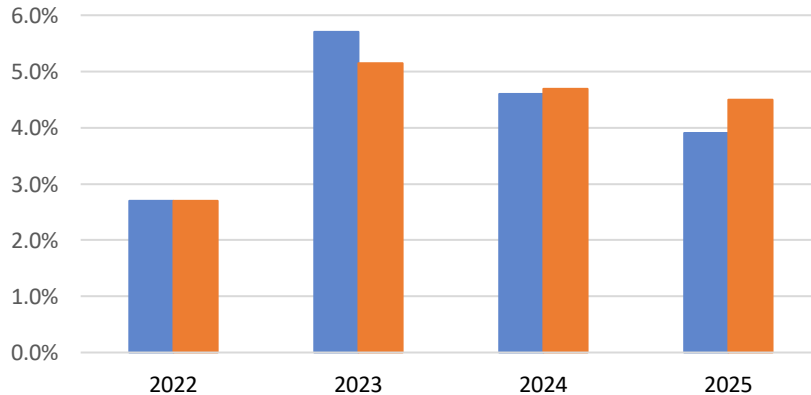
### Real GDP Growth



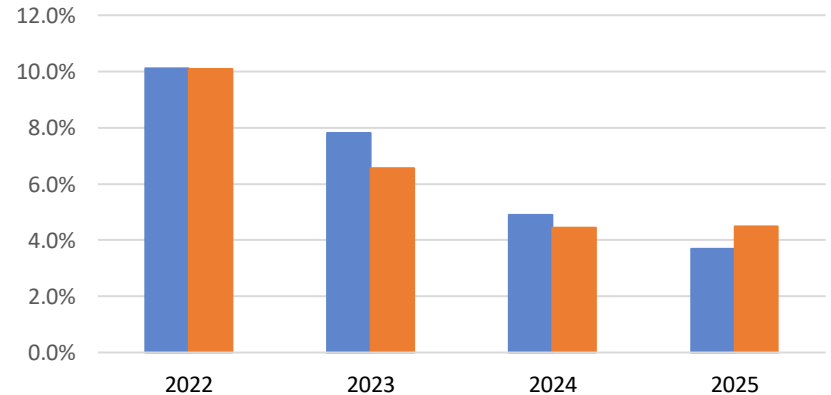
### US Employment



### US Personal Income



### US Wage & Salary



Source: S&P Global, June 5, 2023

■ May

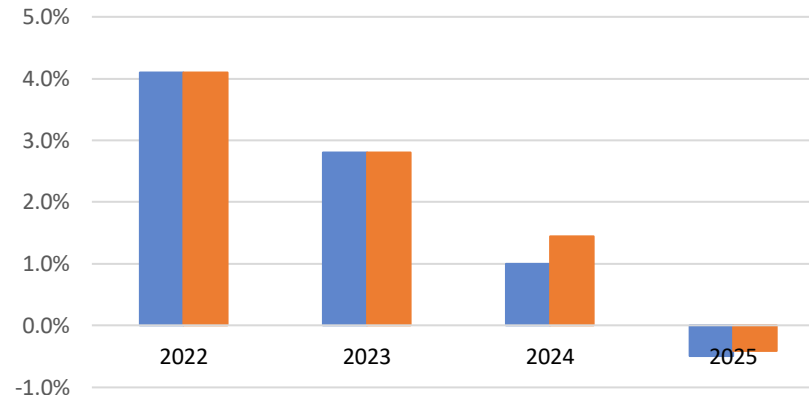
■ June



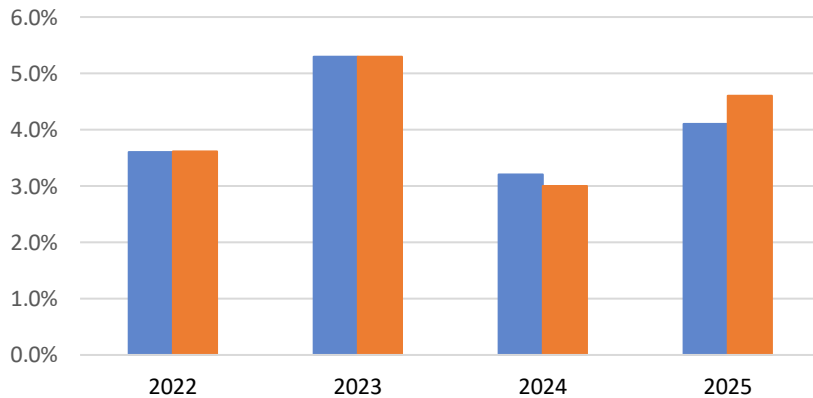
# Delaware Outlook Also Minimally Changed

## Fiscal Year Forecasts

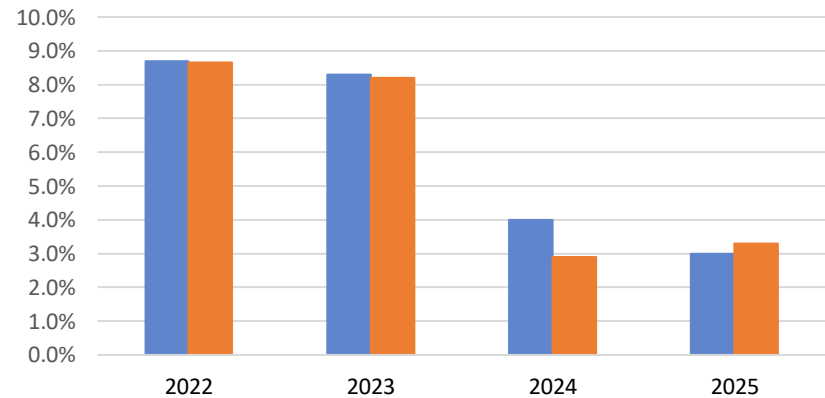
### DE Employment



### DE Personal Income



### DE Wage & Salary



■ May

■ June

# Net PIT

\$ in millions	FY 2023	FY 2024	FY 2025
Estimate	2,102.3	2,089.1	2,199.9
May Revision	11.2	6.1	4.6
Adj Growth	0.3%	(1.5%)	5.0%

- May estimated payments stronger than expected—tracking about \$11 million higher
- Fair amount of risk, as Q2 due date was yesterday
- Withholding adjusted slightly higher in out-years
- PIT outlook fundamentally unchanged—capital gains, decelerating withholding and slow economy affect this year and next, before “normal” FY 2025

# Net Corporate Income Tax

\$ in millions	FY 2023	FY 2024	FY 2025
Estimate	387.4	282.7	292.0
May Revision	20.5	(6.0)	0.0
Adj Growth	18.5%	(30.3%)	0.3%

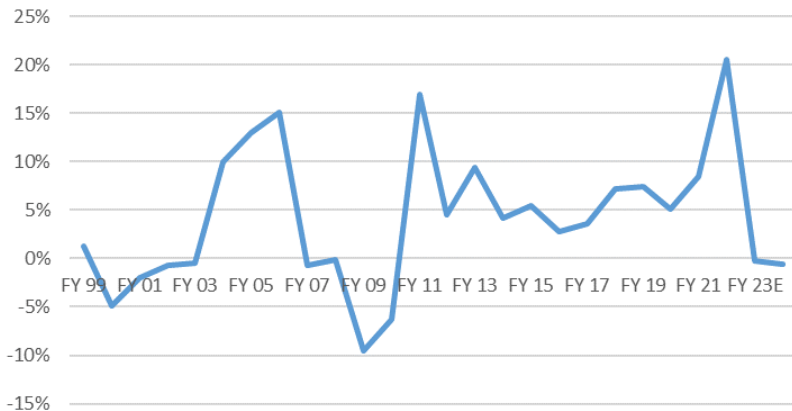
- May payments stronger than expected—combined April/May tentative up 7.7%, final up 16%
- No obvious reason not to expect same underlying growth in June (due date also yesterday)
- Remain cautious about the out-years
- Many large refunds (six figures) are in the refund queue, but will not be issued prior to June 30—shift of refunds from this year to next

# Remaining Changes—Tracking

Source	FY 23	FY 24
Unclaimed Property Claims	10.0	0.0
Gross Receipts Tax	6.0	0.0
Realty Transfer Tax	6.0	5.6
Bank Franchise Tax	4.9	(1.1)
Insurance Taxes and Fees	(2.8)	(2.8)
Hospital Board and Treatment	(1.5)	(1.5)
Public Utility Tax	(1.0)	(1.0)
Alcoholic Beverage Tax	(1.0)	(1.0)
Dividends and Interest	7.1	2.4
Other Revenues/Refunds	(1.0)	0.4

# End to Strong Growth

Net Personal Income Tax



Gross Corporate Income Tax



Gross Franchise Tax



GF Realty Transfer Tax



Note: Income taxes adjusted for 2020 and 2021 delayed due dates and 2022 Relief Rebates.

Fiscal Year 2023 Recommended Forecast

June-23 DEFAC Meeting	FY 2022 A	FY 2023				
		B	C	D	E	F
	Actual	DEFAC	%	DEFAC	%	\$ Increase
Revenue Category	Collections	May-23	B over A	Jun-23	D over A	D over B
<b>Personal Income Tax</b>	2,375.8	2,388.6	0.5%	2,399.8	1.0%	11.2
<b>Less: Refunds</b>	<u>(466.4)</u>	<u>(297.5)</u>	-36.2%	<u>(297.5)</u>	-36.2%	<u>0.0</u>
<b>PIT Less Refunds</b>	1,909.4	2,091.1	9.5%	2,102.3	10.1%	11.2
Franchise Tax	1,300.4	1,406.1	8.1%	1,406.1	8.1%	0.0
Limited Partnerships & LLC's	422.6	464.0	9.8%	464.0	9.8%	0.0
Subtotal Franchise + LP/LLC	1,723.1	1,870.1	8.5%	1,870.1	8.5%	0.0
Less: Refunds	<u>(14.3)</u>	<u>(15.0)</u>	4.8%	<u>(15.0)</u>	4.8%	<u>0.0</u>
Net Franchise + LP/LLC	1,708.7	1,855.1	8.6%	1,855.1	8.6%	0.0
<b>Business Entity Fees</b>	164.2	159.4	-2.9%	159.4	-2.9%	0.0
<b>Uniform Commercial Code</b>	31.0	28.9	-6.9%	28.9	-6.9%	0.0
Unclaimed Property	554.0	554.0	0.0%	554.0	0.0%	0.0
Less: Refunds	<u>(204.6)</u>	<u>(160.0)</u>	-21.8%	<u>(150.0)</u>	-26.7%	<u>10.0</u>
Unclaimed Prop Less Refunds	349.4	394.0	12.8%	404.0	15.6%	10.0
<b>Gross Receipts Tax</b>	331.0	354.9	7.2%	360.9	9.0%	6.0
<b>Lottery</b>	236.0	239.6	1.5%	239.6	1.5%	0.0
Corporation Income Tax	379.5	447.9	18.0%	462.4	21.8%	14.5
Less: Refunds	<u>(65.3)</u>	<u>(81.0)</u>	24.1%	<u>(75.0)</u>	14.9%	<u>6.0</u>
CIT Less Refunds	314.2	366.9	16.8%	387.4	23.3%	20.5
<b>Realty Transfer Tax</b>	304.3	240.8	-20.9%	246.8	-18.9%	6.0
<b>Cigarette Taxes</b>	115.3	102.0	-11.6%	102.0	-11.6%	0.0
Bank Franchise Tax	113.2	101.1	-10.7%	106.0	-6.4%	4.9
Insurance Taxes and Fees	98.6	110.6	12.1%	107.8	9.3%	(2.8)
Hospital Board and Treatment	21.0	23.4	11.5%	21.9	4.3%	(1.5)
<b>Public Utility Tax</b>	29.6	36.0	21.6%	35.0	18.2%	(1.0)
<b>Alcoholic Beverage Tax</b>	30.9	32.4	4.8%	31.4	1.6%	(1.0)
<b>Dividends and Interest</b>	12.6	28.9	129.2%	36.0	185.5%	7.1
<b>Other Revenues</b>	70.8	82.7	16.7%	81.8	15.5%	(0.9)
Less: Other Refunds	<u>(10.6)</u>	<u>(25.3)</u>	138.7%	<u>(25.4)</u>	139.7%	(0.1)
<b>Net Receipts</b>	<b>5,829.9</b>	<b>6,222.5</b>	<b>6.7%</b>	<b>6,280.9</b>	<b>7.7%</b>	<b>58.4</b>

Fiscal Year 2024 Recommended Forecast

June-23 DEFAC Meeting	FY 2024				
	G	H	I	J	K
	DEFAC	%	DEFAC	%	\$ Increase
Revenue Category	May-23	G over B	Jun-23	I over D	I over G
<b>Personal Income Tax</b>	<b>2,370.0</b>	<b>-0.8%</b>	<b>2,376.1</b>	<b>-1.0%</b>	<b>6.1</b>
<b>Less: Refunds</b>	<b><u>(287.0)</u></b>	<b>-3.5%</b>	<b><u>(287.0)</u></b>	<b>-3.5%</b>	<b><u>0.0</u></b>
<b>PIT Less Refunds</b>	<b>2,083.0</b>	<b>-0.4%</b>	<b>2,089.1</b>	<b>-0.6%</b>	<b>6.1</b>
Franchise Tax	1,278.9	-9.0%	1,278.9	-9.0%	0.0
Limited Partnerships & LLC's	<u>460.8</u>	-0.7%	<u>460.8</u>	-0.7%	0.0
Subtotal Franchise + LP/LLC	1,739.7	-7.0%	1,739.7	-7.0%	0.0
Less: Refunds	<u>(10.0)</u>	-33.3%	<u>(10.0)</u>	-33.3%	<u>0.0</u>
Net Franchise + LP/LLC	1,729.7	-6.8%	1,729.7	-6.8%	0.0
<b>Business Entity Fees</b>	<b>150.0</b>	<b>-5.9%</b>	<b>150.0</b>	<b>-5.9%</b>	<b>0.0</b>
<b>Uniform Commercial Code</b>	<b>26.5</b>	<b>-8.3%</b>	<b>26.5</b>	<b>-8.3%</b>	<b>0.0</b>
Unclaimed Property	525.0	-5.2%	525.0	-5.2%	0.0
Less: Refunds	<u>(150.0)</u>	-6.3%	<u>(150.0)</u>	0.0%	<u>0.0</u>
Unclaimed Prop Less Refunds	375.0	-4.8%	375.0	-7.2%	0.0
<b>Gross Receipts Tax</b>	<b>358.7</b>	<b>1.1%</b>	<b>358.7</b>	<b>-0.6%</b>	<b>0.0</b>
<b>Lottery</b>	<b>236.2</b>	<b>-1.4%</b>	<b>236.2</b>	<b>-1.4%</b>	<b>0.0</b>
Corporation Income Tax	358.7	-19.9%	358.7	-22.4%	0.0
Less: Refunds	<u>(70.0)</u>	-13.6%	<u>(76.0)</u>	1.3%	<u>(6.0)</u>
CIT Less Refunds	288.7	-21.3%	282.7	-27.0%	(6.0)
<b>Realty Transfer Tax</b>	<b>221.5</b>	<b>-8.0%</b>	<b>227.1</b>	<b>-8.0%</b>	<b>5.6</b>
<b>Cigarette Taxes</b>	<b>98.6</b>	<b>-3.3%</b>	<b>98.6</b>	<b>-3.3%</b>	<b>0.0</b>
Bank Franchise Tax	104.9	3.8%	103.8	-2.1%	(1.1)
Insurance Taxes and Fees	108.1	-2.3%	105.3	-2.3%	(2.8)
Hospital Board and Treatment	23.8	1.7%	22.3	1.8%	(1.5)
<b>Public Utility Tax</b>	<b>34.9</b>	<b>-3.1%</b>	<b>33.9</b>	<b>-3.1%</b>	<b>(1.0)</b>
<b>Alcoholic Beverage Tax</b>	<b>32.9</b>	<b>1.5%</b>	<b>31.9</b>	<b>1.6%</b>	<b>(1.0)</b>
<b>Dividends and Interest</b>	<b>113.2</b>	<b>291.7%</b>	<b>115.6</b>	<b>221.1%</b>	<b>2.4</b>
<b>Other Revenues</b>	<b>69.5</b>	<b>-16.0%</b>	<b>69.9</b>	<b>-14.5%</b>	<b>0.4</b>
Less: Other Refunds	<u>(16.9)</u>	-33.2%	<u>(16.9)</u>	-33.5%	0.0
<b>Net Receipts</b>	<b>6,038.3</b>	<b>-3.0%</b>	<b>6,039.4</b>	<b>-3.8%</b>	<b>1.1</b>

Fiscal Year 2025 Recommended Forecast

<b>June-23 DEFAC Meeting</b>	<b>FY 2025</b>				
	<b>L</b>	<b>M</b>	<b>N</b>	<b>O</b>	<b>P</b>
	<b>DEFAC</b>	<b>%</b>	<b>DEFAC</b>	<b>%</b>	<b>\$ Increase</b>
Revenue Category	<b>May-23</b>	<b>L over G</b>	<b>Jun-23</b>	<b>N over I</b>	<b>N over L</b>
<b>Personal Income Tax</b>	<b>2,468.0</b>	<b>4.1%</b>	<b>2,472.6</b>	<b>4.1%</b>	<b>4.6</b>
<b>Less: Refunds</b>	<b><u>(272.7)</u></b>	<b>-5.0%</b>	<b><u>(272.7)</u></b>	<b>-5.0%</b>	<b><u>0.0</u></b>
<b>PIT Less Refunds</b>	<b>2,195.3</b>	<b>5.4%</b>	<b>2,199.9</b>	<b>5.3%</b>	<b>4.6</b>
Franchise Tax	1,278.9	0.0%	1,278.9	0.0%	0.0
Limited Partnerships & LLC's	<u>460.8</u>	0.0%	<u>460.8</u>	0.0%	<u>0.0</u>
Subtotal Franchise + LP/LLC	1,739.7	0.0%	1,739.7	0.0%	0.0
Less: Refunds	<u>(10.0)</u>	0.0%	<u>(10.0)</u>	0.0%	<u>0.0</u>
Net Franchise + LP/LLC	1,729.7	0.0%	1,729.7	0.0%	0.0
<b>Business Entity Fees</b>	<b>150.0</b>	<b>0.0%</b>	<b>150.0</b>	<b>0.0%</b>	<b>0.0</b>
<b>Uniform Commercial Code</b>	<b>26.5</b>	<b>0.0%</b>	<b>26.5</b>	<b>0.0%</b>	<b>0.0</b>
Unclaimed Property	500.0	-4.8%	500.0	-4.8%	0.0
Less: Refunds	<u>(150.0)</u>	0.0%	<u>(150.0)</u>	0.0%	<u>0.0</u>
Unclaimed Prop Less Refunds	350.0	-6.7%	350.0	-6.7%	0.0
<b>Gross Receipts Tax</b>	<b>371.3</b>	<b>3.5%</b>	<b>368.0</b>	<b>2.6%</b>	<b>(3.3)</b>
<b>Lottery</b>	<b>239.8</b>	<b>1.5%</b>	<b>239.8</b>	<b>1.5%</b>	<b>0.0</b>
Corporation Income Tax	362.0	0.9%	362.0	0.9%	0.0
Less: Refunds	<u>(70.0)</u>	0.0%	<u>(70.0)</u>	-7.9%	<u>0.0</u>
CIT Less Refunds	292.0	1.1%	292.0	3.3%	0.0
<b>Realty Transfer Tax</b>	<b>257.4</b>	<b>16.2%</b>	<b>263.9</b>	<b>16.2%</b>	<b>6.5</b>
<b>Cigarette Taxes</b>	<b>96.2</b>	<b>-2.4%</b>	<b>96.2</b>	<b>-2.4%</b>	<b>0.0</b>
Bank Franchise Tax	107.2	2.2%	109.9	5.9%	2.7
Insurance Taxes and Fees	112.8	4.3%	109.9	4.4%	(2.9)
Hospital Board and Treatment	24.0	0.8%	22.5	0.9%	(1.5)
<b>Public Utility Tax</b>	<b>33.7</b>	<b>-3.4%</b>	<b>32.8</b>	<b>-3.2%</b>	<b>(0.9)</b>
<b>Alcoholic Beverage Tax</b>	<b>33.2</b>	<b>1.0%</b>	<b>32.2</b>	<b>0.9%</b>	<b>(1.0)</b>
<b>Dividends and Interest</b>	<b>107.0</b>	<b>-5.5%</b>	<b>111.1</b>	<b>-3.9%</b>	<b>4.1</b>
<b>Other Revenues</b>	<b>70.1</b>	<b>0.9%</b>	<b>71.8</b>	<b>2.7%</b>	<b>1.7</b>
Less: Other Refunds	<u>(16.9)</u>	0.0%	<u>(16.9)</u>	0.0%	<u>0.0</u>
<b>Net Receipts</b>	<b>6,179.3</b>	<b>2.3%</b>	<b>6,189.3</b>	<b>2.5%</b>	<b>10.0</b>



# Balance & Appropriations

## FY 2023 EXPENDITURES

Total Spending Authority	\$7,503.4
Less: Continuing Appropriations & Encumbrances from FY23	(\$1,598.0)
Less: Reversions	(\$66.5)
<b>Total Expenditures</b>	<b>\$5,838.9</b>

## FY 2023 BALANCES

Total Expenditures	\$5,838.9
vs. FY 2023 Revenues	\$6,280.9
Operating Balance	\$442.0
Prior Year Cash Balance	\$2,605.3
Less: Budget Stabilization Fund (83 Del Law c 325; SB 250, Section 71)	(\$402.6)
Cumulative Cash Balance	\$2,644.7
Less: Continuing Appropriations & Encumbrances from FY 2023	(\$1,598.0)
Less: Budgetary Reserve Account	(\$316.4)
<b>Unencumbered Cash Balance 6/30</b>	<b>\$730.2</b>

## FY 2024 APPROPRIATION LIMITS

FY 2024 Revenue Estimate	\$6,039.4
Unencumbered Cash Balance from FY 2023	\$730.2
100% Appropriation Limit	\$6,769.7
98% Appropriation Limit	<u>\$6,634.2</u>
Prior 98% Appropriation Limit	\$6,549.9
Increase (Decrease) from Prior Meeting	\$84.3
Oct 2022 98% Appropriation Limit	\$6,268.7
Increase (Decrease) from October 2022	\$365.5

## FY 2023 BUDGET

Budget	\$5,099.7
Grants	\$69.4
Supplemental	\$1,234.1
<b>Total Appropriations</b>	<b>\$6,403.2</b>
Plus: Continuing Appropriations & Encumbrances from Prior Years	\$1,100.2
<b>Total Spending Authority</b>	<b>\$7,503.4</b>

## 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 2024	\$6,039,400,000
	x 0.05
New Tax-Supported Debt Limit for FY 2024	\$301,970,000

Friday, June 16, 2023