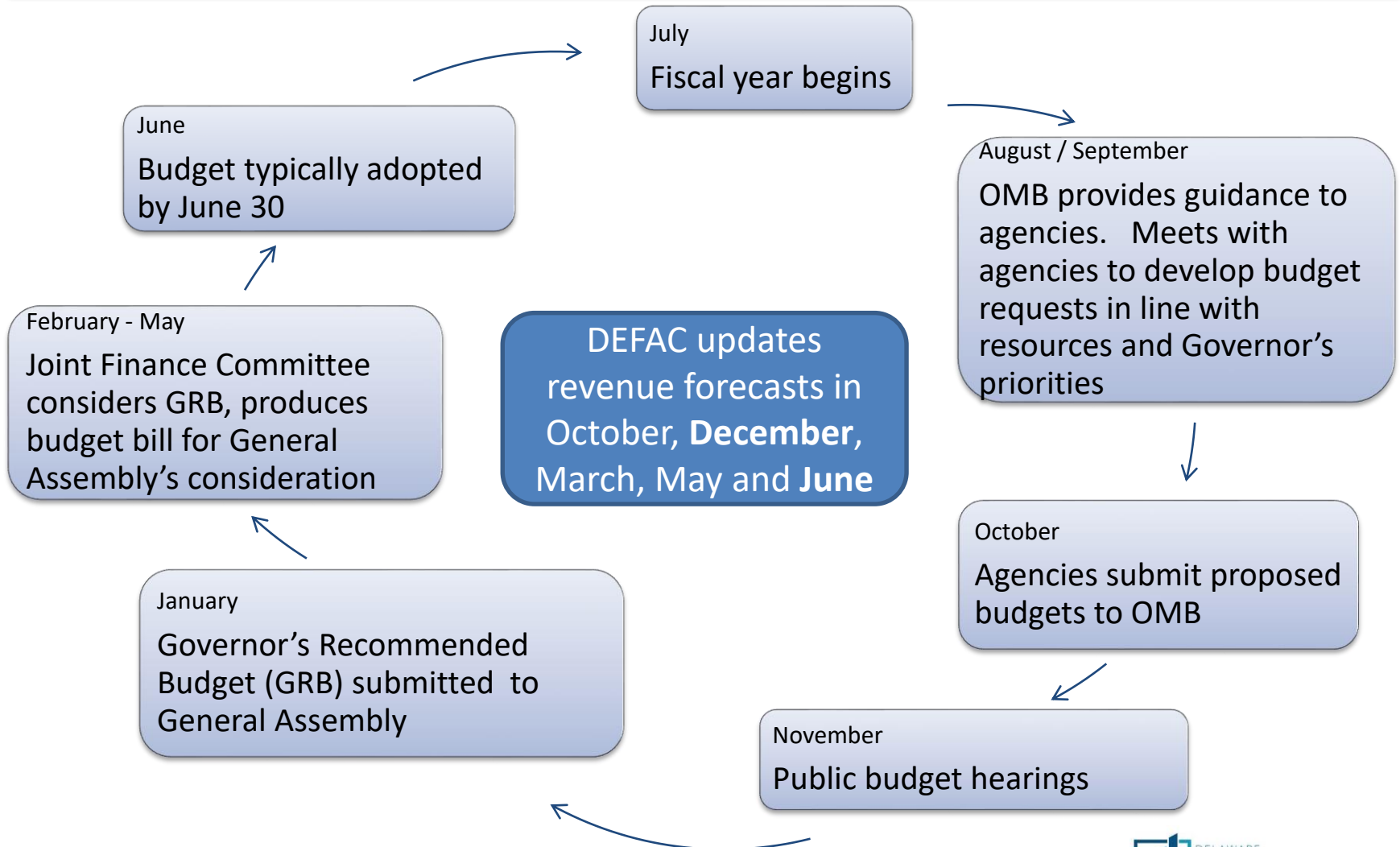


# Delaware Budget Cycle



# FY 2022 Financial Overview

- Since March 1<sup>st</sup>, revenue forecast reduced \$529 million for FY20 & FY21
- State General Fund revenue growth weakened by COVID
  - FY 2017 +1.7% / +\$68M
  - FY 2018 +9.5% / +\$380M
  - FY 2019 +4.5% / +\$199M
  - FY 2020 -2.1% / -\$98M      Pre-Covid      +3.2% / +\$149M
  - FY 2021 +0.9% / \$41M      Pre-Covid      +1.6% / +\$78M
  - FY 2022 +0.4% / \$18M      Pre-Covid      +2.7% / +\$131M
- Typical Door Openers
  - Medicaid
  - School enrollment growth and special needs funding
  - Pension plan and debt service
  - Required personnel costs (e.g., salary steps and CBA's)

# FY 2022 Financial Overview (cont.)

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- Limited resources to address new budget demands absent:
  - Stronger revenue recovery than the current forecast
  - Dipping into remaining reserves
  - Revenue enhancers or switch funding
- Federal stimulus funds (CARES ACT) only available for COVID related expenses that exceed our budget and not for general state budget needs or revenue losses.