

State of Delaware

Financial Overview

*Health Fund Advisory Committee
September 19, 2024*

Agenda

- FY 2025 Budget Package Overview
- DEFAC Revenue Forecast
- Cost Drivers
- Spending Limitations
- FY 2026 and What's Next

Fiscal Year 2025 Financial Package



- **General Fund Operating Budget.....\$6,129.2 M**
 - GF Operating Budget Growth 9.3% (\$522.5 M)

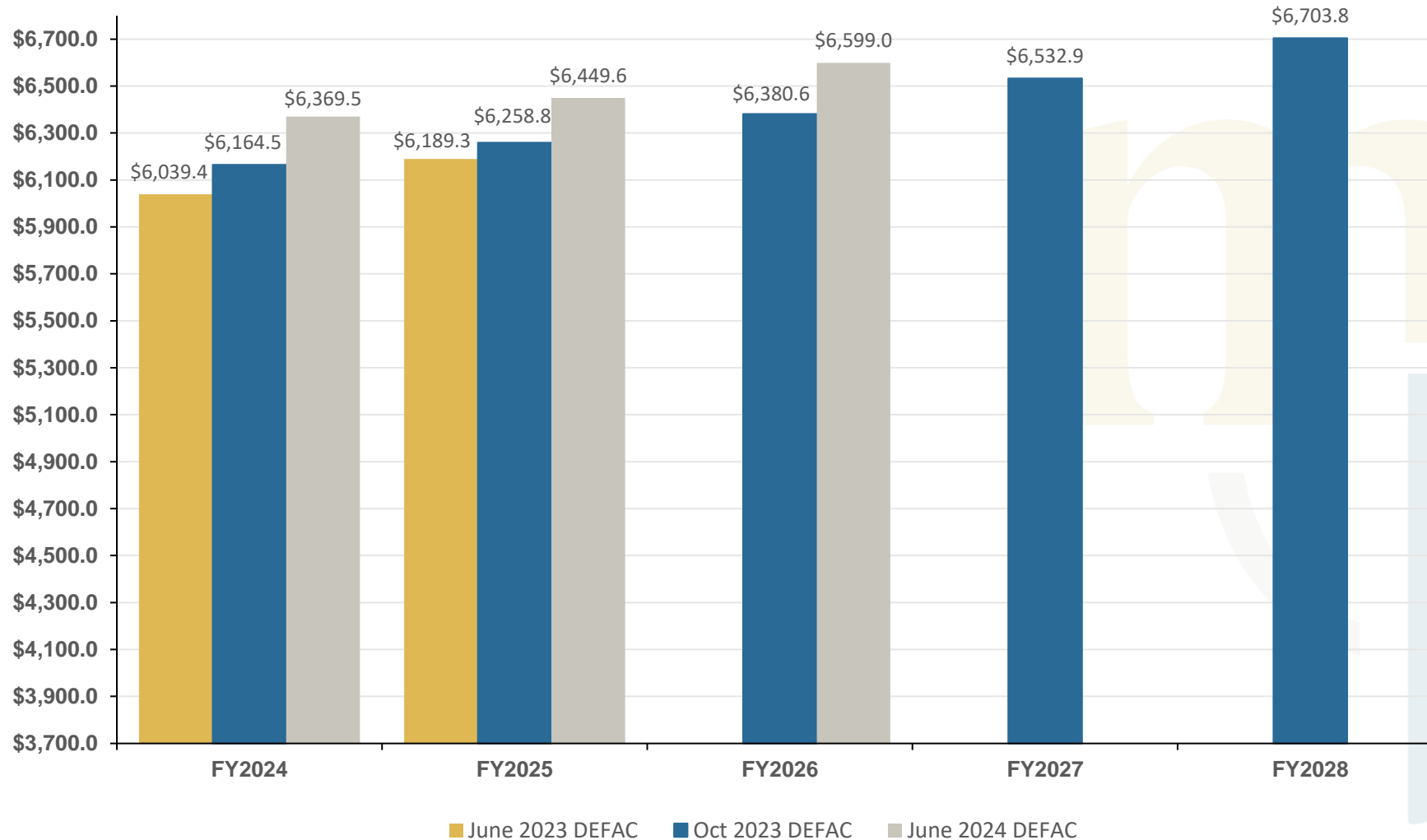
- **One-Time Supplemental.....\$168.4 M**

- **Bond and Capital Improvements Act...\$1,116.2 M**
 - State Capital Projects \$787.5 M
 - G.O. Bonds \$317.5 M
 - Cash \$427.5 M
 - Other. \$42.5 M
 - Transportation Authorizations \$328.7 M

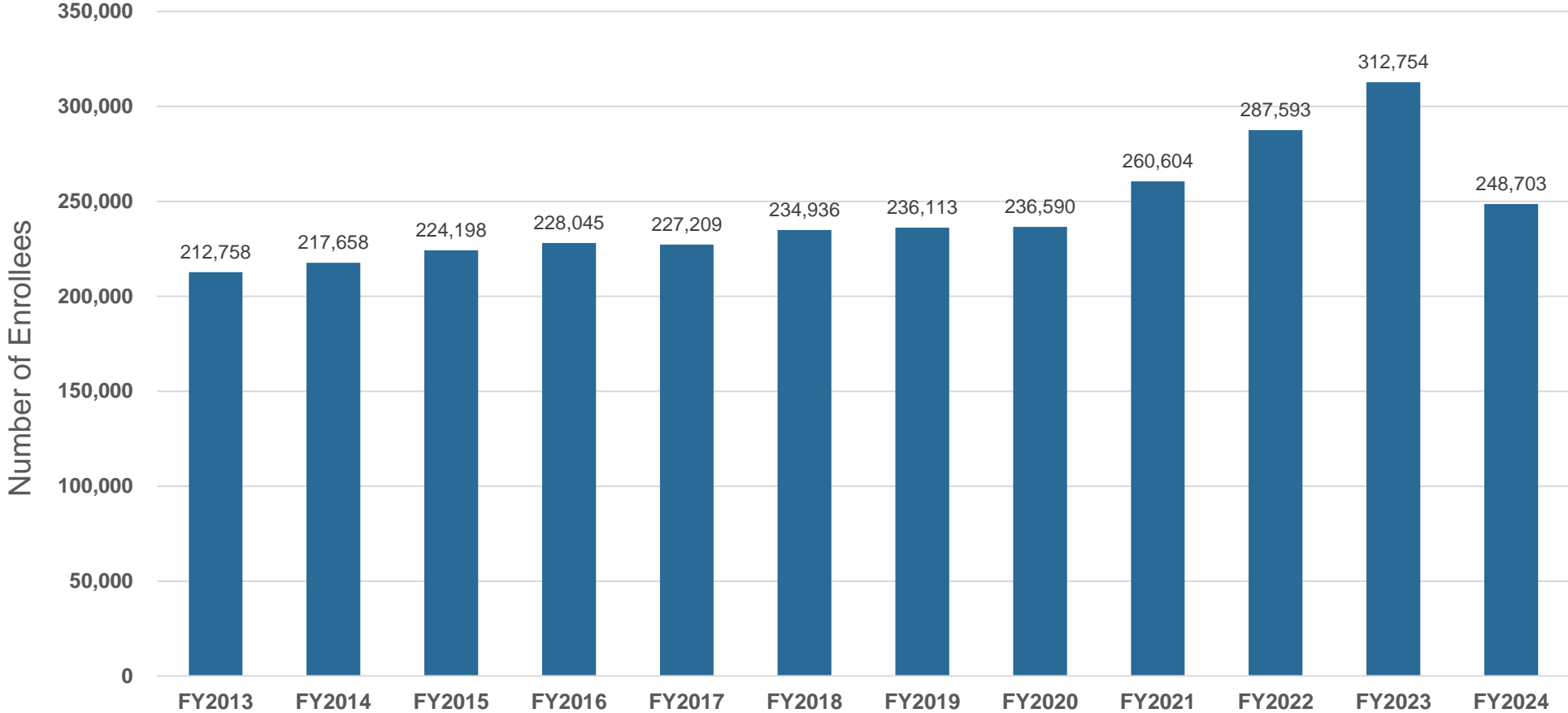
- **Grants-In-Aid.....\$98.5 M**

- **Budget Stabilization Fund.....\$469.2 M**

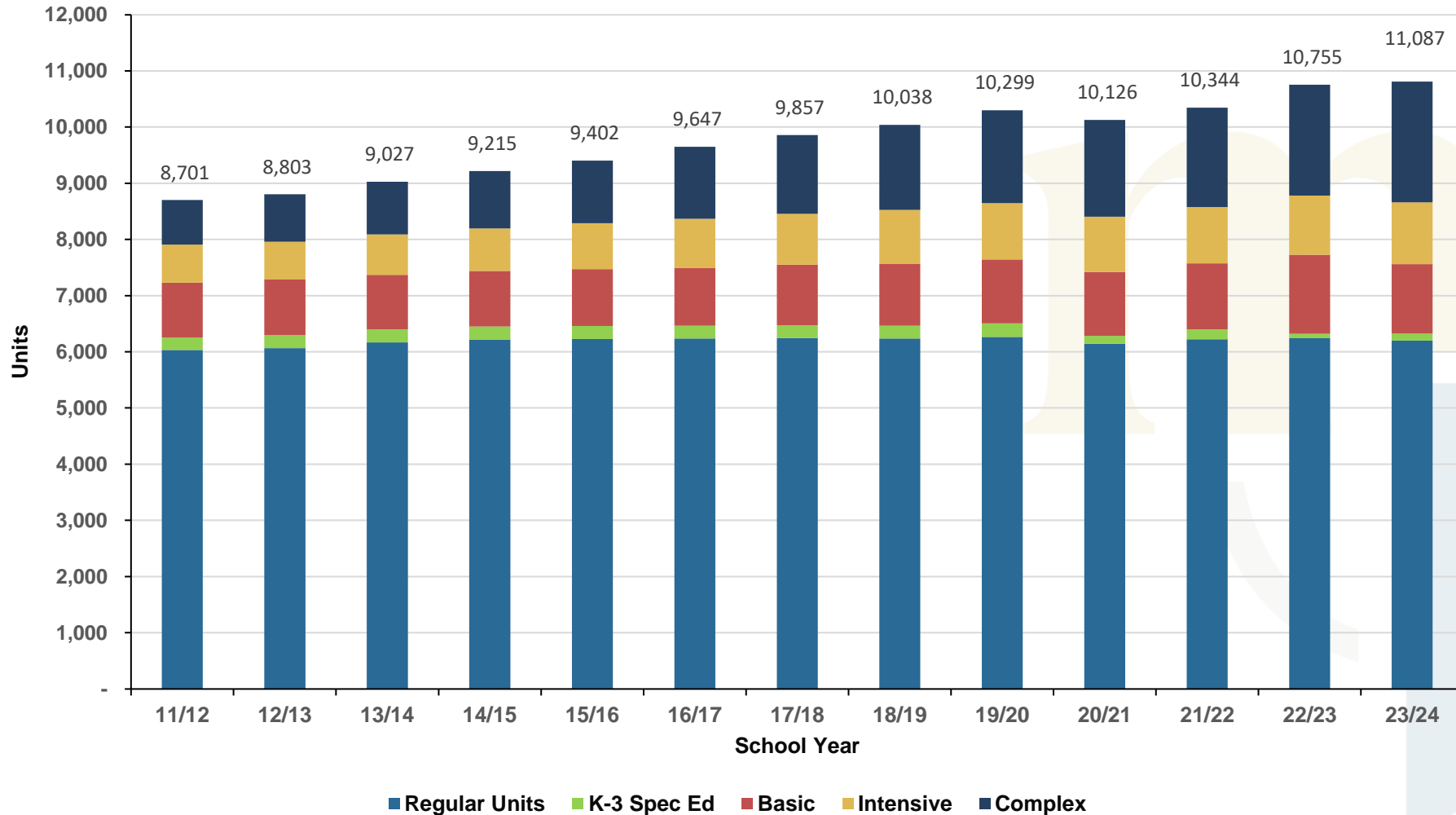
DEFAC: Five Year Revenue Forecast



Cost Drivers: Avg. Enrollment for Medicaid



Cost Drivers: Public Education Student Units



Spending Limitations

- 98% Appropriation Limit
- 5% Budget Reserve Account
- Enactment of Senate Bill 270
 - Advisory Benchmark
 - Budget Stabilization Fund
- Debt Issuance

DE Constitution Article VIII: <https://delcode.delaware.gov/constitution/index.shtml>

29 Del. Code §6533: <https://delcode.delaware.gov/>

29 Del. Code §7422: <https://delcode.delaware.gov/>



What does this mean for FY 2026?

- Updated revenue forecast
 - October 21
 - December 16
- Budgetary issues:
 - Slow revenue growth projected for FY 26
 - Significant Door Openers

What's Next?

- ❖ October 15, 2024 – Budget Submissions Due
- ❖ October 21, 2024 – DEFAC Meeting
- ❖ November 2024 – OMB Public Hearings
- ❖ December 16, 2024 – DEFAC Meeting
- ❖ January 2025 – Governor's Recommended Budgets
- ❖ February – JFC Public Hearings
- ❖ March 17, 2025 – DEFAC Meeting
- ❖ Spring 2025 – Bond Committee Hearings
- ❖ May 19, 2025 – DEFAC Meeting
- ❖ May/June – JFC Markup, Operating Budget
- ❖ June 16, 2025 – DEFAC Meeting
- ❖ June – Bond Bill Markup, Capital Budget

