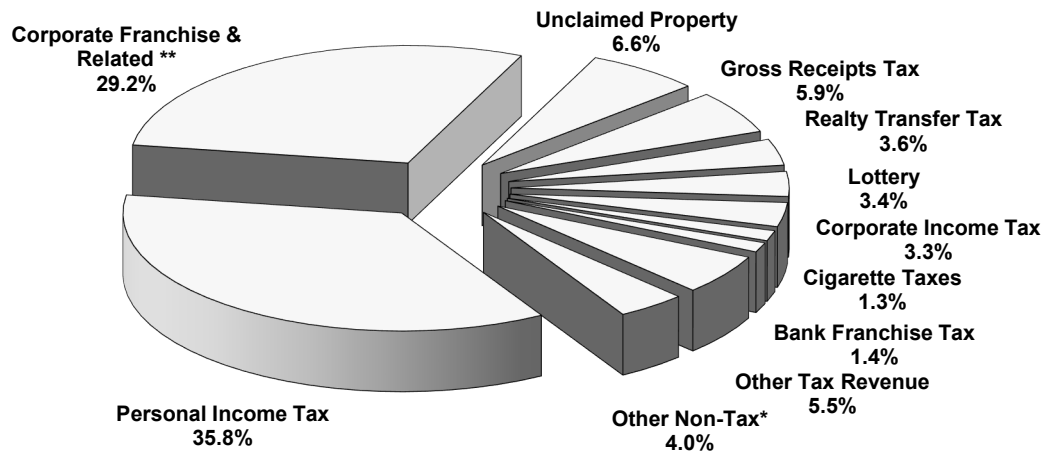




GOVERNOR'S RECOMMENDED BUDGET

Fiscal Year 2027

Sources of Funds (Net of Refunds)

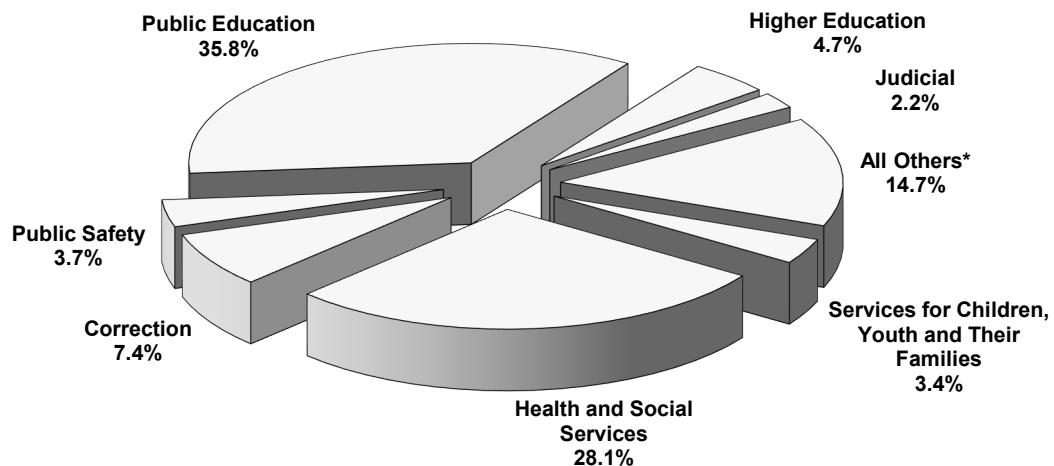


* Includes Prior Year Unencumbered Cash Balance.

** Includes Corporate Franchise Taxes, Business Entity Fees and Limited Partnerships and Limited Liability Companies.

Note: Data is inclusive of proposed revenue package and tax policy changes.

Operating Appropriations



* Includes Contingencies and One-Time Items.

Financial Summary



GENERAL FUND REVENUE

(\$ Millions)

The Delaware Economic and Financial Advisory Council (DEFAC), at the December 15, 2025 meeting, adopted a Fiscal Year 2027 revenue estimate of \$6,948.5 million.

	Fiscal Year 2025 Actual	Fiscal Year 2026 Forecast	Fiscal Year 2027 Forecast
Personal Income Tax	\$ 2,718.2	\$ 2,821.3	\$ 2,915.6
Corporation Income Tax	452.5	413.3	335.0
Franchise Tax	1,324.4	1,328.9	1,328.9
Gross Receipts Tax	388.5	420.1	432.2
Hospital Board and Treatment	23.5	21.4	21.4
Dividends and Interest	165.5	188.4	145.4
Public Utility Tax	36.0	35.2	33.3
Cigarette Taxes	87.5	82.4	78.3
Realty Transfer Tax	235.8	247.9	267.5
Insurance Taxes and Fees	100.3	84.2	102.1
Unclaimed Property	554.0	554.0	554.0
Business Entity Fees	171.4	171.0	171.0
Bank Franchise Tax	114.8	96.5	105.5
Lottery	230.0	248.4	252.6
Limited Partnerships and Limited Liability Companies	522.1	551.0	557.0
Uniform Commercial Code	32.5	30.0	30.0
Other Revenues	<u>113.8</u>	<u>120.4</u>	<u>122.0</u>
Total Revenue	\$ 7,270.7	\$ 7,414.4	\$ 7,451.8
LESS: Revenue Refunds	<u>(576.5)</u>	<u>(557.5)</u>	<u>(503.3)</u>
NET REVENUE	\$ <u>6,694.3</u>	\$ <u>6,856.9</u>	\$ 6,948.5
ADJUSTMENTS:			
Corporate Income Tax			(10.0)
Cigarette Taxes			18.9
Unclaimed Property			60.0
Limited Partnerships and Limited Liability			<u>81.0</u>
			149.9
TOTAL			\$ <u><u>7,098.4</u></u>

The Delaware Economic and Financial Advisory Council (DEFAC) adopted Fiscal Year 2026 and Fiscal Year 2027 revenue estimates at the December 2025 meeting.

Note: Total revenue figures are not the sum of the components due to rounding of actual amounts.

Financial Summary



GENERAL FUND BUDGET BY DEPARTMENT (\$ Thousands)

	Fiscal Year 2026	Fiscal Year 2027 Recommended
Legislative	\$ 25,810.4	\$ 26,254.0
Judicial	141,875.8	151,258.0
Executive*	381,908.6	322,363.3
Technology and Information	61,454.6	69,287.0
Other Elective	269,693.4	281,402.9
Inspector General**	n/a	1,398.5
Legal	92,021.7	104,720.9
Human Resources	42,961.3	43,477.3
State	39,792.0	40,750.0
Finance	17,237.8	17,809.9
Health and Social Services	1,752,220.5	1,952,234.0
Services for Children, Youth and Their Families	235,203.2	238,145.3
Correction	468,365.8	515,778.5
Natural Resources and Environmental Control	54,205.6	55,711.7
Safety and Homeland Security	236,490.8	254,859.9
Transportation	5,000.0	5,000.0
Labor	13,629.6	14,257.8
Agriculture	12,736.8	12,985.5
Elections	9,289.4	9,775.2
Fire Prevention Commission	9,164.4	9,445.7
Delaware National Guard	6,319.9	6,467.6
Advisory Council for Exceptional Citizens	401.6	411.8
Higher Education	315,567.7	324,061.0
Education	<u>2,389,496.1</u>	<u>2,480,458.0</u>
TOTAL	\$ <u>6,580,847.0</u> ***	\$ <u>6,938,313.8</u>

*Includes Contingencies and One-Time Items to be allocated to other departments.

**Office of Inspector General was established on August 14, 2025, upon enactment of Senate Bill 4, as amended by Senate Amendments 1, 2, and 3 of the 153rd General Assembly.

***As authorized by the 153rd General Assembly in Section 1 of House Bill 225 (by Department).

Financial Summary

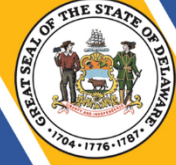


FISCAL OVERVIEW (\$ Millions)

	Fiscal Year 2025 Actual	Fiscal Year 2026 Estimated	Fiscal Year 2027 Estimated
Revenue	\$ 6,694.3	\$ 6,856.9	\$ 6,948.5
Proposed Revenue Package			149.9
Appropriations			
Operating Budget	6,129.2	6,580.8	6,909.4
Grants-In-Aid	98.5	98.3	85.5
Supplemental	168.4	37.6	29.0
General Funds to Capital	427.5	368.3	221.2
Total Appropriations	6,823.6	7,085.1 *	7,245.0 *
Continuing and Encumbered			
Appropriations (prior year)	1,864.5	1,666.8	1,433.6
Total	8,688.1	8,751.9	8,678.6 *
Less: Continuing and Encumbered			
Appropriations (current year)	(1,666.8)	(1,433.6)	(521.3)
Reversions	(95.9)	(100.0)	(25.0)
Total Ordinary Expenditures	6,925.4	7,218.3	8,132.3 *
Balances			
Operating Balance	(231.1)	(361.4)	(1,033.9)
Prior Year Cash Balance	3,156.4	2,925.3	2,563.9
Cumulative Cash Balance	2,925.3	2,563.9	1,530.0
Less: Continuing and Encumbered			
Appropriations (current year)	(1,666.8)	(1,433.6)	(521.3)
Budget Reserve Account (current year)	(348.7)	(366.5)	(380.1)
Budget Stabilization Fund (current year)	(469.3)	(469.3)	(469.3)
Unencumbered Cash Balance	440.5	294.5	159.3
Appropriation Limit			
Cumulative Cash Balance (prior year)	3,156.4	2,925.3	2,563.9
Less: Continuing and Encumbered			
Appropriations (prior year)	(1,864.5)	(1,666.8)	(1,433.6)
Budget Reserve Account (prior year)	(328.8)	(348.7)	(366.5)
Budget Stabilization Fund (prior year)	(410.1)	(469.3)	(469.3)
Unencumbered Cash Balance	553.0	440.5	294.5
Net Fiscal Year Revenue	6,694.3	6,856.9	7,098.4
Total (100% Limit)	7,247.3	7,297.4	7,392.9
X 98% Limit	0.98	0.98	0.98
APPROPRIATION LIMIT	\$ 7,102.3	\$ 7,151.4	\$ 7,245.0

DEFAC adopted Fiscal Year 2026 and Fiscal Year 2027 revenue and expenditure estimates at the December 2025 meeting.

* This figure is not the sum of the components due to rounding of actual amounts.



BOND AND CAPITAL IMPROVEMENTS ACT FUNDING SOURCES (\$ Thousands)

Source	Fiscal Year 2025	Fiscal Year 2026	Governor's Recommended Fiscal Year 2027
STATE CAPITAL PROJECTS			
General Obligation Bonds	\$ 317,480.0	\$ 339,145.0	\$ 354,920.0
Bond Premium & Reprogramming	42,510.1	57,209.1	1,600.0
One-Time Special Funds	-	-	78,935.5
General Fund	427,464.9	368,340.0	221,173.9
Subtotal	\$ 787,455.0	\$ 764,694.1	\$ 656,629.4
TRANSPORTATION PROJECTS			
Transportation Trust Fund	\$ 328,702.1	\$ 212,616.5	\$ 277,780.7
General Funds to Transportation	-	-	-
Subtotal	\$ 328,702.1	\$ 212,616.5	\$ 277,780.7
GRAND TOTAL	\$ 1,116,157.1	\$ 977,310.6	\$ 934,410.1