

Joint Finance Committee Hearing

Fiscal Year 2027

February 3, 2026



OFFICE OF
management
+ budget



Our Divisions



Budget Development

Develops the Governor's Recommended Budget and provides legislative policy review.

- ▶ Led the **development** of Governor Meyer's Fiscal Year 2026 budget reset and the **successful implementation** of the Fiscal Year 2026 budget.
- ▶ Administered a **\$7.5 billion** financial plan and processed more than **\$4.0 billion** in federal grants in Fiscal Year 2025.
- ▶ Implemented **new web-based capital budget system** to streamline agency requests and automate development of the Governor's Recommended Budget.

Office of State Planning Coordination

Coordinates effective land use by state, county, and municipal governments.

- Renewed **Downtown Development Districts** for Wilmington, Dover, and Seaford to continue revitalization efforts.
- Launched the **State Land Inventory Management System (SLIM) database** and completed report of State Strategies for Policies and Spending.
- Published the **2025 Annual Planning Report** and launched GIS Data Storymap.

Division of Facilities Management

Manages State construction projects and maintains State facilities.

- Oversees **260 projects** and managed **3.2 million sq. ft.** of State-owned space and **1.8 million sq. ft.** leased.
- Delivered new facilities - **Troop 6** and **Sussex Family Courthouse** - without service disruptions, showcasing Delaware's commitment to modern infrastructure.
- Launched a **centralized online bidding platform** for facilities projects, modernizing procurement and enhancing efficiency and transparency.

Office of Pensions

Manages the State's pension fund along with several other pension plans.

- Achieved **11.3% investment return** for Fiscal Year 2025, exceeding the 7% target.
- Achieved a funded ratio for the State Employee Pension Plan of **87.9% actuarial / 91.4% market value**. In addition, the OPEB funded ratio increased from **6.5% in 2022 to 18.1% in 2025**.
- Earned **national recognition** with the GFOA Certificate of Achievement and Public Pension Coordinating Council Award for excellence in financial reporting.

Government Support Services

Provides vital central government support.

- Delivered **14.8 million lbs.** of USDA food valued at **\$19.6 million**.
- Managed **209 contracts** totaling **\$313.0 million**.
- Installed **100+ EV charging stations** and grew EV fleet to **245 vehicles**, reaching 20% zero-emission vehicles target ahead of 2026 goals.

Payroll Human Resources Statewide Technology (PHRST)

Delaware's central
payroll operations
group.

- ▶ Ensured successful payment of more than **42,000 employees** per pay period across more than **400 salary plans**, totaling **\$3.1 billion in gross payroll**.
- ▶ Supported **statewide** agencies, schools, and higher education institutions with system administration and project updates.
- ▶ Advanced **ERP Modernization Project** to replace HR, payroll, benefits, time and attendance, and financial systems statewide.



OMB Position Update



- ◆ **360.0 FTEs total in Fiscal Year 2027 GRB**
 - **222.0 GF FTEs**
 - **128.8 ASF FTEs**
 - **9.2 NSF FTEs**
- ◆ **3.0 FTEs increase in Fiscal Year 2027 GRB**
 - **2.0 GF FTEs (Mechanic III) for Custom House**
 - **1.0 ASF FTEs (Human Resource Analyst) for Retirement Centralization**
- ◆ **38.0 FTEs vacant as of January 1, 2026**

Operating Budget Requests

Fiscal Year 2027

Office of Management and Budget

FY 2027 Operating Budget Requests

Door Openers

- \$ 504.9 - Custom House Renovation & 2.0 FTEs
- \$ 361.0 - Closed State Police Pension Plan inflationary increase
- \$ 140.0 - DFM annualization of 7.0 FTEs

Targeted Reductions

- (\$ 1,611.0) - Closed State Police Plan Health Care
- (\$ 50.0) - PHRST Contractual Services

Statewide Contingencies & One-Time Items

FY 2027 Operating Budget Requests

Door Openers

- \$31,000.0 - Employee/Retiree Healthcare
- \$ 4,516.3 - OPEB Contribution
- \$ 1,500.0 - Legal Fees
- \$ 1,250.0 - Senior Property Tax Credit
- \$ 1,000.0 - Disabled Veteran Property Tax Credit

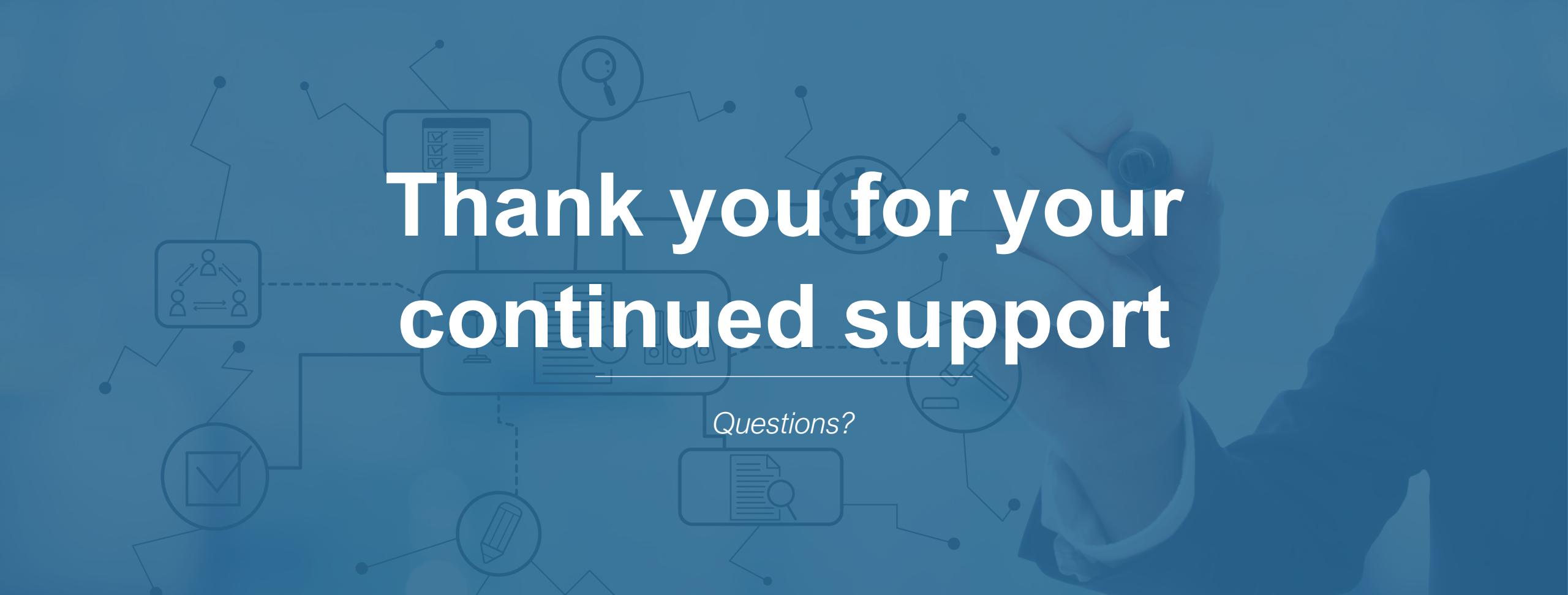
Targeted Reductions

- (\$61,292.2) - Utilize Escheat Special Fund for OPEB Contribution
- (\$31,000.0) - Employee/Retiree Healthcare
- (\$ 4,516.3) - Utilize Escheat Special Fund for OPEB Contribution



ASF Budget Requests

- \$ 65,808.5 - Utilize Escheat Special Fund for OPEB Contribution
- \$ 109.7 - Pension annualization of 3.0 FTEs
- \$ 90.8 - Pension 1.0 FTE for retirement centralization
- \$ 10.0 - Pension Silver Lake Boulevard lease
- \$ 47.2 - Fleet annualization of 3.0 FTEs
- \$ 1,500.0 - Fleet alignment of authority with expenses



Thank you for your continued support

Questions?



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