

DEFAC STRUCTURE

DEFAC is currently comprised of 31 members representing academia and the business community as well as the General Assembly and executive branch of state government. DEFAC's chairperson is Michael Houghton. DEFAC has two standing subcommittees: The Revenue Subcommittee (chaired by Kenneth A. Lewis) and the Expenditure Subcommittee (chaired by Edward Ratledge). The Department of Finance provides staff support to DEFAC.

Beginning with the Executive Order issued by Governor Carper in 1993, DEFAC is required to prepare annual five-year forecasts. The long-term forecast is presented at the September meeting and is intended to provide policymakers with an early warning system with respect to long-term fiscal challenges and opportunities. Additionally, each September, DEFAC verifies Delaware's annual inflation adjustments to filing thresholds for various tax types.

DEFAC traditionally meets on the third Monday of the designated months. The Subcommittees meet prior to deliberate on economic and fiscal trends and to prepare a report for the full Council meeting. Mr. Houghton presides over the meeting of the full Council. Typically, meetings begin with the approval of minutes followed by Expenditure and Revenue Subcommittee estimate presentations. The subcommittee reports are debated and revised, if necessary. Once approved, the results of these presentations are used to determine key elements of the following fiscal year's budget. DEFAC estimates are the basis for:

- The amount of General Obligation debt the State may issue,
- The funding level required for the State's "Rainy Day Fund," and
- Estimated revenues and cash carryover, which together determine the maximum size of the operating budget.

A similar process takes place for the Transportation Trust Fund. Revenue and expenditure estimates are presented and reviewed and they, too, provide the basis for the subsequent fiscal year's operating and capital budgets.

2018 MEETING DATES

According to the terms set forth in the Delaware Code and Governor Minner's Executive Order Number 5, DEFAC's tentative meeting dates for CY 2018 are as follows:

- March 19, 2018
- April 16, 2018
- May 21, 2018
- June 18, 2018
- September 17, 2018
- December 17, 2018

These dates may be subject to change. DEFAC's Chairperson may also schedule additional meetings.