MINUTES of the
DELAWARE ECONOMIC & FINANCIAL ADVISORY COUNCIL

Buena Vista – April 15, 2013

Attendance:

Member	Present
S. Bhatt	Yes
J. Bullock	No
L. Davis Burnham	Yes
R. Byrd	No
J. Casey	No
N. Cook	No
T. Cook	Yes
R. Cordrey	Yes
R. Davis	Yes
J. DiPinto	No
F. Dixon	Yes
B. Fasy	No
C. Flowers	Yes
R. Gilligan	No
R. Glen	Yes
G. Hindes	No
J. Horty	No

Member	Present
D. Hudson	No
A. Levin	Yes
K. Lewis	Yes
D. Link	No
A. Lubin	Yes
G. Marcozzi	Yes
J. Martin	Yes
C. Morgan	Yes
M. Morton	Yes
J. Polidori	Yes
E. Ratledge	Yes
T. Shopa	No
G. Simpson	Yes
M. George Smith	No
A. Staton	No
D. Swayze	No
J. Twilley	Yes
A. Visalli	Yes

Members in Attendance: 20
Members Absent: 15

Others Present: A. Aka, M. Brennan, P. Carter, P. Flora, D. Gregor, K. Knight, B. Maxwell, S. McVay, B. Motyl, A. Penney, B. Scoglietti, C. Stewart and members of the press.

Opening Business: Mr. Martin called the meeting to order at 3:00 p.m.

The minutes from the March meeting were approved as submitted.

Expenditure Subcommittee:

Mr. Ratledge presented the Expenditure Subcommittee's report.

In his review of the Balance Sheet estimate, he noted that the Reversion estimate was $50.0 million and the Continuing estimate was $36.0 million. (See Table 1a for complete details).

Mr. Ratledge reviewed the Function Sheet estimate. He reported that the estimates for April were the same as the ones for March. The estimate for Salaries was $1,288.0 million. The estimate for Fringe Benefits was unchanged at $382.0 million. Grants were unchanged at $367.0 million. Capital Outlays were unchanged at $19.0 million. (See Table 1b for complete details.)

For informational purposes, Mr. Ratledge presented a series of charts which tracked the long-term revenue and expenditure forecasts. Although the level of expenditures is projected to rise above the level of revenue, the gap between expenditures and revenues is expected to narrow as a result of the March 2013 tax law change. Charts were also presented that disaggregated expenditures by Fund type and Department.

A motion was made, seconded and approved to accept $3,658.5 million as the expenditure estimate for FY2013. This estimate is unchanged from the March estimate.

Revenue Subcommittee:

Mr. Lewis presented the Revenue Subcommittee's report.

Economic Outlook

Mr. Aka said that the IHS Global Insight's April forecast was little changed from the March forecast. IHS Global Insight raised the estimate for this year's GDP growth by 0.2% because of stronger-than-expected economic performance during the first quarter of CY2013. It assumes the sequester will end in the third quarter.

Mr. Dixon noted that the economy has softened in recent months, pointing to weak March employment report, and lower retail sales and ISM index. He stated that a combination of tax hikes and spending cuts was not conducive to economic growth. He questioned the high growth rate forecasted by IHS Global Insight for FY2015, and mentioned that the labor participation rate was in March at the lowest level since 1979.

Mr. Lewis said that Delaware wage and salary growth was not keeping up with the nation.

Mr. Ratledge explained that long term trends will be difficult to reverse in the short term

since transfer payments, such as social security payments, have become a larger percentage of total personal income in Delaware.

Mr. Simpson inquired whether manufacturing firms were leaving China and returning to the United States.

Mr. Ratledge answered that those manufacturing firms that have returned to the U.S. use one-sixth of the labor they used to employ at the time they left.

General Fund Revenues - Fiscal Year 2013:

The Revenue Subcommittee recommended the following updates to March's estimates:

Revenue Category	Mar-13	Apr-13	Change
Personal Income Tax	1,317.6	1,310.6	(7.0)
Insurance Taxes	52.1	48.5	(3.6)
Cigarette Taxes	122.0	119.0	(3.0)
PIT Refunds	(193.0)	(190.0)	3.0
Gross Receipts Tax	224.0	226.3	2.3
Estate Tax	12.0	10.0	(2.0)
Other Revenues	91.3	92.7	1.4
Realty Transfer Tax	42.0	43.3	1.3
Dividends and Interest	8.0	7.0	(1.0)
Other Refunds	(36.9)	(37.6)	(0.7)

For a complete listing of FY 2013 estimates, see Table 2b.

Discussion of FY 2013 Estimates:

Personal Income Tax: Mr. Lewis stated that the decrease in the estimate was largely attributed to tracking changes in withholding.

Corporate Income Tax: Mr. Lewis noted that the estimate was unchanged from March. He said that an IRS audit has not been settled yet and payments are spread out over time.

Gross Receipts Tax: Mr. Lewis said that Gross Receipts Tax was tracking up and that the decrease made in this revenue category last month was premature.

Lottery: Mr. Lewis noted that the Revenue Subcommittee had a long discussion about this revenue source. It was decided to leave the estimate unchanged from March and to reevaluate the impact of increased Maryland competition at the May meeting.

Realty Transfer Tax: Mr. Lewis noted that the increase in the estimate reflected a commercial settlement.

Insurance Tax: Mr. Lewis noted that the reduction in the estimate was attributed to a major change in the base for this revenue source.

Cigarette Tax: Mr. Lewis noted continued weakness in this revenue source.

FY 2013 Estimate Adopted:

A motion was made, seconded and approved to accept the Revenue Subcommittee's recommendation of $3,700.9 million as the revenue estimate for FY2013.

The estimate represents a decrease of $9.3 million from DEFAC's March estimate. Mr. Lewis noted that the adjusted growth rate is 2.0%.

General Fund Revenues - Fiscal Year 2014:

The Revenue Subcommittee recommended the following updates to March's estimates:

Revenue Category	Mar-13	Apr-13	Change
Personal Income Tax	1,337.2	1,365.6	28.4
Insurance Taxes	57.2	51.2	(6.0)
PIT Refunds	(202.7)	(199.5)	3.2
Estate Tax	12.0	15.0	3.0
Cigarette Taxes	117.5	114.6	(2.9)
Gross Receipts Tax	231.0	233.6	2.6
Dividends and Interest	10.0	9.0	(1.0)
Other Revenues	88.3	89.0	0.7

For a complete listing of FY 2014 estimates, see Table 2b.

Adjustments to FY 2014 Estimates:

Mr. Gregor discussed legislative actions that were enacted after DEFAC's March forecast and which affect both the FY2014 and FY2015 revenue forecasts. Changes in the top rate for Personal Income Tax will increase General Fund Revenue by $24.7 million in FY2014 and $61.5 million in FY2015. The elimination of the sunset provisions for the Estate Tax will raise General Fund Revenue by $3.0 million in FY2014 and $15.0 million in FY2015. The elimination of the sunset provisions for the Franchise Tax will

raise General Fund Revenue by $80.0 million in FY2015. Changes in the Gross Receipts Tax will increase General Fund Revenue by $0.2 million in both fiscal years. Overall, the legislative changes add $27.9 million to the General Fund in FY2014 and $156.7 million in FY2015. (See Table 2a for complete details).

Discussion of FY 2014 Estimates:

Personal Income Tax: Mr. Lewis stated that the increase in the estimate was due to a combination of tax policy (legislative changes) and higher estimate for estimated and final payments.

Gross Receipts Tax: Mr. Lewis stated that the increase can be attributed to tracking and a tax policy.

Estate Tax: Mr. Lewis stated that the increase was due to a tax policy.

Insurance Tax: Mr. Lewis stated that the reduction in the estimate was due to a change in the base.

Mr. Lewis reported that all other changes reflected the carrying forward of changes made in FY2013 and maintaining previous growth rates.

FY 2014 Estimate Adopted:

A motion was made, seconded and approved to accept the Revenue Subcommittee's recommendation of $3,728.9 million as the revenue estimate for FY2014.

The estimate represents an increase of $28.0 million from the March estimate. $27.9 million is attributed to the legislative decisions that were enacted after the March meeting. Mr. Lewis noted that the adjusted growth rate is 2.0%.

For informational purposes, Mr. Lewis stated that increases in the FY2015 estimate for Personal Income Tax, Franchise Tax, Estate Tax and Gross Receipt Tax were partly due to a tax policy. Mr. Lewis said that the FY2015 revenue estimate was raised by $157.6 million, but noted that $156.7 million of the increase can be attributed to a tax policy.

Balance and Appropriations Worksheet: Mr. Gregor presented the balance and appropriations worksheet. The result of this exercise is attached as Table 3.

Mr. Cook pointed out that the recommended budget for the State anticipated the

additional revenue from the recent legislative changes. He noted that the $9.3 million revenue decrease for FY2013 essentially offset a net increase of about $11 million that DEFAC approved in March.

Transportation Trust Fund (TTF)

TTF -- Expenditures: Mr. Motyl presented the Transportation Trust Fund's expenditure forecast.

State Operations Expenditure: Increased from $346.9 million to $351.3 million. Mr. Motyl explained that an increase in Capital Outlay (up $2.0 million) and Transit Operations (up $2.4 million) accounted for the increase.

State Capital Expenditure: There was no change from March's estimate.

Federal Capital Expenditure: There was no change from March's estimate.

GARVEE – US301 Capital Expenditure: There was no change from March's estimate.

A motion was made, seconded, and approved to accept $816.7 million as the FY2013 TTF expenditure estimate. The estimate represents an increase of $4.4 from March's estimate. (See Table 4.)

TTF -- Revenues: Mr. Motyl presented the Transportation Trust Fund's revenue forecast.

FY2013 Estimates:

Total TTF Revenue: Unchanged at $445.4 million.

A motion was made, seconded, and approved to accept $445.4 million as the FY2013 revenue estimate. The estimate is unchanged from the March estimate. (See Table 5.)

Other Business:

Mr. Martin announced the next scheduled DEFAC meeting dates:

- May 20, 2013
- June 17, 2013

There being no further business, Mr. Martin adjourned the meeting at 3:53 p.m.

Respectfully submitted,

Arsene A. Aka

Table 1a.

DEFAC Expenditures Forecast for General Fund Disbursements FY2013 ($ in millions)
April 2013 (as of 04/15/13)

	FY2004 Actual	FY2005 Actual	FY2006 Actual	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Actual	FY2011 Actual	FY2012 Actual							FY2013 Appropriation
Budget Act	2,445.1	2,600.4	2,836.0	3,101.9	3,285.6	3,362.9	3,091.5	3,305.3	3,508.6							**3,586.8**
Cash to Bond Bill	142.0	235.0	281.6	243.3	77.9	83.4	0.0	91.0	115.3							**53.4**
Grant-in-Aid	38.4	40.0	42.4	50.0	47.7	45.2	35.4	35.2	41.2							**44.2**
Continuing & Encumbered (from prior years)	173.3	240.1	327.8	342.5	335.8	234.8	183.7	184.9	303.7							**301.1**
Supplementals	24.9	50.0	48.0	0.0	0.0	0.0	0.0	0.0	0.0							**0.0**
Fiscal Year Spending Authority	**2,823.7**	**3,165.5**	**3,535.8**	**3,737.7**	**3,747.0**	**3,726.3**	**3,310.6**	**3,616.4**	**3,968.8**							**3,985.5**
LESS:										*Sep*	*Dec*	*Mar*	*Apr*	*May*	*June*	
Reversions to the General Fund	29.8	15.4	12.8	12.0	90.6	247.0	49.3	42.1	75.3	10.0	50.0	50.0	50.0			
Encumbered to next fiscal year	29.1	32.8	32.2	36.4	33.0	36.3	37.7	35.2	39.3	37.0	36.0	36.0	36.0			
Continuing to next fiscal year																
Operating Budget																
Bond Bill																
Total Continuing	211.0	295.0	310.3	299.4	201.8	147.4	147.2	268.4	261.8	308.4	259.8	241.0	241.0			
Subtotal	269.9	343.2	355.3	347.8	325.4	430.7	234.1	345.7	376.4	355.4	345.8	327.0	327.0	0.0	0.0	**(327.0)**
Fiscal Year Budgetary Expenditures	**2,553.8**	**2,822.3**	**3,180.5**	**3,389.9**	**3,421.6**	**3,295.5**	**3,076.5**	**3,270.7**	**3,592.4**							**3,658.5**
% increase/(decrease)		**10.51%**	**12.69%**	**6.58%**	**0.94%**	**-3.69%**	**-6.65%**	**6.31%**	**9.84%**							**1.84%**
Comments:	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	5-Yr Avg						FY 2013
Expenditures / Spending Authority	90.4%	89.2%	90.0%	90.7%	91.3%	88.4%	92.9%	90.4%	90.5%	90.7%						91.8%
Reversions / Spending Authority	1.1%	0.5%	0.4%	0.3%	2.4%	6.6%	1.5%	1.2%	1.9%	2.7%						1.3%
Encumbered / Spending Authority	1.0%	1.0%	0.9%	1.0%	0.9%	1.0%	1.1%	1.0%	1.0%	1.0%						0.9%
Total Continuing / Spending Authority	7.5%	9.3%	8.8%	8.0%	5.4%	4.0%	4.4%	7.4%	6.6%	5.6%						6.0%

Recommended by Expenditures Subcommittee;
April 15, 2013

Table 1b.

DEFAC Expenditures Forecast for General Fund Disbursements FY2012 ($ in millions)
April 2013 (as of 04/15/13)

	FY2005 Actual	FY2006 Actual	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Actual	FY2011 Actual	FY2012 Actual	Sep FY2013 Forecast	Dec FY2013 Forecast	Mar FY2013 Forecast	Apr FY2013 Forecast	Diff, Apr. vs Mar	Diff, 13 vs. '12	tenative FY2013 YTD (actual 03/31/13)	tenative % spent FY2013 YTD	% forecast FY2013 total	% of FY2012 total	% of FY2011 total
Salaries	1,023.1	1,108.3	1,167.3	1,222.9	1,225.5	1154.7	1200.1	1,277.4	1,270.0	1,270.0	1,288.0	1,288.0	0.0	10.6	**969.9**	**34.1%**	**35.2%**	**35.6%**	**36.7%**
Fringe Benefits	263.2	298.4	323.5	332.7	332.9	330.9	365.4	379.5	381.0	381.0	382.0	382.0	0.0	2.5	**286.2**	**10.1%**	**10.4%**	**10.6%**	**11.2%**
Health Care						218.9	253.0	260.6	265.0	265.0	264.0	264.0	0.0	3.4	**197.5**	**6.9%**	**7.2%**	**7.3%**	**7.7%**
Other						112.0	112.4	118.9	116.0	116.0	118.0	118.0	0.0	(0.9)	**88.7**	**3.1%**	**3.2%**	**3.3%**	**3.4%**
Pension	147.1	180.7	201.5	218.6	211.1	196.7	222.2	252.9	262.9	262.9	264.5	264.5	0.0	11.6	**204.2**	**7.2%**	**7.2%**	**7.0%**	**6.8%**
Debt Service	153.5	132.5	131.2	151.1	156.4	174.3	169.5	144.4	145.8	145.4	144.8	144.8	0.0	0.4	**123.1**	**4.3%**	**4.0%**	**4.0%**	**5.2%**
Grants	294.1	403.1	365.1	259.1	265.8	276.6	327.3	364.0	370.1	370.1	367.0	367.0	0.0	3.0	**312.9**	**11.0%**	**10.0%**	**10.1%**	**10.0%**
Medicaid	339.1	381.4	441.6	494.2	419.4	428.6	466.2	637.3	657.3	657.3	649.2	649.2	0.0	11.9	**516.0**	**18.2%**	**17.7%**	**17.7%**	**14.3%**
Public Assistance Programs	83.6	91.7	94.1	97.2	85.3	0.0	0.0	0.0	0.0	0.0			0.0	0.0	**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Professional Services	161.3	181.0	216.8	210.6	204.2	0.0	0.0	0.0	0.0	0.0			0.0	0.0	**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Contractual Services	228.9	252.2	289.5	296.7	286.8	435.7	434.5	455.1	460.0	470.0	480.0	480.0	0.0	24.9	**368.5**	**13.0%**	**13.1%**	**12.7%**	**13.3%**
Supplies & Materials	66.5	73.6	72.1	72.1	66.6	58.9	59.1	65.5	66.0	66.0	64.0	64.0	0.0	(1.5)	**48.6**	**1.7%**	**1.7%**	**1.8%**	**1.8%**
Capital Outlay	61.9	77.6	87.2	66.5	41.5	20.1	26.4	16.3	17.0	17.0	19.0	19.0	0.0	2.7	**12.6**	**0.4%**	**0.5%**	**0.5%**	**0.8%**
FY Budgetary Expenditures	2,822.3	3,180.5	3,389.9	3,421.7	3,295.5	3,076.5	3,270.7	3,592.4	3,630.1	3,639.7	3,658.5	3,658.5	0.0	66.1	**2,842.0**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Comments:

Recommended by Expenditures Subcommittee;
April 15, 2013

Table 2a.

Reconciliation of April DEFAC Revenue Estimates with March Legislative Changes

		FY 2013		FY 2014		FY 2015
DEFAC March 2013 Net Revenue Estimate		$3,710.2		$3,700.9		$3,627.5
Tax Policy & Accounting Changes						
PIT -- Top Rate to 6.6% (HB 50; 147th G.A.)	0.0		24.7		61.5	
Estate Tax -- Eliminate Sunset (HB 51; 147th G.A.)	0.0		3.0		15.0	
Franchise Tax -- Eliminate Sunset (HB 52; 147th G.A.)	0.0		0.0		80.0	
Gross Receipts Tax -- (1% cut to 2013 rates + Mfg cut 30%; HB 53; 147th G.A.)	0.0		0.2		0.2	
Total Legislative Adjustments to March DEFAC		**0.0**		**27.9**		**156.7**
Revenue Forecast with no Economic / Tracking Changes		$3,710.2		$3,728.8		$3,784.2

Table 2b.

DEFAC General Fund Revenue Worksheet

April-13 DEFAC Meeting	FY 2012	FY 2013					FY 2014				
Revenue Category	A Actual Collections	B DEFAC Mar-13	C % B over A	D DEFAC Apr-13	E % D over A	F $ Increase D over B	G DEFAC Mar-13	H % G over B	I DEFAC Apr-13	J % I over D	K $ Increase I over G
Personal Income Tax	**1,231.7**	**1,317.6**	**7.0%**	**1,310.6**	**6.4%**	**(7.0)**	**1,337.2**	**1.5%**	**1,365.6**	**4.2%**	**28.4**
Less: Refunds	**(189.9)**	**(193.0)**	**1.6%**	**(190.0)**	**0.1%**	**3.0**	**(202.7)**	**5.0%**	**(199.5)**	**5.0%**	**3.2**
PIT Less Refunds	**1,041.9**	**1,124.6**	**7.9%**	**1,120.6**	**7.6%**	**(4.0)**	**1,134.5**	**0.9%**	**1,166.1**	**4.1%**	**31.6**
Franchise Tax	611.8	604.2	-1.2%	604.2	-1.2%	0.0	598.2	-1.0%	598.2	-1.0%	0.0
Limited Partnerships & LLC's	164.9	176.6	7.1%	176.6	7.1%	0.0	185.5	5.0%	185.5	5.0%	0.0
Subtotal Franchise + LP/LLC	776.7	780.8	0.5%	780.8	0.5%	0.0	783.7	0.4%	783.7	0.4%	0.0
Less: Refunds	(10.7)	(11.0)	2.4%	(11.0)	2.4%	0.0	(11.0)	0.0%	(11.0)	0.0%	0.0
Net Franchise + LP/LLC	766.0	769.8	0.5%	769.8	0.5%	0.0	772.7	0.4%	772.7	0.4%	0.0
Business Entity Fees	**84.5**	**88.7**	**4.9%**	**88.7**	**4.9%**	**0.0**	**91.4**	**3.0%**	**91.4**	**3.0%**	**0.0**
Uniform Commercial Code	**16.7**	**17.2**	**2.8%**	**17.2**	**2.8%**	**0.0**	**17.7**	**2.9%**	**17.7**	**2.9%**	**0.0**
Corporation Income Tax	149.0	209.1	40.3%	209.1	40.3%	0.0	244.0	16.7%	244.0	16.7%	0.0
Less: Refunds	(29.9)	(21.0)	-29.7%	(21.0)	-29.7%	0.0	(40.6)	93.3%	(40.6)	93.3%	0.0
CIT Less Refunds	119.1	188.1	57.9%	188.1	57.9%	0.0	203.4	8.1%	203.4	8.1%	0.0
Bank Franchise Tax	**112.5**	**100.9**	**-10.3%**	**100.9**	**-10.3%**	**0.0**	**100.5**	**-0.4%**	**100.5**	**-0.4%**	**0.0**
Gross Receipts Tax	**233.4**	**224.0**	**-4.0%**	**226.3**	**-3.0%**	**2.3**	**231.0**	**3.1%**	**233.6**	**3.2%**	**2.6**
Lottery	**269.0**	**237.8**	**-11.6%**	**237.8**	**-11.6%**	**0.0**	**238.1**	**0.1%**	**238.1**	**0.1%**	**0.0**
Abandoned Property	319.5	566.5	77.3%	566.5	77.3%	0.0	514.0	-9.3%	514.0	-9.3%	0.0
Hospital Board and Treatment	65.2	58.1	-10.9%	58.1	-10.9%	0.0	58.8	1.2%	58.8	1.2%	0.0
Dividends and Interest	10.6	8.0	-24.9%	7.0	-34.3%	(1.0)	10.0	25.0%	9.0	28.6%	(1.0)
Realty Transfer Tax	**31.6**	**42.0**	**32.9%**	**43.3**	**37.0%**	**1.3**	**48.3**	**15.0%**	**48.3**	**11.5%**	**0.0**
Estate Tax	**12.0**	**12.0**	**0.0%**	**10.0**	**-16.7%**	**(2.0)**	**12.0**	**0.0%**	**15.0**	**50.0%**	**3.0**
Insurance Taxes	**63.4**	**52.1**	**-17.8%**	**48.5**	**-23.5%**	**(3.6)**	**57.2**	**9.8%**	**51.2**	**5.6%**	**(6.0)**
Public Utility Tax	45.4	44.0	-3.0%	44.0	-3.0%	0.0	45.3	3.0%	45.3	3.0%	0.0
Cigarette Taxes	120.8	122.0	1.0%	119.0	-1.5%	(3.0)	117.5	-3.7%	114.6	-3.7%	(2.9)
Other Revenues	81.7	91.3	11.7%	92.7	13.4%	1.4	88.3	-3.3%	89.0	-4.0%	0.7
Less: Other Refunds	**(34.1)**	**(36.9)**	**8.3%**	**(37.6)**	**10.4%**	**(0.7)**	**(39.8)**	**7.9%**	**(39.8)**	**5.9%**	**0.0**
Net Receipts	**3,359.3**	**3,710.2**	**10.4%**	**3,700.9**	**10.2%**	**(9.3)**	**3,700.9**	**-0.3%**	**3,728.9**	**0.8%**	**28.0**

March Legislative Changes	**27.9**
Net April 2013 DEFAC Updates (FY 14)	**$0.1**
FY 2014 Debt Limit:	**$186.4**

Table 2b.

DEFAC General Fund Revenue Worksheet

April-13 DEFAC Meeting	FY 2015				
Revenue Category	L DEFAC Mar-13	M % L over G	N DEFAC Apr-13	O % N over I	P $ Increase N over L
Personal Income Tax	**1,361.5**	**1.8%**	**1,426.9**	**4.5%**	**65.4**
Less: Refunds	**(212.8)**	**5.0%**	**(209.5)**	**5.0%**	**3.3**
PIT Less Refunds	**1,148.7**	**1.3%**	**1,217.4**	**4.4%**	**68.7**
Franchise Tax	518.2	-13.4%	598.2	0.0%	80.0
Limited Partnerships & LLC's	194.7	5.0%	194.7	5.0%	0.0
Subtotal Franchise + LP/LLC	712.9	-9.0%	792.9	1.2%	80.0
Less: Refunds	(11.0)	0.0%	(11.0)	0.0%	0.0
Net Franchise + LP/LLC	701.9	-9.2%	781.9	1.2%	80.0
Business Entity Fees	**94.1**	**3.0%**	**94.1**	**3.0%**	**0.0**
Uniform Commercial Code	**18.2**	**2.8%**	**18.2**	**2.8%**	**0.0**
Corporation Income Tax	208.9	-14.4%	208.9	-14.4%	0.0
Less: Refunds	(42.6)	4.9%	(42.6)	4.9%	0.0
CIT Less Refunds	166.3	-18.2%	166.3	-18.2%	0.0
Bank Franchise Tax	**105.4**	**4.9%**	**105.4**	**4.9%**	**0.0**
Gross Receipts Tax	**235.6**	**2.0%**	**238.2**	**2.0%**	**2.6**
Lottery	**242.8**	**2.0%**	**242.8**	**2.0%**	**0.0**
Abandoned Property	514.0	0.0%	514.0	0.0%	0.0
Hospital Board and Treatment	59.1	0.5%	59.1	0.5%	0.0
Dividends and Interest	10.9	9.0%	9.9	10.0%	(1.0)
Realty Transfer Tax	**53.1**	**9.9%**	**53.1**	**9.9%**	**0.0**
Estate Tax	**0.0**	**-100.0%**	**15.0**	**0.0%**	**15.0**
Insurance Taxes	**58.2**	**1.7%**	**52.2**	**2.0%**	**(6.0)**
Public Utility Tax	46.9	3.5%	46.9	3.5%	0.0
Cigarette Taxes	116.4	-0.9%	113.5	-1.0%	(2.9)
Other Revenues	95.8	8.5%	97.0	9.0%	1.2
Less: Other Refunds	**(39.9)**	**0.3%**	**(39.9)**	**0.3%**	**0.0**
Net Receipts	**3,627.5**	**-2.0%**	**3,785.1**	**1.5%**	**157.6**

March Legislative Changes	**156.7**
Net April 2013 DEFAC Updates (FY 15)	**$0.9**

Table 3.

Balance and Appropriations Worksheet

FY 2013 EXPENDITURES

Total Spending Authority	$3,985.5
Less: Continuing Appropriations & Encumbrances from FY 2013	($277.0)
Less: Reversions	($50.0)
Total Expenditures	$3,658.5

FY 2013 BALANCES

Total Expenditures	$3,658.5
vs. FY 2013 Revenues	3,700.9
Operating Balance	42.4
Prior Year Cash Balance	$564.7
Cumulative Cash Balance	607.1
Less: Continuing Appropriations & Encumbrances from FY 2013	(277.0)
Less: Budgetary Reserve Account	($198.9)
Unencumbered Cash Balance 6/30	$131.2

FY 2014 APPROPRIATION LIMITS

FY 2014 Revenue Estimate	$3,728.9
Unencumbered Cash Balance from FY 13	$131.2
100% Appropriation Limit	$3,860.1
98% Appropriation Limit	$3,782.9
Prior 98% Appropriation Limit	$3,764.6
Increase (Decrease) from Prior Meeting	$18.3
Sept. 2012 98% Appropriation Limit	$3,658.0
Increase (Decrease) from September 2012	$124.9

Table 4.

Delaware Department of Transportation
FY 2013 Expenditures, Thru March 31, 2013

75%

	FY2011 Actual	FY2012 Actual	FY2013 Appropriation	SEPTEMBER FY2013 Forecast	DECEMBER FY2013 Forecast	MARCH FY2013 Forecast	APRIL FY2013 Forecast	$ difference	$ difference Forecast V. FY2012 Actual	FY2013 YTD Spend	% spent YTD
Operations											
Debt Service	123.8	123.8	123.5	123.5	123.5	123.5	123.5	0.0	(0.3)	123.5	100.0%
Personnel Costs	84.5	88.1	86.7	86.7	86.7	86.7	86.7	0.0	(1.4)	63.3	73.0%
Operations/Capital Outlay	55.3	53.2	56.1	56.1	56.1	56.1	58.1	2.0	4.9	42.6	73.3%
Transit Operations (DTC)	73.5	77.5	80.3	80.6	80.6	80.6	83.0	2.4	5.5	60.5	72.9%
Total Expenditures - Operations	337.1	342.6	346.6	346.9	346.9	346.9	351.3	4.4	8.7	289.9	82.5%
Capital (State)			CTP Spend								
Road System	90.1	144.7	157.6	157.6	150.1	142.1	142.1	0.0	(2.6)	94.5	66.5%
Grants & Allocations	13.5	15.8	26.8	18.8	18.8	19.7	19.7	0.0	3.9	15.4	78.2%
Support Systems	18.9	25.2	30.5	29.5	27.0	24.8	24.8	0.0	(0.4)	14.5	58.5%
Transit	5.0	5.8	11.2	8.7	8.7	8.2	8.2	0.0	2.4	2.1	25.6%
Total Expenditures- State Capital	127.5	191.5	226.1	214.6	204.6	194.8	194.8	0.0	3.3	126.5	64.9%
Capital (Federal)			CTP Spend								
Federal Capital	200.7	213.2	316.8	260.0	260.0	239.0	239.0	0.0	25.8	153.0	64.0%
Capital (GARVEE)			CTP Spend								
GARVEE - US301	13.8	35.7	65.9	61.3	47.0	31.6	31.6	0.0	(4.1)	22.3	70.6%
Total Expenditures - Capital	342.0	440.4	608.8	535.9	511.6	465.4	465.4	0.0	25.0	301.8	64.8%
TOTAL EXPENDITURES	679.1	783.0	955.4	882.8	858.5	812.3	816.7	4.4	33.7	591.7	72.5%

Table 5.

DELAWARE DEPARTMENT OF TRANSPORTATION
Transportation Trust Fund Revenues

				Fiscal 2013			Fiscal 2014		
	FY 11	FY 12	% Chg.	3/18/2013 Approved	**4/15/2013 Recomm**	% Chg. FY 12	3/18/2013 Approved	**4/15/2013 Recomm**	% Chg. FY 13
TOLL ROAD REVENUES:									
I95 Newark Plaza	$114.1	$115.3	1.1%	$117.3	**$117.3**	1.7%	$119.5	**$119.5**	1.9%
Route 1 Toll Road	44.4	44.9	1.1%	$46.7	**$46.7**	4.0%	$47.5	**$47.5**	1.7%
Concessions	1.8	1.8	0.0%	$2.0	**$2.0**	10.7%	$2.1	**$2.1**	2.9%
Total Toll Road Revenues	160.3	162.0	1.1%	$166.0	**$166.0**	2.5%	$169.1	**$169.1**	1.8%
MOTOR FUEL TAX ADMIN.	116.6	115.9	-0.6%	$116.0	**$116.0**	0.1%	$117.8	**$117.8**	1.6%
DIVISION OF MOTOR VEHICLES									
Motor Vehicle Document Fees	68.3	71.1	4.1%	$75.5	**$75.5**	6.1%	$77.8	**$77.8**	3.0%
Motor Vehicle Registration Fees	47.2	46.6	-1.3%	$48.1	**$48.1**	3.1%	$49.5	**$49.5**	2.9%
Other DMV Revenues	24.6	25.0	1.6%	$25.8	**$25.8**	3.1%	$26.6	**$26.6**	3.1%
Total DMV Revenues	140.1	142.7	1.9%	$149.4	**$149.4**	4.7%	$153.9	**$153.9**	3.0%
OTHER TRANSPORTATION REV.									
Other Transportation Rev	11.8	11.3	-4.2%	$11.2	**$11.2**	-1.1%	$11.3	**$11.3**	0.9%
Investment Income(Net)	3.6	3.2	-11.1%	$2.8	**$2.8**	-11.4%	$3.5	**$3.5**	25.0%
Total Other Transp. Revenue	15.4	14.5	-5.8%	$14.0	**$14.0**	-3.4%	$14.8	**$14.8**	5.7%
GRAND TOTAL	$432.4	$435.1	0.6%	**$445.4**	**$445.4**	2.4%	**$455.6**	**$455.6**	2.3%
					$0.0			$0.0	