MINUTES of the
DELAWARE ECONOMIC & FINANCIAL ADVISORY COUNCIL

Buena Vista – May 20, 2013

Attendance:

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

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

Members in Attendance: 24
Members Absent: 11

Others Present: A. Aka, E. Bafford, J. Baker, P. Carter, J. Eisenbrey, V. Ford, D. Gregor, C. Heiks, P. Jackson, K. Knight, S. McVay, A. Moffett-Batty, B. Motyl, B. Osborne, M. Pellowski, A. Penney, B. Scoglietti, K. Simpler, C. Stewart, K. Urso and members of the press.

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

The minutes from the April meeting were approved as submitted.

Expenditure Subcommittee:

Mr. Ratledge presented the Expenditure Subcommittee's report.

In his review of the Balance Sheet estimate, Mr. Ratledge noted that the Reversion and Encumbered estimates were unchanged in May at $50.0 million and $36.0 million, respectively, while the Continuing estimate was increased by approximately $10 million, to $251.1 million. (See Table 1a for complete details).

Mr. Ratledge reviewed the Function Sheet estimate. He reported that the May estimate for Salaries was unchanged from April's. The estimate for Fringe Benefits was decreased by $3.3 million, due to reductions in the estimates for Health Care and Other benefits. The Pension estimate was increased by $3.5 million, while the estimate for Medicaid was reduced by $10.3 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. He reported that the gap between expenditures and revenues has narrowed as a result of legislative actions that were enacted in March. Two additional charts were also presented that disaggregated expenditures by Fund type and Department. Finally, Mr. Ratledge presented a chart that showed the distribution of non-appropriated special funds expenditure.

A motion was made, seconded and approved to accept $3,648.4 million as the expenditure estimate for FY2013. This represents a $10.1 million decrease from the April estimate.

Revenue Subcommittee:

Mr. Lewis presented the Revenue Subcommittee's report.

Economic Outlook

Mr. Aka said that the IHS Global Insight's May forecast was virtually unchanged from the April forecast. Both the U.S. and Delaware's growth estimates for Employment, Personal Income, and Wages and Salaries were little changed in May.

Mr. Dixon argued that, unlike recessions, small changes in economic variables such as U.S. GDP have little effect on Delaware's revenue. He mentioned that the likelihood of another recession can be ascertained by looking for excesses and bubbles in the economy. He noted that many analysts believe the Federal Reserve System is setting the stage for massive excesses that can cause the next recession. However, Mr. Dixon did not see any excess or bubble in any sector of the national economy, with the possible

exception of the stock market, which has rallied by more than 20 percent over the last 6 months. Even so, he pointed out that valuation in the S&P 500's P/E is roughly 16, as compared to 36 in 1999.

General Fund Revenues - Fiscal Year 2013:

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

Revenue Category	Apr-13	May-13	Change
Corporation Income Tax	209.1	220.0	10.9
PIT Refunds	(190.0)	(180.0)	10.0
Personal Income Tax	1,310.6	1,304.6	(6.0)
Insurance Taxes	48.5	50.6	2.1
Estate Tax	10.0	8.0	(2.0)
Bank Franchise Tax	100.9	102.8	1.9
Hospital Board and Treatment	58.1	56.7	(1.4)
Dividends and Interest	7.0	6.0	(1.0)
CIT Refunds	(21.0)	(20.0)	1.0
Lottery	237.8	236.8	(1.0)
Limited Partnerships & LLC's	176.6	177.6	1.0
Other Refunds	(37.6)	(38.4)	(0.8)

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

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. He noted that the estimate for Final Returns was increased by $3 million.

PIT Refunds: Mr. Lewis stated that the increase in the estimate was due to PIT processing issues.

Corporate Income Tax: Mr. Lewis stated that the increase in the estimate was due to tracking strength and increased audit returns.

Bank Franchise Tax: Mr. Lewis stated that the increase in the estimate was due to a tracking change.

Gross Receipts Tax: Mr. Lewis said that the estimate was unchanged from April.

Lottery: Mr. Lewis said that the decrease in the estimate was attributed to weaknesses in the video side of this revenue source.

Abandoned Property: Mr. Lewis said that the estimate was unchanged from April. He mentioned that the estimate was attainable, since stock sales were lined up and audits were in place. Mr. Lewis noted that, in the event the estimate is missed, revenue for this category will end up moving from this fiscal year to the next.

Public Utility Tax: Mr. Lewis noted that the estimate was left unchanged from April, despite some upside potential.

Other changes were attributed to tracking.

FY 2013 Estimate Adopted:

A motion was made, seconded and approved to accept the Revenue Subcommittee's recommendation of $3,716.3 million as the revenue estimate for FY2013.

The estimate represents a $15.4 million increase from DEFAC's April 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 April's estimates:

Revenue Category	Apr-13	May-13	Change
Personal Income Tax	1,365.6	1,359.2	(6.4)
PIT Refunds	(199.5)	(194.0)	5.5
Corporation Income Tax	244.0	249.0	5.0
Estate Tax	15.0	12.0	(3.0)
Bank Franchise Tax	100.5	102.6	2.1
Lottery	238.1	237.1	(1.0)
Limited Partnerships & LLC's	185.5	186.5	1.0
Other Revenues	89.0	89.9	0.9
Hospital Board and Treatment	58.8	59.5	0.7

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

Discussion of FY 2014 Estimates:

Personal Income Tax: Mr. Lewis stated that the gross PIT estimate was reduced by $6.4 million while the net estimate (excluding Refunds) was down by less than $1 million.

Bank Franchise Tax: Mr. Lewis stated that the increase in the estimate reflected the increase made in FY2013 and the carrying forward into FY2014.

Estate Tax: Mr. Lewis stated that the decrease in the estimate reflected a downward revision in the base for the revenue category.

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 $3,733.7 million as the revenue estimate for FY2014.

The estimate represents an increase of $4.8 million from the April estimate. Mr. Lewis noted that the adjusted growth rate is 2.0%.

For informational purposes, Mr. Lewis stated that changes in the estimates for Personal Income Tax in FY2013 and FY2014 were carried forward into FY2015, leading to a reduction in PIT estimate for that year. He noted that the Revenue Subcommittee had a long discussion about Lottery. It was decided to decrease the FY2015 estimate by $5 million; another $5-million decrease in the estimate could be made in September as a result of increased competition by neighboring states.

Mr. Cook noted that competition could hit this revenue source hard in the outer years. He added that, while Delaware is in the vanguard with respect to internet gaming, with exception of potential interstate compacts, its revenue potential is limited by a ruling from the Justice Department requiring the activities to take place within state boundaries.

In response to a question from Mr. Horty, Mr. Cook said that there were two major differences between Lottery estimates developed by the Department of Finance (DOF) and those made by Mr. Fasy: DOF forecasted more internet gaming revenues than Mr. Fasy did. In addition, there was a difference in forecast regarding the decline in slots revenue on the back of increased competition from neighboring states. He noted that the two offices produced similar estimates for FY2013 and FY2014.

Mr. Lewis noted that the FY2015 estimate is $3,784.6 million. This represents an increase of 1.4% from the FY2014 estimate and is $0.5 million lower than April's estimate. The adjusted growth rate is 4.0%.

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

Transportation Trust Fund (TTF)

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

State Operations Expenditure: There was no change from April's estimate of $351.3 million.

State Capital Expenditure: The estimate was reduced from $194.8 million to $183.1 million. Mr. Motyl explained that the decrease was due largely to a reduction in Road System expenditures.

Federal Capital Expenditure: The estimate was reduced from $239.0 million to $214.0 million.

GARVEE – US301 Capital Expenditure: The estimate was reduced from $31.6 million to $27.9 million. Mr. Motyl explained that the decrease was attributed to delays in real estate acquisitions.

Mr. Bhatt explained that the volatility in TTF expenditure forecasts is related to uncertainty surrounding the state's escheat operations. He mentioned that the federal Highway Trust Fund is projected to be insolvent in FY2015, leading to reduced amounts of federal spending at the state level. In response to a question from Mr. Simpson, Mr. Bhatt said that there has been no loss of federal funds this year.

A motion was made, seconded, and approved to accept $776.3 million as the FY2013 TTF expenditure estimate. The estimate represents a decrease of $40.4 from April's estimate. (See Table 4.)

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

FY2013 Estimates:

Concessions Revenue: Increased from $2.0 million to $2.3 million. Mr. Motyl explained that the increase was due to a tracking change and robust gasoline

sales at convenience stores.

Motor Vehicle Document Fees: Increased from $75.5 million to $77.1 million. Mr. Motyl noted that vehicle sales have been strong during the year and are expected to continue to perform well.

A motion was made, seconded, and approved to accept $447.3 million as the FY2013 revenue estimate. The estimate represents an increase of $1.9 million from the April estimate.

FY2014 Estimates:

Total TTF Revenue: Increased from $447.3 million to $457.5 million.

A motion was made, seconded, and approved to accept $457.5 million as the FY2014 revenue estimate. The estimate represents an increase of $1.9 million from the FY2013 estimate. (See Table 5.)

Other Business:

Mr. Lewis announced the next scheduled DEFAC meeting dates:

- June 17, 2013
- September 16, 2013

There being no further business, Mr. Lewis adjourned the meeting at 3:50 p.m.

Respectfully submitted,

Arsene A. Aka

Table 1a.

DEFAC Expenditures Forecast for General Fund Disbursements FY2013 ($ in millions)

May 2013 (as of 05/20/13)

	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	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	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	251.1		
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	337.1	0.0	**(337.1)**
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**							**3,648.4**
% increase/(decrease)		**10.51%**	**12.69%**	**6.58%**	**0.94%**	**-3.69%**	**-6.65%**	**6.31%**	**9.84%**							**1.56%**
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%						91.5%
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%						6.3%

Recommended by Expenditures Subcommittee;
May 20, 2013

Table 1b.

DEFAC Expenditures Forecast for General Fund Disbursements FY2012 ($ in millions)

May 2013 (as of 05/20/13)

	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	May FY2013 Forecast	Diff. May vs. Apr	Diff. 13 vs. '12	tenative FY2013 YTD (actual 04/30/13)	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	1,288.0	0.0	10.6	**1,059.5**	**34.2%**	**35.3%**	**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	378.7	-3.3	(0.8)	**315.4**	**10.2%**	**10.4%**	**10.6%**	**11.2%**
Health Care						218.9	253.0	260.6	265.0	265.0	264.0	264.0	261.5	-2.5	0.9	**218.7**	**7.1%**	**7.2%**	**7.3%**	**7.7%**
Other						112.0	112.4	118.9	116.0	116.0	118.0	118.0	117.2	-0.8	(1.7)	**96.7**	**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	268.0	3.5	15.1	**227.5**	**7.4%**	**7.3%**	**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	144.8	0.0	0.4	**130.0**	**4.2%**	**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	367.0	0.0	3.0	**334.5**	**10.8%**	**10.1%**	**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	638.9	-10.3	1.6	**548.9**	**17.7%**	**17.5%**	**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%**	**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%**	**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	480.0	0.0	24.9	**406.9**	**13.2%**	**13.2%**	**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	64.0	0.0	(1.5)	**54.1**	**1.7%**	**1.8%**	**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	19.0	0.0	2.7	**16.7**	**0.5%**	**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	3,648.4	-10.1	56.0	**3,093.5**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Comments:

Recommended by Expenditures Subcommittee;
May 20, 2013

Table 2.
DEFAC General Fund Revenue Worksheet

May-13 DEFAC Meeting	FY 2012	FY 2013					FY 2014				
	A	B	C	D	E	F	G	H	I	J	K
Revenue Category	Actual Collections	DEFAC Apr-13	% B over A	DEFAC May-13	% D over A	$ Increase D over B	DEFAC Apr-13	% G over B	DEFAC May-13	% I over D	$ Increase I over G
Personal Income Tax	**1,231.7**	**1,310.6**	**6.4%**	**1,304.6**	**5.9%**	**(6.0)**	**1,365.6**	**4.2%**	**1,359.2**	**4.2%**	**(6.4)**
Less: Refunds	**(189.9)**	**(190.0)**	**0.1%**	**(180.0)**	**-5.2%**	**10.0**	**(199.5)**	**5.0%**	**(194.0)**	**7.8%**	**5.5**
PIT Less Refunds	**1,041.9**	**1,120.6**	**7.6%**	**1,124.6**	**7.9%**	**4.0**	**1,166.1**	**4.1%**	**1,165.2**	**3.6%**	**(0.9)**
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%	177.6	7.7%	1.0	185.5	5.0%	186.5	5.0%	1.0
Subtotal Franchise + LP/LLC	776.7	780.8	0.5%	781.8	0.7%	1.0	783.7	0.4%	784.7	0.4%	1.0
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%	770.8	0.6%	1.0	772.7	0.4%	773.7	0.4%	1.0
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%	220.0	47.6%	10.9	244.0	16.7%	249.0	13.2%	5.0
Less: Refunds	(29.9)	(21.0)	-29.7%	(20.0)	-33.1%	1.0	(40.6)	93.3%	(40.6)	103.0%	0.0
CIT Less Refunds	119.1	188.1	57.9%	200.0	67.9%	11.9	203.4	8.1%	208.4	4.2%	5.0
Bank Franchise Tax	**112.5**	**100.9**	**-10.3%**	**102.8**	**-8.7%**	**1.9**	**100.5**	**-0.4%**	**102.6**	**-0.2%**	**2.1**
Gross Receipts Tax	**233.4**	**226.3**	**-3.0%**	**226.3**	**-3.0%**	**0.0**	**233.6**	**3.2%**	**233.6**	**3.2%**	**0.0**
Lottery	**269.0**	**237.8**	**-11.6%**	**236.8**	**-12.0%**	**(1.0)**	**238.1**	**0.1%**	**237.1**	**0.1%**	**(1.0)**
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%	56.7	-13.0%	(1.4)	58.8	1.2%	59.5	4.9%	0.7
Dividends and Interest	10.6	7.0	-34.3%	6.0	-43.6%	(1.0)	9.0	28.6%	9.0	50.0%	0.0
Realty Transfer Tax	**31.6**	**43.3**	**37.0%**	**43.3**	**37.0%**	**0.0**	**48.3**	**11.5%**	**48.3**	**11.5%**	**0.0**
Estate Tax	**12.0**	**10.0**	**-16.7%**	**8.0**	**-33.3%**	**(2.0)**	**15.0**	**50.0%**	**12.0**	**50.0%**	**(3.0)**
Insurance Taxes	**63.4**	**48.5**	**-23.5%**	**50.6**	**-20.2%**	**2.1**	**51.2**	**5.6%**	**51.2**	**1.2%**	**0.0**
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	119.0	-1.5%	119.0	-1.5%	0.0	114.6	-3.7%	114.6	-3.7%	0.0
Other Revenues	81.7	92.7	13.4%	93.4	14.3%	0.7	89.0	-4.0%	89.9	-3.7%	0.9
Less: Other Refunds	**(34.1)**	**(37.6)**	**10.4%**	**(38.4)**	**12.8%**	**(0.8)**	**(39.8)**	**5.9%**	**(39.8)**	**3.6%**	**0.0**
Net Receipts	**3,359.3**	**3,700.9**	**10.2%**	**3,716.3**	**10.6%**	**15.4**	**3,728.9**	**0.8%**	**3,733.7**	**0.5%**	**4.8**

FY 2014 Debt Limit: $186.7

Table 2.
DEFAC General Fund Revenue Worksheet

May-13 DEFAC Meeting	FY 2015				
Revenue Category	L DEFAC Apr-13	M % L over G	N DEFAC May-13	O % N over I	P $ Increase N over L
Personal Income Tax	**1,426.9**	**4.5%**	**1,420.2**	**4.5%**	**(6.7)**
Less: Refunds	**(209.5)**	**5.0%**	**(203.7)**	**5.0%**	**5.8**
PIT Less Refunds	**1,217.4**	**4.4%**	**1,216.5**	**4.4%**	**(0.9)**
Franchise Tax	598.2	0.0%	598.2	0.0%	0.0
Limited Partnerships & LLC's	194.7	5.0%	195.8	5.0%	1.1
Subtotal Franchise + LP/LLC	792.9	1.2%	794.0	1.2%	1.1
Less: Refunds	(11.0)	0.0%	(11.0)	0.0%	0.0
Net Franchise + LP/LLC	781.9	1.2%	783.0	1.2%	1.1
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%	213.2	-14.4%	4.3
Less: Refunds	(42.6)	4.9%	(42.6)	4.9%	0.0
CIT Less Refunds	166.3	-18.2%	170.6	-18.1%	4.3
Bank Franchise Tax	**105.4**	**4.9%**	**107.8**	**5.1%**	**2.4**
Gross Receipts Tax	**238.2**	**2.0%**	**238.2**	**2.0%**	**0.0**
Lottery	**242.8**	**2.0%**	**236.8**	**-0.1%**	**(6.0)**
Abandoned Property	514.0	0.0%	514.0	0.0%	0.0
Hospital Board and Treatment	59.1	0.5%	59.8	0.5%	0.7
Dividends and Interest	9.9	10.0%	9.9	10.0%	0.0
Realty Transfer Tax	**53.1**	**9.9%**	**53.1**	**9.9%**	**0.0**
Estate Tax	**15.0**	**0.0%**	**12.0**	**0.0%**	**(3.0)**
Insurance Taxes	**52.2**	**2.0%**	**52.2**	**2.0%**	**0.0**
Public Utility Tax	46.9	3.5%	46.9	3.5%	0.0
Cigarette Taxes	113.5	-1.0%	113.5	-1.0%	0.0
Other Revenues	97.0	9.0%	97.9	8.9%	0.9
Less: Other Refunds	**(39.9)**	**0.3%**	**(39.9)**	**0.3%**	**0.0**
Net Receipts	**3,785.1**	**1.5%**	**3,784.6**	**1.4%**	**(0.5)**

Table 3.

Balance and Appropriations Worksheet

FY 2013 EXPENDITURES

Total Spending Authority	$3,985.5
Less: Continuing Appropriations & Encumbrances from FY 2013	($287.1)
Less: Reversions	($50.0)
Total Expenditures	$3,648.4

FY 2013 BALANCES

Total Expenditures	$3,648.4
vs. FY 2013 Revenues	3,716.3
Operating Balance	67.9
Prior Year Cash Balance	$564.7
Cumulative Cash Balance	632.6
Less: Continuing Appropriations & Encumbrances from FY 2013	(287.1)
Less: Budgetary Reserve Account	($198.9)
Unencumbered Cash Balance 6/30	$146.6

FY 2014 APPROPRIATION LIMITS

FY 2014 Revenue Estimate	$3,733.7
Unencumbered Cash Balance from FY 13	$146.6
100% Appropriation Limit	$3,880.3
98% Appropriation Limit	$3,802.7
Prior 98% Appropriation Limit	$3,782.9
Increase (Decrease) from Prior Meeting	$19.8
Sept. 2012 98% Appropriation Limit	$3,658.0
Increase (Decrease) from September 2012	$144.7

Table 4.

Delaware Department of Transportation
FY 2013 Expenditures, Thru April 30, 2013

83%

	FY2011 Actual	FY2012 Actual	FY2013 Appropriation	SEPTEMBER FY2013 Forecast	DECEMBER FY2013 Forecast	MARCH FY2013 Forecast	APRIL FY2013 Forecast	MAY 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	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	86.7	0.0	(1.4)	69.9	80.6%
Operations/Capital Outlay	55.3	53.2	56.1	56.1	56.1	56.1	58.1	58.1	0.0	4.9	47.0	80.9%
Transit Operations (DTC)	73.5	77.5	80.3	80.6	80.6	80.6	83.0	83.0	0.0	5.5	67.2	81.0%
Total Expenditures - Operations	337.1	342.6	346.6	346.9	346.9	346.9	351.3	351.3	0.0	8.7	307.6	87.6%
Capital (State)			CTP Spend									
Road System	90.1	144.7	157.6	157.6	150.1	142.1	142.1	132.1	(10.0)	(12.6)	100.4	76.0%
Grants & Allocations	13.5	15.8	26.8	18.8	18.8	19.7	19.7	19.1	(0.6)	3.3	17.1	89.5%
Support Systems	18.9	25.2	30.5	29.5	27.0	24.8	24.8	24.8	0.0	(0.4)	17.4	70.2%
Transit	5.0	5.8	11.2	8.7	8.7	8.2	8.2	7.1	(1.1)	1.3	2.6	36.6%
Total Expenditures- State Capital	127.5	191.5	226.1	214.6	204.6	194.8	194.8	183.1	(11.7)	(8.4)	137.5	75.1%
Capital (Federal)			CTP Spend									
Federal Capital	200.7	213.2	316.8	260.0	260.0	239.0	239.0	214.0	(25.0)	0.8	165.8	77.5%
Capital (GARVEE)			CTP Spend									
GARVEE - US301	13.8	35.7	65.9	61.3	47.0	31.6	31.6	27.9	(3.7)	(7.8)	25.9	92.8%
Total Expenditures - Capital	342.0	440.4	608.8	535.9	511.6	465.4	465.4	425	(40.4)	(15.4)	329.2	77.5%
TOTAL EXPENDITURES	679.1	783.0	955.4	882.8	858.5	812.3	816.7	776.3	(40.4)	(6.7)	636.8	82.0%

Table 5.

DELAWARE DEPARTMENT OF TRANSPORTATION
Transportation Trust Fund Revenues

				Fiscal 2013			Fiscal 2014		
	FY 11	FY 12	% Chg.	4/15/2013 Approved	**5/20/2013 Recomm**	% Chg. FY 12	4/15/2013 Approved	**5/20/2013 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	**$2.3**	24.9%	$2.1	**$2.4**	4.3%
Total Toll Road Revenues	160.3	162.0	1.1%	$166.0	**$166.3**	2.7%	$169.1	**$169.4**	1.9%
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	**$77.1**	8.4%	$77.8	**$79.4**	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	**$151.0**	5.8%	$153.9	**$155.5**	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**	**$447.3**	2.8%	**$455.6**	**$457.5**	2.3%
					$1.9			$1.9	