MINUTES of the
DELAWARE ECONOMIC & FINANCIAL ADVISORY COUNCIL

Buena Vista – June 17, 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	Yes
R. Gilligan	Yes
R. Glen	Yes
G. Hindes	Yes
J. Horty	Yes

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

Members in Attendance: 26
Members Absent: 09

Others Present: A. Aka, M. Brennan, P. Carter, D. Gregor, C. Heiks, K. Knight, S. McVay, B. Motyl, M. Pellowski, A. Penney, 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 May 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 June at $50.0 million and $36.0 million, respectively. He stated that the Continuing estimate was reduced from $251.1 million in May to $243.8 million. (See Table 1a for complete details).

Mr. Ratledge reviewed the Function Sheet estimate. He reported that, with the exception of Medicaid, Grants and Contractual Services, the estimates for most categories were virtually unchanged from May. The June estimate for Medicaid was decreased by $2.3 million. Mr. Ratledge said that there are currently 212,681 persons on Medicaid in the State, slightly up from 209,000 last year. The estimate for Grants was increased by $4.0 million on the back of an incorrect billing coding. The Contractual Services estimate was raised by $5.0 million. Mr. Ratledge noted that this category is growing rapidly and deserves a closer look in coming months. (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 expenditures were projected to outweigh revenues in coming years. 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 $3,655.7 million as the expenditure estimate for FY2013. This represents a $7.3 million increase from the May estimate.

Revenue Subcommittee:

Mr. Lewis presented the Revenue Subcommittee's report.

Economic Outlook

Mr. Aka presented the IHS Global Insight's U.S. forecast. He noted that the outlook for Employment, Real Consumer Expenditures, Inflation and T-Bond Rate were little changed from March. However, the forecasts for U.S. Real GDP, Personal Income and Wages and Salaries were raised in FY2015, as the impact of fiscal tightening dissipates in early CY2014.

Mr. Aka also presented the economic forecast for Delaware. He noted that the June forecasts took into account latest revisions of Personal Income and Wage and Salaries

data by the Bureau of Economic Analysis, as well as revisions of Delaware Employment figures by the Bureau of Labor Statistics and additional employment data from Delaware Department of Labor.

Mr. Dixon stated that small changes in economic variables are not very relevant. He suggested that more time should be devoted on issues behind the forecasts, e.g., effects of QE2, reconciling low job growth and higher GDP forecasts in FY2015 etc.

In response to a question from Mr. Horty, Mr. Gregor said that forecasts for Delaware took into account both numbers provided the Bureau of Economic Analysis and the Department of Finance's interpretation of U.S. forecast made by IHS Global Insight.

In response to a comment from Mr. Flowers pertaining to the presentation of constantly-changing economic data, Mr. Gregor said that the latest available figures are used in the presentation. He noted that changes in the historical data, which are not uncommon, can lead to changes in the forecast.

Ms. Cook asked why charts were made for March and June, instead of May and June. Mr. Gregor answered that changes from March to April and April to May were very small and that the June forecast is based on revised data that should have been presented earlier.

General Fund Revenues - Fiscal Year 2013:

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

Revenue Category	May-13	Jun-13	Change
Personal Income Tax	1,304.6	1,319.2	14.6
Estate Tax	8.0	5.3	(2.7)
PIT Refunds	(180.0)	(182.0)	(2.0)
Franchise Tax Refunds	(11.0)	(9.3)	1.7
Insurance Taxes	50.6	51.9	1.3
Bank Franchise Tax	102.8	103.8	1.0
Hospital Board and Treatment	56.7	57.3	0.6
Corporate Fees	88.7	89.3	0.6
Other Refunds	(38.4)	(38.7)	(0.3)
Dividends and Interest	6.0	6.3	0.3
Public Utility Tax	44.0	43.7	(0.3)
Uniform Commercial Code	17.2	17.0	(0.2)
Other Revenues	93.4	93.6	0.2

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

Discussion of FY 2013 Estimates:

Personal Income Tax: Mr. Lewis stated that the increase in the estimate was attributed to changes in PIT Withholding and Final Returns. He noted that tracking changes and taxes on exercised stock options have increased the estimate for Withholding by $5 million.

The upward revision in Final Returns came about as a result of the information gained through Division of Revenue's processing efforts in late May and June. This effort reduced a large backlog that was in place at the time of the May DEFAC meeting, which prevented a quicker recognition of the trend.

Estate Tax: Mr. Lewis stated that the decrease in the estimate was due to weak actual collections.

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 May.

Lottery: Mr. Lewis said that the estimate was unchanged from May.

Abandoned Property: Mr. Lewis said that the estimate was unchanged from May.

Hospital Board and Treatment: Mr. Lewis stated that the increase in the estimate was due to a tracking change.

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 $3,731.1 million as the revenue estimate for FY2013.

The estimate represents a $14.8 million increase from DEFAC's May estimate. Mr. Lewis noted that the adjusted growth rate is 2.5%.

General Fund Revenues - Fiscal Year 2014:

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

Revenue Category	May-13	Jun-13	Change
Personal Income Tax	1,359.2	1,368.7	9.5
CIT Refunds	(40.6)	(45.6)	(5.0)
Insurance Taxes	51.2	53.7	2.5
PIT Refunds	(194.0)	(196.2)	(2.2)
Realty Transfer Tax	48.3	49.8	1.5
Bank Franchise Tax	102.6	103.3	0.7
Public Utility Tax	45.3	44.6	(0.7)
Corporate Fees	91.4	92.0	0.6
Uniform Commercial Code	17.7	17.5	(0.2)
Other Revenues	89.9	90.1	0.2

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

Discussion of FY 2014 Estimates:

Personal Income Tax: Mr. Lewis stated that the estimate for PIT was raised by $9.5 million. He said that growth in PIT Withholding has been lowered from 5.1% in May to 4.5%, in order to reflect the gradual pace of improvement in the labor market. He noted that estimates for Delaware's Personal Income have been lowered by 0.9% between March and June.

Corporate Income Tax: Mr. Lewis stated that the decrease in the estimate was due to an increase in the estimate for CIT Refunds.

Realty Transfer Tax: Mr. Lewis stated that the increase in the estimate reflected an improvement in the housing sector.

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 $3,740.6 million as the revenue estimate for FY2014.

The estimate represents an increase of $6.9 million from the May estimate. Mr.

Lewis noted that the adjusted growth rate is 1.5%.

Mr. Lewis stated that, adjusting for the March Tax Package and Revenue Resolution, the June 2013 revenue estimate for FY2013 is just 1.1% higher than the original estimate made in June 2012.

For information purposes, Mr. Lewis said that the FY2015 estimate is $48.1 million higher than May's estimate. He noted that the increase can be attributed to changes in the estimates for Abandoned Property (up $36 million) and net PIT (up $8 million).

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 May's estimate of $351.3 million.

State Capital Expenditure: The estimate was reduced from $183.1 million to $182.9 million. Mr. Motyl explained that the increase in Grants and Allocations sub-category (up $1.3 million) was offset by a decrease in Transit category (down $1.5 million).

Federal Capital Expenditure: The estimate was reduced from $214.0 million to $211.0 million.

GARVEE – US301 Capital Expenditure: The estimate was reduced from $27.9 million to $26.9 million.

A motion was made, seconded, and approved to accept $772.1million as the FY2013 TTF expenditure estimate. The estimate represents a decrease of $4.2 from May's estimate. (See Table 4.)

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

FY2013 Estimates:

Toll Road Revenues: There was no change from May's estimate of $166.3 million.

Motor Fuel Tax Administration: There was no change from May's estimate of $116.0 million.

Division of Motor Vehicles: There was no change from May's estimate of $151.0 million.

Other Transportation Revenue: There was no change from May's estimate of $14.0 million.

A motion was made, seconded, and approved to accept $447.3 million as the FY2013 revenue estimate. The estimate was unchanged from May's estimate.

FY2014 Estimates:

Total TTF Revenue: There was no change from May's estimate of $457.5 million.

A motion was made, seconded, and approved to accept $457.5 million as the FY2014 revenue estimate. The estimate was unchanged from May's estimate and represents an increase of $10.2 million from the FY2013 estimate. (See Table 5)

Other Business:

FY2013 Debt Limit: Mr. Gregor presented the debt limit for FY2014. This amount is equal to 5% of projected FY2014 revenues or $187.0 million.

Mr. Cordrey announced his retirement from the DEFAC Board after serving on the board for 39 years. He stressed that DEFAC takes the politics out of the State's revenue forecasts.

Ms. Cook and Mr. Swayze noted Mr. Cordrey's leadership in sponsoring a number of provisions in the State's constitution regarding limitations on spending authority. In recognition of his service, Mr. Cordrey's announcement was met with a standing ovation by all present.

Mr. Martin announced the next scheduled DEFAC meeting dates:

- September 16, 2013
- December 16, 2013

There being no further business, Mr. Lewis adjourned the meeting at 3:56 p.m.

Respectfully submitted,

Arsene A. Aka

Table 1a.

DEFAC Expenditures Forecast for General Fund Disbursements FY2013 ($ in millions)
June 2013 (as of 06/17/13)

	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	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	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	243.8	
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	329.8	(329.8)
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**							**3,655.7**
% increase/(decrease)		**10.51%**	**12.69%**	**6.58%**	**0.94%**	**-3.69%**	**-6.65%**	**6.31%**	**9.84%**							**1.76%**
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%						91.7%
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%						6.1%

Recommended by Expenditures Subcommittee;
July 17, 2013

Table 1b.

DEFAC Expenditures Forecast for General Fund Disbursements FY2012 ($ in millions)
June 2013 (as of 06/17/13)

	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	June FY2013 Forecast	Diff. Jun. vs May	Diff. 13 vs. '12	tenative FY2013 YTD (actual 05/31/13)	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	1,288.0	1,288.0	0.0	10.6	**1,195.9**	**34.8%**	**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	378.7	378.7	0.0	(0.8)	**349.1**	**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	261.5	0.0	0.9	**240.1**	**7.0%**	**7.2%**	**7.3%**	**7.7%**
Other						112.0	112.4	118.9	116.0	116.0	118.0	118.0	117.2	117.2	0.0	(1.7)	**109.0**	**3.2%**	**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	268.0	0.0	15.1	**254.0**	**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	144.9	0.1	0.5	**144.9**	**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	371.0	4.0	7.0	**371.0**	**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	636.6	-2.3	(0.7)	**599.3**	**17.4%**	**17.4%**	**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%**	**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%**	**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	485.0	5.0	29.9	**448.0**	**13.0%**	**13.3%**	**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	64.5	0.5	(1.0)	**58.8**	**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	19.0	0.0	2.7	**18.4**	**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	3,655.7	7.3	63.3	**3,439.4**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Comments:

Recommended: June 17, 2013.

Table 2.

DEFAC General Fund Revenue Worksheet

June-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 May-13	% B over A	DEFAC Jun-13	% D over A	$ Increase D over B	DEFAC May-13	% G over B	DEFAC Jun-13	% I over D	$ Increase I over G
Personal Income Tax	**1,231.7**	**1,304.6**	**5.9%**	**1,319.2**	**7.1%**	**14.6**	**1,359.2**	**4.2%**	**1,368.7**	**3.8%**	**9.5**
Less: Refunds	**(189.9)**	**(180.0)**	**-5.2%**	**(182.0)**	**-4.1%**	**(2.0)**	**(194.0)**	**7.8%**	**(196.2)**	**7.8%**	**(2.2)**
PIT Less Refunds	**1,041.9**	**1,124.6**	**7.9%**	**1,137.2**	**9.2%**	**12.6**	**1,165.2**	**3.6%**	**1,172.5**	**3.1%**	**7.3**
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	177.6	7.7%	177.6	7.7%	0.0	186.5	5.0%	186.5	5.0%	0.0
Subtotal Franchise + LP/LLC	776.7	781.8	0.7%	781.8	0.7%	0.0	784.7	0.4%	784.7	0.4%	0.0
Less: Refunds	(10.7)	(11.0)	2.4%	(9.3)	-13.5%	1.7	(11.0)	0.0%	(11.0)	18.3%	0.0
Net Franchise + LP/LLC	766.0	770.8	0.6%	772.5	0.8%	1.7	773.7	0.4%	773.7	0.2%	0.0
Business Entity Fees	**84.5**	**88.7**	**4.9%**	**89.3**	**5.6%**	**0.6**	**91.4**	**3.0%**	**92.0**	**3.0%**	**0.6**
Uniform Commercial Code	**16.7**	**17.2**	**2.8%**	**17.0**	**1.6%**	**(0.2)**	**17.7**	**2.9%**	**17.5**	**2.9%**	**(0.2)**
Corporation Income Tax	149.0	220.0	47.6%	220.0	47.6%	0.0	249.0	13.2%	249.0	13.2%	0.0
Less: Refunds	(29.9)	(20.0)	-33.1%	(20.0)	-33.1%	0.0	(40.6)	103.0%	(45.6)	128.0%	(5.0)
CIT Less Refunds	119.1	200.0	67.9%	200.0	67.9%	0.0	208.4	4.2%	203.4	1.7%	(5.0)
Bank Franchise Tax	**112.5**	**102.8**	**-8.7%**	**103.8**	**-7.8%**	**1.0**	**102.6**	**-0.2%**	**103.3**	**-0.5%**	**0.7**
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**	**236.8**	**-12.0%**	**236.8**	**-12.0%**	**0.0**	**237.1**	**0.1%**	**237.1**	**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	56.7	-13.0%	57.3	-12.1%	0.6	59.5	4.9%	59.5	3.8%	0.0
Dividends and Interest	10.6	6.0	-43.6%	6.3	-40.8%	0.3	9.0	50.0%	9.0	42.9%	0.0
Realty Transfer Tax	**31.6**	**43.3**	**37.0%**	**43.3**	**37.0%**	**0.0**	**48.3**	**11.5%**	**49.8**	**15.0%**	**1.5**
Estate Tax	**12.0**	**8.0**	**-33.3%**	**5.3**	**-55.8%**	**(2.7)**	**12.0**	**50.0%**	**12.0**	**126.4%**	**0.0**
Insurance Taxes	**63.4**	**50.6**	**-20.2%**	**51.9**	**-18.1%**	**1.3**	**51.2**	**1.2%**	**53.7**	**3.5%**	**2.5**
Public Utility Tax	45.4	44.0	-3.0%	43.7	-3.6%	(0.3)	45.3	3.0%	44.6	2.1%	(0.7)
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	93.4	14.3%	93.6	14.5%	0.2	89.9	-3.7%	90.1	-3.7%	0.2
Less: Other Refunds	**(34.1)**	**(38.4)**	**12.8%**	**(38.7)**	**13.6%**	**(0.3)**	**(39.8)**	**3.6%**	**(39.8)**	**2.8%**	**0.0**
Net Receipts	**3,359.3**	**3,716.3**	**10.6%**	**3,731.1**	**11.1%**	**14.8**	**3,733.7**	**0.5%**	**3,740.6**	**0.3%**	**6.9**

FY 2014 Debt Limit: $187.0

Table 2.

DEFAC General Fund Revenue Worksheet

June-13 DEFAC Meeting	FY 2015				
Revenue Category	L DEFAC May-13	M % L over G	N DEFAC Jun-13	O % N over I	P $ Increase N over L
Personal Income Tax	**1,420.2**	**4.5%**	**1,430.4**	**4.5%**	**10.2**
Less: Refunds	**(203.7)**	**5.0%**	**(206.0)**	**5.0%**	**(2.3)**
PIT Less Refunds	**1,216.5**	**4.4%**	**1,224.4**	**4.4%**	**7.9**
Franchise Tax	598.2	0.0%	598.2	0.0%	0.0
Limited Partnerships & LLC's	195.8	5.0%	195.8	5.0%	0.0
Subtotal Franchise + LP/LLC	794.0	1.2%	794.0	1.2%	0.0
Less: Refunds	(11.0)	0.0%	(11.0)	0.0%	0.0
Net Franchise + LP/LLC	783.0	1.2%	783.0	1.2%	0.0
Business Entity Fees	**94.1**	**3.0%**	**94.8**	**3.0%**	**0.7**
Uniform Commercial Code	**18.2**	**2.8%**	**18.0**	**2.9%**	**(0.2)**
Corporation Income Tax	213.2	-14.4%	213.2	-14.4%	0.0
Less: Refunds	(42.6)	4.9%	(42.6)	-6.6%	0.0
CIT Less Refunds	170.6	-18.1%	170.6	-16.1%	0.0
Bank Franchise Tax	**107.8**	**5.1%**	**108.8**	**5.3%**	**1.0**
Gross Receipts Tax	**238.2**	**2.0%**	**238.2**	**2.0%**	**0.0**
Lottery	**236.8**	**-0.1%**	**236.8**	**-0.1%**	**0.0**
Abandoned Property	514.0	0.0%	550.0	7.0%	36.0
Hospital Board and Treatment	59.8	0.5%	58.5	-1.7%	(1.3)
Dividends and Interest	9.9	10.0%	9.9	10.0%	0.0
Realty Transfer Tax	**53.1**	**9.9%**	**54.8**	**10.0%**	**1.7**
Estate Tax	**12.0**	**0.0%**	**12.0**	**0.0%**	**0.0**
Insurance Taxes	**52.2**	**2.0%**	**55.1**	**2.6%**	**2.9**
Public Utility Tax	46.9	3.5%	46.1	3.4%	(0.8)
Cigarette Taxes	113.5	-1.0%	113.5	-1.0%	0.0
Other Revenues	97.9	8.9%	98.1	8.9%	0.2
Less: Other Refunds	**(39.9)**	**0.3%**	**(39.9)**	**0.3%**	**0.0**
Net Receipts	**3,784.6**	**1.4%**	**3,832.7**	**2.5%**	**48.1**

Table 3.

Balance and Appropriations Worksheet

FY 2013 EXPENDITURES

Total Spending Authority	$3,985.5
Less: Continuing Appropriations & Encumbrances from FY 2013	($279.8)
Less: Reversions	($50.0)
Total Expenditures	$3,655.7

FY 2013 BALANCES

Total Expenditures	$3,655.7
vs. FY 2013 Revenues	3,731.1
Operating Balance	75.4
Prior Year Cash Balance	$564.7
Cumulative Cash Balance	640.1
Less: Continuing Appropriations & Encumbrances from FY 2013	(279.8)
Less: Budgetary Reserve Account	($198.9)
Unencumbered Cash Balance 6/30	$161.4

FY 2014 APPROPRIATION LIMITS

FY 2014 Revenue Estimate	$3,740.6
Unencumbered Cash Balance from FY 13	$161.4
100% Appropriation Limit	$3,902.0
98% Appropriation Limit	$3,824.0
Prior 98% Appropriation Limit	$3,802.7
Increase (Decrease) from Prior Meeting	$21.3
Sept. 2012 98% Appropriation Limit	$3,658.0
Increase (Decrease) from September 2012	$166.0

Table 4.

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

92%

	FY2011 Actual	FY2012 Actual	FY2013 Appropriation	SEPTEMBER FY2013 Forecast	DECEMBER FY2013 Forecast	MARCH FY2013 Forecast	APRIL FY2013 Forecast	MAY FY2013 Forecast	JUNE 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	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	86.7	0.0	(1.4)	79.5	91.7%
Operations/Capital Outlay	55.3	53.2	56.1	56.1	56.1	56.1	58.1	58.1	58.1	0.0	4.9	51.5	88.6%
Transit Operations (DTC)	73.5	77.5	80.3	80.6	80.6	80.6	83.0	83.0	83.0	0.0	5.5	76.3	91.9%
Total Expenditures - Operations	337.1	342.6	346.6	346.9	346.9	346.9	351.3	351.3	351.3	0.0	8.7	330.8	94.2%
Capital (State)			CTP Spend										
Road System	90.1	144.7	157.6	157.6	150.1	142.1	142.1	132.1	132.1	0.0	(12.6)	109.0	82.5%
Grants & Allocations	13.5	15.8	26.8	18.8	18.8	19.7	19.7	19.1	20.4	1.3	4.6	18.2	89.2%
Support Systems	18.9	25.2	30.5	29.5	27.0	24.8	24.8	24.8	24.8	0.0	(0.4)	20.4	82.3%
Transit	5.0	5.8	11.2	8.7	8.7	8.2	8.2	7.1	5.6	-1.5	(0.2)	3.6	64.3%
Total Expenditures- State Capital	127.5	191.5	226.1	214.6	204.6	194.8	194.8	183.1	182.9	(0.2)	(8.6)	151.2	82.6%
Capital (Federal)			CTP Spend										
Federal Capital	200.7	213.2	316.8	260.0	260.0	239.0	239.0	214.0	211.0	(3.0)	(2.2)	180.6	85.6%
Capital (GARVEE)			CTP Spend										
GARVEE - US301	13.8	35.7	65.9	61.3	47.0	31.6	31.6	27.9	26.9	(1.0)	(8.8)	26.3	97.8%
Total Expenditures - Capital	342.0	440.4	608.8	535.9	511.6	465.4	465.4	425.0	420.8	(4.2)	(19.6)	358.1	85.1%
TOTAL EXPENDITURES	679.1	783.0	955.4	882.8	858.5	812.3	816.7	776.3	772.1	(4.2)	(10.9)	688.9	89.2%

Table 5.

DELAWARE DEPARTMENT OF TRANSPORTATION
Transportation Trust Fund Revenues

				Fiscal 2013			Fiscal 2014		
	FY 11	FY 12	% Chg.	5/20/2013 Approved	**6/17/2013 Recomm**	% Chg. FY 12	5/20/2013 Approved	**6/17/2013 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%	$2.3	**$2.3**	24.9%	$2.4	**$2.4**	4.3%
Total Toll Road Revenues	160.3	162.0	1.1%	$166.3	**$166.3**	2.7%	$169.4	**$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%	$77.1	**$77.1**	8.4%	$79.4	**$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%	$151.0	**$151.0**	5.8%	$155.5	**$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%	**$447.3**	**$447.3**	2.8%	**$457.5**	**$457.5**	2.3%
					$0.0			$0.0	