



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

RICHARD J. GEISENBERGER
SECRETARY OF FINANCE

January 29, 2021

TO: The Honorable John Carney, Governor
Members of the 151st General Assembly

Attached is the monthly financial report for the month ending December 31, 2020. This report shows General Fund Activity and Financial Position on a cash basis of accounting. It can also be found on the Internet under Monthly Financial Report at the following address:

www.finance.delaware.gov/publications/Monthly.shtml

If you have any questions or desire additional information, please contact this office.

Sincerely,

A handwritten signature in cursive script that reads "Richard J. Geisenberger".

Richard J. Geisenberger
Secretary of Finance

Attachment

OVERVIEW

GENERAL FUND CASH BALANCE

As of December 31, 2020, the General Fund cash balance has ending net operating cash of \$403.5 million. This is the result of a \$959.4 million beginning cash balance on July 1, 2020, a \$492.8 million operating cash deficit for FY 2021 and a transfer of \$63.1 million to the Budget Stabilization Fund.

There is no outstanding short-term general obligation debt for the fiscal year 2021.

As of December 31, 2020 (\$ Millions)

| | <u>FY21</u> | <u>FY20</u> | <u>FY19</u> | <u>FY18</u> |
|---------------------------------------|-----------------|-----------------|-----------------|-------------------|
| Beginning Fiscal Year Cash | \$ 959.4 | \$ 947.5 | \$ 749.8 | \$ 474.9 |
| Operating Cash Surplus/(Deficit) | <u>(492.8)</u> | <u>(450.6)</u> | <u>(599.6)</u> | <u>(612.6)</u> |
| Net Operating Cash balance | 466.6 | 496.9 | 150.2 | (137.7) |
| Transfer to Budget Stabilization Fund | <u>(63.1)</u> | <u>(126.3)</u> | <u>-</u> | <u>-</u> |
| Net Operating Cash Balance | <u>\$ 403.5</u> | <u>\$ 370.6</u> | <u>\$ 150.2</u> | <u>\$ (137.7)</u> |

As required by the Constitution of the State of Delaware, Article VIII, § 6. (d), \$252.4 million was dedicated to the Budget Reserve Account of the General Fund.

The combined General Fund/Special Fund Cash Balance was \$3,363.7 million. Of this amount, \$136.0 million is funds transferred from New Castle County which are designated for reimbursement of previous State COVID expenditures and \$416.6 million is from the federal Coronavirus Relief Fund (CRF) which are included in the Special Fund Cash Balance. Unaudited COVID expenditures through December 31, 2020 are \$645.4 million recorded in the Special Fund. Of the \$645.4 million, \$134.8 million represents a temporary interfund borrowing.

Effective July 1, 2020 and per 82 Del Law c 243 (SB 260, § 32 amending SB 240, § 74), \$63.1 million was allocated to the Budget Stabilization Fund, a special fund holding account. Funds in the account require an act of the General Assembly to enable appropriation and spending authority. As required by Executive Order 21 approved on June 30, 2018, §1(d), the Budget Stabilization Fund is increased by \$400.4 million, for reporting and planning purposes only.

State of Delaware
Statement of General Fund Cash Condition
as of 12/31/2020

| | <u>Fiscal Year 2021</u> | <u>Fiscal Year 2020</u> | <u>Fiscal Year 2019</u> | <u>Fiscal Year 2018</u> |
|---|------------------------------|------------------------------|------------------------------|--------------------------------|
| Beginning Fiscal Year Cash | \$ 959,370,219 | \$ 947,475,209 | \$ 749,818,248 | \$ 474,926,973 |
| Revenue | | | | |
| Taxes | 1,538,938,606 | 1,599,332,241 | 1,474,637,036 | 1,385,734,786 |
| Licenses, Permits, Fines and Fees | 104,352,556 | 100,196,911 | 88,907,202 | 90,329,899 |
| Rentals and Sales | 110,729,774 | 110,719,459 | 124,119,171 | 119,513,440 |
| Earnings and Investments | 43,655,676 | 23,312,366 | 12,356,743 | 6,559,042 |
| Other Receipts | 263,792,944 | 214,956,328 | 150,352,951 | 32,194,057 |
| Total Receipts | <u>2,061,469,556</u> | <u>2,048,517,305</u> | <u>1,850,373,103</u> | <u>1,634,331,224</u> |
| Less Refund Disbursements | 149,491,830 | 128,166,868 | 119,233,601 | 89,792,368 |
| Total Revenue | <u>1,911,977,726</u> | <u>1,920,350,437</u> | <u>1,731,139,502</u> | <u>1,544,538,856</u> |
| Disbursements | | | | |
| Legislature | 9,217,765 | 8,661,823 | 8,294,331 | 8,484,566 |
| Judicial | 52,255,453 | 50,943,479 | 49,293,494 | 47,531,932 |
| Executive | 78,375,348 | 91,650,569 | 115,273,937 | 75,089,010 |
| Department of Technology and Information | 27,603,339 | 22,541,776 | 23,968,293 | 22,005,527 |
| Other Elective Offices | 105,488,833 | 119,229,447 | 134,885,210 | 142,843,474 |
| Legal | 34,012,546 | 32,745,476 | 31,836,557 | 30,859,207 |
| Department of Human Resources | 11,584,936 | 9,825,013 | 7,392,665 | 3,389,589 |
| Department of State | 47,480,007 | 39,002,367 | 39,868,830 | 10,480,929 |
| Department of Finance | 10,481,519 | 18,650,089 | 12,553,094 | 9,149,623 |
| Department of Health and Social Services | 572,997,401 | 581,684,886 | 585,325,640 | 577,511,491 |
| Department of Services for Children, Youth, Families | 80,508,642 | 86,258,180 | 89,762,859 | 80,149,934 |
| Department of Correction | 199,982,010 | 181,421,354 | 173,485,185 | 158,848,942 |
| Department of Natural Resources and Environmental Control | 29,276,132 | 25,277,615 | 23,487,635 | 18,457,823 |
| Department of Safety and Homeland Security | 83,427,279 | 81,846,826 | 72,773,799 | 69,942,741 |
| Department of Transportation | 4,533,662 | 4,341,205 | 2,972,469 | 3,261,549 |
| Department of Labor | 4,756,594 | 5,372,770 | 6,134,648 | 5,381,044 |
| Department of Agriculture | 4,158,538 | 3,879,264 | 3,865,763 | 3,851,420 |
| Department of Elections | 6,742,714 | 3,897,522 | 8,883,732 | 2,474,766 |
| Fire Prevention Commission | 2,850,009 | 2,796,852 | 2,755,406 | 2,661,864 |
| Delaware National Guard | 2,301,614 | 2,135,738 | 1,993,401 | 2,389,966 |
| Advisory Council Exceptional Citizens | 153,376 | 130,755 | 145,864 | 124,851 |
| Higher Education | 144,723,425 | 143,181,529 | 133,082,735 | 120,187,915 |
| Department of Education | 891,849,615 | 855,451,756 | 802,731,178 | 762,090,160 |
| Total Disbursements | <u>2,404,760,757</u> | <u>2,370,926,291</u> | <u>2,330,766,725</u> | <u>2,157,168,323</u> |
| Ending Cash Balance | <u>\$ 466,587,188</u> | <u>\$ 496,899,355</u> | <u>\$ 150,191,025</u> | <u>\$ (137,702,494)</u> |

NOTES

1. This exhibit had been prepared using the best available data. It is, however, preliminary in nature and subject to change pending formal audit.
2. The Fiscal Year is July 1 through June 30.
3. FY 21 revenue excludes approximately \$273.4 million in received but uncoded tax revenue. Coding lags are due to the implementation of IRAS Phase 1 tax system modernization efforts.

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
As of 12/31/2020

| | Fiscal Year | % | Fiscal Year | % | Fiscal Year | % | Fiscal Year |
|-----------------------------------|-------------------------|--------------|-------------------------|--------------|-------------------------|--------------|-------------------------|
| | 2021 | Change | 2020 | Change | 2019 | Change | 2018 |
| Receipts | | | | | | | |
| Personal Income Tax | \$ 755,948,959 | -0.7% | \$ 761,073,104 | 5.8% | \$ 719,274,275 | 2.4% | \$ 702,445,897 |
| Franchise Tax | 359,137,704 | 12.2% | 320,131,548 | 13.9% | 281,073,382 | 17.3% | 239,560,889 |
| Limited Partnership and LLC | 48,480,120 | 17.4% | 41,281,809 | 11.8% | 36,917,715 | 3.4% | 35,701,806 |
| Business Entity Fees | 61,423,419 | 9.8% | 55,918,427 | 5.3% | 53,121,992 | 6.3% | 49,965,515 |
| Uniform Commercial Code | 12,890,095 | -2.8% | 13,265,256 | 1.9% | 13,014,935 | 13.7% | 11,448,180 |
| Abandoned Property | 260,386,984 | 21.3% | 214,635,163 | 44.0% | 149,018,093 | 486.9% | 25,389,498 |
| Gross Receipts Tax | 110,450,236 | -24.2% | 145,627,612 | 11.8% | 130,299,640 | 7.7% | 120,988,946 |
| Lottery | 99,870,739 | -0.5% | 100,358,208 | -8.2% | 109,379,243 | 4.7% | 104,453,886 |
| Corporate Income Tax | 77,368,378 | -11.1% | 86,992,197 | 28.0% | 67,965,424 | 12.7% | 60,292,992 |
| Realty Transfer Tax | 65,781,508 | -20.2% | 82,450,042 | 7.6% | 76,619,835 | 10.2% | 69,545,322 |
| Cigarette Tax | 43,298,943 | -28.8% | 60,799,930 | -8.9% | 66,766,562 | 9.1% | 61,211,746 |
| Bank Franchise Tax | 26,749,760 | -24.7% | 35,527,240 | 1.7% | 34,931,721 | 3.9% | 33,621,146 |
| Insurance Tax and Fees | 30,125,344 | 19.7% | 25,167,675 | -7.9% | 27,330,982 | 26.4% | 21,623,214 |
| Hospital Board and Treatment | 10,628,023 | 5.4% | 10,086,140 | -29.6% | 14,333,468 | -4.3% | 14,978,910 |
| Public Utility Tax | 14,989,042 | -27.0% | 20,519,686 | 30.6% | 15,711,797 | -22.2% | 20,195,088 |
| Alcohol Beverage Tax | 12,279,942 | -6.1% | 13,082,651 | -5.3% | 13,810,139 | 13.9% | 12,121,845 |
| Dividends and Interest | 43,655,655 | 87.3% | 23,312,187 | 88.7% | 12,356,708 | 88.4% | 6,558,974 |
| Other Revenue | 28,004,705 | -26.9% | 38,288,430 | 34.6% | 28,447,192 | -35.7% | 44,227,370 |
| Total Receipts | 2,061,469,556 | 0.6% | 2,048,517,305 | 10.7% | 1,850,373,103 | 13.2% | 1,634,331,224 |
| Refund Disbursements | | | | | | | |
| Personal Income Tax | 59,608,222 | | 43,324,307 | | 42,444,755 | | 38,664,485 |
| Franchise Tax | 2,624,748 | | 6,098,980 | | 5,604,035 | | 3,510,911 |
| Abandoned Property | 65,076,566 | | 58,121,967 | | 52,249,138 | | 6,583,386 |
| Gross Receipts Tax | 1,040,556 | | 1,458,988 | | 3,699,769 | | 777,699 |
| Corporation Income Tax | 17,497,879 | | 16,286,055 | | 14,165,294 | | 39,163,779 |
| Cigarette Tax | 33,377 | | 154,824 | | 177,400 | | 86,656 |
| Bank Franchise Tax | 3,048,663 | | 2,143,684 | | 325,914 | | 81,068 |
| Insurance Tax | 98,643 | | 691 | | 59,079 | | 371,758 |
| Miscellaneous Refunds | 463,176 | | 577,372 | | 508,217 | | 552,626 |
| Total Refund Disbursements | 149,491,830 | 16.6% | 128,166,868 | 7.5% | 119,233,601 | 32.8% | 89,792,368 |
| Net Receipts | \$ 1,911,977,726 | -0.4% | \$ 1,920,350,437 | 10.9% | \$ 1,731,139,502 | 12.1% | \$ 1,544,538,856 |

State of Delaware
Statement of General Fund Appropriation Balances
as of 12/31/2020

| Departmental Expenditures | Current FY Appropriations | Prior Year Continuing and Encumbered | Expenditures | Committed Expenditures | Encumbrances | Unencumbered Balance |
|---|--------------------------------------|---|-------------------------|-----------------------------------|-----------------------|---------------------------------|
| Legislature | \$ 17,752,200 | \$ 6,550,062 | \$ 9,217,765 | \$ 147,017 | \$ 1,599,212 | \$ 13,338,268 |
| Judicial | 102,697,200 | 3,373,702 | 52,255,453 | 134,271 | 2,540,097 | 51,141,081 |
| Executive | 133,479,588 | 137,096,194 | 78,375,348 | 707,859 | 21,850,118 | 169,642,457 |
| Department of Technology and Information | 50,624,500 | 8,870,477 | 27,603,339 | 21,962 | 7,834,003 | 24,035,673 |
| Other Elective Offices | 221,351,823 | 1,152,044 | 105,488,833 | 37,542 | 1,132,031 | 115,845,461 |
| Legal | 66,176,200 | 335,460 | 34,012,546 | 5,605 | 2,289,710 | 30,203,800 |
| Department of Human Resources | 23,191,300 | 6,129,749 | 11,584,936 | 5,433 | 304,617 | 17,426,063 |
| Department of State | 54,638,400 | 23,938,204 | 47,480,007 | 12,705 | 2,546,670 | 28,537,222 |
| Department of Finance | 18,423,543 | 773,953 | 10,481,519 | 3,938 | 1,348,334 | 7,363,705 |
| Department of Health and Social Services | 1,265,667,102 | 57,667,091 | 572,997,401 | 48,811 | 134,543,019 | 615,744,963 |
| Department of Services for Children, Youth, Families | 184,093,746 | 14,132,956 | 80,508,642 | 70,704 | 48,573,600 | 69,073,756 |
| Department of Correction | 359,357,818 | 23,194,488 | 199,982,010 | 161,748 | 77,065,776 | 105,342,772 |
| Department of Natural Resources and Environmental Control | 40,800,847 | 39,578,244 | 29,276,132 | (218) | 10,703,187 | 40,399,990 |
| Department of Safety & Homeland Security | 155,974,446 | 5,172,960 | 83,427,279 | 34,804 | 9,163,463 | 68,521,860 |
| Department of Transportation | 5,000,000 | - | 4,533,662 | - | 466,338 | - |
| Department of Labor | 11,076,200 | 687,082 | 4,756,594 | 91,208 | 1,548,583 | 5,366,897 |
| Department of Agriculture | 8,516,000 | 893,460 | 4,158,538 | 44,469 | 633,672 | 4,572,781 |
| Department of Elections | 10,299,500 | 971,341 | 6,742,714 | 38,159 | 507,017 | 3,982,951 |
| Fire Prevention Commission | 5,636,900 | 46,155 | 2,850,009 | - | 44,263 | 2,788,783 |
| Delaware National Guard | 5,059,900 | 480,497 | 2,301,614 | - | 1,348,464 | 1,890,319 |
| Advisory Council Exceptional Citizens | 275,000 | 11,015 | 153,376 | - | 4,945 | 127,694 |
| Higher Education | 254,917,500 | 17,246,554 | 144,723,425 | - | 2,532,876 | 124,907,753 |
| Department of Education | 1,643,047,385 | 81,821,820 | 891,849,615 | 11,768 | 59,334,107 | 773,673,715 |
| Total | <u>\$ 4,638,057,098</u> | <u>\$ 430,123,508</u> | <u>\$ 2,404,760,757</u> | <u>\$ 1,577,785</u> | <u>\$ 387,914,102</u> | <u>\$ 2,273,927,964</u> |

NOTES

1. Exhibit has been prepared using the best available data. Committed expenditures are representative of expenditures expected to be paid but have not been as of the date of this report. Additionally, the negative balances are expenditures that have been released from payment but not fully processed at the date of this report. However, the data is preliminary in nature and subject to change pending formal audit.

2. Fiscal Year is July 1 through June 30.

STATE OF DELAWARE
Statement of General Fund Expenditures by Major Category
As of 12/31/2020
(Expressed in Thousands)

| | Fiscal Year | % | Fiscal Year | % | Fiscal Year | % | Fiscal Year |
|--------------------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|
| | 2021 | Change | 2020 | Change | 2019 | Change | 2018 |
| Salaries and Wages | \$ 892,506.3 | 8.4% | \$ 823,527.9 | 3.2% | \$ 797,998.9 | 6.7% | \$ 747,786.1 |
| Fringe Benefits (less Pension) | 268,724.5 | 4.0% | 258,347.4 | 2.1% | 253,035.2 | 2.9% | 245,847.9 |
| Pension Costs | 218,843.0 | 10.3% | 198,364.8 | -3.5% | 205,496.4 | 16.5% | 176,454.5 |
| Medicaid | 346,274.9 | -6.6% | 370,746.2 | -0.6% | 373,148.9 | 0.3% | 372,126.8 |
| Grants | 246,282.9 | -9.0% | 270,639.3 | 5.7% | 255,972.2 | 36.2% | 187,952.3 |
| Contractual Services | 310,984.6 | 4.2% | 298,577.0 | 4.0% | 287,127.1 | 9.9% | 261,359.1 |
| Supplies and Materials | 30,145.2 | -14.9% | 35,420.8 | -7.4% | 38,239.1 | 19.3% | 32,042.9 |
| Capital Outlay | 10,314.1 | -52.8% | 21,853.3 | 130.7% | 9,473.1 | 30.8% | 7,245.2 |
| Debt Service | 80,685.3 | -13.7% | 93,449.6 | -15.3% | 110,275.8 | -12.7% | 126,353.5 |
| Total | \$ 2,404,760.8 | 1.4% | \$ 2,370,926.3 | 1.7% | \$ 2,330,766.7 | 8.0% | \$ 2,157,168.3 |