



**STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
OFFICE OF THE SECRETARY**

**GARY M. PFEIFFER  
SECRETARY OF FINANCE**

March 9, 2009

TO: The Honorable Jack Markell, Governor  
Members of the 145th General Assembly

Attached is the monthly financial report for the month ending February 28, 2009. 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](http://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 black ink that reads "Gary M. Pfeiffer".

Gary M. Pfeiffer  
Secretary of Finance

TLN:ed  
Attachment

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## OVERVIEW

### GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$54.0 million with no outstanding short-term general obligation debt as of February 28, 2009.

As of February 28, 2009  
(\$ Millions)

	<u>FY09</u>	<u>FY08</u>	<u>FY07</u>	<u>FY06</u>
Beginning Fiscal Year Cash	\$ 526.0	\$ 590.9	\$ 690.6	\$ 701.2
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 472.0)</u>	<u>(\$ 439.7)</u>	<u>(\$ 509.8)</u>	<u>(\$ 376.2)</u>
Net Operating Cash Balance	\$ 54.0	\$ 151.2	\$ 180.8	\$ 325.0

The net operating cash balance of \$54.0 million results from a beginning cash balance of \$526.0 million on July 1, 2008, less a \$472.0 million operating cash deficit for FY 2009. Included in the net operating cash balance is a surplus of \$123.0 million in the Revenue Refund Account. It should be noted that during the early months of each fiscal year, disbursements more often exceed revenues until major tax collections are received later in the fiscal year.

\$186.4 million was dedicated to the Budget Reserve Account of the General Fund as required by the Constitution of the State of Delaware, Article VIII, § 6.(d).

It should be noted that the difference between the \$186.4 and the net operating cash balance of \$54.0 million represents a temporary interfund borrowing of \$132.4 million, pursuant to § 7404 (d), Title 29 Delaware Code.

The combined General Fund/Special Fund Cash Balance was \$1,605.1 million.

**State of Delaware**  
**Statement of General Fund Cash Condition**  
as of 2/28/2009

Exhibit A

	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006
<b>Beginning Fiscal Year Cash</b>	\$ 525,983,117	\$ 590,888,376	\$ 690,571,679	\$ 701,197,260
<b>Revenue</b>				
<u>Receipts</u>				
Taxes	1,743,623,804	1,762,442,635	1,636,093,035	1,648,387,803
Licenses	13,244,877	9,171,801	11,910,777	8,199,239
Fees	55,505,920	67,084,923	61,812,789	62,131,375
Permits	698	548	398	446
Fines	1,479,786	2,100,282	2,075,118	1,352,914
Rentals & Sales	207,256,114	208,053,646	210,909,490	197,231,347
Grants	6,516	0	0	0
Governmental Contributions	180	135	4,803,585	327
Earnings and Investments	9,743,275	21,580,051	14,691,002	7,406,780
State Government/Agency Revenue	3,025,540	2,113,682	10,524,735	1,987,761
	<u>2,033,886,709</u>	<u>2,072,547,702</u>	<u>1,952,820,929</u>	<u>1,926,697,992</u>
Less Refund Disbursements	126,961,158	125,349,650	113,856,791	91,216,843
<b>Total Revenue</b>	<b>1,906,925,551</b>	<b>1,947,198,052</b>	<b>1,838,964,139</b>	<b>1,835,481,150</b>
<b>Disbursements</b>				
<u>Agency Expenditures</u>				
Legislature	8,812,029	9,384,632	8,541,738	8,414,778
Judicial	60,020,796	62,270,753	57,728,525	55,555,347
Executive	112,589,055	118,733,855	228,577,477	235,576,871
Department of Technology and Information	26,577,452	27,739,118	26,533,338	27,037,256
Other Elective Offices	44,907,838	54,632,804	48,921,356	47,719,264
Legal	30,126,748	30,705,650	26,952,223	23,951,902
Department of State	28,689,175	22,933,558	17,500,993	12,173,258
Department of Finance	20,348,039	25,342,988	31,120,424	50,963,383
Department of Health and Social Services	632,216,128	613,052,438	567,257,742	514,851,627
Department of Services to Child/Youth/Families	90,751,774	96,710,350	87,620,250	78,766,321
Department of Correction	173,534,010	178,818,209	163,836,160	145,314,382
Department of Natural Resources	40,198,499	46,396,686	45,595,587	39,580,303
Department of Safety and Homeland Security	86,543,649	85,886,377	80,746,226	74,682,762
Department of Transportation	0	3,190	1,870,590	7,538,054
Department of Labor	5,703,106	6,106,518	5,473,477	5,547,783
Department of Agriculture	5,438,526	6,221,038	6,072,761	4,764,010
Department of Elections	4,615,896	3,777,736	5,003,622	2,445,819
Fire Prevention Commission	3,048,281	3,491,958	3,415,750	2,938,708
Delaware National Guard	2,903,998	2,979,428	2,551,555	3,475,548
Advisory Council for Exceptional Citizens	114,638	122,228	114,600	90,289
Higher Education	177,610,502	177,304,338	175,896,452	164,365,510
Department of Education	829,399,570	818,432,020	760,536,969	710,153,327
	<u>2,384,149,709</u>	<u>2,391,045,872</u>	<u>2,351,867,815</u>	<u>2,215,906,502</u>
Less Vouchers Payable	5,205,993	4,175,619	3,081,693	4,180,644
<b>Total Disbursements</b>	<b>2,378,943,716</b>	<b>2,386,870,253</b>	<b>2,348,786,122</b>	<b>2,211,725,858</b>
<b>Ending Cash Balance</b>	<b>\$ 53,964,952</b>	<b>\$ 151,216,175</b>	<b>\$ 180,749,695</b>	<b>\$ 324,952,552</b>

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. Numbers are rounded and thus the sum of the detail may not equal the total.
3. The Fiscal Year is July 1 through June 30.

3/6/2009

**State of Delaware**  
**Statement of General Fund Receipts and Refund Disbursements by Major Category**  
as of 2/28/2009

Exhibit A-1

	Fiscal Year 2009	% Change	Fiscal Year 2008	% Change	Fiscal Year 2007	% Change	Fiscal Year 2006
<b>Receipts</b>							
Personal Income Taxes	\$ 699,131,255	(2.2)	\$ 714,605,943	0.2	\$ 713,439,803	3.7	\$ 688,263,370
Franchise Taxes	328,188,239	2.2	321,174,632	20.8	265,786,318	(2.2)	271,645,929
Corporate Fees	32,840,889	(21.3)	41,723,956	8.1	38,596,237	(0.4)	38,738,563
Limited Partnership and LLC	21,681,682	1.5	21,354,626	23.4	17,303,660	28.3	13,484,385
Uniform Commercial Code	7,326,458	(21.6)	9,345,849	11.4	8,392,667	(13.3)	9,677,687
Corporation Income Taxes	91,101,858	20.8	75,417,389	(1.1)	76,292,072	4.2	73,251,854
Bank Franchise Tax	68,922,035	(3.0)	71,089,165	(21.7)	90,809,865	27.0	71,504,532
Gross Receipts Tax	112,819,452	2.0	110,642,024	0.9	109,627,414	(15.7)	130,053,170
Lottery	155,916,568	(3.9)	162,205,936	(4.1)	169,143,795	6.4	158,925,501
Abandoned Property	214,195,457	1.4	211,228,357	50.9	139,959,648	(19.9)	174,680,850
Hospital Board and Treatment	51,299,274	11.9	45,824,757	10.0	41,652,352	8.8	38,272,223
Dividends and Interest	9,743,275	(54.9)	21,580,051	46.9	14,691,002	98.3	7,406,780
Realty Transfer Tax	33,704,680	(44.8)	61,082,605	(4.9)	64,209,397	(23.1)	83,525,112
Estate Tax	36,177	(70.7)	123,281	(54.0)	268,038	(93.7)	4,278,187
Insurance Taxes	37,237,321	(24.8)	49,501,006	(11.0)	55,600,048	38.8	40,058,935
Public Utility Tax	39,221,334	23.9	31,653,224	3.5	30,573,382	17.2	26,097,351
Cigarette Taxes	79,212,345	3.6	76,459,725	40.4	54,477,012	(1.0)	55,000,650
Other Revenues	51,308,411	7.9	47,535,175	(23.3)	61,998,218	48.2	41,832,913
<b>Total Receipts</b>	<b>2,033,886,709</b>	<b>(1.9)</b>	<b>2,072,547,702</b>	<b>6.1</b>	<b>1,952,820,929</b>	<b>1.4</b>	<b>1,926,697,992</b>
<b>Refund Disbursements</b>							
Personal Income Taxes	75,450,051		76,186,391		58,655,550		57,391,883
Franchise Taxes	4,724,311		3,543,486		4,417,347		5,710,987
Corporation Income Taxes	26,169,172		39,191,440		42,296,012		19,650,162
Bank Franchise Tax	171,257		40,408		1,552		1,160,487
Gross Receipts Tax	5,808,080		2,753,200		1,399,339		3,250,496
Abandoned Property	13,389,883		2,654,888		5,476,173		1,984,133
Estate Tax	277,587		10,689		377,191		900,162
Cigarette Taxes	116,915		160,835		136,981		171,129
Withholding	739,915		599,357		802,183		839,406
Insurance Taxes	65,879		133,945		109,807		48,205
Miscellaneous Refunds	48,109		75,010		184,656		109,792
<b>Total Refund Disbursements</b>	<b>126,961,158</b>	<b>1.3</b>	<b>125,349,650</b>	<b>10.1</b>	<b>113,856,791</b>	<b>24.8</b>	<b>91,216,843</b>
<b>Net Receipts</b>	<b>\$ 1,906,925,551</b>	<b>(2.1)</b>	<b>\$ 1,947,198,052</b>	<b>5.9</b>	<b>\$ 1,838,964,139</b>	<b>0.2</b>	<b>\$ 1,835,481,150</b>

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3. The Fiscal Year is July 1 through June 30.
4. Additional Dividends and Interest may have been received but not officially recorded.
5. " % Change " for "Receipts" may be blank due to a significant value.

3/6/2009

**State of Delaware**  
**Statement of General Fund Appropriation Balances**  
as of 2/28/2009

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,883,100	3,653,886	8,812,029	500,641	9,224,316
Judicial	90,172,200	3,274,010	60,020,796	3,224,455	30,200,959
Executive	230,408,644	71,198,374	112,589,055	17,888,651	171,129,312
Department of Technology and Information	38,173,900	2,960,004	26,577,452	4,953,636	9,602,816
Other Elective Offices	55,510,633	330,930	44,907,838	275,834	10,657,891
Legal	45,146,250	268,052	30,126,748	1,064,995	14,222,559
Department of State	35,087,800	8,311,859	28,689,175	2,291,745	12,418,739
Department of Finance	25,541,200	1,779,719	20,348,039	951,381	6,021,498
Department of Health and Social Services	929,148,527	30,064,502	632,216,128	65,310,013	261,686,888
Department of Services to Child/Youth/Families	136,605,749	4,241,494	90,751,774	21,550,969	28,544,500
Department of Correction	260,693,761	10,763,898	173,534,010	34,945,702	62,977,947
Department of Natural Resources	48,877,800	26,457,303	40,198,499	10,740,869	24,395,736
Department of Safety and Homeland Security	127,327,262	2,599,495	86,543,649	2,841,877	40,541,230
Department of Labor	7,352,472	761,517	5,703,106	490,573	1,920,310
Department of Agriculture	8,684,600	457,953	5,438,526	987,692	2,716,334
Department of Elections	5,791,250	951,598	4,615,896	155,814	1,971,138
Fire Prevention Commission	4,798,000	84,620	3,048,281	263,415	1,570,924
Delaware National Guard	4,918,200	569,205	2,903,998	837,505	1,745,902
Advisory Council for Exceptional Citizens	178,200	5,793	114,638	1,681	67,675
Higher Education	249,559,106	4,851,396	177,610,502	2,566,817	74,233,182
Department of Education	1,172,640,468	61,182,780	829,399,570	52,793,286	351,630,393
<b>Total</b>	<b>\$ 3,491,499,121</b>	<b>\$ 234,768,388</b>	<b>\$ 2,384,149,709</b>	<b>\$ 224,637,553</b>	<b>\$ 1,117,480,247</b>

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**State of Delaware**  
**Statement of General Fund Expenditures by Major Category**  
as of 2/28/2009

Exhibit B

	Fiscal Year 2009 \$(000) s	%	Fiscal Year 2008 \$(000) s	%	Fiscal Year 2007 \$(000) s	%	Fiscal Year 2006 \$(000) s
		Change		Change		Change	
Salaries and Wages	874,938.1	0.2	872,771.5	11.3	784,074.5	4.6	749,252.8
Fringe Benefits (less Pension)	219,800.1	(2.9)	226,309.9	5.1	215,322.4	8.3	198,857.6
Pension Costs	150,376.4	(3.6)	155,971.7	13.8	137,098.5	12.0	122,438.2
Medicaid	352,754.6	7.8	327,162.4	10.4	296,465.5	11.5	265,852.9
*Public Assistance	58,500.9	(8.0)	63,587.0	(1.9)	64,800.6	23.1	52,621.8
*Grants	200,467.2	5.9	189,386.6	(36.0)	295,741.6	(5.8)	314,061.0
*Personal Services and Travel	139,383.0	(0.4)	139,991.9	(2.4)	143,389.8	24.2	115,406.3
*Contractual Services	200,714.8	(1.6)	203,928.9	6.3	191,766.8	4.5	183,516.5
Supplies and Materials	48,919.3	(5.2)	51,608.3	2.9	50,130.9	(0.2)	50,243.4
Capital Outlay	32,260.3	(25.6)	43,336.4	(31.4)	63,133.2	7.8	58,540.3
Debt Service	106,035.1	(9.4)	116,991.3	6.4	109,944.1	4.6	105,115.7
<b>Total</b>	<b>\$ 2,384,149.7</b>	<b>(0.3)</b>	<b>\$ 2,391,045.9</b>	<b>1.7</b>	<b>\$ 2,351,867.8</b>	<b>6.1</b>	<b>\$ 2,215,906.5</b>

\*Examples:

Public Assistance: Costs for programs such as General Assistance, Early Intervention, Child Care, Child Welfare, Emergency Assistance, Renal Disease, etc.

Grants: Costs for Grants-in-Aid, University of Delaware operations and programs, scholarships, etc.

Personal Services: Costs for contracting of personal, medical, legal, education, etc. services.

Contractual Services: Costs for contracting of communications, utilities, insurance, repair and maintenance, school bus transportation, etc.

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