



STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF ACCOUNTING

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August 9, 2007

TO: The Honorable Ruth Ann Minner, Governor
Members of the 144th General Assembly

Attached is the monthly financial report for the month ending July 31, 2007. 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:

http://www.state.de.us/finance/publications/Financial_Reports.shtml

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

Sincerely,

A handwritten signature in black ink, appearing to read "Richard S. Cordrey".

Richard S. Cordrey
Secretary of Finance

TLN:ed
Attachment

OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$468.4 million with no outstanding short-term general obligation debt as of July 31, 2007.

As of July 31, 2007
(\$ Millions)

| | <u>FY08</u> | <u>FY07</u> | <u>FY06</u> | <u>FY05</u> |
|---|-------------------|-------------------|-------------------|-------------------|
| Beginning Fiscal Year Cash | \$ 590.9 | \$ 690.6 | \$ 701.2 | \$ 646.0 |
| <u>Operating Cash Surplus/(Deficit)</u> | <u>(\$ 122.5)</u> | <u>(\$ 172.9)</u> | <u>(\$ 132.8)</u> | <u>(\$ 165.2)</u> |
| Net Cash Balance | \$ 468.4 | \$ 517.7 | \$ 568.4 | \$ 480.8 |

The net cash balance of \$468.4 million results from a beginning cash balance of \$590.9 million on July 1, 2007, less a \$122.5 million operating cash deficit for FY 2008. Included in the cash balance is a surplus of \$24.2 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.

\$182.8 million of the \$468.4 million cash balance 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).

The combined General Fund/Special Fund Cash Balance was \$1,687.4 million.

State of Delaware
Statement of General Fund Cash Condition
as of 7/31/2007

Exhibit A

| | Fiscal Year 2008 | Fiscal Year 2007 | Fiscal Year 2006 | Fiscal Year 2005 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Beginning Fiscal Year Cash | \$ 590,888,376 | \$ 690,571,679 | \$ 701,197,260 | \$ 645,961,410 |
| Revenue | | | | |
| <u>Receipts</u> | | | | |
| Taxes | 165,629,025 | 124,717,820 | 141,707,531 | 121,114,426 |
| Licenses | 466,518 | 396,237 | 435,080 | 326,273 |
| Fees | 6,797,649 | 4,748,562 | 5,462,130 | 5,314,153 |
| Permits | 6 | 56 | 50 | 110 |
| Fines | 124,299 | 117,633 | 124,927 | 106,690 |
| Rentals & Sales | 24,534,183 | 27,106,952 | 24,850,652 | 20,131,209 |
| Earnings and Investments | 1,103,018 | 1,028,099 | 1,225,810 | 6,561 |
| State Government/Agency Revenue | 333,124 | 150,145 | 77,780 | 3,715,406 |
| | <u>198,987,822</u> | <u>158,265,504</u> | <u>173,883,961</u> | <u>150,714,827</u> |
| Less Refund Disbursements | 15,796,540 | 8,467,522 | 7,551,677 | 8,283,182 |
| Total Revenue | 183,191,282 | 149,797,982 | 166,332,284 | 142,431,645 |
| Disbursements | | | | |
| <u>Agency Expenditures</u> | | | | |
| Legislature | 1,527,176 | 1,329,157 | 1,287,841 | 1,162,204 |
| Judicial | 7,150,566 | 6,992,623 | 6,161,658 | 5,501,432 |
| Executive | 28,359,890 | 63,110,604 | 50,820,218 | 56,133,477 |
| Department of Technology and Information | 3,888,285 | 3,426,319 | 4,006,164 | 3,442,802 |
| Other Elective Offices | 27,414,649 | 23,709,049 | 21,918,268 | 30,795,053 |
| Legal | 3,687,102 | 3,456,178 | 2,668,502 | 2,725,797 |
| Department of State | 3,200,004 | 1,796,474 | 1,164,250 | 1,059,489 |
| Department of Finance | 3,442,086 | 2,781,446 | 12,840,671 | 9,294,138 |
| Department of Administrative Services | 0 | 0 | 0 | 8,223,678 |
| Department of Health and Social Services | 60,039,576 | 57,902,176 | 45,948,362 | 45,383,009 |
| Department of Services to Child/Youth/Families | 10,633,830 | 10,421,245 | 9,410,092 | 9,248,228 |
| Department of Correction | 20,405,586 | 20,051,861 | 16,468,099 | 15,319,443 |
| Department of Natural Resources | 5,038,475 | 4,484,242 | 3,741,489 | 3,290,859 |
| Department of Safety and Homeland Security | 13,024,910 | 12,949,582 | 11,456,749 | 9,918,174 |
| Department of Transportation | 0 | 984,384 | 45,007 | 0 |
| Department of Labor | 1,167,182 | 709,145 | 336,513 | 739,246 |
| Department of Agriculture | 686,818 | 546,230 | 604,359 | 527,087 |
| Department of Elections | 340,033 | 344,577 | 275,639 | 349,784 |
| Fire Prevention Commission | 388,512 | 353,576 | 291,143 | 351,270 |
| Delaware National Guard | 346,225 | 254,719 | 296,771 | 267,230 |
| Advisory Council for Exceptional Citizens | 12,362 | 12,987 | 10,039 | 10,382 |
| Higher Education | 23,250,731 | 22,413,849 | 22,006,648 | 20,510,615 |
| Department of Education | 96,185,041 | 88,839,650 | 91,597,224 | 87,140,399 |
| | <u>310,189,039</u> | <u>326,870,071</u> | <u>303,355,704</u> | <u>311,393,794</u> |
| Less Vouchers Payable | 4,483,805 | 4,232,487 | 4,229,874 | 3,842,344 |
| Total Disbursements | 305,705,234 | 322,637,584 | 299,125,830 | 307,551,450 |
| Ending Cash Balance | \$ 468,374,424 | \$ 517,732,077 | \$ 568,403,714 | \$ 480,841,605 |

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.

8/6/2007

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 7/31/2007

| | Fiscal Year 2008 | % Change | Fiscal Year 2007 | % Change | Fiscal Year 2006 | % Change | Fiscal Year 2005 |
|-----------------------------------|-----------------------|-------------|-----------------------|--------------|-----------------------|--------------|-----------------------|
| Receipts | | | | | | | |
| Personal Income Taxes | \$ 76,408,012 | 4.2 | \$ 73,312,406 | 13.5 | \$ 64,587,821 | 9.1 | \$ 59,196,361 |
| Franchise Taxes | 17,429,628 | 180.6 | 6,210,983 | (37.9) | 10,008,485 | (5.1) | 10,541,757 |
| Corporate Fees | 5,233,968 | 55.6 | 3,364,281 | (10.1) | 3,742,058 | 2.5 | 3,652,457 |
| Limited Partnership and LLC | 5,210,977 | 82.3 | 2,858,992 | 1.7 | 2,810,628 | (6.4) | 3,003,199 |
| Uniform Commercial Code | 1,058,790 | 43.6 | 737,187 | (27.2) | 1,012,959 | (9.9) | 1,124,357 |
| Corporation Income Taxes | 4,052,728 | (11.6) | 4,583,946 | (35.6) | 7,113,034 | 79.4 | 3,964,443 |
| Bank Franchise Tax | 11,340 | (67.4) | 34,761 | 5,917.2 | 1 | (100.0) | 12,394 |
| Gross Receipts Tax | 17,073,539 | 0.7 | 16,948,709 | (12.8) | 19,430,047 | 13.1 | 17,179,303 |
| Lottery | 20,237,106 | (12.2) | 23,040,548 | 8.3 | 21,264,989 | 25.7 | 16,914,777 |
| Abandoned Property | 23,627,946 | 766.5 | 2,726,846 | (77.2) | 11,959,686 | 90.3 | 6,284,878 |
| Hospital Board and Treatment | 4,291,677 | 5.7 | 4,061,122 | 13.3 | 3,584,734 | 12.9 | 3,176,390 |
| Dividends and Interest | 1,103,018 | 7.3 | 1,028,099 | (16.1) | 1,225,810 | 8,584.0 | 6,561 |
| Realty Transfer Tax | 8,606,377 | 6.9 | 8,052,162 | (36.0) | 12,573,352 | 33.3 | 9,429,411 |
| Estate Tax | 50,413 | (69.8) | 167,136 | (76.8) | 721,162 | (20.2) | 903,626 |
| Insurance Taxes | 308,805 | 29.4 | 238,659 | (50.0) | 477,107 | 118.0 | 218,811 |
| Public Utility Tax | 3,766,712 | 1.0 | 3,728,635 | 19.6 | 3,118,864 | 6.0 | 2,942,336 |
| Cigarette Taxes | 5,540,402 | 104.5 | 2,709,201 | (55.0) | 6,020,627 | 16.3 | 5,174,749 |
| Other Revenues | 4,976,382 | 11.5 | 4,461,834 | 5.4 | 4,232,598 | (39.4) | 6,989,018 |
| Total Receipts | 198,987,822 | 25.7 | 158,265,504 | (9.0) | 173,883,961 | 15.4 | 150,714,827 |
| Refund Disbursements | | | | | | | |
| Personal Income Taxes | 13,252,361 | | 6,422,087 | | 4,497,969 | | 5,201,283 |
| Franchise Taxes | 340,939 | | 892,035 | | 864,518 | | |
| Corporation Income Taxes | 1,329,685 | | 705,350 | | 1,574,809 | | 2,262,165 |
| Gross Receipts Tax | 655,062 | | 296,336 | | 347,550 | | 367,908 |
| Abandoned Property | | | 49,287 | | 37,651 | | 242,548 |
| Estate Tax | 22 | | | | 12,999 | | 42,270 |
| Cigarette Taxes | 100,943 | | 38,029 | | 19,235 | | 8,445 |
| Withholding | 116,528 | | 60,117 | | 182,564 | | 148,386 |
| Insurance Taxes | | | | | 4,636 | | |
| Miscellaneous Refunds | 1,000 | | 4,280 | | 9,747 | | 10,176 |
| Total Refund Disbursements | 15,796,540 | 86.6 | 8,467,522 | 12.1 | 7,551,677 | (8.8) | 8,283,182 |
| Net Receipts | \$ 183,191,282 | 22.3 | \$ 149,797,982 | (9.9) | \$ 166,332,284 | 16.8 | \$ 142,431,645 |

NOTES:

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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.
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.

8/7/2007

State of Delaware
Statement of General Fund Appropriation Balances
as of 7/31/2007

| | Current FY Appropriations | Prior Year Continuing and Encumbered | Expenditures | Encumbrances | Unencumbered Balance |
|--|------------------------------|--|-----------------------|-----------------------|-------------------------|
| Legislature | 15,359,171 | 4,960,028 | 1,527,176 | 658,444 | 18,133,579 |
| Judicial | 89,108,300 | 2,921,336 | 7,150,566 | 3,791,458 | 81,087,612 |
| Executive | 171,756,848 | 97,285,616 | 28,359,890 | 45,494,043 | 195,188,531 |
| Department of Technology and Information | 39,022,300 | 1,948,150 | 3,888,285 | 11,972,556 | 25,109,609 |
| Other Elective Offices | 80,438,304 | 348,104 | 27,414,649 | 573,606 | 52,798,153 |
| Legal | 43,751,300 | 401,039 | 3,687,102 | 2,735,057 | 37,730,179 |
| Department of State | 36,085,200 | 12,849,715 | 3,200,004 | 3,897,251 | 41,837,661 |
| Department of Finance | 25,559,700 | 10,952,880 | 3,442,086 | 6,495,801 | 26,574,694 |
| Department of Health and Social Services | 930,023,418 | 36,092,563 | 60,039,576 | 129,713,808 | 776,362,598 |
| Department of Services to Child/Youth/Families | 130,825,800 | 7,601,122 | 10,633,830 | 35,745,306 | 92,047,785 |
| Department of Correction | 256,305,021 | 8,584,398 | 20,405,586 | 71,882,711 | 172,601,122 |
| Department of Natural Resources | 51,351,600 | 53,590,587 | 5,038,475 | 20,891,673 | 79,012,039 |
| Department of Safety and Homeland Security | 124,934,800 | 3,411,309 | 13,024,910 | 5,462,178 | 109,859,021 |
| Department of Transportation | | 3,190 | | 3,190 | |
| Department of Labor | 7,351,200 | 1,525,477 | 1,167,182 | 413,534 | 7,295,961 |
| Department of Agriculture | 8,714,900 | 1,601,987 | 686,818 | 720,941 | 8,909,129 |
| Department of Elections | 4,055,100 | 281,208 | 340,033 | 598,961 | 3,397,314 |
| Fire Prevention Commission | 4,871,300 | 295,433 | 388,512 | 285,361 | 4,492,860 |
| Delaware National Guard | 4,794,300 | 505,005 | 346,225 | 1,324,292 | 3,628,788 |
| Advisory Council for Exceptional Citizens | 176,600 | 7,861 | 12,362 | 7,090 | 165,009 |
| Higher Education | 248,369,400 | 4,988,047 | 23,250,731 | 4,018,817 | 226,087,898 |
| Department of Education | 1,138,335,500 | 85,637,904 | 96,185,041 | 63,055,219 | 1,064,733,144 |
| Total | \$ 3,411,190,062 | \$ 335,792,960 | \$ 310,189,039 | \$ 409,741,297 | \$ 3,027,052,686 |

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 7/31/2007

Exhibit B

| | Fiscal Year 2008 \$(000) s | % | Fiscal Year 2007 \$(000) s | % | Fiscal Year 2006 \$(000) s | % | Fiscal Year 2005 \$(000) s |
|--------------------------------|----------------------------------|--------------|----------------------------------|------------|----------------------------------|--------------|----------------------------------|
| | | Change | | Change | | Change | |
| Salaries and Wages | 99,222.3 | 10.4 | 89,853.9 | (1.4) | 91,104.3 | 9.5 | 83,190.2 |
| Fringe Benefits (less Pension) | 27,377.8 | 8.8 | 25,156.7 | 6.0 | 23,723.5 | 14.6 | 20,693.8 |
| Pension Costs | 20,894.5 | 11.2 | 18,785.5 | 7.7 | 17,448.2 | 21.6 | 14,351.2 |
| Medicaid | 29,300.1 | (3.9) | 30,504.1 | 64.6 | 18,530.4 | (3.7) | 19,244.6 |
| *Public Assistance | 5,208.4 | 41.8 | 3,674.3 | (10.7) | 4,112.4 | (18.3) | 5,031.6 |
| *Grants | 42,343.0 | (43.4) | 74,755.0 | 24.0 | 60,263.4 | (28.3) | 84,040.1 |
| *Personal Services and Travel | 13,164.3 | 21.1 | 10,870.0 | (9.7) | 12,034.9 | 22.5 | 9,821.4 |
| *Contractual Services | 18,455.3 | 0.8 | 18,314.8 | (35.4) | 28,334.5 | 44.7 | 19,581.5 |
| Supplies and Materials | 5,053.2 | 2.3 | 4,940.1 | 15.9 | 4,261.6 | (12.5) | 4,872.6 |
| Capital Outlay | 10,429.3 | (15.4) | 12,327.9 | 44.5 | 8,533.3 | 26.9 | 6,723.2 |
| Debt Service | 38,741.1 | 2.8 | 37,687.9 | 7.7 | 35,009.2 | (20.1) | 43,843.7 |
| Total | \$ 310,189.0 | (5.1) | \$ 326,870.1 | 7.8 | \$ 303,355.7 | (2.6) | \$ 311,393.8 |

*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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8/7/2007