



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

RICHARD S. CORDREY
SECRETARY OF FINANCE

September 13, 2006

TO: The Honorable Ruth Ann Minner, Governor
Members of the 143rd General Assembly

Attached is the monthly financial report for the month ending August 31, 2006. 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

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OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$421.5 million with no outstanding short-term general obligation debt as of August 31, 2006.

As of August 31, 2006
(\$ Millions)

	<u>FY07</u>	<u>FY06</u>	<u>FY05</u>	<u>FY04</u>
Beginning Fiscal Year Cash	690.6	\$ 701.2	\$ 646.0	\$ 464.0
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 269.1)</u>	<u>(\$ 256.0)</u>	<u>(\$ 196.5)</u>	<u>(\$ 143.6)</u>
Net Cash Balance	\$ 421.5	\$ 445.2	\$ 449.5	\$ 320.4

The net cash balance of \$421.5 million results from a beginning cash balance of \$690.6 million on July 1, 2006, less a \$269.1 million operating cash deficit for FY 2007. Included in the cash balance is a surplus of \$73.8 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.

\$175.4 million of the \$421.5 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 \$1,589.3 million.

State of Delaware
Statement of General Fund Cash Condition
as of 8/31/2006

Exhibit A

	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004
Beginning Fiscal Year Cash	\$ 690,571,679	\$ 701,197,260	\$ 645,961,410	\$ 464,018,574
Revenue				
<u>Receipts</u>				
Taxes	346,832,946	340,439,310	296,862,370	283,197,052
Licenses	806,937	823,308	724,468	430,997
Fees	10,990,983	11,877,825	11,184,847	9,709,057
Permits	93	61	150	147
Fines	448,610	312,053	297,683	327,888
Rentals & Sales	51,519,242	46,892,811	46,713,959	51,513,996
Earnings and Investments	4,821,792	1,188,554	914,141	1,660,146
State Government/Agency Revenue	498,423	158,798	6,377,879	1,529,976
	<u>415,919,026</u>	<u>401,692,720</u>	<u>363,075,497</u>	<u>348,398,125</u>
Less Refund Disbursements	16,167,909	18,848,168	16,755,846	17,114,476
Total Revenue	399,751,117	382,844,552	346,319,652	331,283,649
Disbursements				
<u>Agency Expenditures</u>				
Legislature	2,275,441	2,180,994	2,086,924	1,881,316
Judicial	13,656,011	14,341,400	11,254,660	10,624,961
Executive	135,507,128	140,567,395	59,964,337	22,050,950
Department of Technology and Information	7,964,158	10,023,297	8,311,028	8,712,718
Other Elective Offices	28,984,098	28,808,550	36,967,454	30,107,147
Legal	6,566,305	5,772,041	5,159,861	4,790,768
Department of State	4,420,185	2,877,801	2,838,789	2,385,574
Department of Finance	10,288,305	14,251,640	18,559,630	16,592,285
Department of Administrative Services	0	0	15,891,752	13,737,355
Department of Health and Social Services	125,507,951	112,445,680	107,007,542	99,413,455
Department of Services to Child/Youth/Families	20,667,904	18,987,234	17,960,538	16,188,662
Department of Correction	39,821,631	33,990,835	31,200,026	30,376,831
Department of Natural Resources	15,286,845	7,350,047	6,782,097	8,051,327
Department of Safety and Homeland Security	20,106,420	18,180,022	16,629,367	17,008,312
Department of Transportation	1,756,040	1,187,004	0	0
Department of Labor	1,663,832	1,210,489	1,368,238	708,033
Department of Agriculture	1,771,798	1,110,082	1,027,429	949,918
Department of Elections	691,722	576,815	653,361	560,033
Fire Prevention Commission	725,246	590,631	640,540	574,884
Delaware National Guard	597,466	592,371	532,348	619,513
Advisory Council for Exceptional Citizens	25,700	19,495	18,055	16,817
Higher Education	40,308,225	39,989,661	43,291,910	35,221,810
Department of Education	193,350,921	185,965,285	161,661,575	160,457,765
	<u>671,943,332</u>	<u>641,018,768</u>	<u>549,807,459</u>	<u>481,030,435</u>
Less Vouchers Payable	3,103,092	2,157,485	7,052,034	6,139,419
Total Disbursements	668,840,241	638,861,283	542,755,425	474,891,016
Ending Cash Balance	\$ 421,482,555	\$ 445,180,529	\$ 449,525,637	\$ 320,411,207

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.

9/11/2006

State of Delaware

Exhibit A-1

Statement of General Fund Receipts and Refund Disbursements by Major Category as of 8/31/2006

	Fiscal Year 2007	% Change	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004
Receipts							
Personal Income Taxes	\$ 149,623,453	13.1	\$ 132,254,131	10.8	\$ 119,352,314	5.0	\$ 113,716,548
Franchise Taxes	73,991,716	7.4	68,884,126	(3.3)	71,257,673	16.9	60,960,434
Corporate Fees	7,800,471	(1.1)	7,886,793	7.1	7,362,778	25.2	5,880,193
Limited Partnership and LLC	6,806,490	35.1	5,039,322	3.8	4,855,209	67.7	2,894,680
Uniform Commercial Code	1,682,761	(24.5)	2,230,197	(3.5)	2,310,041	6.4	2,171,248
Corporation Income Taxes	9,835,200	(10.0)	10,931,520	103.9	5,362,054	37.5	3,900,287
Bank Franchise Tax	21,163,299	151.3	8,420,758	24.7	6,751,844	(63.3)	18,378,674
Gross Receipts Tax	30,944,485	(7.5)	33,444,896	3.4	32,360,053	13.0	28,643,546
Lottery	43,127,465	8.2	39,856,053	1.4	39,318,420	0.6	39,078,134
Abandoned Property	18,385,564	(26.3)	24,957,596	124.7	11,106,458	(19.1)	13,729,627
Hospital Board and Treatment	8,378,963	19.3	7,022,244	(5.0)	7,392,789	(40.5)	12,429,297
Dividends and Interest	4,821,792	305.7	1,188,554	30.0	914,141	(44.9)	1,660,146
Realty Transfer Tax	10,090,002	(60.9)	25,813,980	28.6	20,079,258	29.7	15,481,636
Estate Tax	193,975	(94.3)	3,408,976	104.4	1,668,175	12.0	1,489,345
Insurance Taxes	1,277,613	57.2	812,715	(5.5)	859,839	(4.0)	895,414
Public Utility Tax	7,591,710	21.8	6,232,991	3.6	6,018,759	(27.1)	8,259,375
Cigarette Taxes	11,056,778	(25.4)	14,817,096	18.1	12,549,491	22.9	10,214,048
Other Revenues	9,147,289	7.7	8,490,774	(37.4)	13,556,203	57.3	8,615,494
Total Receipts	415,919,026	3.5	401,692,720	10.6	363,075,497	4.2	348,398,125
Refund Disbursements							
Personal Income Taxes	12,151,355		10,108,422		9,891,522		6,047,420
Franchise Taxes	892,035		2,056,142		2,315,242		4,437,847
Corporation Income Taxes	1,097,958		2,981,414		3,074,889		3,295,070
Bank Franchise Tax					9,193		
Gross Receipts Tax	366,011		2,883,876		488,512		1,147,469
Abandoned Property	1,402,614		480,750		670,140		1,755,429
Estate Tax			44,883		54,358		241,287
Cigarette Taxes	38,990		43,059		16,086		24,481
Withholding	122,972		233,174		216,300		157,519
Insurance Taxes	58,444		4,636				
Miscellaneous Refunds	37,530		11,812		19,604		7,955
Total Refund Disbursements	16,167,909	(14.2)	18,848,168	12.5	16,755,846	(2.1)	17,114,476
Net Receipts	\$ 399,751,117	4.4	\$ 382,844,552	10.5	\$ 346,319,652	4.5	\$ 331,283,649

NOTES:

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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.

9/11/2006

State of Delaware
Statement of General Fund Appropriation Balances
as of 8/31/2006

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,482,771	4,204,321	2,275,441	317,345	16,094,306
Judicial	83,619,100	2,811,031	13,656,011	3,553,368	69,220,751
Executive	327,595,667	106,953,216	135,507,128	42,454,199	256,587,556
Department of Technology and Information	36,742,400	2,288,726	7,964,158	8,446,510	22,620,457
Other Elective Offices	57,651,506	267,983	28,984,098	702,686	28,232,705
Legal	39,682,800	266,140	6,566,305	2,483,797	30,898,838
Department of State	26,576,300	14,216,072	4,420,185	1,711,584	34,660,604
Department of Finance	38,765,900	10,231,215	10,288,305	7,877,260	30,831,550
Department of Health and Social Services	872,469,062	25,041,621	125,507,951	116,852,637	655,150,094
Department of Services to Child/Youth/Families	121,516,900	5,745,835	20,667,904	28,803,885	77,790,946
Department of Correction	232,229,412	9,569,425	39,821,631	55,099,605	146,877,601
Department of Natural Resources	72,184,900	41,658,531	15,286,845	12,891,320	85,665,266
Department of Safety and Homeland Security	118,658,300	3,405,225	20,106,420	4,992,764	96,964,341
Department of Transportation		1,978,060	1,756,040	211,254	10,765
Department of Labor	7,330,800	273,130	1,663,832	593,675	5,346,424
Department of Agriculture	8,354,500	2,570,527	1,771,798	938,731	8,214,499
Department of Elections	3,969,200	2,968,998	691,722	486,943	5,759,533
Fire Prevention Commission	4,996,100	162,923	725,246	246,828	4,186,949
Delaware National Guard	4,333,200	447,538	597,466	839,915	3,343,358
Advisory Council for Exceptional Citizens	168,800	1,368	25,700	91	144,377
Higher Education	243,176,600	10,931,642	40,308,225	6,453,639	207,346,378
Department of Education	1,081,105,783	96,519,968	193,350,921	70,599,159	913,675,670
Total	\$ 3,395,610,000	\$ 342,513,497	\$ 671,943,332	\$ 366,557,196	\$ 2,699,622,968

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 8/31/2006

Exhibit B

	Fiscal Year 2007 \$(000) s	%	Fiscal Year 2006 \$(000) s	%	Fiscal Year 2005 \$(000) s	%	Fiscal Year 2004 \$(000) s
		Change		Change		Change	
Salaries and Wages	185,511.7	0.6	184,355.0	9.8	167,913.3	4.9	160,116.7
Fringe Benefits (less Pension)	51,488.6	6.7	48,247.5	14.7	42,079.2	10.4	38,130.5
Pension Costs	33,578.0	9.9	30,545.8	22.6	24,923.9	10.7	22,509.5
Medicaid	67,102.7	19.8	56,012.5	6.3	52,700.5	12.0	47,047.3
*Public Assistance	11,777.9	13.6	10,367.4	(12.9)	11,903.9	15.6	10,296.6
*Grants	162,656.6	6.3	152,952.5	37.1	111,554.1	69.3	65,882.8
*Personal Services and Travel	31,023.1	11.1	27,917.4	17.6	23,739.1	(3.0)	24,482.9
*Contractual Services	39,146.5	(23.8)	51,400.4	24.7	41,221.7	1.1	40,758.1
Supplies and Materials	12,657.8	6.5	11,888.9	(1.2)	12,037.0	7.0	11,251.4
Capital Outlay	23,827.3	62.4	14,673.9	27.4	11,515.8	(3.3)	11,904.0
Debt Service	53,173.1	1.0	52,657.6	4.9	50,219.2	3.2	48,650.6
Total	\$ 671,943.3	4.8	\$ 641,018.8	16.6	\$ 549,807.5	14.3	\$ 481,030.4

*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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