



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

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October 12, 2004

TO: The Honorable Ruth Ann Minner, Governor
Members of the 142nd General Assembly

Attached is the monthly financial report for the month ending September 30, 2004. 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

The State of Delaware is one of eight states participating in a National Association of State Auditors, Comptrollers and Treasurers (NASACT) pilot program on voluntary interim financial disclosure. This report, along with other reports and documents at the above internet address, constitutes the disclosure.

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

Sincerely,

A handwritten signature in black ink, appearing to read "DWS", written over a horizontal line.

David W. Singleton
Secretary of Finance

DWS:ed
Attachment

OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$447.2 million with no outstanding short-term general obligation debt as of September 30, 2004.

As of September 30, 2004
(\$ Millions)

	<u>FY05</u>	<u>FY04</u>	<u>FY03</u>	<u>FY02</u>
Beginning Fiscal Year Cash	\$ 646.0	\$ 464.0	\$ 481.8	\$ 509.9
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 198.8)</u>	<u>(\$ 155.5)</u>	<u>(\$ 130.3)</u>	<u>(\$ 68.5)</u>
Net Cash Balance	\$ 447.2	\$ 308.5	\$ 351.5	\$ 441.4

The net cash balance of \$447.2 million results from a beginning cash balance of \$646.0 million on July 1, 2004, less a \$198.8 million operating cash deficit for FY 2005. Included in the cash balance is a surplus of \$66.8 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.

\$148.2 million of the \$447.2 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 \$1,507.0 million.

State of Delaware
Statement of General Fund Cash Condition
as of 9/30/2004

Exhibit A

	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003	Fiscal Year 2002
Beginning Fiscal Year Cash	\$ 645,961,410	\$ 464,018,574	\$ 481,752,669	\$ 509,914,235
Revenue				
<u>Receipts</u>				
Taxes	490,648,574	453,268,049	438,181,411	462,561,576
Licenses	1,099,401	604,315	645,853	572,016
Fees	17,137,472	15,371,928	15,079,597	17,130,436
Permits	185	183	241	112
Fines	448,528	485,641	425,408	515,174
Rentals & Sales	69,157,878	73,144,289	73,698,074	80,279,993
Governmental Contributions	0	28,865	220	0
Earnings and Investments	610,758	1,747,476	6,636,785	10,923,746
State Government/Agency Revenue	15,453,392	10,490,639	9,188,004	4,634,121
	<u>594,556,188</u>	<u>555,141,386</u>	<u>543,855,591</u>	<u>576,617,174</u>
Less Refund Disbursements	23,185,764	25,976,694	29,217,443	24,345,534
Total Revenue	571,370,424	529,164,692	514,638,148	552,271,640
Disbursements				
<u>Agency Expenditures</u>				
Legislature	2,881,718	2,703,997	2,785,957	2,670,427
Judicial	17,159,098	15,821,305	15,862,233	15,385,180
Executive	62,969,448	34,284,157	39,509,110	36,927,858
Department of Technology and Information	10,986,250	10,394,890	356,852	0
Other Elective Offices	41,148,419	34,263,262	20,576,881	17,626,078
Legal	7,650,499	7,036,299	6,981,213	6,727,943
Department of State	3,953,628	3,685,562	4,533,201	4,284,157
Department of Finance	28,699,459	17,673,486	3,619,657	3,685,617
Department of Administrative Services	18,713,524	16,434,528	15,611,175	11,732,143
Department of Health and Social Services	171,377,721	153,118,031	145,663,927	143,894,572
Department of Services to Child/Youth/Families	26,470,355	23,748,058	24,487,099	22,413,725
Department of Correction	45,700,738	44,238,917	44,633,416	41,635,909
Department of Natural Resources	10,997,750	13,229,678	11,580,443	11,420,255
Department of Safety and Homeland Security	22,660,156	22,812,777	23,560,112	22,211,825
Department of Transportation	0	0	0	0
Department of Labor	2,009,214	851,051	2,144,543	1,527,897
Department of Agriculture	1,554,293	1,477,745	1,446,448	1,433,920
Department of Elections	1,280,751	813,102	1,656,061	771,749
Fire Prevention Commission	899,651	812,185	902,467	966,585
Delaware National Guard	760,493	835,301	791,710	804,175
Advisory Council for Exceptional Citizens	26,683	23,725	24,684	23,218
Higher Education	60,041,094	50,001,891	52,589,396	55,045,189
Department of Education	235,942,694	233,970,400	229,452,278	227,596,674
	<u>773,883,634</u>	<u>688,230,347</u>	<u>648,768,861</u>	<u>628,785,094</u>
Less Vouchers Payable	3,775,339	3,577,995	3,917,472	8,004,370
Total Disbursements	770,108,295	684,652,352	644,851,390	620,780,724
Ending Cash Balance	\$ 447,223,540	\$ 308,530,913	\$ 351,539,427	\$ 441,405,151

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.

10/8/2004

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 9/30/2004

Exhibit A-1

	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003	% Change	Fiscal Year 2002
Receipts							
Personal Income Taxes	\$ 205,633,562	7.0	\$ 192,208,879	5.1	\$ 182,851,758	(1.4)	\$ 185,370,747
Franchise Taxes	91,948,756	13.3	81,155,700	(8.0)	88,182,957	(8.2)	96,073,858
Corporate Fees	10,786,074	25.1	8,622,202	11.1	7,762,684	(7.2)	8,366,565
Limited Partnership and LLC	5,852,527	55.2	3,769,986	31.6	2,864,033	0.1	2,859,966
Uniform Commercial Code	3,367,469	7.8	3,122,577	(21.4)	3,973,588	61.9	2,453,921
Corporation Income Taxes	23,836,912	23.9	19,234,036	(2.5)	19,721,275	(57.0)	45,864,626
Bank Franchise Tax	26,204,398	(3.5)	27,167,779	9.5	24,800,412	(15.1)	29,227,157
Gross Receipts Tax	43,182,849	10.0	39,253,140	3.9	37,779,345	4.8	36,050,727
Lottery	57,303,844	4.8	54,688,648	(7.9)	59,395,763	(4.1)	61,916,479
Abandoned Property	14,624,218	(29.3)	20,697,725	(4.4)	21,661,367	13.4	19,096,859
Hospital Board and Treatment	11,848,703	(35.8)	18,449,820	29.3	14,264,337	(21.9)	18,264,630
Dividends and Interest	610,758	(65.0)	1,747,476	(73.7)	6,636,785	(39.2)	10,923,746
Realty Transfer Tax	29,621,605	41.5	20,937,585	11.8	18,731,207	21.6	15,398,806
Estate Tax	2,125,596	(13.1)	2,447,211	(64.2)	6,829,929	67.0	4,090,929
Insurance Taxes	13,471,934	5.8	12,730,362	11.2	11,445,423	35.0	8,479,809
Public Utility Tax	8,922,024	7.3	8,312,531	2.3	8,123,658	5.0	7,739,172
Cigarette Taxes	18,298,318	(0.4)	18,368,445	100.1	9,178,074	34.1	6,846,036
Other Revenues	26,916,641	21.1	22,227,284	13.1	19,652,997	11.7	17,593,142
Total Receipts	594,556,188	7.1	555,141,386	2.1	543,855,591	(5.7)	576,617,174
Refund Disbursements							
Personal Income Taxes	12,335,575		7,909,652		9,414,454		9,268,471
Franchise Taxes	3,200,809		7,891,226		10,089,371		9,004,564
Corporation Income Taxes	3,707,444		3,832,117		3,606,046		4,091,919
Bank Franchise Tax	9,193		1,518,405		3,733,360		
Gross Receipts Tax	573,013		1,186,325		426,335		265,197
Abandoned Property	1,209,586		2,931,382		743,738		634,597
Estate Tax	58,950		296,306		70,850		248,999
Cigarette Taxes	93,879		38,563		70,555		31,506
Withholding	312,494		344,967		128,763		301,063
Insurance Taxes	1,348,088				652,805		473,971
Miscellaneous Refunds	336,731		27,751		281,167		25,245
Total Refund Disbursements	23,185,764	(10.7)	25,976,694	(11.1)	29,217,443	20.0	24,345,534
Net Receipts	\$ 571,370,424	8.0	\$ 529,164,692	2.8	\$ 514,638,148	(6.8)	\$ 552,271,640

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.

10/8/2004

State of Delaware
Statement of General Fund Appropriation Balances
as of 9/30/2004

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	12,997,300	2,551,242	2,881,718	785,634	11,881,190
Judicial	68,925,525	2,745,802	17,159,098	5,228,618	49,283,612
Executive	186,628,357	35,889,962	62,969,448	3,449,079	156,099,792
Department of Technology and Information	31,965,200	2,426,081	10,986,250	6,701,762	16,703,269
Other Elective Offices	84,963,151	107,801	41,148,419	313,663	43,608,870
Legal	31,263,185	168,380	7,650,499	1,433,990	22,347,076
Department of State	21,725,100	7,327,421	3,953,628	1,273,112	23,825,781
Department of Finance	51,351,400	5,875,621	28,699,459	1,410,695	27,116,867
Department of Administrative Services	86,984,600	36,617,966	18,713,524	29,187,467	75,701,575
Department of Health and Social Services	681,728,349	51,136,105	171,377,721	85,880,351	475,606,383
Department of Services to Child/Youth/Families	97,814,088	6,227,683	26,470,355	27,838,957	49,732,460
Department of Correction	198,147,027	5,743,422	45,700,738	41,858,229	116,331,483
Department of Natural Resources	48,922,100	13,906,580	10,997,750	5,411,224	46,419,706
Department of Safety and Homeland Security	93,835,131	1,640,859	22,660,156	4,146,934	68,668,900
Department of Labor	6,605,400	144,849	2,009,214	301,112	4,439,923
Department of Agriculture	8,101,800	460,814	1,554,293	1,323,520	5,684,801
Department of Elections	3,919,300	1,030,519	1,280,751	445,726	3,223,342
Fire Prevention Commission	4,095,728	269,481	899,651	148,866	3,316,692
Delaware National Guard	3,750,500	362,156	760,493	853,804	2,498,358
Advisory Council for Exceptional Citizens	119,700	3,156	26,683	630	95,543
Higher Education	238,040,760	3,950,127	60,041,094	4,451,402	177,498,391
Department of Education	913,475,299	61,584,865	235,942,694	60,663,175	678,454,294
Total	\$ 2,875,359,000	\$ 240,170,891	\$ 773,883,634	\$ 283,107,949	\$ 2,058,538,308

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 9/30/2004

Exhibit B

	Fiscal Year 2005 \$(000) s	%	Fiscal Year 2004 \$(000) s	%	Fiscal Year 2003 \$(000) s	%	Fiscal Year 2002 \$(000) s
		Change		Change		Change	
Salaries and Wages	247,469.8	4.3	237,286.9	(1.0)	239,782.3	0.6	238,282.7
Fringe Benefits (less Pension)	63,225.9	10.2	57,384.5	4.0	55,170.2	14.7	48,099.2
Pension Costs	34,958.9	12.8	30,978.5	18.4	26,174.1	6.5	24,579.4
Medicaid	85,981.7	18.1	72,783.1	14.8	63,413.3	(1.3)	64,264.6
*Public Assistance	19,558.4	9.0	17,939.5	7.4	16,708.4	17.1	14,272.9
*Grants	138,357.8	50.4	91,966.9	32.4	69,477.7	4.1	66,764.8
*Personal Services and Travel	37,361.0	1.3	36,865.5	(14.8)	43,283.0	15.0	37,642.6
*Contractual Services	61,044.7	2.7	59,449.4	(4.2)	62,028.5	(0.8)	62,533.6
Supplies and Materials	19,641.2	7.0	18,348.0	(2.1)	18,732.7	6.7	17,561.6
Capital Outlay	15,621.3	7.2	14,576.7	(26.4)	19,811.1	(35.4)	30,649.8
Debt Service	50,663.0	0.0	50,651.4	48.2	34,187.6	41.7	24,134.1
Total	\$ 773,883.6	12.4	\$ 688,230.3	6.1	\$ 648,768.9	3.2	\$ 628,785.1

*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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