



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

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October 11, 2005

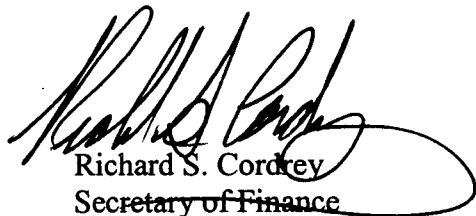
TO: The Honorable Ruth Ann Minner, Governor
Members of the 143rd General Assembly

Attached is the monthly financial report for the month ending September 30, 2005. 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,



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 \$383.8 million with no outstanding short-term general obligation debt as of September 30, 2005.

As of September 30, 2005
(\$ Millions)

	<u>FY06</u>	<u>FY05</u>	<u>FY04</u>	<u>FY03</u>
Beginning Fiscal Year Cash	701.2	\$ 646.0	\$ 464.0	\$ 481.8
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 317.4)</u>	<u>(\$ 198.8)</u>	<u>(\$ 155.5)</u>	<u>(\$ 130.3)</u>
Net Cash Balance	\$ 383.8	\$ 447.2	\$ 308.5	\$ 351.5

The net cash balance of \$383.8 million results from a beginning cash balance of \$701.2 million on July 1, 2005, less a \$317.4 million operating cash deficit for FY 2006. Included in the cash balance is a surplus of \$87.2 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.

\$161.1 million of the \$383.8 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 \$1,479.9 million.

State of Delaware
Statement of General Fund Cash Condition
as of 9/30/2005

Exhibit A

	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
Beginning Fiscal Year Cash	\$ 701,197,260	\$ 645,961,410	\$ 464,018,574	\$ 481,752,669
Revenue				
<u>Receipts</u>				
Taxes	566,033,463	490,648,574	453,268,049	438,181,411
Licenses	1,248,105	1,099,401	604,315	645,853
Fees	19,334,941	17,137,472	15,371,928	15,079,597
Permits	66	185	183	241
Fines	517,760	448,528	485,641	425,408
Rentals & Sales	70,581,424	69,157,878	73,144,289	73,698,074
Earnings and Investments	4,552,561	610,758	1,747,476	6,636,785
State Government/Agency Revenue	401,221	15,453,392	10,490,639	9,188,004
	<u>662,669,542</u>	<u>594,556,188</u>	<u>555,141,386</u>	<u>543,855,591</u>
Less Refund Disbursements	22,776,609	23,185,764	25,976,694	29,217,443
Total Revenue	639,892,933	571,370,424	529,164,692	514,638,148
Disbursements				
<u>Agency Expenditures</u>				
Legislature	3,481,298	2,881,718	2,703,997	2,785,957
Judicial	23,148,731	17,159,098	15,821,305	15,862,233
Executive	157,573,984	62,969,448	34,284,157	39,509,110
Department of Technology and Information	13,856,865	10,986,250	10,394,890	356,852
Other Elective Offices	34,192,076	41,148,419	34,263,262	20,576,881
Legal	9,763,368	7,650,499	7,036,299	6,981,213
Department of State	4,035,696	3,953,628	3,685,562	4,533,201
Department of Finance	23,070,564	28,699,459	17,673,486	3,619,657
Department of Administrative Services	0	18,713,524	16,434,528	15,611,175
Department of Health and Social Services	185,526,547	171,377,721	153,118,031	145,663,927
Department of Services to Child/Youth/Families	30,539,503	26,470,355	23,748,058	24,487,099
Department of Correction	55,938,044	45,700,738	44,238,917	44,633,416
Department of Natural Resources	20,140,154	10,997,750	13,229,678	11,580,443
Department of Safety and Homeland Security	26,895,700	22,660,156	22,812,777	23,560,112
Department of Transportation	2,720,461	0	0	0
Department of Labor	2,070,082	2,009,214	851,051	2,144,543
Department of Agriculture	1,764,508	1,554,293	1,477,745	1,446,448
Department of Elections	993,699	1,280,751	813,102	1,656,061
Fire Prevention Commission	1,000,450	899,651	812,185	902,467
Delaware National Guard	1,816,007	760,493	835,301	791,710
Advisory Council for Exceptional Citizens	33,568	26,683	23,725	24,684
Higher Education	60,759,055	60,041,094	50,001,891	52,589,396
Department of Education	304,087,596	235,942,694	233,970,400	229,452,278
	<u>963,407,957</u>	<u>773,883,634</u>	<u>688,230,347</u>	<u>648,768,861</u>
Less Vouchers Payable	6,114,755	3,775,339	3,577,995	3,917,472
Total Disbursements	957,293,202	770,108,295	684,652,352	644,851,390
Ending Cash Balance	\$ 383,796,991	\$ 447,223,540	\$ 308,530,913	\$ 351,539,427

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.

10/6/2005

State of Delaware

Exhibit A-1

Statement of General Fund Receipts and Refund Disbursements by Major Category as of 9/30/2005

	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003
Receipts							
Personal Income Taxes	\$ 228,351,875	11.0	\$ 205,633,562	7.0	\$ 192,208,879	5.1	\$ 182,851,758
Franchise Taxes	93,936,397	2.2	91,948,756	13.3	81,155,700	(8.0)	88,182,957
Corporate Fees	12,340,344	14.4	10,786,074	25.1	8,622,202	11.1	7,762,684
Limited Partnership and LLC	6,395,106	9.3	5,852,527	55.2	3,769,986	31.6	2,864,033
Uniform Commercial Code	3,449,210	2.4	3,367,469	7.8	3,122,577	(21.4)	3,973,588
Corporation Income Taxes	35,934,309	50.8	23,836,912	23.9	19,234,036	(2.5)	19,721,275
Bank Franchise Tax	28,699,850	9.5	26,204,398	(3.5)	27,167,779	9.5	24,800,412
Gross Receipts Tax	48,383,827	12.0	43,182,849	10.0	39,253,140	3.9	37,779,345
Lottery	57,490,340	0.3	57,303,844	4.8	54,688,648	(7.9)	59,395,763
Abandoned Property	29,635,296	102.6	14,624,218	(29.3)	20,697,725	(4.4)	21,661,367
Hospital Board and Treatment	13,074,831	10.3	11,848,703	(35.8)	18,449,820	29.3	14,264,337
Dividends and Interest	4,552,561	645.4	610,758	(65.0)	1,747,476	(73.7)	6,636,785
Realty Transfer Tax	38,375,980	29.6	29,621,605	41.5	20,937,585	11.8	18,731,207
Estate Tax	3,692,032	73.7	2,125,596	(13.1)	2,447,211	(64.2)	6,829,929
Insurance Taxes	14,351,082	6.5	13,471,934	5.8	12,730,362	11.2	11,445,423
Public Utility Tax	9,395,686	5.3	8,922,024	7.3	8,312,531	2.3	8,123,658
Cigarette Taxes	21,930,364	19.8	18,298,318	(0.4)	18,368,445	100.1	9,178,074
Other Revenues	12,680,452	(52.9)	26,916,641	21.1	22,227,284	13.1	19,652,997
Total Receipts	662,669,542	11.5	594,556,188	7.1	555,141,386	2.1	543,855,591
Refund Disbursements							
Personal Income Taxes	13,084,050		12,335,575		7,909,652		9,414,454
Franchise Taxes	2,548,115		3,200,809		7,891,226		10,089,371
Corporation Income Taxes	3,595,864		3,707,444		3,832,117		3,606,046
Bank Franchise Tax			9,193		1,518,405		3,733,360
Gross Receipts Tax	2,501,139		573,013		1,186,325		426,335
Abandoned Property	633,813		1,209,586		2,931,382		743,738
Estate Tax	50,383		58,950		296,306		70,850
Cigarette Taxes	47,472		93,879		38,563		70,555
Withholding	297,849		312,494		344,967		128,763
Insurance Taxes	4,636		1,348,088				652,805
Miscellaneous Refunds	13,287		336,731		27,751		281,167
Total Refund Disbursements	22,776,609	(1.8)	23,185,764	(10.7)	25,976,694	(11.1)	29,217,443
Net Receipts	\$ 639,892,933	12.0	\$ 571,370,424	8.0	\$ 529,164,692	2.8	\$ 514,638,148

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.

10/6/2005

State of Delaware
Statement of General Fund Appropriation Balances
as of 9/30/2005

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,255,800	3,158,329	3,481,298	869,770	13,063,062
Judicial	74,369,900	3,748,462	23,148,731	4,305,190	50,664,441
Executive	329,940,985	112,037,203	157,573,984	39,338,100	245,066,104
Department of Technology and Information	33,832,100	3,763,372	13,856,865	6,066,086	17,672,521
Other Elective Offices	55,865,271	4,476,612	34,192,076	308,702	25,841,105
Legal	35,094,900	225,083	9,763,368	1,683,536	23,873,079
Department of State	20,920,700	12,454,535	4,035,696	1,504,844	27,834,695
Department of Finance	50,480,800	25,429,047	23,070,564	894,666	51,944,617
Department of Health and Social Services	768,297,467	36,583,812	185,526,547	82,613,356	536,741,376
Department of Services to Child/Youth/Families	106,596,100	4,867,349	30,539,503	32,565,707	48,358,238
Department of Correction	213,939,310	8,050,608	55,938,044	45,694,863	120,357,011
Department of Natural Resources	70,783,600	14,075,024	20,140,154	7,267,692	57,450,777
Department of Safety and Homeland Security	107,967,923	3,425,959	26,895,700	4,677,285	79,820,896
Department of Transportation	14,000,000	5,000	2,720,461	4,855,213	6,429,326
Department of Labor	6,787,700	618,084	2,070,082	936,729	4,398,973
Department of Agriculture	8,857,300	1,576,056	1,764,508	1,424,035	7,244,813
Department of Elections	3,683,200	943,489	993,699	330,948	3,302,042
Fire Prevention Commission	4,334,600	153,950	1,000,450	220,141	3,267,959
Delaware National Guard	3,969,900	361,255	1,816,007	937,892	1,577,256
Advisory Council for Exceptional Citizens	152,100	5,042	33,568	2,856	120,718
Higher Education	236,003,895	13,884,628	60,759,055	7,215,132	181,914,336
Department of Education	1,006,441,319	77,970,732	304,087,596	56,727,439	723,597,016
Total	\$ 3,166,574,870	\$ 327,813,630	\$ 963,407,957	\$ 300,440,180	\$ 2,230,540,363

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10/6/2005

State of Delaware
Statement of General Fund Expenditures by Major Category
as of 9/30/2005

Exhibit B

	Fiscal Year 2006 \$(000) s	%	Fiscal Year 2005 \$(000) s	%	Fiscal Year 2004 \$(000) s	%	Fiscal Year 2003 \$(000) s
		Change		Change		Change	
Salaries and Wages	319,188.2	29.0	247,469.8	4.3	237,286.9	(1.0)	239,782.3
Fringe Benefits (less Pension)	76,580.7	21.1	63,225.9	10.2	57,384.5	4.0	55,170.2
Pension Costs	49,483.7	41.5	34,958.9	12.8	30,978.5	18.4	26,174.1
Medicaid	90,104.2	5.4	85,488.8	17.5	72,782.8	14.8	63,413.3
*Public Assistance	18,779.9	(6.3)	20,051.3	11.8	17,939.9	7.4	16,708.4
*Grants	183,845.0	32.9	138,357.8	50.4	91,966.9	32.4	69,477.7
*Personal Services and Travel	46,022.5	23.2	37,361.0	1.3	36,865.5	(14.8)	43,283.0
*Contractual Services	74,827.0	22.6	61,044.7	2.7	59,449.4	(4.2)	62,028.5
Supplies and Materials	22,158.0	12.8	19,641.2	7.0	18,348.0	(2.1)	18,732.7
Capital Outlay	27,912.0	78.7	15,621.3	7.2	14,576.7	(26.4)	19,811.1
Debt Service	54,506.8	7.6	50,663.0	0.0	50,651.4	48.2	34,187.6
Total	\$ 963,407.9	24.5	\$ 773,883.6	12.4	\$ 688,230.3	6.1	\$ 648,768.9

*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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