



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

RICHARD S. CORDREY
SECRETARY OF FINANCE

October 6, 2006

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, 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". The signature is fluid and cursive, with a large loop at the end.

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 \$314.2 million with no outstanding short-term general obligation debt as of September 30, 2006.

As of September 30, 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>(\$ 376.4)</u>	<u>(\$ 317.4)</u>	<u>(\$ 198.8)</u>	<u>(\$ 155.5)</u>
Net Cash Balance	\$ 314.2	\$ 383.8	\$ 447.2	\$ 308.5

The net cash balance of \$314.2 million results from a beginning cash balance of \$690.6 million on July 1, 2006, less a \$376.4 million operating cash deficit for FY 2007. Included in the cash balance is a surplus of \$87.4 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 \$314.2 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 \$1,534.1 million.

State of Delaware
Statement of General Fund Cash Condition
as of 9/30/2006

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	537,695,047	566,033,463	490,648,574	453,268,049
Licenses	1,156,550	1,248,105	1,099,401	604,315
Fees	17,397,812	19,334,941	17,137,472	15,371,928
Permits	109	66	185	183
Fines	622,016	517,760	448,528	485,641
Rentals & Sales	77,292,546	70,581,424	69,157,878	73,144,289
Earnings and Investments	9,321,405	4,552,561	610,758	1,747,476
State Government/Agency Revenue	571,056	401,221	15,453,392	10,490,639
	<u>644,056,541</u>	<u>662,669,542</u>	<u>594,556,188</u>	<u>555,141,386</u>
Less Refund Disbursements	22,572,782	22,776,609	23,185,764	25,976,694
Total Revenue	621,483,760	639,892,933	571,370,424	529,164,692
Disbursements				
<u>Agency Expenditures</u>				
Legislature	3,735,226	3,481,298	2,881,718	2,703,997
Judicial	22,961,643	23,148,731	17,159,098	15,821,305
Executive	145,196,396	157,573,984	62,969,448	34,284,157
Department of Technology and Information	11,933,107	13,856,865	10,986,250	10,394,890
Other Elective Offices	34,464,928	34,192,076	41,148,419	34,263,262
Legal	10,888,184	9,763,368	7,650,499	7,036,299
Department of State	7,617,889	4,035,696	3,953,628	3,685,562
Department of Finance	14,793,624	23,070,564	28,699,459	17,673,486
Department of Administrative Services	0	0	18,713,524	16,434,528
Department of Health and Social Services	206,952,130	185,526,547	171,377,721	153,118,031
Department of Services to Child/Youth/Families	32,872,458	30,539,503	26,470,355	23,748,058
Department of Correction	64,434,737	55,938,044	45,700,738	44,238,917
Department of Natural Resources	22,758,544	20,140,154	10,997,750	13,229,678
Department of Safety and Homeland Security	30,695,241	26,895,700	22,660,156	22,812,777
Department of Transportation	1,847,843	2,720,461	0	0
Department of Labor	2,671,876	2,070,082	2,009,214	851,051
Department of Agriculture	2,605,185	1,764,508	1,554,293	1,477,745
Department of Elections	1,690,903	993,699	1,280,751	813,102
Fire Prevention Commission	1,139,280	1,000,450	899,651	812,185
Delaware National Guard	908,087	1,816,007	760,493	835,301
Advisory Council for Exceptional Citizens	45,220	33,568	26,683	23,725
Higher Education	67,300,937	60,759,055	60,041,094	50,001,891
Department of Education	315,368,388	304,087,596	235,942,694	233,970,400
	<u>1,002,881,825</u>	<u>963,407,957</u>	<u>773,883,634</u>	<u>688,230,347</u>
Less Vouchers Payable	5,003,723	6,114,755	3,775,339	3,577,995
Total Disbursements	997,878,102	957,293,202	770,108,295	684,652,352
Ending Cash Balance	\$ 314,177,337	\$ 383,796,991	\$ 447,223,540	\$ 308,530,913

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.

10/5/2006

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 9/30/2006

Exhibit A-1

	Fiscal Year 2007	% Change	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004
Receipts							
Personal Income Taxes	\$ 249,239,669	9.1	\$ 228,351,875	11.0	\$ 205,633,562	7.0	\$ 192,208,879
Franchise Taxes	94,360,173	0.5	93,936,397	2.2	91,948,756	13.3	81,155,700
Corporate Fees	11,741,211	(4.9)	12,340,344	14.4	10,786,074	25.1	8,622,202
Limited Partnership and LLC	8,232,660	28.7	6,395,106	9.3	5,852,527	55.2	3,769,986
Uniform Commercial Code	2,466,353	(28.5)	3,449,210	2.4	3,367,469	7.8	3,122,577
Corporation Income Taxes	30,663,094	(14.7)	35,934,309	50.8	23,836,912	23.9	19,234,036
Bank Franchise Tax	32,771,644	14.2	28,699,850	9.5	26,204,398	(3.5)	27,167,779
Gross Receipts Tax	43,535,547	(10.0)	48,383,827	12.0	43,182,849	10.0	39,253,140
Lottery	63,023,419	9.6	57,490,340	0.3	57,303,844	4.8	54,688,648
Abandoned Property	5,808,391	(80.4)	29,635,296	102.6	14,624,218	(29.3)	20,697,725
Hospital Board and Treatment	14,251,091	9.0	13,074,831	10.3	11,848,703	(35.8)	18,449,820
Dividends and Interest	9,321,405	104.8	4,552,561	645.4	610,758	(65.0)	1,747,476
Realty Transfer Tax	16,921,237	(55.9)	38,375,980	29.6	29,621,605	41.5	20,937,585
Estate Tax	194,075	(94.7)	3,692,032	73.7	2,125,596	(13.1)	2,447,211
Insurance Taxes	17,268,392	20.3	14,351,082	6.5	13,471,934	5.8	12,730,362
Public Utility Tax	11,652,319	24.0	9,395,686	5.3	8,922,024	7.3	8,312,531
Cigarette Taxes	19,290,253	(12.0)	21,930,364	19.8	18,298,318	(0.4)	18,368,445
Other Revenues	13,315,609	5.0	12,680,452	(52.9)	26,916,641	21.1	22,227,284
Total Receipts	644,056,541	(2.8)	662,669,542	11.5	594,556,188	7.1	555,141,386
Refund Disbursements							
Personal Income Taxes	16,129,073		13,084,050		12,335,575		7,909,652
Franchise Taxes	1,710,680		2,548,115		3,200,809		7,891,226
Corporation Income Taxes	1,500,956		3,595,864		3,707,444		3,832,117
Bank Franchise Tax					9,193		1,518,405
Gross Receipts Tax	675,232		2,501,139		573,013		1,186,325
Abandoned Property	2,127,704		633,813		1,209,586		2,931,382
Estate Tax	26,492		50,383		58,950		296,306
Cigarette Taxes	61,558		47,472		93,879		38,563
Withholding	238,960		297,849		312,494		344,967
Insurance Taxes	61,773		4,636		1,348,088		
Miscellaneous Refunds	40,355		13,287		336,731		27,751
Total Refund Disbursements	22,572,782	(0.9)	22,776,609	(1.8)	23,185,764	(10.7)	25,976,694
Net Receipts	\$ 621,483,760	(2.9)	\$ 639,892,933	12.0	\$ 571,370,424	8.0	\$ 529,164,692

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.

10/5/2006

State of Delaware
Statement of General Fund Appropriation Balances
as of 9/30/2006

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,525,671	4,304,321	3,735,226	704,850	14,389,917
Judicial	83,662,200	2,811,031	22,961,643	3,796,314	59,715,274
Executive	327,705,729	104,588,022	145,196,396	41,268,829	245,828,526
Department of Technology and Information	36,743,400	2,288,726	11,933,107	8,757,281	18,341,738
Other Elective Offices	57,652,606	267,983	34,464,928	594,188	22,861,473
Legal	39,685,400	266,140	10,888,184	2,376,035	26,687,321
Department of State	26,420,900	14,216,072	7,617,889	1,755,737	31,263,346
Department of Finance	38,768,200	10,231,215	14,793,624	7,933,268	26,272,523
Department of Health and Social Services	872,275,315	25,068,338	206,952,130	104,768,356	585,623,167
Department of Services to Child/Youth/Families	121,518,300	5,947,335	32,872,458	28,034,633	66,558,543
Department of Correction	232,232,214	9,569,425	64,434,737	50,921,315	126,445,587
Department of Natural Resources	72,186,100	41,308,531	22,758,544	12,994,709	77,741,379
Department of Safety and Homeland Security	118,568,400	3,405,225	30,695,241	5,093,632	86,184,753
Department of Transportation		1,978,060	1,847,843	91,585	38,632
Department of Labor	7,322,280	273,130	2,671,876	489,087	4,434,446
Department of Agriculture	8,356,900	2,570,527	2,605,185	887,846	7,434,397
Department of Elections	3,974,500	2,968,998	1,690,903	451,218	4,801,377
Fire Prevention Commission	5,000,100	227,923	1,139,280	221,029	3,867,714
Delaware National Guard	4,333,400	447,538	908,087	1,026,295	2,846,556
Advisory Council for Exceptional Citizens	170,800	1,368	45,220	91	126,857
Higher Education	243,579,300	10,931,642	67,300,937	6,355,568	180,854,437
Department of Education	1,081,178,285	98,841,945	315,368,388	68,240,990	796,410,852
Total	\$ 3,395,860,000	\$ 342,513,497	\$ 1,002,881,825	\$ 346,762,856	\$ 2,388,728,815

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 9/30/2006

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	323,770.0	1.4	319,188.2	29.0	247,469.8	4.3	237,286.9
Fringe Benefits (less Pension)	82,844.3	8.2	76,580.7	21.1	63,225.9	10.2	57,384.5
Pension Costs	55,219.6	11.6	49,483.7	41.5	34,958.9	12.8	30,978.5
Medicaid	105,360.2	16.9	90,104.2	5.4	85,488.8	17.5	72,782.8
*Public Assistance	22,223.7	18.3	18,779.9	(6.3)	20,051.3	11.8	17,939.9
*Grants	189,182.0	2.9	183,845.0	32.9	138,357.8	50.4	91,966.9
*Personal Services and Travel	47,615.1	3.5	46,022.5	23.2	37,361.0	1.3	36,865.5
*Contractual Services	62,455.0	(16.5)	74,827.0	22.6	61,044.7	2.7	59,449.4
Supplies and Materials	20,964.2	(5.4)	22,158.0	12.8	19,641.2	7.0	18,348.0
Capital Outlay	33,457.4	19.9	27,912.0	78.7	15,621.3	7.2	14,576.7
Debt Service	59,790.3	9.7	54,506.8	7.6	50,663.0	0.0	50,651.4
Total	\$ 1,002,881.8	4.1	\$ 963,407.9	24.5	\$ 773,883.6	12.4	\$ 688,230.3

*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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