



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

**RICHARD S. CORDREY
SECRETARY OF FINANCE**

October 15, 2008

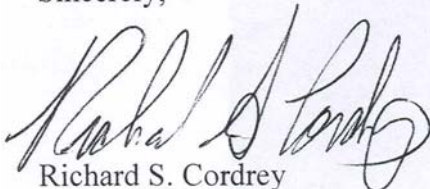
TO: The Honorable Ruth Ann Minner, Governor
Members of the 144th General Assembly

Attached is the monthly financial report for the month ending September 30, 2008. 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.finance.delaware.gov/publications/Monthly.shtml>

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

Sincerely,



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 \$287.8 million with no outstanding short-term general obligation debt as of September 30, 2008.

As of September 30, 2008
(\$ Millions)

	<u>FY09</u>	<u>FY08</u>	<u>FY07</u>	<u>FY06</u>
Beginning Fiscal Year Cash	\$ 526.0	\$ 590.9	\$ 690.6	\$ 701.2
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 238.2)</u>	<u>(\$ 234.9)</u>	<u>(\$ 376.4)</u>	<u>(\$ 317.4)</u>
Net Operating Cash Balance	\$ 287.8	\$ 356.0	\$ 314.2	\$ 383.8

The net operating cash balance of \$287.8 million results from a beginning cash balance of \$526.0 million on July 1, 2008, less a \$238.2 million operating cash deficit for FY 2009. Included in the net operating cash balance is a surplus of \$102.4 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.

\$186.4 million of the \$287.8 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 \$1,470.4 million.

State of Delaware
Statement of General Fund Cash Condition
as of 9/30/2008

Exhibit A

	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006
Beginning Fiscal Year Cash	\$ 525,983,117	\$ 590,888,376	\$ 690,571,679	\$ 701,197,260
Revenue				
<u>Receipts</u>				
Taxes	636,492,020	619,918,094	537,695,047	566,033,463
Licenses	1,448,124	1,367,003	1,156,550	1,248,105
Fees	17,412,368	20,406,854	17,397,812	19,334,941
Permits	140	61	109	66
Fines	368,777	468,118	622,016	517,760
Rentals & Sales	79,640,286	81,153,247	77,292,546	70,581,424
Earnings and Investments	5,307,423	6,872,742	9,321,405	4,552,561
State Government/Agency Revenue	762,211	327,266	571,056	401,221
	<u>741,431,351</u>	<u>730,513,385</u>	<u>644,056,541</u>	<u>662,669,542</u>
Less Refund Disbursements	27,645,053	27,778,999	22,572,782	22,776,609
Total Revenue	713,786,297	702,734,386	621,483,760	639,892,933
Disbursements				
<u>Agency Expenditures</u>				
Legislature	3,651,575	3,990,004	3,735,226	3,481,298
Judicial	23,746,061	24,110,849	22,961,643	23,148,731
Executive	55,343,142	55,919,954	145,196,396	157,573,984
Department of Technology and Information	11,635,397	11,540,233	11,933,107	13,856,865
Other Elective Offices	32,802,108	33,754,782	34,464,928	34,192,076
Legal	11,613,507	11,795,386	10,888,184	9,763,368
Department of State	11,712,551	8,971,512	7,617,889	4,035,696
Department of Finance	10,808,936	11,619,911	14,793,624	23,070,564
Department of Health and Social Services	224,606,578	216,017,085	206,952,130	185,526,547
Department of Services to Child/Youth/Families	35,181,544	36,304,030	32,872,458	30,539,503
Department of Correction	66,885,440	67,701,554	64,434,737	55,938,044
Department of Natural Resources	17,460,142	19,958,466	22,758,544	20,140,154
Department of Safety and Homeland Security	32,854,835	32,134,756	30,695,241	26,895,700
Department of Transportation	0	3,190	1,847,843	2,720,461
Department of Labor	2,622,286	2,641,233	2,671,876	2,070,082
Department of Agriculture	1,906,043	2,110,917	2,605,185	1,764,508
Department of Elections	2,059,465	1,163,008	1,690,903	993,699
Fire Prevention Commission	1,090,082	1,206,449	1,139,280	1,000,450
Delaware National Guard	1,115,647	1,078,500	908,087	1,816,007
Advisory Council for Exceptional Citizens	45,709	48,377	45,220	33,568
Higher Education	66,969,860	66,329,665	67,300,937	60,759,055
Department of Education	343,565,211	334,037,941	315,368,388	304,087,596
	<u>957,676,119</u>	<u>942,437,802</u>	<u>1,002,881,825</u>	<u>963,407,957</u>
Less Vouchers Payable	5,679,090	4,856,466	5,003,723	6,114,755
Total Disbursements	951,997,029	937,581,336	997,878,102	957,293,202
Ending Cash Balance	\$ 287,772,385	\$ 356,041,425	\$ 314,177,337	\$ 383,796,991

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.

10/6/2008

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 9/30/2008

	Fiscal Year 2009	% Change	Fiscal Year 2008	% Change	Fiscal Year 2007	% Change	Fiscal Year 2006
Receipts							
Personal Income Taxes	\$ 252,603,385	0.2	\$ 252,036,869	1.1	\$ 249,239,669	9.1	\$ 228,351,875
Franchise Taxes	108,559,765	2.3	106,103,303	12.4	94,360,173	0.5	93,936,397
Corporate Fees	11,695,176	(16.8)	14,059,181	19.7	11,741,211	(4.9)	12,340,344
Limited Partnership and LLC	10,914,769	11.3	9,808,942	19.1	8,232,660	28.7	6,395,106
Uniform Commercial Code	2,917,405	(14.3)	3,403,606	38.0	2,466,353	(28.5)	3,449,210
Corporation Income Taxes	47,507,468	13.7	41,773,070	36.2	30,663,094	(14.7)	35,934,309
Bank Franchise Tax	47,146,033	73.1	27,240,879	(16.9)	32,771,644	14.2	28,699,850
Gross Receipts Tax	44,190,881	2.8	42,984,763	(1.3)	43,535,547	(10.0)	48,383,827
Lottery	62,101,832	(5.2)	65,495,346	3.9	63,023,419	9.6	57,490,340
Abandoned Property	40,833,178	(19.3)	50,623,358	771.6	5,808,391	(80.4)	29,635,296
Hospital Board and Treatment	17,528,469	12.0	15,650,000	9.8	14,251,091	9.0	13,074,831
Dividends and Interest	5,307,423	(22.8)	6,872,742	(26.3)	9,321,405	104.8	4,552,561
Realty Transfer Tax	11,819,492	(36.8)	18,707,915	10.6	16,921,237	(55.9)	38,375,980
Estate Tax	5,510	(91.3)	63,499	(67.3)	194,075	(94.7)	3,692,032
Insurance Taxes	17,805,219	(20.5)	22,395,206	29.7	17,268,392	20.3	14,351,082
Public Utility Tax	16,994,410	45.1	11,711,443	0.5	11,652,319	24.0	9,395,686
Cigarette Taxes	29,662,331	5.1	28,226,348	46.3	19,290,253	(12.0)	21,930,364
Other Revenues	13,838,606	3.6	13,356,915	0.3	13,315,609	5.0	12,680,452
Total Receipts	741,431,351	1.5	730,513,385	13.4	644,056,541	(2.8)	662,669,542
Refund Disbursements							
Personal Income Taxes	16,811,734		19,571,081		16,129,073		13,084,050
Franchise Taxes	1,446,535		1,693,046		1,710,680		2,548,115
Corporation Income Taxes	3,112,526		1,931,995		1,500,956		3,595,864
Bank Franchise Tax	168,682		1,650				
Gross Receipts Tax	4,491,097		1,512,611		675,232		2,501,139
Abandoned Property	1,044,882		2,678,490		2,127,704		633,813
Estate Tax	247,031		22		26,492		50,383
Cigarette Taxes	28,922		104,400		61,558		47,472
Withholding	217,762		188,108		238,960		297,849
Insurance Taxes	64,758		30,642		61,773		4,636
Miscellaneous Refunds	11,125		66,954		40,355		13,287
Total Refund Disbursements	27,645,053	(0.5)	27,778,999	23.1	22,572,782	(0.9)	22,776,609
Net Receipts	\$ 713,786,297	1.6	\$ 702,734,386	13.1	\$ 621,483,760	(2.9)	\$ 639,892,933

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.

10/6/2008

State of Delaware
Statement of General Fund Appropriation Balances
as of 9/30/2008

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,882,800	3,675,389	3,651,575	882,296	14,024,318
Judicial	90,797,100	2,716,689	23,746,061	3,947,148	65,820,580
Executive	175,448,190	67,770,335	55,343,142	28,974,688	158,900,696
Department of Technology and Information	39,105,200	2,079,508	11,635,397	9,465,314	20,083,997
Other Elective Offices	55,611,733	335,930	32,802,108	421,182	22,724,373
Legal	45,203,800	268,052	11,613,507	2,657,596	31,200,749
Department of State	35,065,700	8,382,251	11,712,551	4,663,537	27,071,863
Department of Finance	27,336,900	1,779,719	10,808,936	1,554,241	16,753,442
Department of Health and Social Services	968,790,081	32,226,356	224,606,578	119,603,504	656,806,356
Department of Services to Child/Youth/Families	137,214,049	4,238,994	35,181,544	31,097,754	75,173,745
Department of Correction	262,450,532	10,758,898	66,885,440	67,512,079	138,811,911
Department of Natural Resources	51,028,600	26,560,234	17,460,142	14,849,739	45,278,952
Department of Safety and Homeland Security	128,707,300	2,696,695	32,854,835	5,706,253	92,842,907
Department of Labor	7,458,677	683,812	2,622,286	633,495	4,886,709
Department of Agriculture	8,686,300	545,053	1,906,043	589,729	6,735,580
Department of Elections	5,980,700	951,598	2,059,465	593,070	4,279,762
Fire Prevention Commission	4,817,800	84,620	1,090,082	387,536	3,424,802
Delaware National Guard	4,961,500	523,505	1,115,647	1,386,736	2,982,622
Advisory Council for Exceptional Citizens	178,800	5,793	45,709	1,758	137,126
Higher Education	252,947,500	4,851,396	66,969,860	4,663,114	186,165,923
Department of Education	1,174,825,859	63,633,563	343,565,211	69,604,017	825,290,194
Total	\$ 3,491,499,121	\$ 234,768,388	\$ 957,676,119	\$ 369,194,785	\$ 2,399,396,605

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 9/30/2008

Exhibit B

	Fiscal Year 2009 \$(000) s	%	Fiscal Year 2008 \$(000) s	%	Fiscal Year 2007 \$(000) s	%	Fiscal Year 2006 \$(000) s
		Change		Change		Change	
Salaries and Wages	347,382.0	0.5	345,564.9	6.7	323,770.0	1.4	319,188.2
Fringe Benefits (less Pension)	91,144.4	5.8	86,156.5	4.0	82,844.3	8.2	76,580.7
Pension Costs	58,770.8	(2.7)	60,402.2	9.4	55,219.6	11.6	49,483.7
Medicaid	116,810.7	3.9	112,458.8	6.7	105,360.2	16.9	90,104.2
*Public Assistance	22,217.3	(2.0)	22,666.9	2.0	22,223.7	18.3	18,779.9
*Grants	94,650.7	7.9	87,721.6	(53.6)	189,182.0	2.9	183,845.0
*Personal Services and Travel	50,952.0	3.4	49,280.2	3.5	47,615.1	3.5	46,022.5
*Contractual Services	68,673.8	(0.1)	68,728.8	10.0	62,455.0	(16.5)	74,827.0
Supplies and Materials	21,084.9	(0.5)	21,194.8	1.1	20,964.2	(5.4)	22,158.0
Capital Outlay	17,696.6	(19.3)	21,935.4	(34.4)	33,457.4	19.9	27,912.0
Debt Service	68,292.8	3.0	66,327.8	10.9	59,790.3	9.7	54,506.8
Total	\$ 957,676.1	1.6	\$ 942,437.8	(6.0)	\$ 1,002,881.8	4.1	\$ 963,407.9

*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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