



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

**RICHARD S. CORDREY
SECRETARY OF FINANCE**

November 10, 2008

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

Attached is the monthly financial report for the month ending October 31, 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,

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 \$205.8 million with no outstanding short-term general obligation debt as of October 31, 2008.

As of October 31, 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>(\$ 320.2)</u>	<u>(\$ 303.3)</u>	<u>(\$ 465.6)</u>	<u>(\$ 403.1)</u>
Net Operating Cash Balance	\$ 205.8	\$ 287.6	\$ 225.0	\$ 298.1

The net operating cash balance of \$205.8 million results from a beginning cash balance of \$526.0 million on July 1, 2008, less a \$320.2 million operating cash deficit for FY 2009. Included in the net operating cash balance is a surplus of \$109.6 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 \$205.8 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 \$1,666.3 million.

State of Delaware
Statement of General Fund Cash Condition
as of 10/31/2008

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	810,957,757	801,681,836	695,984,725	718,369,763
Licenses	2,009,204	1,924,480	1,738,754	1,715,648
Fees	23,587,564	28,411,729	24,219,228	25,363,474
Permits	176	88	124	111
Fines	542,981	676,980	813,588	685,095
Rentals & Sales	104,029,524	104,538,254	106,489,701	99,254,045
Earnings and Investments	7,200,977	11,358,250	11,188,728	5,039,335
State Government/Agency Revenue	898,639	418,166	628,161	876,549
	<u>949,226,821</u>	<u>949,009,783</u>	<u>841,063,008</u>	<u>851,304,021</u>
Less Refund Disbursements	40,409,249	41,885,189	35,502,999	34,066,525
Total Revenue	908,817,572	907,124,595	805,560,010	817,237,496
Disbursements				
<u>Agency Expenditures</u>				
Legislature	4,611,395	4,910,676	4,595,610	4,463,586
Judicial	30,629,890	31,220,813	29,743,731	29,634,886
Executive	68,452,882	65,506,362	161,224,398	179,221,105
Department of Technology and Information	14,511,820	13,978,263	16,736,544	16,257,462
Other Elective Offices	33,126,796	34,241,109	34,892,663	34,503,693
Legal	15,348,692	15,788,205	14,446,515	12,579,715
Department of State	14,391,363	12,481,050	9,977,226	5,625,668
Department of Finance	12,468,791	13,204,739	16,799,913	38,851,518
Department of Health and Social Services	303,339,106	297,258,287	282,400,140	249,986,108
Department of Services to Child/Youth/Families	46,079,976	47,872,411	44,301,556	39,893,598
Department of Correction	86,932,583	87,812,256	83,655,357	73,050,853
Department of Natural Resources	21,588,829	25,608,909	27,748,044	23,847,719
Department of Safety and Homeland Security	45,986,924	44,951,746	43,264,029	39,740,559
Department of Transportation	0	3,190	1,870,145	3,600,176
Department of Labor	3,517,602	3,676,444	3,313,886	2,685,108
Department of Agriculture	2,463,342	2,697,786	3,152,286	2,250,332
Department of Elections	2,682,586	1,476,532	2,191,944	1,260,807
Fire Prevention Commission	1,564,350	1,657,878	1,492,079	1,347,409
Delaware National Guard	1,517,532	1,382,902	1,234,050	2,389,049
Advisory Council for Exceptional Citizens	58,103	61,613	58,377	43,856
Higher Education	87,261,569	86,464,270	87,059,840	83,020,964
Department of Education	435,929,838	423,235,891	406,802,996	384,977,300
	<u>1,232,463,970</u>	<u>1,215,491,331</u>	<u>1,276,961,330</u>	<u>1,229,231,469</u>
Less Vouchers Payable	3,447,762	5,058,596	5,863,258	8,859,345
Total Disbursements	1,229,016,208	1,210,432,735	1,271,098,072	1,220,372,124
Ending Cash Balance	\$ 205,784,482	\$ 287,580,236	\$ 225,033,617	\$ 298,062,632

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.

11/6/2008

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 10/31/2008

	Fiscal Year 2009	% Change	Fiscal Year 2008	% Change	Fiscal Year 2007	% Change	Fiscal Year 2006
Receipts							
Personal Income Taxes	\$ 336,705,135	1.0	\$ 333,379,135	1.0	\$ 330,195,376	10.7	\$ 298,260,606
Franchise Taxes	132,212,918	(0.9)	133,392,854	23.8	107,747,809	(6.7)	115,494,703
Corporate Fees	15,220,583	(19.9)	18,992,039	16.3	16,331,063	1.3	16,123,475
Limited Partnership and LLC	12,379,820	10.5	11,199,683	19.7	9,353,381	27.6	7,331,300
Uniform Commercial Code	3,903,431	(19.5)	4,850,426	34.1	3,616,119	(22.0)	4,633,238
Corporation Income Taxes	51,853,550	2.1	50,809,335	13.9	44,594,130	7.1	41,640,476
Bank Franchise Tax	47,146,033	72.7	27,303,552	(17.8)	33,226,366	15.8	28,699,850
Gross Receipts Tax	62,275,508	7.7	57,848,291	(1.3)	58,597,348	(12.9)	67,313,547
Lottery	79,755,867	(4.3)	83,317,684	(4.7)	87,407,921	6.8	81,871,064
Abandoned Property	58,306,588	(19.1)	72,090,690	455.8	12,969,709	(73.9)	49,637,157
Hospital Board and Treatment	24,258,412	14.4	21,205,993	11.2	19,061,627	9.8	17,365,693
Dividends and Interest	7,200,977	(36.6)	11,358,250	1.5	11,188,728	122.0	5,039,335
Realty Transfer Tax	18,908,682	(33.0)	28,209,440	(1.8)	28,736,704	(30.6)	41,399,022
Estate Tax	6,492	(89.9)	64,077	(72.1)	229,546	(94.1)	3,909,322
Insurance Taxes	18,120,477	(21.3)	23,026,483	32.2	17,413,721	20.5	14,445,854
Public Utility Tax	21,466,719	36.5	15,725,962	1.1	15,555,898	22.6	12,686,801
Cigarette Taxes	41,399,591	8.4	38,184,617	40.1	27,253,553	(4.2)	28,442,149
Other Revenues	18,106,036	0.3	18,051,272	2.7	17,584,011	3.4	17,010,429
Total Receipts	949,226,821	0.0	949,009,783	12.8	841,063,008	(1.2)	851,304,021
Refund Disbursements							
Personal Income Taxes	25,502,741		29,240,010		23,160,268		16,187,670
Franchise Taxes	1,451,725		2,372,389		2,553,480		4,468,882
Corporation Income Taxes	6,628,300		5,200,915		5,187,476		8,747,546
Bank Franchise Tax	168,682		39,858				
Gross Receipts Tax	4,619,815		1,779,164		626,680		2,589,068
Abandoned Property	1,229,354		2,678,490		3,413,635		1,296,866
Estate Tax	250,812		22		27,878		50,891
Cigarette Taxes	58,283		114,141		66,591		54,464
Withholding	401,814		357,485		359,665		647,039
Insurance Taxes	64,758		30,767		61,773		4,636
Miscellaneous Refunds	32,964		71,947		45,555		19,462
Total Refund Disbursements	40,409,249	(3.5)	41,885,189	18.0	35,502,999	4.2	34,066,525
Net Receipts	\$ 908,817,572	0.2	\$ 907,124,595	12.6	\$ 805,560,010	(1.4)	\$ 817,237,496

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.

11/6/2008

State of Delaware
Statement of General Fund Appropriation Balances
as of 10/31/2008

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,883,100	3,675,389	4,611,395	833,784	13,113,310
Judicial	90,837,400	3,109,789	30,629,890	4,197,616	59,119,682
Executive	171,132,636	67,265,673	68,452,882	25,520,811	144,424,616
Department of Technology and Information	39,110,600	2,079,508	14,511,820	9,348,095	17,330,193
Other Elective Offices	55,615,933	335,930	33,126,796	390,679	22,434,388
Legal	45,221,700	268,052	15,348,692	2,017,891	28,123,169
Department of State	35,087,800	8,382,251	14,391,363	4,431,647	24,647,041
Department of Finance	27,346,100	1,779,719	12,468,791	1,206,516	15,450,511
Department of Health and Social Services	969,118,841	32,247,461	303,339,106	113,357,474	584,669,721
Department of Services to Child/Youth/Families	137,430,449	4,241,494	46,079,976	29,954,887	65,637,079
Department of Correction	262,662,226	10,758,898	86,932,583	61,682,789	124,805,752
Department of Natural Resources	51,077,800	26,560,234	21,588,829	14,023,204	42,026,000
Department of Safety and Homeland Security	128,757,000	2,696,695	45,986,924	5,731,896	79,734,875
Department of Labor	7,451,072	762,224	3,517,602	817,698	3,877,996
Department of Agriculture	8,719,900	545,053	2,463,342	1,241,129	5,560,481
Department of Elections	5,983,900	951,598	2,682,586	519,536	3,733,376
Fire Prevention Commission	4,819,000	84,620	1,564,350	347,221	2,992,049
Delaware National Guard	4,968,200	523,505	1,517,532	1,408,875	2,565,298
Advisory Council for Exceptional Citizens	178,800	5,793	58,103	1,742	124,748
Higher Education	256,998,406	4,851,396	87,261,569	4,367,853	170,220,380
Department of Education	1,174,098,259	63,643,108	435,929,838	58,393,816	743,417,712
Total	\$ 3,491,499,121	\$ 234,768,388	\$ 1,232,463,970	\$ 339,795,160	\$ 2,154,008,379

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 10/31/2008

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	442,504.8	0.4	440,847.7	6.0	415,859.9	2.1	407,240.0
Fringe Benefits (less Pension)	119,611.1	6.0	112,789.3	3.4	109,077.6	8.0	100,969.0
Pension Costs	78,859.5	(2.9)	81,215.9	8.8	74,649.3	10.7	67,405.2
Medicaid	162,315.5	3.9	156,291.9	9.1	143,298.1	13.2	126,578.9
*Public Assistance	30,816.9	(0.5)	30,986.1	(12.7)	35,476.4	46.8	24,163.5
*Grants	113,482.0	6.9	106,154.7	(50.1)	212,721.8	(7.0)	228,794.6
*Personal Services and Travel	68,293.7	2.6	66,594.8	(0.2)	66,711.4	8.7	61,352.3
*Contractual Services	98,387.5	1.3	97,160.9	7.7	90,188.6	(5.4)	95,324.0
Supplies and Materials	28,771.2	(1.0)	29,057.6	2.6	28,323.9	(0.8)	28,560.6
Capital Outlay	20,812.4	(24.6)	27,590.1	(31.4)	40,231.1	20.3	33,448.4
Debt Service	68,609.2	2.7	66,802.4	10.6	60,423.1	9.1	55,395.0
Total	\$ 1,232,464.0	1.4	\$ 1,215,491.3	(4.8)	\$ 1,276,961.3	3.9	\$ 1,229,231.5

*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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