



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

**RICHARD S. CORDREY
SECRETARY OF FINANCE**

January 13, 2009

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

Attached is the monthly financial report for the month ending December 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

**CARVEL STATE BUILDING
820 N. FRENCH ST., 8TH FLR.
WILMINGTON, DELAWARE 19801
TELEPHONE: (302) 577 - 8979
FAX: (302) 577 - 8982**

**HASLET ARMORY
122 WILLIAM PENN STREET
DOVER, DELAWARE 19901
TELEPHONE: (302) 744 - 1100
FAX: (302) 739 - 1139**

OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$127.0 million with no outstanding short-term general obligation debt as of December 31, 2008.

As of December 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>(\$ 399.0)</u>	<u>(\$ 369.6)</u>	<u>(\$ 471.4)</u>	<u>(\$ 429.0)</u>
Net Operating Cash Balance	\$ 127.0	\$ 221.3	\$ 219.2	\$ 272.2

The net operating cash balance of \$127.0 million results from a beginning cash balance of \$526.0 million on July 1, 2008, less a \$399.0 million operating cash deficit for FY 2009. Included in the net operating cash balance is a surplus of \$149.1 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 \$127.0 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).

It should be noted that the difference between the \$186.4 and the net operating cash balance of \$127.0 million represents a temporary interfund borrowing of \$59.4 million, pursuant to § 7404 (d), Title 29 Delaware Code.

The combined General Fund/Special Fund Cash Balance was \$1,489.6 million.

State of Delaware
Statement of General Fund Cash Condition
as of 12/31/2008

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	1,200,801,628	1,223,637,004	1,143,169,131	1,132,313,227
Licenses	6,096,640	5,158,680	5,588,465	5,003,985
Fees	35,147,380	43,639,025	40,024,865	39,756,849
Permits	285	281	211	170
Fines	909,175	1,303,537	1,278,093	1,007,958
Rentals & Sales	155,261,549	154,729,699	160,047,174	141,880,981
Governmental Contributions	0	135	2,895	8
Earnings and Investments	8,080,873	15,144,065	13,055,450	4,604,240
State Government/Agency Revenue	2,251,309	596,542	9,376,206	1,604,709
	<u>1,408,548,839</u>	<u>1,444,208,969</u>	<u>1,372,542,490</u>	<u>1,326,172,126</u>
Less Refund Disbursements	60,946,822	72,641,980	58,755,290	52,335,076
Total Revenue	1,347,602,017	1,371,566,989	1,313,787,200	1,273,837,050
Disbursements				
<u>Agency Expenditures</u>				
Legislature	6,394,477	6,742,936	6,526,244	6,275,998
Judicial	43,925,386	45,401,750	43,578,570	42,222,763
Executive	82,747,302	86,000,674	195,349,236	214,855,528
Department of Technology and Information	20,596,692	20,866,467	21,630,234	22,039,172
Other Elective Offices	37,157,641	42,794,856	39,662,641	39,098,634
Legal	21,662,729	22,403,720	20,914,557	18,113,162
Department of State	21,566,043	16,915,339	13,740,549	7,968,933
Department of Finance	16,543,332	20,741,567	25,369,319	41,936,768
Department of Health and Social Services	464,731,339	446,080,297	426,120,624	385,572,799
Department of Services to Child/Youth/Families	67,381,333	70,920,935	65,525,192	58,773,573
Department of Correction	127,463,512	129,640,516	122,028,143	107,576,066
Department of Natural Resources	29,125,428	35,598,301	35,671,945	32,811,063
Department of Safety and Homeland Security	61,087,344	61,721,333	58,179,666	53,904,319
Department of Transportation	0	3,190	1,870,590	5,865,431
Department of Labor	4,728,634	4,991,938	4,405,122	4,352,666
Department of Agriculture	3,392,391	4,089,091	4,268,524	3,657,630
Department of Elections	3,996,502	2,240,113	3,970,536	1,829,661
Fire Prevention Commission	2,314,346	2,464,005	2,328,413	2,018,921
Delaware National Guard	2,110,774	2,050,522	1,788,706	2,892,666
Advisory Council for Exceptional Citizens	83,822	88,328	82,785	64,183
Higher Education	127,143,985	127,811,885	125,750,093	120,732,955
Department of Education	605,715,878	593,509,708	567,959,234	532,442,768
	<u>1,749,868,890</u>	<u>1,743,077,472</u>	<u>1,786,720,925</u>	<u>1,705,005,658</u>
Less Vouchers Payable	3,287,540	1,907,869	1,584,084	2,192,777
Total Disbursements	1,746,581,350	1,741,169,603	1,785,136,841	1,702,812,881
Ending Cash Balance	\$ 127,003,784	\$ 221,285,762	\$ 219,222,038	\$ 272,221,428

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.

1/7/2009

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 12/31/2008

	Fiscal Year 2009	% Change	Fiscal Year 2008	% Change	Fiscal Year 2007	% Change	Fiscal Year 2006
Receipts							
Personal Income Taxes	\$ 500,869,713	(0.1)	\$ 501,340,368	1.1	\$ 495,671,599	7.0	\$ 463,349,111
Franchise Taxes	205,894,556	1.4	203,008,608	9.7	185,132,189	1.4	182,492,326
Corporate Fees	22,403,839	(22.4)	28,889,051	9.6	26,351,688	2.5	25,717,215
Limited Partnership and LLC	15,773,863	10.5	14,280,540	21.7	11,731,533	23.1	9,528,889
Uniform Commercial Code	5,611,614	(21.9)	7,181,610	12.4	6,389,870	(10.1)	7,104,111
Corporation Income Taxes	83,513,432	21.1	68,963,945	0.4	68,680,915	7.1	64,124,060
Bank Franchise Tax	63,651,963	11.4	57,152,094	(0.3)	57,324,478	7.5	53,305,154
Gross Receipts Tax	82,155,262	1.9	80,635,726	0.2	80,451,694	(16.3)	96,154,938
Lottery	116,450,184	(3.6)	120,831,486	(6.3)	129,016,846	13.8	113,336,368
Abandoned Property	82,726,254	(25.4)	110,852,191	53.6	72,171,588	(20.2)	90,389,942
Hospital Board and Treatment	38,779,558	14.5	33,877,334	9.3	31,002,221	8.7	28,517,773
Dividends and Interest	8,080,873	(46.6)	15,144,065	16.0	13,055,450	183.6	4,604,240
Realty Transfer Tax	25,559,283	(44.2)	45,835,726	(4.5)	48,011,163	(24.9)	63,900,363
Estate Tax	19,295	(84.0)	120,373	(50.4)	242,545	(94.0)	4,067,367
Insurance Taxes	35,283,506	(21.9)	45,193,694	(2.2)	46,209,988	51.4	30,524,670
Public Utility Tax	29,500,027	28.4	22,966,809	1.0	22,728,492	20.0	18,936,265
Cigarette Taxes	61,189,588	4.1	58,759,616	43.0	41,087,122	(3.5)	42,587,010
Other Revenues	31,086,026	6.5	29,175,736	(21.7)	37,283,109	35.4	27,532,326
Total Receipts	1,408,548,839	(2.5)	1,444,208,969	5.2	1,372,542,490	3.5	1,326,172,126
Refund Disbursements							
Personal Income Taxes	33,115,511		36,901,906		30,066,187		25,236,717
Franchise Taxes	4,459,106		3,440,981		4,410,848		5,529,715
Corporation Income Taxes	12,934,852		26,892,844		18,194,958		15,981,982
Bank Franchise Tax	169,257		39,858		502		48,800
Gross Receipts Tax	4,687,235		1,991,881		790,569		2,743,316
Abandoned Property	4,552,503		2,678,490		4,218,694		1,494,810
Estate Tax	256,098		638		359,523		374,177
Cigarette Taxes	66,176		127,432		82,132		124,646
Withholding	593,929		463,565		497,304		717,946
Insurance Taxes	65,258		31,195		62,219		4,636
Miscellaneous Refunds	46,898		73,191		72,355		78,330
Total Refund Disbursements	60,946,822	(16.1)	72,641,980	23.6	58,755,290	12.3	52,335,076
Net Receipts	\$ 1,347,602,017	(1.7)	\$ 1,371,566,989	4.4	\$ 1,313,787,200	3.1	\$ 1,273,837,050

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.
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.

1/7/2009

State of Delaware
Statement of General Fund Appropriation Balances
as of 12/31/2008

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,883,100	3,675,389	6,394,477	682,405	11,481,606
Judicial	90,837,400	3,274,010	43,925,386	3,951,727	46,234,297
Executive	170,696,966	66,057,840	82,747,302	22,856,835	131,150,670
Department of Technology and Information	39,110,600	2,960,004	20,596,692	6,968,611	14,505,300
Other Elective Offices	55,615,933	335,930	37,157,641	355,751	18,438,470
Legal	45,150,250	268,052	21,662,729	1,856,007	21,899,566
Department of State	35,087,800	8,382,251	21,566,043	3,137,756	18,766,252
Department of Finance	27,346,100	1,779,719	16,543,332	1,159,155	11,423,332
Department of Health and Social Services	969,397,140	32,247,461	464,731,339	91,310,095	445,603,167
Department of Services to Child/Youth/Families	137,430,449	4,241,494	67,381,333	22,230,807	52,059,803
Department of Correction	262,663,211	10,908,898	127,463,512	47,173,501	98,935,096
Department of Natural Resources	51,077,800	26,560,234	29,125,428	13,570,545	34,942,060
Department of Safety and Homeland Security	128,757,000	2,696,695	61,087,344	4,085,004	66,281,346
Department of Labor	7,451,072	762,224	4,728,634	566,030	2,918,632
Department of Agriculture	8,719,900	545,053	3,392,391	1,864,195	4,008,366
Department of Elections	5,983,900	951,598	3,996,502	263,892	2,675,104
Fire Prevention Commission	4,819,000	84,620	2,314,346	262,933	2,326,341
Delaware National Guard	4,968,200	523,505	2,110,774	1,164,218	2,216,713
Advisory Council for Exceptional Citizens	178,800	5,793	83,822	1,681	99,090
Higher Education	257,159,106	4,851,396	127,143,985	3,875,231	130,991,286
Department of Education	1,174,165,395	63,656,223	605,715,878	63,322,431	568,783,309
Total	\$ 3,491,499,121	\$ 234,768,388	\$ 1,749,868,890	\$ 290,658,810	\$ 1,685,739,809

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.

State of Delaware
Statement of General Fund Expenditures by Major Category
as of 12/31/2008

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	640,761.2	0.9	634,739.4	5.5	601,379.2	4.4	575,957.0
Fringe Benefits (less Pension)	158,246.2	(5.2)	166,913.0	3.4	161,450.3	7.9	149,596.9
Pension Costs	108,864.2	(2.9)	112,113.0	8.7	103,166.8	11.4	92,579.3
Medicaid	257,969.2	8.2	238,451.4	9.5	217,861.1	11.1	196,052.3
*Public Assistance	44,952.4	(1.6)	45,670.2	(9.8)	50,659.4	27.4	39,753.0
*Grants	149,649.2	4.7	142,864.7	(45.6)	262,449.5	(5.1)	276,679.4
*Personal Services and Travel	102,858.4	(0.8)	103,666.7	(2.8)	106,617.8	15.7	92,182.1
*Contractual Services	147,707.2	(1.5)	150,010.7	13.5	132,139.8	(4.7)	138,624.0
Supplies and Materials	39,185.6	(3.9)	40,757.6	3.4	39,423.9	(1.0)	39,816.6
Capital Outlay	27,070.0	(26.9)	37,028.5	(27.4)	51,028.4	6.1	48,106.4
Debt Service	72,605.5	2.5	70,862.2	17.0	60,544.7	8.8	55,658.7
Total	\$ 1,749,868.9	0.4	\$ 1,743,077.5	(2.4)	\$ 1,786,720.9	4.8	\$ 1,705,005.6

*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.

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.

1/7/2009