



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

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January 20, 2017

TO: The Honorable John Carney, Governor
Members of the 149th General Assembly

Attached is the monthly financial report for the month ending December 31, 2016. 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:

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 cursive script that reads "Rick Geisenberger".

Rick J. Geisenberger
Secretary of Finance

KK:dhy
Attachment

OVERVIEW

GENERAL FUND CASH BALANCE

As of December 31, 2016, the General Fund cash balance has an operating deficit of \$137.7 million. This results from a beginning cash balance of \$568.0 million on July 1, 2016, less a \$705.7 million operating cash deficit for FY 2017.

There is no outstanding short-term general obligation debt for the fiscal year 2017.

As of December 30, 2016 (\$ Millions)

| | FY 17 | FY 16 | FY 15 | FY 14 |
|----------------------------------|-------------------|-----------------|-------------------|----------------|
| Beginning Fiscal Year Cash | \$ 568.0 | \$ 536.9 | \$ 414.4 | \$ 635.9 |
| Operating Cash Surplus/(Deficit) | (705.7) | (545.0) | (675.2) | (621.5) |
| Net Operating Cash balance | <u>\$ (137.7)</u> | <u>\$ (8.1)</u> | <u>\$ (260.8)</u> | <u>\$ 14.4</u> |

\$221.1 million 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 \$221.1 million and the net operating (deficit) cash balance of \$137.7 million represents a temporary interfund borrowing of \$358.8 million, pursuant to § 7404 (d), Title 29 Delaware Code.

The combined General Fund/Special Fund Cash Balance was \$1,640.0 million.

State of Delaware
Statement of General Fund Cash Condition
as of 12/31/2016

| | <u>Fiscal Year 2017</u> | <u>Fiscal Year 2016</u> | <u>Fiscal Year 2015</u> | <u>Fiscal Year 2014</u> |
|---|--------------------------------|------------------------------|--------------------------------|-----------------------------|
| Beginning Fiscal Year Cash | \$ 567,980,980 | \$ 536,915,269 | \$ 414,398,252 | \$ 635,879,376 |
| Revenue | | | | |
| <u>Receipts</u> | | | | |
| Taxes | 1,328,967,329 | 1,426,596,884 | 1,230,879,212 | 1,270,977,906 |
| Licenses | 7,543,050 | 5,962,840 | 9,281,548 | 5,458,329 |
| Fees | 73,232,809 | 71,741,356 | 67,793,462 | 64,402,241 |
| Permits | 200 | 211 | 200 | 1,119 |
| Fines | 1,606,023 | 1,823,077 | 1,871,960 | 1,815,691 |
| Rentals & Sales | 123,200,957 | 125,309,348 | 116,964,993 | 126,289,787 |
| Governmental Contributions | 5,250 | 4,500 | 30,100 | 210,288 |
| Earnings & Investments | 3,651,316 | 1,604,394 | 7,057,203 | 693,537 |
| State Govt/Agency Revenue | 1,969,872 | 2,230,907 | 12,958,295 | 1,582,034 |
| Total Receipts | <u>1,540,176,806</u> | <u>1,635,273,516</u> | <u>1,446,836,973</u> | <u>1,471,430,932</u> |
| Less Refund Disbursements | 119,731,179 | 118,949,726 | 93,159,093 | 82,245,128 |
| Total Revenue | <u>1,420,445,627</u> | <u>1,516,323,790</u> | <u>1,353,677,880</u> | <u>1,389,185,804</u> |
| Disbursements | | | | |
| <u>Agency Expenditures</u> | | | | |
| Legislature | 7,597,342 | 7,481,069 | 7,050,047 | 7,095,993 |
| Judicial | 48,560,091 | 47,547,037 | 46,963,147 | 47,245,758 |
| Executive | 88,084,891 | 87,574,071 | 100,112,596 | 87,709,978 |
| Dept of Technology & Information | 21,547,703 | 21,876,917 | 22,651,097 | 22,381,043 |
| Other Elective Offices | 131,669,884 | 124,309,120 | 105,450,254 | 113,149,777 |
| Legal | 31,197,512 | 30,005,274 | 28,908,609 | 28,071,968 |
| Department of State | 11,900,374 | 12,745,005 | 13,063,803 | 12,614,909 |
| Department of Finance | 10,040,519 | 9,975,425 | 11,855,430 | 24,914,577 |
| Dept of Health & Social Services | 582,340,317 | 567,709,660 | 578,962,694 | 569,311,317 |
| Dept of Svs for Children, Youth, Families | 80,613,599 | 78,332,205 | 76,717,852 | 73,801,905 |
| Department of Correction | 152,812,714 | 146,657,976 | 141,088,512 | 135,003,145 |
| Dept of Natural Res & Env Control | 18,931,284 | 19,643,320 | 20,388,576 | 23,744,568 |
| Dept of Safety & Homeland Sec | 66,530,237 | 64,214,769 | 64,424,588 | 72,260,635 |
| Dept of Transportation | 2,603,162 | - | - | 384 |
| Department of Labor | 5,177,527 | 5,176,779 | 4,182,995 | 5,093,067 |
| Department of Agriculture | 3,886,520 | 3,674,179 | 3,848,516 | 3,679,577 |
| Department of Elections | 4,942,616 | 2,037,285 | 3,940,250 | 1,856,494 |
| Fire Prevention Commission | 2,609,995 | 2,520,468 | 2,617,417 | 2,740,139 |
| Delaware National Guard | 1,916,731 | 2,088,712 | 1,966,833 | 1,490,744 |
| Advisory Council Exceptnl Citizens | 130,471 | 120,673 | 137,445 | 98,137 |
| Higher Education | 117,348,203 | 115,757,797 | 114,790,167 | 115,746,929 |
| Department of Education | 735,721,429 | 711,918,523 | 679,747,840 | 662,671,107 |
| Total Disbursements | <u>2,126,163,121</u> | <u>2,061,366,264</u> | <u>2,028,868,668</u> | <u>2,010,682,151</u> |
| Ending Cash Balance | <u>\$ (137,736,514)</u> | <u>\$ (8,127,205)</u> | <u>\$ (260,792,536)</u> | <u>\$ 14,383,029</u> |

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 Receipts and Refund Disbursements by Major Category
As of 12/31/2016

| | Fiscal Year | % | Fiscal Year | % | Fiscal Year | % | Fiscal Year |
|-----------------------------------|-------------------------|---------------|-------------------------|---------------|-------------------------|---------------|-------------------------|
| | 2017 | Change | 2016 | Change | 2015 | Change | 2014 |
| Receipts | | | | | | | |
| Personal Income Tax | 661,200,508 | 1.1% | 654,038,310 | 8.7% | \$ 601,565,921 | 2.6% | \$ 586,384,811 |
| Franchise Tax | 239,245,488 | 0.0% | 239,241,905 | 6.7% | 224,222,046 | 1.2% | 221,666,548 |
| Corporate Fees | 46,826,583 | 4.5% | 44,827,626 | 3.5% | 43,317,060 | 7.2% | 40,410,717 |
| Limited Partnership & LLC | 34,034,118 | 10.1% | 30,919,726 | 16.8% | 26,477,531 | 5.9% | 25,009,919 |
| Uniform Commercial Code | 9,658,206 | -1.6% | 9,818,160 | 8.3% | 9,065,165 | 1.7% | 8,911,545 |
| Corporate Income Tax | 58,583,373 | -47.5% | 111,683,788 | 56.9% | 71,197,958 | 13.8% | 62,561,381 |
| Bank Franchise Tax | 33,505,907 | -10.6% | 37,493,459 | -13.6% | 43,374,693 | 4.4% | 41,562,920 |
| Gross Receipts Tax | 124,692,433 | 10.7% | 112,630,585 | 0.4% | 112,151,779 | -0.9% | 113,117,580 |
| Lottery | 98,624,036 | -6.2% | 105,092,860 | 7.1% | 98,097,378 | -6.8% | 105,251,257 |
| Abandoned Property | 14,836,713 | -78.6% | 69,169,224 | 873.3% | 7,106,846 | -91.3% | 81,433,996 |
| Hospital Board & Treatment | 18,233,902 | -9.7% | 20,187,260 | 7.3% | 18,815,681 | -9.8% | 20,857,836 |
| Dividends and Interest | 3,649,014 | 127.5% | 1,604,244 | -77.3% | 7,057,068 | 948.4% | 673,119 |
| Realty Transfer Tax | 49,125,843 | 2.4% | 47,989,341 | 33.4% | 35,979,488 | 36.3% | 26,401,281 |
| Estate Tax | 1,760,303 | -80.3% | 8,949,095 | 872.5% | 920,212 | 11.9% | 822,231 |
| Insurance Tax | 15,343,196 | 4.3% | 14,705,693 | -4.8% | 15,444,401 | -2.6% | 15,850,216 |
| Public Utility Tax | 21,214,215 | -7.5% | 22,925,253 | 4.8% | 21,875,994 | 4.4% | 20,959,080 |
| Cigarette Tax | 52,268,684 | -7.8% | 56,701,262 | 12.2% | 50,550,714 | -10.1% | 56,218,975 |
| Other | 57,374,284 | 21.3% | 47,295,727 | -20.7% | 59,617,038 | 37.6% | 43,337,520 |
| Total Receipts | 1,540,176,806 | -5.82% | 1,635,273,516 | 13.02% | 1,446,836,973 | -1.67% | 1,471,430,932 |
| Refund Disbursements | | | | | | | |
| Personal Income Tax | 43,546,042 | | 51,030,863 | | 40,538,707 | | 44,107,085 |
| Franchise Tax | 5,593,466 | | 7,323,713 | | 6,396,810 | | 3,142,166 |
| Corporation Income Tax | 12,181,504 | | 20,079,592 | | 19,387,795 | | 13,403,077 |
| Bank Franchise Tax | 14,083 | | 20,509 | | 500 | | 314,096 |
| Gross Receipts Tax | 5,558,312 | | 4,197,384 | | 1,186,469 | | 1,612,334 |
| Abandoned Property | 51,412,231 | | 35,031,321 | | 23,000,656 | | 18,046,653 |
| Estate Tax | 137,454 | | 64,954 | | 105,242 | | 213,835 |
| Cigarette Tax | 70,605 | | 169,149 | | 72,283 | | 690,098 |
| Withholding | 976,636 | | 976,106 | | 2,433,973 | | 633,686 |
| Insurance Tax | 229,567 | | 24,146 | | 9,436 | | 68,871 |
| Miscellaneous Refunds | 11,279 | | 31,989 | | 27,222 | | 13,227 |
| Total Refund Disbursements | 119,731,179 | 0.66% | 118,949,726 | 27.68% | 93,159,093 | 13.27% | 82,245,128 |
| Net Receipts | \$ 1,420,445,627 | -6.32% | \$ 1,516,323,790 | 12.02% | \$ 1,353,677,880 | -2.56% | \$ 1,389,185,804 |

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.

State of Delaware
Statement of General Fund Appropriation Balances
As of 12/31/2016

| | Current FY Appropriations | Prior Year Continuing and Encumbered | Expenditures | Committed Expenditures | Encumbrances | Unencumbered Balance |
|---|--------------------------------------|---|-------------------------|-----------------------------------|-----------------------|---------------------------------|
| Legislative | \$ 16,090,300 | \$ 5,092,431 | \$ 7,597,342 | \$ 393 | \$ 988,283 | \$ 12,596,713 |
| Judicial | 96,981,000 | 3,687,941 | 48,560,091 | - | 2,325,144 | 49,783,706 |
| Executive | 194,831,000 | 48,462,332 | 88,084,891 | 62,732 | 17,156,909 | 137,988,800 |
| Dept of Technology & Information | 41,524,135 | 2,711,717 | 21,547,703 | - | 8,545,343 | 14,142,806 |
| Other Elective Offices | 206,840,980 | 167,892 | 131,669,884 | 2,008 | 390,205 | 74,946,775 |
| Legal | 58,781,223 | 371,484 | 31,197,512 | 2,720 | 2,163,371 | 25,789,104 |
| Department of State | 25,111,700 | 1,310,032 | 11,900,374 | 37,324 | 2,025,136 | 12,458,898 |
| Department of Finance | 17,507,143 | 3,474,755 | 10,040,519 | 11,449 | 1,831,582 | 9,098,348 |
| Dept of Health & Social Svs | 1,202,890,842 | 42,250,306 | 582,340,317 | 123,699 | 99,664,597 | 563,012,535 |
| Dept of Svs for Children, Youth, Families | 157,360,950 | 9,554,921 | 80,613,599 | 533,171 | 34,028,956 | 51,740,145 |
| Department of Correction | 295,689,591 | 11,184,033 | 152,812,714 | 4,745 | 58,647,418 | 95,408,747 |
| Dept of Naturl Res & Env Contrl | 38,693,275 | 3,751,266 | 18,931,284 | 57,209 | 4,077,853 | 19,378,195 |
| Dept of Safety & Homeland Sec | 134,668,874 | 3,787,794 | 66,530,237 | 1,213 | 7,151,507 | 64,773,711 |
| Dept of Transportation | 5,000,000 | - | 2,603,162 | - | 2,396,988 | (150) |
| Department of Labor | 9,838,300 | 1,084,372 | 5,177,527 | 62,988 | 656,457 | 5,025,700 |
| Department of Agriculture | 8,583,700 | 254,600 | 3,886,520 | 1,000 | 1,101,422 | 3,849,358 |
| Department of Elections | 4,537,600 | 3,406,085 | 4,942,616 | 2,638 | 312,322 | 2,686,109 |
| Fire Prevention Commission | 5,586,100 | 64,354 | 2,609,995 | - | 93,324 | 2,947,135 |
| Delaware National Guard | 4,867,400 | 228,020 | 1,916,731 | - | 1,137,765 | 2,040,924 |
| Advisory Counc Exceptnl Citizn | 242,000 | 2,666 | 130,471 | - | - | 114,195 |
| Higher Education | 241,044,800 | 14 | 117,348,203 | 2,066 | 1,837,237 | 121,857,308 |
| Department of Education | <u>1,376,129,087</u> | <u>40,685,495</u> | <u>735,721,429</u> | <u>147,632</u> | <u>54,842,189</u> | <u>626,103,332</u> |
| Total | <u>\$ 4,142,800,000</u> | <u>\$ 181,532,511</u> | <u>\$ 2,126,163,121</u> | <u>\$ 1,052,987</u> | <u>\$ 301,374,008</u> | <u>\$ 1,895,742,395</u> |

NOTES

1. This exhibit has been prepared using the best available data. Committed expenditures are representative of expenditures expected to be paid but have not been as of the date of this report. Additionally, the negative balances are
2. Numbers are rounded and thus the sum of the detail may not equal the total.
3. This Fiscal Year is July 1 through June 30.

STATE OF DELAWARE
Statement of General Fund Expenditures by Major Category
As of 12/31/2016
(Expressed in Thousands)

| | Fiscal Year | % | Fiscal Year | % | Fiscal Year | % | Fiscal Year |
|--------------------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|
| | 2017 | Change | 2016 | Change | 2015 | Change | 2014 |
| Salaries and Wages | \$ 719,019.0 | 0.7% | \$ 714,234.7 | 2.6% | \$ 696,471.3 | 2.2% | \$ 681,216.2 |
| Fringe Benefits (less Pension) | 241,207.8 | 3.8% | 232,321.9 | 13.9% | 203,900.9 | 1.8% | 200,293.8 |
| Pension Costs | 173,585.9 | 4.7% | 165,820.6 | 3.8% | 159,687.8 | 8.2% | 147,637.4 |
| Medicaid | 369,446.3 | 2.2% | 361,607.3 | -2.7% | 371,490.9 | 4.4% | 355,665.6 |
| Grants | 200,921.4 | 7.4% | 187,103.6 | -8.9% | 205,382.3 | -9.3% | 226,347.1 |
| Contractual Services | 266,054.9 | 6.1% | 250,782.5 | -2.9% | 258,320.0 | 0.5% | 257,070.5 |
| Supplies and Materials | 37,458.9 | 4.8% | 35,744.4 | -7.6% | 38,668.3 | 2.1% | 37,884.9 |
| Capital Outlay | 7,295.4 | 26.8% | 5,754.8 | -15.9% | 6,841.6 | -21.2% | 8,685.1 |
| Debt Service | 111,173.4 | 2.9% | 107,996.4 | 22.6% | 88,105.6 | -8.1% | 95,881.6 |
| Total | \$ 2,126,163.0 | 3.14% | \$ 2,061,366.2 | 1.60% | \$ 2,028,868.7 | 0.90% | \$ 2,010,682.2 |