



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
OFFICE OF THE SECRETARY

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September 10, 2004

TO: The Honorable Ruth Ann Minner, Governor  
Members of the 142nd General Assembly

Attached is the monthly financial report for the month ending August 31, 2004. 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](http://www.state.de.us/finance/publications/Financial_Reports.shtml)

The State of Delaware is one of three states participating in a National Association of State Auditors, Comptrollers and Treasurers (NASACT) pilot program on voluntary interim financial disclosure. This report, along with other reports and documents at the above internet address, constitutes the disclosure.

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

Sincerely,

A handwritten signature in black ink, appearing to read "DWS Singleton".

David W. Singleton  
Secretary of Finance

DWS:ed  
Attachment

## OVERVIEW

### GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$499.4 million with no outstanding short-term general obligation debt as of August 31, 2004.

As of August 31, 2004  
(\$ Millions)

	<u>FY05</u>	<u>FY04</u>	<u>FY03</u>	<u>FY02</u>
Beginning Fiscal Year Cash	\$645.8	\$464.0	\$481.8	\$509.9
<u>Operating Cash Surplus/(Deficit)</u>	<u>( 146.4)</u>	<u>( 143.6)</u>	<u>( 133.8)</u>	<u>( 78.5)</u>
Net Cash Balance	\$499.4	\$320.4	\$348.0	\$431.4

The net cash balance of \$499.4 million results from a beginning cash balance of \$645.8 million on July 1, 2004, less a \$146.4 million operating cash deficit for FY 2005. Included in the cash balance is a surplus of \$43.2 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.

\$148.2 million of the \$499.4 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 \$1,501.8 million.

**State of Delaware**  
**Statement of General Fund Cash Condition**  
as of 8/31/2004

Exhibit A

	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003	Fiscal Year 2002
<b>Beginning Fiscal Year Cash</b>	<b>\$ 645,754,351</b>	<b>\$ 464,018,574</b>	<b>\$ 481,752,669</b>	<b>\$ 509,914,235</b>
<b>Revenue</b>				
<u>Receipts</u>				
Taxes	296,862,370	283,197,052	259,881,956	279,646,253
Licenses	724,468	430,997	433,964	371,275
Fees	11,184,847	9,709,057	9,640,507	9,163,304
Permits	150	147	160	56
Fines	297,683	327,888	255,698	300,650
Rentals & Sales	46,713,959	51,513,996	39,510,028	52,305,251
Governmental Contributions	0	28,865	220	0
Earnings and Investments	914,141	1,660,146	6,251,856	9,894,601
State Government/Agency Revenue	6,377,879	1,529,976	7,109,922	2,301,911
	<u>363,075,497</u>	<u>348,398,125</u>	<u>323,084,311</u>	<u>353,983,300</u>
Less Refund Disbursements	16,755,846	17,114,476	22,587,382	17,891,801
<b>Total Revenue</b>	<b>346,319,652</b>	<b>331,283,649</b>	<b>300,496,929</b>	<b>336,091,499</b>
<b>Disbursements</b>				
<u>Agency Expenditures</u>				
Legislature	2,086,924	1,881,316	1,954,700	1,847,398
Judicial	11,228,686	10,624,961	10,580,151	10,290,129
Executive	58,737,892	22,050,950	34,978,102	21,425,537
Department of Technology and Information	8,059,528	8,712,718	209,172	0
Other Elective Offices	11,144,909	30,107,147	16,857,834	13,713,480
Legal	5,159,861	4,790,768	4,755,129	4,623,270
Department of State	2,314,977	2,385,574	1,870,996	2,488,579
Department of Finance	17,015,755	16,592,285	2,461,562	2,477,887
Department of Administrative Services	6,709,688	13,737,355	13,447,842	8,592,429
Department of Health and Social Services	106,894,928	99,413,455	88,103,979	93,266,017
Department of Services to Child/Youth/Families	17,025,244	16,188,662	16,958,324	14,860,916
Department of Correction	28,941,548	30,376,831	31,437,460	28,928,150
Department of Natural Resources	6,339,114	8,051,327	8,423,758	8,494,249
Department of Safety and Homeland Security	16,422,948	17,008,312	17,095,029	16,219,044
Department of Transportation	0	0	0	0
Department of Labor	1,368,238	708,033	1,411,928	829,504
Department of Agriculture	1,022,811	949,918	909,826	995,969
Department of Elections	653,361	560,033	726,471	538,719
Fire Prevention Commission	612,742	574,884	593,248	676,579
Delaware National Guard	515,681	619,513	574,335	580,419
Advisory Council for Exceptional Citizens	18,055	16,817	16,408	16,026
Higher Education	39,936,026	35,221,810	37,551,217	37,437,501
Department of Education	157,478,422	160,457,765	146,528,922	150,890,545
	<u>499,687,338</u>	<u>481,030,435</u>	<u>437,446,397</u>	<u>419,192,346</u>
Less Vouchers Payable	7,052,034	6,139,419	3,164,199	4,603,349
<b>Total Disbursements</b>	<b>492,635,304</b>	<b>474,891,016</b>	<b>434,282,198</b>	<b>414,588,998</b>
<b>Ending Cash Balance</b>	<b>\$ 499,438,698</b>	<b>\$ 320,411,207</b>	<b>\$ 347,967,400</b>	<b>\$ 431,416,737</b>

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.

9/8/2004

# State of Delaware

Exhibit A-1

## Statement of General Fund Receipts and Refund Disbursements by Major Category as of 8/31/2004

	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003	% Change	Fiscal Year 2002
<b>Receipts</b>							
Personal Income Taxes	\$ 119,352,314	5.0	\$ 113,716,548	0.6	\$ 112,990,594	(1.3)	\$ 114,507,020
Franchise Taxes	71,257,673	16.9	60,960,434	(9.5)	67,384,385	(13.1)	77,505,892
Corporate Fees	7,362,778	25.2	5,880,193	11.6	5,270,255	(16.0)	6,273,980
Limited Partnership and LLC	4,855,209	67.7	2,894,680	41.3	2,048,607	(15.8)	2,433,593
Uniform Commercial Code	2,310,041	6.4	2,171,248	(18.1)	2,650,740	67.8	1,579,780
Corporation Income Taxes	5,362,054	37.5	3,900,287	2.4	3,810,176	3.9	3,666,087
Bank Franchise Tax	6,751,844	(63.3)	18,378,674	795.9	2,051,528	(79.8)	10,179,209
Gross Receipts Tax	32,360,053	13.0	28,643,546	3.2	27,752,252	7.5	25,807,204
Lottery	39,318,420	0.6	39,078,134	6.9	36,565,827	(11.3)	41,244,609
Abandoned Property	11,106,458	(19.1)	13,729,627	50.6	9,117,708	(48.9)	17,847,024
Hospital Board and Treatment	7,392,789	(40.5)	12,429,297	325.0	2,924,378	(73.4)	10,974,923
Dividends and Interest	914,141	(44.9)	1,660,146	(73.4)	6,251,856	(36.8)	9,894,601
Realty Transfer Tax	20,079,258	29.7	15,481,636	25.9	12,293,161	22.8	10,012,484
Estate Tax	1,668,175	12.0	1,489,345	(72.0)	5,312,202	61.0	3,298,546
Insurance Taxes	859,839	(4.0)	895,414	(55.9)	2,030,565	79.7	1,129,878
Public Utility Tax	6,018,759	(27.1)	8,259,375	53.8	5,369,851	5.7	5,080,941
Cigarette Taxes	12,549,491	22.9	10,214,048	75.6	5,816,511	26.3	4,604,891
Other Revenues	13,556,203	57.3	8,615,494	(35.9)	13,443,715	69.3	7,942,640
<b>Total Receipts</b>	<b>363,075,497</b>	<b>4.2</b>	<b>348,398,125</b>	<b>7.8</b>	<b>323,084,311</b>	<b>(8.7)</b>	<b>353,983,300</b>
<b>Refund Disbursements</b>							
Personal Income Taxes	9,891,522		6,047,420		6,084,410		6,109,074
Franchise Taxes	2,315,242		4,437,847		7,812,603		8,024,007
Corporation Income Taxes	3,074,889		3,295,070		2,727,098		2,225,331
Bank Franchise Tax	9,193				3,733,360		
Gross Receipts Tax	488,512		1,147,469		372,214		177,419
Abandoned Property	670,140		1,755,429		743,738		363,174
Estate Tax	54,358		241,287		44,027		244,201
Cigarette Taxes	16,086		24,481		62,701		19,676
Withholding	216,300		157,519		74,118		218,630
Insurance Taxes					652,805		489,118
Miscellaneous Refunds	19,604		7,955		280,307		21,170
<b>Total Refund Disbursements</b>	<b>16,755,846</b>	<b>(2.1)</b>	<b>17,114,476</b>	<b>(24.2)</b>	<b>22,587,382</b>	<b>26.2</b>	<b>17,891,801</b>
<b>Net Receipts</b>	<b>\$ 346,319,652</b>	<b>4.5</b>	<b>\$ 331,283,649</b>	<b>10.2</b>	<b>\$ 300,496,929</b>	<b>(10.6)</b>	<b>\$ 336,091,499</b>

NOTES:

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3. The Fiscal Year is July 1 through June 30.
4. Additional Dividends and Interest may have been received but not officially recorded.

9/8/2004

**State of Delaware**  
**Statement of General Fund Appropriation Balances**  
as of 8/31/2004

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	12,867,300	2,551,242	2,086,924	840,423	12,491,195
Judicial	68,925,525	2,745,802	11,228,686	5,598,374	54,844,268
Executive	186,722,209	35,939,962	58,737,892	3,857,928	160,066,350
Department of Technology and Information	31,965,200	2,426,081	8,059,528	7,395,675	18,936,078
Other Elective Offices	84,963,151	107,801	11,144,909	399,509	73,526,534
Legal	31,261,800	168,380	5,159,861	1,545,561	24,724,758
Department of State	21,700,100	7,327,421	2,314,977	1,034,911	25,677,633
Department of Finance	51,351,400	5,875,621	17,015,755	1,412,751	38,798,515
Department of Administrative Services	87,139,600	36,633,666	6,709,688	28,019,219	89,044,359
Department of Health and Social Services	681,710,092	51,136,105	106,894,928	91,559,708	534,391,561
Department of Services to Child/Youth/Families	97,582,912	6,227,683	17,025,244	30,920,778	55,864,573
Department of Correction	198,142,078	5,743,422	28,941,548	45,842,612	129,101,339
Department of Natural Resources	48,922,100	13,906,580	6,339,114	5,528,516	50,961,050
Department of Safety and Homeland Security	93,835,131	1,640,859	16,422,948	3,944,979	75,108,062
Department of Labor	6,605,400	144,849	1,368,238	272,330	5,109,682
Department of Agriculture	8,101,800	460,814	1,022,811	680,252	6,859,551
Department of Elections	3,919,300	1,030,519	653,361	398,290	3,898,169
Fire Prevention Commission	4,095,728	219,481	612,742	164,307	3,538,160
Delaware National Guard	3,750,500	362,156	515,681	902,386	2,694,589
Advisory Council for Exceptional Citizens	119,700	3,156	18,055	781	104,020
Higher Education	237,742,200	3,950,127	39,936,026	4,897,094	196,859,207
Department of Education	913,935,775	61,569,165	157,478,422	65,067,319	752,959,198
<b>Total</b>	<b>\$ 2,875,359,000</b>	<b>\$ 240,170,891</b>	<b>\$ 499,687,338</b>	<b>\$ 300,283,702</b>	<b>\$ 2,315,558,851</b>

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**State of Delaware**  
**Statement of General Fund Expenditures by Major Category**  
as of 8/31/2004

Exhibit B

	Fiscal Year 2005 \$(000) s	%	Fiscal Year 2004 \$(000) s	%	Fiscal Year 2003 \$(000) s	%	Fiscal Year 2002 \$(000) s
		Change		Change		Change	
Salaries and Wages	167,913.3	4.9	160,116.7	2.0	156,955.7	(2.7)	161,262.4
Fringe Benefits (less Pension)	42,079.2	10.4	38,130.5	4.2	36,598.2	20.4	30,403.3
Pension Costs	24,923.9	10.7	22,509.5	21.0	18,609.3	3.5	17,974.3
Medicaid	53,033.5	12.7	47,047.3	26.8	37,115.3	(9.5)	41,026.7
*Public Assistance	11,570.8	12.4	10,296.6	9.7	9,385.8	12.0	8,379.7
*Grants	111,554.1	69.3	65,882.8	34.5	48,984.2	35.4	36,190.6
*Personal Services and Travel	23,739.1	(3.0)	24,482.9	(12.1)	27,864.3	12.0	24,889.0
*Contractual Services	41,221.7	1.1	40,758.1	(5.4)	43,084.6	6.7	40,370.8
Supplies and Materials	12,037.0	7.0	11,251.4	3.4	10,878.6	1.3	10,737.6
Capital Outlay	11,515.8	(3.3)	11,904.0	(13.6)	13,783.2	(42.1)	23,824.0
Debt Service	99.0	(99.8)	48,650.6	42.3	34,187.6	41.7	24,134.1
<b>Total</b>	<b>\$ 499,687.3</b>	<b>3.9</b>	<b>\$ 481,030.4</b>	<b>10.0</b>	<b>\$ 437,446.7</b>	<b>4.4</b>	<b>\$ 419,192.3</b>

\*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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