



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

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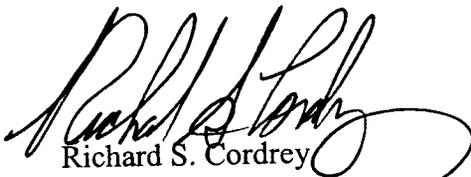
TO: The Honorable Ruth Ann Minner, Governor  
Members of the 143rd General Assembly

Attached is the monthly financial report for the month ending December 31, 2005. 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)

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

Sincerely,

  
Richard S. Cordrey  
Secretary of Finance

TLN:ed  
Attachment

## OVERVIEW

### GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$272.2 million with no outstanding short-term general obligation debt as of December 31, 2005.

As of December 31, 2005  
(\$ Millions)

	<u>FY06</u>	<u>FY05</u>	<u>FY04</u>	<u>FY03</u>
Beginning Fiscal Year Cash	701.2	\$ 646.0	\$ 464.0	\$ 481.8
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 429.0)</u>	<u>(\$ 262.3)</u>	<u>(\$ 241.3)</u>	<u>(\$ 233.3)</u>
Net Cash Balance	\$ 272.2	\$ 383.7	\$ 222.7	\$ 248.5

The net cash balance of \$272.2 million results from a beginning cash balance of \$701.2 million on July 1, 2005, less a \$429.0 million operating cash deficit for FY 2006. Included in the cash balance is a surplus of \$147.7 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.

\$161.1 million of the \$272.2 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 \$1,531.2 million.

**State of Delaware**  
**Statement of General Fund Cash Condition**  
as of 12/31/2005

Exhibit A

	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
<b>Beginning Fiscal Year Cash</b>	<b>\$ 701,197,260</b>	<b>\$ 645,961,410</b>	<b>\$ 464,018,574</b>	<b>\$ 481,752,669</b>
<b>Revenue</b>				
<u>Receipts</u>				
Taxes	1,132,313,227	1,064,412,330	933,101,114	863,080,268
Licenses	5,003,985	5,593,321	3,417,065	4,729,037
Fees	39,756,849	36,594,504	34,285,815	31,295,468
Permits	170	311	359	393
Fines	1,007,958	1,029,423	880,708	854,338
Rentals & Sales	141,880,981	138,068,783	144,320,884	149,906,220
Governmental Contributions	8	0	28,865	220
Earnings and Investments	4,604,240	1,041,728	3,904,390	15,278,415
State Government/Agency Revenue	1,604,709	19,032,369	13,154,964	28,941,275
	<u>1,326,172,126</u>	<u>1,265,772,769</u>	<u>1,133,094,165</u>	<u>1,094,085,634</u>
Less Refund Disbursements	52,335,076	73,427,589	60,311,209	74,412,856
<b>Total Revenue</b>	<b>1,273,837,050</b>	<b>1,192,345,180</b>	<b>1,072,782,956</b>	<b>1,019,672,778</b>
<b>Disbursements</b>				
<u>Agency Expenditures</u>				
Legislature	6,275,998	5,655,672	5,261,021	5,345,013
Judicial	42,222,763	37,076,713	33,440,592	33,178,059
Executive	214,855,528	89,132,898	51,620,014	52,557,115
Department of Technology and Information	22,039,172	18,665,854	19,987,993	811,405
Other Elective Offices	39,098,634	43,580,720	40,072,650	25,062,089
Legal	18,113,162	15,989,091	14,788,048	14,931,071
Department of State	7,968,933	8,413,277	7,305,768	8,267,581
Department of Finance	41,936,768	33,116,944	21,622,066	7,426,024
Department of Administrative Services	0	32,901,857	25,805,471	24,526,586
Department of Health and Social Services	385,572,799	353,477,011	320,093,886	312,790,906
Department of Services to Child/Youth/Families	58,773,573	53,718,314	48,340,579	48,626,943
Department of Correction	107,576,066	93,894,931	90,494,669	88,941,123
Department of Natural Resources	32,811,063	23,172,913	23,748,993	20,760,693
Department of Safety and Homeland Security	53,904,319	48,414,609	47,869,298	48,938,586
Department of Transportation	5,865,431	0	0	0
Department of Labor	4,352,666	3,457,552	2,348,339	3,689,459
Department of Agriculture	3,657,630	3,115,477	3,609,825	2,833,029
Department of Elections	1,829,661	2,669,713	1,741,162	3,391,733
Fire Prevention Commission	2,018,921	2,019,458	1,737,736	1,788,408
Delaware National Guard	2,892,666	1,594,104	1,551,440	1,467,072
Advisory Council for Exceptional Citizens	64,183	56,297	53,532	50,566
Higher Education	120,732,955	114,831,107	100,697,605	103,921,844
Department of Education	532,442,768	473,704,813	453,753,938	445,541,196
	<u>1,705,005,658</u>	<u>1,458,659,324</u>	<u>1,315,944,625</u>	<u>1,254,846,499</u>
Less Vouchers Payable	2,192,777	4,018,358	1,855,633	1,927,835
<b>Total Disbursements</b>	<b>1,702,812,881</b>	<b>1,454,640,966</b>	<b>1,314,088,992</b>	<b>1,252,918,664</b>
<b>Ending Cash Balance</b>	<b>\$ 272,221,428</b>	<b>\$ 383,665,624</b>	<b>\$ 222,712,538</b>	<b>\$ 248,506,783</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.

1/9/2006

# State of Delaware

Exhibit A-1

## Statement of General Fund Receipts and Refund Disbursements by Major Category as of 12/31/2005

	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003
<b>Receipts</b>							
Personal Income Taxes	\$ 463,349,111	8.9	\$ 425,389,143	10.2	\$ 386,142,506	4.4	\$ 369,953,807
Franchise Taxes	182,492,326	0.9	180,897,286	11.9	161,716,248	(4.7)	169,735,923
Corporate Fees	25,717,215	11.2	23,130,842	13.1	20,442,673	23.7	16,519,497
Limited Partnership and LLC	9,528,889	14.9	8,292,823	48.1	5,599,309	35.4	4,134,492
Uniform Commercial Code	7,104,111	4.8	6,779,349	2.8	6,595,325	(19.9)	8,231,763
Corporation Income Taxes	64,124,060	19.7	53,586,892	33.4	40,167,169	(5.1)	42,345,249
Bank Franchise Tax	53,305,154	(5.0)	56,110,971	5.1	53,399,039	10.7	48,248,612
Gross Receipts Tax	96,154,938	0.5	95,662,565	21.1	79,015,302	5.9	74,618,788
Lottery	113,336,368	0.8	112,426,270	8.5	103,662,698	(7.2)	111,729,386
Abandoned Property	90,389,942	9.4	82,621,609	28.3	64,407,700	62.4	39,657,813
Hospital Board and Treatment	28,517,773	11.3	25,617,384	(37.0)	40,636,455	6.6	38,121,529
Dividends and Interest	4,604,240	342.0	1,041,728	(73.3)	3,904,390	(74.4)	15,278,415
Realty Transfer Tax	63,900,363	5.8	60,413,817	32.8	45,499,550	22.9	37,030,046
Estate Tax	4,067,367	2.1	3,984,167	(36.3)	6,253,391	(29.8)	8,910,500
Insurance Taxes	30,524,670	12.3	27,177,283	3.6	26,232,672	15.9	22,634,328
Public Utility Tax	18,936,265	6.1	17,850,916	9.6	16,280,867	0.7	16,168,398
Cigarette Taxes	42,587,010	8.0	39,429,854	9.5	36,008,016	100.7	17,939,563
Other Revenues	27,532,326	(39.3)	45,359,869	22.2	37,130,855	(29.7)	52,827,525
<b>Total Receipts</b>	<b>1,326,172,126</b>	<b>4.8</b>	<b>1,265,772,769</b>	<b>11.7</b>	<b>1,133,094,165</b>	<b>3.6</b>	<b>1,094,085,634</b>
<b>Refund Disbursements</b>							
Personal Income Taxes	25,236,717		21,403,790		17,246,412		17,970,222
Franchise Taxes	5,529,715		10,765,818		14,104,162		14,661,280
Corporation Income Taxes	15,981,982		33,496,089		18,924,949		24,833,688
Bank Franchise Tax	48,800		705,270		1,518,405		3,734,460
Gross Receipts Tax	2,743,316		1,657,232		2,008,581		6,346,376
Abandoned Property	1,494,810		2,859,709		4,264,153		1,831,331
Estate Tax	374,177		124,770		1,305,473		130,962
Cigarette Taxes	124,646		134,516		94,465		150,899
Withholding	717,946		533,554		704,677		3,702,769
Insurance Taxes	4,636		1,348,088		54,211		652,805
Miscellaneous Refunds	78,330		398,753		85,721		398,064
<b>Total Refund Disbursements</b>	<b>52,335,076</b>	<b>(28.7)</b>	<b>73,427,589</b>	<b>21.7</b>	<b>60,311,209</b>	<b>(19.0)</b>	<b>74,412,856</b>
<b>Net Receipts</b>	<b>\$ 1,273,837,050</b>	<b>6.8</b>	<b>\$ 1,192,345,180</b>	<b>11.1</b>	<b>\$ 1,072,782,956</b>	<b>5.2</b>	<b>\$ 1,019,672,778</b>

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4. Additional Dividends and Interest may have been received but not officially recorded.

1/9/2006

**State of Delaware**  
**Statement of General Fund Appropriation Balances**  
as of 12/31/2005

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,255,800	3,158,329	6,275,998	611,011	10,527,121
Judicial	74,370,430	4,130,462	42,222,763	3,265,463	33,012,666
Executive	328,535,154	108,582,971	214,855,528	38,249,117	184,013,481
Department of Technology and Information	34,312,100	3,763,372	22,039,172	4,644,581	11,391,719
Other Elective Offices	55,865,271	4,511,612	39,098,634	143,555	21,134,695
Legal	35,094,900	265,083	18,113,162	1,245,502	16,001,319
Department of State	20,920,700	12,454,535	7,968,933	1,362,833	24,043,470
Department of Finance	50,480,800	25,445,047	41,936,768	862,253	33,126,826
Department of Health and Social Services	768,303,407	36,583,812	385,572,799	61,246,179	358,068,241
Department of Services to Child/Youth/Families	106,655,698	5,206,349	58,773,573	21,114,794	31,973,680
Department of Correction	213,910,237	8,056,108	107,576,066	31,979,556	82,410,723
Department of Natural Resources	70,885,600	14,075,024	32,811,063	5,568,913	46,580,648
Department of Safety and Homeland Security	107,967,923	3,621,459	53,904,319	8,021,855	49,663,208
Department of Transportation	14,000,000	5,000	5,865,431	3,482,533	4,657,037
Department of Labor	6,775,887	623,084	4,352,666	335,240	2,711,065
Department of Agriculture	8,857,300	1,576,056	3,657,630	1,600,004	5,175,723
Department of Elections	3,683,200	943,489	1,829,661	253,885	2,543,143
Fire Prevention Commission	4,334,600	153,950	2,018,921	179,272	2,290,357
Delaware National Guard	4,069,900	361,255	2,892,666	765,623	772,865
Advisory Council for Exceptional Citizens	152,100	5,042	64,183	2,700	90,259
Higher Education	236,253,895	13,884,628	120,732,955	6,176,231	123,229,337
Department of Education	1,006,889,968	80,406,963	532,442,768	52,665,679	502,188,484
<b>Total</b>	<b>\$ 3,166,574,870</b>	<b>\$ 327,813,630</b>	<b>\$ 1,705,005,658</b>	<b>\$ 243,776,775</b>	<b>\$ 1,545,606,066</b>

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**State of Delaware**  
**Statement of General Fund Expenditures by Major Category**  
as of 12/31/2005

Exhibit B

	Fiscal Year 2006		Fiscal Year 2005		Fiscal Year 2004		Fiscal Year 2003	
	\$(000) s	% Change	\$(000) s	% Change	\$(000) s	% Change	\$(000) s	
Salaries and Wages	575,957.0	9.3	527,016.2	6.3	495,830.5	(1.5)	503,308.2	
Fringe Benefits (less Pension)	149,596.9	14.5	130,668.1	11.8	116,848.0	4.4	111,959.8	
Pension Costs	92,579.3	24.1	74,577.7	15.7	64,484.2	17.7	54,794.5	
Medicaid	196,052.3	9.9	178,459.2	14.1	156,391.6	5.6	148,087.3	
*Public Assistance	39,753.0	9.9	36,175.9	9.1	33,158.3	7.5	30,838.6	
*Grants	276,679.4	43.8	192,426.2	37.2	140,241.4	26.5	110,827.5	
*Personal Services and Travel	92,182.1	17.9	78,196.3	7.5	72,709.1	(11.2)	81,848.5	
*Contractual Services	138,624.0	14.7	120,837.0	1.6	118,982.5	2.1	116,573.2	
Supplies and Materials	39,816.6	11.0	35,886.7	2.5	35,025.6	2.5	34,160.8	
Capital Outlay	48,106.4	57.0	30,640.1	20.3	25,470.4	(9.9)	28,260.5	
Debt Service	55,658.7	3.5	53,776.0	(5.3)	56,802.9	66.2	34,187.6	
<b>Total</b>	<b>\$ 1,705,005.6</b>	<b>16.9</b>	<b>\$ 1,458,659.3</b>	<b>10.8</b>	<b>\$ 1,315,944.6</b>	<b>4.9</b>	<b>\$ 1,254,846.5</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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