



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

CARVEL STATE BUILDING
WILMINGTON, DELAWARE 19801
TELEPHONE: (302) 577 - 8979
FAX: (302) 577 - 8982

THOMAS COLLINS BUILDING
DOVER, DELAWARE 19901
TELEPHONE: (302) 744-1100
FAX: (302) 744-1109

August 18, 2004

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

Attached is the monthly financial report for the month ending July 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

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 "D W 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 \$480.6 million with no outstanding short-term general obligation debt as of July 31, 2004.

As of July 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>(165.2)</u>	<u>(96.5)</u>	<u>(86.2)</u>	<u>(65.0)</u>
Net Cash Balance	\$480.6	\$367.5	\$395.6	\$444.9

The net cash balance of \$480.6 million results from a beginning cash balance of \$645.8 million on July 31, 2004, less a \$165.2 million operating cash deficit for FY 2005. Included in the cash balance is a surplus of \$31.7 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.

\$148.2 million of the \$480.6 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 \$1,508.5 million.

State of Delaware
Statement of General Fund Cash Condition
as of 7/31/2004

Exhibit A

	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003	Fiscal Year 2002
Beginning Fiscal Year Cash	\$ 645,754,351	\$ 464,018,574	\$ 481,752,669	\$ 509,914,235
Revenue				
<u>Receipts</u>				
Taxes	121,114,426	121,685,090	108,407,900	121,799,839
Licenses	326,273	205,127	256,452	178,356
Fees	5,314,153	4,584,580	4,531,115	4,484,399
Permits	110	105	30	51
Fines	106,690	61,303	72,117	141,470
Rentals & Sales	20,131,209	22,893,358	18,493,612	21,263,073
Governmental Contributions	0	28,865	0	0
Earnings and Investments	6,561	897,754	3,047,007	6,022,855
State Government/Agency Revenue	3,715,406	1,223,625	2,825,085	1,393,266
	<u>150,714,827</u>	<u>151,579,807</u>	<u>137,633,319</u>	<u>155,283,308</u>
Less Refund Disbursements	8,283,182	11,457,202	15,995,271	7,142,540
Total Revenue	142,431,645	140,122,604	121,638,048	148,140,769
Disbursements				
<u>Agency Expenditures</u>				
Legislature	1,162,204	929,614	834,585	845,660
Judicial	5,501,432	5,573,592	5,343,868	5,189,301
Executive	56,133,477	8,378,361	18,063,049	15,316,710
Department of Technology and Information	3,442,802	6,569,544	65,287	0
Other Elective Offices	30,795,053	19,472,539	11,498,383	11,838,030
Legal	2,725,797	2,595,456	2,555,429	2,360,196
Department of State	1,059,489	955,575	891,650	994,685
Department of Finance	9,294,138	5,561,720	1,265,835	1,127,843
Department of Administrative Services	8,223,678	6,511,161	4,401,349	4,837,096
Department of Health and Social Services	45,383,009	46,353,638	37,259,821	52,064,707
Department of Services to Child/Youth/Families	9,248,228	8,682,893	9,600,213	7,459,903
Department of Correction	15,319,443	14,941,944	14,594,250	14,823,461
Department of Natural Resources	3,290,859	4,071,400	3,605,043	3,593,139
Department of Safety and Homeland Security	9,918,174	10,164,320	10,665,582	9,199,564
Department of Transportation	0	0	0	0
Department of Labor	739,246	344,583	961,247	396,080
Department of Agriculture	527,087	461,828	447,936	439,592
Department of Elections	349,784	306,406	278,019	268,824
Fire Prevention Commission	351,270	270,999	274,830	373,149
Delaware National Guard	267,230	374,425	344,570	340,158
Advisory Council for Exceptional Citizens	10,382	7,734	9,126	9,071
Higher Education	20,510,615	19,851,694	19,757,955	20,242,436
Department of Education	87,140,399	79,645,087	68,189,125	65,749,992
	<u>311,393,794</u>	<u>242,024,512</u>	<u>210,907,154</u>	<u>217,469,596</u>
Less Vouchers Payable	3,842,344	5,380,432	3,111,508	4,348,062
Total Disbursements	307,551,450	236,644,081	207,795,646	213,121,534
Ending Cash Balance	\$ 480,634,546	\$ 367,497,098	\$ 395,595,070	\$ 444,933,470

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.

8/17/2004

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 7/31/2004

Exhibit A-1

	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003	% Change	Fiscal Year 2002
Receipts							
Personal Income Taxes	\$ 59,196,361	(3.0)	\$ 61,008,761	3.5	\$ 58,961,765	15.7	\$ 50,949,596
Franchise Taxes	10,541,757	15.6	9,120,701	(13.4)	10,529,647	(18.1)	12,853,873
Corporate Fees	3,652,457	28.8	2,835,159	5.5	2,686,998	(17.2)	3,246,312
Limited Partnership and LLC	3,003,199	131.8	1,295,854	76.3	735,172	(54.2)	1,605,128
Uniform Commercial Code	1,124,357	(4.0)	1,171,546	(0.2)	1,174,306	89.5	619,785
Corporation Income Taxes	3,964,443	43.6	2,761,568	6.6	2,590,071	4.5	2,478,051
Bank Franchise Tax	12,394	100.0	0	(100.0)	95	(100.0)	394,197
Gross Receipts Tax	17,179,303	6.5	16,138,290	2.8	15,691,922	1.6	15,451,973
Lottery	16,914,777	(2.3)	17,306,108	(5.6)	18,323,114	9.9	16,670,504
Abandoned Property	6,284,878	(48.3)	12,159,709	256.1	3,414,284	(86.4)	25,186,131
Hospital Board and Treatment	3,176,390	(43.1)	5,585,300	3,316.0	163,506	(96.4)	4,589,402
Dividends and Interest	6,561	(99.3)	897,754	(70.5)	3,047,007	(49.4)	6,022,855
Realty Transfer Tax	9,429,411	11.7	8,442,167	41.2	5,977,384	7.8	5,546,106
Estate Tax	903,626	(16.1)	1,077,526	(56.0)	2,451,674	130.9	1,061,701
Insurance Taxes	218,811	(63.1)	592,301	131.5	255,806	62.8	157,105
Public Utility Tax	2,942,336	9.4	2,689,772	0.9	2,665,085	2.8	2,593,019
Cigarette Taxes	5,174,749	39.6	3,706,688	39.4	2,659,141	40.1	1,897,574
Other Revenues	6,989,018	45.9	4,790,605	(24.0)	6,306,342	59.3	3,959,996
Total Receipts	150,714,827	(0.6)	151,579,807	10.1	137,633,319	(11.4)	155,283,308
Refund Disbursements							
Personal Income Taxes	5,201,283		3,045,621		3,401,825		3,297,541
Franchise Taxes			4,437,847		6,381,232		1,275,863
Corporation Income Taxes	2,262,165		1,919,891		1,698,830		1,434,343
Bank Franchise Tax					3,733,360		
Gross Receipts Tax	367,908		58,574		304,959		111,373
Abandoned Property	242,548		1,719,946		110,122		222,349
Estate Tax	42,270		228,871		20,603		213,033
Cigarette Taxes	8,445		15,712		42,974		13,155
Withholding	148,386		25,039		26,091		81,681
Insurance Taxes					2,411		481,980
Miscellaneous Refunds	10,176		5,702		272,865		11,220
Total Refund Disbursements	8,283,182	(27.7)	11,457,202	(28.4)	15,995,271	123.9	7,142,540
Net Receipts	\$ 142,431,645	1.6	\$ 140,122,604	15.2	\$ 121,638,048	(17.9)	\$ 148,140,768

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.

8/17/2004

State of Delaware
Statement of General Fund Appropriation Balances
as of 7/31/2004

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	12,867,300	2,551,242	1,162,204	561,493	13,694,845
Judicial	68,925,400	2,745,802	5,501,432	4,295,695	61,874,076
Executive	186,888,835	35,939,962	56,133,477	4,272,357	162,422,963
Department of Technology and Information	31,965,200	2,426,081	3,442,802	10,180,132	20,768,347
Other Elective Offices	84,963,151	107,801	30,795,053	246,639	54,029,260
Legal	31,261,800	168,380	2,725,797	1,648,003	27,056,380
Department of State	21,700,100	7,327,421	1,059,489	889,864	27,078,168
Department of Finance	51,351,400	5,875,621	9,294,138	1,440,848	46,492,034
Department of Administrative Services	87,214,600	36,633,666	8,223,678	27,550,795	88,073,793
Department of Health and Social Services	681,858,918	51,136,105	45,383,009	99,386,790	588,225,224
Department of Services to Child/Youth/Families	97,579,800	6,227,683	9,248,228	25,139,759	69,419,497
Department of Correction	197,738,537	5,743,422	15,319,443	49,342,162	138,820,353
Department of Natural Resources	48,922,100	13,906,580	3,290,859	5,682,614	53,855,207
Department of Safety and Homeland Security	93,835,131	1,640,859	9,918,174	4,182,623	81,375,193
Department of Labor	6,605,400	144,849	739,246	539,320	5,471,683
Department of Agriculture	8,101,800	460,814	527,087	735,048	7,300,479
Department of Elections	3,919,300	1,030,519	349,784	414,663	4,185,373
Fire Prevention Commission	4,095,728	219,481	351,270	195,978	3,767,962
Delaware National Guard	3,650,500	362,156	267,230	959,718	2,785,707
Advisory Council for Exceptional Citizens	119,700	3,156	10,382	946	111,528
Higher Education	237,492,200	3,950,127	20,510,615	3,208,858	217,722,854
Department of Education	913,802,100	61,569,165	87,140,399	62,312,682	825,918,185
Total	\$ 2,874,859,000	\$ 240,170,891	\$ 311,393,794	\$ 303,186,985	\$ 2,500,449,112

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 7/31/2004

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	83,190.2	2.9	80,872.6	4.0	77,728.8	0.5	77,319.7
Fringe Benefits (less Pension)	20,693.8	10.0	18,809.6	4.1	18,074.9	49.4	12,096.3
Pension Costs	14,351.2	5.0	13,666.6	19.8	11,404.8	4.8	10,879.1
Medicaid	19,244.6	(3.3)	19,910.9	77.4	11,222.4	(54.8)	24,842.4
*Public Assistance	5,031.6	11.8	4,501.8	40.9	3,196.1	(1.9)	3,258.5
*Grants	84,040.1	160.1	32,314.7	12.1	28,816.0	16.7	24,688.1
*Personal Services and Travel	9,821.4	(0.5)	9,873.9	5.9	9,325.5	(15.5)	11,040.8
*Contractual Services	19,581.5	(18.7)	24,075.6	(6.1)	25,641.0	19.2	21,508.3
Supplies and Materials	4,872.6	(5.8)	5,172.2	19.3	4,335.4	9.2	3,970.1
Capital Outlay	6,723.2	5.7	6,359.4	(27.4)	8,757.6	(27.8)	12,125.3
Debt Service	43,843.7	65.7	26,467.2	113.4	12,404.5	(21.2)	15,741.0
Total	\$ 311,393.8	28.7	\$ 242,024.5	14.8	\$ 210,907.1	(3.0)	\$ 217,469.6

*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.

8/17/2004