



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

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August 10, 2005

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

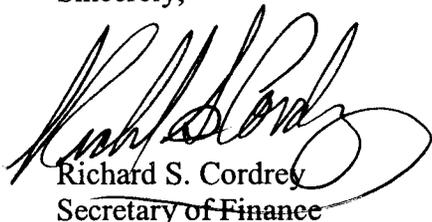
Attached is the monthly financial report for the month ending July 31, 2005. This report shows General Fund Activity and Financial Position on a cash basis of accounting. It can also be found on the Internet under Monthly Financial Report at the following address:

http://www.state.de.us/finance/publications/Financial_Reports.shtml

The State of Delaware is one of eight 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,



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 \$568.4 million with no outstanding short-term general obligation debt as of July 31, 2005.

As of July 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>(\$ 132.8)</u>	<u>(\$ 165.2)</u>	<u>(\$ 96.5)</u>	<u>(\$ 86.2)</u>
Net Cash Balance	\$ 568.4	\$ 480.8	\$ 367.5	\$ 395.6

The net cash balance of \$568.4 million results from a beginning cash balance of \$701.2 million on July 1, 2005, less a \$132.8 million operating cash deficit for FY 2006. Included in the cash balance is a surplus of \$32.5 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 \$568.4 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 \$1,503.7 million.

State of Delaware
Statement of General Fund Cash Condition
as of 7/31/2005

Exhibit A

	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003
Beginning Fiscal Year Cash	\$ 701,197,260	\$ 645,961,410	\$ 464,018,574	\$ 481,752,669
Revenue				
<u>Receipts</u>				
Taxes	141,707,531	121,114,426	121,685,090	108,407,900
Licenses	435,080	326,273	205,127	256,452
Fees	5,462,130	5,314,153	4,584,580	4,531,115
Permits	50	110	105	30
Fines	124,927	106,690	61,303	72,117
Rentals & Sales	24,850,652	20,131,209	22,893,358	18,493,612
Earnings and Investments	1,225,810	6,561	897,754	3,047,007
State Government/Agency Revenue	77,780	3,715,406	1,223,625	2,825,085
	<u>173,883,961</u>	<u>150,714,827</u>	<u>151,579,807</u>	<u>137,633,319</u>
Less Refund Disbursements	7,551,677	8,283,182	11,457,202	15,995,271
Total Revenue	166,332,284	142,431,645	140,122,604	121,638,048
Disbursements				
<u>Agency Expenditures</u>				
Legislature	1,287,841	1,162,204	929,614	834,585
Judicial	6,161,658	5,501,432	5,573,592	5,343,868
Executive	50,820,218	56,133,477	8,378,361	18,063,049
Department of Technology and Information	4,006,164	3,442,802	6,569,544	65,287
Other Elective Offices	21,918,268	30,795,053	19,472,539	11,498,383
Legal	2,668,502	2,725,797	2,595,456	2,555,429
Department of State	1,164,250	1,059,489	955,575	891,650
Department of Finance	12,840,671	9,294,138	5,561,720	1,265,835
Department of Administrative Services	0	8,223,678	6,511,161	4,401,349
Department of Health and Social Services	45,948,362	45,383,009	46,353,638	37,259,821
Department of Services to Child/Youth/Families	9,410,092	9,248,228	8,682,893	9,600,213
Department of Correction	16,468,099	15,319,443	14,941,944	14,594,250
Department of Natural Resources	3,741,489	3,290,859	4,071,400	3,605,043
Department of Safety and Homeland Security	11,456,749	9,918,174	10,164,320	10,665,582
Department of Transportation	45,007	0	0	0
Department of Labor	336,513	739,246	344,583	961,247
Department of Agriculture	604,359	527,087	461,828	447,936
Department of Elections	275,639	349,784	306,406	278,019
Fire Prevention Commission	291,143	351,270	270,999	274,830
Delaware National Guard	296,771	267,230	374,425	344,570
Advisory Council for Exceptional Citizens	10,039	10,382	7,734	9,126
Higher Education	22,006,648	20,510,615	19,851,694	19,757,955
Department of Education	91,597,224	87,140,399	79,645,087	68,189,125
	<u>303,355,704</u>	<u>311,393,794</u>	<u>242,024,512</u>	<u>210,907,154</u>
Less Vouchers Payable	4,229,874	3,842,344	5,380,432	3,111,508
Total Disbursements	299,125,830	307,551,450	236,644,081	207,795,646
Ending Cash Balance	\$ 568,403,714	\$ 480,841,605	\$ 367,497,098	\$ 395,595,070

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.

8/8/2005

State of Delaware

Exhibit A-1

Statement of General Fund Receipts and Refund Disbursements by Major Category as of 7/31/2005

	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003
Receipts							
Personal Income Taxes	\$ 64,587,821	9.1	\$ 59,196,361	(3.0)	\$ 61,008,761	3.5	\$ 58,961,765
Franchise Taxes	10,008,485	(5.1)	10,541,757	15.6	9,120,701	(13.4)	10,529,647
Corporate Fees	3,742,058	2.5	3,652,457	28.8	2,835,159	5.5	2,686,998
Limited Partnership and LLC	2,810,628	(6.4)	3,003,199	131.8	1,295,854	76.3	735,172
Uniform Commercial Code	1,012,959	(9.9)	1,124,357	(4.0)	1,171,546	(0.2)	1,174,306
Corporation Income Taxes	7,113,034	79.4	3,964,443	43.6	2,761,568	6.6	2,590,071
Bank Franchise Tax	1	(100.0)	12,394	100.0		(100.0)	95
Gross Receipts Tax	19,430,047	13.1	17,179,303	6.5	16,138,290	2.8	15,691,922
Lottery	21,264,989	25.7	16,914,777	(2.3)	17,306,108	(5.6)	18,323,114
Abandoned Property	11,959,686	90.3	6,284,878	(48.3)	12,159,709	256.1	3,414,284
Hospital Board and Treatment	3,584,734	12.9	3,176,390	(43.1)	5,585,300	3,316.0	163,506
Dividends and Interest	1,225,810	18,584.0	6,561	(99.3)	897,754	(70.5)	3,047,007
Realty Transfer Tax	12,573,352	33.3	9,429,411	11.7	8,442,167	41.2	5,977,384
Estate Tax	721,162	(20.2)	903,626	(16.1)	1,077,526	(56.0)	2,451,674
Insurance Taxes	477,107	118.0	218,811	(63.1)	592,301	131.5	255,806
Public Utility Tax	3,118,864	6.0	2,942,336	9.4	2,689,772	0.9	2,665,085
Cigarette Taxes	6,020,627	16.3	5,174,749	39.6	3,706,688	39.4	2,659,141
Other Revenues	4,232,598	(39.4)	6,989,018	45.9	4,790,605	(24.0)	6,306,342
Total Receipts	173,883,961	15.4	150,714,827	(0.6)	151,579,807	10.1	137,633,319
Refund Disbursements							
Personal Income Taxes	4,497,969		5,201,283		3,045,621		3,401,825
Franchise Taxes	864,518				4,437,847		6,381,232
Corporation Income Taxes	1,574,809		2,262,165		1,919,891		1,698,830
Bank Franchise Tax							3,733,360
Gross Receipts Tax	347,550		367,908		58,574		304,959
Abandoned Property	37,651		242,548		1,719,946		110,122
Estate Tax	12,999		42,270		228,871		20,603
Cigarette Taxes	19,235		8,445		15,712		42,974
Withholding	182,564		148,386		25,039		26,091
Insurance Taxes	4,636						2,411
Miscellaneous Refunds	9,747		10,176		5,702		272,865
Total Refund Disbursements	7,551,677	(8.8)	8,283,182	(27.7)	11,457,202	(28.4)	15,995,271
Net Receipts	\$ 166,332,284	16.8	\$ 142,431,645	1.6	\$ 140,122,604	15.2	\$ 121,638,048

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.

8/8/2005

State of Delaware
Statement of General Fund Appropriation Balances
as of 7/31/2005

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,255,800	3,184,029	1,287,841	574,179	15,577,810
Judicial	74,344,900	2,173,459	6,161,658	3,491,934	66,864,767
Executive	332,475,290	117,606,224	50,820,218	35,387,657	363,873,639
Department of Technology and Information	33,832,100	3,763,372	4,006,164	11,457,972	22,131,336
Other Elective Offices	55,865,271	4,476,612	21,918,268	178,240	38,245,376
Legal	35,094,900	136,083	2,668,502	2,279,051	30,283,430
Department of State	21,095,700	12,186,128	1,164,250	1,714,391	30,403,188
Department of Finance	50,480,800	25,429,047	12,840,671	1,125,411	61,943,765
Department of Health and Social Services	768,673,095	36,583,812	45,948,362	89,000,654	670,307,891
Department of Services to Child/Youth/Families	106,596,100	4,159,506	9,410,092	28,446,979	72,898,535
Department of Correction	213,927,200	8,050,608	16,468,099	55,323,060	150,186,648
Department of Natural Resources	70,783,600	14,075,024	3,741,489	6,618,081	74,499,054
Department of Safety and Homeland Security	107,500,923	2,763,609	11,456,749	3,805,639	95,002,143
Department of Transportation	14,000,000	5,000	45,007	4,159,936	9,800,057
Department of Labor	6,787,700	159,243	336,513	500,696	6,109,734
Department of Agriculture	8,857,300	1,576,056	604,359	806,814	9,022,183
Department of Elections	3,683,200	943,489	275,639	484,035	3,867,015
Fire Prevention Commission	4,334,600	118,950	291,143	118,775	4,043,632
Delaware National Guard	3,969,900	361,255	296,771	1,097,562	2,936,822
Advisory Council for Exceptional Citizens	152,100	5,042	10,039	3,740	143,363
Higher Education	232,677,800	13,875,679	22,006,648	6,227,247	218,319,584
Department of Education	1,007,186,591	76,181,403	91,597,224	56,600,129	935,170,641
Total	\$ 3,166,574,870	\$ 327,813,630	\$ 303,355,704	\$ 309,402,182	\$ 2,881,630,614

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 7/31/2005

Exhibit B

	Fiscal Year 2006 \$(000) s	%	Fiscal Year 2005 \$(000) s	%	Fiscal Year 2004 \$(000) s	%	Fiscal Year 2003 \$(000) s
		Change		Change		Change	
Salaries and Wages	91,104.3	9.5	83,190.2	2.9	80,872.6	4.0	77,728.8
Fringe Benefits (less Pension)	23,723.5	14.6	20,693.8	10.0	18,809.6	4.1	18,074.9
Pension Costs	17,448.2	21.6	14,351.2	5.0	13,666.6	19.8	11,404.8
Medicaid	18,530.4	(3.7)	19,244.6	(3.3)	19,910.9	77.4	11,222.4
*Public Assistance	4,112.4	(18.3)	5,031.6	11.8	4,501.8	40.9	3,196.1
*Grants	60,263.4	(28.3)	84,040.1	160.1	32,314.7	12.1	28,816.0
*Personal Services and Travel	12,034.9	22.5	9,821.4	(0.5)	9,873.9	5.9	9,325.5
*Contractual Services	28,334.5	44.7	19,581.5	(18.7)	24,075.6	(6.1)	25,641.0
Supplies and Materials	4,261.6	(12.5)	4,872.6	(5.8)	5,172.2	19.3	4,335.4
Capital Outlay	8,533.3	26.9	6,723.2	5.7	6,359.4	(27.4)	8,757.6
Debt Service	35,009.2	(20.1)	43,843.7	65.7	26,467.2	113.4	12,404.5
Total	\$ 303,355.7	(2.6)	\$ 311,393.8	28.7	\$ 242,024.5	14.8	\$ 210,907.1

*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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