



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

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April 18, 2005

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

Attached is the monthly financial report for the month ending March 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,

A handwritten signature in black ink, appearing to read "Richard S. Cordrey", written over a horizontal line.

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 \$439.1 million with no outstanding short-term general obligation debt as of March 31, 2005.

As of March 31, 2005
(\$ Millions)

	<u>FY05</u>	<u>FY04</u>	<u>FY03</u>	<u>FY02</u>
Beginning Fiscal Year Cash	\$ 646.0	\$ 464.0	\$ 481.8	\$ 509.9
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 206.9)</u>	<u>(\$ 50.0)</u>	<u>(\$ 138.7)</u>	<u>(\$ 195.1)</u>
Net Cash Balance	\$ 439.1	\$ 414.0	\$ 343.1	\$ 314.8

The net cash balance of \$439.1 million results from a beginning cash balance of \$646.0 million on July 1, 2004, less a \$206.9 million operating cash deficit for FY 2005. Included in the cash balance is a surplus of \$52.6 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 \$439.1 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 \$1,580.3 million.

State of Delaware
Statement of General Fund Cash Condition
as of 3/31/2005

Exhibit A

	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003	Fiscal Year 2002
Beginning Fiscal Year Cash	\$ 645,961,410	\$ 464,018,574	\$ 481,752,669	\$ 509,914,235
Revenue				
<u>Receipts</u>				
Taxes	1,762,467,659	1,657,632,938	1,485,235,842	1,433,042,340
Licenses	11,035,716	7,947,955	6,710,039	6,037,488
Fees	68,615,124	62,580,916	58,270,705	59,519,420
Permits	756	619	835	1,434
Fines	2,141,665	1,863,179	1,668,579	1,861,217
Rentals & Sales	212,068,335	220,635,460	220,104,359	233,489,097
Governmental Contributions	0	28,865	0	0
Earnings and Investments	6,101,973	7,400,330	16,266,850	24,404,018
State Government/Agency Revenue	31,522,972	24,895,208	41,842,374	12,323,923
	<u>2,093,954,199</u>	<u>1,982,985,470</u>	<u>1,830,099,583</u>	<u>1,770,678,937</u>
Less Refund Disbursements	137,424,448	118,957,417	131,688,342	134,400,324
Total Revenue	1,956,529,752	1,864,028,053	1,698,411,241	1,636,278,613
Disbursements				
<u>Agency Expenditures</u>				
Legislature	8,352,270	7,952,419	7,849,599	7,721,331
Judicial	54,980,342	49,236,218	48,764,805	47,674,623
Executive	107,687,900	66,948,852	62,214,396	79,036,097
Department of Technology and Information	25,011,207	25,762,784	3,093,770	270,362
Other Elective Offices	83,598,981	54,198,482	33,491,289	31,107,708
Legal	23,707,580	21,394,296	21,937,497	21,141,265
Department of State	13,995,240	10,216,166	12,530,700	12,770,571
Department of Finance	37,154,216	25,343,675	11,099,932	12,486,539
Department of Administrative Services	51,976,210	37,007,597	35,550,184	36,690,915
Department of Health and Social Services	532,036,439	490,837,963	483,063,127	466,142,093
Department of Services to Child/Youth/Families	78,218,228	69,993,265	70,791,254	69,288,482
Department of Correction	146,124,285	133,177,356	132,839,288	127,657,369
Department of Natural Resources	33,444,753	32,515,620	29,982,357	30,752,424
Department of Safety and Homeland Security	73,542,784	70,281,969	73,070,777	70,170,924
Department of Transportation	0	0	0	0
Department of Labor	5,020,724	4,770,915	4,590,283	4,925,276
Department of Agriculture	5,188,656	5,369,846	4,360,517	4,591,242
Department of Elections	3,500,503	3,212,850	4,217,006	2,236,886
Fire Prevention Commission	3,281,767	2,841,016	2,844,509	3,234,843
Delaware National Guard	2,640,525	2,510,874	2,588,015	2,547,892
Advisory Council for Exceptional Citizens	81,557	76,933	72,602	72,803
Higher Education	173,429,512	152,923,294	153,798,411	160,287,793
Department of Education	705,187,834	650,223,009	642,870,578	643,630,887
	<u>2,168,161,515</u>	<u>1,916,795,398</u>	<u>1,841,620,896</u>	<u>1,834,438,326</u>
Less Vouchers Payable	4,743,830	2,701,777	4,534,610	3,044,163
Total Disbursements	2,163,417,685	1,914,093,622	1,837,086,286	1,831,394,163
Ending Cash Balance	\$ 439,073,477	\$ 413,953,005	\$ 343,077,623	\$ 314,798,685

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.

4/6/2005

State of Delaware

Exhibit A-1

Statement of General Fund Receipts and Refund Disbursements by Major Category as of 3/31/2005

	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003	% Change	Fiscal Year 2002
Receipts							
Personal Income Taxes	\$ 691,955,204	10.4	\$ 626,793,272	6.9	\$ 586,271,456	(1.1)	\$ 592,494,972
Franchise Taxes	336,761,741	(1.7)	342,421,666	14.0	300,333,954	(10.8)	336,826,534
Corporate Fees	42,630,694	17.1	36,420,384	28.5	28,335,651	(11.0)	31,838,760
Limited Partnership and LLC	24,123,953	39.6	17,277,606	60.1	10,792,674	10.7	9,746,064
Uniform Commercial Code	10,327,438	4.7	9,865,242	(20.3)	12,382,705	26.5	9,790,085
Corporation Income Taxes	93,650,183	42.6	65,674,753	0.9	65,078,345	(25.0)	86,802,341
Bank Franchise Tax	83,999,765	3.5	81,144,301	(4.2)	84,675,089	16.6	72,620,183
Gross Receipts Tax	134,661,097	11.6	120,699,941	9.4	110,335,100	6.5	103,585,215
Lottery	171,449,576	8.3	158,340,677	(0.9)	159,773,644	(7.1)	172,039,275
Abandoned Property	175,468,766	(12.9)	201,473,916	18.6	169,899,108	96.0	86,668,906
Hospital Board and Treatment	40,586,468	(34.8)	62,260,799	3.2	60,301,259	(1.5)	61,209,549
Dividends and Interest	6,101,973	(17.5)	7,400,330	(54.5)	16,266,850	(33.3)	24,404,018
Realty Transfer Tax	89,353,452	26.8	70,474,530	33.1	52,936,498	28.9	41,077,654
Estate Tax	5,420,700	(40.3)	9,084,311	(26.1)	12,292,550	(32.5)	18,208,501
Insurance Taxes	26,827,347	(2.3)	27,461,375	0.4	27,339,096	(9.3)	30,148,171
Public Utility Tax	27,067,828	5.6	25,621,836	4.6	24,504,599	14.2	21,458,622
Cigarette Taxes	56,552,046	6.1	53,299,331	104.6	26,049,780	31.8	19,760,962
Other Revenues	77,015,967	14.5	67,271,201	(18.5)	82,531,224	58.7	51,999,125
Total Receipts	2,093,954,199	5.6	1,982,985,470	8.4	1,830,099,583	3.4	1,770,678,937
Refund Disbursements							
Personal Income Taxes	80,124,848		67,857,853		68,788,721		66,449,518
Franchise Taxes	11,738,381		14,790,240		14,661,042		16,288,268
Corporation Income Taxes	34,656,062		23,492,140		29,077,429		43,306,399
Bank Franchise Tax	706,770		1,518,405		3,734,460		
Gross Receipts Tax	2,286,757		2,228,870		6,747,371		2,832,119
Abandoned Property	5,014,953		6,208,533		2,614,833		2,608,106
Estate Tax	307,591		1,588,801		438,635		1,304,803
Cigarette Taxes	135,035		172,791		197,849		135,333
Withholding	680,627		776,656		4,009,789		933,220
Insurance Taxes	1,348,088		179,524		891,447		473,971
Miscellaneous Refunds	425,335		143,605		526,764		68,587
Total Refund Disbursements	137,424,448	15.5	118,957,417	(9.7)	131,688,342	(2.0)	134,400,324
Net Receipts	\$ 1,956,529,752	5.0	\$ 1,864,028,053	9.8	\$ 1,698,411,241	3.8	\$ 1,636,278,613

NOTES:

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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.

4/6/2005

State of Delaware
Statement of General Fund Appropriation Balances
as of 3/31/2005

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	12,997,300	2,551,242	8,352,270	442,290	6,753,982
Judicial	68,925,525	2,912,988	54,980,342	2,257,676	14,600,495
Executive	186,044,918	33,197,251	107,687,900	2,122,189	109,432,079
Department of Technology and Information	31,965,200	2,839,085	25,011,207	2,658,338	7,134,739
Other Elective Offices	84,963,151	107,801	83,598,981	125,385	1,346,586
Legal	31,263,185	168,380	23,707,580	374,783	7,349,202
Department of State	21,742,100	7,327,421	13,995,240	574,241	14,500,039
Department of Finance	51,351,400	5,875,621	37,154,216	909,198	19,163,607
Department of Administrative Services	86,690,353	36,617,966	51,976,210	18,223,106	53,109,004
Department of Health and Social Services	682,054,117	53,006,105	532,036,439	39,987,656	163,036,128
Department of Services to Child/Youth/Families	97,923,401	6,237,683	78,218,228	9,742,720	16,200,137
Department of Correction	198,203,155	5,743,422	146,124,285	17,340,808	40,481,484
Department of Natural Resources	48,940,100	13,913,180	33,444,753	5,716,626	23,691,900
Department of Safety and Homeland Security	93,856,411	1,790,859	73,542,784	2,219,068	19,885,419
Department of Labor	6,604,017	144,849	5,020,724	193,775	1,534,367
Department of Agriculture	8,101,800	460,814	5,188,656	935,384	2,438,574
Department of Elections	3,929,300	1,030,519	3,500,503	211,235	1,248,080
Fire Prevention Commission	4,095,728	269,481	3,281,767	79,782	1,003,659
Delaware National Guard	3,750,500	362,156	2,640,525	365,593	1,106,538
Advisory Council for Exceptional Citizens	119,700	3,156	81,557	630	40,669
Higher Education	238,123,343	3,950,127	173,429,512	3,481,041	65,162,917
Department of Education	913,714,296	61,660,785	705,187,834	37,274,472	232,912,775
Total	\$ 2,875,359,000	\$ 240,170,891	\$ 2,168,161,515	\$ 145,235,996	\$ 802,132,380

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 3/31/2005

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	762,383.7	6.5	715,721.6	(1.4)	725,807.6	1.6	714,491.1
Fringe Benefits (less Pension)	195,908.7	12.3	174,486.7	5.0	166,158.7	7.2	155,000.0
Pension Costs	109,023.4	16.3	93,743.0	17.9	79,525.1	8.3	73,423.9
Medicaid	273,148.7	10.0	248,313.4	3.9	239,064.0	7.7	222,016.5
*Public Assistance	52,801.4	8.3	48,738.0	3.9	46,916.5	(0.6)	47,182.9
*Grants	250,360.1	31.6	190,229.8	23.2	154,377.0	(2.7)	158,685.0
*Personal Services and Travel	118,558.9	8.4	109,324.7	(10.0)	121,524.8	4.6	116,221.4
*Contractual Services	179,899.1	3.6	173,726.0	1.1	171,771.5	(3.4)	177,837.9
Supplies and Materials	50,609.4	6.0	47,765.0	4.2	45,852.9	(1.3)	46,444.6
Capital Outlay	43,616.3	32.3	32,976.3	(3.4)	34,143.3	(55.6)	76,860.5
Debt Service	131,851.9	61.2	81,772.6	44.8	56,479.6	22.1	46,274.4
Total	\$ 2,168,161.5	13.1	\$ 1,916,797.2	4.1	\$ 1,841,620.9	0.4	\$ 1,834,438.3

*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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4/6/2005