



**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) 739 - 4201
FAX: (302) 739 - 5000**

June 7, 2005

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

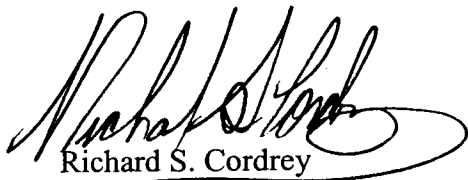
Attached is the monthly financial report for the month ending May 31, 2005. This report shows General Fund Activity and Financial Position on a cash basis of accounting. It can also be found on the Internet under Monthly Financial Report at the following address:

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

This report, along with other reports and documents at the above internet address, constitutes disclosure of interim financial statements required by the National Association of State Auditors Controllers and Treasurers (NASACT).

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 \$600.1 million with no outstanding short-term general obligation debt as of May 31, 2005.

As of May 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
Operating Cash Surplus/(Deficit)	(\$ 45.9)	\$ 50.6	(\$ 85.1)	(\$ 76.9)
Net Cash Balance	\$ 600.1	\$ 514.6	\$ 396.7	\$ 433.0

The net cash balance of \$600.1 million results from a beginning cash balance of \$646.0 million on July 1, 2004, less a \$45.9 million operating cash deficit for FY 2005. Included in the cash balance is a surplus of \$46.4 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 \$600.1 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 \$1,643.5 million.

State of Delaware
Statement of General Fund Cash Condition
as of 5/31/2005

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	2,329,264,881	2,179,382,447	1,974,652,804	1,979,389,545
Licenses	12,510,199	8,822,835	7,668,161	6,861,797
Fees	83,165,504	76,149,059	70,523,683	72,218,684
Permits	820	689	990	2,215
Fines	2,950,378	2,698,222	2,340,037	2,615,659
Rentals & Sales	260,927,040	252,074,221	266,818,904	282,665,042
Governmental Contributions	0	2,428,865	0	17,853
Earnings and Investments	8,204,409	6,825,748	19,427,673	27,795,537
State Government/Agency Revenue	38,355,448	34,506,261	51,801,453	25,482,327
	<u>2,735,378,679</u>	<u>2,562,888,348</u>	<u>2,393,233,706</u>	<u>2,397,048,660</u>
Less Refund Disbursements	<u>168,633,037</u>	<u>168,549,067</u>	<u>198,615,620</u>	<u>196,076,608</u>
Total Revenue	2,566,745,642	2,394,339,281	2,194,618,086	2,200,972,052
Disbursements				
<u>Agency Expenditures</u>				
Legislature	10,615,697	9,923,299	9,998,413	9,652,898
Judicial	68,927,403	62,773,460	61,062,697	59,866,374
Executive	118,816,407	75,266,062	80,635,237	91,453,923
Department of Technology and Information	28,977,972	30,391,064	5,367,691	339,987
Other Elective Offices	84,441,057	60,589,398	44,912,292	42,138,634
Legal	29,591,208	26,659,238	27,490,219	26,710,613
Department of State	16,088,792	13,445,000	15,851,521	17,046,277
Department of Finance	40,257,194	28,240,130	14,139,277	15,539,473
Department of Administrative Services	69,580,664	49,884,681	48,125,923	51,614,263
Department of Health and Social Services	642,428,868	602,380,756	584,180,810	564,917,667
Department of Services to Child/Youth/Families	96,487,695	85,941,233	86,202,468	85,793,754
Department of Correction	185,769,303	169,544,019	171,838,119	166,410,912
Department of Natural Resources	41,809,455	39,789,557	38,185,957	40,769,192
Department of Safety and Homeland Security	93,372,215	89,448,358	92,783,730	89,611,218
Department of Transportation	0	0	0	0
Department of Labor	6,338,986	5,363,452	5,680,261	5,676,424
Department of Agriculture	6,485,030	6,659,775	5,678,522	6,249,273
Department of Elections	4,320,933	3,964,503	4,906,774	2,915,880
Fire Prevention Commission	4,034,856	3,535,230	3,651,877	4,000,385
Delaware National Guard	3,348,529	3,001,200	3,173,999	3,122,358
Advisory Council for Exceptional Citizens	104,858	98,107	91,473	91,637
Higher Education	211,223,201	190,642,114	192,545,580	201,467,143
Department of Education	853,280,533	789,861,434	785,617,140	796,180,772
	<u>2,616,300,854</u>	<u>2,347,402,068</u>	<u>2,282,119,981</u>	<u>2,281,569,056</u>
Less Vouchers Payable	<u>3,680,720</u>	<u>3,626,100</u>	<u>2,461,739</u>	<u>3,661,639</u>
Total Disbursements	2,612,620,133	2,343,775,968	2,279,658,242	2,277,907,417
Ending Cash Balance	\$ 600,086,919	\$ 514,581,888	\$ 396,712,512	\$ 432,978,869

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.

6/7/2005

State of Delaware

Exhibit A-1

Statement of General Fund Receipts and Refund Disbursements by Major Category as of 5/31/2005

	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003	% Change	Fiscal Year 2002
Receipts							
Personal Income Taxes	\$ 926,782,381	12.9	\$ 821,072,902	7.1	\$ 766,799,171	(0.8)	\$ 773,170,251
Franchise Taxes	453,798,825	(1.3)	459,892,189	12.1	410,205,760	(10.7)	459,591,152
Corporate Fees	51,686,020	15.8	44,637,073	27.7	34,947,693	(9.3)	38,542,730
Limited Partnership and LLC	54,161,008	24.5	43,488,155	96.0	22,191,528	12.7	19,686,116
Uniform Commercial Code	12,582,231	5.8	11,894,374	(20.9)	15,043,352	22.4	12,294,272
Corporation Income Taxes	126,897,087	47.5	86,023,316	(4.1)	89,674,639	(45.5)	164,551,936
Bank Franchise Tax	95,774,019	(11.6)	108,330,444	(12.5)	123,750,494	18.9	104,063,254
Gross Receipts Tax	164,936,891	9.1	151,119,724	9.8	137,690,478	7.2	128,488,620
Lottery	211,364,175	20.2	175,856,633	(8.7)	192,707,606	(7.2)	207,613,517
Abandoned Property	225,131,197	(10.9)	252,607,700	27.6	197,946,681	48.5	133,274,614
Hospital Board and Treatment	49,519,473	(35.0)	76,169,298	2.8	74,069,034	(0.9)	74,766,449
Dividends and Interest	8,204,409	20.2	6,825,748	(64.9)	19,427,673	(30.1)	27,795,537
Realty Transfer Tax	109,841,767	23.7	88,771,865	30.9	67,833,943	30.6	51,940,877
Estate Tax	6,032,216	(51.8)	12,504,278	(67.7)	38,682,781	16.1	33,315,355
Insurance Taxes	39,635,407	3.1	38,455,592	0.6	38,223,376	(9.6)	42,304,231
Public Utility Tax	33,676,194	7.7	31,270,749	3.3	30,267,477	12.5	26,893,226
Cigarette Taxes	71,545,218	7.3	66,657,603	105.0	32,511,781	30.3	24,954,824
Other Revenues	93,810,162	7.4	87,310,705	(13.8)	101,260,239	37.2	73,801,702
Total Receipts	2,735,378,679	6.7	2,562,888,348	7.1	2,393,233,706	(0.2)	2,397,048,662
Refund Disbursements							
Personal Income Taxes	105,586,602		112,603,137		120,978,275		120,978,441
Franchise Taxes	12,010,464		16,366,927		16,803,170		18,218,363
Corporation Income Taxes	37,550,263		24,488,394		34,372,417		45,435,052
Bank Franchise Tax	706,770		1,518,405		4,194,360		1,388,443
Gross Receipts Tax	2,851,409		2,534,604		9,626,761		3,125,578
Abandoned Property	6,824,135		7,755,417		6,301,793		2,730,684
Estate Tax	312,798		1,616,990		541,310		1,315,416
Cigarette Taxes	179,655		174,701		244,600		213,739
Withholding	831,490		1,151,791		4,092,352		2,106,192
Insurance Taxes	1,352,716		179,524		891,447		473,971
Miscellaneous Refunds	426,734		159,177		569,135		90,731
Total Refund Disbursements	168,633,037	-	168,549,067	(15.1)	198,615,620	1.3	196,076,608
Net Receipts	\$ 2,566,745,642	7.2	\$ 2,394,339,281	9.1	\$ 2,194,618,086	(0.3)	\$ 2,200,972,054

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.

6/7/2005

State of Delaware
Statement of General Fund Appropriation Balances
as of 5/31/2005

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	12,997,300	2,551,242	10,615,697	291,665	4,641,180
Judicial	69,569,925	3,122,988	68,927,403	1,421,044	2,344,466
Executive	178,041,973	32,615,251	118,816,407	1,943,595	89,897,222
Department of Technology and Information	31,965,200	2,839,085	28,977,972	3,732,923	2,093,390
Other Elective Offices	84,963,151	107,801	84,441,057	94,982	534,912
Legal	31,263,185	168,380	29,591,208	206,515	1,633,842
Department of State	22,252,100	7,327,421	16,088,792	447,205	13,043,524
Department of Finance	51,351,400	5,875,621	40,257,194	554,454	16,415,373
Department of Administrative Services	86,634,388	35,417,966	69,580,664	21,652,051	30,819,640
Department of Health and Social Services	682,510,507	53,826,105	642,428,868	24,453,709	69,454,035
Department of Services to Child/Youth/Families	102,087,201	6,237,683	96,487,695	6,043,864	5,793,326
Department of Correction	201,378,155	5,743,422	185,769,303	10,473,153	10,879,121
Department of Natural Resources	48,940,100	13,933,180	41,809,455	4,099,567	16,964,258
Department of Safety and Homeland Security	99,647,178	2,302,859	93,372,215	2,140,256	6,437,567
Department of Transportation	5,000				5,000
Department of Labor	6,604,017	144,849	6,338,986	127,580	282,300
Department of Agriculture	8,101,800	460,814	6,485,030	705,054	1,372,530
Department of Elections	3,929,300	1,250,519	4,320,933	101,399	757,487
Fire Prevention Commission	4,095,728	269,481	4,034,856	35,487	294,866
Delaware National Guard	3,760,500	362,156	3,348,529	372,629	401,499
Advisory Council for Exceptional Citizens	119,700	3,156	104,858	254	17,744
Higher Education	238,123,343	3,950,127	211,223,201	3,393,718	27,456,551
Department of Education	917,017,848	61,660,785	853,280,533	23,173,601	102,224,499
Total	\$ 2,885,359,000	\$ 240,170,891	\$ 2,616,300,854	\$ 105,464,707	\$ 403,764,331

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.

6/7/2005

State of Delaware
Statement of General Fund Expenditures by Major Category
as of 5/31/2005

Exhibit B

	Fiscal Year 2005 \$(000) s	% Change	Fiscal Year 2004 \$(000) s	% Change	Fiscal Year 2003 \$(000) s	% Change	Fiscal Year 2002 \$(000) s
Salaries and Wages	948,708.1	6.7	889,291.6	(1.0)	898,059.8	1.2	887,839.2
Fringe Benefits (less Pension)	241,512.4	13.1	213,522.5	4.7	204,007.8	3.8	196,501.4
Pension Costs	137,235.4	15.9	118,406.1	18.5	99,912.5	8.2	92,366.4
Medicaid	322,839.0	5.6	305,704.0	5.9	288,781.3	9.7	263,224.2
*Public Assistance	64,623.5	10.3	58,608.9	5.8	55,416.0	(2.6)	56,904.0
*Grants	276,493.9	30.5	211,921.9	16.0	182,615.7	0.7	181,310.5
*Personal Services and Travel	141,357.9	9.7	128,828.5	(11.1)	144,833.9	5.0	137,905.3
*Contractual Services	213,215.4	4.2	204,543.1	2.0	200,603.9	(4.9)	210,999.2
Supplies and Materials	60,596.5	7.2	56,552.7	6.3	53,190.8	(0.8)	53,619.8
Capital Outlay	56,231.6	44.4	38,952.6	0.7	38,686.8	(56.6)	89,150.4
Debt Service	153,487.2	26.8	121,072.1	4.4	116,010.9	3.8	111,748.8
Total	\$ 2,616,300.8	11.5	\$ 2,347,403.9	2.9	\$ 2,282,119.2	0.0	\$ 2,281,569.0

*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.