



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

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December 19, 2003

TO: Hon. Ruth Ann Minner, Governor
Members of the 142nd General Assembly

This is the State's Financial Report for November 2003, showing General Fund Activity and Financial Position on a cash basis of accounting. Supporting exhibits are attached. Note that Exhibit A shows Revenue Refunds as a separate account. Exhibit B shows the detailed Revenue Refund disbursements. For comparative purposes, the following analyses of General Fund Cash Balance, Receipts and Disbursements include the activity in the Revenue Refund Account. The General Fund financial information in this document has been prepared using the best available data. This information is, however, preliminary in nature and subject to change pending a formal audit.

GENERAL FUND CASH BALANCE

The General Fund (including the Revenue Refund Account) had a cumulative operating surplus and cash balance of \$206.9 million with no outstanding short-term general obligation debt as of November 30, 2003.

	As of November 30 (millions of dollars)			
	<u>FY04</u>	<u>FY03</u>	<u>FY02</u>	<u>FY01</u>
Net Cash Balance	206.9	254.8	312.1	313.3

The net cash balance of \$206.9 million results from a carryover cash balance of \$464.0 million on June 30, 2003, less a \$257.1 million operating cash deficit for the first five months of FY 2004. For the first five months, disbursements exceeded receipts by \$375.6 million and the Revenue Refund Account had a surplus of \$118.5 million. The combination of these two balances yielded the \$257.1 million net cash deficit. It should be noted, that during the early months of each fiscal year, disbursements more often exceed revenues until the major tax collections are received late in the fiscal year.

Hon. Ruth Ann Minner, Governor
December 19, 2003
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A comparison of the operating results for the past few years is as follows:

	Cash Surplus/(Deficit) for the First Five Months of (millions of dollars)			
	<u>FY04</u>	<u>FY03</u>	<u>FY02</u>	<u>FY01</u>
Operating Balance	(375.6)	(384.3)	(214.9)	(354.4)
Revenue Refund Account	<u>118.5</u>	<u>157.4</u>	<u>17.1</u>	<u>48.8</u>
Net Cash Surplus/(Deficit)	<u>(257.1)</u>	<u>(226.9)</u>	<u>(197.8)</u>	<u>(296.6)</u>

As of November 30, 2003, \$136.5 million of the \$206.9 million cash balance was dedicated to the Budget Reserve Account of the General Fund.

The combined General Fund/Special Fund Cash Balance at November 30, 2003, was \$1,358.9 million.

GENERAL FUND RECEIPTS

General Fund receipts for the first five months of FY 2004 were \$918.1 million, an increase of 2.4% over last year. Personal Income Tax (PIT) receipts were up 5.2% from last year. As noted on Exhibit A-1a, \$170.0 million of the \$313.2 million in PIT collections were deposited in the Revenue Refund Account.

GENERAL FUND DISBURSEMENTS

Exhibit A-4 analyzes expenditures and shows total expenditures increased \$55.7 million from the same period last year.

The Welfare category has been divided into two categories now known as Medicaid and Public Assistance.

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

Sincerely,



David W. Singleton
Secretary of Finance

DWS: ed
Enclosures

STATE OF DELAWARE
CONSOLIDATED STATEMENT OF GENERAL FUND CASH CONDITION
INCLUDING THE REVENUE REFUND ACCOUNT
AS OF OCTOBER 31, 2003, 2002, 2001, 2000

FIRST FOUR MONTHS OF FISCAL YEARS ENDING JUNE 30

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
RECEIPTS (EXHIBIT A-1a)	\$748,091,673	\$683,049,660	\$859,282,039	\$731,420,755
DISBURSEMENTS (EXHIBITS A-3 and A-4)	1,123,722,828	1,067,307,107	1,074,188,473	1,076,867,964
RECEIPTS OVER/(UNDER) DISBURSEMENTS	(375,631,155)	(384,257,447)	(214,906,434)	(345,447,209)
BALANCE CARRIED OVER FROM PREVIOUS FISCAL YEAR	464,018,574	481,752,669	509,914,235	609,912,750
GENERAL FUND CASH BALANCE-NOVEMBER 30	88,387,419	97,495,222	295,007,801	264,465,541
REVENUE REFUND RECEIPTS (See Exhibit A-1a)	170,012,042	213,812,437	70,011,484	90,019,939
REVENUE REFUND DISBURSEMENTS (See Exhibit B)	51,503,253	56,460,244	52,885,274	41,211,074
REVENUE REFUND ACCOUNT CASH BALANCE-NOVEMBER 30	118,508,789	157,352,193	17,126,210	48,808,865
TOTAL CASH BALANCE-NOVEMBER 30	<u>\$206,896,208</u>	<u>\$254,847,415</u>	<u>\$312,134,011</u>	<u>\$313,274,406</u>

Note: *The data presented in this statement has been prepared using the best available data. It is however, preliminary in nature and subject to change pending formal audit.*

STATE OF DELAWARE
STATEMENT OF GENERAL FUND RECEIPTS BY MAJOR CATEGORIES
AS OF NOVEMBER 30, 2003, 2002, 2001, 2000

FIRST FIVE MONTHS OF FISCAL YEARS ENDING JUNE 30

	<u>2004</u>		<u>2003</u>		<u>2002</u>		<u>2001</u>	
	<u>Amount</u>	<u>% Inc.</u>	<u>Amount</u>	<u>% Inc.</u>	<u>Amount</u>	<u>% Inc.</u>	<u>Amount</u>	<u>% Inc.</u>
Personal Income Taxes	\$313,185,220	5.2	\$297,788,619	(3.7)	\$309,381,454	3.2	\$299,762,009	(1.9)
Franchise Taxes	140,154,150	(7.2)	151,104,513	(6.6)	161,806,040	13.1	143,030,149	9.4
Business and Occupational Gross Receipts	69,101,309	7.6	64,218,829	6.1	60,501,506	0.3	60,346,330	4.1
Corporation Income Taxes	26,200,896	(1.7)	26,666,976	(50.3)	53,636,608	73.9	30,844,916	(19.3)
Hospital Board and Treatment	33,752,971	20.1	28,095,215	(12.7)	32,185,949	(3.6)	33,381,266	5.7
Dividend and Interest	2,083,952	(81.4)	11,225,228	(40.2)	18,783,957	54.5	12,158,188	(23.1)
Public Utility	13,354,040	(1.1)	13,497,488	9.3	12,348,312	(3.3)	12,774,834	19.2
Cigarette Taxes	29,614,265	98.3	14,930,992	29.7	11,507,952	3.0	11,171,134	3.1
Inheritance and Estate Taxes	5,372,297	(33.2)	8,043,413	(31.5)	11,734,993	(9.0)	12,890,938	29.2
Realty Transfer Tax	38,691,843	24.8	31,006,334	33.1	23,301,611	11.7	20,868,353	(8.9)
Insurance Taxes	12,272,803	(0.9)	12,387,942	40.7	8,806,754	18.6	7,424,883	(32.7)
Abandoned Property	46,839,119	23.2	38,013,866	8.9	34,917,042	51.8	23,006,485	(42.7)
Alcoholic Beverage Taxes	5,186,854	28.4	4,039,671	4.5	3,863,870	(9.7)	4,280,335	2.5
Business and Occupational License Fees	305,725	(71.3)	1,064,648	(6.3)	1,135,810	**	439,661	(34.9)
Corporate Fees	15,719,232	22.1	12,870,536	(11.1)	14,473,655	(20.8)	18,266,021	1.8
Bank Franchise Tax	40,529,678	1.7	39,841,856	(8.8)	43,685,200	72.1	25,385,663	(29.3)
Court Fines and Costs	880,516	5.2	836,683	(5.3)	883,459	4.4	846,569	2.0
Public Accomodations	5,858,788	9.8	5,337,632	1.1	5,279,881	8.2	4,881,674	(11.0)
Lottery	89,828,957	(3.9)	93,441,871	(3.5)	96,846,722	16.2	83,356,065	14.9
Other Revenue by Department (See Exhibit A-2a)	29,171,100	(31.3)	42,449,786	75.3	24,212,747	48.3	16,325,220	19.7
Subtotal	918,103,715	2.4	896,862,098	(3.5)	929,293,523	13.1	821,440,693	(1.8)
Less: Personal Income Taxes Deposited In Revenue Refund Account	170,012,042	(20.5)	213,812,437	**	70,011,484	(22.2)	90,019,939	(10.0)
Net Receipts	<u>\$748,091,673</u>	<u>9.5</u>	<u>\$683,049,660</u>	<u>(20.5)</u>	<u>\$859,282,039</u>	<u>17.5</u>	<u>\$731,420,754</u>	<u>(0.7)</u>

** % is meaningless as increase over previous fiscal year far exceeds 100%

Note: The data presented in this statement has been prepared using the best available data.
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STATE OF DELAWARE
STATEMENT OF GENERAL FUND RECEIPTS BY MAJOR CATEGORIES
MONTH OF NOVEMBER 30, 2003, 2002, 2001, 2000

FIFTH MONTH OF FISCAL YEARS ENDING JUNE 30

	<u>2004</u>		<u>2003</u>		<u>2002</u>		<u>2001</u>	
	<u>Amount</u>	<u>% Inc.</u>	<u>Amount</u>	<u>% Inc.</u>	<u>Amount</u>	<u>% Inc.</u>	<u>Amount</u>	<u>% Inc.</u>
Personal Income Taxes	\$57,392,538	6.8	\$53,735,941	(19.6)	\$66,823,776	7.0	\$62,424,519	(0.7)
Franchise Taxes	39,407,998	(11.3)	44,403,582	(4.0)	46,246,789	18.4	39,067,586	(2.3)
Business and Occupational Gross Receipts	13,751,433	17.8	11,674,941	5.6	11,057,908	7.8	10,259,500	1.5
Corporation Income Taxes	1,621,458	(19.9)	2,023,156	(54.3)	4,429,920	**	1,601,285	(6.4)
Hospital Board and Treatment	8,210,981	61.6	5,080,520	(38.6)	8,271,281	(9.4)	9,131,699	33.5
Dividend and Interest	(481,104)	(112.0)	4,004,708	(13.7)	4,640,599	**	1,587,991	(67.5)
Public Utility	2,470,347	6.3	2,324,665	3.7	2,242,233	(2.9)	2,308,631	(0.9)
Cigarette Taxes	5,397,896	96.7	2,744,734	15.8	2,369,712	19.7	1,979,398	(8.6)
Inheritance and Estate Taxes	766,438	25.1	612,849	(73.9)	2,351,032	**	1,164,184	83.1
Realty Transfer Tax	7,783,168	29.3	6,019,509	74.2	3,455,616	1.5	3,405,132	(9.8)
Insurance Taxes	(609,853)	**	313,149	116.5	144,613	**	(585,870)	9.6
Abandoned Property	14,167,607	(37.7)	22,755,064	208.7	7,370,915	(45.8)	13,601,280	74.0
Alcoholic Beverage Taxes	1,116,037	44.1	774,293	9.5	706,866	(6.8)	758,049	(21.7)
Business and Occupational License Fees	52,729	(93.2)	779,357	(13.8)	904,188	**	153,421	(59.4)
Corporate Fees	3,216,372	34.3	2,394,923	(18.6)	2,942,711	44.0	2,042,926	(38.8)
Bank Franchise Tax	13,360,730	(3.8)	13,891,377	(2.0)	14,173,301	82.9	7,749,252	(31.3)
Court Fines and Costs	152,685	4.9	145,610	(21.5)	185,376	14.2	162,305	(6.7)
Public Accommodations	807,212	34.1	602,168	(42.6)	1,049,584	80.7	580,799	(28.6)
Lottery	18,958,526	11.3	17,040,306	(9.5)	18,821,803	15.5	16,294,394	24.8
Other Revenue by Department (See Exhibit A-2b)	3,065,308	(50.4)	6,185,047	80.7	3,423,752	31.8	2,597,640	37.5
Subtotal	190,608,504	(3.5)	197,505,899	(2.0)	201,611,976	16.7	176,284,121	1.1
Less: Personal Income Taxes Deposited								
Revenue Refund Account	37,006,226	33.1	27,802,554	39.0	20,001,699	99.9	10,007,606	**
Net Receipts	<u>\$153,602,278</u>	<u>(9.5)</u>	<u>\$169,703,345</u>	<u>(6.6)</u>	<u>\$181,610,277</u>	<u>11.7</u>	<u>\$166,276,515</u>	<u>(4.6)</u>

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STATE OF DELAWARE
STATEMENT OF GENERAL FUND RECEIPTS FOR OTHER THAN MAJOR CATEGORIES
AS OF NOVEMBER 30, 2003, 2002, 2001, 2000

FIRST FIVE MONTHS OF FISCAL YEARS ENDING JUNE 30

COLLECTING AGENCY	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Legislative	\$3,666	\$3,221	\$978	\$425
Judicial	3,044,488	2,424,475	2,100,293	1,919,979
Executive	783,957	177,582	172,736	178,363
Technology and Information	0	0	0	0
Other Elective Offices	11,550,665	12,418,201	7,227,071	6,772,425
Legal	1,547,170	988,528	1,337,938	1,896,936
Department of State	10,656,623	10,961,092	11,801,135	3,617,757
Department of Finance	340,969	590,534	312,793	405,437
Department of Administrative Services	16,834	13,633,650	78,742	103,872
Department of Health and Social Services	752,706	638,365	600,930	968,422
Department of Services to Child/Youth/Families	5,187	12,334	7,354	6,182
Department of Correction	90,798	97,258	172,037	92,202
Department of Natural Resources	42,174	15,450	11,226	15,692
Department of Public Safety	146,647	76,742	110,872	65,948
Department of Transportation	0	0	0	0
Department of Labor	16,507	9,134	48,040	78,666
Department of Agriculture	27,528	101,051	39,227	40,604
Department of Elections	810	910	625	930
Fire Prevention	13,950	14,107	15,053	12,674
Delaware National Guard	3,646	0	1,144	0
Advisory Council for Exceptional Children	0	0	0	0
Higher Education	8,043	6,785	15,630	10,901
Public Education	118,732	280,368	158,925	137,805
GRAND TOTAL	<u><u>\$29,171,100</u></u>	<u><u>\$42,449,786</u></u>	<u><u>\$24,212,747</u></u>	<u><u>\$16,325,220</u></u>

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STATE OF DELAWARE
STATEMENT OF GENERAL FUND RECEIPTS FOR OTHER THAN MAJOR CATEGORIES
MONTH OF NOVEMBER 30, 2003, 2002, 2001, 2000

FIFTH MONTH OF FISCAL YEARS ENDING JUNE 30

COLLECTING AGENCY	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Legislative	\$2,856	\$0	\$0	\$11
Judicial	478,814	374,240	466,908	346,143
Executive	628	3,126	637	0
Technology and Information	0	0	0	0
Other Elective Offices	508,763	3,182,765	803,840	569,717
Legal	289,477	383,515	441,233	808,965
Department of State	1,536,641	1,682,062	1,298,470	566,674
Department of Finance	71,154	63,329	24,800	51,854
Department of Administrative Services	3,430	2,500	4,778	82,186
Department of Health and Social Services	43,945	375,805	285,710	105,099
Department of Services to Child/Youth/Families	365	228	744	86
Department of Correction	20,639	19,159	21,980	11,751
Department of Natural Resources	6,746	4,174	1,119	5,810
Department of Public Safety	71,747	10,956	11,895	10,941
Department of Transportation	0	0	0	0
Department of Labor	540	1,000	4,160	14,671
Department of Agriculture	1,699	8,989	7,282	5,111
Department of Elections	0	0	0	0
Fire Prevention	2,982	2,919	4,339	2,389
Delaware National Guard	1,048	0	0	0
Advisory Council for Exceptional Children	0	0	0	0
Higher Education	2,200	0	0	1,660
Public Education	21,634	70,284	45,859	14,571
GRAND TOTAL	<u>\$3,065,308</u>	<u>\$6,185,047</u>	<u>\$3,423,752</u>	<u>\$2,597,640</u>

Note: *The data presented in this statement has been prepared using the best available data. It is however, preliminary in nature and subject to change pending formal audit.*

STATE OF DELAWARE
STATEMENT OF GENERAL FUND APPROPRIATION BALANCES
AS OF NOVEMBER 30, 2003

<u>DEPARTMENT</u>	<u>APPROPRIATIONS</u>	<u>ENCUMBRANCES</u>	<u>EXPENDITURES</u>	<u>UNENCUMBERED BALANCES</u>
Legislative	\$14,050,521	\$632,655	\$4,515,678	\$8,902,188
Judicial	68,096,921	3,237,264	28,104,934	36,754,723
Executive	139,465,634	3,398,874	48,400,742	87,666,018
Technology and Information	31,954,564	3,899,134	17,931,147	10,124,283
Other Elective Offices	64,280,089	253,172	35,569,574	28,457,343
Legal	28,689,023	764,545	12,604,265	15,320,213
Department of State	22,464,260	776,760	6,483,544	15,203,956
Department of Finance	35,782,727	1,267,980	20,391,393	14,123,354
Department of Administrative Services	87,206,889	14,123,468	22,941,545	50,141,876
Department of Health and Social Services	703,830,818	67,024,449	263,596,066	373,210,303
Department of Services to Child/Youth/Families	98,500,379	22,363,393	40,960,746	35,176,240
Department of Correction	195,812,611	32,608,700	75,962,263	87,241,648
Department of Natural Resources	56,874,766	4,970,489	20,147,923	31,756,354
Department of Public Safety	94,850,633	2,994,432	41,976,118	49,880,083
Department of Transportation	0	0	0	0
Department of Labor	6,213,146	229,531	2,002,641	3,980,974
Department of Agriculture	7,939,670	1,309,779	3,156,226	3,473,665
Department of Elections	5,281,456	369,654	1,468,345	3,443,457
Fire Prevention	4,311,835	250,817	1,487,274	2,573,744
Delaware National Guard	4,039,239	717,154	1,456,944	1,865,141
Advisory Council for Exceptional Citizens	118,508	2,034	42,980	73,494
Higher Education	209,460,150	2,166,173	84,826,325	122,467,652
Public Education	917,246,088	50,008,170	392,395,923	474,841,995
GRAND TOTAL	<u>\$2,796,469,927</u>	<u>\$213,368,627</u>	<u>\$1,126,422,596</u>	<u>\$1,456,678,704</u>
LESS: VOUCHERS PAYABLE			<u>2,699,768</u>	
CASH DISBURSEMENTS			<u>\$1,123,722,828</u>	

Note: The data presented in this statement has been prepared using the best available data.
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STATE OF DELAWARE
ANALYSIS OF TOTAL GENERAL FUND EXPENDITURES
AS OF NOVEMBER 30, 2003

TYPE OF EXPENDITURES	<u>JULY 1 through NOVEMBER 30</u>				
	<u>2003</u>	INCR/ (DECR.) <u>'03 over '02</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
SALARIES and WAGES	\$422.3	(\$5.3)	\$427.6	\$422.3	\$390.4
FRINGE BENEFITS (excluding pensions)	98.3	3.9	94.3	85.4	78.7
PENSION COSTS	56.4	8.5	47.9	44.4	37.0
MEDICAID	127.7	8.8	118.9	126.1	111.4
PUBLIC ASSISTANCE	28.0	1.5	26.5	24.3	25.4
GRANTS in AID	123.6	29.0	94.6	89.9	154.3
PERSONAL SERVICES and TRAVEL	61.4	(8.9)	70.3	69.6	60.1
CONTRACTUAL SERVICES	101.1	0.8	100.3	105.3	93.6
SUPPLIES and MATERIALS	30.6	0.5	30.2	30.3	30.3
CAPITAL OUTLAY	23.8	(2.1)	25.9	51.9	64.6
DEBT SERVICE	53.2	19.0	34.2	33.1	35.4
TOTAL EXPENDITURES	<u>\$1,126.4</u>	<u>\$55.7</u>	<u>\$1,070.7</u>	<u>\$1,082.6</u>	<u>\$1,081.2</u>
LESS: VOUCHERS PAYABLE	<u>2.7</u>		<u>3.3</u>	<u>8.4</u>	<u>4.3</u>
CASH DISBURSEMENTS	<u>\$1,123.7</u>		<u>\$1,067.4</u>	<u>\$1,074.2</u>	<u>\$1,076.9</u>

Note: *The data presented in this statement has been prepared using the best available data. It is however, preliminary in nature and subject to change pending formal audit.*

STATE OF DELAWARE
STATEMENT OF REVENUE REFUND DISBURSEMENTS
AS OF NOVEMBER 30, 2003, 2002, 2001, 2000

	<u>FIRST FIVE MONTHS OF FISCAL YEARS ENDING JUNE 30</u>				<u>FIFTH MONTH OF FISCAL YEARS ENDING JUNE 30</u>			
	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Personal Income Taxes	\$14,062,877	\$16,159,531	\$15,063,290	\$12,930,048	\$2,119,324	\$3,119,716	\$2,663,560	\$3,074,455
Franchise Taxes	13,007,185	13,180,309	13,582,419	9,117,341	176,361	(228,631)	3,193,103	1,632,572
Corp. Income Tax	15,637,666	19,627,227	19,004,550	14,017,731	6,011,760	7,550,079	7,352,878	6,108,575
Bus. & Occup'l Lic.	1,473,868	818,186	1,757,501	445,546	219,383	171,064	186,726	28,882
Cigarette Taxes	39,466	119,048	79,548	43,714	0	35,216	29,132	10,726
Inheritance & Est. Tax	1,246,449	88,980	943,083	216,451	839,969	0	20,178	72,964
All Other Refunds	6,035,742	6,466,964	2,454,883	4,440,243	910,365	437,372	249,340	396,494
TOTAL REFUNDS	<u><u>\$51,503,253</u></u>	<u><u>\$56,460,245</u></u>	<u><u>\$52,885,274</u></u>	<u><u>\$41,211,074</u></u>	<u><u>\$10,277,162</u></u>	<u><u>\$11,084,817</u></u>	<u><u>\$13,694,917</u></u>	<u><u>\$11,324,668</u></u>

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