



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
OFFICE OF THE SECRETARY

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November 10, 2004

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

Attached is the monthly financial report for the month ending October 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](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,

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 \$344.4 million with no outstanding short-term general obligation debt as of October 31, 2004.

As of October 31, 2004  
(\$ 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>( \$ 301.6)</u>	<u>( \$ 247.4)</u>	<u>( \$ 193.9)</u>	<u>( \$ 154.2)</u>
Net Cash Balance	\$ 344.4	\$ 216.6	\$ 287.9	\$ 355.7

The net cash balance of \$344.4 million results from a beginning cash balance of \$646.0 million on July 1, 2004, less a \$301.6 million operating cash deficit for FY 2005. Included in the cash balance is a surplus of \$78.4 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 \$344.4 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 \$1,596.5 million.

**State of Delaware**  
**Statement of General Fund Cash Condition**  
as of 10/31/2004

Exhibit A

	Fiscal Year 2005	Fiscal Year 2004	Fiscal Year 2003	Fiscal Year 2002
<b>Beginning Fiscal Year Cash</b>	\$ 645,961,410	\$ 464,018,574	\$ 481,752,669	\$ 509,914,235
<b>Revenue</b>				
<u>Receipts</u>				
Taxes	631,748,226	592,797,416	547,977,370	581,171,858
Licenses	1,486,468	958,084	1,006,473	833,373
Fees	22,749,683	21,907,609	20,243,874	22,541,848
Permits	216	254	326	118
Fines	600,296	629,571	571,508	654,508
Rentals & Sales	96,634,180	96,672,300	99,461,618	102,049,327
Governmental Contributions	0	28,865	220	0
Earnings and Investments	1,544,379	2,565,056	7,220,520	14,143,357
State Government/Agency Revenue	17,431,736	11,936,056	22,874,289	6,287,158
	<u>772,195,184</u>	<u>727,495,212</u>	<u>699,356,199</u>	<u>727,681,547</u>
Less Refund Disbursements	41,645,073	41,226,091	45,375,428	39,190,357
<b>Total Revenue</b>	<b>730,550,111</b>	<b>686,269,121</b>	<b>653,980,770</b>	<b>688,491,190</b>
<b>Disbursements</b>				
<u>Agency Expenditures</u>				
Legislature	4,075,225	3,713,923	3,492,005	3,374,006
Judicial	25,432,997	22,955,342	20,929,340	20,409,351
Executive	75,743,389	37,599,105	44,192,885	42,856,209
Department of Technology and Information	14,176,533	14,297,968	459,676	0
Other Elective Offices	42,056,035	35,200,229	20,952,239	20,153,519
Legal	11,150,720	10,466,102	9,538,749	9,146,621
Department of State	6,067,110	5,518,743	5,830,927	5,664,404
Department of Finance	30,376,665	19,246,065	4,827,643	5,853,860
Department of Administrative Services	23,119,059	19,834,005	18,387,633	16,276,848
Department of Health and Social Services	230,387,416	214,266,496	203,150,668	197,685,922
Department of Services to Child/Youth/Families	37,171,795	33,791,497	33,076,534	30,748,733
Department of Correction	64,454,534	62,341,466	59,041,616	56,160,320
Department of Natural Resources	16,318,904	16,896,111	14,446,770	15,801,176
Department of Safety and Homeland Security	35,351,390	35,985,372	34,378,981	32,746,060
Department of Transportation	0	0	0	0
Department of Labor	2,626,420	1,558,344	2,738,313	2,015,584
Department of Agriculture	2,165,789	2,746,059	1,832,956	2,062,811
Department of Elections	1,734,697	1,132,198	2,013,443	998,317
Fire Prevention Commission	1,314,426	1,186,217	1,164,504	1,285,639
Delaware National Guard	1,095,805	1,272,093	960,924	1,008,002
Advisory Council for Exceptional Citizens	38,913	35,350	31,671	30,819
Higher Education	80,159,727	68,784,463	67,372,790	72,248,700
Department of Education	333,110,603	327,588,677	300,015,088	309,062,594
	<u>1,038,128,152</u>	<u>936,415,825</u>	<u>848,835,355</u>	<u>845,589,495</u>
Less Vouchers Payable	5,975,023	2,747,794	1,016,219	2,897,354
<b>Total Disbursements</b>	<b>1,032,153,130</b>	<b>933,668,031</b>	<b>847,819,136</b>	<b>842,692,141</b>
<b>Ending Cash Balance</b>	<b>\$ 344,358,391</b>	<b>\$ 216,619,664</b>	<b>\$ 287,914,304</b>	<b>\$ 355,713,283</b>

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.

11/8/2004

**State of Delaware**  
**Statement of General Fund Receipts and Refund Disbursements by Major Category**  
as of 10/31/2004

Exhibit A-1

	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003	% Change	Fiscal Year 2002
<b>Receipts</b>							
Personal Income Taxes	\$ 270,875,247	5.9	\$ 255,792,682	4.8	\$ 244,052,678	0.6	\$ 242,557,678
Franchise Taxes	110,703,640	9.9	100,746,152	(5.6)	106,700,931	(7.7)	115,559,250
Corporate Fees	14,217,564	13.7	12,502,860	19.4	10,475,613	(9.2)	11,530,944
Limited Partnership and LLC	6,645,576	50.0	4,431,093	30.9	3,385,479	3.1	3,284,298
Uniform Commercial Code	4,474,274	0.4	4,454,449	(19.8)	5,551,026	51.1	3,673,537
Corporation Income Taxes	29,632,466	20.6	24,579,438	(0.3)	24,643,819	(49.9)	49,206,689
Bank Franchise Tax	26,204,398	(3.6)	27,168,948	4.7	25,950,480	(12.1)	29,511,899
Gross Receipts Tax	60,772,175	9.8	55,349,875	5.3	52,543,888	6.3	49,443,597
Lottery	79,779,048	12.6	70,870,431	(7.2)	76,401,565	(2.1)	78,024,919
Abandoned Property	23,948,196	(26.7)	32,671,512	114.1	15,258,802	(44.6)	27,546,127
Hospital Board and Treatment	16,838,907	(34.1)	25,541,991	11.0	23,014,695	(3.8)	23,914,669
Dividends and Interest	1,544,379	(39.8)	2,565,056	(64.5)	7,220,520	(48.9)	14,143,357
Realty Transfer Tax	40,424,809	30.8	30,908,676	23.7	24,986,826	25.9	19,845,995
Estate Tax	2,801,617	(39.2)	4,605,858	(38.0)	7,430,564	(20.8)	9,383,962
Insurance Taxes	13,512,207	4.9	12,882,657	6.7	12,074,792	39.4	8,662,141
Public Utility Tax	12,001,880	10.3	10,883,693	(2.6)	11,172,823	10.6	10,106,079
Cigarette Taxes	25,483,842	5.2	24,216,369	98.7	12,186,258	33.4	9,138,240
Other Revenues	32,334,960	18.3	27,323,471	(24.7)	36,305,439	63.9	22,148,166
<b>Total Receipts</b>	<b>772,195,184</b>	<b>6.1</b>	<b>727,495,212</b>	<b>4.0</b>	<b>699,356,199</b>	<b>(3.9)</b>	<b>727,681,547</b>
<b>Refund Disbursements</b>							
Personal Income Taxes	15,128,035		11,943,553		13,039,815		12,399,730
Franchise Taxes	6,166,210		12,830,824		13,408,940		10,389,317
Corporation Income Taxes	15,652,855		9,625,907		12,077,147		11,651,672
Bank Franchise Tax	9,193		1,518,405		3,733,360		
Gross Receipts Tax	1,085,991		1,254,485		647,122		1,570,774
Abandoned Property	1,227,075		3,084,797		1,133,915		1,299,479
Estate Tax	107,051		406,480		88,980		922,906
Cigarette Taxes	109,530		39,466		83,832		50,415
Withholding	453,088		485,165		227,370		385,835
Insurance Taxes	1,348,088				652,805		473,971
Miscellaneous Refunds	357,956		37,011		282,142		46,258
<b>Total Refund Disbursements</b>	<b>41,645,073</b>	<b>1.0</b>	<b>41,226,091</b>	<b>(9.1)</b>	<b>45,375,428</b>	<b>15.8</b>	<b>39,190,357</b>
<b>Net Receipts</b>	<b>\$ 730,550,111</b>	<b>6.5</b>	<b>\$ 686,269,121</b>	<b>4.9</b>	<b>\$ 653,980,771</b>	<b>(5.0)</b>	<b>\$ 688,491,190</b>

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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.

11/8/2004

**State of Delaware**  
**Statement of General Fund Appropriation Balances**  
as of 10/31/2004

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	12,997,300	2,551,242	4,075,225	751,959	10,721,357
Judicial	68,925,525	2,802,802	25,432,997	4,454,304	41,841,027
Executive	186,465,279	35,585,162	75,743,389	3,620,584	142,686,469
Department of Technology and Information	31,965,200	2,659,481	14,176,533	5,763,715	14,684,433
Other Elective Offices	84,963,151	107,801	42,056,035	258,577	42,756,340
Legal	31,263,185	168,380	11,150,720	1,342,491	18,938,354
Department of State	21,725,100	7,327,421	6,067,110	1,196,516	21,788,895
Department of Finance	51,351,400	5,875,621	30,376,665	1,409,612	25,440,743
Department of Administrative Services	86,984,600	36,617,966	23,119,059	31,103,864	69,379,643
Department of Health and Social Services	681,732,915	51,136,105	230,387,416	81,328,372	421,153,231
Department of Services to Child/Youth/Families	97,914,088	6,227,683	37,171,795	24,373,194	42,596,783
Department of Correction	198,148,058	5,743,422	64,454,534	38,258,167	101,178,780
Department of Natural Resources	48,922,100	13,906,580	16,318,904	4,577,893	41,931,883
Department of Safety and Homeland Security	93,846,411	1,640,859	35,351,390	5,928,718	54,207,162
Department of Transportation					
Department of Labor	6,605,400	144,849	2,626,420	251,229	3,872,599
Department of Agriculture	8,101,800	460,814	2,165,789	1,440,797	4,956,028
Department of Elections	3,919,300	1,030,519	1,734,697	401,420	2,813,702
Fire Prevention Commission	4,095,728	269,481	1,314,426	119,490	2,931,294
Delaware National Guard	3,750,500	362,156	1,095,805	784,178	2,232,673
Advisory Council for Exceptional Citizens	119,700	3,156	38,913	630	83,312
Higher Education	238,137,960	3,950,127	80,159,727	3,950,034	157,978,326
Department of Education	913,424,299	61,599,264	333,110,603	45,528,823	596,384,136
<b>Total</b>	<b>\$ 2,875,359,000</b>	<b>\$ 240,170,891</b>	<b>\$ 1,038,128,152</b>	<b>\$ 256,844,568</b>	<b>\$ 1,820,557,171</b>

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**State of Delaware**  
**Statement of General Fund Expenditures by Major Category**  
as of 10/31/2004

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	365,180.3	5.0	347,877.8	10.5	314,896.9	0.4	313,587.0
Fringe Benefits (less Pension)	87,885.6	10.5	79,539.9	8.7	73,187.1	11.7	65,495.8
Pension Costs	54,252.8	12.7	48,118.2	28.2	37,530.0	5.9	35,432.0
Medicaid	114,499.1	12.9	101,403.9	7.3	94,467.0	4.4	90,514.0
*Public Assistance	23,949.1	3.5	23,146.6	4.3	22,187.1	12.1	19,800.4
*Grants	161,214.7	53.6	104,925.2	30.9	80,138.4	1.6	78,874.8
*Personal Services and Travel	51,055.6	0.4	50,854.0	(13.8)	58,995.8	6.9	55,190.9
*Contractual Services	81,339.0	(2.9)	83,762.6	0.7	83,200.1	(3.1)	85,899.9
Supplies and Materials	26,549.4	1.9	26,052.1	0.5	25,918.5	1.8	25,457.3
Capital Outlay	21,286.2	18.4	17,979.7	(25.5)	24,126.9	(44.4)	43,413.6
Debt Service	50,916.4	(3.5)	52,755.9	54.3	34,187.6	7.1	31,923.8
<b>Total</b>	<b>\$ 1,038,128.1</b>	<b>10.9</b>	<b>\$ 936,415.8</b>	<b>10.3</b>	<b>\$ 848,835.3</b>	<b>0.4</b>	<b>\$ 845,589.5</b>

\*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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