



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

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November 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 October 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

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. Cordfey".

Richard S. Cordfey
Secretary of Finance

TLN:ed
Attachment

OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$298.1 million with no outstanding short-term general obligation debt as of October 31, 2005.

As of October 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>(\$ 403.1)</u>	<u>(\$ 301.6)</u>	<u>(\$ 247.4)</u>	<u>(\$ 193.9)</u>
Net Cash Balance	\$ 298.1	\$ 344.4	\$ 216.6	\$ 287.9

The net cash balance of \$298.1 million results from a beginning cash balance of \$701.2 million on July 1, 2005, less a \$403.1 million operating cash deficit for FY 2006. Included in the cash balance is a surplus of \$105.9 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 \$298.1 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 \$1,589.4 million.

State of Delaware
Statement of General Fund Cash Condition
as of 10/31/2005

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	718,369,763	631,748,226	592,797,416	547,977,370
Licenses	1,715,648	1,486,468	958,084	1,006,473
Fees	25,363,474	22,749,683	21,907,609	20,243,874
Permits	111	216	254	326
Fines	685,095	600,296	629,571	571,508
Rentals & Sales	99,254,045	96,634,180	96,672,300	99,461,618
Earnings and Investments	5,039,335	1,544,379	2,565,056	7,220,520
State Government/Agency Revenue	876,549	17,431,736	11,936,056	22,874,289
	<u>851,304,021</u>	<u>772,195,184</u>	<u>727,495,212</u>	<u>699,356,199</u>
Less Refund Disbursements	34,066,525	41,645,073	41,226,091	45,375,428
Total Revenue	817,237,496	730,550,111	686,269,121	653,980,770
Disbursements				
<u>Agency Expenditures</u>				
Legislature	4,463,586	4,075,225	3,713,923	3,492,005
Judicial	29,634,886	25,432,997	22,955,342	20,929,340
Executive	179,221,105	75,743,389	37,599,105	44,192,885
Department of Technology and Information	16,257,462	14,176,533	14,297,968	459,676
Other Elective Offices	34,503,693	42,056,035	35,200,229	20,952,239
Legal	12,579,715	11,150,720	10,466,102	9,538,749
Department of State	5,625,668	6,067,110	5,518,743	5,830,927
Department of Finance	38,851,518	30,376,665	19,246,065	4,827,643
Department of Administrative Services	0	23,119,059	19,834,005	18,387,633
Department of Health and Social Services	249,986,108	230,387,416	214,266,496	203,150,668
Department of Services to Child/Youth/Families	39,893,598	37,171,795	33,791,497	33,076,534
Department of Correction	73,050,853	64,454,534	62,341,466	59,041,616
Department of Natural Resources	23,847,719	16,318,904	16,896,111	14,446,770
Department of Safety and Homeland Security	39,740,559	35,351,390	35,985,372	34,378,981
Department of Transportation	3,600,176	0	0	0
Department of Labor	2,685,108	2,626,420	1,558,344	2,738,313
Department of Agriculture	2,250,332	2,165,789	2,746,059	1,832,956
Department of Elections	1,260,807	1,734,697	1,132,198	2,013,443
Fire Prevention Commission	1,347,409	1,314,426	1,186,217	1,164,504
Delaware National Guard	2,389,049	1,095,805	1,272,093	960,924
Advisory Council for Exceptional Citizens	43,856	38,913	35,350	31,671
Higher Education	83,020,964	80,159,727	68,784,463	67,372,790
Department of Education	384,977,300	333,110,603	327,588,677	300,015,088
	<u>1,229,231,469</u>	<u>1,038,128,152</u>	<u>936,415,825</u>	<u>848,835,355</u>
Less Vouchers Payable	8,859,345	5,975,023	2,747,794	1,016,219
Total Disbursements	1,220,372,124	1,032,153,130	933,668,031	847,819,136
Ending Cash Balance	\$ 298,062,632	\$ 344,358,391	\$ 216,619,664	\$ 287,914,304

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.

11/4/2005

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 10/31/2005

Exhibit A-1

	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003
Receipts							
Personal Income Taxes	\$ 298,260,606	10.1	\$ 270,875,247	5.9	\$ 255,792,682	4.8	\$ 244,052,678
Franchise Taxes	115,494,703	4.3	110,703,640	9.9	100,746,152	(5.6)	106,700,931
Corporate Fees	16,123,475	13.4	14,217,564	13.7	12,502,860	19.4	10,475,613
Limited Partnership and LLC	7,331,300	10.3	6,645,576	50.0	4,431,093	30.9	3,385,479
Uniform Commercial Code	4,633,238	3.6	4,474,274	0.4	4,454,449	(19.8)	5,551,026
Corporation Income Taxes	41,640,476	40.5	29,632,466	20.6	24,579,438	(0.3)	24,643,819
Bank Franchise Tax	28,699,850	9.5	26,204,398	(3.6)	27,168,948	4.7	25,950,480
Gross Receipts Tax	67,313,547	10.8	60,772,175	9.8	55,349,875	5.3	52,543,888
Lottery	81,871,064	2.6	79,779,048	12.6	70,870,431	(7.2)	76,401,565
Abandoned Property	49,637,157	107.3	23,948,196	(26.7)	32,671,512	114.1	15,258,802
Hospital Board and Treatment	17,365,693	3.1	16,838,907	(34.1)	25,541,991	11.0	23,014,695
Dividends and Interest	5,039,335	226.3	1,544,379	(39.8)	2,565,056	(64.5)	7,220,520
Realty Transfer Tax	41,399,022	2.4	40,424,809	30.8	30,908,676	23.7	24,986,826
Estate Tax	3,909,322	39.5	2,801,617	(39.2)	4,605,858	(38.0)	7,430,564
Insurance Taxes	14,445,854	6.9	13,512,207	4.9	12,882,657	6.7	12,074,792
Public Utility Tax	12,686,801	5.7	12,001,880	10.3	10,883,693	(2.6)	11,172,823
Cigarette Taxes	28,442,149	11.6	25,483,842	5.2	24,216,369	98.7	12,186,258
Other Revenues	17,010,429	(47.4)	32,334,960	18.3	27,323,471	(24.7)	36,305,439
Total Receipts	851,304,021	10.2	772,195,184	6.1	727,495,212	4.0	699,356,199
Refund Disbursements							
Personal Income Taxes	16,187,670		15,128,035		11,943,553		13,039,815
Franchise Taxes	4,468,882		6,166,210		12,830,824		13,408,940
Corporation Income Taxes	8,747,546		15,652,855		9,625,907		12,077,147
Bank Franchise Tax			9,193		1,518,405		3,733,360
Gross Receipts Tax	2,589,068		1,085,991		1,254,485		647,122
Abandoned Property	1,296,866		1,227,075		3,084,797		1,133,915
Estate Tax	50,891		107,051		406,480		88,980
Cigarette Taxes	54,464		109,530		39,466		83,832
Withholding	647,039		453,088		485,165		227,370
Insurance Taxes	4,636		1,348,088				652,805
Miscellaneous Refunds	19,462		357,956		37,011		282,142
Total Refund Disbursements	34,066,525	(18.2)	41,645,073	1.0	41,226,091	(9.1)	45,375,428
Net Receipts	\$ 817,237,496	11.9	\$ 730,550,111	6.5	\$ 686,269,121	4.9	\$ 653,980,771

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.

11/4/2005

State of Delaware
Statement of General Fund Appropriation Balances
as of 10/31/2005

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,255,800	3,158,329	4,463,586	740,977	12,209,566
Judicial	74,369,900	3,996,462	29,634,886	3,905,789	44,825,688
Executive	328,698,064	110,156,393	179,221,105	39,930,383	219,702,970
Department of Technology and Information	34,312,100	3,763,372	16,257,462	6,063,720	15,754,289
Other Elective Offices	55,865,271	4,476,612	34,503,693	260,019	25,578,171
Legal	35,094,900	225,083	12,579,715	1,489,071	21,251,196
Department of State	20,920,700	12,454,535	5,625,668	1,454,396	26,295,171
Department of Finance	50,480,800	25,445,047	38,851,518	878,558	36,195,771
Department of Health and Social Services	768,298,814	36,583,812	249,986,108	83,555,050	471,341,468
Department of Services to Child/Youth/Families	106,601,491	4,867,349	39,893,598	29,431,793	42,143,448
Department of Correction	213,943,493	8,050,608	73,050,853	41,266,822	107,676,426
Department of Natural Resources	70,885,600	14,075,024	23,847,719	6,776,636	54,336,269
Department of Safety and Homeland Security	107,967,923	3,425,959	39,740,559	5,784,517	65,868,806
Department of Transportation	14,000,000	5,000	3,600,176	4,489,828	5,914,996
Department of Labor	6,787,700	618,084	2,685,108	791,682	3,928,994
Department of Agriculture	8,857,300	1,576,056	2,250,332	1,420,244	6,762,780
Department of Elections	3,683,200	943,489	1,260,807	293,230	3,072,652
Fire Prevention Commission	4,334,600	153,950	1,347,409	234,315	2,906,826
Delaware National Guard	3,969,900	361,255	2,389,049	872,058	1,070,048
Advisory Council for Exceptional Citizens	152,100	5,042	43,856	2,700	110,586
Higher Education	236,253,895	13,884,628	83,020,964	6,809,272	160,308,287
Department of Education	1,008,569,268	79,587,541	384,977,300	47,831,887	655,347,623
Total	\$ 3,168,302,819	\$ 327,813,630	\$ 1,229,231,469	\$ 284,282,947	\$ 1,982,602,033

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 10/31/2005

Exhibit B

	Fiscal Year 2006 \$(000) s	% Change	Fiscal Year 2005 \$(000) s	% Change	Fiscal Year 2004 \$(000) s	% Change	Fiscal Year 2003 \$(000) s
Salaries and Wages	407,240.0	11.5	365,180.3	5.0	347,877.8	10.5	314,896.9
Fringe Benefits (less Pension)	100,969.0	14.9	87,885.6	10.5	79,539.9	8.7	73,187.1
Pension Costs	67,405.2	24.2	54,252.8	12.7	48,118.2	28.2	37,530.0
Medicaid	126,578.9	11.2	113,787.1	12.2	101,402.9	7.3	94,467.0
*Public Assistance	24,163.5	(2.0)	24,661.1	6.5	23,147.6	4.3	22,187.1
*Grants	228,794.6	41.9	161,214.7	53.6	104,925.2	30.9	80,138.4
*Personal Services and Travel	61,352.3	20.2	51,055.6	0.4	50,854.0	(13.8)	58,995.8
*Contractual Services	95,324.0	17.2	81,339.0	(2.9)	83,762.6	0.7	83,200.1
Supplies and Materials	28,560.6	7.6	26,549.4	1.9	26,052.1	0.5	25,918.5
Capital Outlay	33,448.4	57.1	21,286.2	18.4	17,979.7	(25.5)	24,126.9
Debt Service	55,395.0	8.8	50,916.4	(3.5)	52,755.9	54.3	34,187.6
Total	\$ 1,229,231.5	18.4	\$ 1,038,128.1	10.9	\$ 936,415.8	10.3	\$ 848,835.3

*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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11/4/2005