



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

**RICHARD S. CORDREY
SECRETARY OF FINANCE**

January 28, 2008

TO: The Honorable Ruth Ann Minner, Governor
Members of the 144th General Assembly

Attached is the monthly financial report for the month ending December 31, 2007. 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%20Reports.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. Cordrey".

Richard S. Cordrey
Secretary of Finance

TLN:ed
Attachment

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OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$221.3million with no outstanding short-term general obligation debt as of December 31, 2007.

As of December 31, 2007
(\$ Millions)

	<u>FY08</u>	<u>FY07</u>	<u>FY06</u>	<u>FY05</u>
Beginning Fiscal Year Cash	\$ 590.9	\$ 690.6	\$ 701.2	\$ 646.0
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 369.6)</u>	<u>(\$ 471.4)</u>	<u>(\$ 429.0)</u>	<u>(\$ 262.3)</u>
Net Cash Balance	\$ 221.3	\$ 219.2	\$ 272.2	\$ 383.7

The net cash balance of \$221.3 million results from a beginning cash balance of \$590.9 million on July 1, 2007, less a \$369.6 million operating cash deficit for FY 2008. Included in the cash balance is a surplus of \$167.4 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.

\$182.8 million of the \$221.3 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 \$1,602.7 million.

State of Delaware
Statement of General Fund Cash Condition
as of 12/31/2007

Exhibit A

	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005
Beginning Fiscal Year Cash	\$ 590,888,376	\$ 690,571,679	\$ 701,197,260	\$ 645,961,410
Revenue				
<u>Receipts</u>				
Taxes	1,223,637,004	1,143,169,131	1,132,313,227	1,064,412,330
Licenses	5,158,680	5,588,465	5,003,985	5,593,321
Fees	43,639,025	40,024,865	39,756,849	36,594,504
Permits	281	211	170	311
Fines	1,303,537	1,278,093	1,007,958	1,029,423
Rentals & Sales	154,729,699	160,047,174	141,880,981	138,068,783
Governmental Contributions	135	2,895	8	0
Earnings and Investments	15,144,065	13,055,450	4,604,240	1,041,728
State Government/Agency Revenue	596,542	9,376,206	1,604,709	19,032,369
	<u>1,444,208,969</u>	<u>1,372,542,490</u>	<u>1,326,172,126</u>	<u>1,265,772,769</u>
Less Refund Disbursements	72,641,980	58,755,290	52,335,076	73,427,589
Total Revenue	1,371,566,989	1,313,787,200	1,273,837,050	1,192,345,180
Disbursements				
<u>Agency Expenditures</u>				
Legislature	6,742,936	6,526,244	6,275,998	5,655,672
Judicial	45,401,750	43,578,570	42,222,763	37,076,713
Executive	86,000,674	195,349,236	214,855,528	89,132,898
Department of Technology and Information	20,866,467	21,630,234	22,039,172	18,665,854
Other Elective Offices	42,794,856	39,662,641	39,098,634	43,580,720
Legal	22,403,720	20,914,557	18,113,162	15,989,091
Department of State	16,915,339	13,740,549	7,968,933	8,413,277
Department of Finance	20,741,567	25,369,319	41,936,768	33,116,944
Department of Administrative Services	0	0	0	32,901,857
Department of Health and Social Services	446,080,297	426,120,624	385,572,799	353,477,011
Department of Services to Child/Youth/Families	70,920,935	65,525,192	58,773,573	53,718,314
Department of Correction	129,640,516	122,028,143	107,576,066	93,894,931
Department of Natural Resources	35,598,301	35,671,945	32,811,063	23,172,913
Department of Safety and Homeland Security	61,721,333	58,179,666	53,904,319	48,414,609
Department of Transportation	3,190	1,870,590	5,865,431	0
Department of Labor	4,991,938	4,405,122	4,352,666	3,457,552
Department of Agriculture	4,089,091	4,268,524	3,657,630	3,115,477
Department of Elections	2,240,113	3,970,536	1,829,661	2,669,713
Fire Prevention Commission	2,464,005	2,328,413	2,018,921	2,019,458
Delaware National Guard	2,050,522	1,788,706	2,892,666	1,594,104
Advisory Council for Exceptional Citizens	88,328	82,785	64,183	56,297
Higher Education	127,811,885	125,750,093	120,732,955	114,831,107
Department of Education	593,509,708	567,959,234	532,442,768	473,704,813
	<u>1,743,077,472</u>	<u>1,786,720,925</u>	<u>1,705,005,658</u>	<u>1,458,659,324</u>
Less Vouchers Payable	1,907,869	1,584,084	2,192,777	4,018,358
Total Disbursements	1,741,169,603	1,785,136,841	1,702,812,881	1,454,640,966
Ending Cash Balance	\$ 221,285,762	\$ 219,222,038	\$ 272,221,428	\$ 383,665,624

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.

1/4/2008

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 12/31/2007

	Fiscal Year 2008	% Change	Fiscal Year 2007	% Change	Fiscal Year 2006	% Change	Fiscal Year 2005
Receipts							
Personal Income Taxes	\$ 501,340,368	1.1	\$ 495,671,599	7.0	\$ 463,349,111	8.9	\$ 425,389,143
Franchise Taxes	203,008,608	9.7	185,132,189	1.4	182,492,326	0.9	180,897,286
Corporate Fees	28,889,051	9.6	26,351,688	2.5	25,717,215	11.2	23,130,842
Limited Partnership and LLC	14,280,540	21.7	11,731,533	23.1	9,528,889	14.9	8,292,823
Uniform Commercial Code	7,181,610	12.4	6,389,870	(10.1)	7,104,111	4.8	6,779,349
Corporation Income Taxes	68,963,945	0.4	68,680,915	7.1	64,124,060	19.7	53,586,892
Bank Franchise Tax	57,152,094	(0.3)	57,324,478	7.5	53,305,154	(5.0)	56,110,971
Gross Receipts Tax	80,635,726	0.2	80,451,694	(16.3)	96,154,938	0.5	95,662,565
Lottery	120,831,486	(6.3)	129,016,846	13.8	113,336,368	0.8	112,426,270
Abandoned Property	110,852,191	53.6	72,171,588	(20.2)	90,389,942	9.4	82,621,609
Hospital Board and Treatment	33,877,334	9.3	31,002,221	8.7	28,517,773	11.3	25,617,384
Dividends and Interest	15,144,065	16.0	13,055,450	183.6	4,604,240	342.0	1,041,728
Realty Transfer Tax	45,835,726	(4.5)	48,011,163	(24.9)	63,900,363	5.8	60,413,817
Estate Tax	120,373	(50.4)	242,545	(94.0)	4,067,367	2.1	3,984,167
Insurance Taxes	45,193,694	(2.2)	46,209,988	51.4	30,524,670	12.3	27,177,283
Public Utility Tax	22,966,809	1.0	22,728,492	20.0	18,936,265	6.1	17,850,916
Cigarette Taxes	58,759,616	43.0	41,087,122	(3.5)	42,587,010	8.0	39,429,854
Other Revenues	29,175,736	(21.7)	37,283,109	35.4	27,532,326	(39.3)	45,359,869
Total Receipts	1,444,208,969	5.2	1,372,542,490	3.5	1,326,172,126	4.8	1,265,772,769
Refund Disbursements							
Personal Income Taxes	36,901,906		30,066,187		25,236,717		21,403,790
Franchise Taxes	3,440,981		4,410,848		5,529,715		10,765,818
Corporation Income Taxes	26,892,844		18,194,958		15,981,982		33,496,089
Bank Franchise Tax	39,858		502		48,800		705,270
Gross Receipts Tax	1,991,881		790,569		2,743,316		1,657,232
Abandoned Property	2,678,490		4,218,694		1,494,810		2,859,709
Estate Tax	638		359,523		374,177		124,770
Cigarette Taxes	127,432		82,132		124,646		134,516
Withholding	463,565		497,304		717,946		533,554
Insurance Taxes	31,195		62,219		4,636		1,348,088
Miscellaneous Refunds	73,191		72,355		78,330		398,753
Total Refund Disbursements	72,641,980	23.6	58,755,290	12.3	52,335,076	(28.7)	73,427,589
Net Receipts	\$ 1,371,566,989	4.4	\$ 1,313,787,200	3.1	\$ 1,273,837,050	6.8	\$ 1,192,345,180

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.
5. " % Change " for "Receipts" may be blank due to a significant value.

State of Delaware
Statement of General Fund Appropriation Balances
as of 12/31/2007

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	15,359,171	5,060,028	6,742,936	921,966	12,754,297
Judicial	89,383,300	3,451,990	45,401,750	3,172,530	44,261,010
Executive	168,365,657	92,097,687	86,000,674	35,338,559	139,124,111
Department of Technology and Information	39,022,300	1,948,150	20,866,467	5,959,100	14,144,883
Other Elective Offices	80,438,304	348,104	42,794,856	422,581	37,568,971
Legal	44,041,300	427,739	22,403,720	1,516,791	20,548,528
Department of State	36,110,200	12,717,238	16,915,339	3,610,539	28,301,561
Department of Finance	25,559,700	11,952,880	20,741,567	3,558,946	13,212,068
Department of Health and Social Services	929,977,385	34,085,334	446,080,297	87,281,812	430,700,611
Department of Services to Child/Youth/Families	130,866,760	8,037,616	70,920,935	21,328,336	46,655,104
Department of Correction	255,487,756	10,413,198	129,640,516	44,282,592	91,977,846
Department of Natural Resources	51,351,600	53,590,587	35,598,301	13,423,742	55,920,144
Department of Safety and Homeland Security	125,071,400	4,703,409	61,721,333	8,118,857	59,934,618
Department of Transportation		3,190	3,190		
Department of Labor	7,314,837	1,585,477	4,991,938	381,716	3,526,659
Department of Agriculture	8,793,500	1,601,987	4,089,091	1,291,099	5,015,297
Department of Elections	4,055,100	1,849,614	2,240,113	290,537	3,374,064
Fire Prevention Commission	4,871,300	476,473	2,464,005	296,795	2,586,973
Delaware National Guard	4,910,700	505,005	2,050,522	897,075	2,468,109
Advisory Council for Exceptional Citizens	176,600	9,361	88,328	1,679	95,954
Higher Education	252,561,099	5,002,047	127,811,885	3,045,045	126,706,216
Department of Education	1,137,472,093	85,925,845	593,509,708	54,223,770	575,664,461
Total	\$ 3,411,190,062	\$ 335,792,960	\$ 1,743,077,472	\$ 289,364,066	\$ 1,714,541,484

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 12/31/2007

Exhibit B

	Fiscal Year 2008 \$(000) s	%	Fiscal Year 2007 \$(000) s	%	Fiscal Year 2006 \$(000) s	%	Fiscal Year 2005 \$(000) s
		Change		Change		Change	
Salaries and Wages	634,739.4	5.5	601,379.2	4.4	575,957.0	9.3	527,016.2
Fringe Benefits (less Pension)	166,913.0	3.4	161,450.3	7.9	149,596.9	14.5	130,668.1
Pension Costs	112,113.0	8.7	103,166.8	11.4	92,579.3	24.1	74,577.7
Medicaid	238,451.4	9.5	217,861.1	11.1	196,052.3	9.9	178,459.2
*Public Assistance	45,670.2	(9.8)	50,659.4	27.4	39,753.0	9.9	36,175.9
*Grants	142,864.7	(45.6)	262,449.5	(5.1)	276,679.4	43.8	192,426.2
*Personal Services and Travel	103,666.7	(2.8)	106,617.8	15.7	92,182.1	17.9	78,196.3
*Contractual Services	150,010.7	13.5	132,139.8	(4.7)	138,624.0	14.7	120,837.0
Supplies and Materials	40,757.6	3.4	39,423.9	(1.0)	39,816.6	11.0	35,886.7
Capital Outlay	37,028.5	(27.4)	51,028.4	6.1	48,106.4	57.0	30,640.1
Debt Service	70,862.2	17.0	60,544.7	8.8	55,658.7	3.5	53,776.0
Total	\$ 1,743,077.5	(2.4)	\$ 1,786,720.9	4.8	\$ 1,705,005.6	16.9	\$ 1,458,659.3

*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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