



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

**RICHARD S. CORDREY
SECRETARY OF FINANCE**

April 13, 2006

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

Attached is the monthly financial report for the month ending March 31, 2006. 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. Cordrey". The signature is fluid and cursive, with a long horizontal stroke at the end.

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 \$391.4 million with no outstanding short-term general obligation debt as of March 31, 2006.

As of March 31, 2006
(\$ 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>(\$ 309.8)</u>	<u>(\$ 206.9)</u>	<u>(\$ 50.0)</u>	<u>(\$ 138.7)</u>
Net Cash Balance	\$ 391.4	\$ 439.1	\$ 414.0	\$ 343.1

The net cash balance of \$391.4 million results from a beginning cash balance of \$701.2 million on July 1, 2005, less a \$309.8 million operating cash deficit for FY 2006. Included in the cash balance is a surplus of \$76.6 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 \$391.4 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 \$1,529.2 million.

State of Delaware
Statement of General Fund Cash Condition
as of 3/31/2006

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	1,995,084,504	1,762,467,659	1,657,632,938	1,485,235,842
Licenses	9,001,431	11,035,716	7,947,955	6,710,039
Fees	73,024,134	68,615,124	62,580,916	58,270,705
Permits	558	756	619	835
Fines	1,773,161	2,141,665	1,863,179	1,668,579
Rentals & Sales	223,594,930	212,068,335	220,635,460	220,104,359
Governmental Contributions	327	0	28,865	0
Earnings and Investments	10,057,814	6,101,973	7,400,330	16,266,850
State Government/Agency Revenue	2,458,615	31,522,972	24,895,208	41,842,374
	<u>2,314,995,474</u>	<u>2,093,954,199</u>	<u>1,982,985,470</u>	<u>1,830,099,583</u>
Less Refund Disbursements	123,427,222	137,424,448	118,957,417	131,688,342
Total Revenue	2,191,568,251	1,956,529,752	1,864,028,053	1,698,411,241
Disbursements				
<u>Agency Expenditures</u>				
Legislature	9,732,376	8,352,270	7,952,419	7,849,599
Judicial	65,012,706	54,980,342	49,236,218	48,764,805
Executive	245,624,085	107,687,900	66,948,852	62,214,396
Department of Technology and Information	29,815,727	25,011,207	25,762,784	3,093,770
Other Elective Offices	53,566,590	83,598,981	54,198,482	33,491,289
Legal	28,186,562	23,707,580	21,394,296	21,937,497
Department of State	16,037,091	13,995,240	10,216,166	12,530,700
Department of Finance	56,531,632	37,154,216	25,343,675	11,099,932
Department of Administrative Services	0	51,976,210	37,007,597	35,550,184
Department of Health and Social Services	588,554,076	532,036,439	490,837,963	483,063,127
Department of Services to Child/Youth/Families	90,064,297	78,218,228	69,993,265	70,791,254
Department of Correction	169,946,090	146,124,285	133,177,356	132,839,288
Department of Natural Resources	45,318,543	33,444,753	32,515,620	29,982,357
Department of Safety and Homeland Security	85,354,521	73,542,784	70,281,969	73,070,777
Department of Transportation	8,452,564	0	0	0
Department of Labor	6,094,949	5,020,724	4,770,915	4,590,283
Department of Agriculture	5,495,220	5,188,656	5,369,846	4,360,517
Department of Elections	2,874,108	3,500,503	3,212,850	4,217,006
Fire Prevention Commission	3,425,797	3,281,767	2,841,016	2,844,509
Delaware National Guard	3,624,914	2,640,525	2,510,874	2,588,015
Advisory Council for Exceptional Citizens	106,541	81,557	76,933	72,602
Higher Education	187,312,206	173,429,512	152,923,294	153,798,411
Department of Education	804,193,901	705,187,834	650,223,009	642,870,578
	<u>2,505,324,497</u>	<u>2,168,161,515</u>	<u>1,916,795,398</u>	<u>1,841,620,896</u>
Less Vouchers Payable	3,946,772	4,743,830	2,701,777	4,534,610
Total Disbursements	2,501,377,725	2,163,417,685	1,914,093,622	1,837,086,286
Ending Cash Balance	\$ 391,387,786	\$ 439,073,477	\$ 413,953,005	\$ 343,077,623

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.

4/6/2006

State of Delaware

Exhibit A-1

Statement of General Fund Receipts and Refund Disbursements by Major Category as of 3/31/2006

	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003
Receipts							
Personal Income Taxes	\$ 787,576,176	13.8	\$ 691,955,204	10.4	\$ 626,793,272	6.9	\$ 586,271,456
Franchise Taxes	349,158,588	3.7	336,761,741	(1.7)	342,421,666	14.0	300,333,954
Corporate Fees	44,579,922	4.6	42,630,694	17.1	36,420,384	28.5	28,335,651
Limited Partnership and LLC	28,970,965	20.1	24,123,953	39.6	17,277,606	60.1	10,792,674
Uniform Commercial Code	10,950,518	6.0	10,327,438	4.7	9,865,242	(20.3)	12,382,705
Corporation Income Taxes	106,615,152	13.8	93,650,183	42.6	65,674,753	0.9	65,078,345
Bank Franchise Tax	75,296,204	(10.4)	83,999,765	3.5	81,144,301	(4.2)	84,675,089
Gross Receipts Tax	141,607,524	5.2	134,661,097	11.6	120,699,941	9.4	110,335,100
Lottery	179,665,308	4.8	171,449,576	8.3	158,340,677	(0.9)	159,773,644
Abandoned Property	245,896,699	40.1	175,468,766	(12.9)	201,473,916	18.6	169,899,108
Hospital Board and Treatment	43,894,926	8.2	40,586,468	(34.8)	62,260,799	3.2	60,301,259
Dividends and Interest	10,057,814	64.8	6,101,973	(17.5)	7,400,330	(54.5)	16,266,850
Realty Transfer Tax	92,281,938	3.3	89,353,452	26.8	70,474,530	33.1	52,936,498
Estate Tax	4,327,725	(20.2)	5,420,700	(40.3)	9,084,311	(26.1)	12,292,550
Insurance Taxes	53,720,661	100.2	26,827,347	(2.3)	27,461,375	0.4	27,339,096
Public Utility Tax	29,480,026	8.9	27,067,828	5.6	25,621,836	4.6	24,504,599
Cigarette Taxes	62,603,581	10.7	56,552,046	6.1	53,299,331	104.6	26,049,780
Other Revenues	48,311,746	(37.3)	77,015,967	14.5	67,271,201	(18.5)	82,531,224
Total Receipts	2,314,995,474	10.6	2,093,954,199	5.6	1,982,985,470	8.4	1,830,099,583
Refund Disbursements							
Personal Income Taxes	88,935,981		80,124,848		67,857,853		68,788,721
Franchise Taxes	5,710,987		11,738,381		14,790,240		14,661,042
Corporation Income Taxes	19,459,525		34,656,062		23,492,140		29,077,429
Bank Franchise Tax	1,160,487		706,770		1,518,405		3,734,460
Gross Receipts Tax	3,408,532		2,286,757		2,228,870		6,747,371
Abandoned Property	2,619,733		5,014,953		6,208,533		2,614,833
Estate Tax	903,719		307,591		1,588,801		438,635
Cigarette Taxes	182,924		135,035		172,791		197,849
Withholding	880,129		680,627		776,656		4,009,789
Insurance Taxes	48,205		1,348,088		179,524		891,447
Miscellaneous Refunds	117,000		425,335		143,605		526,764
Total Refund Disbursements	123,427,222	(10.2)	137,424,448	15.5	118,957,417	(9.7)	131,688,342
Net Receipts	\$ 2,191,568,251	12.0	\$ 1,956,529,752	5.0	\$ 1,864,028,053	9.8	\$ 1,698,411,241

NOTES:

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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.

4/6/2006

State of Delaware
Statement of General Fund Appropriation Balances
as of 3/31/2006

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,255,800	3,158,329	9,732,376	302,285	7,379,469
Judicial	74,370,430	4,959,362	65,012,706	2,306,607	12,010,479
Executive	326,808,362	101,828,778	245,624,085	32,655,348	150,357,707
Department of Technology and Information	34,312,100	3,763,372	29,815,727	2,658,420	5,601,325
Other Elective Offices	55,865,271	111,612	53,566,590	147,871	2,262,422
Legal	35,094,900	265,083	28,186,562	472,737	6,700,684
Department of State	20,920,700	12,454,535	16,037,091	1,067,776	16,270,368
Department of Finance	50,480,800	25,445,047	56,531,632	636,466	18,757,750
Department of Health and Social Services	768,739,751	41,243,888	588,554,076	37,178,214	184,251,348
Department of Services to Child/Youth/Families	107,826,785	5,806,349	90,064,297	10,343,645	13,225,192
Department of Correction	213,988,819	8,056,108	169,946,090	17,896,423	34,202,413
Department of Natural Resources	70,925,600	18,531,024	45,318,543	8,277,801	35,860,280
Department of Safety and Homeland Security	107,967,923	3,621,459	85,354,521	5,518,485	20,716,376
Department of Transportation	14,000,000	5,000	8,452,564	3,144,490	2,407,946
Department of Labor	6,748,796	623,084	6,094,949	229,405	1,047,525
Department of Agriculture	8,857,300	1,576,056	5,495,220	1,392,077	3,546,059
Department of Elections	3,683,200	943,489	2,874,108	166,787	1,585,794
Fire Prevention Commission	4,334,600	213,950	3,425,797	139,535	983,218
Delaware National Guard	4,069,900	361,255	3,624,914	353,467	452,773
Advisory Council for Exceptional Citizens	152,100	5,042	106,541	200	50,401
Higher Education	236,280,986	13,884,628	187,312,206	4,947,811	57,905,597
Department of Education	1,011,890,748	80,956,180	804,193,901	43,063,133	245,589,894
Total	\$ 3,171,574,870	\$ 327,813,630	\$ 2,505,324,497	\$ 172,898,984	\$ 821,165,019

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 3/31/2006

Exhibit B

	Fiscal Year 2006 \$(000) s	%	Fiscal Year 2005 \$(000) s	%	Fiscal Year 2004 \$(000) s	%	Fiscal Year 2003 \$(000) s
		Change		Change		Change	
Salaries and Wages	867,363.5	13.8	762,383.7	6.5	715,721.6	(1.4)	725,807.6
Fringe Benefits (less Pension)	226,794.7	15.8	195,908.7	12.3	174,486.7	5.0	166,158.7
Pension Costs	140,397.2	28.8	109,023.4	16.3	93,743.0	17.9	79,525.1
Medicaid	299,421.4	9.6	273,148.7	10.0	248,313.4	3.9	239,064.0
*Public Assistance	60,745.8	15.0	52,801.4	8.3	48,738.0	3.9	46,916.5
*Grants	338,348.9	35.1	250,360.1	31.6	190,229.8	23.2	154,377.0
*Personal Services and Travel	131,648.7	11.0	118,558.9	8.4	109,324.7	(10.0)	121,524.8
*Contractual Services	207,333.0	15.2	179,899.1	3.6	173,726.0	1.1	171,771.5
Supplies and Materials	55,862.1	10.4	50,609.4	6.0	47,765.0	4.2	45,852.9
Capital Outlay	62,472.8	43.2	43,616.3	32.3	32,976.3	(3.4)	34,143.3
Debt Service	114,936.5	(12.8)	131,851.9	61.2	81,772.6	44.8	56,479.6
Total	\$ 2,505,324.5	15.6	\$ 2,168,161.5	13.1	\$ 1,916,797.2	4.1	\$ 1,841,620.9

*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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4/6/2006