



STATE OF DELAWARE
DEPARTMENT OF FINANCE
OFFICE OF THE SECRETARY

RICHARD S. CORDREY
SECRETARY OF FINANCE

August 18, 2006

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

Attached is the monthly financial report for the month ending July 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".

Richard S. Cordrey
Secretary of Finance

TLN:ed
Attachment

CARVEL STATE BUILDING
820 N. FRENCH ST., 8TH FLR.
WILMINGTON, DELAWARE 19801
TELEPHONE: (302) 577 - 8979
FAX: (302) 577 - 8982

HASLET ARMORY
122 WILLIAM PENN STREET
DOVER, DELAWARE 19901
TELEPHONE: (302) 744 - 1100
FAX: (302) 739 - 1139

OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$518.0 million with no outstanding short-term general obligation debt as of July 31, 2006.

As of July 31, 2006
(\$ Millions)

	<u>FY07</u>	<u>FY06</u>	<u>FY05</u>	<u>FY04</u>
Beginning Fiscal Year Cash	690.6	\$ 701.2	\$ 646.0	\$ 464.0
<u>Operating Cash Surplus/(Deficit)</u>	<u>(\$ 172.6)</u>	<u>(\$ 132.8)</u>	<u>(\$ 165.2)</u>	<u>(\$ 96.5)</u>
Net Cash Balance	\$ 518.0	\$ 568.4	\$ 480.8	\$ 367.5

The net cash balance of \$518.0 million results from a beginning cash balance of \$690.6 million on July 1, 2006, less a \$172.6 million operating cash deficit for FY 2007. Included in the cash balance is a surplus of \$41.5 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.

\$175.4 million of the \$518.0 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 \$1,539.5 million.

State of Delaware
Statement of General Fund Cash Condition
as of 7/31/2006

Exhibit A

	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004
Beginning Fiscal Year Cash	\$ 690,571,679	\$ 701,197,260	\$ 645,961,410	\$ 464,018,574
Revenue				
<u>Receipts</u>				
Taxes	124,717,820	141,707,531	121,114,426	121,685,090
Licenses	396,237	435,080	326,273	205,127
Fees	4,748,562	5,462,130	5,314,153	4,584,580
Permits	56	50	110	105
Fines	117,633	124,927	106,690	61,303
Rentals & Sales	27,106,952	24,850,652	20,131,209	22,893,358
Earnings and Investments	1,028,099	1,225,810	6,561	897,754
State Government/Agency Revenue	150,145	77,780	3,715,406	1,223,625
	<u>158,265,504</u>	<u>173,883,961</u>	<u>150,714,827</u>	<u>151,579,807</u>
Less Refund Disbursements	8,467,522	7,551,677	8,283,182	11,457,202
Total Revenue	149,797,982	166,332,284	142,431,645	140,122,604
Disbursements				
<u>Agency Expenditures</u>				
Legislature	1,329,157	1,287,841	1,162,204	929,614
Judicial	6,992,623	6,161,658	5,501,432	5,573,592
Executive	63,110,604	50,820,218	56,133,477	8,378,361
Department of Technology and Information	3,426,319	4,006,164	3,442,802	6,569,544
Other Elective Offices	23,709,049	21,918,268	30,795,053	19,472,539
Legal	3,456,178	2,668,502	2,725,797	2,595,456
Department of State	1,796,474	1,164,250	1,059,489	955,575
Department of Finance	2,781,446	12,840,671	9,294,138	5,561,720
Department of Administrative Services	0	0	8,223,678	6,511,161
Department of Health and Social Services	57,902,176	45,948,362	45,383,009	46,353,638
Department of Services to Child/Youth/Families	10,421,245	9,410,092	9,248,228	8,682,893
Department of Correction	20,051,861	16,468,099	15,319,443	14,941,944
Department of Natural Resources	4,484,242	3,741,489	3,290,859	4,071,400
Department of Safety and Homeland Security	12,949,582	11,456,749	9,918,174	10,164,320
Department of Transportation	984,384	45,007	0	0
Department of Labor	709,145	336,513	739,246	344,583
Department of Agriculture	546,230	604,359	527,087	461,828
Department of Elections	344,577	275,639	349,784	306,406
Fire Prevention Commission	353,576	291,143	351,270	270,999
Delaware National Guard	254,719	296,771	267,230	374,425
Advisory Council for Exceptional Citizens	12,987	10,039	10,382	7,734
Higher Education	22,413,849	22,006,648	20,510,615	19,851,694
Department of Education	88,839,650	91,597,224	87,140,399	79,645,087
	<u>326,870,071</u>	<u>303,355,704</u>	<u>311,393,794</u>	<u>242,024,512</u>
Less Vouchers Payable	4,232,487	4,229,874	3,842,344	5,380,432
Total Disbursements	322,637,584	299,125,830	307,551,450	236,644,081
Ending Cash Balance	\$ 517,732,077	\$ 568,403,714	\$ 480,841,605	\$ 367,497,098

FY 07 "Revenue Receipts" and "Ending Cash Balance" are understated by \$300,000 due to an accounting system data entry error.
The error will be resolved by August 2006.

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.

8/16/2006

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 7/31/2006

Exhibit A-1

	Fiscal Year 2007	% Change	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004
Receipts							
Personal Income Taxes	\$ 73,312,406	13.5	\$ 64,587,821	9.1	\$ 59,196,361	(3.0)	\$ 61,008,761
Franchise Taxes	6,210,983	(37.9)	10,008,485	(5.1)	10,541,757	15.6	9,120,701
Corporate Fees	3,364,281	(10.1)	3,742,058	2.5	3,652,457	28.8	2,835,159
Limited Partnership and LLC	2,858,992	1.7	2,810,628	(6.4)	3,003,199	131.8	1,295,854
Uniform Commercial Code	737,187	(27.2)	1,012,959	(9.9)	1,124,357	(4.0)	1,171,546
Corporation Income Taxes	4,583,946	(35.6)	7,113,034	79.4	3,964,443	43.6	2,761,568
Bank Franchise Tax	34,761	-	1	(100.0)	12,394	-	0
Gross Receipts Tax	16,948,709	(12.8)	19,430,047	13.1	17,179,303	6.5	16,138,290
Lottery	23,040,548	8.3	21,264,989	25.7	16,914,777	(2.3)	17,306,108
Abandoned Property	2,726,846	(77.2)	11,959,686	90.3	6,284,878	(48.3)	12,159,709
Hospital Board and Treatment	4,061,122	13.3	3,584,734	12.9	3,176,390	(43.1)	5,585,300
Dividends and Interest	1,028,099	(16.1)	1,225,810	-	6,561	(99.3)	897,754
Realty Transfer Tax	8,052,162	(36.0)	12,573,352	33.3	9,429,411	11.7	8,442,167
Estate Tax	167,136	(76.8)	721,162	(20.2)	903,626	(16.1)	1,077,526
Insurance Taxes	238,659	(50.0)	477,107	118.0	218,811	(63.1)	592,301
Public Utility Tax	3,728,635	19.6	3,118,864	6.0	2,942,336	9.4	2,689,772
Cigarette Taxes	2,709,201	(55.0)	6,020,627	16.3	5,174,749	39.6	3,706,688
Other Revenues	4,461,834	5.4	4,232,598	(39.4)	6,989,018	45.9	4,790,605
Total Receipts	158,265,504	(9.0)	173,883,961	15.4	150,714,827	(0.6)	151,579,807
Refund Disbursements							
Personal Income Taxes	6,422,087		4,497,969		5,201,283		3,045,621
Franchise Taxes	892,035		864,518				4,437,847
Corporation Income Taxes	705,350		1,574,809		2,262,165		1,919,891
Gross Receipts Tax	296,336		347,550		367,908		58,574
Abandoned Property	49,287		37,651		242,548		1,719,946
Estate Tax			12,999		42,270		228,871
Cigarette Taxes	38,029		19,235		8,445		15,712
Withholding	60,117		182,564		148,386		25,039
Insurance Taxes			4,636				
Miscellaneous Refunds	4,280		9,747		10,176		5,702
Total Refund Disbursements	8,467,522	12.1	7,551,677	(8.8)	8,283,182	(27.7)	11,457,202
Net Receipts	\$ 149,797,982	(9.9)	\$ 166,332,284	16.8	\$ 142,431,645	1.6	\$ 140,122,604

FY 07 "Receipts" and "Net Receipts" are understated by \$300,000 due to an accounting system data entry error.
The error will be resolved by August 2006.

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. Additional Dividends and Interest may have been received but not officially recorded.
5. " % Change " for "Receipts" may be blank due to a significant value.

8/16/2006

State of Delaware
Statement of General Fund Appropriation Balances
as of 7/31/2006

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,482,771	4,204,321	1,329,157	315,992	17,041,943
Judicial	83,619,100	2,811,031	6,992,623	3,519,349	75,918,159
Executive	336,419,172	107,300,513	63,110,604	40,823,340	339,785,741
Department of Technology and Information	36,742,400	2,288,726	3,426,319	9,942,154	25,662,653
Other Elective Offices	57,651,506	7,395,683	23,709,049	633,268	40,704,873
Legal	39,682,800	266,140	3,456,178	2,404,566	34,088,196
Department of State	26,576,300	14,117,814	1,796,474	1,552,661	37,344,978
Department of Finance	30,065,900	10,231,215	2,781,446	1,289,780	36,225,889
Department of Health and Social Services	872,403,992	25,041,621	57,902,176	104,137,755	735,405,681
Department of Services to Child/Youth/Families	121,509,100	5,745,835	10,421,245	26,548,860	90,284,830
Department of Correction	232,228,776	9,569,425	20,051,861	59,745,304	162,001,037
Department of Natural Resources	72,429,900	41,258,531	4,484,242	11,542,079	97,662,111
Department of Safety and Homeland Security	118,608,300	3,367,773	12,949,582	4,475,204	104,551,288
Department of Transportation		1,978,060	984,384	985,970	7,706
Department of Labor	7,330,800	273,130	709,145	604,674	6,290,112
Department of Agriculture	8,354,500	2,570,527	546,230	1,128,940	9,249,857
Department of Elections	3,969,200	2,968,998	344,577	469,943	6,123,678
Fire Prevention Commission	4,996,100	162,923	353,576	148,293	4,657,153
Delaware National Guard	4,333,200	447,538	254,719	966,967	3,559,052
Advisory Council for Exceptional Citizens	168,800	1,368	12,987	627	156,554
Higher Education	242,669,400	10,931,642	22,413,849	6,772,096	224,415,097
Department of Education	1,081,367,983	89,580,681	88,839,650	65,731,636	1,016,377,377
Total	\$ 3,395,610,000	\$ 342,513,497	\$ 326,870,071	\$ 343,739,459	\$ 3,067,513,967

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.

8/16/2006

State of Delaware
Statement of General Fund Expenditures by Major Category
as of 7/31/2006

Exhibit B

	Fiscal Year 2007 \$(000) s	%	Fiscal Year 2006 \$(000) s	%	Fiscal Year 2005 \$(000) s	%	Fiscal Year 2004 \$(000) s
		Change		Change		Change	
Salaries and Wages	89,853.9	(1.4)	91,104.3	9.5	83,190.2	2.9	80,872.6
Fringe Benefits (less Pension)	25,156.7	6.0	23,723.5	14.6	20,693.8	10.0	18,809.6
Pension Costs	18,785.5	7.7	17,448.2	21.6	14,351.2	5.0	13,666.6
Medicaid	30,504.1	64.6	18,530.4	(3.7)	19,244.6	(3.3)	19,910.9
*Public Assistance	3,674.3	(10.7)	4,112.4	(18.3)	5,031.6	11.8	4,501.8
*Grants	74,755.0	24.0	60,263.4	(28.3)	84,040.1	160.1	32,314.7
*Personal Services and Travel	10,870.0	(9.7)	12,034.9	22.5	9,821.4	(0.5)	9,873.9
*Contractual Services	18,314.8	(35.4)	28,334.5	44.7	19,581.5	(18.7)	24,075.6
Supplies and Materials	4,940.1	15.9	4,261.6	(12.5)	4,872.6	(5.8)	5,172.2
Capital Outlay	12,327.9	44.5	8,533.3	26.9	6,723.2	5.7	6,359.4
Debt Service	37,687.9	7.7	35,009.2	(20.1)	43,843.7	65.7	26,467.2
Total	\$ 326,870.1	7.8	\$ 303,355.7	(2.6)	\$ 311,393.8	28.7	\$ 242,024.5

*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.

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.

8/16/2006