



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

**RICHARD S. CORDREY
SECRETARY OF FINANCE**

February 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 January 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", written over a horizontal line.

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**

**THOMAS COLLINS BUILDING
540 S. DUPONT HIGHWAY, 3RD FLR.
DOVER, DELAWARE 19901
TELEPHONE: (302) 744 - 1100
FAX: (302) 744 - 1045**

OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative operating surplus and cash balance of \$305.4 million with no outstanding short-term general obligation debt as of January 31, 2006.

As of January 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>(\$ 395.8)</u>	<u>(\$ 317.7)</u>	<u>(\$ 217.9)</u>	<u>(\$ 238.7)</u>
Net Cash Balance	\$ 305.4	\$ 328.3	\$ 246.1	\$ 243.1

The net cash balance of \$305.4 million results from a beginning cash balance of \$701.2 million on July 1, 2005, less a \$395.8 million operating cash deficit for FY 2006. Included in the cash balance is a surplus of \$138.0 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 \$305.4 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 \$1,538.4 million.

State of Delaware
Statement of General Fund Cash Condition
as of 1/31/2006

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	1,368,292,879	1,234,522,483	1,106,960,894	1,016,897,416
Licenses	7,443,422	8,229,033	6,944,058	5,969,073
Fees	51,768,212	47,702,050	40,763,376	42,379,978
Permits	274	525	366	655
Fines	1,134,202	1,351,575	1,093,477	976,126
Rentals & Sales	171,670,613	164,075,225	166,858,087	172,423,175
Governmental Contributions	8	0	28,865	0
Earnings and Investments	5,998,495	2,635,829	5,162,325	14,272,662
State Government/Agency Revenue	1,857,906	26,687,996	20,343,302	36,920,562
	<u>1,608,166,010</u>	<u>1,485,204,716</u>	<u>1,348,154,750</u>	<u>1,289,839,646</u>
Less Refund Disbursements	61,994,451	82,021,643	64,913,662	79,995,538
Total Revenue	1,546,171,559	1,403,183,073	1,283,241,088	1,209,844,108
Disbursements				
<u>Agency Expenditures</u>				
Legislature	7,232,041	6,531,866	6,074,506	6,058,199
Judicial	48,545,566	42,900,801	38,747,435	38,404,818
Executive	224,037,380	92,396,610	59,462,881	56,619,413
Department of Technology and Information	24,355,884	20,739,642	22,112,811	1,502,088
Other Elective Offices	39,406,720	72,692,347	40,551,789	25,425,047
Legal	21,218,262	18,612,626	16,964,780	17,477,702
Department of State	9,676,335	10,270,906	8,469,311	9,425,331
Department of Finance	46,371,562	34,575,016	22,805,697	8,802,303
Department of Administrative Services	0	39,199,804	28,665,596	27,207,075
Department of Health and Social Services	451,979,764	413,096,215	374,552,539	367,618,207
Department of Services to Child/Youth/Families	68,669,438	62,909,832	55,589,682	56,571,076
Department of Correction	124,856,956	111,778,362	104,057,614	103,892,070
Department of Natural Resources	35,998,947	26,505,062	26,815,306	23,467,947
Department of Safety and Homeland Security	67,127,227	59,858,534	58,302,426	60,038,099
Department of Transportation	6,791,594	0	0	0
Department of Labor	5,017,751	3,946,477	3,665,446	4,022,395
Department of Agriculture	4,156,537	3,963,126	4,336,872	3,379,705
Department of Elections	2,125,549	2,984,154	2,048,991	3,716,978
Fire Prevention Commission	2,312,424	2,426,138	2,017,773	2,046,775
Delaware National Guard	3,203,753	1,860,332	1,824,662	1,752,283
Advisory Council for Exceptional Citizens	73,875	64,020	60,990	57,973
Higher Education	138,154,067	134,228,274	116,566,021	118,582,112
Department of Education	614,607,000	568,211,827	518,629,048	516,406,782
	<u>1,945,918,632</u>	<u>1,729,751,973</u>	<u>1,512,322,176</u>	<u>1,452,474,379</u>
Less Vouchers Payable	3,972,731	8,870,107	11,172,733	4,021,306
Total Disbursements	1,941,945,901	1,720,881,866	1,501,149,443	1,448,453,072
Ending Cash Balance	\$ 305,422,918	\$ 328,262,617	\$ 246,110,218	\$ 243,143,705

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.

2/7/2006

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 1/31/2006

Exhibit A-1

	Fiscal Year 2006	% Change	Fiscal Year 2005	% Change	Fiscal Year 2004	% Change	Fiscal Year 2003
Receipts							
Personal Income Taxes	\$ 605,207,457	14.0	\$ 530,791,820	9.9	\$ 482,808,702	4.6	\$ 461,539,579
Franchise Taxes	200,875,938	1.5	197,826,080	9.3	181,005,155	(2.9)	186,390,610
Corporate Fees	31,321,310	11.6	28,066,273	13.1	24,812,585	22.0	20,330,813
Limited Partnership and LLC	10,489,288	15.6	9,075,647	49.7	6,062,716	35.4	4,476,289
Uniform Commercial Code	8,493,724	6.5	7,975,760	7.5	7,421,071	(23.5)	9,695,743
Corporation Income Taxes	70,104,971	25.5	55,840,451	32.6	42,098,734	(5.7)	44,664,754
Bank Franchise Tax	53,471,130	(6.4)	57,140,434	6.9	53,446,579	8.8	49,108,659
Gross Receipts Tax	117,257,494	5.4	111,249,978	19.6	93,039,944	2.6	90,724,124
Lottery	138,296,825	3.1	134,108,996	11.9	119,897,555	(5.4)	126,692,832
Abandoned Property	113,759,875	25.5	90,632,057	7.8	84,107,880	60.9	52,275,867
Hospital Board and Treatment	33,340,615	11.4	29,938,817	(36.2)	46,931,942	2.7	45,704,365
Dividends and Interest	5,998,495	127.6	2,635,829	(48.9)	5,162,325	(63.8)	14,272,662
Realty Transfer Tax	75,402,199	7.4	70,180,900	24.6	56,340,804	33.1	42,314,870
Estate Tax	4,276,454	(0.6)	4,300,608	(37.8)	6,915,505	(31.6)	10,113,266
Insurance Taxes	30,600,334	11.7	27,402,119	5.0	26,084,934	14.5	22,783,037
Public Utility Tax	22,502,149	7.7	20,885,823	8.3	19,291,817	2.7	18,792,949
Cigarette Taxes	49,251,531	9.6	44,919,534	7.1	41,949,869	103.3	20,634,745
Other Revenues	37,516,222	(39.7)	62,233,588	22.6	50,776,632	(26.8)	69,324,482
Total Receipts	1,608,166,010	8.3	1,485,204,716	10.2	1,348,154,750	4.5	1,289,839,646
Refund Disbursements							
Personal Income Taxes	31,190,104		27,396,675		20,693,984		21,227,284
Franchise Taxes	5,539,862		11,281,625		13,965,325		14,661,042
Corporation Income Taxes	17,681,575		34,396,628		19,312,665		26,068,838
Bank Franchise Tax	1,160,487		706,770		1,518,405		3,734,460
Gross Receipts Tax	2,830,103		1,955,294		2,093,080		6,420,263
Abandoned Property	1,615,469		3,679,446		5,014,607		2,200,405
Estate Tax	892,609		171,717		1,319,389		431,976
Cigarette Taxes	162,012		141,804		131,555		159,948
Withholding	815,463		543,425		718,146		3,785,744
Insurance Taxes	17,044		1,348,088		54,211		891,447
Miscellaneous Refunds	89,725		400,171		92,296		414,130
Total Refund Disbursements	61,994,451	(24.4)	82,021,643	26.4	64,913,662	(18.9)	79,995,538
Net Receipts	\$ 1,546,171,559	10.2	\$ 1,403,183,073	9.3	\$ 1,283,241,088	6.1	\$ 1,209,844,108

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.

2/7/2006

State of Delaware
Statement of General Fund Appropriation Balances
as of 1/31/2006

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	14,255,800	3,158,329	7,232,041	647,093	9,534,994
Judicial	74,370,430	4,130,462	48,545,566	3,009,049	26,946,277
Executive	328,172,206	105,253,978	224,037,380	35,320,700	174,068,104
Department of Technology and Information	34,312,100	3,763,372	24,355,884	4,202,654	9,516,934
Other Elective Offices	55,865,271	4,511,612	39,406,720	163,517	20,806,647
Legal	35,094,900	265,083	21,218,262	918,965	13,222,756
Department of State	20,920,700	12,454,535	9,676,335	1,380,488	22,318,412
Department of Finance	50,480,800	25,445,047	46,371,562	752,125	28,802,160
Department of Health and Social Services	768,655,610	39,793,812	451,979,764	54,222,241	302,247,417
Department of Services to Child/Youth/Families	106,656,785	5,206,349	68,669,438	16,995,685	26,198,011
Department of Correction	213,919,116	8,056,108	124,856,956	27,216,853	69,901,414
Department of Natural Resources	70,885,600	14,075,024	35,998,947	8,328,799	40,632,878
Department of Safety and Homeland Security	107,967,923	3,621,459	67,127,227	6,655,325	37,806,830
Department of Transportation	14,000,000	5,000	6,791,594	3,501,174	3,712,232
Department of Labor	6,775,887	623,084	5,017,751	270,877	2,110,342
Department of Agriculture	8,857,300	1,576,056	4,156,537	1,614,655	4,662,165
Department of Elections	3,683,200	943,489	2,125,549	210,827	2,290,313
Fire Prevention Commission	4,334,600	153,950	2,312,424	141,919	2,034,207
Delaware National Guard	4,069,900	361,255	3,203,753	608,634	618,768
Advisory Council for Exceptional Citizens	152,100	5,042	73,875	2,700	80,567
Higher Education	236,253,895	13,884,628	138,154,067	5,430,343	106,554,113
Department of Education	1,011,890,748	80,525,957	614,607,000	54,300,451	423,509,254
Total	\$ 3,171,574,870	\$ 327,813,630	\$ 1,945,918,632	\$ 225,895,073	\$ 1,327,574,795

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2/7/2006

State of Delaware
Statement of General Fund Expenditures by Major Category
as of 1/31/2006

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	665,852.7	9.6	607,448.8	6.9	568,467.1	(2.2)	580,987.9
Fringe Benefits (less Pension)	174,387.0	14.2	152,723.7	12.2	136,116.4	4.2	130,599.4
Pension Costs	110,296.4	23.8	89,084.3	15.0	77,440.4	16.8	66,316.8
Medicaid	231,784.0	10.4	209,976.4	13.5	184,933.3	4.5	176,943.8
*Public Assistance	46,852.4	10.0	42,583.9	11.1	38,313.4	5.7	36,254.3
*Grants	294,082.1	40.2	209,804.7	31.9	159,111.6	32.1	120,492.2
*Personal Services and Travel	103,899.8	11.4	93,245.9	7.9	86,446.7	(13.9)	100,457.9
*Contractual Services	162,535.0	15.0	141,302.5	2.8	137,505.8	0.5	136,838.0
Supplies and Materials	45,827.6	12.5	40,739.0	5.0	38,812.8	0.4	38,644.9
Capital Outlay	54,742.9	60.9	34,029.5	20.0	28,353.8	(7.8)	30,751.6
Debt Service	55,658.7	(48.8)	108,813.3	91.5	56,820.8	66.2	34,187.6
Total	\$ 1,945,918.6	12.5	\$ 1,729,752.0	14.4	\$ 1,512,322.2	4.1	\$ 1,452,474.4

*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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