



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

**RICHARD S. CORDREY
SECRETARY OF FINANCE**

March 28, 2008

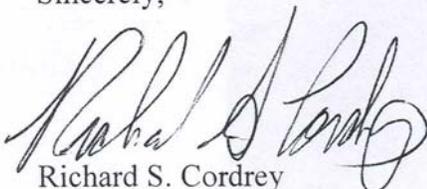
TO: The Honorable Ruth Ann Minner, Governor
Members of the 144th General Assembly

Attached is the monthly financial report for the month ending February 29, 2008. 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.finance.delaware.gov/publications/Financial_Reports.shtml

If you have any questions or desire additional information, please contact this office.

Sincerely,



Richard S. Cordrey
Secretary of Finance

TLN:ed
Attachment

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OVERVIEW

GENERAL FUND CASH BALANCE

The General Fund had a cumulative deficit of \$31.6 million with no outstanding short-term general obligation debt as of February 29, 2008.

As of February 29, 2008
(\$ 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>(\$ 439.7)</u>	<u>(\$ 509.9)</u>	<u>(\$ 376.2)</u>	<u>(\$ 307.2)</u>
Net Operating Cash Balance	\$ 151.2	\$ 180.7	\$ 325.0	\$ 338.8

The net operating cash balance of \$151.2 million results from a beginning cash balance of \$590.9 million on July 1, 2007, less a \$439.7 million operating cash deficit for FY 2008. Included in the net operating cash balance is a surplus of \$115.6 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.

\$182.8 million 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). It should be noted that the difference between the \$182.8 million and the net operating cash balance of \$151.2 million represents a temporary interfund borrowing of \$31.6 million, pursuant to § 7404(d), Title 29, Delaware Code.

The combined General Fund/Special Fund Cash Balance was \$1,465.9 million.

State of Delaware
Statement of General Fund Cash Condition
as of 2/29/2008

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	1,762,442,635	1,636,093,035	1,648,387,803	1,448,705,397
Licenses	9,171,801	11,910,777	8,199,239	9,664,581
Fees	67,084,923	61,812,789	62,131,375	55,832,139
Permits	548	398	446	577
Fines	2,100,282	2,075,118	1,352,914	1,725,491
Rentals & Sales	208,053,646	210,909,490	197,231,347	189,112,621
Governmental Contributions	135	4,803,585	327	0
Earnings and Investments	21,580,051	14,691,002	7,406,780	4,699,080
State Government/Agency Revenue	2,113,682	10,524,735	1,987,761	28,096,922
	<u>2,072,547,702</u>	<u>1,952,820,929</u>	<u>1,926,697,992</u>	<u>1,737,836,807</u>
Less Refund Disbursements	125,349,650	113,856,791	91,216,843	105,084,664
Total Revenue	1,947,198,052	1,838,964,139	1,835,481,150	1,632,752,144
Disbursements				
<u>Agency Expenditures</u>				
Legislature	9,384,632	8,541,738	8,414,778	7,530,941
Judicial	62,270,753	57,728,525	55,555,347	48,931,499
Executive	118,733,855	228,577,477	235,576,871	97,271,893
Department of Technology and Information	27,739,118	26,533,338	27,037,256	22,519,761
Other Elective Offices	54,632,804	48,921,356	47,719,264	77,934,911
Legal	30,705,650	26,952,223	23,951,902	21,082,126
Department of State	22,933,558	17,500,993	12,173,258	12,583,300
Department of Finance	25,342,988	31,120,424	50,963,383	35,806,737
Department of Administrative Services	0	0	0	45,430,150
Department of Health and Social Services	613,052,438	567,257,742	514,851,627	471,610,514
Department of Services to Child/Youth/Families	96,710,350	87,620,250	78,766,321	70,207,703
Department of Correction	178,818,209	163,836,160	145,314,382	128,541,319
Department of Natural Resources	46,396,686	45,595,587	39,580,303	29,917,435
Department of Safety and Homeland Security	85,886,377	80,746,226	74,682,762	66,212,840
Department of Transportation	3,190	1,870,590	7,538,054	0
Department of Labor	6,106,518	5,473,477	5,547,783	4,424,241
Department of Agriculture	6,221,038	6,072,761	4,764,010	4,599,849
Department of Elections	3,777,736	5,003,622	2,445,819	3,205,127
Fire Prevention Commission	3,491,958	3,415,750	2,938,708	2,882,604
Delaware National Guard	2,979,428	2,551,555	3,475,548	2,317,024
Advisory Council for Exceptional Citizens	122,228	114,600	90,289	72,572
Higher Education	177,304,338	175,896,452	164,365,510	155,498,957
Department of Education	818,432,020	760,536,969	710,153,327	637,042,515
	<u>2,391,045,872</u>	<u>2,351,867,815</u>	<u>2,215,906,502</u>	<u>1,945,624,018</u>
Less Vouchers Payable	4,175,619	3,081,693	4,180,644	5,694,307
Total Disbursements	2,386,870,253	2,348,786,122	2,211,725,858	1,939,929,711
Ending Cash Balance	\$ 151,216,175	\$ 180,749,695	\$ 324,952,552	\$ 338,783,843

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.

3/6/2008

State of Delaware
Statement of General Fund Receipts and Refund Disbursements by Major Category
as of 2/29/2008

	Fiscal Year 2008	% Change	Fiscal Year 2007	% Change	Fiscal Year 2006	% Change	Fiscal Year 2005
Receipts							
Personal Income Taxes	\$ 714,605,943	0.2	\$ 713,439,803	3.7	\$ 688,263,370	13.3	\$ 607,594,638
Franchise Taxes	321,174,632	20.8	265,786,318	(2.2)	271,645,929	0.5	270,408,576
Corporate Fees	41,723,956	8.1	38,596,237	(0.4)	38,738,563	15.0	33,699,077
Limited Partnership and LLC	21,354,626	23.4	17,303,660	28.3	13,484,385	24.2	10,858,549
Uniform Commercial Code	9,345,849	11.4	8,392,667	(13.3)	9,677,687	8.0	8,964,859
Corporation Income Taxes	75,417,389	(1.1)	76,292,072	4.2	73,251,854	25.8	58,250,841
Bank Franchise Tax	71,089,165	(21.7)	90,809,865	27.0	71,504,532	7.7	66,369,687
Gross Receipts Tax	110,642,024	0.9	109,627,414	(15.7)	130,053,170	5.4	123,413,753
Lottery	162,205,936	(4.1)	169,143,795	6.4	158,925,501	3.8	153,072,220
Abandoned Property	211,228,357	50.9	139,959,648	(19.9)	174,680,850	62.8	107,322,717
Hospital Board and Treatment	45,824,757	10.0	41,652,352	8.8	38,272,223	6.3	36,009,867
Dividends and Interest	21,580,051	46.9	14,691,002	98.3	7,406,780	57.6	4,699,080
Realty Transfer Tax	61,082,605	(4.9)	64,209,397	(23.1)	83,525,112	3.7	80,547,022
Estate Tax	123,281	(54.0)	268,038	(93.7)	4,278,187	(7.2)	4,607,864
Insurance Taxes	49,501,006	(11.0)	55,600,048	38.8	40,058,935	32.3	30,277,619
Public Utility Tax	31,653,224	3.5	30,573,382	17.2	26,097,351	10.5	23,615,418
Cigarette Taxes	76,459,725	40.4	54,477,012	(1.0)	55,000,650	10.9	49,590,090
Other Revenues	47,535,175	(23.3)	61,998,218	48.2	41,832,913	(39.0)	68,534,928
Total Receipts	2,072,547,702	6.1	1,952,820,929	1.4	1,926,697,992	10.9	1,737,836,807
Refund Disbursements							
Personal Income Taxes	76,186,391		58,655,550		57,391,883		48,664,054
Franchise Taxes	3,543,486		4,417,347		5,710,987		11,496,075
Corporation Income Taxes	39,191,440		42,296,012		19,650,162		35,185,426
Bank Franchise Tax	40,408		1,552		1,160,487		706,770
Gross Receipts Tax	2,753,200		1,399,339		3,250,496		1,991,048
Abandoned Property	2,654,888		5,476,173		1,984,133		4,242,516
Estate Tax	10,689		377,191		900,162		307,591
Cigarette Taxes	160,835		136,981		171,129		150,742
Withholding	599,357		802,183		839,406		591,964
Insurance Taxes	133,945		109,807		48,205		1,348,088
Miscellaneous Refunds	75,010		184,656		109,792		400,388
Total Refund Disbursements	125,349,650	10.1	113,856,791	24.8	91,216,843	(13.2)	105,084,664
Net Receipts	\$ 1,947,198,052	5.9	\$ 1,838,964,139	0.2	\$ 1,835,481,150	12.4	\$ 1,632,752,144

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

State of Delaware
Statement of General Fund Appropriation Balances
as of 2/29/2008

Exhibit A-2

	Current FY Appropriations	Prior Year Continuing and Encumbered	Expenditures	Encumbrances	Unencumbered Balance
Legislature	15,359,171	5,060,028	9,384,632	736,550	10,298,016
Judicial	89,383,300	3,526,648	62,270,753	2,624,415	28,014,780
Executive	168,641,833	92,240,405	118,733,855	31,365,372	110,783,011
Department of Technology and Information	39,022,300	1,948,150	27,739,118	5,211,225	8,020,108
Other Elective Offices	80,438,304	348,104	54,632,804	178,309	25,975,295
Legal	44,041,300	427,739	30,705,650	1,085,297	12,678,092
Department of State	35,823,200	12,743,238	22,933,558	3,247,906	22,384,974
Department of Finance	25,559,700	11,957,005	25,342,988	2,183,657	9,990,061
Department of Health and Social Services	929,988,210	34,539,324	613,052,438	66,159,544	285,315,552
Department of Services to Child/Youth/Families	130,866,760	8,037,616	96,710,350	16,250,625	25,943,401
Department of Correction	255,487,756	10,413,198	178,818,209	32,662,100	54,420,645
Department of Natural Resources	51,351,600	52,590,587	46,396,686	16,326,378	41,219,123
Department of Safety and Homeland Security	125,071,400	4,703,409	85,886,377	8,006,962	35,881,470
Department of Transportation		3,190	3,190		
Department of Labor	7,314,837	1,735,477	6,106,518	312,263	2,631,534
Department of Agriculture	8,793,500	1,601,987	6,221,038	1,059,387	3,115,062
Department of Elections	4,055,100	1,849,614	3,777,736	243,773	1,883,205
Fire Prevention Commission	4,871,300	476,473	3,491,958	223,642	1,632,172
Delaware National Guard	4,910,700	505,005	2,979,428	586,112	1,850,166
Advisory Council for Exceptional Citizens	176,600	9,361	122,228	153	63,580
Higher Education	252,561,099	5,032,047	177,304,338	2,905,860	77,382,947
Department of Education	1,137,472,093	86,044,354	818,432,020	52,883,097	352,201,330
Total	\$ 3,411,190,062	\$ 335,792,960	\$ 2,391,045,872	\$ 244,252,627	\$ 1,111,684,523

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State of Delaware
Statement of General Fund Expenditures by Major Category
as of 2/29/2008

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	872,771.5	11.3	784,074.5	4.6	749,252.8	9.3	685,614.2
Fringe Benefits (less Pension)	226,309.9	5.1	215,322.4	8.3	198,857.6	14.3	173,926.0
Pension Costs	155,971.7	13.8	137,098.5	12.0	122,438.2	23.6	99,058.8
Medicaid	327,162.4	10.4	296,465.5	11.5	265,852.9	9.6	242,603.0
*Public Assistance	63,587.0	(1.9)	64,800.6	23.1	52,621.8	10.6	47,595.4
*Grants	189,386.6	(36.0)	295,741.6	(5.8)	314,061.0	38.0	227,590.5
*Personal Services and Travel	139,991.9	(2.4)	143,389.8	24.2	115,406.3	10.9	104,060.3
*Contractual Services	203,928.9	6.3	191,766.8	4.5	183,516.5	14.9	159,758.4
Supplies and Materials	51,608.3	2.9	50,130.9	(0.2)	50,243.4	10.8	45,341.6
Capital Outlay	43,336.4	(31.4)	63,133.2	7.8	58,540.3	55.7	37,603.1
Debt Service	116,991.3	6.4	109,944.1	4.6	105,115.7	(14.2)	122,472.7
Total	\$ 2,391,045.9	1.7	\$ 2,351,867.8	6.1	\$ 2,215,906.5	13.9	\$ 1,945,624.0

*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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3/6/2008