

Government-wide Financial Statements

Statement of Net Assets

June 30, 2003

(Dollars in Thousands)

| | Primary Government | | | Component Units |
|--|----------------------------|-----------------------------|-------------------|--------------------|
| | Governmental Activities | Business-Type Activities | Total | |
| Assets | | | | |
| Cash and Cash Equivalents (Notes 1 and 4) | \$ 1,708,644 | \$ 584,356 | \$ 2,293,000 | \$ 1,080,227 |
| Investments (Notes 1 and 4) | 1,410,504 | 1,216,899 | 2,627,403 | 3,729,788 |
| Receivables, Net (Notes 1 and 5) | 1,547,481 | 465,226 | 2,012,707 | 2,688,479 |
| Internal Balances (Note 1) | 46,986 | (46,986) | - | - |
| Due from Primary Government (Note 6) | - | - | - | 360 |
| Due from Component Units (Note 6) | - | - | - | 39,232 |
| Due from External Parties (Fiduciary Funds) (Note 6) | 3,851 | - | 3,851 | - |
| Inventory (Note 1) | 99,501 | 36,842 | 136,343 | 44,977 |
| Prepaid Items (Note 1) | 5,569 | 3,149 | 8,718 | 50,931 |
| Other Assets (Notes 1 and 7) | 8,738 | 5,976 | 14,714 | 149,025 |
| Loans Receivable from Primary Government (Notes 1 and 6) | - | - | - | 161,640 |
| Loans Receivable from Component Units (Notes 1 and 6) | 464,579 | - | 464,579 | - |
| Restricted Cash and Cash Equivalents (Notes 4 and 8) | - | - | - | 691,434 |
| Restricted Investments (Notes 4 and 8) | - | - | - | 2,977,415 |
| Other Restricted Assets (Note 8) | - | - | - | 5,197,303 |
| Nondepreciable Capital Assets (Notes 1 and 9) | 4,249,004 | 16,117 | 4,265,121 | 1,050,204 |
| Depreciable Capital Assets, Net (Notes 1 and 9) | 8,748,648 | 343,722 | 9,092,370 | 4,442,446 |
| Total Assets | 18,293,505 | 2,625,301 | 20,918,806 | 22,303,461 |
| Liabilities | | | | |
| Accounts Payable (Notes 1 and 16) | 592,034 | 33,347 | 625,381 | 570,164 |
| Amounts Due to Other Governments | 402,105 | 2,527 | 404,632 | 75,292 |
| Due to Component Units (Note 6) | 360 | - | 360 | 39,232 |
| Due to External Parties (Fiduciary Funds) (Note 6) | 217 | - | 217 | - |
| Deferred Revenue (Note 1) | 110,296 | 5,198 | 115,494 | 210,599 |
| Claims Payable (Notes 1 and 15) | 267,985 | 22,888 | 290,873 | - |
| Obligations Under Securities Lending Program (Notes 1 and 4) | 208,152 | 235,626 | 443,778 | 183,946 |
| Other Liabilities (Notes 1 and 17) | 807,087 | 88,185 | 895,272 | 557,097 |
| Loans Payable to Primary Government (Notes 1 and 6) | - | - | - | 464,579 |
| Loans Payable to Component Units (Notes 1 and 6) | 161,640 | - | 161,640 | - |
| Long-term Liabilities: | | | | |
| Due Within One Year (Notes 1, 14, and 18) | 417,510 | 109,581 | 527,091 | 951,190 |
| Due in More Than One Year (Notes 1, 14, and 18) | 4,192,455 | 1,956,501 | 6,148,956 | 10,154,628 |
| Total Liabilities | 7,159,841 | 2,453,853 | 9,613,694 | 13,206,727 |

The accompanying notes are an integral part of this financial statement.

| | Primary Government | | | Component Units |
|---|----------------------------|-----------------------------|----------------------|---------------------|
| | Governmental Activities | Business-Type Activities | Total | |
| Net Assets | | | | |
| Invested in Capital Assets, Net of Related Debt | 9,811,064 | 23,585 | 9,834,649 | 3,824,982 |
| Restricted For: | | | | |
| Nonexpendable: | | | | |
| Higher Education | - | - | - | 368,387 |
| Permanent Funds | 24,054 | - | 24,054 | - |
| Expendable: | | | | |
| Higher Education | - | - | - | 1,518,796 |
| Permanent Funds | 886 | - | 886 | - |
| Revenue Stabilization Fund | 247,481 | - | 247,481 | - |
| Loan Funds | 372,819 | - | 372,819 | - |
| Gifts and Grants | 150,854 | - | 150,854 | - |
| Unemployment Compensation | - | 414,009 | 414,009 | - |
| Capital Projects/Construction/Capital Acquisition | 500 | (15,231) | (14,731) | 852,508 |
| Debt Service | 85,772 | 38,550 | 124,322 | 83,777 |
| Retainage | - | 1,034 | 1,034 | - |
| Bond Indenture | - | - | - | 1,173,258 |
| Unrestricted | 440,234 | (290,499) | 149,735 | 1,275,026 |
| Total Net Assets | <u>\$ 11,133,664</u> | <u>\$ 171,448</u> | <u>\$ 11,305,112</u> | <u>\$ 9,096,734</u> |

Statement of Activities

For the Fiscal Year Ended June 30, 2003
(Dollars in Thousands)

| Functions/Programs | Expenses | Program Revenues | | |
|--|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary Government: | | | | |
| Governmental Activities: | | | | |
| General Government | \$ 1,653,900 | \$ 195,200 | \$ 47,744 | \$ - |
| Education | 6,484,355 | 303,844 | 530,150 | 473 |
| Transportation | 2,210,443 | 523,215 | 22,783 | 761,829 |
| Resources and Economic Development | 668,943 | 205,119 | 169,671 | 1,536 |
| Individual and Family Services | 7,152,617 | 340,729 | 3,977,181 | - |
| Administration of Justice | 2,115,050 | 321,532 | 48,771 | 14,810 |
| Interest and Charges on Long Term Debt | 188,961 | - | - | - |
| Total Governmental Activities | <u>20,474,269</u> | <u>1,889,639</u> | <u>4,796,300</u> | <u>778,648</u> |
| Business-Type Activities: | | | | |
| State Lottery | 758,546 | 1,135,730 | - | - |
| Virginia College Savings Plan | 408,425 | 233,803 | - | - |
| Pocahontas Parkway | 36,531 | 5,111 | - | - |
| Unemployment Insurance | 711,985 | 263,348 | 35,892 | - |
| Other | 533,396 | 576,507 | 1,763 | - |
| Total Business-Type Activities | <u>2,448,883</u> | <u>2,214,499</u> | <u>37,655</u> | <u>-</u> |
| Total Primary Government | <u>\$ 22,923,152</u> | <u>\$ 4,104,138</u> | <u>\$ 4,833,955</u> | <u>\$ 778,648</u> |
| Component Units | | | | |
| Virginia Housing Development Authority | 476,960 | 430,118 | 113,980 | - |
| Virginia Public School Authority | 127,047 | 126,037 | - | - |
| Higher Education | | | | |
| Major | 3,552,384 | 2,217,971 | 741,741 | 30,411 |
| Nonmajor | 2,326,045 | 909,691 | 362,926 | 14,038 |
| Other Nonmajor | 490,180 | 372,581 | 22,583 | 37,766 |
| Total Component Units | <u>\$ 6,972,616</u> | <u>\$ 4,056,398</u> | <u>\$ 1,241,230</u> | <u>\$ 82,215</u> |
| General Revenues: | | | | |
| Taxes: | | | | |
| Individual and Fiduciary Income | | | | |
| Sales and Use | | | | |
| Corporation Income | | | | |
| Public Service Corporations | | | | |
| Motor Fuel | | | | |
| Motor Vehicle Sales and Use | | | | |
| Premiums of Insurance Companies | | | | |
| Other Taxes | | | | |
| Operating Appropriations from Primary Government | | | | |
| Unrestricted Grants and Contributions | | | | |
| Investment Earnings | | | | |
| Miscellaneous | | | | |
| Contributions to Permanent Funds | | | | |
| Capital Appropriations from Primary Government | | | | |
| Contributions to Permanent / Term Endowments | | | | |
| VCBA Payments to Schools | | | | |
| Tobacco Master Settlement | | | | |
| Transfers | | | | |
| Special Items | | | | |
| Total General Revenues, Transfers, and Special Items | | | | |
| Change in Net Assets | | | | |
| Net Assets - July 1, as restated (Note 28) | | | | |
| Net Assets - June 30 | | | | |

The accompanying notes are an integral part of this financial statement.

Net (Expense) Revenue and Changes in Net Assets

| Primary Government | | | |
|--------------------------------|---------------------------------|------------------------|------------------------|
| Governmental Activities | Business-Type Activities | Total | Component Units |
| \$ (1,410,956) | \$ - | \$ (1,410,956) | \$ - |
| (5,649,888) | - | (5,649,888) | - |
| (902,616) | - | (902,616) | - |
| (292,617) | - | (292,617) | - |
| (2,834,707) | - | (2,834,707) | - |
| (1,729,937) | - | (1,729,937) | - |
| (188,961) | - | (188,961) | - |
| <u>(13,009,682)</u> | <u>-</u> | <u>(13,009,682)</u> | <u>-</u> |
| - | 377,184 | 377,184 | - |
| - | (174,622) | (174,622) | - |
| - | (31,420) | (31,420) | - |
| - | (412,745) | (412,745) | - |
| - | 44,874 | 44,874 | - |
| - | (196,729) | (196,729) | - |
| <u>\$ (13,009,682)</u> | <u>\$ (196,729)</u> | <u>\$ (13,206,411)</u> | <u>\$ -</u> |
| - | - | - | 67,138 |
| - | - | - | (1,010) |
| - | - | - | (562,261) |
| - | - | - | (1,039,390) |
| - | - | - | (57,250) |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (1,592,773)</u> |
| 6,815,580 | - | 6,815,580 | - |
| 2,735,764 | - | 2,735,764 | - |
| 326,196 | - | 326,196 | - |
| 98,578 | - | 98,578 | - |
| 881,974 | - | 881,974 | - |
| 529,110 | - | 529,110 | - |
| 332,953 | - | 332,953 | - |
| 689,160 | 5,145 | 694,305 | - |
| - | - | - | 1,447,314 |
| 60,542 | - | 60,542 | 53,406 |
| 135,346 | 11,499 | 146,845 | 264,930 |
| 486,366 | 2,339 | 488,705 | 42,099 |
| 27 | - | 27 | - |
| - | - | - | 23,149 |
| - | - | - | 31,335 |
| - | - | - | 129,850 |
| - | - | - | 90,017 |
| 466,319 | (466,319) | - | - |
| - | - | - | (7,310) |
| <u>13,557,915</u> | <u>(447,336)</u> | <u>13,110,579</u> | <u>2,074,790</u> |
| 548,233 | (644,065) | (95,832) | 482,017 |
| 10,585,431 | 815,513 | 11,400,944 | 8,614,717 |
| <u>\$ 11,133,664</u> | <u>\$ 171,448</u> | <u>\$ 11,305,112</u> | <u>\$ 9,096,734</u> |

