

Combining and Individual Fund Statements and Schedules



Nonmajor Governmental Funds

Special Revenue Funds:

Special Revenue Funds account for specific revenue sources that are restricted to finance particular functions and activities of the Commonwealth.

The Health and Social Services Special Revenue Fund accounts for revenues and expenditures related to local health care assistance.

The Water Quality Improvement Fund accounts for sums appropriated by the General Assembly and for other funds from any public or private source. Funds are used for water quality improvement grants to assist in pollution prevention and reduction.

The Other Special Revenue Fund accounts for revenues and expenditures related to business and agricultural activities, and miscellaneous activities throughout the Commonwealth.

Debt Service Funds:

The Debt Service Funds account for transactions related to resources retained and used for the payment of interest and principal on long-term obligations recorded in the Governmental Activities column on the Government-wide Statement of Net Assets.

Primary Government accounts for the payment of principal and interest on bonds used to acquire, construct, or improve parks, highways, and correctional, mental health, and parking facilities owned by the Commonwealth.

The Virginia Public Building Authority accounts for the payment of principal and interest on bonds used to acquire, construct, and operate public buildings used by the Commonwealth and its political subdivisions.

Capital Project Funds:

The Capital Project Funds are maintained to account for resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental or proprietary funds.

Primary Government accounts for the financial resources acquired through the issuance of General Obligation Bonds and Energy Performance Contracts. The resources are used to acquire, construct, or improve land, public buildings, and parking facilities owned by the Commonwealth.

The Virginia Public Building Authority accounts for financial resources acquired through the issuance of section 9(d) bonds. These resources are used to acquire, construct, finance, refinance and operate public buildings used by the Commonwealth and any of its political subdivisions. Resources are also used to finance or refinance reimbursements to localities or governmental entities for the Commonwealth's share of the capital costs for certain authorized projects.

Permanent Funds:

Permanent Funds are funds whose principal must remain intact.

Commonwealth Health Research Fund provides financial grants for human health research benefiting the Commonwealth's citizens. The entire fund balance is restricted for use as such as a condition of a legal settlement.

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Prescription Monitoring Program provides funds to establish, maintain, and administer an electronic system to monitor the dispensing of controlled substances benefiting the Commonwealth's citizens. The entire fund balance is

Mental Health Endowment Funds provide funds for the welfare of patients in mental health facilities. The entire fund balance is restricted for use as such.

Combining Balance Sheet – Nonmajor Governmental Funds

June 30, 2007

(Dollars in Thousands)

	Special Revenue Funds			
	Health and Social Services	Water Quality Improvement Fund	Other	Total
Assets				
Cash and Cash Equivalents	\$ 145,541	\$ 382,178	\$ 473,060	\$ 1,000,779
Investments	10,829	83,539	45,824	140,192
Receivables	37,029	-	44,460	81,489
Due From Other Funds	-	-	7,323	7,323
Due From External Parties (Fiduciary Funds)	-	-	74	74
Interfund Receivable	-	-	69,365	69,365
Inventory	7,316	-	356	7,672
Prepaid Items	7,996	-	1,542	9,538
Other Assets	31	-	781	812
Loans Receivable from Component Units	-	-	14,984	14,984
Total Assets	\$ 208,742	\$ 465,717	\$ 657,769	\$ 1,332,228
Liabilities and Fund Balances				
Accounts Payable	\$ 25,048	\$ 205	\$ 29,213	\$ 54,466
Amounts Due to Other Governments	-	-	1,411	1,411
Due to Other Funds	2,331	-	2,113	4,444
Due to Component Units	-	-	-	-
Interfund Payable	-	-	-	-
Deferred Revenue	1,756	-	12,606	14,362
Unearned Revenue	1,668	-	50,191	51,859
Obligations Under Securities Lending Program	8,297	104,744	53,198	166,239
Other Liabilities	-	-	8,081	8,081
Long-term Liabilities Due Within One Year	126	-	50	176
Total Liabilities	39,226	104,949	156,863	301,038
Fund Balances Reserved for:				
Inventory	7,316	-	356	7,672
Prepaid Items	7,996	-	1,542	9,538
Debt Service	-	-	-	-
Gifts and Grants	13,140	-	22,082	35,222
Capital Acquisition	-	-	567	567
Fund Balances Unreserved, Reported in:				
Special Revenue Funds	141,064	360,768	476,359	978,191
Capital Projects Funds	-	-	-	-
Permanent Funds	-	-	-	-
Total Fund Balances (Deficit)	169,516	360,768	500,906	1,031,190
Total Liabilities and Fund Balances	\$ 208,742	\$ 465,717	\$ 657,769	\$ 1,332,228

Debt Service Funds			Capital Project Funds		
Primary Government	Virginia Public Building Authority	Total	Primary Government	Virginia Public Building Authority	Total
\$ 97,317	\$ -	\$ 97,317	\$ 133,874	\$ -	\$ 133,874
-	-	-	159	-	159
-	-	-	4	196	200
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 97,317</u>	<u>\$ -</u>	<u>\$ 97,317</u>	<u>\$ 134,037</u>	<u>\$ 196</u>	<u>\$ 134,233</u>
\$ -	\$ -	\$ -	\$ 4,387	\$ 15,096	\$ 19,483
-	-	-	-	-	-
-	-	-	29	103	132
-	-	-	24,774	15	24,789
-	-	-	-	8,329	8,329
-	-	-	-	-	-
-	-	-	199	-	199
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	29,389	23,543	52,932
-	-	-	-	-	-
-	-	-	-	-	-
97,317	-	97,317	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	104,648	(23,347)	81,301
-	-	-	-	-	-
<u>97,317</u>	<u>-</u>	<u>97,317</u>	<u>104,648</u>	<u>(23,347)</u>	<u>81,301</u>
<u>\$ 97,317</u>	<u>\$ -</u>	<u>\$ 97,317</u>	<u>\$ 134,037</u>	<u>\$ 196</u>	<u>\$ 134,233</u>

Continued on next page

Combining Balance Sheet – Nonmajor Governmental Funds (Continued from previous page)

June 30, 2007

(Dollars in Thousands)

	Permanent Funds			Total
	Commonwealth Health Research Board	Prescription Monitoring Fund	Mental Health Endowment Funds	
Assets				
Cash and Cash Equivalents	\$ 37	\$ 21,270	\$ 255	\$ 21,562
Investments	32,857	4,650	-	37,507
Receivables	4	-	-	4
Due From Other Funds	-	-	-	-
Due From External Parties (Fiduciary Funds)	-	-	-	-
Interfund Receivable	-	-	-	-
Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Other Assets	-	-	-	-
Loans Receivable from Component Units	-	-	-	-
Total Assets	\$ 32,898	\$ 25,920	\$ 255	\$ 59,073
Liabilities and Fund Balances				
Accounts Payable	\$ 15	\$ -	\$ -	\$ 15
Amounts Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	-
Due to Component Units	-	-	-	-
Interfund Payable	-	-	-	-
Deferred Revenue	-	-	-	-
Unearned Revenue	-	-	-	-
Obligations Under Securities Lending Program	10	5,830	-	5,840
Other Liabilities	-	-	-	-
Long-term Liabilities Due Within One Year	-	-	-	-
Total Liabilities	25	5,830	-	5,855
Fund Balances Reserved for:				
Inventory	-	-	-	-
Prepaid Items	-	-	-	-
Debt Service	-	-	-	-
Gifts and Grants	-	-	-	-
Capital Acquisition	-	-	-	-
Fund Balances Unreserved, Reported in:				
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Permanent Funds	32,873	20,090	255	53,218
Total Fund Balances (Deficit)	32,873	20,090	255	53,218
Total Liabilities and Fund Balances	\$ 32,898	\$ 25,920	\$ 255	\$ 59,073

**Total
Nonmajor
Governmental
Funds**

\$	1,253,532
	177,858
	81,693
	7,323
	74
	69,365
	7,672
	9,538
	812
	14,984
\$	1,622,851

\$	73,964
	1,411
	4,576
	24,789
	8,329
	14,362
	51,859
	172,278
	8,081
	176
	359,825

	7,672
	9,538
	97,317
	35,222
	567
	978,191
	81,301
	53,218
	1,263,026
\$	1,622,851

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds**

For the Fiscal Year Ended June 30, 2007
(Dollars in Thousands)

	Special Revenue Funds			Total
	Health and Social Services	Water Quality Improvement Fund	Other	
Revenues				
Taxes	\$ -	\$ -	\$ 77,116	\$ 77,116
Rights and Privileges	102,376	-	162,884	265,260
Institutional Revenue	305,991	-	46,753	352,744
Interest, Dividends, Rents, and Other Investment Income	3,165	16,431	20,555	40,151
Federal Grants and Contracts	7,203	-	-	7,203
Other	115,624	2	228,086	343,712
Total Revenues	534,359	16,433	535,394	1,086,186
Expenditures				
Current:				
General Government	927	-	102,220	103,147
Education	2,557	-	27,216	29,773
Transportation	-	-	5,515	5,515
Resources and Economic Development	32,505	40,098	262,487	335,090
Individual and Family Services	501,768	-	51,607	553,375
Administration of Justice	109	-	72,174	72,283
Capital Outlay	256	-	35,471	35,727
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Charges	-	-	-	-
Total Expenditures	538,122	40,098	556,690	1,134,910
Revenues Over (Under) Expenditures	(3,763)	(23,665)	(21,296)	(48,724)
Other Financing Sources (Uses)				
Transfers In	27,498	218,214	68,850	314,562
Transfers Out	(15,209)	(157)	(28,781)	(44,147)
Notes Issued	-	-	16	16
Insurance Recoveries	152	-	1,676	1,828
Bonds Issued	-	-	-	-
Premium on Debt Issuance	-	-	-	-
Refunding Bonds Issued	-	-	-	-
Sale of Capital Assets	-	-	57	57
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	12,441	218,057	41,818	272,316
Net Change in Fund Balances	8,678	194,392	20,522	223,592
Fund Balance (Deficit), July 1, as restated	160,838	166,376	480,384	807,598
Fund Balance (Deficit), June 30	<u>\$ 169,516</u>	<u>\$ 360,768</u>	<u>\$ 500,906</u>	<u>\$ 1,031,190</u>

Debt Service Funds			Capital Project Funds		
Primary Government	Virginia Public Building Authority	Total	Primary Government	Virginia Public Building Authority	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
3,785	-	3,785	4,017	4,707	8,724
-	-	-	-	-	-
7,530	-	7,530	-	-	-
<u>11,315</u>	<u>-</u>	<u>11,315</u>	<u>4,017</u>	<u>4,707</u>	<u>8,724</u>
-	-	-	-	-	-
-	-	-	-	-	-
1	-	1	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	222,153	320,368	542,521
233,921	88,135	322,056	-	-	-
133,540	58,202	191,742	-	-	-
<u>367,462</u>	<u>146,337</u>	<u>513,799</u>	<u>222,153</u>	<u>320,368</u>	<u>542,521</u>
<u>(356,147)</u>	<u>(146,337)</u>	<u>(502,484)</u>	<u>(218,136)</u>	<u>(315,661)</u>	<u>(533,797)</u>
358,715	146,173	504,888	91	-	91
-	-	-	(1)	(123)	(124)
-	-	-	13,452	-	13,452
-	-	-	-	-	-
-	-	-	242,875	350,065	592,940
8,770	-	8,770	12,638	19,133	31,771
<u>123,070</u>	<u>-</u>	<u>123,070</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>(131,356)</u>	<u>-</u>	<u>(131,356)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>359,199</u>	<u>146,173</u>	<u>505,372</u>	<u>269,055</u>	<u>369,075</u>	<u>638,130</u>
3,052	(164)	2,888	50,919	53,414	104,333
94,265	164	94,429	53,729	(76,761)	(23,032)
<u>\$ 97,317</u>	<u>\$ -</u>	<u>\$ 97,317</u>	<u>\$ 104,648</u>	<u>\$ (23,347)</u>	<u>\$ 81,301</u>

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**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds** (Continued from previous page)

For the Fiscal Year Ended June 30, 2007
(Dollars in Thousands)

	Permanent Funds			
	Commonwealth	Prescription Monitoring Fund	Mental	Total
	Health		Health	
	Research Board		Endowment Funds	
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Rights and Privileges	-	-	-	-
Institutional Revenue	-	-	-	-
Interest, Dividends, Rents, and Other Investment Income	4,520	120	11	4,651
Federal Grants and Contracts	-	-	-	-
Other	-	20,000	-	20,000
Total Revenues	4,520	20,120	11	24,651
Expenditures				
Current:				
General Government	-	-	-	-
Education	-	-	-	-
Transportation	-	-	-	-
Resources and Economic Development	-	-	-	-
Individual and Family Services	989	30	4	1,023
Administration of Justice	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Charges	-	-	-	-
Total Expenditures	989	30	4	1,023
Revenues Over (Under) Expenditures	3,531	20,090	7	23,628
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Notes Issued	-	-	-	-
Insurance Recoveries	-	-	-	-
Bonds Issued	-	-	-	-
Premium on Debt Issuance	-	-	-	-
Refunding Bonds Issued	-	-	-	-
Sale of Capital Assets	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	3,531	20,090	7	23,628
Fund Balance (Deficit), July 1, as restated	29,342	-	248	29,590
Fund Balance (Deficit), June 30	<u>\$ 32,873</u>	<u>\$ 20,090</u>	<u>\$ 255</u>	<u>\$ 53,218</u>

**Total
Nonmajor
Governmental
Funds**

\$	77,116
	265,260
	352,744
	57,311
	7,203
	371,242
	<u>1,130,876</u>
	103,147
	29,773
	5,516
	335,090
	554,398
	72,283
	578,248
	322,056
	191,742
	<u>2,192,253</u>
	(1,061,377)
	819,541
	(44,271)
	13,468
	1,828
	592,940
	40,541
	123,070
	57
	<u>(131,356)</u>
	1,415,818
	354,441
	908,585
\$	<u><u>1,263,026</u></u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Nonmajor Special Revenue Funds**

For the Fiscal Year Ended June 30, 2007
(Dollars in Thousands)

	Health and Social Services			Final/Actual Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes:				
Motor Fuel	\$ -	\$ -	\$ -	\$ -
Deeds, Contracts, Suits	-	-	-	-
Alcoholic Beverage Sales	-	-	-	-
Tobacco Products	-	-	-	-
Public Service Corporations	-	-	-	-
Other Taxes	-	-	-	-
Rights and Privileges	75,933	104,855	102,388	(2,467)
Sales of Property and Commodities	19,939	15,996	16,304	308
Assessments and Receipts for Support of Special Services	-	-	2	2
Institutional Revenue	269,556	293,640	305,758	12,118
Interest, Dividends, and Rents	734	886	2,164	1,278
Fines, Forfeitures, Court Fees, Penalties, and Escheats	5,026	797	914	117
Federal Grants and Contracts	-	-	7,203	7,203
Receipts from Cities, Counties, and Towns	57,864	60,970	60,295	(675)
Private Donations, Gifts and Contracts	3,580	4,085	7,756	3,671
Other	40,147	48,473	33,569	(14,904)
Total Revenues	472,779	529,702	536,353	6,651
Expenditures:				
Current:				
General Government	161	161	161	-
Education	1,387	3,360	2,548	812
Transportation	-	-	-	-
Resources and Economic Development	35,282	35,992	32,255	3,737
Individual and Family Services	473,375	524,956	492,952	32,004
Administration of Justice	109	109	109	-
Capital Outlay	172	487	145	342
Total Expenditures	510,486	565,065	528,170	36,895
Revenues Over (Under) Expenditures	(37,707)	(35,363)	8,183	43,546
Other Financing Sources (Uses):				
Transfers:				
Transfers In	23,442	23,442	27,498	4,056
Transfers Out	(828)	(7,354)	(15,209)	(7,855)
Total Other Financing Sources (Uses)	22,614	16,088	12,289	(3,799)
Revenues and Other Sources Over (Under)				
Expenditures and Other Uses	(15,093)	(19,275)	20,472	39,747
Fund Balance, July 1, as restated	126,047	126,047	126,047	-
Fund Balance, June 30	\$ 110,954	\$ 106,772	\$ 146,519	\$ 39,747

See Notes on page 182 in this section.

Water Quality Improvement Fund				Other			
Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)	Original Budget	Final Budget	Actual	Final/Actual Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ 39,733	\$ 37,020	\$ 36,128	\$ (892)
-	-	-	-	-	1,991	836	(1,155)
-	-	-	-	850	877	880	3
-	-	-	-	102	83	85	2
-	-	-	-	6,116	6,050	6,038	(12)
-	-	-	-	29,960	29,452	29,588	136
-	-	-	-	208,887	179,375	161,221	(18,154)
-	-	-	-	8,701	7,299	6,128	(1,171)
-	-	-	-	95,710	89,191	90,487	1,296
-	-	-	-	116,709	77,767	46,324	(31,443)
5,600	7,358	16,431	9,073	9,139	10,709	20,605	9,896
-	-	-	-	48,554	51,423	49,281	(2,142)
-	-	-	-	-	-	-	-
-	-	-	-	5,005	5,096	4,836	(260)
-	-	-	-	1,227	1,205	4,209	3,004
-	-	2	2	92,311	90,339	77,662	(12,677)
5,600	7,358	16,433	9,075	663,004	587,877	534,308	(53,569)
-	-	-	-	-	-	-	-
-	-	-	-	98,444	121,184	103,060	18,124
-	-	-	-	73,786	76,330	26,777	49,553
-	-	-	-	5,849	5,874	5,250	624
223,901	251,114	39,893	211,221	294,077	312,931	257,207	55,724
-	-	-	-	50,658	53,232	48,707	4,525
-	-	-	-	133,237	78,119	71,024	7,095
-	-	-	-	33,796	67,649	34,064	33,585
223,901	251,114	39,893	211,221	689,847	715,319	546,089	169,230
(218,301)	(243,756)	(23,460)	220,296	(26,843)	(127,442)	(11,781)	115,661
-	-	-	-	-	-	-	-
212,800	218,214	218,214	-	40,717	47,109	68,850	21,741
-	-	(157)	(157)	(18,471)	(18,427)	(28,781)	(10,354)
212,800	218,214	218,057	(157)	22,246	28,682	40,069	11,387
-	-	-	-	-	-	-	-
(5,501)	(25,542)	194,597	220,139	(4,597)	(98,760)	28,288	127,048
166,376	166,376	166,376	-	477,615	477,615	477,615	-
\$ 160,875	\$ 140,834	\$ 360,973	\$ 220,139	\$ 473,018	\$ 378,855	\$ 505,903	\$ 127,048

**Notes for Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual – Nonmajor Special Revenue Funds**

1. BASIS OF BUDGETING VS. MODIFIED ACCRUAL BASIS FUND BALANCE

Since the presentation of financial data on the basis of budgeting differs from that presented under accounting principles generally accepted in the United States of America, a schedule reconciling the fund balance on a budgetary basis at June 30, 2007, to the fund balance on a modified accrual basis follows.

(Dollars in Thousands)

	Health and Social Services	Water Quality Improvement Fund	Other
Fund Balance, Basis of Budgeting	\$ 146,519	\$ 360,973	\$ 505,903
Adjustments from Budget to Modified Accrual, Undesignated:			
Accrued Revenues:			
Taxes	-	-	7,342
Other Revenue	33,555	-	17,780
Accrued Expenditures	(11,569)	(205)	(27,938)
Fund Reclassification - Budget to Modified Accrual	1,011	-	(2,181)
Fund Balance, Modified Accrual Basis	<u>\$ 169,516</u>	<u>\$ 360,768</u>	<u>\$ 500,906</u>

2. APPROPRIATIONS

The amounts presented in the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Nonmajor Special Revenue Funds are principally on a cash basis and represent the original budget adopted by the General Assembly and all supplemental appropriations and transfers. The following schedule reconciles original appropriations to the final adjusted expenditure appropriations for the Nonmajor Special Revenue Funds, at June 30, 2007.

(Dollars in Thousands)

	Health and Social Services	Water Quality Improvement Fund	Other
Appropriations (1)	\$ 510,486	\$ 223,901	\$ 689,847
Supplemental Appropriations:			
Reappropriations (2)	922	-	143,787
Subsequent Executive (3)	30,194	21,400	49,310
Subsequent Legislative (4)	21,579	-	2,944
Capital Outlay Reversions (5)	-	-	(13,747)
Transfers (6)	2,491	5,813	(57,397)
Capital Outlay Adjustment (7)	(607)		(99,425)
Appropriations, as adjusted	<u>\$ 565,065</u>	<u>\$ 251,114</u>	<u>\$ 715,319</u>

1. Represents the budget appropriated through Chapter 3, 2006 Acts of Assembly, as amended by Chapter 847, 2007 Acts of Assembly.
2. Actions taken to reappropriate any prior year unexpended balances per authority of the language in the Appropriation Act.
3. Actions taken by the Governor to appropriate any additional revenues collected so that they can be legally spent.
4. Actions taken by the Governor and the General Assembly to adjust the budget.
5. Represents reversions of unexpended capital outlay balances.
6. Represents transfers required by the Appropriation Act.
7. Capital outlay appropriations cover the projects' lives and usually extend beyond the current fiscal year. These amounts have been adjusted to report the amount authorized for expenditure during the current fiscal year.