

## Internal Service Funds

### Internal Service Funds

*Internal Service Funds account for the operations of State agencies that render services to other State agencies, institutions, or other governmental units of the Commonwealth on a cost-reimbursement basis.*

**Department of Information Technology** accounts for the installation and maintenance of the State government's telephone system; the development, use and maintenance of the Commonwealth's data processing systems; and the development of automated systems.

**Virginia Correctional Enterprises** accounts for the manufacturing activities of the State's correctional facilities.

**Health Care** accounts for the health insurance programs provided to State employees.

**Fleet Management** accounts for the Commonwealth's motor vehicle pool.

**Maintenance and Repair** accounts for services outside the scope of normal maintenance or custodial services provided to agencies by the Bureau of Facilities Management.

**Virginia Distribution Center** accounts for supplies purchased for and used by State agencies.

**Risk Management** accounts for the insurance programs provided to State agencies and institutions.

**Consolidated Laboratory** accounts for the Commonwealth's water testing services.

**Federal Surplus Property** accounts for the transfer and sale of Federally-owned surplus property.

**State Surplus Property** accounts for the transfer and sale of State-owned surplus property.

**Graphic Communications** accounts for the Commonwealth's graphic design division.

**Property Disposal** accounts for the disposal of State-owned property.

**Engineering Services** reviews, approves, or recommends changes to the Commonwealth's capital outlay projects.

## Combining Statement of Net Assets – Internal Service Funds

June 30, 2003

(Dollars in Thousands)

	Department of Information Technology	Virginia Correctional Enterprises	Health Care	Fleet Management
<b>Assets</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 14,061	\$ 5,823	\$ 39,983	\$ 45
Investments	-	-	3,307	-
Receivables, Net	3,542	2,312	7,414	64
Due From Other Funds	13,055	1,997	13,650	760
Inventory	-	10,117	-	25
Prepaid Items	3,493	-	-	-
Other Assets	8	4	-	-
<b>Total Current Assets</b>	<b>34,159</b>	<b>20,253</b>	<b>64,354</b>	<b>894</b>
Noncurrent Assets:				
Prepaid Items	-	-	840	-
Nondepreciable Capital Assets	-	-	-	-
Depreciable Capital Assets, Net	22,090	4,785	-	25,649
<b>Total Noncurrent Assets</b>	<b>22,090</b>	<b>4,785</b>	<b>840</b>	<b>25,649</b>
<b>Total Assets</b>	<b>56,249</b>	<b>25,038</b>	<b>65,194</b>	<b>26,543</b>
<b>Liabilities</b>				
Current Liabilities:				
Accounts Payable	7,636	1,613	3,988	769
Amounts Due to Other Governments	679	-	-	-
Due to Other Funds	177	12	-	1
Interfund Payable	-	-	-	-
Deferred Revenue	173	629	-	-
Claims Payable	-	-	78,800	-
Obligations Under Securities Lending Program	-	-	3,307	-
Other Liabilities	617	-	-	-
Long-Term Liabilities Due within One Year	6,596	291	-	35
<b>Total Current Liabilities</b>	<b>15,878</b>	<b>2,545</b>	<b>86,095</b>	<b>805</b>
Noncurrent Liabilities:				
Interfund Payable	-	-	-	-
Claims Payable	-	-	-	-
Long-Term Liabilities Due in More Than One Year	16,944	2,637	-	221
<b>Total Noncurrent Liabilities</b>	<b>16,944</b>	<b>2,637</b>	<b>-</b>	<b>221</b>
<b>Total Liabilities</b>	<b>32,822</b>	<b>5,182</b>	<b>86,095</b>	<b>1,026</b>
<b>Net Assets</b>				
Invested in Capital Assets, Net of Related Debt	9,742	3,860	-	25,649
Unrestricted	13,685	15,996	(20,901)	(132)
<b>Total Net Assets</b>	<b>\$ 23,427</b>	<b>\$ 19,856</b>	<b>\$ (20,901)</b>	<b>\$ 25,517</b>

<u>Maintenance and Repair</u>	<u>Virginia Distribution Center</u>	<u>Risk Management</u>	<u>Consolidated Laboratory</u>	<u>Federal Surplus Property</u>	<u>State Surplus Property</u>	<u>Graphic Communications</u>	<u>Property Disposal</u>
\$ 6,632	\$ 704	\$ 88,393	\$ 280	\$ 397	\$ 263	\$ 179	\$ 128
-	58	6,829	-	-	-	-	-
577	618	90	-	93	8	21	-
51	516	200	-	6	-	34	-
225	3,369	-	-	31	-	-	-
-	-	-	-	-	-	-	-
-	-	1,000	-	-	-	-	-
<u>7,485</u>	<u>5,265</u>	<u>96,512</u>	<u>280</u>	<u>527</u>	<u>271</u>	<u>234</u>	<u>128</u>
-	-	-	-	-	-	-	-
-	-	-	-	150	-	-	-
780	11,454	-	410	158	5	-	-
<u>780</u>	<u>11,454</u>	<u>-</u>	<u>410</u>	<u>308</u>	<u>5</u>	<u>-</u>	<u>-</u>
<u>8,265</u>	<u>16,719</u>	<u>96,512</u>	<u>690</u>	<u>835</u>	<u>276</u>	<u>234</u>	<u>128</u>
-	-	-	-	-	-	-	-
1,670	658	7,909	106	200	26	28	40
-	-	-	-	-	-	-	-
12	2	1	-	2	-	2	-
-	1,098	-	-	-	-	-	-
5,436	-	28,497	-	-	-	97	-
-	-	41,565	-	-	-	-	-
-	58	6,829	-	-	-	-	-
1,039	78	794	-	-	-	-	-
504	64	32	66	31	14	13	-
<u>8,661</u>	<u>1,958</u>	<u>85,627</u>	<u>172</u>	<u>233</u>	<u>40</u>	<u>140</u>	<u>40</u>
-	8,385	-	-	-	-	-	-
-	-	147,620	-	-	-	-	-
1,479	164	231	255	100	42	57	-
<u>1,479</u>	<u>8,549</u>	<u>147,851</u>	<u>255</u>	<u>100</u>	<u>42</u>	<u>57</u>	<u>-</u>
<u>10,140</u>	<u>10,507</u>	<u>233,478</u>	<u>427</u>	<u>333</u>	<u>82</u>	<u>197</u>	<u>40</u>
-	-	-	-	-	-	-	-
548	1,971	-	410	308	5	-	-
(2,423)	4,241	(136,966)	(147)	194	189	37	88
<u>\$ (1,875)</u>	<u>\$ 6,212</u>	<u>\$ (136,966)</u>	<u>\$ 263</u>	<u>\$ 502</u>	<u>\$ 194</u>	<u>\$ 37</u>	<u>\$ 88</u>

Continued on next page

**Combining Statement of Net Assets – Internal Service Funds** (Continued from previous page)

June 30, 2003

(Dollars in Thousands)

	<u>Engineering Services</u>	<u>Total</u>
<b>Assets</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 173	\$ 157,061
Investments	-	10,194
Receivables, Net	189	14,928
Due From Other Funds	131	30,400
Inventory	-	13,767
Prepaid Items	-	3,493
Other Assets	-	1,012
Total Current Assets	<u>493</u>	<u>230,855</u>
Noncurrent Assets:		
Prepaid Items	-	840
Nondepreciable Capital Assets	-	150
Depreciable Capital Assets, Net	-	65,331
Total Noncurrent Assets	<u>-</u>	<u>66,321</u>
Total Assets	<u>493</u>	<u>297,176</u>
<b>Liabilities</b>		
Current Liabilities:		
Accounts Payable	36	24,679
Amounts Due to Other Governments	-	679
Due to Other Funds	1	210
Interfund Payable	350	1,448
Deferred Revenue	-	34,832
Claims Payable	-	120,365
Obligations Under Securities Lending Program	-	10,194
Other Liabilities	-	2,528
Long-Term Liabilities Due within One Year	105	7,751
Total Current Liabilities	<u>492</u>	<u>202,686</u>
Noncurrent Liabilities:		
Interfund Payable	-	8,385
Claims Payable	-	147,620
Long-Term Liabilities Due in More Than One Year	113	22,243
Total Noncurrent Liabilities	<u>113</u>	<u>178,248</u>
Total Liabilities	<u>605</u>	<u>380,934</u>
<b>Net Assets</b>		
Invested in Capital Assets, Net of Related Debt	-	42,493
Unrestricted	(112)	(126,251)
Total Net Assets	<u>\$ (112)</u>	<u>\$ (83,758)</u>



**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets –  
Internal Service Funds**

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

	Department of Information Technology	Virginia Correctional Enterprises	Health Care	Fleet Management
<b>Operating Revenues:</b>				
Charges for Sales and Services	\$ 113,974	\$ 35,247	\$ 604,940	\$ 12,834
Interest, Dividends, Rents, and Other Investment Income	-	-	1,872	-
<b>Total Operating Revenues</b>	<b>113,974</b>	<b>35,247</b>	<b>606,812</b>	<b>12,834</b>
<b>Operating Expenses:</b>				
Cost of Sales and Services	-	25,983	-	-
Prizes and Claims	-	-	579,809	-
Personal Services	28,023	3,550	-	841
Contractual Services	63,756	72	29,491	1,451
Supplies and Materials	313	394	-	2,238
Depreciation and Amortization	7,275	1,348	-	6,748
Rent, Insurance, and Other Related Charges	8,380	496	-	831
Interest Expense	-	-	-	-
Other	5,677	927	-	56
<b>Total Operating Expenses</b>	<b>113,424</b>	<b>32,770</b>	<b>609,300</b>	<b>12,165</b>
<b>Operating Income (Loss)</b>	<b>550</b>	<b>2,477</b>	<b>(2,488)</b>	<b>669</b>
<b>Nonoperating Revenues (Expenses):</b>				
Interest, Dividends, Rents, and Other Investment Income	(473)	(282)	80	-
Other	(103)	(1,421)	(80)	(226)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(576)</b>	<b>(1,703)</b>	<b>-</b>	<b>(226)</b>
Income (Loss) Before Transfers	(26)	774	(2,488)	443
Transfers In	-	-	-	-
Transfers Out	(906)	(1,094)	-	(6,655)
<b>Change in Net Assets</b>	<b>(932)</b>	<b>(320)</b>	<b>(2,488)</b>	<b>(6,212)</b>
Total Net Assets (Deficit), July 1	24,359	20,176	(18,413)	31,729
<b>Total Net Assets (Deficit), June 30</b>	<b>\$ 23,427</b>	<b>\$ 19,856</b>	<b>\$ (20,901)</b>	<b>\$ 25,517</b>

Maintenance and Repair	Virginia Distribution Center	Risk Management	Consolidated Laboratory	Federal Surplus Property	State Surplus Property	Graphic Communications	Property Disposal
\$ 22,277	\$ 24,743	\$ 60,537	\$ 1,565	\$ 1,197	\$ 875	\$ 359	\$ -
-	-	-	-	-	-	-	-
<u>22,277</u>	<u>24,743</u>	<u>60,537</u>	<u>1,565</u>	<u>1,197</u>	<u>875</u>	<u>359</u>	<u>-</u>
-	21,594	8,139	-	-	-	-	-
-	-	61,499	-	-	-	-	-
7,997	1,031	870	1,221	297	352	275	-
4,501	1,428	55	97	36	407	57	6
2,499	40	187	237	811	22	9	-
132	827	-	128	10	2	-	-
6,518	278	5,439	320	100	217	36	-
-	463	-	-	-	-	-	-
2,402	3	46	2	-	1	4	-
24,049	25,664	76,235	2,005	1,254	1,001	381	6
<u>(1,772)</u>	<u>(921)</u>	<u>(15,698)</u>	<u>(440)</u>	<u>(57)</u>	<u>(126)</u>	<u>(22)</u>	<u>(6)</u>
-	1	3,457	-	-	-	-	-
-	(1)	(181)	-	-	-	-	-
-	-	3,276	-	-	-	-	-
(1,772)	(921)	(12,422)	(440)	(57)	(126)	(22)	(6)
-	-	30	283	-	-	34	-
-	-	(6,938)	-	-	-	(34)	-
<u>(1,772)</u>	<u>(921)</u>	<u>(19,330)</u>	<u>(157)</u>	<u>(57)</u>	<u>(126)</u>	<u>(22)</u>	<u>(6)</u>
(103)	7,133	(117,636)	420	559	320	59	94
<u>\$ (1,875)</u>	<u>\$ 6,212</u>	<u>\$ (136,966)</u>	<u>\$ 263</u>	<u>\$ 502</u>	<u>\$ 194</u>	<u>\$ 37</u>	<u>\$ 88</u>

Continued on next page

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets –  
Internal Service Funds** (Continued from previous page)

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

	<b>Engineering Services</b>	<b>Total</b>
<b>Operating Revenues:</b>		
Charges for Sales and Services	\$ 1,091	\$ 879,639
Interest, Dividends, Rents, and Other Investment Income	-	1,872
<b>Total Operating Revenues</b>	<b>1,091</b>	<b>881,511</b>
<b>Operating Expenses:</b>		
Cost of Sales and Services	-	55,716
Prizes and Claims	-	641,308
Personal Services	253	44,710
Contractual Services	2	101,359
Supplies and Materials	-	6,750
Depreciation and Amortization	-	16,470
Rent, Insurance, and Other Related Charges	948	23,563
Interest Expense	-	463
Other	-	9,118
<b>Total Operating Expenses</b>	<b>1,203</b>	<b>899,457</b>
<b>Operating Income (Loss)</b>	<b>(112)</b>	<b>(17,946)</b>
<b>Nonoperating Revenues (Expenses):</b>		
Interest, Dividends, Rents, and Other Investment Income	-	2,783
Other	-	(2,012)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>-</b>	<b>771</b>
<b>Income (Loss) Before Transfers</b>	<b>(112)</b>	<b>(17,175)</b>
Transfers In	-	347
Transfers Out	-	(15,627)
<b>Change in Net Assets</b>	<b>(112)</b>	<b>(32,455)</b>
Total Net Assets (Deficit), July 1	-	(51,303)
<b>Total Net Assets (Deficit), June 30</b>	<b>\$ (112)</b>	<b>\$ (83,758)</b>



## Combining Statement of Cash Flows – Internal Service Funds

For the Fiscal Year Ended June 30, 2003

(Dollars in Thousands)

	Department of Information Technology	Virginia Correctional Enterprises	Health Care	Fleet Management
<b>Cash Flows from Operating Activities:</b>				
Receipts for Sales and Services	\$ 6,167	\$ 13,168	\$ 611,813	\$ 440
Internal Activity-Receipts from Other Funds	115,078	23,891	-	12,532
Internal Activity-Payments to Other Funds	(1,773)	(2,521)	-	(3,199)
Payments to Suppliers for Goods and Services	(8,945)	(17,740)	-	(183)
Payments for Prizes, Claims, and Loss Control	-	-	(580,885)	-
Payments to Employees	(26,791)	(9,128)	-	(823)
Other Operating Revenue	10	-	-	-
Other Operating Expense	(66,304)	(4,745)	(29,679)	(2,047)
Net Cash Provided by (Used for) Operating Activities	<u>17,442</u>	<u>2,925</u>	<u>1,249</u>	<u>6,720</u>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Transfers In From Other Funds	-	-	-	-
Transfers Out to Other Funds	(906)	(1,094)	-	(6,655)
Other Noncapital Financing Receipt Activities	-	-	-	-
Other Noncapital Financing Disbursement Activities	(703)	-	(321)	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(1,609)</u>	<u>(1,094)</u>	<u>(321)</u>	<u>(6,655)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition of Capital Assets	(2,397)	(845)	-	(2,636)
Payment of Principal and Interest on Bonds and Notes	(3,188)	(519)	-	-
Proceeds from Sale of Capital Assets	-	-	-	505
Net Cash Provided By (Used for) Capital and Related Financing Activities	<u>(5,585)</u>	<u>(1,364)</u>	<u>-</u>	<u>(2,131)</u>
<b>Cash Flows from Investing Activities:</b>				
Proceeds from Sales or Maturities of Investments	-	-	-	-
Investment Income on Cash, Cash Equivalents, and Investments	-	-	-	-
Net Cash Provided by (Used for) Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	10,248	467	928	(2,066)
<b>Cash and Cash Equivalents, July 1</b>	<u>3,821</u>	<u>5,360</u>	<u>39,055</u>	<u>2,111</u>
<b>Cash and Cash Equivalents, June 30</b>	<u>\$ 14,069</u>	<u>\$ 5,827</u>	<u>\$ 39,983</u>	<u>\$ 45</u>
<b>Reconciliation of Cash and Cash Equivalents:</b>				
Per the Statement of Net Assets:				
Cash and Cash Equivalents	\$ 14,061	\$ 5,823	\$ 39,983	\$ 45
Cash and Travel Advances	<u>8</u>	<u>4</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents per the Statement of Cash Flows	<u>\$ 14,069</u>	<u>\$ 5,827</u>	<u>\$ 39,983</u>	<u>\$ 45</u>

<u>Maintenance and Repair</u>	<u>Virginia Distribution Center</u>	<u>Risk Management</u>	<u>Consolidated Laboratory</u>	<u>Federal Surplus Property</u>	<u>State Surplus Property</u>	<u>Graphic Communications</u>	<u>Property Disposal</u>
\$ 63	\$ 4,550	\$ 68,919	\$ 22	\$ 394	\$ 449	\$ 21	\$ -
25,867	20,366	-	1,559	780	433	401	-
(356)	(691)	-	(88)	(17)	(14)	(27)	-
(10,918)	(21,400)	(12,387)	(423)	(781)	(222)	(16)	-
-	-	(48,390)	-	-	-	-	-
(7,694)	(990)	(2,323)	(1,187)	(293)	(338)	(264)	-
-	-	-	-	-	-	-	-
(4,434)	(1,671)	(39)	(100)	(41)	(407)	(50)	(6)
<u>2,528</u>	<u>164</u>	<u>5,780</u>	<u>(217)</u>	<u>42</u>	<u>(99)</u>	<u>65</u>	<u>(6)</u>
-	-	1,314	283	-	-	34	-
-	-	(8,222)	-	-	-	(34)	-
5	-	-	-	-	-	-	-
-	(400)	-	-	-	-	-	-
<u>5</u>	<u>(400)</u>	<u>(6,908)</u>	<u>283</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	(6)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	(6)	-	-	-	-
-	-	1,153	-	-	-	-	-
-	(1)	1,931	-	-	-	-	-
-	(1)	3,084	-	-	-	-	-
2,533	(237)	1,956	60	42	(99)	65	(6)
4,099	941	87,437	220	355	362	114	134
<u>\$ 6,632</u>	<u>\$ 704</u>	<u>\$ 89,393</u>	<u>\$ 280</u>	<u>\$ 397</u>	<u>\$ 263</u>	<u>\$ 179</u>	<u>\$ 128</u>
\$ 6,632	\$ 704	\$ 88,393	\$ 280	\$ 397	\$ 263	\$ 179	\$ 128
-	-	1,000	-	-	-	-	-
<u>\$ 6,632</u>	<u>\$ 704</u>	<u>\$ 89,393</u>	<u>\$ 280</u>	<u>\$ 397</u>	<u>\$ 263</u>	<u>\$ 179</u>	<u>\$ 128</u>

Continued on next page

**Combining Statement of Cash Flows – Internal Service Funds** (Continued from previous page)

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

	<b>Engineering Services</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>		
Receipts for Sales and Services	\$ -	\$ 706,006
Internal Activity-Receipts from Other Funds	772	201,679
Internal Activity-Payments to Other Funds	-	(8,686)
Payments to Suppliers for Goods and Services	(693)	(73,708)
Payments for Prizes, Claims, and Loss Control	-	(629,275)
Payments to Employees	(254)	(50,085)
Other Operating Revenue	-	10
Other Operating Expense	(2)	(109,525)
Net Cash Provided by (Used for) Operating Activities	<u>(177)</u>	<u>36,416</u>
<b>Cash Flows from Noncapital Financing Activities:</b>		
Transfers In From Other Funds	-	1,631
Transfers Out to Other Funds	-	(16,911)
Other Noncapital Financing Receipt Activities	350	355
Other Noncapital Financing Disbursement Activities	-	(1,424)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>350</u>	<u>(16,349)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition of Capital Assets	-	(5,884)
Payment of Principal and Interest on Bonds and Notes	-	(3,707)
Proceeds from Sale of Capital Assets	-	505
Net Cash Provided By (Used for) Capital and Related Financing Activities	<u>-</u>	<u>(9,086)</u>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from Sales or Maturities of Investments	-	1,153
Investment Income on Cash, Cash Equivalents, and Investments	-	1,930
Net Cash Provided by (Used for) Investing Activities	<u>-</u>	<u>3,083</u>
Net Increase (Decrease) in Cash and Cash Equivalents	173	14,064
<b>Cash and Cash Equivalents, July 1</b>	<u>-</u>	<u>144,009</u>
<b>Cash and Cash Equivalents, June 30</b>	<u>\$ 173</u>	<u>\$ 158,073</u>
<b>Reconciliation of Cash and Cash Equivalents:</b>		
Per the Statement of Net Assets:		
Cash and Cash Equivalents	\$ 173	\$ 157,061
Cash and Travel Advances	-	1,012
Cash and Cash Equivalents per the Statement of Cash Flows	<u>\$ 173</u>	<u>\$ 158,073</u>

	Department of Information Technology	Virginia Correctional Enterprises	Health Care
<b>Reconciliation of Operating Income</b>			
<b>To Net Cash Provided by (Used for)</b>			
<b>Operating Activities:</b>			
Operating Income (Loss)	\$ 550	\$ 2,477	\$ (2,488)
<b>Adjustments to Reconcile Operating</b>			
<b>Income to Net Cash Provided by (Used for)</b>			
<b>Operating Activities:</b>			
Depreciation and Amortization	7,275	1,348	-
Miscellaneous Nonoperating Income	10	104	-
Other Expenses	4,700	(1,508)	-
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	7,599	(831)	1,488
(Increase) Decrease in Due From Other Funds	(4,097)	1,962	3,513
(Increase) Decrease in Other Assets	-	-	-
(Increase) Decrease in Inventory	-	(534)	-
(Increase) Decrease in Prepaid Items	(78)	-	-
Increase (Decrease) in Accounts Payable	927	339	(455)
Increase (Decrease) in Amounts Due to Other Governments	-	(1,327)	-
Increase (Decrease) in Claims Payable	-	-	(809)
Increase (Decrease) in Due to Other Funds	(18)	-	-
Increase (Decrease) in Deferred Revenue	17	578	-
Increase (Decrease) in Other Liabilities	(635)	-	-
Increase (Decrease) in Long-Term Liabilities: Due within One Year	(261)	26	-
Increase (Decrease) in Long-Term Liabilities: Due in More Than One Year	1,453	291	-
Net Cash Provided by (Used for) Operating Activities	<u>\$ 17,442</u>	<u>\$ 2,925</u>	<u>\$ 1,249</u>
<b>Noncash Investing, Capital, and Financing Activities:</b>			
The following transactions occurred prior to the statement of net assets date:			
Trade-ins of Used Equipment on New Equipment	\$ -	\$ (20)	\$ -
Installment Purchases Used to Finance Capital Assets	2,608	-	-
Capital Asset Addition Included in Accounts Payable	-	43	-
Total Noncash, Investing, Capital, and Financing Activities	<u>\$ 2,608</u>	<u>\$ 23</u>	<u>\$ -</u>

*Continued on next page*

**Combining Statement of Cash Flows – Internal Service Funds** (Continued from previous page)

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

	<u>Fleet Management</u>	<u>Maintenance and Repair</u>	<u>Virginia Distribution Center</u>
<b>Reconciliation of Operating Income</b>			
<b>To Net Cash Provided by (Used for)</b>			
<b>Operating Activities:</b>			
Operating Income (Loss)	\$ 669	\$ (1,772)	\$ (921)
<b>Adjustments to Reconcile Operating</b>			
<b>Income to Net Cash Provided by (Used for)</b>			
<b>Operating Activities:</b>			
Depreciation and Amortization	6,748	132	827
Miscellaneous Nonoperating Income	-	-	-
Other Expenses	-	(55)	(8)
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	92	(431)	13
(Increase) Decrease in Due From Other Funds	53	480	167
(Increase) Decrease in Other Assets	-	-	-
(Increase) Decrease in Inventory	10	24	107
(Increase) Decrease in Prepaid Items	-	-	-
Increase (Decrease) in Accounts Payable	(254)	122	(67)
Increase (Decrease) in Amounts Due to Other Governments	(624)	-	-
Increase (Decrease) in Claims Payable	-	-	-
Increase (Decrease) in Due to Other Funds	1	12	2
Increase (Decrease) in Deferred Revenue	-	3,596	-
Increase (Decrease) in Other Liabilities	-	51	-
Increase (Decrease) in Long-Term Liabilities: Due within One Year	(27)	(10)	-
Increase (Decrease) in Long-Term Liabilities: Due in More Than One Year	52	379	44
Net Cash Provided by (Used for) Operating Activities	<u>\$ 6,720</u>	<u>\$ 2,528</u>	<u>\$ 164</u>
<b>Noncash Investing, Capital, and Financing Activities:</b>			
The following transactions occurred prior to the statement of net assets date:			
Trade-ins of Used Equipment on New Equipment	\$ -	\$ -	\$ -
Installment Purchases Used to Finance Capital Assets	-	-	-
Capital Asset Addition Included in Accounts Payable	239	-	-
Total Noncash, Investing, Capital, and Financing Activities	<u>\$ 239</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Risk Management</u>	<u>Consolidated Laboratory</u>	<u>Federal Surplus Property</u>	<u>State Surplus Property</u>	<u>Graphic Communications</u>	<u>Property Disposal</u>	<u>Engineering Services</u>	<u>Total</u>
\$ (15,698)	\$ (440)	\$ (57)	\$ (126)	\$ (22)	\$ (6)	\$ (112)	\$ (17,946)
-	128	10	2	-	-	-	16,470
-	-	-	-	-	-	-	114
(39)	-	-	-	-	-	-	3,090
8	16	(31)	7	(21)	-	(188)	7,721
-	-	9	-	14	-	(131)	1,970
399	-	-	-	-	-	-	399
-	22	58	-	-	-	-	(313)
-	-	-	-	-	-	-	(78)
7,047	35	43	4	12	-	35	7,788
-	-	-	-	-	-	-	(1,951)
10,857	-	-	-	-	-	-	10,048
1	-	2	-	2	-	1	3
3,156	-	-	-	68	-	-	7,415
-	-	-	-	-	-	-	(584)
(31)	(21)	(7)	-	-	-	105	(226)
80	43	15	14	12	-	113	2,496
<u>\$ 5,780</u>	<u>\$ (217)</u>	<u>\$ 42</u>	<u>\$ (99)</u>	<u>\$ 65</u>	<u>\$ (6)</u>	<u>\$ (177)</u>	<u>\$ 36,416</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (20)
-	-	-	-	-	-	-	2,608
-	-	-	-	-	-	-	282
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,870</u>

---

## Fiduciary Funds

---

### Private Purpose Funds

*Private Purpose Funds are trust arrangements that benefit individuals, private organizations, or other governments.*

**Unclaimed Property** accounts for unclaimed and escheat property.

**Education Savings Trust Funds** accounts for the activities of the Virginia Education Savings Trust and CollegeAmerica programs, which are voluntary, non-guaranteed, higher educational investment programs offered by the Virginia College Savings Plan.

**Loan Servicing Reserve** accounts for funds that are used to service loan activities for individual loans in order to meet the provisions of the Declarations of the dissolved Virginia Education Loan Authority.

**Edvantage Reserve** accounts for funds that are used to service loan activities for individual loans in order to meet the provisions of the dissolved Student Education Assistance Authority.

**Virginia Revolving Farm Loan** accounts for trust funds that are used to provide loans to individual farmers for rural rehabilitation purposes.

**Miscellaneous Trust Funds** account for perpetual trusts created through donation to the state. Earnings are used for the benefit of donor-specified local entities.

---

### Pension Trust Funds

*Pension Trust Funds reflect the activities of the retirement systems and postemployment benefits administered by the Virginia Retirement System (VRS) for the Commonwealth.*

**The Virginia Retirement System** provides retirement benefits to Commonwealth employees and teachers.

**The State Police Officers' Retirement System** provides retirement benefits to Virginia state police officers.

**The Judicial Retirement System** provides retirement benefits to the Commonwealth's judiciary.

**The Virginia Law Officers' Retirement System** provides retirement benefits to correctional officers, capital police officers, university police officers, and game wardens.

**Political Appointees** provides optional retirement benefits to selected officials and administrative staff.

**Other Employment Retiree Health Insurance Credit Fund** accounts for the State provided health insurance credits which offset a portion of the retirees' monthly insurance premiums.

**Other Employment Group Life Fund** provides life insurance coverage to members of the retirement systems.

**Other Employment Virginia Sickness and Disability** provides income protection to State employees for absences caused by sickness or disability.

**Other Employment Volunteer Firefighters' and Rescue Squad Workers' Fund** provides optional retirement benefits to volunteer firefighters and rescue squad workers.

---

### Investment Trust Funds

*Investment Trust Funds reflect the external portions of the investment pools sponsored by the Commonwealth.*

**Local Government Investment Pool (LGIP)** helps local governmental entities maximize their rate of return by commingling their resources for investment purposes.

**State Non-Arbitrage Pool (SNAP)** provides investment vehicles for local governmental entities to invest bond proceeds to ensure compliance with the Internal Revenue Code of 1986, as amended.

**SNAP Individual Investment Accounts** represent the aggregate activity of SNAP accounts, which are established for specific local governmental entities.

---

## Agency Funds

*Agency Funds report those funds for which the State acts solely in a custodial capacity. A description of the funds is presented below.*

**Funds for the Collection of Taxes and Fees** account for taxes and fees collected by the Commonwealth to be distributed to localities or other states.

**Employee Benefits Fund** accounts for undistributed withholdings for employee benefits.

**Mined Land Deposits Fund** accounts for reimbursable deposits, including both cash and securities, from mining companies to ensure reclamation of mined lands.

**Deposits of Insurance Carriers Fund** accounts for security deposits of insurance carriers as protection to the policy holders of the Commonwealth.

**Inmate and Ward Fund** accounts for the savings of inmates and wards of the Departments of Corrections and Juvenile Justice.

**Child Support Collections Fund** accounts for court-ordered child support payments that flow through the Department of Social Services.

**Mental Health Patient Fund** accounts for the savings of patients in the Commonwealth's mental health facilities.

**Mental Health Nonpatient Fund** accounts for the savings of nonpatients in the Commonwealth's mental health facilities.

**Optional Life Insurance Fund** accounts for optional life insurance payments collected from employees as a supplement to the state's basic life insurance plan.

**Comptroller's Debt Setoff Fund** accounts for monies held in a suspense status while research is conducted to determine the party entitled to the funds.

**Unclaimed Property of Other States Fund** accounts for unclaimed property that is due to other states.

**Legal Settlement Fund** accounts for receipts from court judgments that are deposited and subsequently distributed to the appropriate injured parties.

**Consumer Services Fund** accounts for deposits made by businesses that will provide assistance to individuals suffering losses associated with these businesses and will be returned after dispute resolution.

**Department of State Police Fund** accounts for seized assets that are deposited and subsequently distributed to the appropriate parties pursuant to court orders.

**Aviation Fund** accounts for funds held in lieu of insurance for pilot licensure.

**Virginia School for the Deaf and the Blind Fund** accounts for student funds used to establish new activities for students.

**Woodrow Wilson Rehabilitation Center Fund** accounts for student funds held by the Center.

**Dog and Cat Sterilization Fund** accounts for the collections from individual vehicle registrations designated for dog and cat sterilization programs within the locality of residence.

**Milk Commission Fund** accounts for deposits from milk producers that will be distributed to individual farmers to offset delivery expenses and losses incurred.

**State Corporation Commission Fund** accounts for deposits made by a business as a result of a legal settlement that will be distributed to individuals following dispute resolution.

**Combining Statement of Fiduciary Net Assets – Private Purpose Funds**

June 30, 2003

(Dollars in Thousands)

	<u>Unclaimed Property</u>	<u>Education Savings Trust Funds</u>	<u>Loan Servicing Reserve</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 13,642	\$ 5,796	\$ 545
Investments			
Stocks	37,859	16,247	-
Index and Pooled Funds	-	64,386	-
Mutual and Money Market Funds	12,471	3,493,147	-
Short-term Investments	-	-	-
Other	284	51,845	-
Total Investments	<u>50,614</u>	<u>3,625,625</u>	<u>-</u>
Receivables			
Contributions	-	278	-
Interest and Dividends	-	209	-
Other Receivables	-	-	-
Total Receivables	<u>-</u>	<u>487</u>	<u>-</u>
Total Assets	<u>64,256</u>	<u>3,631,908</u>	<u>545</u>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	339	77	5
Obligations Under Securities Lending Program	-	-	-
Other Liabilities	-	13	-
Compensated Absences Payable	106	-	-
Insurance Premiums and Claims Payable	16,835	-	-
Pension Liability	132	-	-
Total Liabilities	<u>17,412</u>	<u>90</u>	<u>5</u>
Net Assets Held in Trust for Participants	<u>\$ 46,844</u>	<u>\$ 3,631,818</u>	<u>\$ 540</u>

<b>Edvantage Reserve</b>	<b>Virginia Farm Loan Revolving</b>	<b>Miscellaneous Trust</b>	<b>Total</b>
\$ 1,620	\$ 5,573	\$ 21	\$ 27,197
-	-	-	54,106
-	-	-	64,386
-	-	-	3,505,618
-	-	15	15
134	461	30	52,754
134	461	45	3,676,879
-	-	-	278
-	-	-	209
-	313	-	313
-	313	-	800
1,754	6,347	66	3,704,876
-	3	-	424
134	461	-	595
-	-	-	13
-	9	-	115
-	-	-	16,835
-	3	-	135
134	476	-	18,117
<u>\$ 1,620</u>	<u>\$ 5,871</u>	<u>\$ 66</u>	<u>\$ 3,686,759</u>

## Combining Statement of Changes in Fiduciary Net Assets – Private Purpose Funds

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

	<u>Unclaimed Property</u>	<u>Education Savings Trust Funds</u>	<u>Loan Servicing Reserve</u>
<b>Additions:</b>			
Investment Income:			
Interest, Dividends, and Other			
Investment Income	\$ 4,608	\$ 232,835	\$ -
Total Investment Income	4,608	232,835	-
Less Investment Expenses	-	6,336	-
Net Investment Income	4,608	226,499	-
Proceeds from Unclaimed Property	53,894	-	-
Contributions:			
Participant	-	2,403,031	-
Total Contributions	-	2,403,031	-
Other Revenue	321	20	-
Total Additions	58,823	2,629,550	-
<b>Deductions:</b>			
Escheat Payments	47,179	-	-
Loan Servicing Payments	-	-	5
Tuition Benefits	-	41,292	-
Trust Payments	-	-	-
Administrative Expenses	190	2,694	-
Shares Redeemed	-	116,162	-
Total Deductions	47,369	160,148	5
Net Increase (Decrease)	11,454	2,469,402	(5)
Net Assets Held in Trust for Participants			
<b>July 1</b>	35,390	1,162,416	545
<b>June 30</b>	\$ 46,844	\$ 3,631,818	\$ 540

<u>Edvantage Reserve</u>	<u>Virginia Farm Loan Revolving</u>	<u>Miscellaneous Trust</u>	<u>Total</u>
\$ 58	\$ 290	\$ 1	\$ 237,792
58	290	1	237,792
-	-	-	6,336
58	290	1	231,456
-	-	-	53,894
-	-	-	2,403,031
-	-	-	2,403,031
48	3	-	392
106	- 293	1	2,688,773
-	-	-	47,179
25	61	-	91
-	-	-	41,292
-	-	1	1
-	27	-	2,911
-	-	-	116,162
25	88	1	207,636
81	205	-	2,481,137
1,539	5,666	66	1,205,622
<u>\$ 1,620</u>	<u>\$ 5,871</u>	<u>\$ 66</u>	<u>\$ 3,686,759</u>

## Combining Statement of Fiduciary Net Assets – Pension Trust Funds

June 30, 2003

(Dollars in Thousands)

	Virginia Retirement System	State Police Officers' Retirement System	Judicial Retirement System	Virginia Law Officers' Retirement System
<b>Assets</b>				
Cash and Cash Equivalents	\$ 124,022	\$ 1,516	\$ 840	\$ 1,408
Investments				
Bonds and Mortgage Securities	7,832,386	101,242	56,088	94,008
Stocks	8,156,385	105,430	58,408	97,896
Fixed Income Commingled Funds	98,679	1,276	707	1,184
Index and Pooled Funds	12,144,733	156,982	86,969	145,766
Real Estate	1,034,637	13,374	7,409	12,418
Venture Capital	2,051,517	26,518	14,691	24,623
Short-term Investments	2,113,864	27,324	15,137	25,372
Other	2,302,050	29,756	16,485	27,630
Total Investments	<u>35,734,251</u>	<u>461,902</u>	<u>255,894</u>	<u>428,897</u>
Receivables				
Contributions	101,071	526	674	2,017
Interest and Dividends	95,852	1,239	686	1,150
Receivable for Security Transactions	1,730,489	22,368	12,392	20,770
Other Receivables	3,013	16	9	15
Total Receivables	<u>1,930,425</u>	<u>24,149</u>	<u>13,761</u>	<u>23,952</u>
Due from Fiduciary Funds	9,763	2,033	1,727	1,423
Furniture and Equipment	6,270	-	-	-
Total Assets	<u>37,804,731</u>	<u>489,600</u>	<u>272,222</u>	<u>455,680</u>
<b>Liabilities</b>				
Accounts Payable and Accrued Expenses	10,709	123	68	114
Due to Fiduciary Funds	10,975	10	-	120
Obligations Under Securities Lending Program	2,302,050	29,756	16,485	27,630
Other Liabilities	914	5	3	4
Retirement Benefits Payable	133,132	2,068	1,685	1,336
Refunds Payable	6,291	53	-	339
Compensated Absences Payable	1,167	-	-	-
Insurance Premiums and Claims Payable	-	-	-	-
Payable for Security Transactions	2,612,611	33,771	18,709	31,358
Pension Liability	1,287	16	9	6
Total Liabilities	<u>5,079,136</u>	<u>65,802</u>	<u>36,959</u>	<u>60,907</u>
Net Assets Held in Trust for Pension/				
Other Employment Benefits	<u>\$ 32,725,595</u>	<u>\$ 423,798</u>	<u>\$ 235,263</u>	<u>\$ 394,773</u>

Political Appointees	Other Employment Retiree Health Insurance Credit	Other Employment Group Life	Other Employment Virginia Sickness and Disability	Other Employment Volunteer Firefighters and Rescue Squad Workers	Total
\$ -	\$ 341	\$ 2,821	\$ 277	\$ -	\$ 131,225
558	22,791	188,321	18,473	-	8,313,867
1,370	23,733	196,111	19,237	-	8,658,570
-	287	2,373	233	-	104,739
296	35,339	292,006	28,644	-	12,890,735
-	3,011	24,876	2,440	-	1,098,165
-	5,969	49,326	4,839	-	2,177,483
-	6,151	50,824	4,986	-	2,243,658
-	6,698	55,351	5,429	381	2,443,780
2,224	103,979	859,188	84,281	381	37,930,997
-	4,003	1,207	1,438	-	110,936
-	279	2,305	226	-	101,737
-	5,035	41,608	4,081	-	1,836,743
-	26	30	1,433	-	4,542
-	9,343	45,150	7,178	-	2,053,958
-	5,790	1	-	-	20,737
-	-	-	-	-	6,270
2,224	119,453	907,160	91,736	381	40,143,187
-	5,196	229	668	-	17,107
-	7,599	2,989	816	-	22,509
-	6,698	55,351	5,429	-	2,443,399
-	1	9	1	-	937
-	-	-	-	-	138,221
-	135	246	277	-	7,341
-	-	-	-	-	1,167
-	-	33,772	-	-	33,772
-	7,602	62,817	6,162	-	2,773,030
-	21	53	32	-	1,424
-	27,252	155,466	13,385	-	5,438,907
\$ 2,224	\$ 92,201	\$ 751,694	\$ 78,351	\$ 381	\$ 34,704,280

## Combining Statement of Changes in Fiduciary Net Assets – Pension Trust Funds

For the Fiscal Year Ended June 30, 2003

(Dollars in Thousands)

	Virginia Retirement System	State Police Officers' Retirement System	Judicial Retirement System	Virginia Law Officers' Retirement System
<b>Additions:</b>				
Investment Income:				
Interest, Dividends, and Other				
Investment Income	\$ 1,064,308	\$ 13,572	\$ 7,444	\$ 14,870
Total Investment Income	1,064,308	13,572	7,444	14,870
Less Investment Expenses	128,893	1,643	901	1,801
Net Investment Income	935,415	11,929	6,543	13,069
Contributions:				
Member	626,655	4,528	2,434	15,486
Employer	335,404	8,777	13,604	34,947
Total Contributions	962,059	13,305	16,038	50,433
Other Revenue	2,682	-	-	-
Total Additions	1,900,156	25,234	22,581	63,502
<b>Deductions:</b>				
Retirement Benefits	1,537,762	23,594	21,359	15,020
Refunds to Former Members	67,473	863	51	3,763
Retiree Health Insurance Credits	-	-	-	-
Insurance Premiums and Claims	-	-	-	-
Administrative Expenses	16,690	211	116	156
Other Expenses	-	-	-	-
Long Term Disability Benefits	-	-	-	-
Total Deductions	1,621,925	24,668	21,526	18,939
<b>Transfers:</b>				
Transfers In	-	-	-	147
Transfers Out	(147)	-	-	-
Total Transfers	(147)	-	-	147
Net Increase (Decrease)	278,084	566	1,055	44,710
Net Assets Held in Trust for Pension/ Other Employment Benefits				
<b>July 1</b>	32,447,511	423,232	234,208	350,063
<b>June 30</b>	\$ 32,725,595	\$ 423,798	\$ 235,263	\$ 394,773

<u>Political Appointees</u>	<u>Other Employment Retiree Health Insurance Credit</u>	<u>Other Employment Group Life</u>	<u>Other Employment Virginia Sickness and Disability</u>	<u>Other Employment Volunteer Firefighters and Rescue Squad Workers</u>	<u>Total</u>
\$ 62	\$ 3,715	\$ 20,818	\$ 3,681	\$ 21	\$ 1,128,491
62	3,715	20,818	3,681	21	1,128,491
-	450	2,521	446	-	136,655
62	3,265	18,297	3,235	21	991,836
291	-	25	-	112	649,531
316	74,123	19	34,813	61	502,064
607	74,123	44	34,813	173	1,151,595
-	-	-	-	-	2,682
669	77,388	18,341	38,048	194	2,146,113
330	-	-	-	-	1,598,065
-	-	-	-	-	72,150
-	61,027	-	-	-	61,027
-	-	104,275	-	-	104,275
6	332	664	815	-	18,990
-	-	276	-	-	276
-	-	-	16,780	-	16,780
336	61,359	105,215	17,595	-	1,871,563
-	-	-	-	-	147
-	-	-	-	-	(147)
-	-	-	-	-	-
333	16,029	(86,874)	20,453	194	274,550
1,891	76,172	838,568	57,898	187	34,429,730
\$ 2,224	\$ 92,201	\$ 751,694	\$ 78,351	\$ 381	\$ 34,704,280

**Combining Statement of Fiduciary Net Assets – Investment Trust Funds**

June 30, 2003

(Dollars in Thousands)

	<b>Local Government Investment Pool (LGIP)</b>	<b>State Non-Arbitrage Pool (SNAP)</b>	<b>SNAP Individual Investment Accounts</b>	<b>Total</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 1,379,674	\$ 40	\$ -	\$ 1,379,714
Investments				
Bonds and Mortgage Securities	-	-	62,372	62,372
Short-term Investments	962,492	1,127,269	-	2,089,761
Other	-	-	84,037	84,037
Total Investments	962,492	1,127,269	146,409	2,236,170
Receivables				
Interest and Dividends	3,472	26,940	396	30,808
Other Assets	-	23	-	23
Total Assets	2,345,638	1,154,272	146,805	3,646,715
<b>Liabilities</b>				
Other Liabilities	-	86	-	86
Total Liabilities	-	86	-	86
Net Assets Held in Trust for Pool Participants	\$ 2,345,638	\$ 1,154,186	\$ 146,805	\$ 3,646,629

## Combining Statement of Changes in Fiduciary Net Assets - Investment Trust Funds

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

	Local Government Investment Pool (LGIP)	State Non-Arbitrage Pool (SNAP)	SNAP Individual Investment Accounts	Total
<b>Additions:</b>				
Investment Income:				
Interest, Dividends, and Other				
Investment Income	\$ 27,020	\$ 12,124	\$ 622	\$ 39,766
Distributions to Shareholders from Net Investment Income	(27,020)	(12,124)	-	(39,144)
Total Investment Income	-	-	622	622
Net Investment Income	-	-	622	622
Purchase of Investments	-	-	140,662	140,662
Shares Sold	3,254,116	971,123	-	4,225,239
Reinvested Distributions	27,020	12,125	262	39,407
Total Additions	3,281,136	983,248	141,546	4,405,930
<b>Deductions:</b>				
Shares Redeemed	(3,215,781)	(986,252)	-	(4,202,033)
Total Deductions	(3,215,781)	(986,252)	-	(4,202,033)
<b>Transfers:</b>				
Maturities	-	8,938	(8,938)	-
Investment Income	-	269	(269)	-
Total Transfers	-	9,207	(9,207)	-
Net Increase (Decrease)	65,355	6,203	132,339	203,897
Net Assets Held in Trust for				
Pool Participants				
<b>July 1, as restated</b>	2,280,283	1,147,983	14,466	3,442,732
<b>June 30</b>	\$ 2,345,638	\$ 1,154,186	\$ 146,805	\$ 3,646,629

**Combining Statement of Fiduciary Net Assets – Agency Funds**

June 30, 2003

(Dollars in Thousands)

	<b>Funds for the Collection of Taxes</b>	<b>Employee Benefits</b>	<b>Mined Land Deposits</b>	<b>Deposits of Insurance Carriers</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 129,746	\$ 2,910	\$ 10,058	\$ 8,278
Investments				
Short-term Investments	-	-	-	410,391
Other	-	-	625	-
Total Investments	-	-	625	410,391
Receivables				
Accounts	90,995	-	-	-
Total Receivables	90,995	-	-	-
Due from Other Funds	-	-	-	-
Due from Fiduciary Funds	-	-	-	-
Total Assets	<u>\$ 220,741</u>	<u>\$ 2,910</u>	<u>\$ 10,683</u>	<u>\$ 418,669</u>
<b>Liabilities</b>				
Accounts Payable and Accrued Expenses	\$ -	\$ 2,910	\$ -	\$ -
Amounts Due to Other Governments	220,741	-	-	-
Due to Other Funds	-	-	-	-
Obligations Under Securities Lending Program	-	-	625	-
Other Liabilities	-	-	10,058	418,669
Insurance Premiums and Claims Payable	-	-	-	-
Total Liabilities	<u>\$ 220,741</u>	<u>\$ 2,910</u>	<u>\$ 10,683</u>	<u>\$ 418,669</u>

<u>Inmate and Ward</u>	<u>Child Support Collection</u>	<u>Mental Health Patient</u>	<u>Mental Health Non- Patient</u>	<u>Optional Life Insurance</u>	<u>Comptroller's Debt Setoff</u>	<u>Unclaimed Property of Other States</u>
\$ 4,306	\$ 29,279	\$ 1,959	\$ 20	\$ 1,171	\$ 1,166	\$ 2,827
663	-	620	-	-	-	-
-	-	-	-	-	-	-
663	-	620	-	-	-	-
500	-	-	-	-	-	-
500	-	-	-	-	-	-
-	217	-	-	-	-	-
-	-	-	-	1,772	-	-
<u>\$ 5,469</u>	<u>\$ 29,496</u>	<u>\$ 2,579</u>	<u>\$ 20</u>	<u>\$ 2,943</u>	<u>\$ 1,166</u>	<u>\$ 2,827</u>
\$ 486	\$ 66	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	2,827
350	3,501	-	-	-	-	-
-	-	-	-	-	-	-
4,633	25,929	2,579	20	-	1,166	-
-	-	-	-	2,943	-	-
<u>\$ 5,469</u>	<u>\$ 29,496</u>	<u>\$ 2,579</u>	<u>\$ 20</u>	<u>\$ 2,943</u>	<u>\$ 1,166</u>	<u>\$ 2,827</u>

Continued on next page

**Combining Statement of Fiduciary Net Assets – Agency Funds** (Continued from previous page)

June 30, 2003

(Dollars in Thousands)

	<u>Legal Settlement</u>	<u>Consumer Services</u>	<u>Department of State Police</u>	<u>Aviation</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 771	\$ 268	\$ 388	\$ 68
Investments				
Short-term Investments	-	167	12	48
Other	-	-	-	-
Total Investments	-	167	12	48
Receivables				
Accounts	-	-	-	-
Total Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Due from Fiduciary Funds	-	-	-	-
Total Assets	<u>\$ 771</u>	<u>\$ 435</u>	<u>\$ 400</u>	<u>\$ 116</u>
<b>Liabilities</b>				
Accounts Payable and Accrued Expenses	\$ -	\$ -	\$ -	\$ -
Amounts Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	-
Obligations Under Securities Lending Program	-	-	-	-
Other Liabilities	771	435	400	116
Insurance Premiums and Claims Payable	-	-	-	-
Total Liabilities	<u>\$ 771</u>	<u>\$ 435</u>	<u>\$ 400</u>	<u>\$ 116</u>

<u>Virginia School for the Deaf and Blind</u>	<u>Woodrow Wilson Rehabilitation Center</u>	<u>Dog and Cat Sterilization</u>	<u>Milk Commission</u>	<u>State Corporation Commission</u>	<u>Total</u>
\$ 37	\$ 7	\$ 2	\$ 1	\$ 9,901	\$ 203,163
-	-	-	-	6,880	418,781
-	-	-	-	-	625
-	-	-	-	6,880	419,406
-	-	-	-	-	91,495
-	-	-	-	-	91,495
-	-	-	-	-	217
-	-	-	-	-	1,772
<u>\$ 37</u>	<u>\$ 7</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 16,781</u>	<u>\$ 716,053</u>
\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 3,463
-	-	2	-	-	223,570
-	-	-	-	-	3,851
-	-	-	-	-	625
37	7	-	-	16,781	481,601
-	-	-	-	-	2,943
<u>\$ 37</u>	<u>\$ 7</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 16,781</u>	<u>\$ 716,053</u>

**Combining Statement of Changes in Assets and Liabilities –  
Agency Funds**

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

	Balance July 1 as restated	Additions	Deletions	Balance June 30
<b>Funds for the Collection of Taxes and Fees</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 140,003	\$ 1,009,718	\$ 1,019,975	\$ 129,746
Accounts Receivable (Net)	38,755	90,995	38,755	90,995
Total Assets	<u>\$ 178,758</u>	<u>\$ 1,100,713</u>	<u>\$ 1,058,730</u>	<u>\$ 220,741</u>
<b>Liabilities:</b>				
Amounts Due to Other Governments	\$ 178,758	\$ 1,100,713	\$ 1,058,730	\$ 220,741
Total Liabilities	<u>\$ 178,758</u>	<u>\$ 1,100,713</u>	<u>\$ 1,058,730</u>	<u>\$ 220,741</u>
<b>Employee Benefits</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 2,835	\$ 168,061	\$ 167,986	\$ 2,910
Total Assets	<u>\$ 2,835</u>	<u>\$ 168,061</u>	<u>\$ 167,986</u>	<u>\$ 2,910</u>
<b>Liabilities:</b>				
Accounts Payable and Accrued Expenses	\$ 2,835	\$ 168,061	\$ 167,986	\$ 2,910
Total Liabilities	<u>\$ 2,835</u>	<u>\$ 168,061</u>	<u>\$ 167,986</u>	<u>\$ 2,910</u>
<b>Mined Land Deposits</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 9,591	\$ 1,818	\$ 1,351	\$ 10,058
Investments - Other	632	625	632	625
Total Assets	<u>\$ 10,223</u>	<u>\$ 2,443</u>	<u>\$ 1,983</u>	<u>\$ 10,683</u>
<b>Liabilities:</b>				
Obligations Under Securities Lending Program	\$ 694	\$ 625	\$ 694	\$ 625
Other Liabilities	9,529	1,818	1,289	10,058
Total Liabilities	<u>\$ 10,223</u>	<u>\$ 2,443</u>	<u>\$ 1,983</u>	<u>\$ 10,683</u>
<b>Deposits of Insurance Carriers</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 4,522	\$ 3,812	\$ 56	\$ 8,278
Investments - Short-term	367,723	184,527	141,859	410,391
Total Assets	<u>\$ 372,245</u>	<u>\$ 188,339</u>	<u>\$ 141,915</u>	<u>\$ 418,669</u>
<b>Liabilities:</b>				
Other Liabilities	\$ 372,245	\$ 188,339	\$ 141,915	\$ 418,669
Total Liabilities	<u>\$ 372,245</u>	<u>\$ 188,339</u>	<u>\$ 141,915</u>	<u>\$ 418,669</u>

	Balance July 1 as restated	Additions	Deletions	Balance June 30
<b>Inmate and Ward</b>				
Assets:				
Cash and Cash Equivalents	\$ 3,586	\$ 842	\$ 122	\$ 4,306
Investments - Short-term	583	91	11	663
Accounts Receivable (Net)	493	17	10	500
<b>Total Assets</b>	<b>\$ 4,662</b>	<b>\$ 950</b>	<b>\$ 143</b>	<b>\$ 5,469</b>
Liabilities:				
Accounts Payable and Accrued Expenses	\$ 77	\$ 482	\$ 73	\$ 486
Due to Other Funds	67	283	-	350
Other Liabilities	4,518	252	137	4,633
<b>Total Liabilities</b>	<b>\$ 4,662</b>	<b>\$ 1,017</b>	<b>\$ 210</b>	<b>\$ 5,469</b>
<b>Child Support Collections</b>				
Assets:				
Cash and Cash Equivalents	\$ 16,784	\$ 526,726	\$ 514,231	\$ 29,279
Due from Other Funds	172	217	172	217
<b>Total Assets</b>	<b>\$ 16,956</b>	<b>\$ 526,943</b>	<b>\$ 514,403</b>	<b>\$ 29,496</b>
Liabilities:				
Accounts Payable and Accrued Expenses	\$ 264	\$ 66	\$ 264	\$ 66
Due to Other Funds	5,276	3,501	5,276	3,501
Other Liabilities	11,416	515,572	501,059	25,929
<b>Total Liabilities</b>	<b>\$ 16,956</b>	<b>\$ 519,139</b>	<b>\$ 506,599</b>	<b>\$ 29,496</b>
<b>Mental Health Patient</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,931	\$ 5,868	\$ 5,840	\$ 1,959
Investments - Short-term	422	218	20	620
<b>Total Assets</b>	<b>\$ 2,353</b>	<b>\$ 6,086</b>	<b>\$ 5,860</b>	<b>\$ 2,579</b>
Liabilities:				
Other Liabilities	\$ 2,353	\$ 6,086	\$ 5,860	\$ 2,579
<b>Total Liabilities</b>	<b>\$ 2,353</b>	<b>\$ 6,086</b>	<b>\$ 5,860</b>	<b>\$ 2,579</b>

*Continued on next page*

**Combining Statement of Changes in Assets and Liabilities –  
Agency Funds (Continued from previous page)**

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

	Balance July 1 as restated	Additions	Deletions	Balance June 30
<b>Mental Health NonPatient</b>				
Assets:				
Cash and Cash Equivalents	\$ 19	\$ 1	\$ -	\$ 20
Total Assets	<u>\$ 19</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 20</u>
Liabilities:				
Other Liabilities	\$ 19	\$ 1	\$ -	\$ 20
Total Liabilities	<u>\$ 19</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 20</u>
<b>Optional Life Insurance</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,198	\$ 18,323	\$ 18,350	\$ 1,171
Due from Fiduciary Funds	1,852	-	80	1,772
Total Assets	<u>\$ 3,050</u>	<u>\$ 18,323</u>	<u>\$ 18,430</u>	<u>\$ 2,943</u>
Liabilities:				
Insurance Premiums and Claims Payable	\$ 3,050	\$ -	\$ 107	\$ 2,943
Total Liabilities	<u>\$ 3,050</u>	<u>\$ -</u>	<u>\$ 107</u>	<u>\$ 2,943</u>
<b>Comptroller's Debt Setoff</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,156	\$ 11,594	\$ 11,584	\$ 1,166
Total Assets	<u>\$ 1,156</u>	<u>\$ 11,594</u>	<u>\$ 11,584</u>	<u>\$ 1,166</u>
Liabilities:				
Other Liabilities	\$ 1,156	\$ 11,594	\$ 11,584	\$ 1,166
Total Liabilities	<u>\$ 1,156</u>	<u>\$ 11,594</u>	<u>\$ 11,584</u>	<u>\$ 1,166</u>
<b>Unclaimed Property of Other States</b>				
Assets:				
Cash and Cash Equivalents	\$ 3,028	\$ 2,827	\$ 3,028	\$ 2,827
Total Assets	<u>\$ 3,028</u>	<u>\$ 2,827</u>	<u>\$ 3,028</u>	<u>\$ 2,827</u>
Liabilities:				
Amounts Due to Other Governments	\$ 3,028	\$ 2,827	\$ 3,028	\$ 2,827
Total Liabilities	<u>\$ 3,028</u>	<u>\$ 2,827</u>	<u>\$ 3,028</u>	<u>\$ 2,827</u>

	Balance July 1 as restated	Additions	Deletions	Balance June 30
<b>Legal Settlement</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,019	\$ 325	\$ 573	\$ 771
Total Assets	<u>\$ 1,019</u>	<u>\$ 325</u>	<u>\$ 573</u>	<u>\$ 771</u>
Liabilities:				
Other Liabilities	\$ 1,019	\$ 325	\$ 573	\$ 771
Total Liabilities	<u>\$ 1,019</u>	<u>\$ 325</u>	<u>\$ 573</u>	<u>\$ 771</u>
<b>Consumer Services</b>				
Assets:				
Cash and Cash Equivalents	\$ 298	\$ 221	\$ 251	\$ 268
Investments - Short-term	191	27	51	167
Total Assets	<u>\$ 489</u>	<u>\$ 248</u>	<u>\$ 302</u>	<u>\$ 435</u>
Liabilities:				
Other Liabilities	\$ 489	\$ 248	\$ 302	\$ 435
Total Liabilities	<u>\$ 489</u>	<u>\$ 248</u>	<u>\$ 302</u>	<u>\$ 435</u>
<b>Department of State Police</b>				
Assets:				
Cash and Cash Equivalents	\$ 280	\$ 1,376	\$ 1,268	\$ 388
Investments - Short-term	30	17	35	12
Total Assets	<u>\$ 310</u>	<u>\$ 1,393</u>	<u>\$ 1,303</u>	<u>\$ 400</u>
Liabilities:				
Other Liabilities	\$ 310	\$ 1,393	\$ 1,303	\$ 400
Total Liabilities	<u>\$ 310</u>	<u>\$ 1,393</u>	<u>\$ 1,303</u>	<u>\$ 400</u>
<b>Aviation</b>				
Assets:				
Cash and Cash Equivalents	\$ 67	\$ 1	\$ -	\$ 68
Investments - Short-term	47	1	-	48
Total Assets	<u>\$ 114</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 116</u>
Liabilities:				
Other Liabilities	\$ 114	\$ 2	\$ -	\$ 116
Total Liabilities	<u>\$ 114</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 116</u>

*Continued on next page*

**Combining Statement of Changes in Assets and Liabilities –  
Agency Funds** *(Continued from previous page)*

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

	Balance July 1 as restated	Additions	Deletions	Balance June 30
<b>Virginia School for the Deaf and Blind</b>				
Assets:				
Cash and Cash Equivalents	\$ 33	\$ 41	\$ 37	\$ 37
Total Assets	<u>\$ 33</u>	<u>\$ 41</u>	<u>\$ 37</u>	<u>\$ 37</u>
Liabilities:				
Other Liabilities	\$ 33	\$ 41	\$ 37	\$ 37
Total Liabilities	<u>\$ 33</u>	<u>\$ 41</u>	<u>\$ 37</u>	<u>\$ 37</u>
<b>Woodrow Wilson Rehabilitation Center</b>				
Assets:				
Cash and Cash Equivalents	\$ 6	\$ 47	\$ 46	\$ 7
Total Assets	<u>\$ 6</u>	<u>\$ 47</u>	<u>\$ 46</u>	<u>\$ 7</u>
Liabilities:				
Other Liabilities	\$ 6	\$ 47	\$ 46	\$ 7
Total Liabilities	<u>\$ 6</u>	<u>\$ 47</u>	<u>\$ 46</u>	<u>\$ 7</u>
<b>Dog and Cat Sterilization</b>				
Assets:				
Cash and Cash Equivalents	\$ 2	\$ 134	\$ 134	\$ 2
Total Assets	<u>\$ 2</u>	<u>\$ 134</u>	<u>\$ 134</u>	<u>\$ 2</u>
Liabilities:				
Amounts Due to Other Governments	\$ 2	\$ 134	\$ 134	\$ 2
Total Liabilities	<u>\$ 2</u>	<u>\$ 134</u>	<u>\$ 134</u>	<u>\$ 2</u>
<b>Milk Commission</b>				
Assets:				
Cash and Cash Equivalents	\$ 1	\$ 16	\$ 16	\$ 1
Accounts Receivable (Net)	-	16	16	-
Total Assets	<u>\$ 1</u>	<u>\$ 32</u>	<u>\$ 32</u>	<u>\$ 1</u>
Liabilities:				
Accounts Payable and Accrued Expenses	\$ 1	\$ 32	\$ 32	\$ 1
Total Liabilities	<u>\$ 1</u>	<u>\$ 32</u>	<u>\$ 32</u>	<u>\$ 1</u>

	Balance July 1 as restated	Additions	Deletions	Balance June 30
<b>State Corporation Commission</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ -	\$ 9,901	\$ -	\$ 9,901
Investments - Short-term	-	6,880	-	6,880
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 16,781</b>	<b>\$ -</b>	<b>\$ 16,781</b>
<b>Liabilities:</b>				
Other Liabilities	\$ -	\$ 16,781	\$ -	\$ 16,781
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 16,781</b>	<b>\$ -</b>	<b>\$ 16,781</b>
<b>Totals - Agency Funds</b>				
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 186,359	\$ 1,761,652	\$ 1,744,848	\$ 203,163
Investments - Short-term	368,996	191,761	141,976	418,781
Investments - Other	632	625	632	625
Accounts Receivable (Net)	39,248	91,028	38,781	91,495
Due from Other Funds	172	217	172	217
Due from Fiduciary Funds	1,852	-	80	1,772
<b>Total Assets</b>	<b>\$ 597,259</b>	<b>\$ 2,045,283</b>	<b>\$ 1,926,489</b>	<b>\$ 716,053</b>
<b>Liabilities:</b>				
Accounts Payable and Accrued Expenses	\$ 3,177	\$ 168,641	\$ 168,355	\$ 3,463
Amounts Due to Other Governments	181,788	1,103,674	1,061,892	223,570
Due to Other Funds	5,343	3,784	5,276	3,851
Obligations Under Securities Lending Program	694	625	694	625
Other Liabilities	403,207	742,499	664,105	481,601
Insurance Premiums and Claims Payable	3,050	-	107	2,943
<b>Total Liabilities</b>	<b>\$ 597,259</b>	<b>\$ 2,019,223</b>	<b>\$ 1,900,429</b>	<b>\$ 716,053</b>

