

# 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.*

**Virginia Information Technologies Agency** 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.

**Property Management** accounts for real estate services, non-routine facility maintenance, and the disposal of State-owned property. Real estate service activity is new in the current fiscal year. In the prior fiscal year, Maintenance and Repair and Property Disposal were reported as individual internal service funds.

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

**General Services** accounts for a variety of services, including the purchase of supplies, the sale of surplus property, water testing, graphic design and engineering. In the prior fiscal year, the activity in this fund was reported as the Virginia Distribution Center, Consolidated Laboratory, Federal Surplus Property, State Surplus Property, Graphic Communications, and Engineering Services internal service funds.

**Combining Statement of Net Assets – Internal Service Funds**

June 30, 2006

(Dollars in Thousands)

	<b>Virginia Information Technologies Agency</b>	<b>Virginia Correctional Enterprises</b>	<b>Health Care</b>
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 20,038	\$ 3,565	\$ 182,583
Investments	-	-	25,805
Receivables, Net	4,440	4,561	1,607
Due From Other Funds	26,689	2,191	-
Inventory	-	13,748	-
Prepaid Items	1,327	-	-
Other Assets	9	3	-
<b>Total Current Assets</b>	<b>52,503</b>	<b>24,068</b>	<b>209,995</b>
<b>Noncurrent Assets:</b>			
Nondepreciable Capital Assets	-	225	-
Depreciable Capital Assets, Net	33,493	6,127	-
<b>Total Noncurrent Assets</b>	<b>33,493</b>	<b>6,352</b>	<b>-</b>
<b>Total Assets</b>	<b>85,996</b>	<b>30,420</b>	<b>209,995</b>
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts Payable	21,566	2,475	23,358
Amounts Due to Other Governments	514	481	-
Due to Other Funds	10	-	-
Interfund Payable	-	-	-
Unearned Revenue	25,978	1,335	-
Obligations Under Securities Lending Program	-	-	51,881
Other Liabilities	-	-	-
Claims Payable Due Within One Year	-	-	81,474
Long-term Liabilities Due within One Year	8,219	261	-
<b>Total Current Liabilities</b>	<b>56,287</b>	<b>4,552</b>	<b>156,713</b>
<b>Noncurrent Liabilities:</b>			
Interfund Payable	-	-	-
Claims Payable Due In More Than One Year	-	-	-
Long-term Liabilities Due in More Than One Year	4,831	2,333	-
<b>Total Noncurrent Liabilities</b>	<b>4,831</b>	<b>2,333</b>	<b>-</b>
<b>Total Liabilities</b>	<b>61,118</b>	<b>6,885</b>	<b>156,713</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	29,714	5,835	-
Unrestricted	(4,836)	17,700	53,282
<b>Total Net Assets (Deficit)</b>	<b>\$ 24,878</b>	<b>\$ 23,535</b>	<b>\$ 53,282</b>

<u>Fleet Management</u>	<u>Property Management</u>	<u>Risk Management</u>	<u>General Services</u>	<u>Total</u>
\$ 1,810	\$ 9,966	\$ 104,791	\$ 5,432	\$ 328,185
-	-	14,498	386	40,689
1,371	153	183	1,200	13,515
1,952	1,278	-	690	32,800
71	258	-	3,126	17,203
-	-	-	-	1,327
-	1	1,000	2	1,015
<u>5,204</u>	<u>11,656</u>	<u>120,472</u>	<u>10,836</u>	<u>434,734</u>
-	-	-	150	375
26,391	416	-	10,137	76,564
26,391	416	-	10,287	76,939
<u>31,595</u>	<u>12,072</u>	<u>120,472</u>	<u>21,123</u>	<u>511,673</u>
1,064	1,197	1,786	818	52,264
141	1,047	-	-	2,183
1,303	664	-	113	2,090
-	-	-	732	732
8	7,789	37,169	45	72,324
-	-	29,149	777	81,807
-	-	1,210	-	1,210
-	-	51,526	-	133,000
873	550	43	326	10,272
<u>3,389</u>	<u>11,247</u>	<u>120,883</u>	<u>2,811</u>	<u>355,882</u>
-	5,640	-	6,855	12,495
-	-	220,602	-	220,602
4,065	1,555	266	887	13,937
4,065	7,195	220,868	7,742	247,034
<u>7,454</u>	<u>18,442</u>	<u>341,751</u>	<u>10,553</u>	<u>602,916</u>
21,745	367	-	10,287	67,948
2,396	(6,737)	(221,279)	283	(159,191)
<u>\$ 24,141</u>	<u>\$ (6,370)</u>	<u>\$ (221,279)</u>	<u>\$ 10,570</u>	<u>\$ (91,243)</u>

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

For the Fiscal Year Ended June 30, 2006  
(Dollars in Thousands)

	<b>Virginia Information Technologies Agency</b>	<b>Virginia Correctional Enterprises</b>	<b>Health Care</b>
<b>Operating Revenues:</b>			
Charges for Sales and Services	\$ 230,625	\$ 47,539	\$ 827,966
Total Operating Revenues	<u>230,625</u>	<u>47,539</u>	<u>827,966</u>
<b>Operating Expenses:</b>			
Cost of Sales and Services	-	36,193	-
Prizes and Claims	-	-	715,283
Personal Services	74,603	3,904	-
Contractual Services	104,725	3,650	52,485
Supplies and Materials	1,469	411	-
Depreciation and Amortization	15,749	1,551	-
Rent, Insurance, and Other Related Charges	9,618	1,106	-
Interest Expense	-	-	-
Other	29,505	203	-
Total Operating Expenses	<u>235,669</u>	<u>47,018</u>	<u>767,768</u>
Operating Income (Loss)	<u>(5,044)</u>	<u>521</u>	<u>60,198</u>
<b>Nonoperating Revenues (Expenses):</b>			
Interest, Dividends, Rents, and Other Investment Income	(190)	-	5,096
Insurance Recoveries	-	-	-
Other	4,588	192	(1,028)
Total Nonoperating Revenues (Expenses)	<u>4,398</u>	<u>192</u>	<u>4,068</u>
Income (Loss) Before Transfers	(646)	713	64,266
Transfers In	-	-	-
Transfers Out	(44)	(1,070)	-
Change in Net Assets	<u>(690)</u>	<u>(357)</u>	<u>64,266</u>
Total Net Assets (Deficit), July 1	25,568	23,892	(10,984)
Total Net Assets (Deficit), June 30	<u>\$ 24,878</u>	<u>\$ 23,535</u>	<u>\$ 53,282</u>

<b>Fleet Management</b>	<b>Property Management</b>	<b>Risk Management</b>	<b>General Services</b>	<b>Total</b>
\$ 13,804	\$ 30,548	\$ 69,032	\$ 36,660	\$ 1,256,174
13,804	30,548	69,032	36,660	1,256,174
-	-	-	24,743	60,936
-	-	84,743	-	800,026
856	8,384	1,243	5,413	94,403
2,528	5,569	7,700	2,503	179,160
4,854	4,068	6	1,055	11,863
3,930	129	-	803	22,162
707	8,608	724	1,205	21,968
-	128	-	225	353
10	9,128	8,567	321	47,734
12,885	36,014	102,983	36,268	1,238,605
919	(5,466)	(33,951)	392	17,569
-	-	3,687	63	8,656
-	117	-	-	117
(249)	(6)	(753)	(16)	2,728
(249)	111	2,934	47	11,501
670	(5,355)	(31,017)	439	29,070
-	3	5,200	620	5,823
(500)	-	(42)	-	(1,656)
170	(5,352)	(25,859)	1,059	33,237
23,971	(1,018)	(195,420)	9,511	(124,480)
\$ 24,141	\$ (6,370)	\$ (221,279)	\$ 10,570	\$ (91,243)

## Combining Statement of Cash Flows – Internal Service Funds

For the Fiscal Year Ended June 30, 2006

(Dollars in Thousands)

	Virginia Information Technologies Agency	Virginia Correctional Enterprises	Health Care
<b>Cash Flows from Operating Activities:</b>			
Receipts for Sales and Services	\$ 5,801	\$ 15,023	\$ 852,803
Internal Activity-Receipts from Other Funds	238,242	32,374	-
Internal Activity-Payments to Other Funds	(1,160)	(1,412)	-
Payments to Suppliers for Goods and Services	(48,129)	(38,831)	-
Payments for Prizes, Claims, and Loss Control	-	-	(708,149)
Payments to Employees	(81,223)	(3,859)	-
Other Operating Revenue	2	-	-
Other Operating Expense	(86,093)	(2,669)	(52,312)
Net Cash Provided by (Used for) Operating Activities	<u>27,440</u>	<u>626</u>	<u>92,342</u>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Transfers In From Other Funds	-	-	-
Transfers Out to Other Funds	(44)	(1,070)	-
Other Noncapital Financing Receipt Activities	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(44)</u>	<u>(1,070)</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition of Capital Assets	(18,198)	(1,325)	-
Payment of Principal and Interest on Bonds and Notes	(6,465)	(404)	-
Proceeds from Sale of Capital Assets	-	-	-
Other Capital and Related Financing Receipt Activities	298	-	-
Other Capital and Related Financing Disbursement Activities	-	-	-
Net Cash Provided By (Used for) Capital and Related Financing Activities	<u>(24,365)</u>	<u>(1,729)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>			
Investment Income on Cash, Cash Equivalents, and Investments	-	-	4,067
Net Cash Provided by (Used for) Investing Activities	<u>-</u>	<u>-</u>	<u>4,067</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,031	(2,173)	96,409
<b>Cash and Cash Equivalents, July 1</b>	<u>17,016</u>	<u>5,741</u>	<u>60,098</u>
<b>Cash and Cash Equivalents, June 30</b>	<u>\$ 20,047</u>	<u>\$ 3,568</u>	<u>\$ 156,507</u>
<b>Reconciliation of Cash and Cash Equivalents:</b>			
Per the Statement of Net Assets:			
Cash and Cash Equivalents	\$ 20,038	\$ 3,565	\$ 182,583
Cash and Travel Advances	9	3	-
Less:			
Securities Lending Cash Equivalents	-	-	(26,076)
Cash and Cash Equivalents per the Statement of Cash Flows	<u>\$ 20,047</u>	<u>\$ 3,568</u>	<u>\$ 156,507</u>

<b>Fleet Management</b>	<b>Property Management</b>	<b>Risk Management</b>	<b>General Services</b>	<b>Total</b>
\$ 1,391	\$ 2,613	\$ 22,207	\$ 11,260	\$ 911,098
10,976	28,037	53,532	25,515	388,676
(3,917)	(125)	-	(1,355)	(7,969)
(1,539)	(21,944)	-	(25,811)	(136,254)
-	-	(64,056)	-	(772,205)
(856)	(8,601)	(1,252)	(5,495)	(101,286)
-	-	-	-	2
(1,370)	(5,414)	(17,000)	(2,462)	(167,320)
<u>4,685</u>	<u>(5,434)</u>	<u>(6,569)</u>	<u>1,652</u>	<u>114,742</u>
-	3	5,200	620	5,823
(500)	-	(42)	-	(1,656)
-	5,757	-	48	5,805
<u>(500)</u>	<u>5,760</u>	<u>5,158</u>	<u>668</u>	<u>9,972</u>
(3,766)	(13)	-	(326)	(23,628)
(37)	(69)	-	-	(6,975)
621	-	-	-	621
-	-	-	-	298
-	-	-	(632)	(632)
<u>(3,182)</u>	<u>(82)</u>	<u>-</u>	<u>(958)</u>	<u>(30,316)</u>
-	-	2,935	-	7,002
-	-	2,935	-	7,002
1,003	244	1,524	1,362	101,400
807	9,723	89,617	3,681	186,683
<u>\$ 1,810</u>	<u>\$ 9,967</u>	<u>\$ 91,141</u>	<u>\$ 5,043</u>	<u>\$ 288,083</u>
\$ 1,810	\$ 9,966	\$ 104,791	\$ 5,432	\$ 328,185
-	1	1,000	2	1,015
-	-	(14,650)	(391)	(41,117)
<u>\$ 1,810</u>	<u>\$ 9,967</u>	<u>\$ 91,141</u>	<u>\$ 5,043</u>	<u>\$ 288,083</u>

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

For the Fiscal Year Ended June 30, 2006  
(Dollars in Thousands)

	Virginia Information Technologies Agency	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)	\$ (5,044)	\$ 521	\$ 60,198
<b>Adjustments to Reconcile Operating</b>			
<b>Income to Net Cash Provided by (Used for)</b>			
<b>Operating Activities:</b>			
Depreciation and Amortization	15,749	1,551	-
Miscellaneous Nonoperating Income	2	413	-
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(1,830)	(1,180)	11,001
(Increase) Decrease in Due From Other Funds	(6,100)	(125)	13,835
(Increase) Decrease in Other Assets	(1)	1	-
(Increase) Decrease in Inventory	-	(1,475)	-
(Increase) Decrease in Prepaid Items	2,676	-	-
Increase (Decrease) in Accounts Payable	7,128	(456)	3,550
Increase (Decrease) in Amounts Due to Other Governments	-	481	-
Increase (Decrease) in Claims Payable	-	-	3,758
Increase (Decrease) in Due to Other Funds	(373)	(84)	-
Increase (Decrease) in Unearned Revenue	17,624	865	-
Increase (Decrease) in Other Liabilities	-	-	-
Increase (Decrease) in Long-term Liabilities: Due within One Year	789	2	-
Increase (Decrease) in Long-term Liabilities: Due in More Than One Year	(3,180)	112	-
Net Cash Provided by (Used for) Operating Activities	<u>\$ 27,440</u>	<u>\$ 626</u>	<u>\$ 92,342</u>
<b>Noncash Investing, Capital, and Financing Activities:</b>			
The following transactions occurred prior to the statement of net assets date:			
Installment Purchases Used to Finance Capital Assets	\$ -	\$ -	\$ -
Capital Asset Addition Included in Accounts Payable	678	-	-
Total Noncash, Investing, Capital, and Financing Activities	<u>\$ 678</u>	<u>\$ -</u>	<u>\$ -</u>



<u>Fleet Management</u>	<u>Property Management</u>	<u>Risk Management</u>	<u>General Services</u>	<u>Total</u>
\$ 919	\$ (5,466)	\$ (33,951)	\$ 392	\$ 17,569
3,930	129	-	803	22,162
-	-	-	-	415
(256)	(141)	13	(9)	7,598
(1,197)	(491)	726	200	6,848
-	-	-	1	1
(44)	(5)	-	333	(1,191)
-	-	-	-	2,676
(149)	(730)	(4,174)	(261)	4,908
141	276	-	-	898
-	-	28,871	-	32,629
1,303	664	-	113	1,623
8	218	6,095	(5)	24,805
-	-	(4,162)	-	(4,162)
18	31	5	31	876
12	81	8	54	(2,913)
<u>\$ 4,685</u>	<u>\$ (5,434)</u>	<u>\$ (6,569)</u>	<u>\$ 1,652</u>	<u>\$ 114,742</u>
\$ 3,718	\$ -	\$ -	\$ -	\$ 3,718
807	-	-	-	1,485
<u>\$ 4,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,203</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** account for the activities of the Virginia Education Savings Trust and College America 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 Program** 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 donations to the state. Earnings are used for the benefit of donor-specified local entities.

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## Pension and Other Employee Benefit Trust Funds

*Pension and Other Employee Benefit 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, teachers, political subdivision employees, and other qualifying employees.

**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.

**The Public School Superintendents' Plan** provides retirement benefits to superintendents in the public school system.

**The Virginia Supplemental Retirement Plan** provides extra benefits to turn-around specialists in the public school system.

**Other Employment Retiree Health Insurance Credit Fund** accounts for the health insurance credits provided by the Commonwealth 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 Commonwealth 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.

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## Investment Trust Fund

*Investment Trust Fund reflects the external portion of the investment pool 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.

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## Agency Funds

*Agency Funds report those funds for which the Commonwealth acts solely in a custodial capacity.*

**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. There are minor adjustments to cash equivalent and investment beginning balances due to reclassifications among these line items.

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

**Contractor Deposit Fund** accounts for reimbursable deposits, including both cash and securities, from mining companies, road construction companies, and from motor fuel retailers to ensure performance meets regulatory standards. There are minor adjustments to cash equivalent and investment beginning balances due to reclassifications among these line items.

**Deposits of Insurance Carriers Fund** accounts for security deposits of insurance carriers as protection to the policy holders of the Commonwealth. There are minor adjustments to cash equivalent and investment beginning balances due to reclassifications among these line items.

**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 Non-patient Fund** accounts for the savings of nonpatients in the Commonwealth's mental health facilities.

**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. There are minor adjustments to cash equivalent and investment beginning balances due to reclassifications among these line items.

**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. The Milk Commission, which accounts for deposits from milk producers that will be distributed to individual farmers to offset delivery expenses and losses incurred, is reported as part of this fund. There are minor adjustments to cash equivalent and investment beginning balances due to reclassifications among these line items.

**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. There are minor adjustments to cash equivalent and investment beginning balances due to reclassifications among these line items.

**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.

**Commuter Rail Fund** accounts for funds held in custody for Virginia Railway Express assets. There are minor adjustments to cash equivalent and investment beginning balances due to reclassifications among these line items.

**Department of Environmental Quality** accounts for deposits from the EPA as a result of a legal settlement which will be distributed to localities to retro-fit school buses.

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

June 30, 2006

(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	\$ 14,114	\$ 4,335	\$ 533
Investments:			
Bonds and Mortgage Securities	6	-	-
Stocks	113,226	39,049	-
Index and Pooled Funds	-	171,954	-
Mutual and Money Market Funds	31,317	16,218,700	-
Other	281	122,499	-
Total Investments	<u>144,830</u>	<u>16,552,202</u>	<u>-</u>
Receivables:			
Accounts	-	-	-
Interest and Dividends	-	792	-
Total Receivables	<u>-</u>	<u>792</u>	<u>-</u>
Total Assets	<u>158,944</u>	<u>16,557,329</u>	<u>533</u>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	250	724	-
Obligations Under Securities Lending Program	456	-	-
Other Liabilities	-	69	-
Compensated Absences Payable	155	-	-
Pension Liability	191	-	-
Total Liabilities	<u>1,052</u>	<u>793</u>	<u>-</u>
Net Assets Held in Trust for Participants	<u>\$ 157,892</u>	<u>\$ 16,556,536</u>	<u>\$ 533</u>

<u>Edvantage Reserve</u>	<u>Virginia Revolving Farm Loan Program</u>	<u>Miscellaneous Trust</u>	<u>Total</u>
\$ 894	\$ 6,253	\$ 36	\$ 26,165
-	-	-	6
-	-	-	152,275
-	-	-	171,954
-	-	-	16,250,017
126	883	30	123,819
126	883	30	16,698,071
-	130	-	130
-	-	-	792
-	130	-	922
1,020	7,266	66	16,725,158
-	1	-	975
254	1,777	-	2,487
-	-	-	69
-	10	-	165
-	5	-	196
254	1,793	-	3,892
\$ 766	\$ 5,473	\$ 66	\$ 16,721,266

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

For the Fiscal Year June 30, 2006

(Dollars in Thousands)

	Unclaimed Property	Education Savings Trust Funds	Loan Servicing Reserve
<b>Additions:</b>			
Investment Income:			
Interest, Dividends, and Other Investment Income	\$ 27	\$ 1,516,408	\$ -
Total Investment Income	27	1,516,408	-
Less Investment Expenses	-	14,159	-
Net Investment Income	27	1,502,249	-
Proceeds from Unclaimed Property	9,472	-	-
Contributions:			
Participants	-	4,571,692	-
Total Contributions	-	4,571,692	-
Other Revenue	-	-	-
Total Additions	9,499	6,073,941	-
<b>Deductions:</b>			
Loan Servicing Payments	-	-	7
Tuition Benefits	-	394,580	-
Insurance Premiums and Claims	21,327	-	-
Trust Payments	-	-	-
Administrative Expenses	3,893	13,749	-
Other Expenses	-	-	-
Shares Redeemed	-	680,660	-
Total Deductions	25,220	1,088,989	7
Net Increase (Decrease)	(15,721)	4,984,952	(7)
Net Assets Held in Trust for Participants			
<b>July 1</b>	173,613	11,571,584	540
<b>June 30</b>	\$ 157,892	\$ 16,556,536	\$ 533

<b>Edvantage Reserve</b>	<b>Virginia Revolving Farm Loan Program</b>	<b>Miscellaneous Trust</b>	<b>Total</b>
\$ 73	\$ 242	\$ 3	\$ 1,516,753
73	242	3	1,516,753
-	-	-	14,159
73	242	3	1,502,594
-	-	-	9,472
-	-	-	4,571,692
-	-	-	4,571,692
10	-	-	10
83	242	3	6,083,768
-	81	-	88
-	-	-	394,580
-	-	-	21,327
-	-	3	3
-	46	-	17,688
1,015	-	-	1,015
-	-	-	680,660
1,015	127	3	1,115,361
(932)	115	-	4,968,407
1,698	5,358	66	11,752,859
<u>\$ 766</u>	<u>\$ 5,473</u>	<u>\$ 66</u>	<u>\$ 16,721,266</u>

## Combining Statement of Fiduciary Net Assets – Pension and Other Employee Benefit Trust Funds

June 30, 2006

(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	\$ 293,834	\$ 3,679	\$ 2,064	\$ 4,436
Investments:				
Bonds and Mortgage Securities	9,861,580	124,191	69,672	149,750
Stocks	15,452,627	194,601	109,173	234,651
Fixed Income Commingled Funds	2,044,494	25,747	14,445	31,046
Index and Pooled Funds	13,682,893	172,314	96,671	207,777
Real Estate	1,438,825	18,120	10,165	21,849
Private Equity	2,555,644	32,184	18,056	38,808
Short-term Investments	1,304,012	16,422	9,213	19,801
Other	3,792,069	47,755	26,791	57,583
Total Investments	<u>50,132,144</u>	<u>631,334</u>	<u>354,186</u>	<u>761,265</u>
Receivables:				
Contributions	110,711	-	-	266
Interest and Dividends	133,599	1,682	944	2,029
Security Transactions	1,738,197	21,889	12,281	26,395
Other Receivables	77,673	959	538	1,156
Total Receivables	<u>2,060,180</u>	<u>24,530</u>	<u>13,763</u>	<u>29,846</u>
Due from External Parties (Fiduciary Funds)	2,432	2,650	2,195	2,518
Furniture and Equipment	6,780	-	-	-
Total Assets	<u>52,495,370</u>	<u>662,193</u>	<u>372,208</u>	<u>798,065</u>
<b>Liabilities</b>				
Accounts Payable and Accrued Expenses	134,961	1,690	948	2,038
Due to External Parties (Fiduciary Funds)	13,201	-	-	54
Obligations Under Securities Lending Program	3,792,069	47,755	26,791	57,583
Other Liabilities	3,653	22	12	27
Retirement Benefits Payable	171,653	2,735	2,155	2,442
Refunds Payable	5,684	-	-	283
Compensated Absences Payable	1,410	-	-	-
Insurance Premiums and Claims Payable	-	-	-	-
Payable for Security Transactions	2,352,005	29,620	16,617	35,716
Pension Liability	1,613	19	11	9
Total Liabilities	<u>6,476,249</u>	<u>81,841</u>	<u>46,534</u>	<u>98,152</u>
Net Assets Held in Trust for Pension/Other Employment Benefits, Pool Participants and Other Purposes	<u>\$ 46,019,121</u>	<u>\$ 580,352</u>	<u>\$ 325,674</u>	<u>\$ 699,913</u>



Political Appointees	Public School Superintendents	Virginia Supplemental Retirement Plan	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
\$ -	\$ -	\$ -	\$ 1,113	\$ 4,965	\$ 1,228	\$ -	\$ 311,319
1,151	20	26	37,558	167,570	41,446	-	10,452,964
2,772	-	-	58,852	262,574	64,944	-	16,380,194
-	-	-	7,787	34,740	8,592	-	2,166,851
598	-	-	52,112	232,501	57,506	-	14,502,372
-	-	-	5,480	24,449	6,047	-	1,524,935
-	-	-	9,733	43,426	10,741	-	2,708,592
-	-	-	4,966	22,158	5,481	-	1,382,053
-	-	-	14,442	64,436	15,937	983	4,019,996
4,521	20	26	190,930	851,854	210,694	983	53,137,957
-	-	-	3,808	7	417	-	115,209
-	-	-	509	2,271	561	-	141,595
-	-	-	6,620	29,536	7,305	-	1,842,223
-	-	-	306	1,294	2,160	-	84,086
-	-	-	11,243	33,108	10,443	-	2,183,113
-	-	-	5,837	-	-	-	15,632
-	-	-	-	-	-	-	6,780
4,521	20	26	209,123	889,927	222,365	983	55,654,801
-	-	-	6,720	2,282	3,989	-	152,628
-	-	-	858	907	612	-	15,632
-	-	-	14,442	64,436	15,937	-	4,019,013
-	-	-	7	31	7	-	3,759
-	-	-	-	-	-	-	178,985
-	-	-	70	2	63	-	6,102
-	-	-	-	-	-	-	1,410
-	-	-	-	30,943	-	-	30,943
-	-	-	8,958	39,965	9,885	-	2,492,766
-	-	-	28	64	43	-	1,787
-	-	-	31,083	138,630	30,536	-	6,903,025
\$ 4,521	\$ 20	\$ 26	\$ 178,040	\$ 751,297	\$ 191,829	\$ 983	\$ 48,751,776

**Combining Statement of Changes in Fiduciary Net Assets – Pension and Other Employee Benefit Trust Funds**

For the Fiscal Year Ended June 30, 2006  
(Dollars in Thousands)

	Virginia Retirement System	State Police Officers' Retirement System	Judicial Retirement System	Virginia Law Officers' Retirement System	Political Appointees
<b>Additions:</b>					
Investment Income:					
Interest, Dividends, and Other					
Investment Income	\$ 5,420,367	\$ 68,230	\$ 38,018	\$ 77,293	\$ 320
Total Investment Income	5,420,367	68,230	38,018	77,293	320
Less Investment Expenses	377,792	4,755	2,650	5,388	-
Net Investment Income	5,042,575	63,475	35,368	71,905	320
Contributions:					
Member	38,825	304	108	534	439
Employer	1,420,011	19,884	18,859	68,154	343
Total Contributions	1,458,836	20,188	18,967	68,688	782
Other Revenue	185	-	-	-	-
Total Additions	6,501,596	83,663	54,335	140,593	1,102
<b>Deductions:</b>					
Retirement Benefits	2,015,557	32,309	24,717	29,202	349
Refunds to Former Members	85,804	596	-	4,830	-
Retiree Health Insurance Credits	-	-	-	-	-
Insurance Premiums and Claims	-	-	-	-	-
Administrative Expenses	19,843	232	131	265	12
Other Expenses	3	-	-	-	-
Long-term Disability Benefits	-	-	-	-	-
Total Deductions	2,121,207	33,137	24,848	34,297	361
<b>Transfers:</b>					
Transfers In	-	-	-	255	-
Transfers Out	(255)	-	-	-	-
Total Transfers	(255)	-	-	255	-
Net Increase (Decrease)	4,380,134	50,526	29,487	106,551	741
Net Assets Held in Trust for Pension/Other Employment Benefits, Pool Participants and Other Purposes					
<b>July 1</b>	41,638,987	529,826	296,187	593,362	3,780
<b>June 30</b>	<u>\$ 46,019,121</u>	<u>\$ 580,352</u>	<u>\$ 325,674</u>	<u>\$ 699,913</u>	<u>\$ 4,521</u>

Public School Superintendents	Virginia Supplemental Retirement Plan	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
\$ -	\$ -	\$ 18,292	\$ 99,094	\$ 18,878	\$ 95	\$ 5,740,587
-	-	18,292	99,094	18,878	95	5,740,587
-	-	1,274	6,907	1,316	-	400,082
-	-	17,018	92,187	17,562	95	5,340,505
20	26	-	32	-	51	40,339
-	-	86,913	20	57,991	79	1,672,254
20	26	86,913	52	57,991	130	1,712,593
-	-	-	-	-	-	185
20	26	103,931	92,239	75,553	225	7,053,283
-	-	-	-	-	-	2,102,134
-	-	-	-	-	2	91,232
-	-	72,482	-	-	-	72,482
-	-	-	111,490	-	-	111,490
-	-	339	720	579	-	22,121
-	-	-	489	-	-	492
-	-	-	-	27,339	-	27,339
-	-	72,821	112,699	27,918	2	2,427,290
-	-	-	-	-	-	255
-	-	-	-	-	-	(255)
-	-	-	-	-	-	-
20	26	31,110	(20,460)	47,635	223	4,625,993
-	-	146,930	771,757	144,194	760	44,125,783
\$ 20	\$ 26	\$ 178,040	\$ 751,297	\$ 191,829	\$ 983	\$ 48,751,776

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

June 30, 2006

(Dollars in Thousands)

	<b>Local Government Investment Pool (LGIP)</b>	<b>Total</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 1,739,690	\$ 1,739,690
Investments:		
Bonds and Mortgage Securities	83,894	83,894
Short-term Investments	852,862	852,862
Total Investments	<u>936,756</u>	<u>936,756</u>
Receivables:		
Interest and Dividends	10,403	10,403
Total Receivables	<u>10,403</u>	<u>10,403</u>
Total Assets	<u>2,686,849</u>	<u>2,686,849</u>
<b>Liabilities</b>		
Due to Internal Parties (Governmental Funds and Business-type Activities)	8	8
Total Liabilities	<u>8</u>	<u>8</u>
Net Assets Held in Trust for Pool Participants	<u>\$ 2,686,841</u>	<u>\$ 2,686,841</u>

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

For the Fiscal Year Ended June 30, 2006

(Dollars in Thousands)

	<b>Local Government Investment Pool (LGIP)</b>	<b>Total</b>
<b>Additions:</b>		
Investment Income:		
Interest, Dividends, and Other		
Investment Income	\$ 85,765	\$ 85,765
Distributions to Shareholders from Net Investment Income	(85,877)	(85,877)
Total Investment Income	(112)	(112)
Less Investment Expenses	-	-
Net Investment Income	(112)	(112)
Shares Sold	4,160,562	4,160,562
Reinvested Distributions	85,877	85,877
Total Additions	4,246,327	4,246,327
<b>Deductions:</b>		
Shares Redeemed	(3,858,163)	(3,858,163)
Total Deductions	(3,858,163)	(3,858,163)
Net Increase	388,164	388,164
Net Assets Held in Trust for Pool Participants		
<b>July 1, as restated</b>	2,298,677	2,298,677
<b>June 30</b>	<u>\$ 2,686,841</u>	<u>\$ 2,686,841</u>

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

June 30, 2006

(Dollars in Thousands)

	Funds for the Collection of Taxes	Employee Benefits	Contractor Deposits
<b>Assets</b>			
Cash and Cash Equivalents	\$ 121,675	\$ 4,739	\$ 31,549
Investments:			
Short-term Investments	160	-	1,508
Other	-	-	-
Total Investments	<u>160</u>	<u>-</u>	<u>1,508</u>
Receivables:			
Accounts	122,761	-	-
Total Receivables	<u>122,761</u>	<u>-</u>	<u>-</u>
Due from Internal Parties (Governmental and Business Type Activities)	-	-	-
Other Assets	-	-	-
Total Assets	<u>\$ 244,596</u>	<u>\$ 4,739</u>	<u>\$ 33,057</u>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	\$ -	\$ 4,739	\$ -
Amounts Due to Other Governments	244,274	-	-
Due to Internal Parties (Governmental and Business Type Activities)	-	-	-
Obligations Under Securities Lending Program	322	-	3,031
Other Liabilities	-	-	30,026
Insurance Premiums and Claims Payable	-	-	-
Total Liabilities	<u>\$ 244,596</u>	<u>\$ 4,739</u>	<u>\$ 33,057</u>

Deposits of Insurance Carriers	Inmate and Ward	Child Support Collection	Mental Health Patient	Mental Health Non-Patient	Comptroller's Debt Setoff	Unclaimed Property of Other States	Legal Settlement
\$ 13,149	\$ 6,836	\$ 14,275	\$ 2,299	\$ 20	\$ 945	\$ 1,500	\$ 1,013
77,727	-	-	-	-	-	-	22
309,560	-	-	97	-	-	-	-
387,287	-	-	97	-	-	-	22
15	236	-	-	-	-	-	-
15	236	-	-	-	-	-	-
-	3	-	-	-	-	-	-
-	-	-	-	-	-	3,060	-
<u>\$ 400,451</u>	<u>\$ 7,075</u>	<u>\$ 14,275</u>	<u>\$ 2,396</u>	<u>\$ 20</u>	<u>\$ 945</u>	<u>\$ 4,560</u>	<u>\$ 1,035</u>
\$ -	\$ 6,461	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	4,560	-
-	30	3,470	-	-	-	-	-
-	-	-	-	-	-	-	44
400,451	584	10,805	2,396	20	945	-	991
-	-	-	-	-	-	-	-
<u>\$ 400,451</u>	<u>\$ 7,075</u>	<u>\$ 14,275</u>	<u>\$ 2,396</u>	<u>\$ 20</u>	<u>\$ 945</u>	<u>\$ 4,560</u>	<u>\$ 1,035</u>

Continued on next page

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

June 30, 2006

(Dollars in Thousands)

	<u>Consumer Services</u>	<u>Department of State Police</u>	<u>Aviation</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 846	\$ 874	\$ 107
Investments:			
Short-term Investments	-	-	-
Other	-	-	-
Total Investments	-	-	-
Receivables:			
Accounts	-	-	-
Total Receivables	-	-	-
Due from Internal Parties (Governmental and Business Type Activities)	-	-	-
Other Assets	-	-	-
Total Assets	<u>\$ 846</u>	<u>\$ 874</u>	<u>\$ 107</u>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	\$ 2	\$ -	\$ -
Amounts Due to Other Governments	-	-	-
Due to Internal Parties (Governmental and Business Type Activities)	-	-	-
Obligations Under Securities Lending Program	-	-	-
Other Liabilities	844	874	107
Insurance Premiums and Claims Payable	-	-	-
Total Liabilities	<u>\$ 846</u>	<u>\$ 874</u>	<u>\$ 107</u>



<b>Virginia School for the Deaf and Blind</b>	<b>Woodrow Wilson Rehabilitation Center</b>	<b>Dog and Cat Sterilization</b>	<b>Commuter Rail</b>	<b>Department of Environmental Quality</b>	<b>Total</b>
\$ 29	\$ 21	\$ 2	\$ 12,017	\$ 546	\$ 212,442
-	-	-	1,699	-	81,116
-	-	-	-	-	309,657
-	-	-	1,699	-	390,773
-	-	-	-	-	123,012
-	-	-	-	-	123,012
-	-	-	-	-	3
-	-	-	-	-	3,060
<u>\$ 29</u>	<u>\$ 21</u>	<u>\$ 2</u>	<u>\$ 13,716</u>	<u>\$ 546</u>	<u>\$ 729,290</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,202
-	-	2	-	-	248,836
-	-	-	-	-	3,500
-	-	-	3,415	-	6,812
29	21	-	9,910	546	458,549
-	-	-	391	-	391
<u>\$ 29</u>	<u>\$ 21</u>	<u>\$ 2</u>	<u>\$ 13,716</u>	<u>\$ 546</u>	<u>\$ 729,290</u>

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

For the Fiscal Year Ended June 30, 2006  
(Dollars in Thousands)

	Balance July 1, as restated	Additions	Deletions	Balance June 30
<b>Funds for the Collection of Taxes and Fees</b>				
Assets:				
Cash and Cash Equivalents	\$ 157,528	\$ 1,413,654	\$ 1,449,507	\$ 121,675
Short-term Investments	44	160	44	160
Accounts Receivable	57,702	122,761	57,702	122,761
Total Assets	<u>\$ 215,274</u>	<u>\$ 1,536,575</u>	<u>\$ 1,507,253</u>	<u>\$ 244,596</u>
Liabilities:				
Amounts Due to Other Governments	\$ 215,024	\$ 1,536,253	\$ 1,507,003	\$ 244,274
Obligations Under Securities Lending Program	250	322	250	322
Total Liabilities	<u>\$ 215,274</u>	<u>\$ 1,536,575</u>	<u>\$ 1,507,253</u>	<u>\$ 244,596</u>
<b>Employee Benefits</b>				
Assets:				
Cash and Cash Equivalents	\$ 4,295	\$ 222,737	\$ 222,293	\$ 4,739
Total Assets	<u>\$ 4,295</u>	<u>\$ 222,737</u>	<u>\$ 222,293</u>	<u>\$ 4,739</u>
Liabilities:				
Accounts Payable and Accrued Expenses	\$ 4,295	\$ 222,737	\$ 222,293	\$ 4,739
Total Liabilities	<u>\$ 4,295</u>	<u>\$ 222,737</u>	<u>\$ 222,293</u>	<u>\$ 4,739</u>
<b>Contractors Deposit</b>				
Assets:				
Cash and Cash Equivalents	\$ 28,050	\$ 12,387	\$ 8,888	\$ 31,549
Short-term Investments	428	1,508	428	1,508
Total Assets	<u>\$ 28,478</u>	<u>\$ 13,895</u>	<u>\$ 9,316</u>	<u>\$ 33,057</u>
Liabilities:				
Obligations Under Securities Lending Program	\$ 2,440	\$ 3,031	\$ 2,440	\$ 3,031
Other Liabilities	26,038	10,864	6,876	30,026
Total Liabilities	<u>\$ 28,478</u>	<u>\$ 13,895</u>	<u>\$ 9,316</u>	<u>\$ 33,057</u>
<b>Deposits of Insurance Carriers</b>				
Assets:				
Cash and Cash Equivalents	\$ 12,095	\$ 46,695	\$ 45,641	\$ 13,149
Short-term Investments	71,198	77,727	71,198	77,727
Other Investments	325,818	22,077	38,335	309,560
Accounts Receivable	11	583	579	15
Total Assets	<u>\$ 409,122</u>	<u>\$ 147,082</u>	<u>\$ 155,753</u>	<u>\$ 400,451</u>
Liabilities:				
Other Liabilities	\$ 409,122	\$ 147,082	\$ 155,753	\$ 400,451
Total Liabilities	<u>\$ 409,122</u>	<u>\$ 147,082</u>	<u>\$ 155,753</u>	<u>\$ 400,451</u>

	<u>Balance</u> <u>July 1, as restated</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30</u>
<b>Inmate and Ward</b>				
Assets:				
Cash and Cash Equivalents	\$ 5,795	\$ 6,378	\$ 5,337	\$ 6,836
Short-term Investments	1,179	-	1,179	-
Accounts Receivable	264	227	255	236
Due from Internal Parties (Governmental Funds and Business-type Activities)	-	3	-	3
Total Assets	<u>\$ 7,238</u>	<u>\$ 6,608</u>	<u>\$ 6,771</u>	<u>\$ 7,075</u>
Liabilities:				
Accounts Payable and Accrued Expenses	\$ 1,701	\$ 6,461	\$ 1,701	\$ 6,461
Due to Internal Parties (Governmental Funds and Business-type Activities)	-	30	-	30
Other Liabilities	5,537	117	5,070	584
Total Liabilities	<u>\$ 7,238</u>	<u>\$ 6,608</u>	<u>\$ 6,771</u>	<u>\$ 7,075</u>
<b>Child Support Collections</b>				
Assets:				
Cash and Cash Equivalents	\$ 12,042	\$ 577,391	\$ 575,158	\$ 14,275
Total Assets	<u>\$ 12,042</u>	<u>\$ 577,391</u>	<u>\$ 575,158</u>	<u>\$ 14,275</u>
Liabilities:				
Due to Internal Parties (Governmental Funds and Business-type Activities)	\$ 3,766	\$ 3,470	\$ 3,766	\$ 3,470
Other Liabilities	8,276	573,921	571,392	10,805
Total Liabilities	<u>\$ 12,042</u>	<u>\$ 577,391</u>	<u>\$ 575,158</u>	<u>\$ 14,275</u>
<b>Mental Health Patient</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,827	\$ 3,176	\$ 2,704	\$ 2,299
Short-term Investments	541	-	541	-
Other Investments	-	120	23	97
Total Assets	<u>\$ 2,368</u>	<u>\$ 3,296</u>	<u>\$ 3,268</u>	<u>\$ 2,396</u>
Liabilities:				
Other Liabilities	\$ 2,368	\$ 3,296	\$ 3,268	\$ 2,396
Total Liabilities	<u>\$ 2,368</u>	<u>\$ 3,296</u>	<u>\$ 3,268</u>	<u>\$ 2,396</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, 2006  
(Dollars in Thousands)

	Balance July 1, as restated	Additions	Deletions	Balance June 30
<b>Mental Health Non-Patient</b>				
Assets:				
Cash and Cash Equivalents	\$ 22	\$ 2	\$ 4	\$ 20
Total Assets	<u>\$ 22</u>	<u>\$ 2</u>	<u>\$ 4</u>	<u>\$ 20</u>
Liabilities:				
Other Liabilities	\$ 22	\$ 2	\$ 4	\$ 20
Total Liabilities	<u>\$ 22</u>	<u>\$ 2</u>	<u>\$ 4</u>	<u>\$ 20</u>
<b>Comptrollers Debt Setoff</b>				
Assets:				
Cash and Cash Equivalents	\$ 821	\$ 15,980	\$ 15,856	\$ 945
Total Assets	<u>\$ 821</u>	<u>\$ 15,980</u>	<u>\$ 15,856</u>	<u>\$ 945</u>
Liabilities:				
Other Liabilities	\$ 821	\$ 15,980	\$ 15,856	\$ 945
Total Liabilities	<u>\$ 821</u>	<u>\$ 15,980</u>	<u>\$ 15,856</u>	<u>\$ 945</u>
<b>Unclaimed Property of Other States</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,565	\$ 773	\$ 838	\$ 1,500
Other Assets	1,560	1,500	-	3,060
Total Assets	<u>\$ 3,125</u>	<u>\$ 2,273</u>	<u>\$ 838</u>	<u>\$ 4,560</u>
Liabilities:				
Amounts Due to Other Governments	\$ 3,125	\$ 2,273	\$ 838	\$ 4,560
Total Liabilities	<u>\$ 3,125</u>	<u>\$ 2,273</u>	<u>\$ 838</u>	<u>\$ 4,560</u>
<b>Legal Settlement</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,536	\$ 451	\$ 974	\$ 1,013
Short-term Investments	18	22	18	22
Total Assets	<u>\$ 1,554</u>	<u>\$ 473</u>	<u>\$ 992</u>	<u>\$ 1,035</u>
Liabilities:				
Obligations Under Securities Lending Program	\$ 103	\$ 44	\$ 103	\$ 44
Other Liabilities	1,451	429	889	991
Total Liabilities	<u>\$ 1,554</u>	<u>\$ 473</u>	<u>\$ 992</u>	<u>\$ 1,035</u>

	Balance July 1, as restated	Additions	Deletions	Balance June 30
<b>Consumer Services</b>				
Assets:				
Cash and Cash Equivalents	\$ 756	\$ 363	\$ 273	\$ 846
Total Assets	<u>\$ 756</u>	<u>\$ 363</u>	<u>\$ 273</u>	<u>\$ 846</u>
Liabilities:				
Accounts Payable and Accrued Expenses	\$ 49	\$ 13	\$ 60	\$ 2
Other Liabilities	707	350	213	844
Total Liabilities	<u>\$ 756</u>	<u>\$ 363</u>	<u>\$ 273</u>	<u>\$ 846</u>
<b>Department of State Police</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,015	\$ 1,211	\$ 1,352	\$ 874
Short-term Investments	123	-	123	-
Total Assets	<u>\$ 1,138</u>	<u>\$ 1,211</u>	<u>\$ 1,475</u>	<u>\$ 874</u>
Liabilities:				
Other Liabilities	\$ 1,138	\$ 1,211	\$ 1,475	\$ 874
Total Liabilities	<u>\$ 1,138</u>	<u>\$ 1,211</u>	<u>\$ 1,475</u>	<u>\$ 874</u>
<b>Aviation</b>				
Assets:				
Cash and Cash Equivalents	\$ 170	\$ 2	\$ 65	\$ 107
Total Assets	<u>\$ 170</u>	<u>\$ 2</u>	<u>\$ 65</u>	<u>\$ 107</u>
Liabilities:				
Other Liabilities	\$ 170	\$ 2	\$ 65	\$ 107
Total Liabilities	<u>\$ 170</u>	<u>\$ 2</u>	<u>\$ 65</u>	<u>\$ 107</u>
<b>Virginia School for the Deaf and Blind</b>				
Assets:				
Cash and Cash Equivalents	\$ 29	\$ 15	\$ 15	\$ 29
Total Assets	<u>\$ 29</u>	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ 29</u>
Liabilities:				
Other Liabilities	\$ 29	\$ 15	\$ 15	\$ 29
Total Liabilities	<u>\$ 29</u>	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ 29</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, 2006  
(Dollars in Thousands)

	Balance July 1, as restated	Additions	Deletions	Balance June 30
<b>Woodrow Wilson Rehabilitation Center</b>				
Assets:				
Cash and Cash Equivalents	\$ 6	\$ 74	\$ 59	\$ 21
Total Assets	<u>\$ 6</u>	<u>\$ 74</u>	<u>\$ 59</u>	<u>\$ 21</u>
Liabilities:				
Other Liabilities	\$ 6	\$ 74	\$ 59	\$ 21
Total Liabilities	<u>\$ 6</u>	<u>\$ 74</u>	<u>\$ 59</u>	<u>\$ 21</u>
<b>Dog and Cat Sterilization</b>				
Assets:				
Cash and Cash Equivalents	\$ 2	\$ 149	\$ 149	\$ 2
Total Assets	<u>\$ 2</u>	<u>\$ 149</u>	<u>\$ 149</u>	<u>\$ 2</u>
Liabilities:				
Amounts Due to Other Governments	\$ 2	\$ 149	\$ 149	\$ 2
Total Liabilities	<u>\$ 2</u>	<u>\$ 149</u>	<u>\$ 149</u>	<u>\$ 2</u>
<b>Commuter Rail</b>				
Assets:				
Cash and Cash Equivalents	\$ 4,492	\$ 12,237	\$ 4,712	\$ 12,017
Short-term Investments	9,468	2,266	10,035	1,699
Other Assets	50	-	50	-
Total Assets	<u>\$ 14,010</u>	<u>\$ 14,503</u>	<u>\$ 14,797</u>	<u>\$ 13,716</u>
Liabilities:				
Obligations Under Securities Lending Program	\$ 985	\$ 3,415	\$ 985	\$ 3,415
Other Liabilities	12,767	10,955	13,812	9,910
Insurance Premiums and Claims Payable	258	133	-	391
Total Liabilities	<u>\$ 14,010</u>	<u>\$ 14,503</u>	<u>\$ 14,797</u>	<u>\$ 13,716</u>
<b>Department of Environmental Quality</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,656	\$ 2,998	\$ 4,108	\$ 546
Total Assets	<u>\$ 1,656</u>	<u>\$ 2,998</u>	<u>\$ 4,108</u>	<u>\$ 546</u>
Liabilities:				
Other Liabilities	\$ 1,656	\$ 2,998	\$ 4,108	\$ 546
Total Liabilities	<u>\$ 1,656</u>	<u>\$ 2,998</u>	<u>\$ 4,108</u>	<u>\$ 546</u>

	<b>Balance</b>			<b>Balance</b>
	<b>July 1, as restated</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30</b>
<b>Totals-Agency Funds</b>				
Assets:				
Cash and Cash Equivalents	\$ 233,702	\$ 2,316,673	\$ 2,337,933	\$ 212,442
Short-term Investments	82,999	81,683	83,566	81,116
Other Investments	325,818	22,197	38,358	309,657
Accounts Receivable	57,977	123,571	58,536	123,012
Due from Internal Parties (Governmental Funds and Business-type Activities)	-	3	-	3
Other Assets	1,610	1,500	50	3,060
<b>Total Assets</b>	<b>\$ 702,106</b>	<b>\$ 2,545,627</b>	<b>\$ 2,518,443</b>	<b>\$ 729,290</b>
Liabilities:				
Accounts Payable and Accrued Expenses	\$ 6,045	\$ 229,211	\$ 224,054	\$ 11,202
Amounts Due to Other Governments	218,151	1,538,675	1,507,990	248,836
Due to Internal Parties (Governmental Funds and Business-type Activities)	3,766	3,500	3,766	3,500
Obligations Under Securities Lending Program	3,778	6,812	3,778	6,812
Other Liabilities	470,108	767,296	778,855	458,549
Insurance Premiums and Claims Payable	258	133	-	391
<b>Total Liabilities</b>	<b>\$ 702,106</b>	<b>\$ 2,545,627</b>	<b>\$ 2,518,443</b>	<b>\$ 729,290</b>

