



# COMMONWEALTH of VIRGINIA

Office of the Governor

Jody M. Wagner  
Secretary of Finance

P.O. Box 1475  
Richmond, Virginia 23218

September 14, 2007

## MEMORANDUM

TO: The Honorable Timothy M. Kaine

THROUGH: The Honorable Wayne M. Turnage

FROM: Jody M. Wagner

A handwritten signature in cursive script that reads 'Jody M. Wagner'.

SUBJECT: August Revenue Data

This month's revenue report displays in the first column the forecast which Governor Kaine released on August 20, 2007. The last column reflects the percent annual growth required by the estimate compared to fiscal year 2007 actual collections. August is not a significant month for revenue collections, with collections mainly from withholding payments, sales taxes, and other sources which have regular monthly payments.

Total general fund revenue collections grew 3.4 percent in August compared to August 2006. On a year-to-date basis, revenues also grew 3.4 percent over the same period last year, ahead of the annual forecast of 3.0 percent.

### **National Economic Indicators**

Most national indicators depict a slowing economy, with the housing market remaining a significant drag on growth.

- Second quarter GDP growth was revised up from 3.4 percent in the preliminary estimate to 4.0 percent, up sharply from the 0.6 percent growth of the first quarter.
- Payroll employment fell by 4,000 jobs in August, the first decline since August of 2003. In addition, employment for June and July were revised down, from 92,000 to 68,000 jobs in July and from 126,000 to 69,000 jobs in June. In a separate report, the unemployment rate remained unchanged at 4.6 percent, as the labor force contracted to its lowest level since 2005.
- After five weekly gains, initial claims for unemployment fell by 19,000 to 318,000 during the last week of August. The four-week moving average rose slightly, from 325,250 to 325,750.

- Inflation pressures continue to ease. A drop in energy prices contributed to a weak 0.1 percent increase in the Consumer Price Index in July, following a 0.2 percent increase in June. Core inflation, excluding food and energy, increased 0.2 percent in July, resulting in growth of 2.2 percent over the last year.
- Activity in the manufacturing sector slowed in August. The Institute of Supply Management index fell from 53.8 to 52.9, the lowest level since March.
- The Conference Board's index of leading indicators rose 0.4 percent to 138.1 in July, following a 0.3 percent drop in June.
- The Conference Board's index of consumer confidence fell from 111.9 to 105.0 in August. Both the current situation and expectations components dropped sharply, led by weak assessments of the current job market.
- As in the previous eight meetings, the Federal Reserve held the federal funds rate steady at 5.25 percent at its meeting in August, noting that "the economy seems likely to continue to expand at a moderate pace over coming quarters."

### **Virginia Economy**

In Virginia, payroll employment grew 1.8 percent in July. Jobs grew by 1.7 percent in Hampton Roads, 1.6 percent in Northern Virginia, 1.5 percent in Richmond-Petersburg, and 2.3 percent in the western MSAs. The unemployment rate fell from 3.2 percent to 3.1 percent in July.

The Virginia leading index grew 0.2 percent in July, its fourth consecutive increase. An increase in building permits and a decline in initial claims for unemployment offset the negative impact of a drop in auto registrations. The regional indices increased in four of the state's eleven metropolitan areas in July. The indices in Blacksburg, Lynchburg, Charlottesville, and Danville increased for the month. Northern Virginia, Hampton Roads, Bristol and Winchester experienced slight declines, while Richmond, Roanoke, and Harrisonburg were unchanged.

### **August Revenue Collections**

August is not a significant month for revenue collections, with collections mainly from withholding payments, sales taxes, and other sources which have regular monthly payments.

Total general fund revenue collections grew 3.4 percent in August compared to August 2006. On a year-to-date basis, revenues also grew 3.4 percent over the same period last year, ahead of the annual forecast of 3.0 percent.

**Individual Income Tax Withholding (57% of general fund revenues):** Collections of payroll withholding taxes grew 5.6 percent in August. Year-to-date withholding growth is 4.6 percent, lagging the projected annual growth rate of 6.0 percent.

**Individual Income Tax Nonwithholding (19% of general fund revenues):** August is not a significant month for this source, since the first estimated payment in fiscal year 2008 is due in September. August collections were \$43.6 million compared with \$39.5 million in August of last year, a 10.3 percent increase.

**Individual Income Tax Refunds:** Through August, \$63.4 million have been refunded compared with \$73.9 million in the same period last year.

**Sales Tax (20% of general fund revenues):** Collections of sales and use taxes, reflecting July sales, were flat in August. High gas prices and the slowing housing market have reduced disposable income, leading to disappointing collections of sales taxes. On a year-to-date basis, collections of sales and use taxes have increased 2.9 percent, close to the estimate of a 2.8 percent increase.

**Corporate Income Tax (5% of general fund revenues):** August is typically not a significant month in corporate income tax collections, since the first estimated payment for fiscal year 2008 is due in September. Collections in August totaled \$9.0 million, compared to \$15.1 million received last year. Through August, corporate income tax collections are 32.0 percent behind last year, trailing the forecast of an 18.4 percent decline.

**Wills, Suits, Deeds, Contracts (3% of general fund revenues):** Wills, suits, deeds, and contracts – mainly recordation tax collections – fell 11.8 percent in August as the housing market continued to slow. Year-to-date collections in this source declined 9.8 percent from last year, compared with the estimate of a 9.0 percent decline.

## Other Revenue Sources

The following list provides data on August collections for other revenue sources:

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Insurance Premiums Taxes (2% GF revenues)	1.2%	2.9%
ABC Taxes (1% GF revenues)	-5.7%	0.7%
Interest Income (0.9% GF revenues)	9.3%	-2.4%

**All Other Revenue:** Receipts in All Other Revenue fell 8.3 percent in August – \$36.8 million compared with \$40.2 million in August of last year. Most of the decline was in inheritance, gift, and estate taxes. For the fiscal year-to-date, collections of All Other Revenue are 9.5 percent below the same period in fiscal year 2007, lagging the annual estimate of 8.7 percent growth.

**Lottery Revenues:** Net income totaled \$47.5 million in August, one of the Lottery's highest income months ever, or \$16.3 million more than last year. August was 52.2 percent ahead of August of last year mainly due to the sales leading up to a \$330 million advertised Mega Millions jackpot on August 31. Year-to-date, net income is up 32.0 percent, however comparisons to last year are affected because products currently offered (Fast Play Bingo, additional daily games' drawings) were not offered or included in sales and net income results from last year. In addition, jackpot sales were significantly depressed last year because of unusually low advertised jackpots.

### **Summary**

August is not a significant month for revenue collections, with collections mainly from withholding payments, sales taxes, and other sources which have regular monthly payments.

Total general fund revenue collections grew 3.4 percent in August compared to August 2006. On a year-to-date basis, revenues also grew 3.4 percent over the same period last year, ahead of the annual forecast of 3.0 percent.

September collections will complete the first quarter of fiscal year 2008 and provide a clearer assessment of revenue growth. The first estimated payment from individuals, corporations, and insurance companies are due in September.

Commonwealth of Virginia/Department of Accounts  
Summary Report on General Fund and Lottery Revenue Collections  
For the Fiscal Years 2007 and 2008  
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2008 Estimate	As a % of Gen Fund Rev & Net Lottery Profits	August FY 2008	August FY 2007	% Change	Year-To-Date FY 2008	Year-To-Date FY 2007	% Change	% Annual Growth Req By Est
<b>Individual Income Tax:</b>									
<b>Withholding</b>	\$9,091,394	55.33	\$738,823	\$699,528	5.6	\$1,406,873	\$1,344,614	4.6	6.0
<b>Tax Dues/Estimated Payments</b>	3,026,321	18.42	43,625	39,548	10.3	80,736	65,982	22.4	6.6
<b>Gross Individual Income Tax</b>	<u>\$12,117,715</u>	<u>73.75</u>	<u>\$782,448</u>	<u>\$739,076</u>	<u>5.9</u>	<u>\$1,487,609</u>	<u>\$1,410,596</u>	<u>5.5</u>	<u>6.1</u>
<b>Individual and Fiduciary Income     (Refunds)</b>	(1,724,000)	(10.49)	(31,257)	(40,236)	(22.3)	(63,399)	(73,875)	(14.2)	10.5
<b>Net Individual Income Tax</b>	<u>\$10,393,715</u>	<u>63.26</u>	<u>\$751,191</u>	<u>\$698,840</u>	<u>7.5</u>	<u>\$1,424,210</u>	<u>\$1,336,721</u>	<u>6.5</u>	<u>5.4</u>
<b>Sales and Use Tax</b>	\$3,135,958	19.09	\$247,693	\$247,072	0.3	\$528,660	\$513,928	2.9	2.8
<b>Corporations Income Tax</b>	726,193	4.42	8,992	15,062	(40.3)	34,825	51,230	(32.0)	(18.4)
<b>Wills, Suits, Deeds, Contracts</b>	530,481	3.23	47,061	53,372	(11.8)	94,603	104,887	(9.8)	(9.0)
<b>Insurance Premiums</b>	396,056	2.41	3,636	5,067	(28.2)	6,279	6,206	1.2	2.9
<b>Interest Income (a)</b>	136,800	0.82	34,828	33,221	4.8	62,803	57,481	9.3	(2.4)
<b>Alcoholic Beverage Sales (b)</b>	163,000	0.99	5,323	5,690	(6.4)	9,439	10,009	(5.7)	0.7
<b>All Other Revenues</b>	<u>543,500</u>	<u>3.31</u>	<u>36,839</u>	<u>40,172</u>	<u>(8.3)</u>	<u>70,307</u>	<u>77,709</u>	<u>(9.5)</u>	<u>8.7</u>
<b>Total General Fund Revenues</b>	<u>\$16,025,703</u>	<u>97.53</u>	<u>\$1,135,563</u>	<u>\$1,098,496</u>	<u>3.4</u>	<u>\$2,231,126</u>	<u>\$2,158,171</u>	<u>3.4</u>	<u>3.0</u>
<b>Gross Lottery Revenue</b>	\$1,304,430	7.94	\$126,485	\$105,584	19.8	\$236,348	\$204,792	15.4	(4.3)
<b>Less: Expenses</b>	<u>(899,030)</u>	<u>(5.47)</u>	<u>(78,942)</u>	<u>(74,349)</u>	<u>6.2</u>	<u>(152,677)</u>	<u>(141,418)</u>	<u>8.0</u>	<u>(2.8)</u>
<b>Net Lottery Profits</b>	<u>\$405,400</u>	<u>2.47</u>	<u>\$47,543</u>	<u>\$31,235</u>	<u>52.2</u>	<u>\$83,671</u>	<u>\$63,374</u>	<u>32.0</u>	<u>(7.3)</u>
<b>Total General Fund Revenues and Net Lottery Profits</b>	<u>\$16,431,103</u>	<u>100.00</u>	<u>\$1,183,106</u>	<u>\$1,129,731</u>	<u>4.7</u>	<u>\$2,314,797</u>	<u>\$2,221,545</u>	<u>4.2</u>	<u>2.7</u>

# Percentage is greater than or equal to 1,000%.

(a) Approximately 60% of the interest for the current quarter is due to nongeneral funds and will be transferred in October.

(b) Includes Beer and Beverage Excise Tax and Alcoholic Beverage State Tax.

Commonwealth of Virginia/Department of Accounts  
General Fund Statement of Revenue Collections and Estimates  
For the Fiscal Years 2007 and 2008  
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2008 Estimate	As a % of Total Gen Fund Rev	August FY 2008	August FY 2007	% Change	Year-To-Date FY 2008	Year-To-Date FY 2007	% Change	% Annual Growth Req By Est
<b>Taxes:</b>									
Individual Income Tax - Withholding	\$9,091,394	56.73	\$738,823	\$699,528	5.6	\$1,406,873	\$1,344,614	4.6	6.0
Tax Dues/Estimated Payments	3,026,321	18.88	43,625	39,548	10.3	80,736	65,982	22.4	6.6
Gross Individual Income Tax	\$12,117,715	75.61	\$782,448	\$739,076	5.9	\$1,487,609	\$1,410,596	5.5	6.1
Individ and Fiduc Income (Refunds)	(1,724,000)	(10.75)	(31,257)	(40,236)	(22.3)	(63,399)	(73,875)	(14.2)	10.5
Net Individual Income Tax	\$10,393,715	64.86	\$751,191	\$698,840	7.5	\$1,424,210	\$1,336,721	6.5	5.4
Sales and Use Tax	3,135,958	19.57	247,693	247,072	0.3	528,660	513,928	2.9	2.8
Corporations Income	726,193	4.53	8,992	15,062	(40.3)	34,825	51,230	(32.0)	(18.4)
Public Service Corporations	95,100	0.59	6,677	6,450	3.5	16,732	12,669	32.1	8.1
Insurance Premiums	396,056	2.47	3,636	5,067	(28.2)	6,279	6,206	1.2	2.9
Alcoholic Beverage Excise	119,000	0.75	1,477	2,012	(26.6)	1,477	2,012	(26.6)	0.2
Beer and Beverage Excise	44,000	0.27	3,846	3,678	4.6	7,962	7,997	(0.4)	2.0
Wills, Suits, Deeds, Contracts	530,481	3.31	47,061	53,372	(11.8)	94,603	104,887	(9.8)	(9.0)
Inheritance, Gift, and Estate	129,400	0.81	12,720	15,268	(16.7)	19,857	32,775	(39.4)	(15.3)
Bank Franchise	13,300	0.08	3	(53)	105.7	52	7	642.9	5.8
Other Taxes	14,300	0.09	993	1,080	(8.1)	1,788	2,678	(33.2)	114.8
<b>Total Taxes</b>	<b>\$15,597,503</b>	<b>97.33</b>	<b>\$1,084,289</b>	<b>\$1,047,848</b>	<b>3.5</b>	<b>\$2,136,445</b>	<b>\$2,071,110</b>	<b>3.2</b>	<b>2.7</b>
<b>Rights and Privileges:</b>									
Licenses and Permits	\$5,000	0.03	\$506	\$492	2.8	\$769	\$703	9.4	3.5
Corp. Franchise and Charters	46,300	0.29	609	571	6.7	1,176	1,167	0.8	(3.4)
Fees for Misc. Privileges & Services	15,300	0.10	636	939	(32.3)	1,413	1,499	(5.7)	(2.2)
<b>Total Rights and Privileges</b>	<b>\$66,600</b>	<b>0.42</b>	<b>\$1,751</b>	<b>\$2,002</b>	<b>(12.5)</b>	<b>\$3,358</b>	<b>\$3,369</b>	<b>(0.3)</b>	<b>(2.6)</b>
<b>Other Revenues:</b>									
Sales of Property & Commodities	\$100	0.00	(\$4)	\$13	(130.8)	\$1	\$13	(92.3)	#
Assessmts & Rcpts for Support of Special Svcs	400	0.00	22	0	-	66	32	106.3	78.6
Institutional Revenue	8,800	0.05	519	1,437	(63.9)	1,138	1,481	(23.2)	22.8
Interest (a)	136,800	0.85	34,828	33,221	4.8	62,803	57,481	9.3	(2.4)
Dividends and Rent	300	0.00	82	74	10.8	113	84	34.5	9.9
Fines, Forfeitures & Fees	230,200	1.44	15,645	15,647	0.0	30,914	29,999	3.1	26.0
Other Revenue	6,800	0.05	336	331	1.5	493	655	(24.7)	73.6
Excess Fees	(32,000)	(0.20)	(2,681)	(2,578)	(4.0)	(5,855)	(7,291)	19.7	3.4
Private Donations, Gifts & Cont.	0	0.00	0	0	-	0	5	(100.0)	(100.0)
Cities, Counties, and Towns	10,200	0.06	776	501	54.9	1,650	1,233	33.8	(0.8)
<b>Total Other Revenues</b>	<b>\$361,600</b>	<b>2.25</b>	<b>\$49,523</b>	<b>\$48,646</b>	<b>1.8</b>	<b>\$91,323</b>	<b>\$83,692</b>	<b>9.1</b>	<b>16.1</b>
<b>Total General Fund Revenues</b>	<b>\$16,025,703</b>	<b>100.00</b>	<b>\$1,135,563</b>	<b>\$1,098,496</b>	<b>3.4</b>	<b>\$2,231,126</b>	<b>\$2,158,171</b>	<b>3.4</b>	<b>3.0</b>

# Percentage is greater than or equal to 1,000%.

(a) Approximately 60% of the interest for the current quarter is due to nongeneral funds and will be transferred in October.

**Commonwealth of Virginia/Department of Lottery  
Summary Report on Lottery Collections  
For the Fiscal Years 2007 and 2008  
(Dollars in Thousands)**

	<b>FY 2008 Estimate (a)</b>	<b>August</b>			<b>Year-To-Date</b>			<b>% Annual Growth Required By Estimate</b>
		<b>FY 2008</b>	<b>FY 2007</b>	<b>% Change</b>	<b>FY 2008</b>	<b>FY 2007</b>	<b>% Change (b)</b>	
Lottery Collections								
Win for Life	\$45,136	\$3,227	\$3,826	(15.7)	\$6,033	\$7,768	(22.3)	9.2
Cash 5	25,121	2,376	2,222	6.9	4,743	4,358	8.8	(8.7)
Pick 4	167,717	15,210	14,110	7.8	30,616	27,253	12.3	(6.8)
Pick 3	251,279	21,876	21,237	3.0	44,031	41,128	7.1	(5.3)
Mega Millions	122,553	26,282	8,472	210.2	37,296	15,324	143.4	(5.9)
Scratch/Bingo/Raffle (c)	692,624	57,514	55,717	3.2	113,629	108,961	4.3	(3.5)
Gross Lottery Revenue	<u>1,304,430</u>	<u>126,485</u>	<u>105,584</u>	<u>19.8</u>	<u>236,348</u>	<u>204,792</u>	<u>15.4</u>	<u>(4.3)</u>
Expenses (d)	<u>899,030</u>	<u>78,942 (e)</u>	<u>74,349</u>	<u>6.2</u>	<u>152,677 (e)</u>	<u>141,418</u>	<u>8.0</u>	<u>(2.8)</u>
Net Lottery Ticket Profits	<u>\$405,400</u>	<u>\$47,543 (e)</u>	<u>\$31,235</u>	<u>52.2</u>	<u>\$83,671 (e)</u>	<u>\$63,374</u>	<u>32.0</u>	<u>(7.3)</u>

(a) Estimate established in December 2006.

(b) The current-year figures on this chart, including growth percentages, are not an indicator of the probable outcome for the fiscal year. Lottery revenues can have dramatic swings up and down month-to-month depending on the lotto jackpots, prize expense, and game related administrative expenses.

(c) Fast Play Bingo began on February 4, 2007. Fast Play Bingo is an online game which plays like a Scratch game. Millionaire Raffle began on April 15, 2007, and drawing occurred on June 14, 2007.

(d) "Expenses" includes prizes to winners, compensation to retailers, instant ticket printing costs, Lottery operating expenses, and net other income/expense.

(e) Current month includes operating expenses estimated (unaudited closing).

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Summary Statement of Selected Revenue Estimates & Collections**  
**For the Fiscal Years 2007 and 2008**  
(Dollars in Thousands)

Revenue	FY 2008 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Estimate
			FY 2008	FY 2007	% Change	FY 2008	FY 2007	Change	
Motor Fuel Taxes	\$897,500	23.64	\$75,907	\$78,880	(3.8)	\$79,906	\$80,405	(0.6)	4.4
Priority Transportation Fund	20,000	0.53	0	0	-	0	0	-	0.0
Motor Vehicle Sales and Use Tax	637,300	16.78	56,761	59,304	(4.3)	107,851	111,120	(2.9)	1.4
State Sales and Use Tax	536,000	14.12	42,318	42,055	0.6	90,341	87,202	3.6	3.6
Motor Vehicle License Fees	262,900	6.93	23,420	16,834	39.1	43,640	31,158	40.1	55.2
International Registration Plan	64,500	1.70	17,243	5,798	197.4	20,992	9,465	121.8	19.5
Interest Earnings	52,600	1.38	32	0	-	53	45	17.8	(2.5)
Misc. Taxes, Fees, and Revenues (a)	16,400	0.43	1,248	1,010	23.6	2,241	1,937	15.7	32.9
<b>Total State Taxes and Fees (a)</b>	<b>\$2,487,200</b>	<b>65.51</b>	<b>\$216,929</b>	<b>\$203,881</b>	<b>6.4</b>	<b>\$345,024</b>	<b>\$321,332</b>	<b>7.4</b>	<b>7.4</b>

# Percentage is greater than or equal to 1,000%.

(a) Certain Fiscal Year 2007 monthly and year-to-date amounts have been reclassified. Refer to (a) on page 5 for additional information.



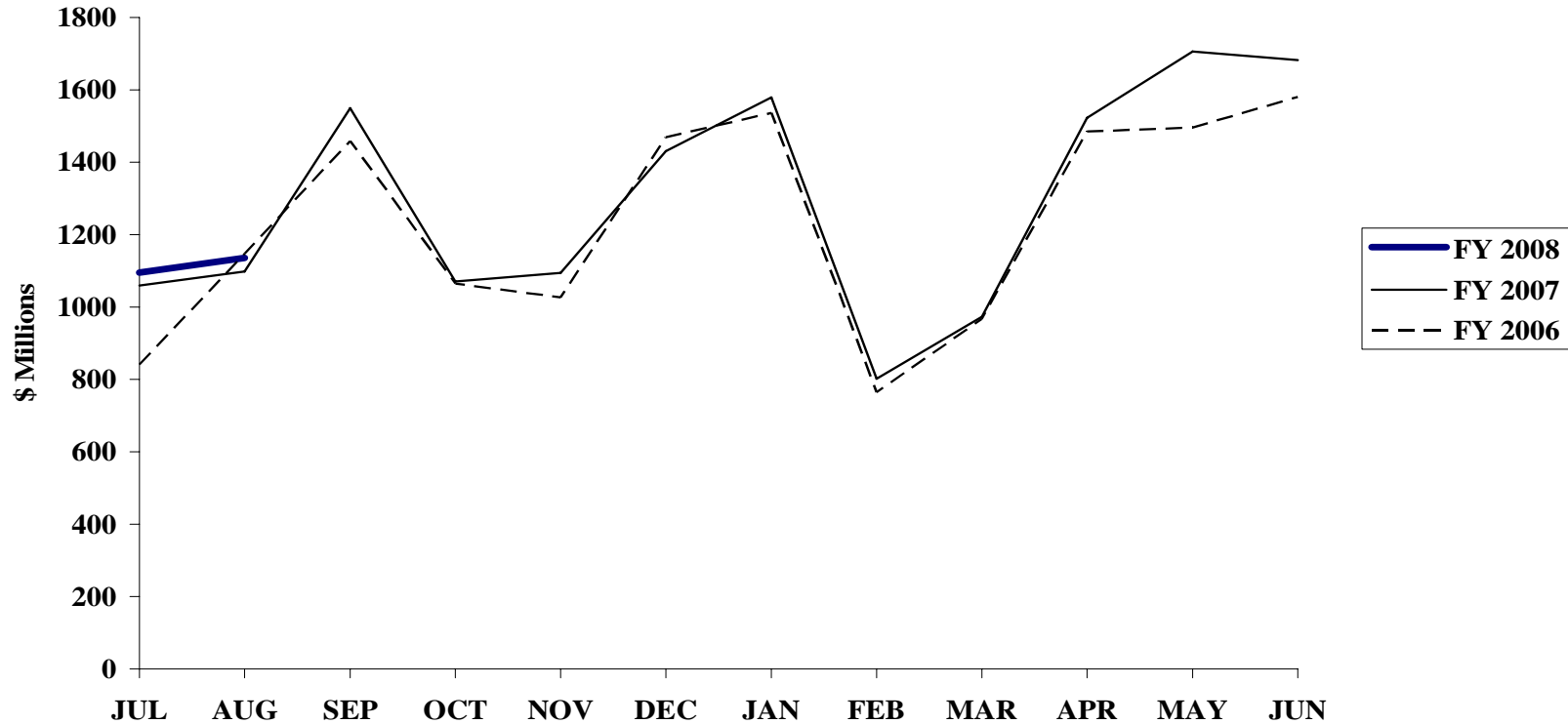
**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Statement of Revenue Estimates & Collections**  
**For the Fiscal Years 2007 and 2008**  
(Dollars in Thousands)

Revenue	FY 2008 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Est
			FY 2008	FY 2007	% Change	FY 2008	FY 2007	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$777,400	20.48	\$66,575	\$69,240	(3.8)	\$69,745	\$68,469	1.9	4.8
Motor Vehicle Sales and Use Tax	393,900	10.37	34,866	36,644	(4.9)	66,106	68,453	(3.4)	1.0
Motor Vehicle License Fees	241,300	6.36	21,587	14,724	46.6	40,066	27,229	47.1	62.8
International Registration Plan	64,500	1.70	17,243	5,798	197.4	20,992	9,465	121.8	19.5
Misc. Taxes, Fees, and Revenues (a)	16,400	0.43	1,248	1,010	23.6	2,241	1,937	15.7	32.9
<b>Total State Taxes and Fees</b>	<b>\$1,493,500</b>	<b>39.34</b>	<b>\$141,519</b>	<b>\$127,416</b>	<b>11.1</b>	<b>\$199,150</b>	<b>\$175,553</b>	<b>13.4</b>	<b>11.0</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$2,535	\$2,488	1.9	\$3,140	\$3,658	(14.2)	(100.0)
Miscellaneous Revenues (a)	16,937	0.45	1,294	831	55.7	2,809	2,957	(5.0)	0.1
Transfer (to) / from Transportation Trust Fund	262,570	6.91	0	0	-	100,000	100,000	0.0	13.6
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$1,773,007</b>	<b>46.70</b>	<b>\$145,348</b>	<b>\$130,735</b>	<b>11.2</b>	<b>\$305,099</b>	<b>\$282,168</b>	<b>8.1</b>	<b>9.1</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$120,100	3.16	\$9,332	\$9,640	(3.2)	\$10,161	\$11,936	(14.9)	1.8
Priority Transportation Fund	20,000	0.53	0	0	-	0	0	-	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	243,400	6.41	21,895	22,660	(3.4)	41,745	42,667	(2.2)	2.0
State Sales and Use Tax	536,000	14.12	42,318	42,055	0.6	90,341	87,202	3.6	3.6
Motor Vehicle License Fees	21,600	0.57	1,833	2,110	(13.1)	3,574	3,929	(9.0)	1.7
Interest Earnings	52,600	1.38	32	0	-	53	45	17.8	(2.5)
<b>Total State Taxes and Fees</b>	<b>\$993,700</b>	<b>26.17</b>	<b>\$75,410</b>	<b>\$76,465</b>	<b>(1.4)</b>	<b>\$145,874</b>	<b>\$145,779</b>	<b>0.1</b>	<b>2.5</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$1,100,568	28.98	\$82,828	\$60,601	36.7	\$169,109	\$117,687	43.7	77.9
Receipts from Cities/Counties (a)	78,428	2.07	8,736	3,642	139.9	16,034	5,241	205.9	86.4
Toll Revenues (Includes Route 28)	100,598	2.65	8,988	7,351	22.3	16,649	13,724	21.3	(3.0)
Miscellaneous Revenues	12,854	0.34	1,128	2,712	(58.4)	2,598	3,743	(30.6)	(40.4)
<b>Total Other Revenues</b>	<b>\$1,292,448</b>	<b>34.04</b>	<b>\$101,680</b>	<b>\$74,306</b>	<b>36.8</b>	<b>\$204,390</b>	<b>\$140,395</b>	<b>45.6</b>	<b>64.5</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$262,570)	(6.91)	\$0	\$0	-	(\$100,000)	(\$100,000)	0.0	(13.6)
<b>Total Transportation Trust Fund</b>	<b>\$2,023,578</b>	<b>53.30</b>	<b>\$177,090</b>	<b>\$150,771</b>	<b>17.5</b>	<b>\$250,264</b>	<b>\$186,174</b>	<b>34.4</b>	<b>32.8</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$3,796,585</b>	<b>100.00</b>	<b>\$322,438</b>	<b>\$281,506</b>	<b>14.5</b>	<b>\$555,363</b>	<b>\$468,342</b>	<b>18.6</b>	<b>20.6</b>

# Percentage is greater than or equal to 1,000%.

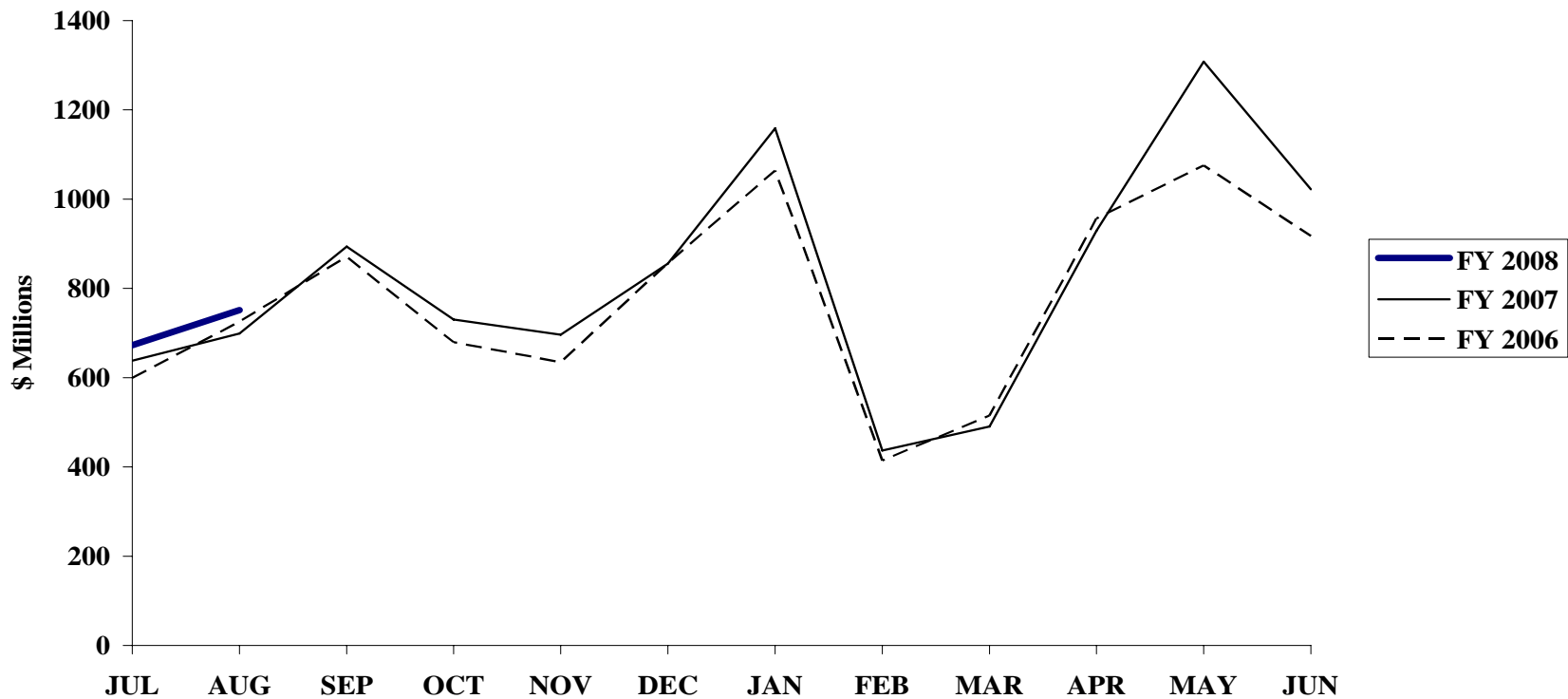
(a) A new line, "Miscellaneous Revenues", was added to the Highway Maintenance and Operating Fund Revenue Forecast in FY 2007. A portion of the amounts previously reported in "Miscellaneous Taxes, Fees, and Revenues" and "Receipts from Cities/Counties" were reclassified to "Miscellaneous Revenues". In order to provide comparable data, the Fiscal Year 2007 monthly and year-to-date amounts were likewise reclassified.

## Total General Fund Revenues



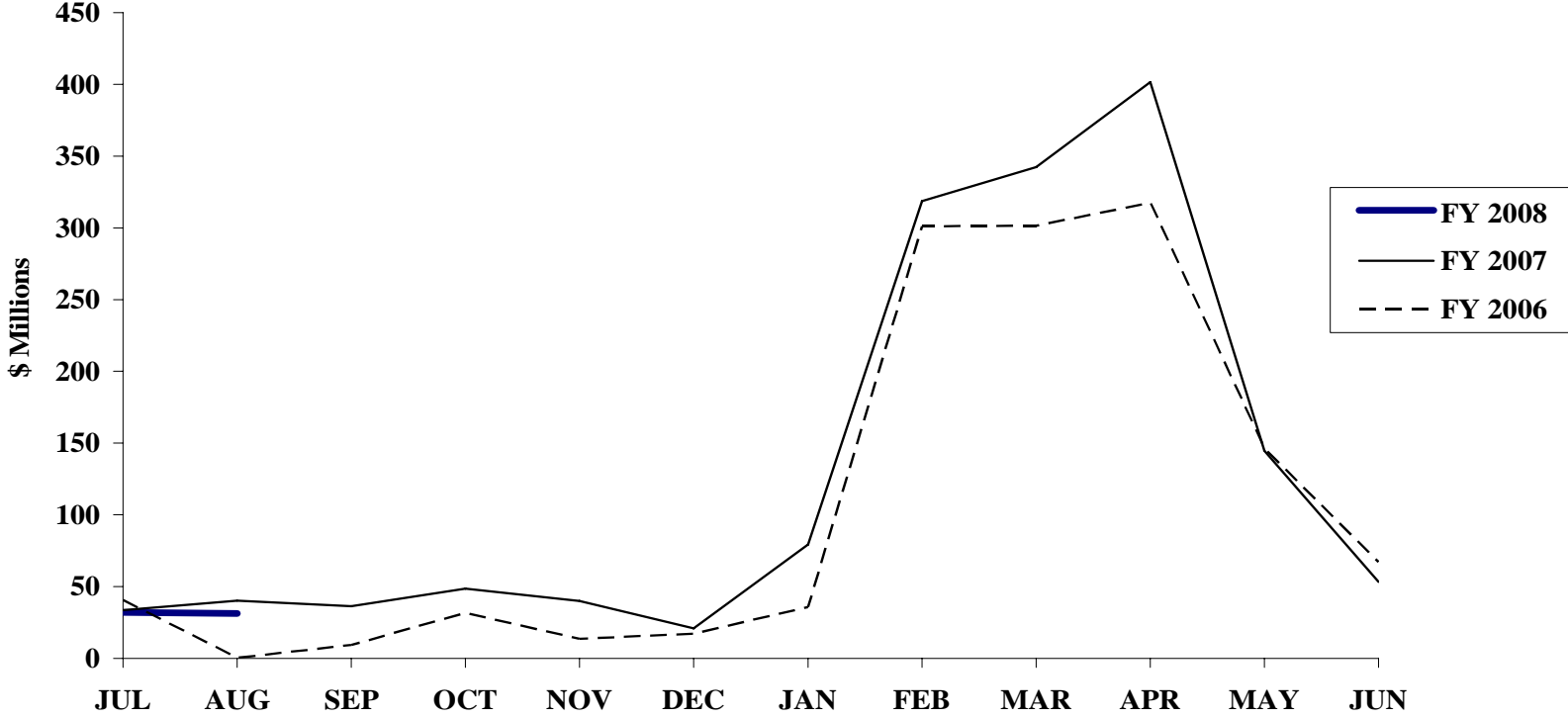
**FY 2006 Actual = \$14,834.3 Million**  
**FY 2007 Actual = \$15,565.8 Million**  
**FY 2008 Estimate = \$16,025.7 Million**

## Net Individual Income Tax



**FY 2006 Actual = \$9,308.6 Million**  
**FY 2007 Actual = \$9,857.0 Million**  
**FY 2008 Estimate = \$10,393.7 Million**

## Individual and Fiduciary Income Tax Refunds



**FY 2006 Actual = \$1,282.6 Million**  
**FY 2007 Actual = \$1,559.8 Million**  
**FY 2008 Estimate = \$1,724.0 Million**

## DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2008

(Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE	
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate
<b>July, 2007</b>	\$5,727.9	5.35%	\$1,723.0	9.69%	\$7,450.9	6.35%
<b>August</b>	\$5,110.8	5.45%	\$1,737.9	11.29%	\$6,848.7	6.93%
<b>September</b>						
<b>October</b>						
<b>November</b>						
<b>December</b>						
<b>January, 2008</b>						
<b>February</b>						
<b>March</b>						
<b>April</b>						
<b>May</b>						
<b>June</b>						
<b>Year-to-Date Average</b>	\$5,419.4	5.40%	\$1,730.5	10.48%	\$7,149.9	6.63%

- Performance on the extended duration portion of the General Account is now reported on an annualized total return basis. Total return includes unrealized gains and losses, which in the short term can make returns more volatile. Over an extended time period the fluctuations average out and total return approaches the portfolio yield.

- Unaudited.

**Commonwealth of Virginia/Department of Accounts  
Report on the Revenue Stabilization Fund  
For the Fiscal Year 2008**

<b>Month</b>	<b>Beginning Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Interest Allocated (A)</b>	<b>Ending Balance</b>
<b>July</b>	\$1,189,834,417	\$0	\$0	\$0	\$1,189,834,417
<b>August</b>	\$1,189,834,417	\$0	\$0	\$0	\$1,189,834,417
<b>September</b>					
<b>October</b>					
<b>November</b>					
<b>December</b>					
<b>January</b>					
<b>February</b>					
<b>March</b>					
<b>April</b>					
<b>May</b>					
<b>June</b>					

Notes: (A) Interest is earned monthly but credited to nongeneral funds on a quarterly basis and will appear on this report in the months of October, January, April, and final June.