



COMMONWEALTH of VIRGINIA

Richard D. Brown
Secretary of Finance

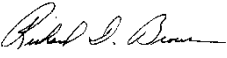
September 14, 2015

PO Box 1475
Richmond, VA. 23218

MEMORANDUM

TO: The Honorable Terence R. McAuliffe

THROUGH: The Honorable Paul Reagan

FROM: Richard D. Brown 

SUBJECT: August Revenue Data

August is not a significant month for revenue collections, with collections mainly from withholding, sales taxes, and other sources that have regular monthly payments. Total general fund revenue collections rose 5.1 percent in August, with individual withholding taxes accounting for most of the gain.

On a fiscal year-to-date basis, total revenue collections fell 2.6 percent in August compared with the same period last year, trailing the estimate of a 0.1 percent decline. The decline is not significant as it was mainly due to the timing of payments in July. Adjusting for the accelerated sales tax program, total revenues rose 0.4 percent through August, ahead of the forecast.

National Economic Indicators

Most recent national indicators suggest that the U.S. economy has strengthened over the second quarter and is poised for further growth.

- According to the second estimate, real GDP rose at an annualized rate of 3.7 percent in the second quarter of 2015, up from 0.6 percent in the first quarter and well above the initial estimate of 2.3 percent growth.
- Conditions in the labor market remained stable in August. Payroll employment rose by 173,000 jobs in August and June and July payrolls were revised up by a combined 44,000 jobs. In a separate report, the unemployment rate fell to a post-recession low of 5.1 percent in August as both the number of unemployed and the size of the labor force declined.

- Initial claims for unemployment rose by 12,000 to 282,000 during the week ending August 29th. The four-week moving average rose from 272,250 to 275,500, but remains consistent with an expanding economy.
- With seven of the ten components increasing, the Conference Board's index of leading indicators fell 0.2 percent in July following a 0.6 percent increase in June. A decline in building permits and stock prices dragged the index down. The overall index is consistent with continued economic growth.
- Consumer confidence grew in August. The Conference Board's index of consumer confidence jumped 10.5 points to 101.5. Both the present conditions and expectations components increased in August.
- Activity in the manufacturing sector slowed in August, with the Institute of Supply Management index falling from 52.7 to 51.1. Although manufacturing has been dampened by the global slowdown, the index has remained above the expansionary threshold of 50.0 for 32 consecutive months.
- Inflation, as measured by the CPI, rose 0.1 percent in July and stands 0.2 percent above July 2014. Core inflation (excluding food and energy prices) increased 0.1 percent in July and stands 1.8 percent above a year ago.
- The Federal Reserve announced at its July meeting that it will keep the federal funds target rate at 0.0 to 0.25 percent.

Virginia Economy

In Virginia, payroll employment rose 1.4 percent in July from July of last year. Northern Virginia posted growth of 2.4 percent, Hampton Roads grew 1.4 percent, and Richmond-Petersburg rose 0.4 percent. The seasonally adjusted unemployment rate fell 0.1 percent to 4.8 percent in July and stands 0.3 percent below July 2014.

The Virginia Leading Index rose 0.3 percent in July after rising 0.5 percent in June. Auto registrations, future employment and initial claims improved in July, while the U.S. leading index declined. Building permits were little changed. The indexes for Northern Virginia, Roanoke, Lynchburg, Hampton Roads, Charlottesville, Harrisonburg, Winchester, and Staunton rose in July while the indexes for Blacksburg and Bristol declined. The index for Richmond was flat.

August Revenue Collections

Total general fund revenue collections rose 5.1 percent in August, with individual withholding taxes accounting for most of the gain. On a fiscal year-to-date basis, total revenue collections fell 2.6 percent in August compared with the same period last year, trailing the estimate of a 0.1 percent decline. The decline is not significant as it was mainly due to the timing of payments in July. Adjusting for the accelerated sales tax program, total revenues rose 0.4 percent through August, ahead of the forecast.

Net Individual Income Tax (69% of general fund revenues): Through August, collections of net individual income tax fell 0.5 percent from the same period last year, ahead of the annual estimate of a 0.9 percent decline. Performance in each component of individual income tax is as follows:

Individual Income Tax Withholding (64% of general fund revenues) Collections of payroll withholding taxes rose 5.6 percent in August. Year-to-date, withholding collections are 0.7 percent ahead of the same period last year, trailing the annual estimate of 2.1 percent growth.

Individual Income Tax Nonwithholding (16% of general fund revenues): August is not a significant month for collections in this source since the first estimated payment for fiscal year 2016 is due in September.

Through the first two months of the fiscal year, collections were \$105.6 million compared with \$131.8 million in the same period last year.

Individual Income Tax Refunds: Through August, TAX has issued \$74.0 million in refunds compared with \$77.9 million last year, a 5.0 percent decrease. The annual estimate expects 4.7 percent growth in refunds.

Sales Tax (19% of general fund revenues): Collections of sales and use taxes, reflecting July sales, rose 0.1 percent in August. On a year-to-date basis, collections have fallen 10.6 percent, trailing the annual estimate of 2.7 percent growth. Adjusting for the accelerated sales tax program, sales tax collections have risen by 4.8 percent year-to-date, ahead of the forecast.

Corporate Income Tax (5% of general fund revenues): As with nonwithholding, August is not typically a significant month for collections in this source, as the first estimated payment for the fiscal year is due in September. Through August, collections in this source were \$24.0 million compared with \$33.1 million in the same period last year.

Wills, Suits, Deeds, Contracts (2% of general fund revenues): Collections of wills, suits, deeds, and contracts – mainly recordation tax collections – were \$30.3 million in August, compared with \$29.6 million in August of last year for growth of 2.2 percent. Prior to August, collections in this source had increased by double-digit growth for eight consecutive months. On a year-to-date basis, collections are up 8.9 percent, ahead of the annual forecast of an 8.1 percent decline.

Insurance Premiums (2% of general fund revenues): Monthly collections of insurance company premiums are being transferred to the Transportation Trust Fund per Chapter 986, 2007 Acts of the Assembly until the required amount of \$150.3 million has been deposited.

Other Revenue Sources

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

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Interest Income (0.5% GF revenues)	-3.3%	34.7%
<i>ABC Taxes (1% GF revenues)</i>	-29.6%	0.0%

All Other Revenue (2% of general fund revenues): Receipts in All Other Revenue were flat in August at \$30.0 million. On a year-to-date basis, collections of All Other Revenue rose 0.5 percent from the same period last year, close to the annual estimate of 0.6 percent growth.

Summary

August is not a significant month for revenue collections, with collections mainly from withholding, sales taxes, and other sources that have regular monthly payments. Total general fund revenue collections rose 5.1 percent in August, with individual withholding taxes accounting for most of the gain.

On a fiscal year-to-date basis, total revenue collections fell 2.6 percent in August compared with the same period last year, trailing the estimate of a 0.1 percent decline. The decline is not significant as it was mainly due to the timing of payments in July. Adjusting for the accelerated sales tax program, total revenues rose 0.4 percent through August, ahead of the forecast.

September collections will complete the first quarter of fiscal year 2015 and provide a clearer assessment of revenue growth. The first estimated payments from individuals, corporations, and insurance companies are due in September.

FY 2016 Estimate
Per Chapter 665

Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund Revenue Collections
For the Fiscal Years 2015 and 2016
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2016 Estimate	As a % of Gen Fund Rev	August FY 2016	FY 2015	% Change	Year-To-Date FY 2016	FY 2015	% Change	% Annual Growth Req By Est
Individual Income Tax:									
Withholding	\$11,275,100	63.62	\$858,685	\$813,532	5.6	\$1,730,395	\$1,717,577	0.7	2.1
Tax Dues/Estimated Payments	2,785,200	15.72	50,939	49,808	2.3	105,577	131,814	(19.9)	(8.4)
Gross Individual Income Tax	\$14,060,300	79.34	\$909,624	\$863,340	5.4	\$1,835,972	\$1,849,391	(0.7)	(0.2)
Individual and Fiduciary Income (Refunds)	(1,840,600)	(10.38)	(32,194)	(36,923)	(12.8)	(74,033)	(77,932)	(5.0)	4.7
Net Individual Income Tax	\$12,219,700	68.96	\$877,430	\$826,417	6.2	\$1,761,939	\$1,771,459	(0.5)	(0.9)
Sales and Use Tax	\$3,323,100	18.74	\$254,048	\$253,817	0.1	\$378,887	\$423,632	(10.6)	2.7
Corporations Income Tax	820,700	4.63	19,050	11,067	72.1	23,965	33,095	(27.6)	(1.3)
Wills, Suits, Deeds, Contracts	318,300	1.80	30,285	29,627	2.2	66,546	61,118	8.9	(8.1)
Insurance Premiums	326,800	1.84	0	0	-	0	0	-	8.7
Interest Income (a)	65,600	0.37	5,958	6,042	(1.4)	11,957	12,367	(3.3)	34.7
Alcoholic Beverage Sales (b)	207,900	1.18	3,911	4,569	(14.4)	8,007	11,367	(29.6)	0.0
All Other Revenues	438,600	2.48	30,021	29,980	0.1	57,717	57,406	0.5	0.6
Total General Fund Revenues	\$17,720,700	100.00	\$1,220,703	\$1,161,519	5.1	\$2,309,018	\$2,370,444	(2.6)	(0.1)

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

(a) Interest will be allocated in accordance with Section 3-3.03 of Chapter 665, 2015 Virginia Acts of Assembly.

(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 2015 and 2016
(Dollars in Thousands)

Revenue	(1)	(2)	August		(5)	Year-To-Date		(8)	(9)
	FY 2016 Estimate	As a % of Total Gen Fund Rev	FY 2016	FY 2015	% Change	FY 2016	FY 2015	% Change	% Annual Growth Req By Est
Taxes:									
Individual Income Tax - Withholding	\$11,275,100	63.62	\$858,685	\$813,532	5.6	\$1,730,395	\$1,717,577	0.7	2.1
Tax Dues/Estimated Payments	2,785,200	15.72	50,939	49,808	2.3	105,577	131,814	(19.9)	(8.4)
Gross Individual Income Tax	\$14,060,300	79.34	\$909,624	\$863,340	5.4	\$1,835,972	\$1,849,391	(0.7)	(0.2)
Individ and Fiduc Income (Refunds)	(1,840,600)	(10.38)	(32,194)	(36,923)	(12.8)	(74,033)	(77,932)	(5.0)	4.7
Net Individual Income Tax	\$12,219,700	68.96	\$877,430	\$826,417	6.2	\$1,761,939	\$1,771,459	(0.5)	(0.9)
Sales and Use Tax	3,323,100	18.74	254,048	253,817	0.1	378,887	423,632	(10.6)	2.7
Corporations Income	820,700	4.63	19,050	11,067	72.1	23,965	33,095	(27.6)	(1.3)
Public Service Corporations	96,800	0.55	7,621	7,485	1.8	14,110	13,732	2.8	(1.8)
Insurance Premiums	326,800	1.84	0	0	-	0	0	-	8.7
Alcoholic Beverage Excise	166,100	0.94	0	567	(100.0)	0	3,290	(100.0)	0.1
Beer and Beverage Excise	41,800	0.24	3,911	4,002	(2.3)	8,007	8,077	(0.9)	(0.1)
Wills, Suits, Deeds, Contracts	318,300	1.80	30,285	29,627	2.2	66,546	61,118	8.9	(8.1)
Inheritance, Gift, and Estate	0	0.00	0	0	-	0	25	(100.0)	(100.0)
Bank Franchise	20,500	0.12	103	3	#	111	3	#	7.8
Other Taxes	2,800	0.02	1,542	2,049	(24.7)	1,491	3,273	(54.4)	(75.1)
Total Taxes	\$17,336,600	97.84	\$1,193,990	\$1,135,034	5.2	\$2,255,056	\$2,317,704	(2.7)	(0.2)
Rights and Privileges:									
Licenses and Permits	\$4,000	0.02	\$488	\$483	1.0	\$714	\$694	2.9	(1.5)
Corp. Franchise and Charters	47,300	0.27	486	466	4.3	1,057	1,006	5.1	(2.6)
Fees for Misc. Privileges & Services	11,300	0.06	508	994	(48.9)	1,131	1,573	(28.1)	(1.9)
Total Rights and Privileges	\$62,600	0.35	\$1,482	\$1,943	(23.7)	\$2,902	\$3,273	(11.3)	(2.4)
Other Revenues:									
Sales of Property & Commodities	\$31,200	0.18	\$216	\$1	#	\$216	\$1	#	#
Assessmts & Rcpts for Support of Special Svcs	400	0.00	50	18	177.8	75	56	33.9	(12.7)
Institutional Revenue	5,500	0.03	353	412	(14.3)	1,054	801	31.6	(25.4)
Interest (a)	65,600	0.37	5,958	6,042	(1.4)	11,957	12,367	(3.3)	34.7
Dividends and Rent	300	0.00	134	124	8.1	185	158	17.1	(13.8)
Fines, Forfeitures & Fees	209,200	1.18	18,596	17,727	4.9	37,901	35,606	6.4	(5.3)
Other Revenue	9,900	0.05	366	365	0.3	727	870	(16.4)	(21.8)
Excess Fees	(8,900)	(0.05)	(837)	(715)	(17.1)	(1,752)	(1,297)	(35.1)	(31.3)
Private Donations, Gifts & Cont.	0	0.00	0	0	-	0	0	-	(100.0)
Cities, Counties, and Towns	8,300	0.05	395	568	(30.5)	697	905	(23.0)	8.1
Total Other Revenues	\$321,500	1.81	\$25,231	\$24,542	2.8	\$51,060	\$49,467	3.2	10.2
Total General Fund Revenues	\$17,720,700	100.00	\$1,220,703	\$1,161,519	5.1	\$2,309,018	\$2,370,444	(2.6)	(0.1)

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

(a) Interest will be allocated in accordance with Section 3-3.03 of Chapter 665, 2015 Virginia Acts of Assembly.

**Commonwealth of Virginia/Department of Lottery
Summary Report on Lottery Collections
For the Fiscal Years 2015 and 2016
(Dollars in Thousands)**

	FY 2016 Estimate	August			Year-To-Date			% Annual Growth Required By Estimate
		(a)	FY 2016 (b)	FY 2015 %	FY 2016 %	FY 2015 %	(c)	
Lottery Collections								
Total Lottery Sales	\$1,889,885	\$153,358	\$149,678	2.5	\$305,057	\$293,692	3.9	2.5
Other Income	1,000	50	90	(44.4)	92	142	(35.2)	(15.2)
Total Income	<u>\$1,890,885</u>	<u>\$153,408</u>	<u>\$149,768</u>	<u>2.4</u>	<u>\$305,149</u>	<u>\$293,834</u>	<u>3.9</u>	<u>2.5</u>
Less:								
Prize Expenses	\$1,142,922	\$90,240	\$88,015	2.5	\$177,785	\$172,607	3.0	2.4
Retailer Commissions	106,406	8,430	8,218	2.6	17,285	16,377	5.5	2.4
Operating Expenses	109,889	7,001	6,526	7.3	14,186	12,819	10.7	21.1
Total Expenses	<u>\$1,359,217</u>	<u>\$105,671</u>	<u>\$102,759</u>	<u>2.8</u>	<u>\$209,256</u>	<u>\$201,803</u>	<u>3.7</u>	<u>3.7</u>
Net Proceeds from Operations								
Net Lottery Ticket Profits	\$531,668	\$47,737	\$47,009	1.5	\$95,893	\$92,031	4.2	0.4
Prior Year Residual Profit Transfer	0	4,255	28,051	(84.8)	4,255	28,051	(84.8)	-
Available to Lottery Proceeds Fund	<u>\$531,668</u>	<u>\$51,992</u>	<u>\$75,060</u>	<u>(30.7)</u>	<u>\$100,148</u>	<u>\$120,082</u>	<u>(16.6)</u>	<u>(4.6)</u>

(a) Estimate established by Chapter 665, 2015 Virginia Acts of Assembly. Prior Year Residual Profit Transfer of \$4,255,031 was made on August 18, 2015. The Residual Profit Transfer from FY 2015 will be included in the Lottery's revised FY 2016 revenue estimate in the Governor's Revised Budget in December 2015.

(b) Amounts reported are accrual-based estimates (unaudited closing).

(c) 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.

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 2015 and 2016
(Dollars in Thousands)

Revenue	FY 2016 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Estimate
			FY 2016	FY 2015	% Change	FY 2016	FY 2015	% Change	
Motor Fuel Taxes	\$850,200	18.90	\$73,611	\$59,246	24.2	\$84,497	\$60,644	39.3	17.7
Priority Transportation Fund (PTF)	150,346	3.34	3,922	3,394	15.6	7,370	6,600	11.7	0.0
Motor Vehicle Sales and Use Tax	875,600	19.47	81,633	75,503	8.1	168,198	154,914	8.6	(1.7)
State Sales and Use Tax	1,007,300	22.39	78,883	77,227	2.1	117,485	140,120	(16.2)	1.3
Motor Vehicle License Fees	244,600	5.44	21,700	20,276	7.0	44,854	42,252	6.2	(0.2)
International Registration Plan	60,400	1.34	4,376	3,734	17.2	9,864	9,039	9.1	(8.5)
Recordation Tax	37,900	0.84	3,681	3,541	4.0	7,995	7,296	9.6	(9.8)
Interest Earnings	14,800	0.33	20	7	185.7	20	7	185.7	96.5
Misc. Taxes, Fees, and Revenues	15,700	0.35	1,684	1,218	38.3	3,041	3,042	0.0	(14.3)
Total State Taxes and Fees	\$3,256,846	72.40	\$269,510	\$244,146	10.4	\$443,324	\$423,914	4.6	3.8

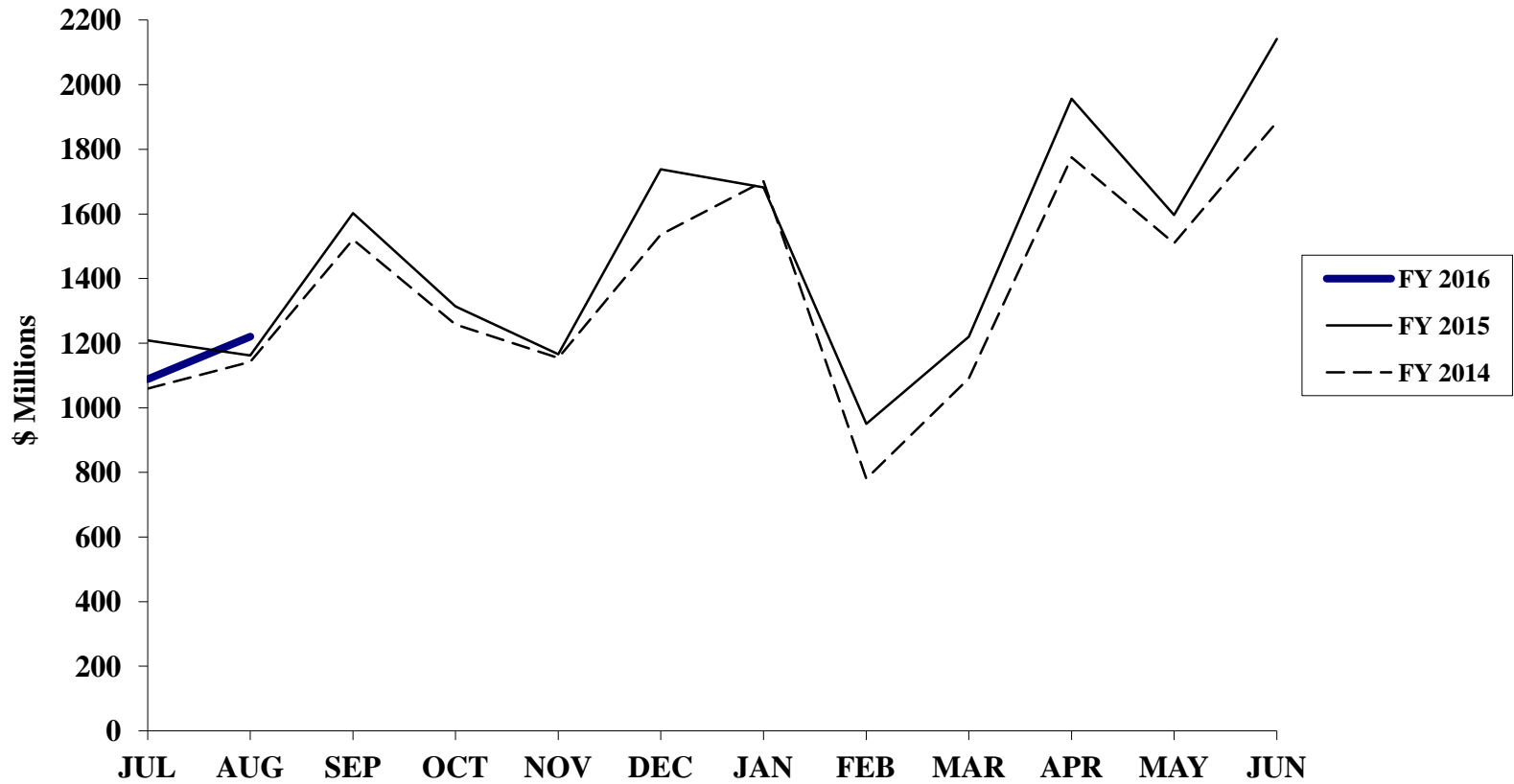
Percentage is greater than or equal to 1,000%.

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 2015 and 2016
(Dollars in Thousands)

Revenue	FY 2016 Estimate	As a % of Total Fund	August			Year-To-Date			% Annual Growth Required By Est
			FY 2016	FY 2015	% Change	FY 2016	FY 2015	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$679,100	15.10	\$60,276	\$49,190	22.5	\$68,872	\$48,501	42.0	18.2
Motor Vehicle Sales and Use Tax	628,300	13.97	57,696	53,166	8.5	120,476	110,821	8.7	(1.6)
State Sales and Use Tax	281,700	6.26	21,871	21,305	2.7	33,091	41,594	(20.4)	1.4
Motor Vehicle License Fees	222,700	4.95	19,792	18,483	7.1	40,960	38,433	6.6	(0.3)
International Registration Plan	60,400	1.34	4,376	3,734	17.2	9,864	9,039	9.1	(8.5)
Recordation Tax (1 cent)	12,700	0.28	1,227	1,180	4.0	2,665	2,432	9.6	(9.3)
Misc. Taxes, Fees, and Revenues	15,700	0.35	1,684	1,218	38.3	3,041	3,042	0.0	(14.3)
Total State Taxes and Fees	\$1,900,600	42.25	\$166,922	\$148,276	12.6	\$278,969	\$253,862	9.9	4.8
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$4,259	\$2,078	105.0	\$6,759	\$4,539	48.9	(100.0)
Miscellaneous Revenues	14,595	0.32	4,375	2,590	68.9	5,363	3,534	51.8	(50.0)
Transfer (to) / from Transportation Trust Fund	122,489	2.72	0	0	-	0	0	-	(25.6)
Total Highway Maintenance and Operating Fund	\$2,037,684	45.29	\$175,556	\$152,944	14.8	\$291,091	\$261,935	11.1	0.0
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$171,100	3.80	\$13,335	\$10,056	32.6	\$15,625	\$12,143	28.7	15.6
PTF Insurance Premiums Tax	150,346	3.34	3,922	3,394	15.6	7,370	6,600	11.7	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	247,300	5.50	23,937	22,337	7.2	47,722	44,093	8.2	(1.8)
State Sales and Use Tax	725,600	16.13	57,012	55,922	1.9	84,394	98,526	(14.3)	1.2
Motor Vehicle License Fees	21,900	0.49	1,908	1,793	6.4	3,894	3,819	2.0	0.5
Recordation Tax (2 cents)	25,200	0.56	2,454	2,361	3.9	5,330	4,864	9.6	(10.0)
Interest Earnings	14,800	0.33	20	7	185.7	20	7	185.7	96.5
Total State Taxes and Fees	\$1,356,246	30.15	\$102,588	\$95,870	7.0	\$164,355	\$170,052	(3.4)	2.4
Other Revenues:									
Federal Grants and Contracts	\$968,328	21.52	\$80,898	\$98,067	(17.5)	\$461,281	\$435,199	6.0	(23.9)
Receipts from Cities/Counties	237,187	5.27	5,964	13,497	(55.8)	8,665	16,395	(47.1)	79.4
Toll Revenues (Includes Route 28)	16,045	0.36	956	910	5.1	1,836	1,793	2.4	(12.1)
Miscellaneous Revenues	5,832	0.13	2,438	2,457	(0.8)	3,207	3,655	(12.3)	(79.4)
Total Other Revenues	\$1,227,392	27.28	\$90,256	\$114,931	(21.5)	\$474,989	\$457,042	3.9	(15.4)
Transfer (to) / from Highway Maintenance and Operating Fund	(\$122,489)	(2.72)	\$0	\$0	-	\$0	\$0	-	25.6
Total Transportation Trust Fund	\$2,461,149	54.71	\$192,844	\$210,801	(8.5)	\$639,344	\$627,094	2.0	(5.7)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$4,498,833	100.00	\$368,400	\$363,745	1.3	\$930,435	\$889,029	4.7	(3.2)

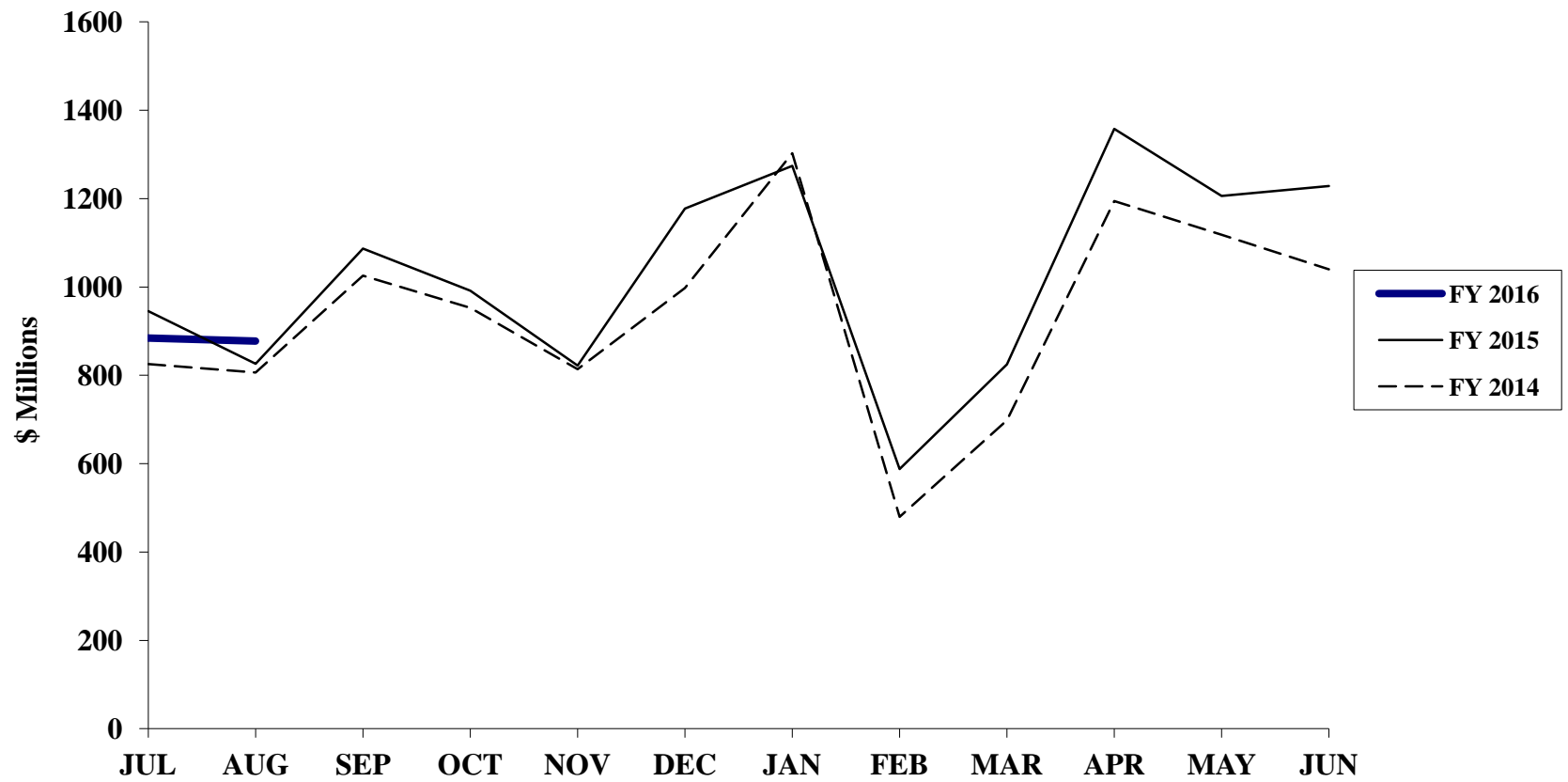
Percentage is greater than or equal to 1,000%.

Total General Fund Revenues



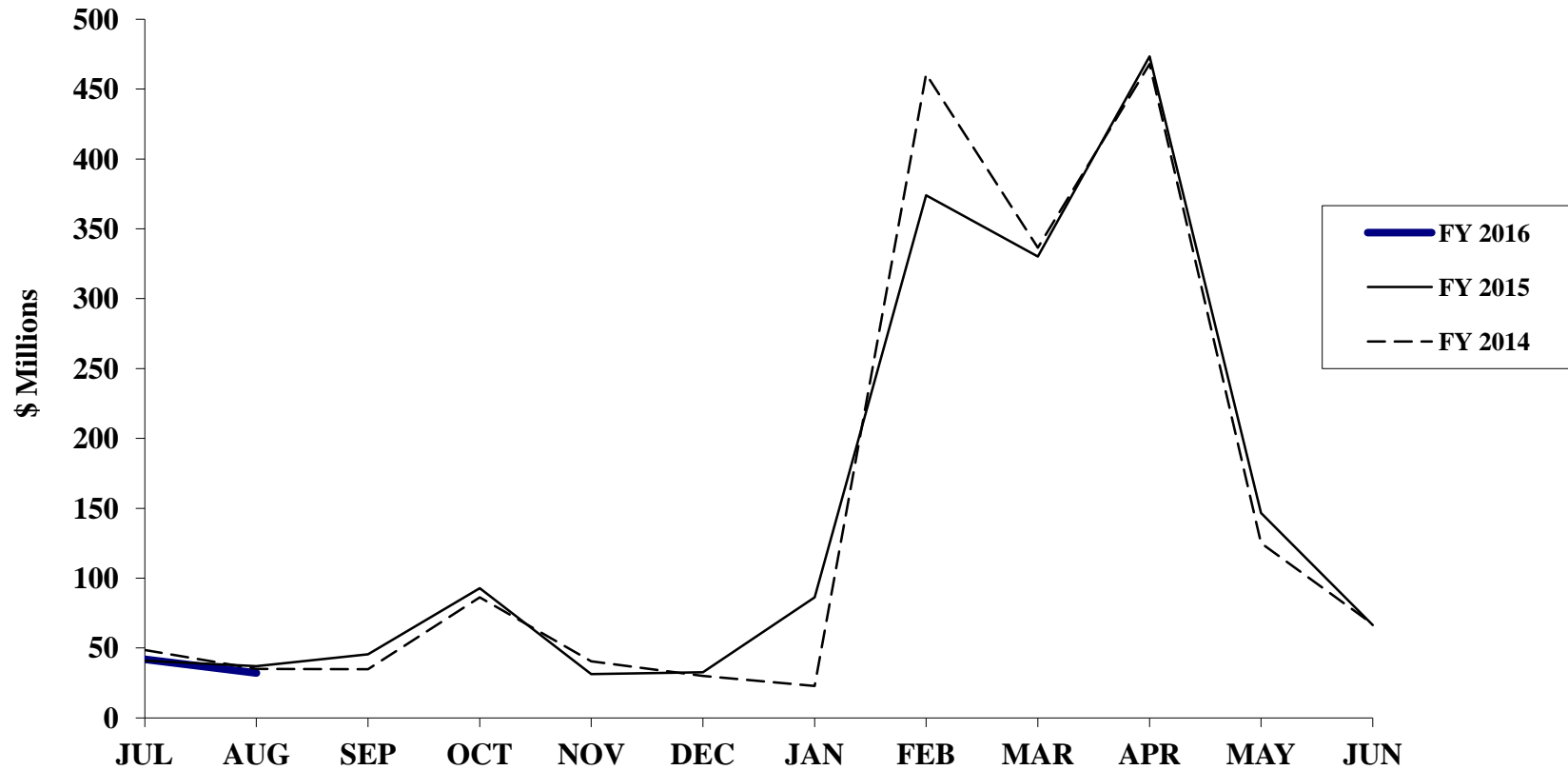
FY 2014 Actual = \$16,411.4 Million
FY 2015 Actual = \$17,735.6 Million
FY 2016 Estimate = \$17,720.7 Million

Net Individual Income Tax



FY 2014 Actual = \$11,253.3 Million
FY 2015 Actual = \$12,328.7 Million
FY 2016 Estimate = \$12,219.7 Million

Individual and Fiduciary Income Tax Refunds



FY 2014 Actual = \$1,755.8 Million
FY 2015 Actual = \$1,757.3 Million
FY 2016 Estimate = \$1,840.6 Million

DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2016

(Dollars in Millions)

MONTH	PRIMARY LIQUIDITY		EXTERNAL MANAGEMENT EXTENDED DURATION		COMPOSITE		TREASURY 1 YR. CONSTANT MATURITY ¹
	Avg. Balance	Yield	Avg. Balance	Annualized Total Return	Avg. Balance	Rate	Yield
July, 2015	\$4,451.3	0.29%	\$1,216.6	5.34%	\$5,667.9	1.37%	0.30%
August	\$3,908.8	0.33%	\$1,218.7	-0.73%	\$5,127.5	0.08%	0.38%
September							
October							
November							
December							
January, 2016							
February							
March							
April							
May							
June							
Year-to-Date Average	\$4,180.1	0.31%	\$1,217.7	2.30%	\$5,397.8	0.76%	0.34%

▪ Performance on the extended duration portion of the General Account is 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.

¹ Federal Reserve Bank H.15 Release.

**Commonwealth of Virginia/Department of Accounts
Report on the Revenue Stabilization Fund
For the Fiscal Year 2016**

Month	Beginning Balance	Deposits	Withdrawals	Interest Allocated (A)	Ending Balance
July	\$467,717,444	\$0	\$0	\$0	\$467,717,444
August	\$467,717,444	\$0	\$0	\$0	\$467,717,444
September					
October					
November					
December					
January					
February					
March					
April					
May					
June					

Notes: (A) Interest is earned monthly but credited to the Revenue Stabilization Fund on a quarterly basis.