

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 | September FY 2008 | September FY 2007 | % Change | Year-To-Date FY 2008 | Year-To-Date FY 2007 | % Change | % Annual Growth Req By Est |
| Individual Income Tax: | | | | | | | | | |
| Withholding | \$9,091,394 | 55.33 | \$658,478 | \$628,326 | 4.8 | \$2,065,351 | \$1,972,941 | 4.7 | 6.0 |
| Tax Dues/Estimated Payments | 3,026,321 | 18.42 | 325,977 | 301,579 | 8.1 | 406,713 | 367,561 | 10.7 | 6.6 |
| Gross Individual Income Tax | <u>\$12,117,715</u> | <u>73.75</u> | <u>\$984,455</u> | <u>\$929,905</u> | <u>5.9</u> | <u>\$2,472,064</u> | <u>\$2,340,502</u> | <u>5.6</u> | <u>6.1</u> |
| Individual and Fiduciary Income (Refunds) | (1,724,000) | (10.49) | (20,237) | (36,288) | (44.2) | (83,636) | (110,164) | (24.1) | 10.5 |
| Net Individual Income Tax | <u>\$10,393,715</u> | <u>63.26</u> | <u>\$964,218</u> | <u>\$893,617</u> | <u>7.9</u> | <u>\$2,388,428</u> | <u>\$2,230,338</u> | <u>7.1</u> | <u>5.4</u> |
| Sales and Use Tax | \$3,135,958 | 19.09 | \$257,128 | \$248,403 | 3.5 | \$785,788 | \$762,331 | 3.1 | 2.8 |
| Corporations Income Tax | 726,193 | 4.42 | 189,030 | 207,565 | (8.9) | 223,855 | 258,795 | (13.5) | (18.4) |
| Wills, Suits, Deeds, Contracts | 530,481 | 3.23 | 36,096 | 45,886 | (21.3) | 130,699 | 150,773 | (13.3) | (9.0) |
| Insurance Premiums | 396,056 | 2.41 | 95,461 | 81,675 | 16.9 | 101,740 | 87,881 | 15.8 | 2.9 |
| Interest Income (a) | 136,800 | 0.82 | 30,637 | 27,826 | 10.1 | 93,440 | 85,307 | 9.5 | (2.4) |
| Alcoholic Beverage Sales (b) | 163,000 | 0.99 | 4,357 | 4,266 | 2.1 | 13,795 | 14,274 | (3.4) | 0.7 |
| All Other Revenues | 543,500 | 3.31 | 34,068 | 40,277 | (15.4) | 104,375 | 117,985 | (11.5) | 8.7 |
| Total General Fund Revenues | <u>\$16,025,703</u> | <u>97.53</u> | <u>\$1,610,995</u> | <u>\$1,549,515</u> | <u>4.0</u> | <u>\$3,842,120</u> | <u>\$3,707,684</u> | <u>3.6</u> | <u>3.0</u> |
| Gross Lottery Revenue | \$1,304,430 | 7.94 | \$103,883 | \$107,966 | (3.8) | \$340,231 | \$312,757 | 8.8 | (4.3) |
| Less: Expenses | (899,030) | (5.47) | (67,668) | (73,392) | (7.8) | (219,947) | (214,809) | 2.4 | (2.8) |
| Net Lottery Profits | <u>\$405,400</u> | <u>2.47</u> | <u>\$36,215</u> | <u>\$34,574</u> | <u>4.7</u> | <u>\$120,284</u> | <u>\$97,948</u> | <u>22.8</u> | <u>(7.3)</u> |
| Total General Fund Revenues and Net Lottery Profits | <u>\$16,431,103</u> | <u>100.00</u> | <u>\$1,647,210</u> | <u>\$1,584,089</u> | <u>4.0</u> | <u>\$3,962,404</u> | <u>\$3,805,632</u> | <u>4.1</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 | September FY 2008 | September FY 2007 | % Change | Year-To-Date FY 2008 | Year-To-Date FY 2007 | % Change | % Annual Growth Req By Est |
| Taxes: | | | | | | | | | |
| Individual Income Tax - Withholding | \$9,091,394 | 56.73 | \$658,478 | \$628,326 | 4.8 | \$2,065,351 | \$1,972,941 | 4.7 | 6.0 |
| Tax Dues/Estimated Payments | 3,026,321 | 18.88 | 325,977 | 301,579 | 8.1 | 406,713 | 367,561 | 10.7 | 6.6 |
| Gross Individual Income Tax | \$12,117,715 | 75.61 | \$984,455 | \$929,905 | 5.9 | \$2,472,064 | \$2,340,502 | 5.6 | 6.1 |
| Individ and Fiduc Income (Refunds) | (1,724,000) | (10.75) | (20,237) | (36,288) | (44.2) | (83,636) | (110,164) | (24.1) | 10.5 |
| Net Individual Income Tax | \$10,393,715 | 64.86 | \$964,218 | \$893,617 | 7.9 | \$2,388,428 | \$2,230,338 | 7.1 | 5.4 |
| Sales and Use Tax | 3,135,958 | 19.57 | 257,128 | 248,403 | 3.5 | 785,788 | 762,331 | 3.1 | 2.8 |
| Corporations Income | 726,193 | 4.53 | 189,030 | 207,565 | (8.9) | 223,855 | 258,795 | (13.5) | (18.4) |
| Public Service Corporations | 95,100 | 0.59 | 2,862 | 8,128 | (64.8) | 19,594 | 20,797 | (5.8) | 8.1 |
| Insurance Premiums | 396,056 | 2.47 | 95,461 | 81,675 | 16.9 | 101,740 | 87,881 | 15.8 | 2.9 |
| Alcoholic Beverage Excise | 119,000 | 0.75 | 0 | 0 | - | 1,477 | 2,012 | (26.6) | 0.2 |
| Beer and Beverage Excise | 44,000 | 0.27 | 4,357 | 4,266 | 2.1 | 12,318 | 12,262 | 0.5 | 2.0 |
| Wills, Suits, Deeds, Contracts | 530,481 | 3.31 | 36,096 | 45,886 | (21.3) | 130,699 | 150,773 | (13.3) | (9.0) |
| Inheritance, Gift, and Estate | 129,400 | 0.81 | 14,418 | 16,626 | (13.3) | 34,275 | 49,400 | (30.6) | (15.3) |
| Bank Franchise | 13,300 | 0.08 | 0 | 59 | (100.0) | 52 | 66 | (21.2) | 5.8 |
| Other Taxes | 14,300 | 0.09 | 1,662 | (381) | 536.2 | 3,450 | 2,297 | 50.2 | 114.8 |
| Total Taxes | \$15,597,503 | 97.33 | \$1,565,232 | \$1,505,844 | 3.9 | \$3,701,676 | \$3,576,952 | 3.5 | 2.7 |
| Rights and Privileges: | | | | | | | | | |
| Licenses and Permits | \$5,000 | 0.03 | \$480 | \$506 | (5.1) | \$1,249 | \$1,209 | 3.3 | 3.5 |
| Corp. Franchise and Charters | 46,300 | 0.29 | 427 | 547 | (21.9) | 1,603 | 1,714 | (6.5) | (3.4) |
| Fees for Misc. Privileges & Services | 15,300 | 0.10 | 622 | 732 | (15.0) | 2,035 | 2,231 | (8.8) | (2.2) |
| Total Rights and Privileges | \$66,600 | 0.42 | \$1,529 | \$1,785 | (14.3) | \$4,887 | \$5,154 | (5.2) | (2.6) |
| Other Revenues: | | | | | | | | | |
| Sales of Property & Commodities | \$100 | 0.00 | \$0 | (\$12) | 100.0 | \$1 | \$1 | 0.0 | # |
| Assessmts & Rcpts for Support of Special Svcs | 400 | 0.00 | 0 | 14 | (100.0) | 66 | 45 | 46.7 | 78.6 |
| Institutional Revenue | 8,800 | 0.05 | 687 | 683 | 0.6 | 1,825 | 2,164 | (15.7) | 22.8 |
| Interest (a) | 136,800 | 0.85 | 30,637 | 27,826 | 10.1 | 93,440 | 85,307 | 9.5 | (2.4) |
| Dividends and Rent | 300 | 0.00 | 22 | 32 | (31.3) | 135 | 117 | 15.4 | 9.9 |
| Fines, Forfeitures & Fees | 230,200 | 1.44 | 14,538 | 14,711 | (1.2) | 45,452 | 44,710 | 1.7 | 26.0 |
| Other Revenue | 6,800 | 0.05 | 258 | 418 | (38.3) | 751 | 1,073 | (30.0) | 73.6 |
| Excess Fees | (32,000) | (0.20) | (2,517) | (2,918) | 13.7 | (8,372) | (10,209) | 18.0 | 3.4 |
| Private Donations, Gifts & Cont. | 0 | 0.00 | 30 | 0 | - | 30 | 5 | 500.0 | (100.0) |
| Cities, Counties, and Towns | 10,200 | 0.06 | 579 | 1,132 | (48.9) | 2,229 | 2,365 | (5.8) | (0.8) |
| Total Other Revenues | \$361,600 | 2.25 | \$44,234 | \$41,886 | 5.6 | \$135,557 | \$125,578 | 7.9 | 16.1 |
| Total General Fund Revenues | \$16,025,703 | 100.00 | \$1,610,995 | \$1,549,515 | 4.0 | \$3,842,120 | \$3,707,684 | 3.6 | 3.0 |

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)**

| | FY 2008 Estimate (a) | September | | | Year-To-Date | | | % Annual Growth Required By Estimate |
|----------------------------|---------------------------------|---------------------|-----------------|---------------------|----------------------|-----------------|-------------------------|---|
| | | FY 2008 | FY 2007 | % Change | FY 2008 | FY 2007 | % Change (b) | |
| Lottery Collections | | | | | | | | |
| Win for Life | \$45,136 | \$3,308 | \$3,919 | (15.6) | \$9,341 | \$11,686 | (20.1) | 9.2 |
| Cash 5 | 25,121 | 2,335 | 2,198 | 6.2 | 7,078 | 6,556 | 8.0 | (8.7) |
| Pick 4 | 167,717 | 13,853 | 14,086 | (1.7) | 44,469 | 41,339 | 7.6 | (6.8) |
| Pick 3 | 251,279 | 20,182 | 21,654 | (6.8) | 64,213 | 62,782 | 2.3 | (5.3) |
| Mega Millions | 122,553 | 9,192 | 11,896 | (22.7) | 46,487 | 27,220 | 70.8 | (5.9) |
| Scratch/Bingo/Raffle (c) | 692,624 | 55,013 | 54,213 | 1.5 | 168,643 | 163,174 | 3.4 | (3.5) |
| Gross Lottery Revenue | <u>1,304,430</u> | <u>103,883</u> | <u>107,966</u> | <u>(3.8)</u> | <u>340,231</u> | <u>312,757</u> | <u>8.8</u> | <u>(4.3)</u> |
| Expenses (d) | <u>899,030</u> | <u>67,668 (e)</u> | <u>73,392</u> | <u>(7.8)</u> | <u>219,947 (e)</u> | <u>214,809</u> | <u>2.4</u> | <u>(2.8)</u> |
| Net Lottery Ticket Profits | <u>\$405,400</u> | <u>\$36,215 (e)</u> | <u>\$34,574</u> | <u>4.7</u> | <u>\$120,284 (e)</u> | <u>\$97,948</u> | <u>22.8</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 | September | | | 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 | \$78,336 | \$71,249 | 9.9 | \$158,243 | \$151,654 | 4.3 | 4.4 |
| Priority Transportation Fund | 20,000 | 0.53 | 2,000 | 2,000 | 0.0 | 2,000 | 2,000 | 0.0 | 0.0 |
| Motor Vehicle Sales and Use Tax | 637,300 | 16.78 | 50,995 | 54,104 | (5.7) | 158,846 | 165,222 | (3.9) | 1.4 |
| State Sales and Use Tax | 536,000 | 14.12 | 43,493 | 42,373 | 2.6 | 133,835 | 129,575 | 3.3 | 3.6 |
| Motor Vehicle License Fees | 262,900 | 6.93 | 18,967 | 13,875 | 36.7 | 62,606 | 45,033 | 39.0 | 55.2 |
| International Registration Plan | 64,500 | 1.70 | 2,478 | 2,355 | 5.2 | 23,470 | 11,820 | 98.6 | 19.5 |
| Interest Earnings | 52,600 | 1.38 | 62 | 70 | (11.4) | 115 | 115 | 0.0 | (2.5) |
| Misc. Taxes, Fees, and Revenues (a) | 16,400 | 0.43 | 1,309 | 755 | 73.4 | 3,549 | 2,693 | 31.8 | 32.9 |
| Total State Taxes and Fees (a) | \$2,487,200 | 65.51 | \$197,640 | \$186,781 | 5.8 | \$542,664 | \$508,112 | 6.8 | 7.4 |

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.

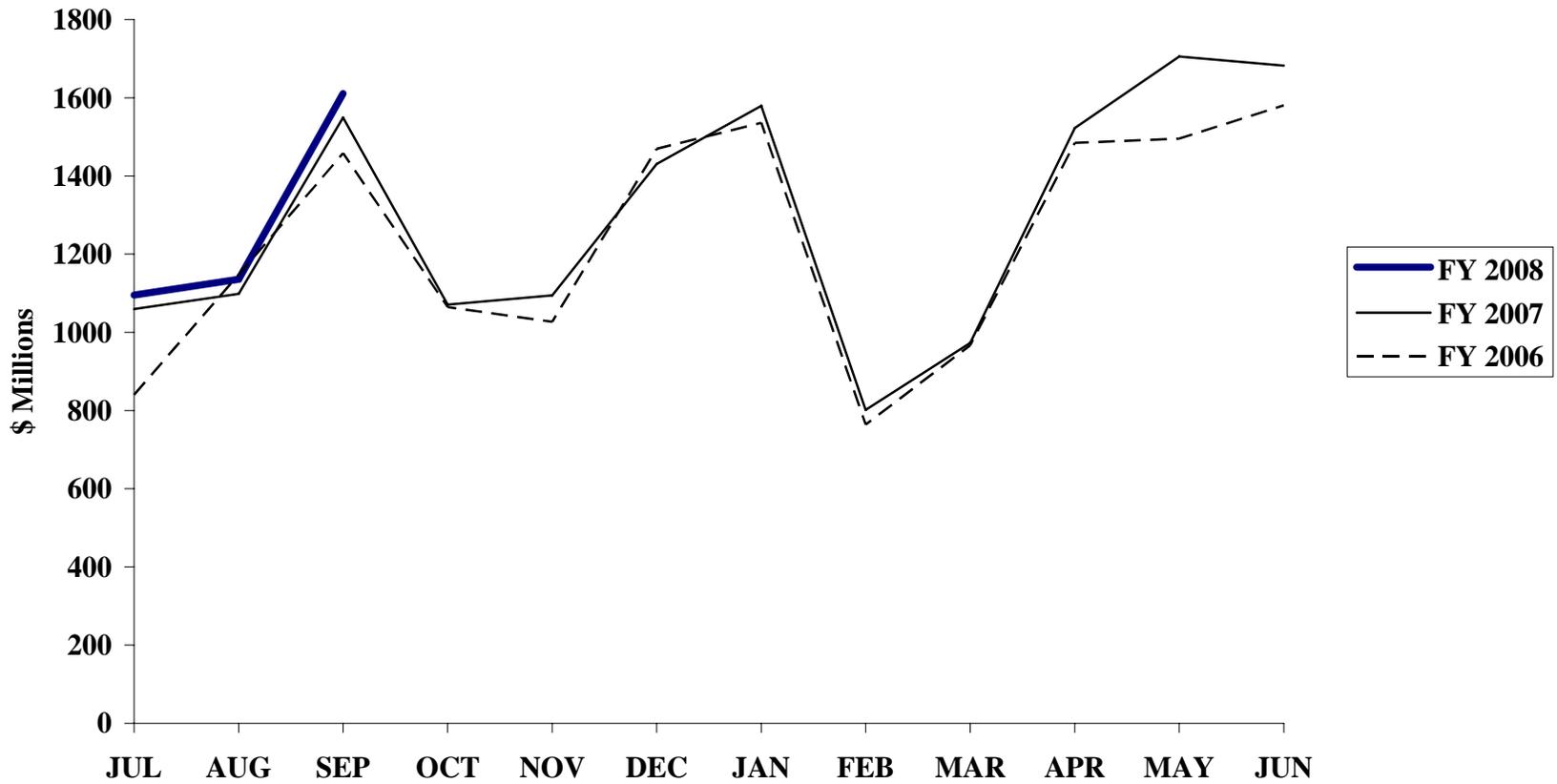
**Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Statement of Revenue Estimates & Collections
For the Fiscal Years 2007 and 2008
(Dollars in Thousands)**

| Revenue | FY 2008 Estimate | As a % of Total Fund | September | | | Year-To-Date | | | % Annual Growth Required By Est |
|--|---------------------|----------------------------|------------------|------------------|-------------|------------------|------------------|-------------|--|
| | | | FY 2008 | FY 2007 | % Change | FY 2008 | FY 2007 | % Change | |
| HIGHWAY MAINTENANCE AND OPERATING FUND: | | | | | | | | | |
| Motor Fuel Taxes (Includes Road Tax) | \$777,400 | 20.48 | \$64,022 | \$62,050 | 3.2 | \$133,767 | \$130,518 | 2.5 | 4.8 |
| Motor Vehicle Sales and Use Tax | 393,900 | 10.37 | 32,949 | 34,794 | (5.3) | 99,055 | 103,246 | (4.1) | 1.0 |
| Motor Vehicle License Fees | 241,300 | 6.36 | 17,364 | 12,170 | 42.7 | 57,429 | 39,399 | 45.8 | 62.8 |
| International Registration Plan | 64,500 | 1.70 | 2,478 | 2,355 | 5.2 | 23,470 | 11,820 | 98.6 | 19.5 |
| Misc. Taxes, Fees, and Revenues (a) | 16,400 | 0.43 | 1,309 | 755 | 73.4 | 3,549 | 2,693 | 31.8 | 32.9 |
| Total State Taxes and Fees | \$1,493,500 | 39.34 | \$118,122 | \$112,124 | 5.3 | \$317,270 | \$287,676 | 10.3 | 11.0 |
| Other Revenues: | | | | | | | | | |
| Federal Grants and Contracts | \$0 | 0.00 | \$758 | \$2,309 | (67.2) | \$3,899 | \$5,967 | (34.7) | (100.0) |
| Miscellaneous Revenues (a) | 16,937 | 0.45 | 937 | 1,721 | (45.6) | 3,747 | 4,678 | (19.9) | 0.1 |
| Transfer (to) / from Transportation Trust Fund | 262,570 | 6.91 | 100,000 | 100,000 | 0.0 | 200,000 | 200,000 | 0.0 | 13.6 |
| Total Highway Maintenance and Operating Fund | \$1,773,007 | 46.70 | \$219,817 | \$216,154 | 1.7 | \$524,916 | \$498,321 | 5.3 | 9.1 |
| TRANSPORTATION TRUST FUND: | | | | | | | | | |
| Motor Fuel Taxes (Includes Aviation & Road Taxes) | \$120,100 | 3.16 | \$14,314 | \$9,199 | 55.6 | \$24,476 | \$21,136 | 15.8 | 1.8 |
| Priority Transportation Fund | 20,000 | 0.53 | 2,000 | 2,000 | 0.0 | 2,000 | 2,000 | 0.0 | 0.0 |
| Motor Vehicle Sales and Use Tax (Includes Rental Tax) | 243,400 | 6.41 | 18,046 | 19,310 | (6.5) | 59,791 | 61,976 | (3.5) | 2.0 |
| State Sales and Use Tax | 536,000 | 14.12 | 43,493 | 42,373 | 2.6 | 133,835 | 129,575 | 3.3 | 3.6 |
| Motor Vehicle License Fees | 21,600 | 0.57 | 1,603 | 1,705 | (6.0) | 5,177 | 5,634 | (8.1) | 1.7 |
| Interest Earnings | 52,600 | 1.38 | 62 | 70 | (11.4) | 115 | 115 | 0.0 | (2.5) |
| Total State Taxes and Fees | \$993,700 | 26.17 | \$79,518 | \$74,657 | 6.5 | \$225,394 | \$220,436 | 2.2 | 2.5 |
| Other Revenues: | | | | | | | | | |
| Federal Grants and Contracts | \$1,100,568 | 28.98 | \$62,337 | \$57,792 | 7.9 | \$231,446 | \$175,479 | 31.9 | 77.9 |
| Receipts from Cities/Counties (a) | 78,428 | 2.07 | 6,712 | 3,921 | 71.2 | 22,746 | 9,161 | 148.3 | 86.4 |
| Toll Revenues (Includes Route 28) | 100,598 | 2.65 | 11,127 | 9,606 | 15.8 | 27,776 | 23,331 | 19.1 | (3.0) |
| Miscellaneous Revenues | 12,854 | 0.34 | 667 | (1,676) | 139.8 | 3,265 | 2,068 | 57.9 | (40.4) |
| Total Other Revenues | \$1,292,448 | 34.04 | \$80,843 | \$69,643 | 16.1 | \$285,233 | \$210,039 | 35.8 | 64.5 |
| Transfer (to) / from Highway Maintenance and Operating Fund | (\$262,570) | (6.91) | (\$100,000) | (\$100,000) | 0.0 | (\$200,000) | (\$200,000) | 0.0 | (13.6) |
| Total Transportation Trust Fund | \$2,023,578 | 53.30 | \$60,361 | \$44,300 | 36.3 | \$310,627 | \$230,475 | 34.8 | 32.8 |
| TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND | | | | | | | | | |
| | \$3,796,585 | 100.00 | \$280,178 | \$260,454 | 7.6 | \$835,543 | \$728,796 | 14.6 | 20.6 |

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

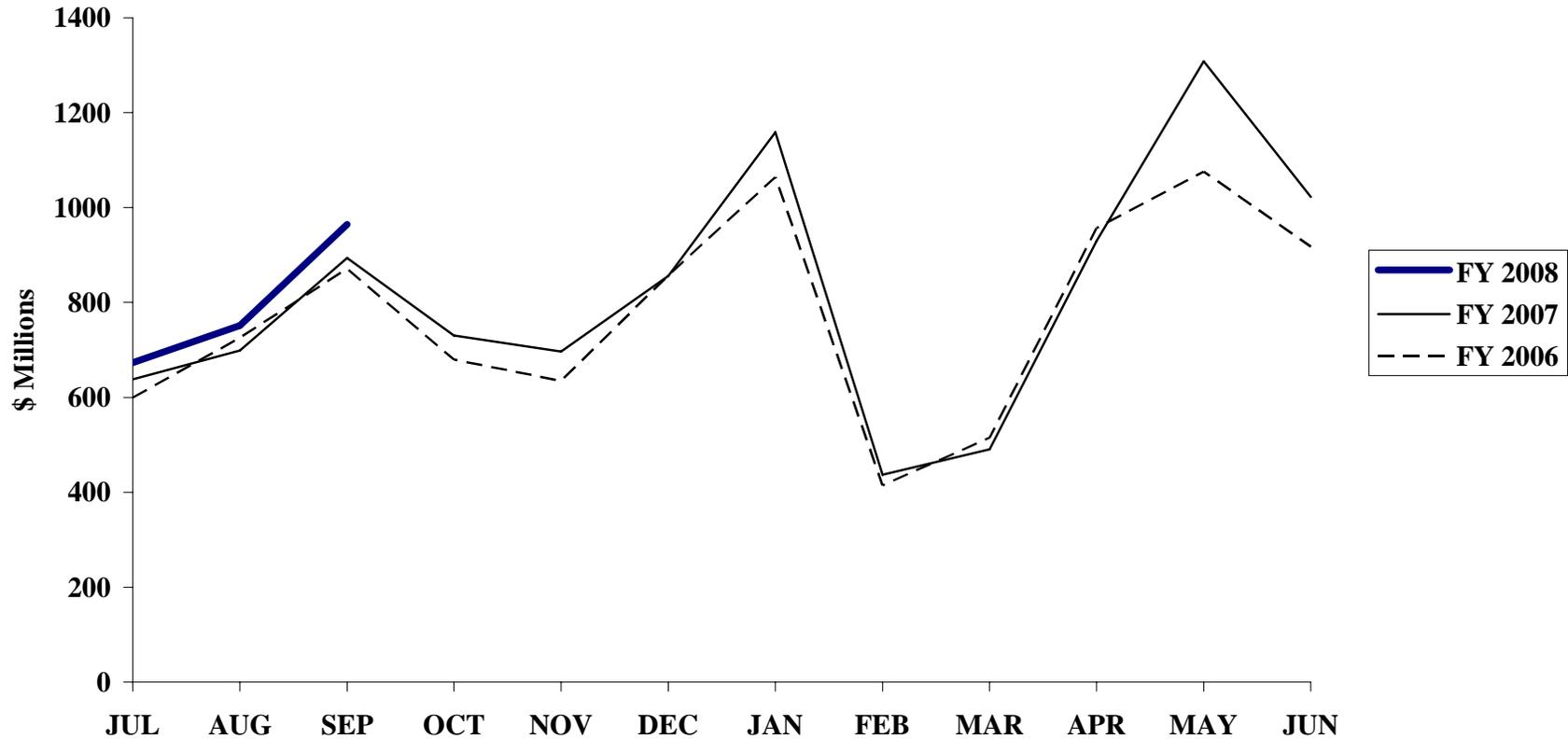
(a) A new line, "Miscellaneous Revenues", was added to the Highway Maintenance and Operating Fund Revenue Forecast in FY 2007. A portion of the amounts previously reported in "Miscellaneous Taxes, Fees, and Revenues" and "Receipts from Cities/Counties" were reclassified to "Miscellaneous Revenues". In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

Total General Fund Revenues



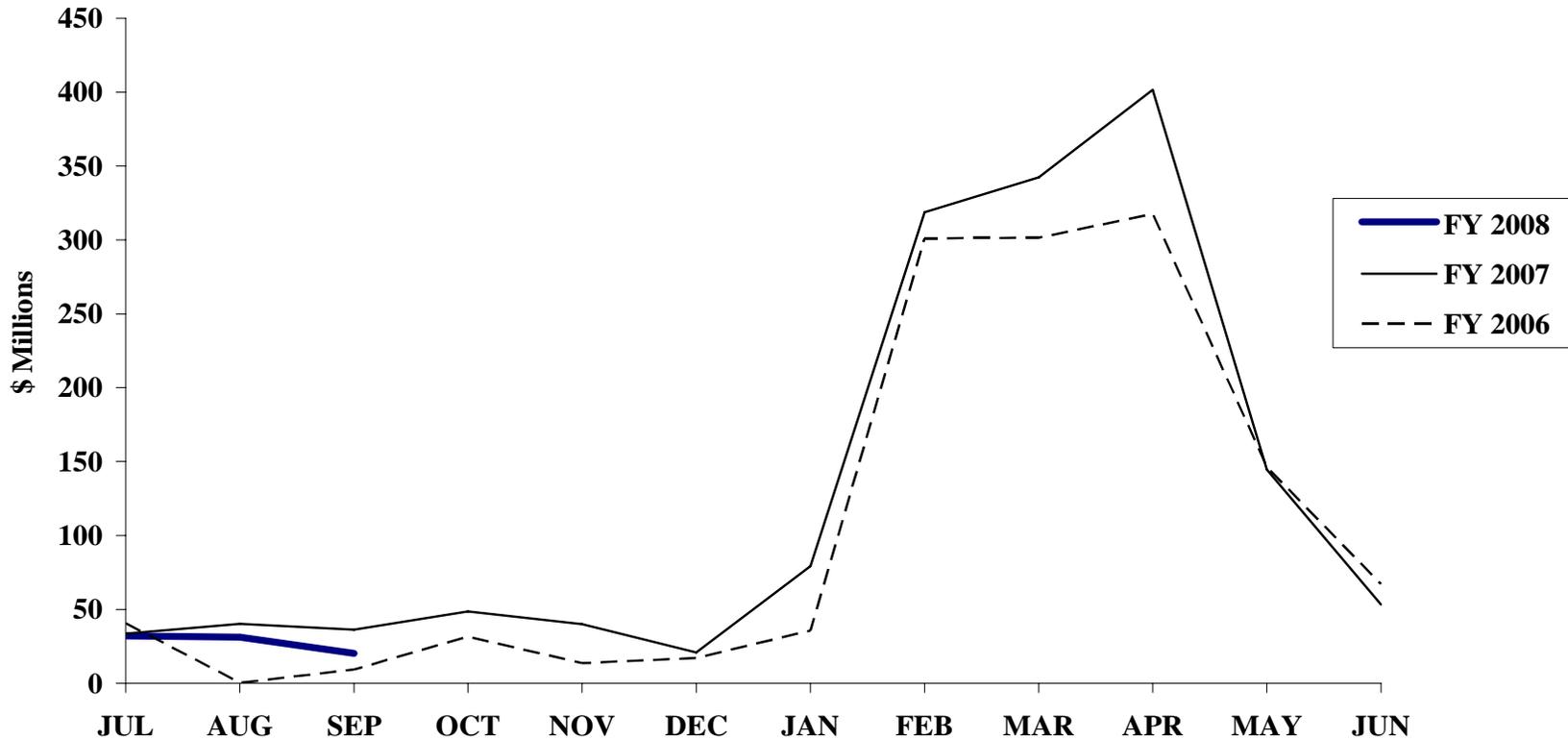
FY 2006 Actual = \$14,834.3 Million
FY 2007 Actual = \$15,565.8 Million
FY 2008 Estimate = \$16,025.7 Million

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 |
| July, 2007 | \$5,727.9 | 5.35% | \$1,723.0 | 9.69% | \$7,450.9 | 6.35% |
| August | \$5,110.8 | 5.45% | \$1,737.9 | 11.29% | \$6,848.7 | 6.93% |
| September | \$5,243.4 | 5.58% | \$1,752.3 | 8.79% | \$6,995.7 | 6.38% |
| October | | | | | | |
| November | | | | | | |
| December | | | | | | |
| January, 2008 | | | | | | |
| February | | | | | | |
| March | | | | | | |
| April | | | | | | |
| May | | | | | | |
| June | | | | | | |
| Year-to-Date Average | \$5,360.7 | 5.46% | \$1,737.7 | 9.92% | \$7,098.4 | 6.55% |

- 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**

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

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.