



COMMONWEALTH of VIRGINIA

Aubrey L. Layne, Jr., MBA, CPA
Secretary of Finance

April 12, 2018

P.O. Box 1475
Richmond, Virginia 23218

MEMORANDUM

TO: The Honorable Ralph S. Northam

THROUGH: The Honorable Clark Mercer

FROM: Aubrey L. Layne, Jr.

SUBJECT: March Revenue Report

March revenue collections consist mainly of withholding and sales tax receipts, as well as the normal collections for other sources. Final payments from insurance companies for tax year 2017 are also due in March. In addition, March collections typically include the leading edge of payments from corporations and individuals, which are due April 17 and May 1, respectively. Therefore, the timing of these final payments, along with the timing of refunds in both sources, can distort monthly growth rates.

Total general fund revenue collections fell 3.5 percent in March. On a fiscal year-to-date basis, total revenue collections rose 5.2 percent through March, ahead of the annual forecast of 3.4 percent growth.

National Economic Indicators

Recent national indicators continue to depict a healthy economy.

- According to the final estimate, real GDP rose at an annualized rate of 2.9 percent in the fourth quarter of 2017, following 3.2 percent growth in the third quarter.
- Payroll employment rose by 103,000 jobs in March, below expectations. The February gain, however, was revised up from 313,000 to 326,000. The unemployment rate was unchanged at 4.1 percent.

- Initial claims for unemployment rose by 24,000 to 242,000 during the week ending March 31. The four-week moving average rose by 3,000 to 228,250. Despite the increase, claims remain near their lowest level since the early 1970s.
- The Conference Board's index of leading indicators rose 0.6 percent in February following a 0.8 percent increase in January, suggesting the economic expansion should continue.
- The Conference Board's index of consumer confidence fell 2.3 points to 127.7 in March, somewhat offsetting the strong gain in February. Both the expectations and present conditions components declined for the month.
- Conditions in the manufacturing sector slowed somewhat in March. The Institute of Supply Management index fell from 60.8 to 59.3, but remains in expansionary territory.
- The CPI rose 0.2 percent in February after a 0.5 percent increase in January. The index stands 2.3 percent above February 2017. Core inflation (excluding food and energy prices) rose by 0.2 percent, and is 1.9 percent above a year ago. Increases in both the CPI and core CPI were in line with consensus expectations.
- At its March meeting, the Federal Reserve raised the federal funds target rate range to 1.50 to 1.75 percent. They also signaled two more .25 percent rate hikes in calendar year 2018.

Virginia Economy

The Virginia Employment Commission released re-benchmarked employment data for calendar years 2016 and 2017. The revisions were quite small for fiscal year 2017, but substantially lower for the first half of fiscal year 2018. Statewide employment growth was 1.0 percent in fiscal year 2017, just 0.1 percentage point below previously reported growth, while growth in the first half of fiscal year 2018 was revised downward from 1.2 to 0.8 percent. Following are the revised growth rates in the major metro areas over the first six months of the fiscal year, with the previously reported growth in parentheses: Northern Virginia posted growth of 1.5 percent (1.2); Hampton Roads grew 0.7 percent (-0.8); and Richmond-Petersburg rose 1.0 percent (1.9).

In February, the most recent month for which data are available, Virginia employment rose 1.1 percent from February of last year. Northern Virginia posted growth of 2.3 percent; Hampton Roads grew 0.2 percent; and Richmond-Petersburg rose 0.7 percent. The seasonally adjusted unemployment rate fell 0.1 percentage point to 3.5 percent in February, the lowest rate since April 2008.

The Virginia Leading Index rose 0.6 percent in February after increasing 0.4 percent in January. All four components improved in February and the indexes increased in all of Virginia's metropolitan statistical areas.

March Revenue Collections

Total general fund revenue collections fell 3.5 percent in March. On a fiscal year-to-date basis, total revenue collections rose 5.2 percent through March, ahead of the annual forecast of 3.4 percent growth.

Net Individual Income Tax (70% of general fund revenues): Through March, collections of net individual income tax rose 6.4 percent from the same period last year, ahead of the annual estimate of 3.4 percent growth. Performance in each component of individual income tax is as follows:

Individual Income Tax Withholding (64% of general fund revenues): With one less deposit day than March of last year, collections of payroll withholding taxes fell 4.7 percent for the month. Year-to-date, collections have risen 4.2 percent, well ahead of the annual estimate of 3.5 percent growth.

Individual Income Tax Nonwithholding (16% of general fund revenues): March is not a significant month for collections in this source. Collections in nonwithholding were \$190.0 million compared with \$186.1 million in March of last year, an increase of 2.1 percent. Year-to-date, collections rose by 16.9 percent, ahead of the annual estimate of a 4.3 percent increase.

Individual Income Tax Refunds: The Department of Taxation issued \$390.0 million in refunds compared with \$411.0 million in the same period last year, a decline of 5.1 percent. Since the beginning of the filing period beginning January 1, TAX has issued 1.6 million refunds, about the same number through March of last year. Year-to-date, refunds have increased by 3.2 percent, trailing the annual estimate of 5.8 percent growth.

Sales Tax (18% of general fund revenues): Collections of sales and use taxes, reflecting February sales, rose 0.4 percent in March. On a year-to-date basis, collections have risen 2.9 percent, behind the annual estimate of 3.0 percent growth.

Corporate Income Tax (5% of general fund revenues): March is not a significant month for collections in this source. Most of the activity in March is from companies making final tax year 2017 payments ahead of the April 17 due date. Collections of corporate income taxes were \$61.5 million in March, compared with receipts of \$85.0 million in March of last year.

Year-to-date collections have increased 5.8 percent from the same period last year, close to the annual estimate of 5.7 percent growth. Next month's collections will provide a clearer picture of trends in this source as final payments for tax year 2017 and estimated payments for tax year 2018 are received.

Wills, Suits, Deeds, Contracts (2% of general fund revenues): Collections of wills, suits, deeds, and contracts – mainly recordation tax collections – were \$31.6 million in March, compared with

\$29.8 million in March of last year, an increase of 6.1 percent. On a year-to-date basis, collections are down 1.4 percent, trailing the annual forecast of 3.3 percent growth.

Insurance Premiums (2% of general fund revenues): Final payments in this source were due March 1. Collections were \$23.4 million compared with \$16.1 million in March of last year, a 44.9 percent increase. Year-to-date collections through March were \$83.7 million compared with \$97.2 million in the same period last year. Estimated payments for insurance companies are due in April and June.

Other Revenue Sources

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

	<u>Year-to-Date</u>	<u>Annual Estimate</u>
Interest Income (0.4% GF revenues)	10.6%	21.9%
ABC Taxes (1% GF revenues)	3.2%	4.3%

All Other Revenue (2% of general fund revenues): Receipts in All Other Revenue fell 2.9 percent in March, \$34.4 million compared with \$35.4 million a year ago. On a year-to-date basis, collections of All Other Revenue fell 4.4 percent from the same period last year, compared to the annual estimate of a 2.2 percent decline.

Summary

March revenue collections consist mainly of withholding and sales tax receipts, as well as the normal collections for other sources. Final payments from insurance companies for tax year 2016 are also due in March. In addition, March collections typically include the leading edge of payments from corporations and individuals, which are due April 17 and May 1, respectively. Therefore, the timing of these final payments, along with the timing of refunds in both sources, can distort monthly growth rates.

Total general fund revenue collections fell 3.5 percent in March. On a fiscal year-to-date basis, total revenue collections rose 5.2 percent through March, ahead of the annual forecast of 3.4 percent growth.

The last three months of the fiscal year are significant collections months. In addition to estimated and final payments from both corporations and individuals due in April and May, estimated payments are again due in June.

Rating Agencies

We continue to periodically brief all three major rating agencies on the status of the biennium budget negotiations.

Commonwealth of Virginia/Department of Accounts
Summary Report on General Fund Revenue Collections
For the Fiscal Years 2017 and 2018
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2018 Estimate	As a % of Gen Fund Rev	March FY 2018	March FY 2017	% Change	Year-To-Date FY 2018	Year-To-Date FY 2017	% Change	% Annual Growth Req By Est
Individual Income Tax:									
Withholding	\$12,313,300	63.71	\$1,128,583	\$1,184,084	(4.7)	\$9,355,974	\$8,974,696	4.2	3.5
Tax Dues/Estimated Payments	3,147,300	16.28	190,038	186,147	2.1	1,733,970	1,483,380	16.9	4.3
Gross Individual Income Tax	\$15,460,600	79.99	\$1,318,621	\$1,370,231	(3.8)	\$11,089,944	\$10,458,076	6.0	3.7
Individual and Fiduciary Income (Refunds)	(1,968,700)	(10.19)	(389,951)	(410,996)	(5.1)	(1,165,109)	(1,129,340)	3.2	5.8
Net Individual Income Tax	\$13,491,900	69.80	\$928,670	\$959,235	(3.2)	\$9,924,835	\$9,328,736	6.4	3.4
Sales and Use Tax	\$3,458,200	17.89	\$246,174	\$245,177	0.4	\$2,364,561	\$2,296,981	2.9	3.0
Corporations Income Tax	874,000	4.52	61,454	85,004	(27.7)	492,037	465,122	5.8	5.7
Wills, Suits, Deeds, Contracts	407,200	2.11	31,637	29,829	6.1	284,413	288,470	(1.4)	3.3
Insurance Premiums	362,100	1.87	23,395	16,147	44.9	83,684	97,205	(13.9)	6.2
Interest Income (a)	67,800	0.36	10,176	12,610	(19.3)	60,456	54,683	10.6	21.9
Alcoholic Beverage Sales (b)	232,000	1.20	2,484	2,801	(11.3)	132,541	128,475	3.2	4.3
All Other Revenues	435,000	2.25	34,426	35,446	(2.9)	262,888	275,060	(4.4)	(2.2)
Total General Fund Revenues	\$19,328,200	100.00	\$1,338,416	\$1,386,249	(3.5)	\$13,605,415	\$12,934,732	5.2	3.4

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

- (a) Interest is earned monthly in the General Fund and credited to nongeneral funds on a quarterly basis. This will occur in the months of October, January, April and June.
- (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 2017 and 2018
(Dollars in Thousands)

Revenue	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2018 Estimate	As a % of Total Gen Fund Rev	FY 2018	March FY 2017	% Change	FY 2018	Year-To-Date FY 2017	% Change	% Annual Growth Req By Est
Taxes:									
Individual Income Tax - Withholding	\$12,313,300	63.71	\$1,128,583	\$1,184,084	(4.7)	\$9,355,974	\$8,974,696	4.2	3.5
Tax Dues/Estimated Payments	3,147,300	16.28	190,038	186,147	2.1	1,733,970	1,483,380	16.9	4.3
Gross Individual Income Tax	\$15,460,600	79.99	\$1,318,621	\$1,370,231	(3.8)	\$11,089,944	\$10,458,076	6.0	3.7
Individ and Fiduc Income (Refunds)	(1,968,700)	(10.19)	(389,951)	(410,996)	(5.1)	(1,165,109)	(1,129,340)	3.2	5.8
Net Individual Income Tax	\$13,491,900	69.80	\$928,670	\$959,235	(3.2)	\$9,924,835	\$9,328,736	6.4	3.4
Sales and Use Tax	3,458,200	17.89	246,174	245,177	0.4	2,364,561	2,296,981	2.9	3.0
Corporations Income	874,000	4.52	61,454	85,004	(27.7)	492,037	465,122	5.8	5.7
Public Service Corporations	98,000	0.52	9,947	9,966	(0.2)	69,179	67,336	2.7	3.1
Insurance Premiums	362,100	1.87	23,395	16,147	44.9	83,684	97,205	(13.9)	6.2
Alcoholic Beverage Excise	189,700	0.98	0	0	-	102,396	97,419	5.1	5.0
Beer and Beverage Excise	42,300	0.22	2,484	2,801	(11.3)	30,145	31,056	(2.9)	1.5
Wills, Suits, Deeds, Contracts	407,200	2.11	31,637	29,829	6.1	284,413	288,470	(1.4)	3.3
Inheritance, Gift, and Estate	800	0.00	0	0	-	932	242	285.1	(90.2)
Bank Franchise	22,000	0.11	1	233	(99.6)	230	(645)	135.7	(0.2)
Other Taxes	12,400	0.06	952	611	55.8	11,840	6,764	75.0	34.7
Total Taxes	\$18,958,600	98.08	\$1,304,714	\$1,349,003	(3.3)	\$13,364,252	\$12,678,686	5.4	3.4
Rights and Privileges:									
Licenses and Permits	\$4,200	0.02	\$418	\$440	(5.0)	\$2,956	\$3,068	(3.7)	0.9
Corp. Franchise and Charters	51,200	0.27	555	572	(3.0)	15,707	16,091	(2.4)	(4.0)
Fees for Misc. Privileges & Services	11,600	0.06	523	582	(10.1)	7,622	7,199	5.9	(1.2)
Total Rights and Privileges	\$67,000	0.35	\$1,496	\$1,594	(6.1)	\$26,285	\$26,358	(0.3)	(3.3)
Other Revenues:									
Sales of Property & Commodities	\$300	0.00	\$0	\$0	-	\$5,384	\$9	#	-
Assessmts & Rcpts for Support of Special Svcs	400	0.00	11	4	175.0	383	108	254.6	119.8
Institutional Revenue	2,100	0.01	271	243	11.5	1,989	1,731	14.9	(7.0)
Interest (a)	67,800	0.36	10,176	12,610	(19.3)	60,456	54,683	10.6	21.9
Dividends and Rent	300	0.00	0	23	(100.0)	341	421	(19.0)	(15.5)
Fines, Forfeitures & Fees	219,100	1.13	21,178	22,145	(4.4)	155,195	172,072	(9.8)	(3.9)
Other Revenue	13,100	0.07	291	344	(15.4)	(8,250)	1,427	(678.1)	21.7
Excess Fees	(7,900)	(0.04)	(416)	(440)	5.5	(5,859)	(6,165)	5.0	0.4
Private Donations, Gifts & Cont.	0	0.00	10	0	-	11	0	-	(100.0)
Cities, Counties, and Towns	7,400	0.04	685	723	(5.3)	5,228	5,402	(3.2)	(0.1)
Total Other Revenues	\$302,600	1.57	\$32,206	\$35,652	(9.7)	\$214,878	\$229,688	(6.4)	2.0
Total General Fund Revenues	\$19,328,200	100.00	\$1,338,416	\$1,386,249	(3.5)	\$13,605,415	\$12,934,732	5.2	3.4

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

(a) Interest is earned monthly in the General Fund and credited to nongeneral funds on a quarterly basis. This will occur in the months of October, January, April and June.

Commonwealth of Virginia/Department of Lottery
Summary Report on Lottery Collections
For the Fiscal Years 2017 and 2018
(Dollars in Thousands)

	FY 2018 Estimate	March			Year-To-Date			% Annual Growth Required By Estimate
		(a)	FY 2018 (b)	FY 2017 Change	FY 2018 (b)	FY 2017 Change	(c)	
Lottery Collections								
Total Lottery Sales	\$2,090,196	\$209,565	\$182,645	14.7	\$1,608,689	\$1,483,727	8.4	5.0
Other Income	541	75	102	(26.5)	876	1,066	(17.8)	(48.2)
Total Income	<u>\$2,090,737</u>	<u>\$209,640</u>	<u>\$182,747</u>	<u>14.7</u>	<u>\$1,609,565</u>	<u>\$1,484,793</u>	<u>8.4</u>	<u>5.0</u>
Less:								
Prize Expenses	\$1,276,258	\$128,162	\$109,615	16.9	\$975,541	\$896,214	8.9	5.1
Retailer Commissions	117,844	11,566	10,077	14.8	91,125	83,101	9.7	5.3
Operating Expenses	109,975	8,707	8,330	4.5	80,037	73,675	8.6	3.4
Total Expenses	<u>\$1,504,077</u>	<u>\$148,435</u>	<u>\$128,022</u>	<u>15.9</u>	<u>\$1,146,703</u>	<u>\$1,052,990</u>	<u>8.9</u>	<u>5.0</u>
Net Proceeds from Operations								
Net Lottery Ticket Profits	\$586,660	\$61,205	\$54,725	11.8	\$462,862	\$431,803	7.2	7.3
Prior Year Residual Profit Transfer	11,819	0	0	-	11,819	53,486	(77.9)	-
Available to Lottery Proceeds Fund	<u>\$598,479</u>	<u>\$61,205</u>	<u>\$54,725</u>	<u>11.8</u>	<u>\$474,681</u>	<u>\$485,289</u>	<u>(2.2)</u>	<u>(0.3)</u>

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

- (a) Estimate established by House Bill 29, December 18, 2017. The Prior Year Residual Profit Transfer of \$11,819,169 was made on August 15, 2017, and is included in the total revenue estimate.
- (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 2017 and 2018
(Dollars in Thousands)

Revenue	FY 2018 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Estimate
			FY 2018	FY 2017	% Change	FY 2018	FY 2017	% Change	
Motor Fuel Taxes	\$898,700	18.51	\$72,696	\$69,438	4.7	\$609,013	\$601,124	1.3	3.0
Priority Transportation Fund (PTF)	168,018	3.46	0	0	-	168,018	163,142	3.0	3.0
Motor Vehicle Sales and Use Tax	963,300	19.85	82,933	89,658	(7.5)	726,820	747,094	(2.7)	(3.4)
State Sales and Use Tax	1,047,000	21.57	74,991	74,163	1.1	717,936	700,672	2.5	2.6
Motor Vehicle License Fees	259,200	5.35	26,061	26,921	(3.2)	188,839	189,687	(0.4)	(0.4)
International Registration Plan	64,400	1.33	12,558	13,825	(9.2)	51,973	48,418	7.3	(2.7)
Recordation Tax	48,300	1.00	3,807	3,585	6.2	34,460	35,290	(2.4)	0.4
Interest Earnings	3,300	0.07	58	30	93.3	4,218	3,068	37.5	(48.2)
Misc. Taxes, Fees, and Revenues	17,200	0.35	2,341	1,834	27.6	14,391	13,315	8.1	(6.5)
Total State Taxes and Fees	<u>\$3,469,418</u>	<u>71.49</u>	<u>\$275,445</u>	<u>\$279,454</u>	<u>(1.4)</u>	<u>\$2,515,668</u>	<u>\$2,501,810</u>	<u>0.6</u>	<u>0.5</u>

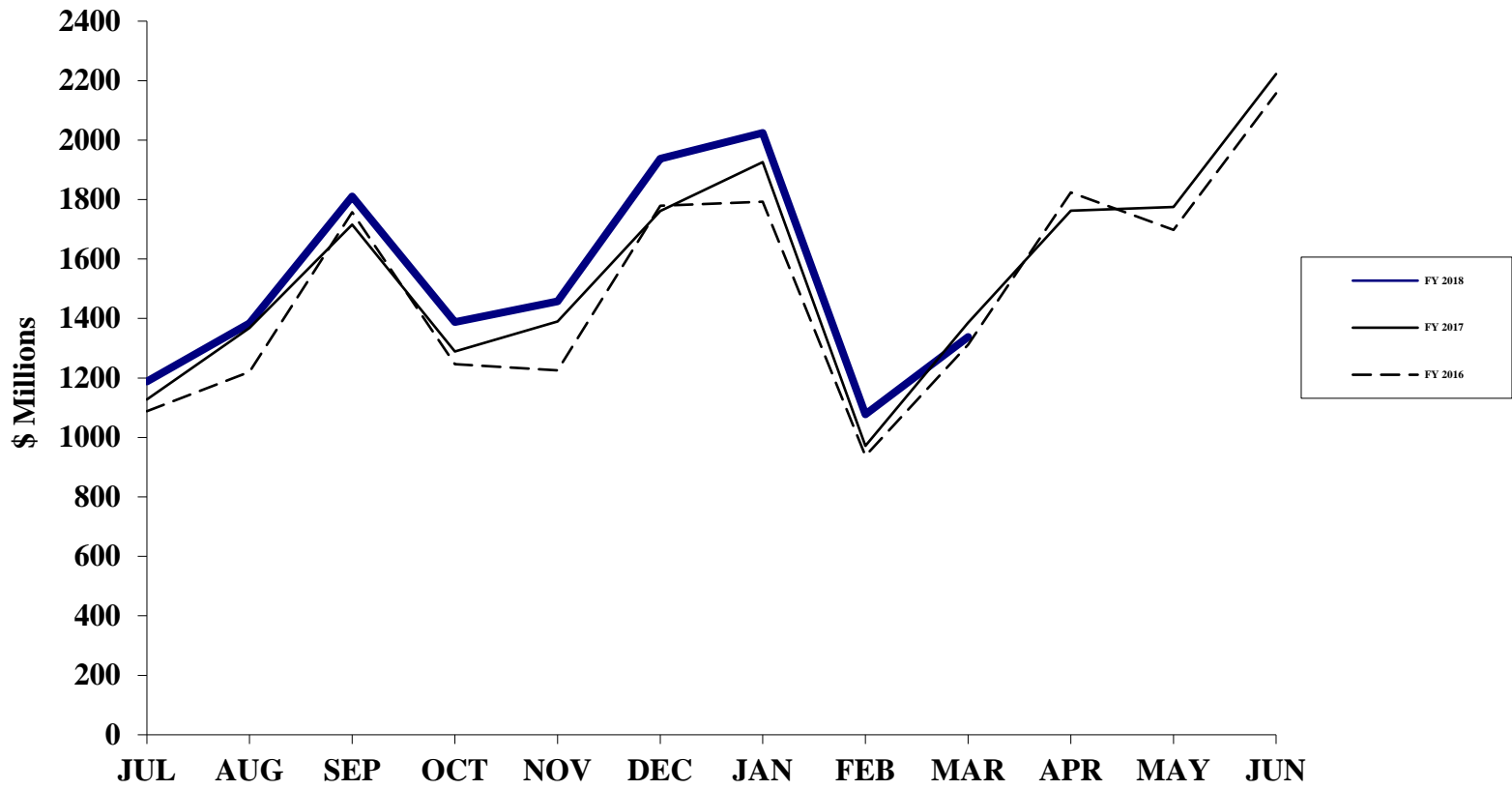
Percentage is greater than or equal to 1,000%.

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 2017 and 2018
(Dollars in Thousands)

Revenue	FY 2018 Estimate	As a % of Total Fund	March			Year-To-Date			% Annual Growth Required By Est
			FY 2018	FY 2017	% Change	FY 2018	FY 2017	% Change	
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$718,200	14.80	\$58,654	\$54,376	7.9	\$492,287	\$484,117	1.7	2.7
Motor Vehicle Sales and Use Tax	692,800	14.28	61,283	66,545	(7.9)	525,980	539,066	(2.4)	(4.0)
State Sales and Use Tax	287,000	5.91	20,683	20,493	0.9	201,517	190,712	5.7	3.6
Motor Vehicle License Fees	236,600	4.88	23,108	24,601	(6.1)	171,715	173,223	(0.9)	(0.6)
International Registration Plan	64,400	1.33	12,558	13,825	(9.2)	51,973	48,418	7.3	(2.7)
Misc. Taxes, Fees, and Revenues	17,200	0.35	2,341	1,834	27.6	14,391	13,315	8.1	(6.5)
Total State Taxes and Fees	\$2,016,200	41.55	\$178,627	\$181,674	(1.7)	\$1,457,863	\$1,448,851	0.6	(0.2)
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$4,782	\$5,286	(9.5)	\$31,433	\$43,862	(28.3)	(100.0)
Miscellaneous Revenues	18,061	0.38	4,891	2,250	117.4	27,591	17,279	59.7	(23.1)
Transfer (to) / from Transportation Trust Fund	121,031	2.49	27,552	12,852	114.4	112,384	62,852	78.8	33.4
Total Highway Maintenance and Operating Fund	\$2,155,292	44.42	\$215,852	\$202,062	6.8	\$1,629,271	\$1,572,844	3.6	(1.7)
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$180,500	3.71	\$14,042	\$15,062	(6.8)	\$116,726	\$117,007	(0.2)	4.4
PTF Insurance Premiums Tax	168,018	3.46	0	0	-	168,018	163,142	3.0	3.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	270,500	5.57	21,650	23,113	(6.3)	200,840	208,028	(3.5)	(1.8)
State Sales and Use Tax	760,000	15.66	54,308	53,670	1.2	516,419	509,960	1.3	2.2
Motor Vehicle License Fees	22,600	0.47	2,953	2,320	27.3	17,124	16,464	4.0	1.6
Recordation Tax	48,300	1.00	3,807	3,585	6.2	34,460	35,290	(2.4)	0.4
Interest Earnings	3,300	0.07	58	30	93.3	4,218	3,068	37.5	(48.2)
Total State Taxes and Fees	\$1,453,218	29.94	\$96,818	\$97,780	(1.0)	\$1,057,805	\$1,052,959	0.5	1.5
Other Revenues:									
Federal Grants and Contracts	\$1,191,025	24.55	\$87,397	\$105,593	(17.2)	\$899,954	\$921,422	(2.3)	6.6
Receipts from Cities/Counties	150,867	3.11	3,602	29,736	(87.9)	180,643	153,903	17.4	(28.5)
Toll Revenues (Includes Route 28)	17,000	0.35	3,212	1,042	208.3	15,795	9,232	71.1	(10.8)
Miscellaneous Revenues	5,893	0.12	2,521	1,502	67.8	50,975	29,899	70.5	(82.5)
Total Other Revenues	\$1,364,785	28.13	\$96,732	\$137,873	(29.8)	\$1,147,367	\$1,114,456	3.0	(1.2)
Transfer (to) / from Highway Maintenance and Operating Fund									
Maintenance and Operating Fund	(\$121,031)	(2.49)	(\$27,552)	(\$12,852)	(114.4)	(\$112,384)	(\$62,852)	(78.8)	(33.4)
Total Transportation Trust Fund	\$2,696,972	55.58	\$165,998	\$222,801	(25.5)	\$2,092,788	\$2,104,563	(0.6)	(0.9)
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$4,852,264	100.00	\$381,850	\$424,863	(10.1)	\$3,722,059	\$3,677,407	1.2	(1.3)

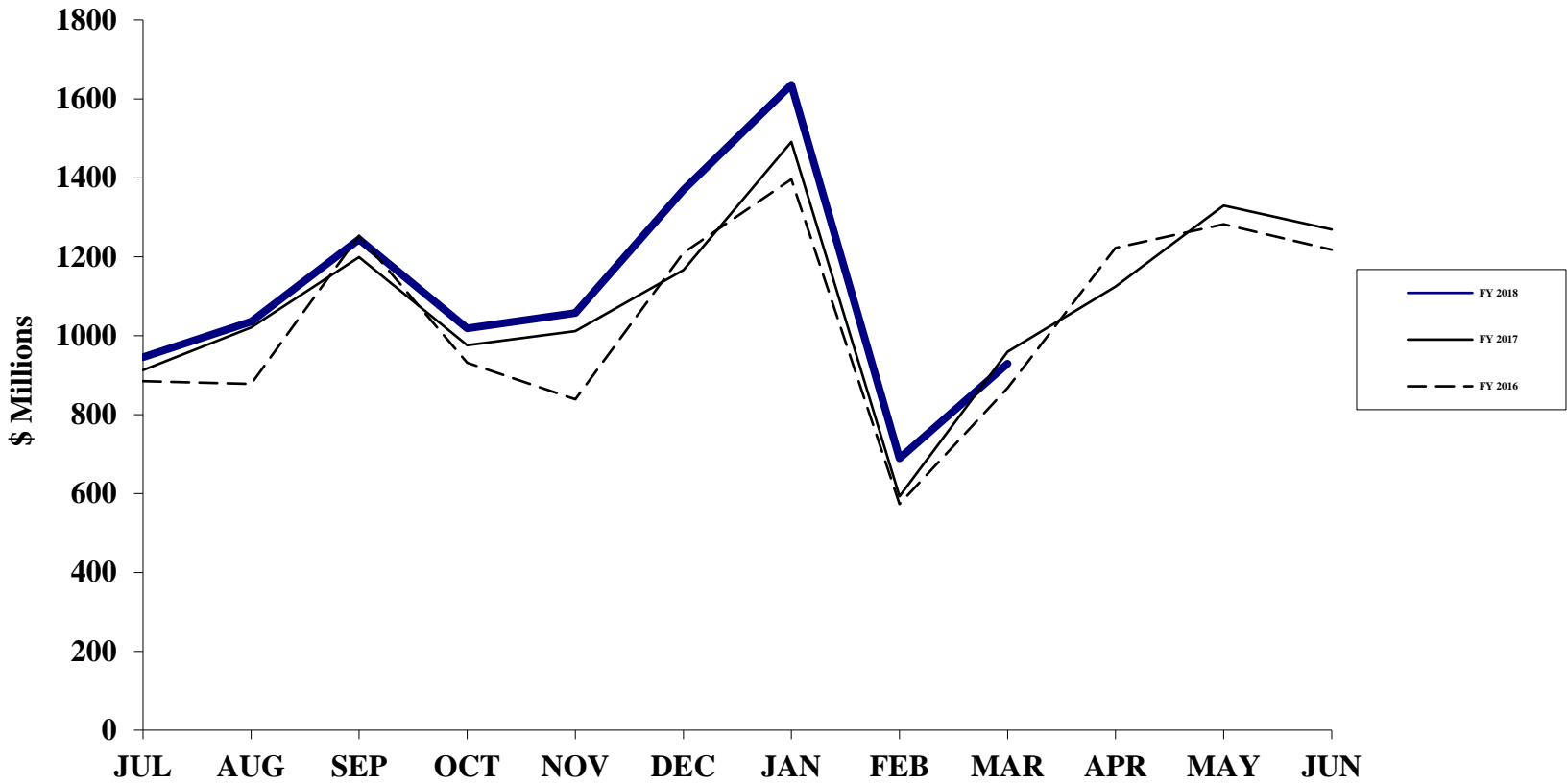
Percentage is greater than or equal to 1,000%.

Total General Fund Revenues



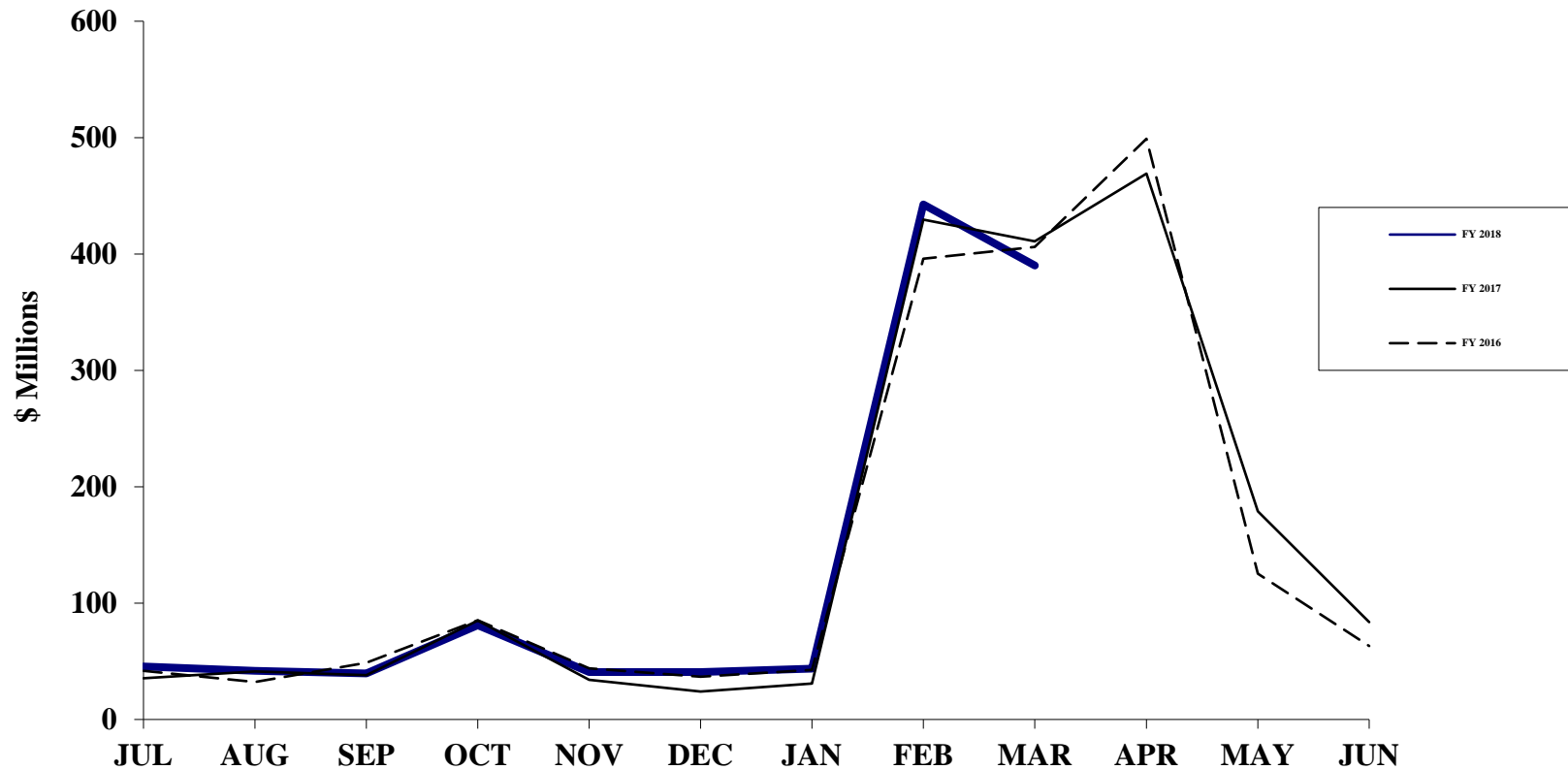
FY 2016 Actual = \$18,040.1 Million
FY 2017 Actual = \$18,695.1 Million
FY 2018 Estimate = \$19,328.2 Million

Net Individual Income Tax



FY 2016 Actual = \$12,555.6 Million
FY 2017 Actual = \$13,052.9 Million
FY 2018 Estimate = \$13,491.9 Million

Individual and Fiduciary Income Tax Refunds



FY 2016 Actual = \$1,820.7 Million
FY 2017 Actual = \$1,861.0 Million
FY 2018 Estimate = \$1,968.7 Million

DEPARTMENT OF THE TREASURY

General Account Investment Portfolio

Monthly Average Balances and Rates

For the Fiscal Year 2018

(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, 2017	\$4,568.1	1.15%	\$1,270.7	4.94%	\$5,838.8	1.97%	1.22%
August	\$3,985.7	1.17%	\$1,277.1	7.52%	\$5,262.8	2.71%	1.23%
September	\$4,286.7	1.21%	\$1,278.7	-4.36%	\$5,565.4	-0.07%	1.28%
October	\$4,625.0	1.23%	\$1,276.7	0.58%	\$5,901.7	1.09%	1.40%
November	\$4,843.5	1.27%	\$1,275.6	-2.24%	\$6,119.1	0.54%	1.56%
December	\$4,795.5	1.32%	\$1,275.7	3.04%	\$6,071.2	1.68%	1.70%
January, 2018	\$5,763.2	1.45%	\$1,272.1	-9.79%	\$7,035.3	-0.58%	1.80%
February	\$5,739.1	1.55%	\$1,263.3	-6.40%	\$7,002.4	0.12%	1.96%
March	\$5,300.8	1.60%	\$1,262.1	4.63%	\$6,562.9	2.18%	2.06%
April							
May							
June							
Year-to-Date Average	\$4,878.6	1.34%	\$1,272.4	-0.14%	\$6,151.0	1.03%	1.58%

▪ 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 2018**

Month	Beginning Balance	Deposits	Withdrawals	Interest Allocated (A)	Ending Balance
July	\$548,820,198	\$0	\$0	\$0	\$548,820,198
August	\$548,820,198	\$0	\$0	\$0	\$548,820,198
September	\$548,820,198	\$0	\$0	\$0	\$548,820,198
October	\$548,820,198	\$0	\$0	\$1,724,295	\$550,544,493
November	\$550,544,493	\$0	\$0	\$0	\$550,544,493
December	\$550,544,493	\$0	\$0	\$0	\$550,544,493
January	\$550,544,493	\$0	\$0	\$1,671,849	\$552,216,342
February	\$552,216,342	\$0	\$0	\$0	\$552,216,342
March	\$552,216,342	\$0	\$0	\$0	\$552,216,342
April					
May					
June					

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