

**VIRGINIA PUBLIC BUILDING AUTHORITY**

**RICHMOND, VIRGINIA**

**REPORT ON AUDIT  
FOR THE YEAR ENDED  
JUNE 30, 2003**

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**Auditor of  
Public Accounts**

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**COMMONWEALTH OF VIRGINIA**

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# Commonwealth of Virginia

Walter J. Kucharski, Auditor

Auditor of Public Accounts  
P.O. Box 1295  
Richmond, Virginia 23218

November 12, 2003

The Honorable Mark R. Warner  
Governor of Virginia

The Honorable Lacey E. Putney  
Vice Chairman, Joint Legislative Audit  
and Review Commission

Board of Commissioners  
Virginia Public Building Authority

## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying basic financial statements of the governmental activities and the special revenue major fund of the **Virginia Public Building Authority**, a component unit of the Commonwealth of Virginia, as of and for the year then ended June 30, 2003, which collectively comprise the basic financial statements of the Authority as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement preparation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the special revenue major fund of the Virginia Public Building Authority as of June 30, 2003, and the changes in its financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The *Management's Discussion and Analysis* on pages 4 through 7 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

AUDITOR OF PUBLIC ACCOUNTS

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

VIRGINIA PUBLIC BUILDING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF JUNE 30, 2003

This section of the Virginia Public Building Authority's (the "Authority") annual financial report presents an analysis of the Authority's financial performance during the fiscal year that ended on June 30, 2003. This information should be considered in conjunction with the information contained in the financial statements.

**Authority Activities and Highlights**

Upon approval of the General Assembly of the Commonwealth, the Authority is authorized to issue bonds or notes to construct, improve, furnish, maintain, acquire, finance, or refinance certain public facilities for the use of the Commonwealth and its agencies and instrumentalities, and to finance or refinance reimbursements to localities or regional jail authorities for the Commonwealth's share of the costs of certain jail projects. The Authority serves exclusively as a financing entity with the sole function of issuing and managing debt. Debt service for all bonds issued by the Authority is secured by appropriations from the Commonwealth.

The Authority issued \$55 million in Public Facilities Revenue Bonds, Series 2002 A and \$38.8 million in Public Facilities Revenue and Refunds Bonds, Series 2003 A during the fiscal year ended June 30, 2003. The issuance of the refunding bonds resulted in a decrease of future debt service payments of \$2,899,400.

**Overview of the Financial Statements**

This discussion and analysis is an introduction to the Authority's basic financial statements, which are comprised of two components: 1) combined government-wide and fund financial statements, and 2) notes to the financial statements.

*Government-wide Financial Statements*

The Statement of Net Assets and the Statement of Activities are two basic financial statements that report information about the Authority as a whole. The data is reported using the accrual basis of accounting, and provides insight as to whether or not the Authority's total financial position has improved as a result of the current year's activities.

The Statement of Net Assets presents all of the Authority's assets and liabilities, with the difference between the two reported as "net assets."

**Statement of Net Assets**  
**(in millions)**

	<u>2003</u>	<u>2002</u>
Current assets	<u>\$ 70</u>	<u>\$ 49</u>
Current liabilities:		
Due to state institutions	5	1
Bonds payable	<u>63</u>	<u>66</u>
Total current liabilities	<u>68</u>	<u>67</u>

Noncurrent liabilities:		
Bonds payable	<u>894</u>	<u>893</u>
Total noncurrent liabilities	<u>894</u>	<u>893</u>
Total liabilities	<u>962</u>	<u>960</u>
Net assets	<u><u>\$(892)</u></u>	<u><u>\$(911)</u></u>

The Authority's net assets increased by 2 percent or \$19 million dollars in 2003 due to an increase in interest earnings from bond premiums and a decrease in disbursements to localities for regional jails. Net assets maintain a deficit balance because the Authority includes the bonds payable liability in its financial statements without including the appropriation expected from the Commonwealth because future appropriations are not considered available and do not constitute a legally binding commitment.

The Statement of Activities presents information showing how the Authority's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., receipt or payments on long-term debt obligations).

**Changes in Net Assets**  
(in millions)

	<u>2003</u>	<u>2002</u>
Revenues:		
Appropriations from the Commonwealth	\$ 113	\$ 112
Interest earnings	<u>5</u>	<u>2</u>
Total revenues	<u>118</u>	<u>114</u>
Expenses:		
Interest on long-term debt	53	50
Disbursements for state and local projects	<u>46</u>	<u>104</u>
Total expenses	<u>99</u>	<u>154</u>
Changes in net assets	19	(40)
Net assets July 1	<u>(911)</u>	<u>(871)</u>
Net assets June 30	<u><u>\$ (892)</u></u>	<u><u>\$ (911)</u></u>

The Authority's revenues increased by 4 percent or \$4 million compared to last year while expenses decreased by 36 percent or \$55 million dollars. The increase in revenue is largely due to the recordation of the original issue premium on the bonds issued during the year. The decrease in expenses is mostly attributable to a decrease in the reimbursement made to localities for various regional jail projects. In the prior year, \$93.7 million were paid to various localities compared to only \$17.5 million in the current year. The fluctuations in revenues and expenses are expected due to the nature of the Authority's operations.

Both statements report Governmental Activities backed by appropriations from the Commonwealth.

#### *Fund Financial Statements*

The fund financial statements provide detailed information about the Authority's major fund. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the Authority uses to keep track of specific sources of funding and spending for a particular purpose.

All of the Authority's activity is reported in Governmental Funds Financial Statements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements focus on near-term inflows and outflows of spendable resources. This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the Authority's finances that assists in determining whether there will be adequate financial resources available to meet the current needs of the Authority.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between the governmental funds and the governmental activities. These reconciliations are presented in the adjustment column in each of the financial statements.

#### *Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements.

### **Purpose of the Authority**

The primary purpose of the Authority is to provide a vehicle for financing public facilities for the use of the Commonwealth and its agencies and instrumentalities, and to finance reimbursements of the Commonwealth's share of local or regional jail costs. The Department of the Treasury provides staff support for the Authority. Consequently, the only operating costs are those attributable to its financing programs, which are paid primarily from bond proceeds.

### **Debt Administration**

As a financing entity, the whole business of the Authority is debt administration. The Authority issues bonds to finance capital projects approved by the General Assembly of the Commonwealth of Virginia. All bonds are secured by amounts to be appropriated by the General Assembly.

The following is a summary of changes in long-term debt of the Authority at June 30, 2003:

Bonds payable at July 1, 2002	\$958,140,949
Bonds issued	93,810,000
Bonds defeased	(33,830,000)



Bonds retired	(67,780,000)
Amortized discount for fiscal year 2003	4,782,126
Amortized deferral on debt defeasance for fiscal year 2003	<u>1,372,321</u>
Bonds payable at June 30, 2003	<u><u>\$956,495,396</u></u>

The Authority's outstanding bonds are rated as follows:

Moody's Investors Service (Moody's)	Aa1
Standard and Poor's Rating Service (S&P)	AA+
Fitch Ratings, Inc. (Fitch)	AA+

Since the Authority's bonds are backed by state appropriations, the bond ratings are a direct reflection of the Commonwealth's triple-A rating from each of the three rating agencies.

### **Future Impact to Financial Position**

The Authority has no pending bond issuance matters currently.

## **FINANCIAL STATEMENTS**

VIRGINIA PUBLIC BUILDING AUTHORITY  
STATEMENT OF NET ASSETS AND GOVERNMENTAL FUNDS BALANCE SHEET  
As of June 30, 2003

	Special Revenue Fund	Adjustments (Note 1D)	Statement of Net Assets
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents (Note 2A)	\$ 70,104,755	\$ -	\$ 70,104,755
Interest receivable	62,308	-	62,308
 Total assets	 \$ 70,167,063	 -	 70,167,063
<b>LIABILITIES:</b>			
Current liabilities:			
Accounts payable	\$ 87,580	-	87,580
Due to state institutions	4,934,144	-	4,934,144
Retainage payable	84,052	-	84,052
Accrued Interest Sold	84,552	-	84,552
Bonds payable (net of deferrals) (Notes 2B and 2C)	-	63,176,932	63,176,932
 Total current liabilities	 5,190,328	 63,176,932	 68,367,260
Noncurrent liabilities:			
Bonds payable (net of deferrals) (Note 2B and 2C)	-	893,318,463	893,318,463
 Total liabilities	 5,190,328	 956,495,395	 961,685,723
<b>FUND BALANCES/NET ASSETS:</b>			
Fund Balances:			
Reserved	64,976,735	(64,976,735)	-
 Total liabilities and fund balances	 \$ 70,167,063		
Net Assets:			
Restricted for debt service		7,047	7,047
Restricted for capital projects		64,819,093	64,819,093
Unrestricted		(956,344,800)	(956,344,800)
 Total net assets		 \$ (891,518,660)	 \$ (891,518,660)

The accompanying notes are an integral part of the financial statements.

VIRGINIA PUBLIC BUILDING AUTHORITY  
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
For the Fiscal Year Ended June 30, 2003

	Special Revenue Fund	Adjustments (Note 1D)	Statement of Activities
Revenues:			
Interest on investments	\$ 1,080,004	\$ -	\$ 1,080,004
Change in fair value of cash equivalents	6,791	-	6,791
Appropriations from the Commonwealth	113,355,455	-	113,355,455
Original issue premium	-	3,943,762	3,943,762
Total revenues	114,442,250	3,943,762	118,386,012
Expenditures:			
Current:			
Legal and financial services	197,262	-	197,262
Printing and electronic distributions	17,573	-	17,573
Capital outlay	2,190,795	-	2,190,795
Disbursements to institutions	25,650,120	-	25,650,120
Disbursements to localities	17,579,279	-	17,579,279
Underwriter's discount	-	307,859	307,859
Debt service:			
Principal retirement	67,780,000	(67,780,000)	-
Interest and fiscal charges	45,575,727	7,191,797	52,767,524
Total expenditures	158,990,756	(60,280,344)	98,710,412
Excess (deficiency) of revenue over expenditures	(44,548,506)	64,224,106	19,675,600
Other financing sources (uses):			
Payments to refunded bond escrow agent	(34,867,351)	34,867,351	-
Proceeds from the sale of bonds	97,445,903	(97,445,903)	-
Total other financing sources (uses)	62,578,552	(62,578,552)	-
Change in Net Assets	18,030,046	1,645,554	19,675,600
Fund Balance/Net Assets, July 1, 2002	46,946,689	(958,140,949)	(911,194,260)
Fund Balance/Net Assets, June 30, 2003	\$ 64,976,735	\$ (956,495,395)	\$ (891,518,660)

The accompanying notes are an integral part of the financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

# VIRGINIA PUBLIC BUILDING AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

AS OF JUNE 30, 2003

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

The Virginia Public Building Authority (“the Authority”) was created in 1981 by §2.2-2260 et seq., of the Code of Virginia for the purpose of acquiring, constructing, and operating public buildings for the use of the Commonwealth of Virginia (“the Commonwealth”) and its political subdivisions. The Authority is authorized to issue bonds or notes to construct, improve, furnish, maintain, acquire, finance, or refinance certain public facilities for the use of the Commonwealth, its agencies, and instrumentalities and to finance or refinance reimbursements to localities or regional jail authorities for the Commonwealth’s share of the costs of certain jail projects. The Authority is authorized to undertake a project only upon approval of the General Assembly of the Commonwealth.

In 1997 the Authority created the 1997 Master Indenture of Trust (“the 1997 Indenture”). The 1997 Indenture utilizes a single payment agreement to provide for debt service payments. Debt service payments are subject to General Assembly appropriation. In addition, the 1997 Indenture provides for the issuance of commercial paper bond anticipation notes.

Bonds issued prior to the 1997 indenture were issued under its 1988 Master Indenture of Trust (“the 1988 Indenture”). These bonds were also ultimately supported by an appropriation from the Commonwealth. The Authority no longer issues bonds under the 1988 Indenture.

A separate report is prepared for the Commonwealth of Virginia, which includes all agencies, boards, commissions, and authorities over which the Commonwealth exercises or has the ability to exercise oversight authority. The Authority is a component unit of the Commonwealth of Virginia and is included in the basic financial statements of the Commonwealth.

The accounting and reporting policies of the Authority conform to generally accepted accounting principles (GAAP) applicable to governmental units as prescribed by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Authority’s more significant policies.

#### B. Measurement Focus and Basis of Accounting

The accompanying financial statements are presented using the accounting principles generally accepted in the United States of America as prescribed by the GASB. The accompanying government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of

accounting, revenues are recognized when they are earned and expenditures are recognized when the related liability is incurred, regardless of the timing of related cash flows.

The accompanying governmental funds financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available to fund current operations. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on long-term debt which is recognized when due.

The Authority uses the cash basis of accounting during the year and reports on the accrual and modified accrual basis for financial statement purposes at the end of the fiscal year.

C. Fund Accounting

The Special Revenue Fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Special Revenue funds consist of bond proceeds, bond funds, and issuance expense funds. The funds were established in accordance with the provisions of the Trust Agreement entered into with the trustee for each bond indenture.

D. Adjustments

The adjustments column represents the recording of bonds payable liabilities on the Statement of Net Assets and the related effect of these transactions on the Statement of Activities. Governmental fund statements do not reflect bonds payable. The non-current portion of bonds payable includes those payments that are not due and payable in the current period.

E. Change in Presentation

Due to the nature of activity accounted for by the Authority, a budget is not prepared. Therefore, a statement of Revenues, Expenditures, and Changes in Balances – Budget to Actual is not included in the financial statements.

2. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

Cash and investments of the Authority are held by The Bank of New York, as trustee (formerly Signet Bank), under the 1997 and 1988 Indentures. Cash is defined as demand deposits, time deposits and certificates of deposit in accordance with §2.2-4401 of the Code of Virginia. Cash equivalents represent deposits and short-term investments with original maturities of less than three months. Short-term investments represent securities with maturities of more than three months but less than one year. Long-term investments have maturities of over a year.

In accordance with the Trust Subsidiary Act, §6.1-32.8 of the Code of Virginia, cash held by the trustee while awaiting investment or distribution is not used by an affiliate bank

of the trustee in the conduct of its business unless the affiliate bank delivers securities to the trust department as collateral that is at least equal to the market value of the trust funds held on deposit in excess of amounts insured by federal deposit insurance.

The 1988 and 1997 Indentures authorize the trustee, on behalf of the Authority, to invest in legal investments for public sinking funds and other public funds as outlined in §2.2-4500 and §2.2-4501 of the Code of Virginia which include repurchase agreements, certificates of deposit, commercial paper, bankers' acceptances, United States Government and agency securities, and money market funds. All the investments of the Authority are held in the Authority's name and are categorized in Risk Category 1. Categorization under the provisions of GASB Statement<sup>3</sup> is not required for money market funds and the SNAP<sup>sm</sup> fund.

The Authority's cash and cash equivalents at June 30, 2003 are presented below.

Summary of Cash, Cash Equivalents and Investments  
as of June 30, 2003

	Carrying Amount	Fair Value
Cash and cash equivalents:		
Cash	\$ 45,539	\$ 45,539
Money Market Funds <sup>(1)</sup>	2,082,513	2,082,513
State Non-Arbitrage Program <sup>sm (2)</sup>	53,982,614	53,982,614
U. S. Government Securities	<u>13,971,335</u>	<u>13,994,089</u>
 Total cash and cash equivalents	 <u>\$70,082,001</u>	 <u>\$70,104,755</u>

<sup>(1)</sup> The Authority invests certain short-term cash balances held within its accounts in Nations Treasury Class Investor and Federated Auto Gov't Money Trust. These are open-ended mutual funds registered under the Investment Company Act of 1940. These funds maintain a policy of investing all their assets in U.S. Treasury obligations and repurchase agreements backed by those obligations.

<sup>(2)</sup> The Virginia State Non-Arbitrage Program<sup>sm</sup> ("SNAP<sup>sm</sup>") offers a professionally-managed money market mutual fund, which provides issuers with a temporary pooled investment vehicle for proceeds pending expenditure, and with record keeping, depository and arbitrage rebate calculation services. SNAP<sup>sm</sup> is an external investment pool registered under the Investment Company Act of 1940.

**B. Long-Term Debt**

Changes in Long-Term Debt - The following is a summary of changes in long-term debt of the Authority for the year ended June 30, 2003.

Bonds payable at July 1, 2002	\$958,140,949
Bonds issued	93,810,000



Bonds defeased	(33,830,000)
Bonds retired	(67,780,000)
Amortized discount	4,782,125
Amortized deferral on debt defeasance	<u>1,372,321</u>

Bonds payable at June 30, 2003	<u>\$956,495,395</u>
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Annual Requirements to Amortize Long-Term Debt:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 70,900,000	\$ 43,234,016	\$114,134,016
2005	61,220,000	40,243,281	101,463,281
2006	66,315,000	37,828,522	104,143,522
2007	69,355,000	35,224,137	104,579,137
2008	72,045,000	32,456,306	104,501,306
2009-2013	357,030,000	116,478,162	473,508,162
2014-2018	225,990,000	44,360,235	270,350,235
2019-2023	65,760,000	5,926,738	71,686,738

Less:

Unamortized discount	(21,014,199)	-	(21,014,199)
Deferral on debt defeasance	<u>(11,105,406)</u>	<u>-</u>	<u>(11,105,406)</u>

Total	<u>\$956,495,395</u>	<u>\$355,751,397</u>	<u>\$1,312,246,792</u>
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C. Defeasance of Debt

In February 2003, the Authority issued \$38,810,000 State Building Revenue Bonds Series 2003 A. A portion of the proceeds refunded \$33,830,000 of Series 1993 A bonds. Bond proceeds of \$31,667,351 were placed with an escrow agent to provide for the redemption of the bonds. An additional amount of \$3,200,000 in interest earnings on the original 1993 A bond proceeds was also placed in escrow to complete the redemption. The redemption date of the bonds is August 1, 2003. The total debt service payments over the life of the bonds have been reduced by \$2,899,400 resulting in an economic gain (savings) of \$2,815,377 discounted at 3.181724 percent.

In prior years, the Authority defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the Authority's financial statements. At June 30, 2003, \$95,935,000 of bonds outstanding are considered defeased for financial reporting purposes. The detail for those balances and the refinancing activities that resulted in the defeasance of the bonds follows.

<u>Refunded State Building Revenue Bonds:</u>	<u>Refunded Amount</u>	<u>Refunding Series</u>
Refunding Series 1987A	\$21,650,000	1992A
Series 1992C (partial)	\$98,395,000	1998A
Series 1994A (partial)	\$50,910,000	1996A & 1998A
Series 1993A (partial)	\$33,830,000	2003A

In accordance with Governmental Accounting Standards Board (GASB) Statement 23, "Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities," the difference between the reacquisition price and the net carrying amount of the bonds defeased with refunding debt is amortized as a component of Interest on Bonds over the remaining life of the refunded debt. Therefore, Bonds Payable, as reflected on the government-wide statements, has been reduced by \$11,105,406 to reflect the remaining deferral on debt defeasance at June 30, 2003.

D. Arbitrage Rebate

The Tax Reform Act of 1986 requires that governmental entities issuing tax-exempt debt subsequent to August 1986 calculate and rebate arbitrage earnings to the federal government. The U.S. Treasury has issued regulations on calculating the rebate amount and complying with the provisions of the Tax Reform Act of 1986. The Authority must comply with the rebate regulations in order for the Authority's bonds to maintain a tax-exempt status. The regulations require the excess of the aggregate amount earned on investments purchased with bond proceeds over the amount that would have been earned if the investments were invested at a rate equal to the bond yield to be rebated to the federal government.

Income earned on excess earnings is also subject to rebate. Rebate payments, if required, are due at least every five years over the life of the bonds. Some bonds of the Authority may be exempt from the rebate regulations if they meet statutory exceptions per the rebate requirements. The Authority may also elect, on or before the date of the bond issue, to pay a penalty in lieu of rebate if it does not meet certain expenditure tests. The Authority would retain any arbitrage earnings. The Authority, to date, has not elected penalty in lieu of rebate. Rebate and penalty payments are calculated and paid by the Authority as required by law on bond issues that fall under the regulations and do not qualify for exceptions. During the fiscal year, no rebate payments were made to the federal government. However, an arbitrage rebate liability of \$165,107 has been computed for the Series 1998B bond, as of its 10-year installment computation date of June 11, 2003. Payment of this obligation was made to the Internal Revenue Service on August 10, 2003.

E. Deficit Net Assets

Generally accepted accounting principles direct that governmental funds recognize revenues in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. Authority bonds are secured by General Assembly appropriations. Because future appropriations are not considered available and do not constitute a legally binding commitment, the Authority ended the year with a net asset deficit of \$891,518,660. The General Assembly has never failed to appropriate funds to the Authority for payment of debt service on the Authority's bonds.

F. Risk Management

The Authority is exposed to various risks of loss related to torts; theft or, damage to, and destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The Department of Treasury participates in insurance plans maintained by the Commonwealth of Virginia on behalf of the Authority. The state employee health care and worker's compensation plans are administered by the Department of Human Resource Management and the risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, and air and watercraft plans. The Department of Treasury pays premiums to each of these Departments for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

VIRGINIA PUBLIC BUILDING AUTHORITY  
Richmond, Virginia

BOARD MEMBERS  
As of June 30, 2003

Sara B. Williams, Chairman

Barbara O. Carraway, Vice Chairman

Priscilla Burbank

Scot N. Creech

Myron J. Mintz