

STATE OF ARIZONA  
FIDUCIARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY (LEGAL) BASIS  
FOR THE YEAR ENDED JUNE 30, 2007

|  | FUND BALANCE<br>JULY 1, 2006 | REVENUES AND<br>TRANSFERS IN | EXPENDITURES<br>AND TRANSFERS<br>OUT | FUND BALANCE<br>JUNE 30, 2007 |
|--|------------------------------|------------------------------|--------------------------------------|-------------------------------|
| <b>GENERAL GOVERNMENT</b>                |                              |                              |                                      |                               |
| <b>DEPARTMENT OF ADMINISTRATION</b>      |                              |                              |                                      |                               |
| <b>STATEWIDE PAYROLL FUND</b>            |                              |                              |                                      |                               |
| Clearing Accounts                        |                              | \$ -                         | \$ 1,906,096.00                      |                               |
| Adjustments to Fund Balance              |                              | 28,442.19                    | -                                    |                               |
| <b>STATEWIDE PAYROLL FUND</b>            |                              |                              |                                      |                               |
| Cash and Cash Equivalents                | \$ 74,413,217.27             |                              |                                      | \$ 79,246,724.38              |
| Claims Payable                           | (215,443.50)                 |                              |                                      | -                             |
| Due to Federal Government                | (51,237.15)                  |                              |                                      | (51,237.15)                   |
| Payroll Liabilities                      | (74,081,277.95)              |                              |                                      | (81,007,882.37)               |
| <b>TOTAL STATEWIDE PAYROLL FUND</b>      | <b>\$ 65,258.67</b>          | <b>\$ 28,442.19</b>          | <b>\$ 1,906,096.00</b>               | <b>\$ (1,812,395.14)</b>      |
| <b>EMPLOYEE BENEFIT PLAN FUND</b>        |                              |                              |                                      |                               |
| Benefits Program                         |                              | \$ 35,080,186.17             | \$ 35,018,961.00                     |                               |
| <b>TOTAL EMPLOYEE BENEFIT PLAN FUND</b>  | <b>\$ 3,190,973.93</b>       | <b>\$ 35,080,186.17</b>      | <b>\$ 35,018,961.00</b>              | <b>\$ 3,252,199.10</b>        |
| <b>MSD PROJECT PLANS DEPOSITS FUND</b>   | <b>\$ 44,532.04</b>          | <b>\$ -</b>                  | <b>\$ -</b>                          | <b>\$ 44,532.04</b>           |
| <b>ATTORNEY GENERAL</b>                  |                              |                              |                                      |                               |
| <b>COURT ORDERED TRUST FUND</b>          |                              |                              |                                      |                               |
| Civil Rights Division                    |                              | \$ 35,125.00                 | \$ 3,648.91                          |                               |
| Criminal Division                        |                              | 2,650,778.53                 | 107,049,566.28                       |                               |
| Public Advocacy Division                 |                              | 2,624,529.36                 | 2,045,234.04                         |                               |
| <b>TOTAL COURT ORDERED TRUST FUND</b>    | <b>\$ 106,311,182.37</b>     | <b>\$ 5,310,432.89</b>       | <b>\$ 109,098,449.23</b>             | <b>\$ 2,523,166.03</b>        |
| <b>DEPARTMENT OF COMMERCE</b>            |                              |                              |                                      |                               |
| <b>CEDC LOCAL COMMUNITIES FUND</b>       |                              |                              |                                      |                               |
| Strategic Research and Investment        |                              | \$ 666,424.23                | \$ 542,196.24                        |                               |
| <b>TOTAL CEDC LOCAL COMMUNITIES FUND</b> | <b>\$ 93,731.85</b>          | <b>\$ 666,424.23</b>         | <b>\$ 542,196.24</b>                 | <b>\$ 217,959.84</b>          |
| <b>COURT OF APPEALS DIVISION I</b>       |                              |                              |                                      |                               |
| <b>JUDGES RETIREMENT FUND</b>            | <b>\$ 1,666.54</b>           | <b>\$ -</b>                  | <b>\$ -</b>                          | <b>\$ 1,666.54</b>            |
| <b>COURT OF APPEALS DIVISION II</b>      |                              |                              |                                      |                               |
| <b>JUDGES RETIREMENT FUND</b>            | <b>\$ 575.00</b>             | <b>\$ -</b>                  | <b>\$ -</b>                          | <b>\$ 575.00</b>              |

See accompanying notes to financial statements

STATE OF ARIZONA  
FIDUCIARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY (LEGAL) BASIS  
FOR THE YEAR ENDED JUNE 30, 2007

|   | FUND BALANCE<br>JULY 1, 2006 | REVENUES AND<br>TRANSFERS IN | EXPENDITURES<br>AND TRANSFERS<br>OUT | FUND BALANCE<br>JUNE 30, 2007 |
|---|------------------------------|------------------------------|--------------------------------------|-------------------------------|
| <b>ARIZONA STATE RETIREMENT SYSTEM</b>                                    |                              |                              |                                      |                               |
| <b>ASRS ADMINISTRATION FUND</b>   |                              |                              |                                      |                               |
| Appropriated Activity   |                              | \$ 24,268,187.32             | \$ 24,221,673.86                     |                               |
| GAAP Expenditure Offset   |                              | -                            | 225,105.31                           |                               |
| <b>TOTAL ASRS ADMINISTRATION FUND</b>                                     | <b>\$ 2,781,490.45</b>       | <b>\$ 24,268,187.32</b>      | <b>\$ 24,446,779.17</b>              | <b>\$ 2,602,898.60</b>        |
| <b>ASRS ADMINISTRATION ACCOUNT - INVESTMENT EXPENSES</b>                  |                              |                              |                                      |                               |
| Investment Management Fees  |                              | -                            | \$ 45,365,603.93                     |                               |
| Administration Expenses   |                              | -                            | 4,749,096.76                         |                               |
| Health Insurance Subsidy  |                              | 219,519,089.75               | 170,582,367.99                       |                               |
| <b>TOTAL ASRS ADMINISTRATION ACCOUNT - INVESTMENT EXPENSES</b>            | <b>\$ 13,008,831.47</b>      | <b>\$ 219,519,089.75</b>     | <b>\$ 220,697,068.68</b>             | <b>\$ 11,830,852.54</b>       |
| <b>LONG-TERM DISABILITY FUND - ADMINISTRATION ACCOUNT</b>                 |                              |                              |                                      |                               |
| Appropriated Activity   |                              | \$ 2,569,723.94              | \$ 2,795,830.31                      |                               |
| <b>TOTAL LONG-TERM DISABILITY FUND - ADMINISTRATION ACCOUNT</b>           | <b>\$ 250,000.00</b>         | <b>\$ 2,569,723.94</b>       | <b>\$ 2,795,830.31</b>               | <b>\$ 23,893.63</b>           |
| <b>SUPREME COURT</b>  |                              |                              |                                      |                               |
| <b>PUBLIC DEFENDER TRAINING FUND</b>                                      |                              |                              |                                      |                               |
| PDTF Administration   |                              | \$ 726,917.28                | \$ 714,511.37                        |                               |
| <b>TOTAL PUBLIC DEFENDER TRAINING FUND</b>                                | <b>\$ 6,326.78</b>           | <b>\$ 726,917.28</b>         | <b>\$ 714,511.37</b>                 | <b>\$ 18,732.69</b>           |
| <b>JUDGES RETIREMENT FUND</b>   | <b>\$ 12,689.51</b>          | <b>\$ -</b>                  | <b>\$ -</b>                          | <b>\$ 12,689.51</b>           |
| <b>STATE TREASURER</b>  |                              |                              |                                      |                               |
| <b>CASH DEPOSITS IN LIEU OF SURETY BOND</b>                               |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ 5,029,260.58              | \$ 56,062.67                         |                               |
| <b>TOTAL CASH DEPOSITS IN LIEU OF SURETY BOND</b>                         | <b>\$ 229,057,695.42</b>     | <b>\$ 5,029,260.58</b>       | <b>\$ 56,062.67</b>                  | <b>\$ 234,030,893.33</b>      |
| <b>ARIZONA FIRE FIGHTERS AND EMERGENCY PARAMEDICS MEMORIAL FUND</b>       |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ 347.23                    | -                                    |                               |
| <b>TOTAL ARIZONA FIRE FIGHTERS AND EMERGENCY PARAMEDICS MEMORIAL FUND</b> | <b>\$ 6,780.16</b>           | <b>\$ 347.23</b>             | <b>\$ -</b>                          | <b>\$ 7,127.39</b>            |

See accompanying notes to financial statements

STATE OF ARIZONA  
FIDUCIARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY (LEGAL) BASIS  
FOR THE YEAR ENDED JUNE 30, 2007

|   | FUND BALANCE<br>JULY 1, 2006 | REVENUES AND<br>TRANSFERS IN | EXPENDITURES<br>AND TRANSFERS<br>OUT | FUND BALANCE<br>JUNE 30, 2007 |
|---|------------------------------|------------------------------|--------------------------------------|-------------------------------|
| <b>PRIVATE POSTSECONDARY EDUCATION<br/>CASH BOND FUND</b>   |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ (4,714.04)                | \$ -                                 |                               |
| <b>TOTAL PRIVATE POSTSECONDARY<br/>EDUCATION CASH BOND FUND</b>                                       | <b>\$ 239,768.82</b>         | <b>\$ (4,714.04)</b>         | <b>\$ -</b>                          | <b>\$ 235,054.78</b>          |
| <b>CONDEMNATION FUND</b>  |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ 2,560,210.08              | \$ 2,782,103.00                      |                               |
| <b>TOTAL CONDEMNATION FUND</b>  | <b>\$ 17,920,938.17</b>      | <b>\$ 2,560,210.08</b>       | <b>\$ 2,782,103.00</b>               | <b>\$ 17,699,045.25</b>       |
| <b>GARNISHMENT AND LEVIES FUND</b>  |                              |                              |                                      |                               |
|   | <b>\$ 6,465.49</b>           | <b>\$ -</b>                  | <b>\$ -</b>                          | <b>\$ 6,465.49</b>            |
| <b>LOCAL GOVERNMENT INVESTMENT POOL</b>   |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ 17,944,991.44             | \$ -                                 |                               |
| Interest Earnings   |                              | 190,030,736.28               | -                                    |                               |
| <b>TOTAL LOCAL GOVERNMENT<br/>INVESTMENT POOL</b>   | <b>\$ 2,684,925,820.97</b>   | <b>\$ 207,975,727.72</b>     | <b>\$ -</b>                          | <b>\$ 2,892,901,548.69</b>    |
| <b>LGIP-COP INVESTMENT HELD FOR TRUSTEE</b>   |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ 172,282.98                | \$ 1,167,564.76                      |                               |
| <b>TOTAL LGIP-COP INVESTMENT<br/>HELD FOR TRUSTEE</b>   | <b>\$ 3,784,191.35</b>       | <b>\$ 172,282.98</b>         | <b>\$ 1,167,564.76</b>               | <b>\$ 2,788,909.57</b>        |
| <b>CENTRAL ARIZONA WATER CONSERVATION<br/>DISTRICT AK CHIN WATER SUPPLY<br/>MITIGATION FUND</b>       |                              |                              |                                      |                               |
| Interest Earnings   |                              | \$ (107.75)                  | \$ -                                 |                               |
| <b>TOTAL CENTRAL ARIZONA WATER<br/>CONSERVATION DISTRICT AK CHIN<br/>WATER SUPPLY MITIGATION FUND</b> | <b>\$ 5,922,579.10</b>       | <b>\$ (107.75)</b>           | <b>\$ -</b>                          | <b>\$ 5,922,471.35</b>        |
| <b>ADMINISTRATIVE FUND</b>  |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ 71,104.65                 | \$ 70,806.16                         |                               |
| Banking Fees  |                              | 868,151.11                   | 840,651.11                           |                               |
| Fill the Gap Assessment Collections   |                              | (9,922.80)                   | -                                    |                               |
| <b>ADMINISTRATIVE FUND</b>  |                              |                              |                                      |                               |
| Cash and Cash Equivalents   | \$ 10,710.05                 |                              |                                      | \$ 28,585.74                  |
| Cash Adjustments  | (5,196.19)                   |                              |                                      | (5,196.19)                    |
| Due to Others   | (145,472,097.92)             |                              |                                      | (145,472,097.92)              |
| <b>TOTAL ADMINISTRATIVE FUND</b>  | <b>\$ (145,466,584.06)</b>   | <b>\$ 929,332.96</b>         | <b>\$ 911,457.27</b>                 | <b>\$ (145,448,708.37)</b>    |

See accompanying notes to financial statements

STATE OF ARIZONA  
FIDUCIARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY (LEGAL) BASIS  
FOR THE YEAR ENDED JUNE 30, 2007

|   | FUND BALANCE<br>JULY 1, 2006 | REVENUES AND<br>TRANSFERS IN | EXPENDITURES<br>AND TRANSFERS<br>OUT | FUND BALANCE<br>JUNE 30, 2007 |
|---|------------------------------|------------------------------|--------------------------------------|-------------------------------|
| <b>LOCAL TRANSPORTATION ASSISTANCE FUND</b>                                     |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ (17,711,121.22)           | \$ 13,216,200.00                     |                               |
| <b>LOCAL TRANSPORTATION ASSISTANCE FUND</b>                                     |                              |                              |                                      |                               |
| Cash and Cash Equivalents   | \$ 18,115,610.01             |                              |                                      | \$ 10,188,288.79              |
| Due to Others   | (277,138,066.00)             |                              |                                      | (300,138,066.00)              |
| <b>TOTAL LOCAL TRANSPORTATION ASSISTANCE FUND</b>                               | <b>\$ (259,022,455.99)</b>   | <b>\$ (17,711,121.22)</b>    | <b>\$ 13,216,200.00</b>              | <b>\$ (289,949,777.21)</b>    |
| <b>COUNTY ASSISTANCE FUND</b>   |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ -                         | \$ 7,650,000.00                      |                               |
| <b>COUNTY ASSISTANCE FUND</b>   |                              |                              |                                      |                               |
| Due to Others   | \$ (84,819,875.00)           |                              |                                      | \$ (92,469,875.00)            |
| <b>TOTAL COUNTY ASSISTANCE FUND</b>   | <b>\$ (84,819,875.00)</b>    | <b>\$ -</b>                  | <b>\$ 7,650,000.00</b>               | <b>\$ (92,469,875.00)</b>     |
| <b>PLAN SIX CENTRAL ARIZONA WATER CONSERVATION DISTRICT FACILITY FUND</b>       |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ 340,448.56                | \$ 3,400,212.53                      |                               |
| <b>TOTAL PLAN SIX CENTRAL ARIZONA WATER CONSERVATION DISTRICT FACILITY FUND</b> | <b>\$ 9,451,283.18</b>       | <b>\$ 340,448.56</b>         | <b>\$ 3,400,212.53</b>               | <b>\$ 6,391,519.21</b>        |
| <b>TELEPHONE SOLICITATION CASH BOND FUND</b>                                    |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ 554.24                    | \$ -                                 |                               |
| <b>TOTAL TELEPHONE SOLICITATION CASH BOND FUND</b>                              | <b>\$ 10,822.40</b>          | <b>\$ 554.24</b>             | <b>\$ -</b>                          | <b>\$ 11,376.64</b>           |
| <b>INTEREST CLEARING FUND</b>   |                              |                              |                                      |                               |
| Fund Administration   |                              | \$ (21,623.00)               | \$ -                                 |                               |
| <b>TOTAL INTEREST CLEARING FUND</b>   | <b>\$ 21,623.00</b>          | <b>\$ (21,623.00)</b>        | <b>\$ -</b>                          | <b>\$ -</b>                   |

**HEALTH AND WELFARE**

**DEPARTMENT OF ECONOMIC SECURITY**

|  |                        |                      |                     |                       |
|--|------------------------|----------------------|---------------------|-----------------------|
| <b>DEVELOPMENTAL DISABILITIES FUND</b>       |                        |                      |                     |                       |
| <b>DD Client Investment Account</b>          |                        |                      |                     |                       |
| Administration                               |                        | \$ 76,431.91         | \$ 69,804.51        |                       |
| <b>Donations Account</b>                     |                        |                      |                     |                       |
| Non-Approp Other Governmental Funds Activity |                        | 61,391.62            | 21,125.00           |                       |
| <b>DEVELOPMENTAL DISABILITIES FUND</b>       |                        |                      |                     |                       |
| Cash and Cash Equivalents                    | \$ 1,785,954.78        |                      |                     | \$ 1,832,848.80       |
| Due to Others                                | (1,923,945.36)         |                      |                     | (1,923,945.36)        |
| <b>TOTAL DEVELOPMENTAL DISABILITIES FUND</b> | <b>\$ (137,990.58)</b> | <b>\$ 137,823.53</b> | <b>\$ 90,929.51</b> | <b>\$ (91,096.56)</b> |

**STATE OF ARIZONA  
FIDUCIARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY (LEGAL) BASIS  
FOR THE YEAR ENDED JUNE 30, 2007**

|  | <u>FUND BALANCE<br/>JULY 1, 2006</u> | <u>REVENUES AND<br/>TRANSFERS IN</u> | <u>EXPENDITURES<br/>AND TRANSFERS<br/>OUT</u> | <u>FUND BALANCE<br/>JUNE 30, 2007</u> |
|--|--------------------------------------|--------------------------------------|---|---------------------------------------|
| <b>ECONOMIC SECURITY CLIENT TRUST FUND</b>           |                                      |                                      |   |                                       |
| Administration                                       |                                      | \$ 794,048.49                        | \$ 797,661.76                                 |                                       |
| Children, Youth and Families                         |                                      | 921,806.49                           | 801,717.32                                    |                                       |
| <b>TOTAL ECONOMIC SECURITY<br/>CLIENT TRUST FUND</b> | <b><u>\$ 590,746.73</u></b>          | <b><u>\$ 1,715,854.98</u></b>        | <b><u>\$ 1,599,379.08</u></b>                 | <b><u>\$ 707,222.63</u></b>           |

**ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM**

|                                     |                                |                                |                                |                                |
|-------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>HEALTHCARE GROUP FUND</b>        |                                |                                |                                |                                |
| Interest Earnings                   |                                | \$ 404,855.17                  | \$ -                           |                                |
| Private Grant Revenue               |                                | 34,438.00                      | 84,156.85                      |                                |
| Healthcare Group Enterprise Program |                                | 72,053,681.93                  | 70,804,872.20                  |                                |
| Appropriated Activity               |                                | -                              | 3,802,671.82                   |                                |
| <b>TOTAL HEALTHCARE GROUP FUND</b>  | <b><u>\$ 14,060,015.01</u></b> | <b><u>\$ 72,492,975.10</u></b> | <b><u>\$ 74,691,700.87</u></b> | <b><u>\$ 11,861,289.24</u></b> |

**DEPARTMENT OF VETERANS' SERVICES**

|                                      |                             |                             |                             |                             |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>VETERANS' DONATION FUND</b>       |                             |                             |                             |                             |
| VDF Administration                   |                             | \$ 803,881.38               | \$ 859,535.54               |                             |
| <b>TOTAL VETERANS' DONATION FUND</b> | <b><u>\$ 659,309.27</u></b> | <b><u>\$ 803,881.38</u></b> | <b><u>\$ 859,535.54</u></b> | <b><u>\$ 603,655.11</u></b> |

|                                       |                                |                             |                    |                                |
|---------------------------------------|--------------------------------|-----------------------------|--------------------|--------------------------------|
| <b>VETERANS' FIDUCIARY FUND</b>       |                                |                             |                    |                                |
| Fiduciary Investments                 |                                | \$ 672,033.89               | \$ -               |                                |
| <b>TOTAL VETERANS' FIDUCIARY FUND</b> | <b><u>\$ 17,003,437.06</u></b> | <b><u>\$ 672,033.89</u></b> | <b><u>\$ -</u></b> | <b><u>\$ 17,675,470.95</u></b> |

**INSPECTION AND REGULATION**

**CORPORATION COMMISSION**

|                                       |                               |                                 |                    |                            |
|---------------------------------------|-------------------------------|---------------------------------|--------------------|----------------------------|
| <b>COURT ORDERED TRUST FUND</b>       |                               |                                 |                    |                            |
| Securities Division - Restitutions    |                               | \$ (5,008,023.44)               | \$ -               |                            |
| <b>TOTAL COURT ORDERED TRUST FUND</b> | <b><u>\$ 5,055,016.15</u></b> | <b><u>\$ (5,008,023.44)</u></b> | <b><u>\$ -</u></b> | <b><u>\$ 46,992.71</u></b> |

**DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY**

|  |                               |                             |                    |                               |
|--|-------------------------------|-----------------------------|--------------------|-------------------------------|
| <b>MANUFACTURED HOUSING<br/>CONSUMER RECOVERY FUND</b>       |                               |                             |                    |                               |
| Consumer Recovery - Trust                                    |                               | \$ 217,709.72               | \$ -               |                               |
| Interest Earnings  |                               | 15,055.23                   | -                  |                               |
| <b>TOTAL MANUFACTURED HOUSING<br/>CONSUMER RECOVERY FUND</b> | <b><u>\$ 1,015,760.81</u></b> | <b><u>\$ 232,764.95</u></b> | <b><u>\$ -</u></b> | <b><u>\$ 1,248,525.76</u></b> |

|  |                             |                            |                    |                             |
|--|-----------------------------|----------------------------|--------------------|-----------------------------|
| <b>MANUFACTURED HOUSING<br/>CASH BOND FUND</b>       |                             |                            |                    |                             |
| Interest Earnings                                    |                             | \$ 38,797.50               | \$ -               |                             |
| <b>TOTAL MANUFACTURED HOUSING<br/>CASH BOND FUND</b> | <b><u>\$ 168,014.04</u></b> | <b><u>\$ 38,797.50</u></b> | <b><u>\$ -</u></b> | <b><u>\$ 206,811.54</u></b> |

See accompanying notes to financial statements

STATE OF ARIZONA  
 FIDUCIARY FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGETARY (LEGAL) BASIS  
 FOR THE YEAR ENDED JUNE 30, 2007

|   | FUND BALANCE<br>JULY 1, 2006 | REVENUES AND<br>TRANSFERS IN | EXPENDITURES<br>AND TRANSFERS<br>OUT | FUND BALANCE<br>JUNE 30, 2007 |
|---|------------------------------|------------------------------|--------------------------------------|-------------------------------|
| <b>STATE BOARD FOR PRIVATE POST-SECONDARY EDUCATION</b> |                              |                              |                                      |                               |
| <b>STUDENT TUITION RECOVERY FUND</b>                    |                              |                              |                                      |                               |
| Student Tuition Recovery                                |                              | \$ 169,192.78                | \$ 104,063.18                        |                               |
| <b>TOTAL STUDENT TUITION<br/>RECOVERY FUND</b>          | <b>\$ 565,366.87</b>         | <b>\$ 169,192.78</b>         | <b>\$ 104,063.18</b>                 | <b>\$ 630,496.47</b>          |
| <b>ARIZONA DEPARTMENT OF RACING</b>                     |                              |                              |                                      |                               |
| <b>RACING COMMISSION BOND DEPOSIT FUND</b>              |                              |                              |                                      |                               |
| Cash Deposits for Overpayments                          |                              | \$ (4,488.12)                | \$ -                                 |                               |
| Appearance Bonds  |                              | (9,200.00)                   | -                                    |                               |
| <b>RACING COMMISSION BOND<br/>DEPOSIT FUND</b>          |                              |                              |                                      |                               |
| Cash and Cash Equivalents                               | \$ 65,760.09                 |                              |                                      | \$ 83,686.97                  |
| Due to Others   | (42,652.00)                  |                              |                                      | (74,267.00)                   |
| Agency Fund Deposits                                    | (60,992.60)                  |                              |                                      | (60,992.60)                   |
| <b>TOTAL RACING COMMISSION<br/>BOND DEPOSIT FUND</b>    | <b>\$ (37,884.51)</b>        | <b>\$ (13,688.12)</b>        | <b>\$ -</b>                          | <b>\$ (51,572.63)</b>         |
| <b>REAL ESTATE DEPARTMENT</b>                           |                              |                              |                                      |                               |
| <b>REAL ESTATE RECOVERY FUND</b>                        |                              |                              |                                      |                               |
| Recovery Fund Program                                   |                              | \$ 115,649.85                | \$ 284,828.39                        |                               |
| Interest Earnings                                       |                              | 56,816.13                    | -                                    |                               |
| <b>TOTAL REAL ESTATE RECOVERY FUND</b>                  | <b>\$ 1,164,156.94</b>       | <b>\$ 172,465.98</b>         | <b>\$ 284,828.39</b>                 | <b>\$ 1,051,794.53</b>        |
| <b>REGISTRAR OF CONTRACTORS</b>                         |                              |                              |                                      |                               |
| <b>CONTRACTORS' CASH BOND FUND</b>                      |                              |                              |                                      |                               |
| Cash Bonds and Deposits                                 |                              | \$ 17,170.74                 | \$ -                                 |                               |
| <b>TOTAL CONTRACTORS' CASH<br/>BOND FUND</b>            | <b>\$ 7,838.13</b>           | <b>\$ 17,170.74</b>          | <b>\$ -</b>                          | <b>\$ 25,008.87</b>           |
| <b>PROTECTION AND SAFETY</b>                            |                              |                              |                                      |                               |
| <b>DEPARTMENT OF CORRECTIONS</b>                        |                              |                              |                                      |                               |
| <b>PRISONER SPENDABLE ACCOUNTS FUND</b>                 |                              |                              |                                      |                               |
| Cash and Cash Equivalents                               | \$ 9,218,959.67              |                              |                                      | \$ 10,020,074.55              |
| Due to Others   | (9,218,959.67)               |                              |                                      | (10,020,074.55)               |
| <b>TOTAL PRISONER SPENDABLE<br/>ACCOUNTS FUND</b>       | <b>\$ -</b>                  | <b>\$ -</b>                  | <b>\$ -</b>                          | <b>\$ -</b>                   |

See accompanying notes to financial statements

STATE OF ARIZONA  
FIDUCIARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY (LEGAL) BASIS  
FOR THE YEAR ENDED JUNE 30, 2007

|  | FUND BALANCE<br>JULY 1, 2006 | REVENUES AND<br>TRANSFERS IN | EXPENDITURES<br>AND TRANSFERS<br>OUT | FUND BALANCE<br>JUNE 30, 2007 |
|--|------------------------------|------------------------------|--------------------------------------|-------------------------------|
| <b>NATURAL RESOURCES</b>   |                              |                              |                                      |                               |
| <b>ARIZONA GAME AND FISH DEPARTMENT</b>                                    |                              |                              |                                      |                               |
| <b>NEVADA COLLECTIONS FOR COLORADO RIVER SPECIAL USE STAMPS FUND</b>       |                              |                              |                                      |                               |
| Revenue Collections  |                              | \$ (168.58)                  | \$ -                                 |                               |
| <b>TOTAL NEVADA COLLECTIONS FOR COLORADO RIVER SPECIAL USE STAMPS FUND</b> | <b>\$ 7,047.35</b>           | <b>\$ (168.58)</b>           | <b>\$ -</b>                          | <b>\$ 6,878.77</b>            |
| <b>CALIFORNIA COLLECTIONS FOR COLORADO RIVER SPECIAL USE STAMPS FUND</b>   |                              |                              |                                      |                               |
|  | \$ 12,228.54                 | \$ -                         | \$ -                                 | \$ 12,228.54                  |
| <b>UTAH COLLECTIONS FOR COLORADO RIVER SPECIAL USE STAMPS FUND</b>         |                              |                              |                                      |                               |
|  | \$ 1,239.20                  | \$ -                         | \$ -                                 | \$ 1,239.20                   |
| <b>BIG GAME PERMIT FUND</b>  |                              |                              |                                      |                               |
| Cash and Cash Equivalents  | \$ 6,835,998.46              |                              |                                      | \$ 7,748,384.29               |
| Agency Fund Deposits   | (7,198,848.92)               |                              |                                      | (8,111,234.75)                |
| Due to Others  | 894.00                       |                              |                                      | 894.00                        |
| <b>TOTAL BIG GAME PERMIT FUND</b>  | <b>\$ (361,956.46)</b>       | <b>\$ -</b>                  | <b>\$ -</b>                          | <b>\$ (361,956.46)</b>        |
| <b>STATE LAND DEPARTMENT</b>   |                              |                              |                                      |                               |
| <b>FEDERAL RECLAMATION TRUST FUND</b>                                      |                              |                              |                                      |                               |
| Federal Reclamation Trust  |                              | \$ 7,303.14                  | \$ 36,658.36                         |                               |
| <b>TOTAL FEDERAL RECLAMATION TRUST FUND</b>                                | <b>\$ 435,071.02</b>         | <b>\$ 7,303.14</b>           | <b>\$ 36,658.36</b>                  | <b>\$ 405,715.80</b>          |
| <b>LAND CLEARANCE FUND</b>   |                              |                              |                                      |                               |
| Broker Commissions   |                              | \$ -                         | \$ (651,020.00)                      |                               |
| Non-Approp Permanent Funds Activity  |                              | 1,019.32                     | -                                    |                               |
| <b>TOTAL LAND CLEARANCE FUND</b>   | <b>\$ 10,703,250.60</b>      | <b>\$ 1,019.32</b>           | <b>\$ (651,020.00)</b>               | <b>\$ 11,355,289.92</b>       |
| <b>CENTRAL ARIZONA WATER CONSERVATION DISTRICT</b>                         |                              |                              |                                      |                               |
| <b>CENTRAL ARIZONA WATER CONSERVATION DISTRICT FUND</b>                    |                              |                              |                                      |                               |
| Interest Earnings  |                              | \$ 5,238,754.65              | \$ -                                 |                               |
| <b>TOTAL CENTRAL ARIZONA WATER CONSERVATION DISTRICT FUND</b>              | <b>\$ 224,049,635.09</b>     | <b>\$ 5,238,754.65</b>       | <b>\$ -</b>                          | <b>\$ 229,288,389.74</b>      |

See accompanying notes to financial statements

**STATE OF ARIZONA  
FIDUCIARY FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY (LEGAL) BASIS  
FOR THE YEAR ENDED JUNE 30, 2007**

| <u>FUND BALANCE<br/>JULY 1, 2006</u> | <u>REVENUES AND<br/>TRANSFERS IN</u> | <u>EXPENDITURES<br/>AND TRANSFERS<br/>OUT</u> | <u>FUND BALANCE<br/>JUNE 30, 2007</u> |
|--------------------------------------|--------------------------------------|---|---------------------------------------|
|--------------------------------------|--------------------------------------|---|---------------------------------------|