

**COMBINING FINANCIAL
STATEMENTS AND
SCHEDULES**

COMBINING FINANCIAL STATEMENTS AND SCHEDULES

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds

The Debt Service Funds account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

Capital Projects Funds

Capital Projects Funds account for financial resources used to acquire or construct major capital facilities (other than those financed by Proprietary Funds, Pension Trust Funds or Component Units).

STATE OF ARIZONA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2006
(Expressed in Thousands)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL
ASSETS				
Cash	\$ 5,814	\$ -	\$ -	\$ 5,814
Cash and pooled investments with State Treasurer	814,349	35,467	2,555	852,371
Receivables, net of allowances:				
Taxes	19,592	-	-	19,592
Interest	2,450	315	81	2,846
Other	25,353	-	-	25,353
Due from others	1	-	-	1
Due from other Funds	59,665	-	-	59,665
Inventories, at cost	369	-	-	369
Restricted assets:				
Cash and pooled investments with State Treasurer	1,295	1,997	20,363	23,655
Cash held by trustee	-	13	3,746	3,759
Other	1	-	-	1
Total Assets	\$ 928,889	\$ 37,792	\$ 26,745	\$ 993,426

LIABILITIES AND FUND BALANCES

Liabilities:				
Accounts payable and other current liabilities	\$ 33,057	\$ -	\$ 45	\$ 33,102
Accrued liabilities	77,983	-	-	77,983
Due to local governments	50,977	-	-	50,977
Due to others	51	-	-	51
Due to other Funds	28,941	-	-	28,941
Unavailable deferred revenue	1,389	-	-	1,389
Unearned deferred revenue	959	-	-	959
Total Liabilities	193,357	-	45	193,402
Fund Balances:				
Reserved for:				
Highway construction	-	-	20,444	20,444
Other construction	-	-	6,256	6,256
Continuing appropriations	38,341	-	-	38,341
Debt service	-	37,792	-	37,792
Other fund balance reservations	140	-	-	140
Unreserved	697,051	-	-	697,051
Total Fund Balances	735,532	37,792	26,700	800,024
Total Liabilities and Fund Balances	\$ 928,889	\$ 37,792	\$ 26,745	\$ 993,426

STATE OF ARIZONA
**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES**
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL
REVENUES				
Taxes:				
Sales	\$ 503,081	\$ 65,805	\$ -	\$ 568,886
Income	38	-	-	38
Tobacco	184,044	-	-	184,044
Property	232	-	-	232
Motor vehicle and fuel	24	-	-	24
Other	108,518	-	-	108,518
Intergovernmental	33,881	-	-	33,881
Licenses, fees, and permits	182,646	-	-	182,646
Earnings on investments	17,633	17,207	2,949	37,789
Sales and charges for services	43,992	13,520	-	57,512
Fines, forfeitures, and penalties	120,267	-	-	120,267
Gaming	78,786	-	-	78,786
Other	144,333	-	-	144,333
Total Revenues	<u>1,417,475</u>	<u>96,532</u>	<u>2,949</u>	<u>1,516,956</u>
EXPENDITURES				
Current:				
General government	111,353	-	-	111,353
Health and welfare	331,367	-	-	331,367
Inspection and regulation	103,979	-	-	103,979
Education	538,590	-	-	538,590
Protection and safety	112,277	-	-	112,277
Transportation	-	-	3,169	3,169
Natural resources	111,940	-	-	111,940
Debt service:				
Principal	196	243,220	-	243,416
Interest and other fiscal charges	5	134,147	694	134,846
Capital outlay	13,666	-	235,998	249,664
Total Expenditures	<u>1,323,373</u>	<u>377,367</u>	<u>239,861</u>	<u>1,940,601</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>94,102</u>	<u>(280,835)</u>	<u>(236,912)</u>	<u>(423,645)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	234,582	295,262	200	530,044
Transfers out	(206,259)	(359)	(2,216)	(208,834)
Refunding bonds issued	-	596,160	-	596,160
Payment to refunded bond escrow agent	-	(646,689)	-	(646,689)
Bonds issued	-	-	118,250	118,250
Premium on bonds issued	-	52,261	7,450	59,711
Total Other Financing Sources (Uses)	<u>28,323</u>	<u>296,635</u>	<u>123,684</u>	<u>448,642</u>
Net Change in Fund Balances	<u>122,425</u>	<u>15,800</u>	<u>(113,228)</u>	<u>24,997</u>
Fund Balances - Beginning	<u>613,107</u>	<u>21,992</u>	<u>139,928</u>	<u>775,027</u>
Fund Balances - Ending	<u>\$ 735,532</u>	<u>\$ 37,792</u>	<u>\$ 26,700</u>	<u>\$ 800,024</u>



NON-MAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

The School Facilities Revenue Bond Proceeds Fund accounts for the receipt of the Education Transaction Privilege Revenue Bond proceeds. Funds are restricted to be expended to (1) pay the costs of correcting existing deficiencies in public school facilities for grades K-12, (2) pay bond related expenses, and (3) fully or partially fund any reserves or sinking fund accounts established by the bond resolution.

The Public Safety and Correctional Programs Fund accounts for law enforcement, military, custody, and related services provided to the general public.

The Environmental Protection Fund accounts for the protection of the State's public health by administering the State's environmental quality laws and delegating federal programs to prevent, control, and abate pollution of our air, water, and land resources.

The Healthcare and Social Services Fund accounts for health and welfare services provided to the general public.

The Tobacco Tax and Healthcare Fund accounts for the receipt of monies levied on tobacco products. The monies are used for health education programs; research, prevention and treatment of tobacco related diseases; and medically needy healthcare programs.

The Judicial and Legal Services Fund accounts for the anti-racketeering, consumer protection, consumer fraud, anti-trust, and collections enforcement programs of the Attorney General's Office and statewide court improvement functions supervised by the Arizona Supreme Court.

The Regulating and Licensing Fund accounts for inspection and regulatory services provided to the general public.

The Game and Fish Fund accounts for the receipt of monies collected by the Department of Game and Fish for various hunting and fishing licenses, for the purpose of conserving, enhancing, and restoring Arizona's diverse wildlife resources and habitats, as well as providing safe watercraft and off-highway vehicle recreation.

The State Parks Development Fund accounts for the receipt of monies collected by the State Parks Fund for the purpose of acquiring and developing State park lands, sites and facilities.

The Business Development Fund accounts for the promotion of statewide economic and community development, which supports a globally competitive Arizona.

The Educational Programs Fund accounts for supplemental building needs and instructional improvement programs specifically identified in a voter initiative that enacted a six-tenth of one percent statewide sales tax dedicated to education functions. The Educational Programs Fund supports programs from the kindergarten through university educational levels.

The Groundwater Protection and Conservation Fund accounts for statewide water protection planning; storage of Colorado River water; statewide water and groundwater conservation; county and metropolitan areas water use and dam repairs. All of these programs are the responsibility of the Department of Water Resources.

The Clean Elections System Fund accounts for fines and fees collected to pay for campaign expenses of statewide candidates and State legislative candidates who choose not to accept private source campaign funds. The fund was established as a result of a voter initiative.

STATE OF ARIZONA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2006
(Expressed in Thousands)

	SCHOOL FACILITIES PROCEEDS	PUBLIC SAFETY & CORRECTIONAL PROGRAMS	ENVIRONMENTAL PROTECTION	HEALTHCARE & SOCIAL SERVICES	TOBACCO TAX & HEALTHCARE	JUDICIAL & LEGAL SERVICES
ASSETS						
Cash	\$ -	\$ 5,741	\$ 14	\$ -	\$ -	\$ -
Cash and pooled investments with State Treasurer	-	97,057	109,872	43,039	24,476	43,066
Receivables, net of allowances:						
Taxes	-	4,440	-	528	14,624	-
Interest	-	265	429	63	100	105
Other	-	7	1	7,867	-	-
Due from others	-	1	-	-	-	-
Due from other Funds	-	7,908	7,190	2,726	-	2,591
Inventories, at cost	-	369	-	-	-	-
Restricted assets:						
Cash and pooled investments with State Treasurer	-	-	-	1,295	-	-
Other	-	-	-	-	-	-
Total Assets	\$ -	\$ 115,788	\$ 117,506	\$ 55,518	\$ 39,200	\$ 45,762
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and other current liabilities	\$ -	\$ 6,831	\$ 5,567	\$ 3,052	\$ 2,148	\$ 2,318
Accrued liabilities	-	565	59,177	12,783	43	742
Due to local governments	-	-	-	-	-	-
Due to others	-	31	-	-	-	-
Due to other Funds	-	10	10,225	337	16,726	446
Unavailable deferred revenue	-	-	-	1,389	-	-
Unearned deferred revenue	-	48	-	906	-	-
Total Liabilities	-	7,485	74,969	18,467	18,917	3,506
Fund Balances:						
Reserved for:						
Continuing appropriations	-	2,980	1,334	711	-	132
Other fund balance reservations	-	81	-	-	-	-
Unreserved	-	105,242	41,203	36,340	20,283	42,124
Total Fund Balances	-	108,303	42,537	37,051	20,283	42,256
Total Liabilities and Fund Balances	\$ -	\$ 115,788	\$ 117,506	\$ 55,518	\$ 39,200	\$ 45,762

REGULATING & LICENSING	GAME & FISH	STATE PARKS DEVELOPMENT	BUSINESS DEVELOPMENT	EDUCATIONAL PROGRAMS	GROUNDWATER PROTECTION & CONSERVATION	CLEAN ELECTIONS SYSTEM	TOTAL
\$ 26	\$ 30	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ 5,814
109,724	35,268	63,089	59,493	107,350	89,608	32,307	814,349
-	-	-	-	-	-	-	19,592
143	179	310	353	43	460	-	2,450
2,649	1,920	-	21	12,888	-	-	25,353
-	-	-	-	-	-	-	1
61	606	340	26,915	10,859	-	469	59,665
-	-	-	-	-	-	-	369
-	-	-	-	-	-	-	1,295
-	-	-	1	-	-	-	1
<u>\$ 112,603</u>	<u>\$ 38,003</u>	<u>\$ 63,742</u>	<u>\$ 86,783</u>	<u>\$ 131,140</u>	<u>\$ 90,068</u>	<u>\$ 32,776</u>	<u>\$ 928,889</u>
\$ 3,166	\$ 1,776	\$ 2,119	\$ 284	\$ 5,686	\$ 110	\$ -	\$ 33,057
2,632	1,449	178	190	151	49	24	77,983
-	-	-	-	50,977	-	-	50,977
20	-	-	-	-	-	-	51
840	346	5	3	2	1	-	28,941
-	-	-	-	-	-	-	1,389
-	-	-	5	-	-	-	959
<u>6,658</u>	<u>3,571</u>	<u>2,302</u>	<u>482</u>	<u>56,816</u>	<u>160</u>	<u>24</u>	<u>193,357</u>
5,033	4,723	2,435	6	20,987	-	-	38,341
26	30	3	-	-	-	-	140
<u>100,886</u>	<u>29,679</u>	<u>59,002</u>	<u>86,295</u>	<u>53,337</u>	<u>89,908</u>	<u>32,752</u>	<u>697,051</u>
<u>105,945</u>	<u>34,432</u>	<u>61,440</u>	<u>86,301</u>	<u>74,324</u>	<u>89,908</u>	<u>32,752</u>	<u>735,532</u>
<u>\$ 112,603</u>	<u>\$ 38,003</u>	<u>\$ 63,742</u>	<u>\$ 86,783</u>	<u>\$ 131,140</u>	<u>\$ 90,068</u>	<u>\$ 32,776</u>	<u>\$ 928,889</u>

STATE OF ARIZONA
**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES**
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	SCHOOL FACILITIES PROCEEDS	PUBLIC SAFETY & CORRECTIONAL PROGRAMS	ENVIRONMENTAL PROTECTION	HEALTHCARE & SOCIAL SERVICES	TOBACCO TAX & HEALTHCARE	JUDICIAL & LEGAL SERVICES
REVENUES						
Taxes:						
Sales	\$ -	\$ 26,406	\$ -	\$ 4,877	\$ -	\$ -
Income	-	-	-	-	-	-
Tobacco	-	7,157	-	-	176,887	-
Property	-	-	-	-	-	-
Motor vehicle and fuel	-	-	-	-	-	-
Other	-	50,360	2,404	13,034	-	-
Intergovernmental	-	1,904	268	7,508	-	1,629
Licenses, fees, and permits	-	15,639	45,777	6,214	-	6,728
Earnings on investments	1	2,251	3,189	550	599	800
Sales and charges for services	-	31,851	62	518	-	8,800
Fines, forfeitures, and penalties	-	56,973	1,563	11,341	-	38,641
Gaming	-	-	-	21,029	-	-
Other	-	5,726	(88)	4,344	113	815
Total Revenues	1	198,267	53,175	69,415	177,599	57,413
EXPENDITURES						
Current:						
General government	-	28,403	1,206	4,067	485	45,511
Health and welfare	-	-	100,279	66,909	164,091	-
Inspection and regulation	-	-	1,261	-	-	37
Education	-	-	-	-	-	-
Protection and safety	-	112,277	-	-	-	-
Natural resources	-	16,727	590	-	-	-
Debt service:						
Principal	-	28	-	-	-	-
Interest and other fiscal charges	-	-	-	-	-	5
Capital outlay	-	3,306	90	125	-	167
Total Expenditures	-	160,741	103,426	71,101	164,576	45,720
Excess (Deficiency) of Revenues						
Over Expenditures	1	37,526	(50,251)	(1,686)	13,023	11,693
OTHER FINANCING SOURCES (USES)						
Transfers in	-	125,231	63,630	6,757	-	3,183
Transfers out	(5,387)	(144,179)	(9,414)	(3,527)	(6,607)	(6,696)
Total Other Financing Sources (Uses)	(5,387)	(18,948)	54,216	3,230	(6,607)	(3,513)
Net Change in Fund Balances	(5,386)	18,578	3,965	1,544	6,416	8,180
Fund Balances - Beginning	5,386	89,725	38,572	35,507	13,867	34,076
Fund Balances - Ending	\$ -	\$ 108,303	\$ 42,537	\$ 37,051	\$ 20,283	\$ 42,256

REGULATING & LICENSING	GAME & FISH	STATE PARKS DEVELOPMENT	BUSINESS DEVELOPMENT	EDUCATIONAL PROGRAMS	GROUNDWATER PROTECTION & CONSERVATION	CLEAN ELECTIONS SYSTEM	TOTAL
\$ 2	\$ -	\$ -	\$ -	\$ 471,796	\$ -	\$ -	\$ 503,081
-	-	-	-	38	-	-	38
-	-	-	-	-	-	-	184,044
-	232	-	-	-	-	-	232
-	-	-	-	24	-	-	24
42,720	-	-	-	-	-	-	108,518
1,592	17,442	-	1,951	1,587	-	-	33,881
70,967	26,567	2,753	2,861	75	5,065	-	182,646
1,036	1,302	2,330	2,176	409	2,990	-	17,633
658	348	-	303	1,368	84	-	43,992
2,978	149	-	-	-	-	8,622	120,267
7,272	6,008	-	-	44,477	-	-	78,786
4,246	3,315	248	27,337	18,254	74,594	5,429	144,333
<u>131,471</u>	<u>55,363</u>	<u>5,331</u>	<u>34,628</u>	<u>538,028</u>	<u>82,733</u>	<u>14,051</u>	<u>1,417,475</u>
1,192	-	-	26,675	-	-	3,814	111,353
88	-	-	-	-	-	-	331,367
102,681	-	-	-	-	-	-	103,979
283	-	-	-	538,307	-	-	538,590
-	-	-	-	-	-	-	112,277
-	54,311	18,000	196	-	22,116	-	111,940
79	89	-	-	-	-	-	196
-	-	-	-	-	-	-	5
763	7,428	1,763	4	14	6	-	13,666
<u>105,086</u>	<u>61,828</u>	<u>19,763</u>	<u>26,875</u>	<u>538,321</u>	<u>22,122</u>	<u>3,814</u>	<u>1,323,373</u>
<u>26,385</u>	<u>(6,465)</u>	<u>(14,432)</u>	<u>7,753</u>	<u>(293)</u>	<u>60,611</u>	<u>10,237</u>	<u>94,102</u>
406	10,883	19,916	4,027	47	500	2	234,582
(24,789)	(1,800)	(878)	(2,549)	(394)	-	(39)	(206,259)
<u>(24,383)</u>	<u>9,083</u>	<u>19,038</u>	<u>1,478</u>	<u>(347)</u>	<u>500</u>	<u>(37)</u>	<u>28,323</u>
2,002	2,618	4,606	9,231	(640)	61,111	10,200	122,425
103,943	31,814	56,834	77,070	74,964	28,797	22,552	613,107
<u>\$ 105,945</u>	<u>\$ 34,432</u>	<u>\$ 61,440</u>	<u>\$ 86,301</u>	<u>\$ 74,324</u>	<u>\$ 89,908</u>	<u>\$ 32,752</u>	<u>\$ 735,532</u>

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006
 (Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
OTHER GOVERNMENTAL FUNDS		
Board of Accountancy		
Operating Lump Sum Appropriation	\$ 2,219,800	\$ 1,629,379
Department of Administration		
Administrative Adjustments	1,594	1,594
Administrative Adjustments	4,158	4,158
Archives and History Building	525,882	293,126
Arizona Pioneers' Home Plumbing Renovations	2,590	0
Department of Corrections Fort Grant Landfill Closure	43,123	0
Department of Juvenile Corrections Building Renewal FY01 - 02	0	0
Employee Bus Subsidy	574,100	574,100
Government Building Defibrillators FY01 - 02	16	0
Government Building Defibrillators FY02 - 03	293	0
New Prison Complex FY99 - 00	260,698	0
Operating Lump Sum Appropriation	676,800	619,443
Pioneers' Home Plumbing Renovations	262,957	0
Prison Planning and Sitting	0	0
Radiation Regulatory Agency		
Administrative Adjustments	569	569
MRTB Assistant	11,375	0
Operating Lump Sum Appropriation	259,200	243,618
Attorney General		
Administrative Adjustments	116,972	116,972
Administrative Adjustments	15,745	15,745
Administrative Adjustments	2,410	2,410
Administrative Adjustments	102	102
Operating Lump Sum Appropriation	2,732,100	1,748,865
Operating Lump Sum Appropriation	379,700	307,443
Operating Lump Sum Appropriation	4,341,200	4,339,345
Risk Management Interagency Service Agreement	8,738,500	7,987,286
Victims' Rights Implementation Fund	3,236,100	3,019,798
Victims' Rights/Non Revert HB2427	222,450	90,752
Department of Agriculture		
Administrative Adjustments	228	228
Administrative Adjustments	751	751
Administrative Adjustments	16	16
Administrative Adjustments	9,660	9,660
Administrative Adjustments	54	54
Administrative Adjustments	19	19
Administrative Adjustments	113	113
Operating Lump Sum Appropriation	67,800	67,439
Operating Lump Sum Appropriation	279,900	277,705
Operating Lump Sum Appropriation	681,600	564,422
Operating Lump Sum Appropriation	259,900	259,331
Operating Lump Sum Appropriation	21,400	21,400
Operating Lump Sum Appropriation	51,300	35,694
Operating Lump Sum Appropriation	79,400	57,289
Operating Lump Sum Appropriation	278,300	277,594
Operating Lump Sum Appropriation	972,900	828,124
Operating Lump Sum Appropriation	9,200	6,727
Operating Lump Sum Appropriation	172,000	160,632
Wine Promotion	54,858	0

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Acupuncture Board of Examiners		
Administrative Adjustments	2,314	2,314
Operating Lump Sum Appropriation	101,900	83,275
State Board of Appraisal		
Administrative Adjustments	156	156
Operating Lump Sum Appropriation FY04 - 05	4,922	0
Operating Lump Sum Appropriation FY05 - 06	625,400	550,380
Payment of FY 2001-2002 Expenses	800	775
Automobile Theft Authority		
Auto Theft Authority Grants	4,373,600	4,371,426
Operating Lump Sum Appropriation	619,200	602,240
Reimbursable Programs	25,000	0
Board of Barbers		
Administrative Adjustments	418	418
Operating Lump Sum Appropriation	241,800	201,359
Board of Behavioral Health Examiners		
Administrative Adjustments	3,600	3,600
Operating Lump Sum Appropriation	1,416,200	1,144,175
State Board of Nursing		
Administrative Adjustments	65	65
Operating Lump Sum Appropriation	3,175,900	3,169,752
Board of Cosmetology		
Administrative Adjustments	2,246	2,246
Operating Lump Sum Appropriation	1,635,200	1,554,642
Corporation Commission		
Administrative Adjustments	24,270	24,270
Administrative Adjustments	5,100	5,100
Administrative Adjustments	8,354	8,354
Administrative Adjustments	7,722	7,722
Annual Reversion per ARS 10-122	1,734,871	1,734,871
Annual Reversion per ARS 44-3298	828,734	828,734
Corporations Division Staffing Costs	157,466	157,465
Investigation and Prosecution of Security Fraud	165,599	0
Operating Lump Sum Appropriation	11,844,700	11,690,826
Operating Lump Sum Appropriation	3,547,900	3,118,755
Operating Lump Sum Appropriation	3,156,700	3,056,077
Operating Lump Sum Appropriation	841,600	828,990
Utility Audits, Studies, Investigations, and Rate Hearing FY00 - 01	101,773	101,773
Utility Audits, Studies, Investigations, and Rate Hearing FY01 - 02	369,620	0
Utility Audits, Studies, Investigations, and Rate Hearing FY02 - 03	380,000	1
Utility Audits, Studies, Investigations, and Rate Hearing FY03 - 04	380,000	1
Utility Audits, Studies, Investigations, and Rate Hearing FY04 - 05	380,000	0
Utility Audits, Studies, Investigations, and Rate Hearing FY05 - 06	380,000	0
State Board of Chiropractic Examiners		
Administrative Adjustments	3,504	3,504
Operating Lump Sum Appropriation	483,400	460,259
Department of Corrections		
Administrative Adjustments	52,501	52,501
Administrative Adjustments	731,349	731,349
Administrative Adjustments	278,659	278,659
Administrative Adjustments	872,172	872,172
All Other Operating Expenditures	599,300	193,919
All Other Operating Expenditures	500,000	66,649
All Other Operating Expenditures	10,250,000	10,230,203

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
All Other Operating Expenditures	2,070,000	2,031,361
Drug Treatment Pilot Program	229,372	0
Employee Related Expenditures	47,500	47,500
Operating Lump Sum Appropriation	869,200	534,366
Personal Services	302,500	302,500
Private Prison Per Diem	28,674,300	25,060,888
Relief Bill	94,110	94,110
State Charitable, Penal, and Reformatory Land Earnings	1,014,763	237,033
Department of Economic Security		
ADM Attorney General Legal Services	96,900	28,310
ADM Operating Lump Sum Appropriation	579,800	0
ADM Operating Lump Sum Appropriation	130,000	12,598
ADM Operating Lump Sum Appropriation	87,000	87,000
ADM Public Assistance Collections	251,400	201,922
Administrative Adjustments	1,580,953	1,580,953
Administrative Adjustments	12,845	12,845
Administrative Adjustments	49,728	49,728
Administrative Adjustments	42,029	42,029
Administrative Adjustments	227,581	227,581
Administrative Adjustments	158,582	158,582
DACS Community and Emergency Services	500,000	266,413
DACS Domestic Violence Prevention	1,700,000	1,700,000
DCYF Child Abuse Prevention	820,600	97,894
DCYF Children Support Services	750,000	0
DCYF Operating Lump Sum Appropriation	209,600	52,764
DERS Independent Living Rehabilitation Services	1,707,700	1,435,918
DERS Jobs	1,500,000	656,250
DERS Operating Lump Sum Appropriation	85,000	5,752
DERS Operating Lump Sum Appropriation	516,700	388,974
DERS Vocational Rehabilitation Services	204,700	150,408
Commission for the Deaf and Hard of Hearing		
Administrative Adjustments	8,929	8,929
Interpreters for Certification and Licensure	624,247	135,746
Operating Lump Sum Appropriation	5,315,400	4,202,830
Department of Juvenile Corrections		
Operating Lump Sum Appropriation	585,300	585,300
Operating Lump Sum Appropriation	3,360,000	3,360,000
State Board of Dispensing Opticians		
Administrative Adjustments	1,059	1,059
Operating Lump Sum Appropriation	98,300	98,258
State Board of Dental Examiners		
Administrative Adjustments	6,134	6,134
Operating Lump Sum Appropriation	1,052,900	972,633
Department of Education		
Achievement Testing - Proposition 301 FY04 - 05	2,340,300	2,340,300
Achievement Testing - Proposition 301 FY05 - 06	2,340,300	429,392
Additional School Days - Prop 301 FY05 - 06	86,280,500	79,090,458
Additional School Days- Prop 301 FY 01 - 02	1,275,492	1,275,492
Additional School Days- Prop 301 FY02 - 03	2,267,304	2,267,304
Administrative Adjustments	0	0
Basic State Aid Entitlement	50,295,000	50,295,000
Character Education - Proposition 301 FY05 - 06	200,000	0
Failing School Tutoring Fund FY03 - 04	1,393,695	5,259
Failing School Tutoring Fund FY04 - 05	1,379,250	(8,096)

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Failing School Tutoring Fund FY05 - 06	1,500,000	67,075
School Accountability - Proposition 301 FY01 - 02	649,488	649,488
School Accountability - Proposition 301 FY02 - 03	1,194,733	1,182,206
School Accountability - Proposition 301 FY03 - 04	2,883,968	10,564
School Accountability - Proposition 301 FY04 - 05	1,600,965	875,678
School Accountability - Proposition 301 FY05 - 06	4,698,100	1,325,044
School Acct - School Safety Proposition 301 FY02 - 03	0	0
School Acct - School Safety Proposition 301 FY03 - 04	7,479	7,475
School Acct - School Safety Proposition 301 FY04 - 05	1,049,450	1,009,644
School Acct - School Safety Proposition 301 FY05 - 06	7,800,000	7,475,955
School Improvement Revenue Bond Debt Service Fund	318,000	0
School Safety/Character Education FY04 - 05	129,000	0
Department of Commerce		
Administrative Adjustments	28,584	28,584
Advertising and Promotion	659,200	620,800
Arizona Sonora Economic Development Study	10,000	3,861
Arizona Sonora Trade Office	25,000	25,000
CEDC Commission	260,500	219,102
Economic Development Matching Funds	104,000	71,995
International Trade Offices	966,800	776,313
Lottery 1989	5,001	5,000
Main Street	130,000	123,006
Minority and Women Owned Business	111,900	100,417
National Law Center/Free Trade	200,000	200,000
Oil Overcharge Administration	166,900	108,557
Operating Lump Sum Appropriation	629,600	564,678
REDI Matching Grants	45,000	45,000
Small Business Advocate	109,700	103,570
Williams Gateway Airport Authority	4,000,000	0
Department of Environmental Quality		
Administrative Adjustments	276,434	276,434
Administrative Adjustments	876	876
Administrative Adjustments	5,294	5,294
Administrative Adjustments	360	360
Administrative Adjustments	320,741	320,741
Air Permits Administration Program	5,558,300	4,826,630
Air Quality Program	4,661,300	2,238,856
Air Quality Program - Continuing FY01 - 02	186,035	0
Air Quality Program - Continuing FY02 - 03	182,451	0
Clean Air in Lieu	2,528,300	2,068,040
Department of Administration Travel Reduction Transfer	400,000	400,000
Emissions Cap & Trading Program FY01 - 02	70,576	0
Emissions Cap & Trading Program FY02 - 03	266,582	0
Emissions Control Contractor Payment	31,739,600	29,487,812
Emissions Control Program - Administration	4,042,700	2,346,078
Fuel Formulation	12,272	0
General Fund Transfer 2nd Regular Session Chapter 242	10,000,000	10,000,000
Hazardous Waste Program	752,200	103,963
Hazardous Waste Reserve FY94 - 95	64,000	0
Hazardous Waste Reserve FY95 - 96	29,273	0
Operating Lump Sum Appropriation	500,000	414,959
Pima County Air Quality Program	165,000	165,000
Political Subdivisions Assistance FY01 - 02	18,500	0
Roadside Diesel Emissions Testing Program FY01 - 02	200,000	0

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Roadside Diesel Emissions Testing Program FY02 - 03	200,000	0
Solid Waste Program	2,144,300	956,318
Solid Waste Program	1,205,100	709,193
Solid Waste Program	136,600	8,185
Underground Storage Tank Policy Comm FY00 - 01	1	0
Underground Storage Tank Policy Comm FY99 - 00	18,857	0
Underground Storage Tank Program	22,000	4,188
Underground Storage Tank Technical Appeals FY00 - 01	7,500	0
Visibility Index Development FY01 - 02	80,589	0
Visibility Index Development FY02 - 03	10,099	0
Waste Tire Program	219,800	42,326
Water Quality Program	3,879,300	1,699,973
State Board of Funeral Directors & Embalmers		
Administrative Adjustments	1,415	1,415
Operating Lump Sum Appropriation	317,900	313,753
Game and Fish Department		
Administrative Adjustments	57,173	57,173
Administrative Adjustments	45	45
Bellefont Shooting Range Improvement	800,000	0
Black Canyon Dam Modifications FY05 - 06	500,000	0
Building Renewal FY02 - 03	2,489	2,488
Building Renewal FY03 - 04	78,832	78,711
Building Renewal FY04 - 05	328,558	306,051
Building Renewal FY05 - 06	388,900	141,214
Canyon Creek Hatchery Improvements	148,067	148,067
Facility Improvements FY00 - 01	2,453	2,453
Facility Improvements FY01 - 02	70,891	0
Facility Improvements FY02 - 03	145,982	145,848
Facility Improvements FY99 - 00	1	0
Flagstaff Shooting Range Development FY00 - 01	73,859	0
Flagstaff Shooting Range Development FY99 - 00	11,584	0
Flagstaff Shooting Range Planning FY01 - 02	460,711	1,532
Flagstaff Shooting Range Planning FY02 - 03	499,900	0
Headquarters Expansion and Renovation FY02 - 03	800,000	336,715
Headquarters Paving	49,254	49,253
Headquarters Security System FY03 - 04	186,067	186,000
Lake Havasu Shooting Range Development FY03 - 04	298,464	0
Mesa Office Security System	29,898	14,403
Migratory Waterfowl Development FY00 - 01	99,025	8,049
Migratory Waterfowl Development FY01 - 02	80,000	3,500
Migratory Waterfowl Development FY02 - 03	87,378	1,447
Migratory Waterfowl Development FY03 - 04	97,486	0
Migratory Waterfowl Development FY99 - 00	42,694	24,964
Migratory Waterfowl Habitat FY05 - 06	100,000	0
Migratory Waterfowl Habitat FY93 - 94	1,302	0
Operating Lump Sum Appropriation	21,634,100	18,835,120
Operating Lump Sum Appropriation	2,224,600	1,885,976
Operating Lump Sum Appropriation	313,500	156,125
Operating Lump Sum Appropriation	43,400	18,286
Operating Lump Sum Appropriation	16,000	0
Performance Based Incentives Program FY00 - 01	13	0
Performance Based Incentives Program FY01 - 02	2	0
Performance Based Incentives Program FY02 - 03	322	0
Performance Based Incentives Program FY05 - 06	300,000	300,000

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Performance Based Incentives Program FY97 - 98	0	0
Performance Incentive Pay Program FY03 - 04	1,076	0
Performance Incentive Pay Program FY05 - 06	46,800	46,800
Pinetop Warehouse and Paving FY03 - 04	294,661	293,888
Pittman - Robertson/Dingell - Johnson Act	2,808,000	2,080,000
Shade Canopies	149,490	64,807
Shooting Range Development FY01 - 02	26,460	23,859
Shooting Range Development FY02 - 03	13,783	0
Shooting Range Development/Grants Program FY03 - 04	16,088	7,683
Shooting Range Development/Grants Program FY04 - 05	97,920	27,427
Shooting Range Development/Grants Program FY05 - 06	100,000	7,750
Sierra Vista Shooting Range Improvement	31,883	299
Silver Creek Hatchery Improvement	79,728	3,024
Statewide Preventive Maintenance FY04 - 05	358	(566)
Statewide Preventive Maintenance FY05 - 06	30,000	29,999
Tonto Creek Hatchery Improvements	199,927	15,119
Tri-State Shooting Range Development	300,000	0
Department of Gaming		
Casino Operation Certification	1,921,000	1,920,829
Operating Lump Sum Appropriation	8,000,000	7,686,270
Problem Gambling	300,000	300,000
Problem Gambling	1,512,800	1,482,100
Arizona Health Care Cost Containment System		
Administrative Adjustments	490,172	490,172
Capitation	61,772,100	61,772,100
Children's Health Insurance Program - Children	69,699,700	69,491,321
Children's Health Insurance Program - Parents	33,095,300	32,942,803
Kidscare Administration	6,761,700	6,656,438
Proposition 204 - Capitation	17,356,700	17,356,700
Proposition 204 - Capitation	15,389,500	15,389,500
Proposition 204 - County Hold Harmless	4,825,600	4,825,600
Proposition 204 - Medicare	7,707,800	7,707,800
Arizona Department of Housing		
Operating Lump Sum Appropriation	697,300	697,300
Homeopathic Medical Examiners		
Administrative Adjustments	500	500
Operating Lump Sum Appropriation	82,100	81,691
Department of Health Services		
Administrative Adjustments	201,796	201,796
Administrative Adjustments	49,676	49,676
Administrative Adjustments	13,344	13,344
Administrative Adjustments	2,801	2,801
Administrative Adjustments	21,921	21,921
Alzheimer Disease Research	1,000,000	1,000,000
Alzheimer Research - Biotechnology	3,000,000	3,000,000
Assurance and Licensure	38,000	0
Assurance and Licensure	200,000	196,201
Attorney General Legal Services	50,000	50,000
Child Fatality Review Team	100,000	99,583
County Poison Control Center	31,250	0
EMS Operations	3,026,220	2,875,879
Folic Acid	200,000	185,548
High Risk Prenatal Services	450,000	345,893
Laboratory Services	895,900	842,086

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Loan Repayment	150,000	32,625
Loan Repayment Services	100,000	66,229
Mental Health Research Institute Grant	638,776	0
Newborn Screening Fund - Indirect Costs	478,600	258,016
Newborn Screening Program	3,262,200	3,009,250
Operating Lump Sum Appropriation	199,500	169,719
Operating Lump Sum Appropriation	808,465	685,325
Operating Lump Sum Appropriation	350,000	300,944
Poison Control Center Funding	750,000	518,750
Rural Medical Services FY01 - 02	71,377	71,377
Seriously Mentally Ill Non-Title XIX	30,424,800	30,371,862
Statewide Emergency Medical Trauma System	100,000	55,315
Substance Abuse - Non-Title XIX	2,500,000	2,500,000
Trauma Advisory Board	373,015	341,164
University of Arizona Poison Control Center	1,100,000	1,100,000
University of Arizona Poison Control Center	56,250	0
Industrial Commission of Arizona		
Operating Lump Sum Appropriation	17,998,100	17,386,627
Arizona Criminal Justice Commission		
Administrative Adjustments	1,628	1,628
Crime Victim Compensation Special AG Transfer FY00 - 01	8,202	0
Drug and Gang Prevention Resource Center	278,000	278,000
Operating Lump Sum Appropriation	601,000	578,321
State Aid to County Attorneys	847,800	847,800
State Aid to Indigent Defense	805,000	805,000
Victim Compensation and Assistance	3,900,000	3,457,646
Land Department		
Natural Resource Conservation Districts	266,100	266,100
Division of Emergency Management & Military Affairs		
Operating Lump Sum Appropriation	132,700	78,000
Medical Examiners Board		
Administrative Adjustments	91,544	91,544
Operating Lump Sum Appropriation	5,387,200	5,226,594
Performance Based Incentive Program	155,501	108,717
Medical Student Loans Board		
Medical Student Loans	283,400	283,400
Naturopathic Physicians Board of Medical Examiners		
Administrative Adjustments	5,297	5,297
Operating Lump Sum Appropriation	515,100	483,487
Nursing Care Examiners Board		
Administrative Adjustments	4,070	4,070
Operating Lump Sum Appropriation	388,400	232,719
State Board of Optometry		
Administrative Adjustments	200	200
Operating Lump Sum Appropriation	198,200	146,858
Arizona Board of Osteopathic Examiners		
Administrative Adjustments	16,904	16,904
Operating Lump Sum Appropriation	670,900	576,535
Board of Occupational Therapy Examiners		
Administrative Adjustments	1,933	1,933
Operating Lump Sum Appropriation	227,100	180,684
Commission for Postsecondary Education		
Arizona College and Career Guide	21,200	19,142
Arizona Minority Educational Policy Analysis Center	150,300	39,273

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Family College Savings Program	86,900	74,050
Leveraging Educational Assistance Partnership	2,143,700	1,568,943
Operating Lump Sum Appropriation	361,500	349,729
Twelve Plus Partnership	119,600	117,538
Arizona Pioneers' Home		
Employee Related Expenses	1,044,157	1,044,154
Employee Related Expenses	498,443	498,409
Equipment	12,000	12,000
Food	202,200	173,218
Other Operating Expenditures	421,976	404,078
Other Operating Expenditures	94,824	94,824
Personal Services	2,277,021	2,271,620
Personal Services	970,479	964,946
Prescription Drugs	294,700	238,554
Professional and Outside Services	129,300	74,678
Travel - In State	25,000	21,518
State Board of Pharmacy		
Operating Lump Sum Appropriation	1,544,600	1,446,507
State Board of Podiatry Examiners		
Administrative Adjustments	3,773	3,773
Operating Lump Sum Appropriation FY03 - 04	3,000	0
Operating Lump Sum Appropriation FY05 - 06	116,200	101,358
State Parks Board		
FY88 - 89 Pass Thru Grants	10,436	0
FY89 - 90 Pass Thru Grants	40,191	0
FY90 - 91 Pass Thru Grants	2,067,639	0
Land, Buildings and Improvement Control FY89 - 90	4,388	0
Land, Buildings and Improvement Control FY89 - 90	258,697	0
Land, Buildings and Improvement Control FY90 - 91	1,500	0
Land, Buildings and Improvement Control FY90 - 91	19,258	0
Land, Buildings and Improvement Control FY90 - 91	32,684	0
Off Highway Vehicle Parks Operations	692,100	679,711
Operating Lump Sum Appropriation	489,500	324,537
Operating Lump Sum Appropriation	2,063,992	2,063,992
Department of Public Safety		
DNA Testing FY02 - 03	1,423,518	80,669
DNA Testing FY03 - 04	994,119	0
Operating Lump Sum Appropriation	42,197,600	42,197,600
Operating Lump Sum Appropriation	20,041,400	19,282,673
Operating Lump Sum Appropriation	1,372,000	1,372,000
Operating Lump Sum Appropriation	4,527,900	4,527,900
Operating Lump Sum Appropriation	2,454,400	2,190,487
Operating Lump Sum Appropriation	2,613,100	2,613,100
Operating Lump Sum Appropriation	60,999,300	60,999,300
Operating Lump Sum Appropriation	2,636,900	2,636,900
Patrol Officers FY02 - 03	41,570	0
Remote Officer Housing	271,158	249,847
Sworn Officer Salary Adjustments	3,000,000	3,000,000
Physical Therapy Examiners Board		
Administrative Adjustments	1,866	1,866
Operating Lump Sum Appropriation	280,500	269,930
Private Postsecondary Education		
Administrative Adjustments	1,935	1,935
Operating Lump Sum Appropriation	294,200	273,083

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Board of Respiratory Care Examiners		
Administrative Adjustments	3,677	3,677
Operating Lump Sum Appropriation	198,000	197,941
Department of Racing		
Administrative Adjustments	0	0
Operating Lump Sum Appropriation	45,000	44,999
Operating Lump Sum Appropriation	300,000	298,885
Registrar of Contractors		
Incentive Pay	113,500	113,500
Office of Administrative Hearings	882,200	882,200
Operating Lump Sum Appropriation FY03 - 04	0	0
Operating Lump Sum Appropriation FY05 - 06	9,035,600	8,603,382
Department of Revenue		
Administrative Adjustments	515	515
Operating Lump Sum Appropriation	476,100	474,975
Structural Pest Control Commission		
Administrative Adjustments	24,604	24,604
Operating Lump Sum Appropriation	2,021,500	1,955,165
Schools for the Deaf and the Blind		
Administrative Adjustments	96,146	96,146
Administrative Adjustments	53,000	53,000
Operating Lump Sum Appropriation - Administration	331,895	187,106
Operating Lump Sum Appropriation - Administration	2,787,533	2,656,923
Operating Lump Sum Appropriation - Phoenix	139,437	114,163
Operating Lump Sum Appropriation - Phoenix	5,740,332	5,145,003
Operating Lump Sum Appropriation - Tucson	520,068	520,068
Operating Lump Sum Appropriation - Tucson	5,289,035	4,976,076
School Facilities Board		
Building Inspections	0	0
Supreme Court		
Case Processing - State Aid	3,099,100	1,387,527
Community Punishment	1,830,400	594,250
Community Punishment	500,000	500,000
Confidential Intermediary FY02 - 03	175,744	27,904
Court Appointed Special Advocate	3,255,800	3,073,627
Drug Study	38,514	0
Foster Care Review Board	236,600	229,861
Juvenile Crime Reduction	5,172,700	3,256,922
Model Court	514,300	508,813
Operating Lump Sum Appropriation	494,800	327,415
State Aid to the Courts	2,445,600	2,444,710
State Board of Psychologist Examiners		
Administrative Adjustments	1,210	1,210
Operating Lump Sum Appropriation	360,500	298,952
State Board of Technical Registration		
Administrative Adjustments	32,556	32,556
Operating Lump Sum Appropriation	1,451,300	1,392,772
Residential Utility Consumer Office		
Administrative Adjustments	528	528
Operating Lump Sum Appropriation	1,074,500	1,034,638
Professional Witnesses FY00 - 01	2,270	0
Professional Witnesses FY01 - 02	32,293	0
Professional Witnesses FY02 - 03	9,943	0

(Continued)

STATE OF ARIZONA
BUDGETARY COMPARISON SCHEDULE, EXPENDITURES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006
 (Expressed in Dollars)

	FINAL BUDGET (Appropriations)	ACTUAL EXPENDITURE AMOUNTS
Professional Witnesses FY03 - 04	40,564	11,510
Professional Witnesses FY04 - 05	137,091	0
Professional Witnesses FY05 - 06	145,000	16,627
Professional Witnesses FY97 - 98	10,604	10,604
Professional Witnesses FY98 - 99	11,977	9,782
Professional Witnesses FY99 - 00	49,324	8,262
Department of Veterans' Services		
Administrative Adjustments	31	31
Operating Lump Sum Appropriation	690,800	659,155
Veterinary Medical Examiners Board		
Administrative Adjustments	12,440	12,440
Operating Lump Sum Appropriation	421,400	386,359
Weights and Measures Department		
Administrative Adjustments	3,229	3,229
Operating Lump Sum Appropriation	68,500	63,085
Operating Lump Sum Appropriation - Oxygenated Fuel	830,500	774,860
Operating Lump Sum Appropriation - Vapor Recovery	507,000	456,411
Total Other Governmental Funds Budgetary Expenditures	\$ 939,003,994	\$ 851,904,174



NON-MAJOR GOVERNMENTAL FUNDS DEBT SERVICE FUNDS

The Department of Transportation Fund administers the payment of principal and interest on the Highway Revenue Bonds issued by the Arizona Department of Transportation Board and the retirement of previously issued revenue bonds.

The Maricopa Regional Area Road Fund (RARF) administers the payment of principal and interest on the Arizona Transportation Excise Tax Revenue Bonds issued by the Arizona Department of Transportation Board and the retirement of previously issued revenue bonds.

The Certificates of Participation Fund administers the payment of principal and interest on the certificates of participation issued by the State of Arizona (acting by and through the Director of the Department of Administration) and the retirement of previously issued certificates of participation.

The School Facilities Debt Instrument Fund administers the payment of principal and interest on revenue bonds issued by the State of Arizona's School Facilities Board and the retirement of previously issued revenue bonds.

The Grant Anticipation Notes Fund administers the payment of principal and interest on grant anticipation notes issued by the Arizona Department of Transportation Board and the retirement of previously issued grant anticipation notes.

STATE OF ARIZONA
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS
JUNE 30, 2006
(Expressed in Thousands)

	DEPARTMENT OF TRANSPORTATION	MARICOPA RARF	CERTIFICATES OF PARTICIPATION	SCHOOL FACILITIES DEBT INSTRUMENT	GRANT ANTICIPATION NOTES
ASSETS					
Cash and pooled investments with State Treasurer	\$ -	\$ -	\$ 3,192	\$ 32,275	\$ -
Interest receivable	162	-	-	153	-
Restricted assets:					
Cash and pooled investments with State Treasurer	1,898	-	-	-	99
Cash held by trustee	-	-	13	-	-
Total Assets	\$ 2,060	\$ -	\$ 3,205	\$ 32,428	\$ 99
FUND BALANCES					
Reserved for debt service	\$ 2,060	\$ -	\$ 3,205	\$ 32,428	\$ 99
Total Fund Balances	\$ 2,060	\$ -	\$ 3,205	\$ 32,428	\$ 99

TOTAL

\$ 35,467
315

1,997
13

\$ 37,792

\$ 37,792

\$ 37,792

STATE OF ARIZONA
**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES**
NON-MAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	DEPARTMENT OF TRANSPORTATION	MARICOPA RARF	CERTIFICATES OF PARTICIPATION	SCHOOL FACILITIES DEBT INSTRUMENT	GRANT ANTICIPATION NOTES
REVENUES					
Taxes:					
Sales	\$ -	\$ -	\$ -	\$ 65,805	\$ -
Earnings on investments	1,862	396	20	14,845	84
Sales and charges for services	-	-	-	13,520	-
Total Revenues	<u>1,862</u>	<u>396</u>	<u>20</u>	<u>94,170</u>	<u>84</u>
EXPENDITURES					
Debt service:					
Principal	54,830	80,375	21,555	47,920	38,540
Interest and other fiscal charges	62,828	1,581	10,001	43,257	16,480
Total Expenditures	<u>117,658</u>	<u>81,956</u>	<u>31,556</u>	<u>91,177</u>	<u>55,020</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(115,796)</u>	<u>(81,560)</u>	<u>(31,536)</u>	<u>2,993</u>	<u>(54,936)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	115,421	81,450	33,424	9,947	55,020
Transfers out	(180)	(179)	-	-	-
Refunding bonds issued	147,400	-	-	448,760	-
Payment to refunded bond escrow agent	(161,726)	-	-	(484,963)	-
Premium on bonds issued	14,957	-	-	37,304	-
Total Other Financing Sources (Uses)	<u>115,872</u>	<u>81,271</u>	<u>33,424</u>	<u>11,048</u>	<u>55,020</u>
Net Change in Fund Balances	<u>76</u>	<u>(289)</u>	<u>1,888</u>	<u>14,041</u>	<u>84</u>
Fund Balances - Beginning	<u>1,984</u>	<u>289</u>	<u>1,317</u>	<u>18,387</u>	<u>15</u>
Fund Balances - Ending	<u>\$ 2,060</u>	<u>\$ -</u>	<u>\$ 3,205</u>	<u>\$ 32,428</u>	<u>\$ 99</u>

TOTAL

\$ 65,805
17,207
13,520
96,532

243,220
134,147
377,367
(280,835)

295,262
(359)
596,160
(646,689)
52,261
296,635
15,800
21,992
\$ 37,792



NON-MAJOR GOVERNMENTAL FUNDS CAPITAL PROJECTS FUNDS

The Department of Transportation Financed Fund administers the proceeds from the Highway Revenue Bonds issued by the Arizona Department of Transportation Board. These monies are expended for the construction of federal, state, and local highways.

The Grant Anticipation Notes Financed Fund administers the proceeds from the grant anticipation notes issued by the Arizona Department of Transportation Board. These monies are expended for the acquisition of right-of-way purchases or the construction of certain controlled access highways within Maricopa County.

Certificates of Participation Financed Fund administers the proceeds from the certificates of participation issued by the State of Arizona (acting by and through the Director of the Department of Administration). These monies are expended on various projects including new building construction and the development of the Human Resource Information System.

STATE OF ARIZONA
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2006
(Expressed in Thousands)

	DEPARTMENT OF TRANSPORTATION FINANCED	GRANT ANTICIPATION NOTES FINANCED	CERTIFICATES OF PARTICIPATION FINANCED	TOTAL
ASSETS				
Cash and pooled investments with State Treasurer	\$ -	\$ -	\$ 2,555	\$ 2,555
Interest receivable	81	-	-	81
Restricted assets:				
Cash and pooled investments with State Treasurer	20,363	-	-	20,363
Cash held by trustee	-	-	3,746	3,746
Total Assets	\$ 20,444	\$ -	\$ 6,301	\$ 26,745
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and other current liabilities	\$ -	\$ -	\$ 45	\$ 45
Total Liabilities	-	-	45	45
Fund Balances:				
Reserved for:				
Highway construction	20,444	-	-	20,444
Other construction	-	-	6,256	6,256
Total Fund Balances	20,444	-	6,256	26,700
Total Liabilities and Fund Balances	\$ 20,444	\$ -	\$ 6,301	\$ 26,745

STATE OF ARIZONA
**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES**
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	DEPARTMENT OF TRANSPORTATION FINANCED	GRANT ANTICIPATION NOTES FINANCED	CERTIFICATES OF PARTICIPATION FINANCED	TOTAL
REVENUES				
Earnings on investments	\$ 2,521	\$ 289	\$ 139	\$ 2,949
Total Revenues	<u>2,521</u>	<u>289</u>	<u>139</u>	<u>2,949</u>
EXPENDITURES				
Current:				
Transportation	56	3,113	-	3,169
Debt service:				
Interest and other fiscal charges	683	-	11	694
Capital outlay	192,790	41,829	1,379	235,998
Total Expenditures	<u>193,529</u>	<u>44,942</u>	<u>1,390</u>	<u>239,861</u>
(Deficiency) of Revenues Over Expenditures	<u>(191,008)</u>	<u>(44,653)</u>	<u>(1,251)</u>	<u>(236,912)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	200	200
Transfers out	(1,333)	(883)	-	(2,216)
Bonds issued	118,250	-	-	118,250
Premium on bonds issued	7,450	-	-	7,450
Total Other Financing Sources (Uses)	<u>124,367</u>	<u>(883)</u>	<u>200</u>	<u>123,684</u>
Net Change in Fund Balances	<u>(66,641)</u>	<u>(45,536)</u>	<u>(1,051)</u>	<u>(113,228)</u>
Fund Balances - Beginning	<u>87,085</u>	<u>45,536</u>	<u>7,307</u>	<u>139,928</u>
Fund Balances - Ending	<u>\$ 20,444</u>	<u>\$ -</u>	<u>\$ 6,256</u>	<u>\$ 26,700</u>



NON-MAJOR ENTERPRISE FUNDS

Enterprise Funds account for operations (a) financed and operated in a manner similar to private business enterprises, where the State intends that the cost of providing goods or services to the general public be financed or recovered primarily through service charges, or (b) where the State decides that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The Arizona Industries for the Blind Fund accounts for the manufacturing, sale, distribution, and marketing of products manufactured by employees at training centers, workshops, business enterprises and home industries programs for the training and employment of adaptable visually impaired persons.

The Arizona Correctional Industries Fund employs prison inmates in its manufacturing, service, and agricultural operations for the sale of goods and services primarily to other State agencies (including the Arizona Department of Corrections) and political subdivisions.

The Arizona Highways Magazine Fund publishes and markets the Arizona Highways Magazine and various other products that promote the State of Arizona.

The Coliseum & Exposition Center Fund provides rental space to a variety of entertainment and promotional lessees, and sponsors the annual State Fair.

Highway Expansion & Extension Loan Program provides the State and communities in Arizona a new financing mechanism to stretch limited transportation dollars and bridge the gap between needs and available revenues.

The Healthcare Group of Arizona administers prepaid medical coverage primarily to small, uninsured businesses with 2 to 50 employees and employees of political subdivisions. The Healthcare Group of Arizona processes premium billing, collections and fund disbursements, and data analysis and is responsible for the regulatory oversight of the health plans.

The Other Enterprise Funds consist of the State Hospital Revolving Fund, the State Home for Veterans Trust Fund, and the Arizona Beef Council.

STATE OF ARIZONA
COMBINING STATEMENT OF NET ASSETS
NON-MAJOR ENTERPRISE FUNDS
JUNE 30, 2006
(Expressed in Thousands)

	ARIZONA INDUSTRIES FOR THE BLIND	ARIZONA CORRECTIONAL INDUSTRIES	ARIZONA HIGHWAYS MAGAZINE	COLISEUM & EXPOSITION CENTER	HIGHWAY EXPANSION & EXTENSION LOAN PROGRAM
ASSETS					
Current Assets:					
Cash	\$ 182	\$ 168	\$ -	\$ 21	\$ -
Cash and pooled investments with State Treasurer	2,753	3,052	2,324	6,084	-
Restricted cash and pooled investments with State Treasurer	-	-	-	-	88,486
Short-term investments	-	-	-	-	-
Receivables, net of allowances:					
Interest	3	14	10	-	431
Loans and notes	-	-	-	-	7,486
Other	917	3,120	371	68	-
Due from U.S. Government	71	-	-	-	-
Due from local governments	-	-	-	-	120
Due from other Funds	3	-	-	-	131,305
Inventories, at cost	2,375	3,655	1,024	-	-
Other current assets	-	81	299	252	-
Total Current Assets	<u>6,304</u>	<u>10,090</u>	<u>4,028</u>	<u>6,425</u>	<u>227,828</u>
Noncurrent Assets:					
Restricted assets:					
Cash and pooled investments with State Treasurer	-	-	-	872	-
Loans and notes receivable, net of allowances	-	-	-	-	10,107
Capital assets:					
Infrastructure, land, and other non-depreciable Depreciable buildings, property and equipment, net of accumulated depreciation	182	716	8	2,436	-
Total Noncurrent Assets	<u>1,553</u>	<u>3,080</u>	<u>249</u>	<u>6,643</u>	<u>10,107</u>
Total Assets	<u>7,857</u>	<u>13,170</u>	<u>4,277</u>	<u>13,068</u>	<u>237,935</u>
LIABILITIES					
Current Liabilities:					
Accounts payable and other current liabilities	860	2,069	239	458	-
Accrued liabilities	184	117	107	128	5
Due to others	-	-	-	-	-
Due to other Funds	-	-	-	-	170,494
Unearned deferred revenue	-	-	3,592	-	-
Current portion of other long-term liabilities	167	263	122	229	13
Total Current Liabilities	<u>1,211</u>	<u>2,449</u>	<u>4,060</u>	<u>815</u>	<u>170,512</u>
Noncurrent Liabilities:					
Contracts Payable	-	-	-	-	-
Long-term debt	-	-	-	40	-
Other long-term liabilities	68	-	-	-	-
Total Noncurrent Liabilities	<u>68</u>	<u>-</u>	<u>-</u>	<u>40</u>	<u>-</u>
Total Liabilities	<u>1,279</u>	<u>2,449</u>	<u>4,060</u>	<u>855</u>	<u>170,512</u>
NET ASSETS					
Invested in capital assets, net of related debt	1,553	3,080	249	5,731	-
Restricted for:					
Loans and other financial assistance:					
Expendable	-	-	-	-	67,423
Other	-	-	-	-	-
Unrestricted (deficit)	5,025	7,641	(32)	6,482	-
Total Net Assets	<u>\$ 6,578</u>	<u>\$ 10,721</u>	<u>\$ 217</u>	<u>\$ 12,213</u>	<u>\$ 67,423</u>

HEALTHCARE
GROUP OF
ARIZONA

	OTHER	TOTAL
\$ -	\$ 297	\$ 668
14,310	570	29,093
-	-	88,486
-	42	42
-	5	463
-	-	7,486
15	1,768	6,259
-	-	71
-	-	120
-	2	131,310
-	-	7,054
-	-	632
<u>14,325</u>	<u>2,684</u>	<u>271,684</u>
-	-	872
-	-	10,107
-	980	4,322
<u>152</u>	<u>9,244</u>	<u>16,707</u>
<u>152</u>	<u>10,224</u>	<u>32,008</u>
<u>14,477</u>	<u>12,908</u>	<u>303,692</u>
456	244	4,326
7,378	376	8,295
-	135	135
65	1	170,560
8,097	-	11,689
52	-	846
<u>16,048</u>	<u>756</u>	<u>195,851</u>
2,125	-	2,125
-	-	40
-	-	68
<u>2,125</u>	<u>-</u>	<u>2,233</u>
<u>18,173</u>	<u>756</u>	<u>198,084</u>
152	10,224	20,989
-	-	67,423
62	-	62
<u>(3,910)</u>	<u>1,928</u>	<u>17,134</u>
<u>\$ (3,696)</u>	<u>\$ 12,152</u>	<u>\$ 105,608</u>

STATE OF ARIZONA
**COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS**
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	ARIZONA INDUSTRIES FOR THE BLIND	ARIZONA CORRECTIONAL INDUSTRIES	ARIZONA HIGHWAYS MAGAZINE	COLISEUM & EXPOSITION CENTER	HIGHWAY EXPANSION & EXTENSION LOAN PROGRAM
OPERATING REVENUES					
Sales and charges for services	\$ 14,390	\$ 26,547	\$ 7,579	\$ 12,371	\$ -
Intergovernmental	588	-	-	-	-
Licenses, fees, and permits	-	-	-	-	-
Earnings on investments	-	-	-	-	3,281
Other	95	-	433	1,691	-
Total Operating Revenues	<u>15,073</u>	<u>26,547</u>	<u>8,012</u>	<u>14,062</u>	<u>3,281</u>
OPERATING EXPENSES					
Cost of sales and benefits	8,866	21,988	4,866	2,042	1
Interest on notes payable	-	-	-	-	4,040
Personal services	4,364	2,207	2,364	5,241	134
Contractual services	1,096	90	444	3,371	96
Depreciation and amortization	397	444	256	879	-
Insurance	-	-	-	347	-
Other	769	1,251	241	1,024	3
Total Operating Expenses	<u>15,492</u>	<u>25,980</u>	<u>8,171</u>	<u>12,904</u>	<u>4,274</u>
Operating Income (Loss)	<u>(419)</u>	<u>567</u>	<u>(159)</u>	<u>1,158</u>	<u>(993)</u>
NON-OPERATING REVENUES (EXPENSES)					
Gain (Loss) on sale of capital assets	-	184	(2)	-	-
Investment income	15	88	86	293	3,541
Other non-operating revenue	10	-	-	399	-
Interest expense	(1)	-	-	-	-
Total Non-Operating Revenues (Expenses)	<u>24</u>	<u>272</u>	<u>84</u>	<u>692</u>	<u>3,541</u>
Income (Loss) Before Contributions and Transfers	<u>(395)</u>	<u>839</u>	<u>(75)</u>	<u>1,850</u>	<u>2,548</u>
Transfers in	110	-	-	-	-
Transfers out	-	(988)	-	-	-
Change in Net Assets	(285)	(149)	(75)	1,850	2,548
Total Net Assets - Beginning	<u>6,863</u>	<u>10,870</u>	<u>292</u>	<u>10,363</u>	<u>64,875</u>
Total Net Assets - Ending	<u>\$ 6,578</u>	<u>\$ 10,721</u>	<u>\$ 217</u>	<u>\$ 12,213</u>	<u>\$ 67,423</u>

HEALTHCARE		
GROUP OF		
ARIZONA	OTHER	TOTAL
\$ 50,392	\$ 11,187	\$ 122,466
-	-	588
-	723	723
-	-	3,281
-	338	2,557
<u>50,392</u>	<u>12,248</u>	<u>129,615</u>
51,354	377	89,494
-	-	4,040
2,462	10,162	26,934
2,019	240	7,356
26	320	2,322
-	156	503
668	2,288	6,244
<u>56,529</u>	<u>13,543</u>	<u>136,893</u>
<u>(6,137)</u>	<u>(1,295)</u>	<u>(7,278)</u>
(96)	-	86
310	48	4,381
188	-	597
-	-	(1)
<u>402</u>	<u>48</u>	<u>5,063</u>
(5,735)	(1,247)	(2,215)
-	-	110
-	-	(988)
(5,735)	(1,247)	(3,093)
<u>2,039</u>	<u>13,399</u>	<u>108,701</u>
<u>\$ (3,696)</u>	<u>\$ 12,152</u>	<u>\$ 105,608</u>

STATE OF ARIZONA
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	ARIZONA INDUSTRIES FOR THE BLIND	ARIZONA CORRECTIONAL INDUSTRIES	ARIZONA HIGHWAYS MAGAZINE	COLISEUM & EXPOSITION CENTER	HIGHWAY EXPANSION & EXTENSION LOAN PROGRAM
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 15,276	\$ 26,022	\$ 7,687	\$ 12,326	\$ 7,090
Receipts from federal and local governments	621	-	-	-	-
Receipts from other Funds	-	-	40	-	19,192
Payments to suppliers or insurance companies	(7,610)	(22,137)	(5,318)	(6,499)	(31)
Payments to employees	(4,443)	(2,401)	(2,366)	(5,186)	(131)
Payments to other Funds	-	-	-	-	(35,921)
Other receipts (payments)	(1,769)	-	429	1,691	(2)
Net Cash Provided (Used) by Operating Activities	<u>2,075</u>	<u>1,484</u>	<u>472</u>	<u>2,332</u>	<u>(9,803)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers from other Funds	93	-	-	-	-
Transfers to other Funds	-	(988)	-	-	-
Grants and contributions received	9	-	-	-	-
Other receipts	-	-	-	399	-
Net Cash Provided (Used) by Non-capital Financing Activities	<u>102</u>	<u>(988)</u>	<u>-</u>	<u>399</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(47)	(781)	(8)	(2,685)	-
Principal paid on capital debt, installment purchase contracts, and capital leases	-	-	-	(18)	-
Net Cash (Used) by Capital and Related Financing Activities	<u>(47)</u>	<u>(781)</u>	<u>(8)</u>	<u>(2,703)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends from investments	12	90	86	293	3,383
Purchase of investments	-	-	-	-	-
Net Cash Provided by Investing Activities	<u>12</u>	<u>90</u>	<u>86</u>	<u>293</u>	<u>3,383</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,142	(195)	550	321	(6,420)
Cash and Cash Equivalents - Beginning	793	3,415	1,774	6,656	94,906
Cash and Cash Equivalents - Ending	<u>\$ 2,935</u>	<u>\$ 3,220</u>	<u>\$ 2,324</u>	<u>\$ 6,977</u>	<u>\$ 88,486</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (419)	\$ 567	\$ (159)	\$ 1,158	\$ (993)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	397	444	256	879	-
Net changes in assets and liabilities:					
(Increase) decrease in receivables, net of allowances	886	(525)	124	(45)	-
Decrease in due from U.S. Government	33	-	-	-	-
Decrease in due from local governments	-	-	-	-	83
(Increase) decrease in due from other Funds	-	-	(4)	-	(12,936)
Decrease in inventories, at cost	1,020	73	113	-	-
(Increase) decrease in other assets	-	59	(8)	(38)	-
Increase in accounts payable	275	1,060	128	323	-
Increase (decrease) in accrued liabilities	(32)	(94)	-	27	-
Increase in due to others	-	-	-	-	-
Increase in due to other Funds	-	-	-	-	4,040
Increase in deferred revenue	-	-	24	-	-
Increase in contracts payable	-	-	-	-	-
Increase (decrease) in other liabilities	(85)	(100)	(2)	28	3
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,075</u>	<u>\$ 1,484</u>	<u>\$ 472</u>	<u>\$ 2,332</u>	<u>\$ (9,803)</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL AND NON-CAPITAL FINANCING ACTIVITIES					
Change in fair value of investments	\$ -	\$ -	\$ -	\$ -	\$ 109
Total Noncash Investing, Capital and Non-capital Financing Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109</u>

HEALTHCARE GROUP OF ARIZONA			OTHER	TOTAL
\$	51,769	\$	11,625	\$ 131,795
	-		-	621
	-		-	19,232
	(48,493)		(2,900)	(92,988)
	(2,491)		(10,070)	(27,088)
	-		-	(35,921)
	-		338	687
	<u>785</u>		<u>(1,007)</u>	<u>(3,662)</u>
	3,480		-	3,573
	-		-	(988)
	188		-	197
	-		-	399
	<u>3,668</u>		<u>-</u>	<u>3,181</u>
	(82)		(1)	(3,604)
	-		-	(18)
	<u>(82)</u>		<u>(1)</u>	<u>(3,622)</u>
	310		46	4,220
	-		(1)	(1)
	<u>310</u>		<u>45</u>	<u>4,219</u>
	4,681		(963)	116
	9,629		1,830	119,003
\$	<u>14,310</u>	\$	<u>867</u>	<u>119,119</u>
\$	(6,137)	\$	(1,295)	\$ (7,278)
	26		320	2,322
	-		(326)	114
	-		-	33
	-		-	83
	-		41	(12,899)
	-		2	1,208
	-		-	13
	121		119	2,026
	3,302		92	3,295
	-		40	40
	-		-	4,040
	1,377		-	1,401
	2,125		-	2,125
	(29)		-	(185)
\$	<u>785</u>	\$	<u>(1,007)</u>	<u>(3,662)</u>
\$	<u>(3)</u>	\$	<u>-</u>	<u>106</u>
\$	<u>(3)</u>	\$	<u>-</u>	<u>106</u>



INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods and services provided by one State department or agency to other State departments or agencies on a cost-reimbursement basis.

The Risk Management Fund provides insurance coverage to all State agencies using an optimal combination of self-insurance and private excess insurance. It includes the Workers' Compensation section that receives monies from State agencies and uses these monies to pay for insurance and risk management services including loss control services and self-insured liability losses.

The Transportation Equipment Fund administers the purchase, storage and distribution of supplies, equipment and furniture for other Department of Transportation Funds.

The Employee Benefits Fund (HITF) administers the State's benefits program available to State employees and retirees.

The Telecommunications Fund receives monies from State agencies for services related to administering the State's contracts for the installation and maintenance of telecommunications equipment through the telecommunications program office.

The Technology Fund receives monies from State agencies for services related to the implementation and operation of automation programs throughout the State.

The Retiree Accumulated Sick Leave Fund (RASL) accounts for monies paid out to retirees for their accumulated sick leave.

The Motor Pool Fund receives monies from State agencies for the use of State vehicles and uses these monies for operation of the State Motor Pool.

STATE OF ARIZONA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2006
(Expressed in Thousands)

	RISK MANAGEMENT	TRANSPORTATION EQUIPMENT	EMPLOYEE BENEFITS	TELE- COMMUNICATION	TECHNOLOGY
ASSETS					
Current Assets:					
Cash and pooled investments with State Treasurer	\$ 33,936	\$ 5,157	\$ 47,021	\$ 1,601	\$ 7,731
Receivables, net of allowances:					
Interest	-	11	-	-	-
Other	57	-	3,886	353	1,880
Due from other Funds	474	-	-	-	2,141
Inventories, at cost	-	2,925	-	-	13
Other current assets	4,920	-	72	-	2,178
Total Current Assets	<u>39,387</u>	<u>8,093</u>	<u>50,979</u>	<u>1,954</u>	<u>13,943</u>
Noncurrent Assets:					
Capital assets:					
Depreciable buildings, property and equipment, net of accumulated depreciation	93	53,382	27	1,268	2,057
Total Noncurrent Assets	<u>93</u>	<u>53,382</u>	<u>27</u>	<u>1,268</u>	<u>2,057</u>
Total Assets	<u>39,480</u>	<u>61,475</u>	<u>51,006</u>	<u>3,222</u>	<u>16,000</u>
LIABILITIES					
Current Liabilities:					
Accounts payable and other current liabilities	2,626	234	49,372	134	3,223
Accrued liabilities	197	1,130	77	-	-
Due to other Funds	29	-	1,011	1,076	2
Current portion of accrued insurance losses	53,366	-	-	-	-
Current portion of long-term debt	-	2,579	-	-	-
Current portion of other long-term liabilities	247	-	119	53	499
Total Current Liabilities	<u>56,465</u>	<u>3,943</u>	<u>50,579</u>	<u>1,263</u>	<u>3,724</u>
Noncurrent Liabilities:					
Accrued insurance losses	313,834	-	-	-	-
Long-term debt	-	8,551	-	-	-
Other long-term liabilities	-	-	-	-	-
Total Noncurrent Liabilities	<u>313,834</u>	<u>8,551</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>370,299</u>	<u>12,494</u>	<u>50,579</u>	<u>1,263</u>	<u>3,724</u>
NET ASSETS					
Invested in capital assets, net of related debt	93	42,252	27	1,268	2,057
Unrestricted (deficit)	(330,912)	6,729	400	691	10,219
Total Net Assets	<u>\$ (330,819)</u>	<u>\$ 48,981</u>	<u>\$ 427</u>	<u>\$ 1,959</u>	<u>\$ 12,276</u>

RETIREE SICK LEAVE	MOTOR POOL	TOTAL
\$ 8,132	\$ 10,848	\$ 114,426
-	-	11
-	723	6,899
-	852	3,467
-	35	2,973
-	6	7,176
<u>8,132</u>	<u>12,464</u>	<u>134,952</u>
-	12,884	69,711
-	<u>12,884</u>	<u>69,711</u>
<u>8,132</u>	<u>25,348</u>	<u>204,663</u>
-	560	56,149
-	-	1,404
-	-	2,118
-	-	53,366
-	-	2,579
6,940	33	7,891
<u>6,940</u>	<u>593</u>	<u>123,507</u>
-	-	313,834
-	-	8,551
4,455	-	4,455
<u>4,455</u>	<u>-</u>	<u>326,840</u>
<u>11,395</u>	<u>593</u>	<u>450,347</u>
-	12,884	58,581
(3,263)	11,871	(304,265)
<u>\$ (3,263)</u>	<u>\$ 24,755</u>	<u>\$ (245,684)</u>

STATE OF ARIZONA
**COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS**
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	RISK MANAGEMENT	TRANSPORTATION EQUIPMENT	EMPLOYEE BENEFITS	TELE- COMMUNICATION	TECHNOLOGY
OPERATING REVENUES					
Sales and charges for services	\$ 94,633	\$ 37,790	\$ 547,167	\$ 1,972	\$ 19,937
Other	-	626	-	55	-
Total Operating Revenues	<u>94,633</u>	<u>38,416</u>	<u>547,167</u>	<u>2,027</u>	<u>19,937</u>
OPERATING EXPENSES					
Cost of sales and benefits	-	16,421	552,406	97	8,402
Personal services	4,956	12,584	-	855	8,629
Contractual services	27,693	222	-	165	608
Depreciation and amortization	71	8,013	-	924	1,471
Insurance	114,553	605	-	26	187
Other	903	1,516	-	1,334	1,939
Total Operating Expenses	<u>148,176</u>	<u>39,361</u>	<u>552,406</u>	<u>3,401</u>	<u>21,236</u>
Operating Income (Loss)	<u>(53,543)</u>	<u>(945)</u>	<u>(5,239)</u>	<u>(1,374)</u>	<u>(1,299)</u>
NON-OPERATING REVENUES (EXPENSES)					
Gain on sale of capital assets	-	199	-	-	-
Investment income	-	188	-	-	-
Interest expense	-	(356)	-	-	-
Other non-operating revenue	139	-	-	-	-
Total Non-Operating Revenues (Expenses)	<u>139</u>	<u>31</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	<u>(53,404)</u>	<u>(914)</u>	<u>(5,239)</u>	<u>(1,374)</u>	<u>(1,299)</u>
Capital grants and contributions	-	3,903	-	-	-
Transfers out	<u>(814)</u>	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(1)</u>
Change in Net Assets	(54,218)	2,989	(5,239)	(1,378)	(1,300)
Total Net Assets - Beginning	<u>(276,601)</u>	<u>45,992</u>	<u>5,666</u>	<u>3,337</u>	<u>13,576</u>
Total Net Assets - Ending	<u>\$ (330,819)</u>	<u>\$ 48,981</u>	<u>\$ 427</u>	<u>\$ 1,959</u>	<u>\$ 12,276</u>

RETIREE SICK LEAVE	MOTOR POOL	TOTAL
\$ 12,149	\$ 11,084	\$ 724,732
-	-	681
12,149	11,084	725,413
11,219	5,164	593,709
98	696	27,818
2	158	28,848
-	2,511	12,990
4	1,429	116,804
-	613	6,305
11,323	10,571	786,474
826	513	(61,061)
-	154	353
-	-	188
-	-	(356)
-	-	139
-	154	324
826	667	(60,737)
-	793	4,696
-	(2)	(821)
826	1,458	(56,862)
(4,089)	23,297	(188,822)
\$ (3,263)	\$ 24,755	\$ (245,684)

STATE OF ARIZONA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	RISK MANAGEMENT	TRANSPORTATION EQUIPMENT	EMPLOYEE BENEFITS	TELE- COMMUNICATION
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from interfund services / premiums	\$ 94,203	\$ 37,790	\$ 552,214	\$ 4,374
Payments to suppliers or insurance companies	(84,449)	(18,706)	(554,940)	(750)
Payments to employees	(4,758)	(12,542)	-	(1,349)
Payments to retirees	-	-	-	-
Other receipts	-	626	-	67
Net Cash Provided (Used) by Operating Activities	<u>4,996</u>	<u>7,168</u>	<u>(2,726)</u>	<u>2,342</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers from other Funds	-	-	-	859
Interest paid	-	(356)	-	-
Transfers to other Funds	(814)	-	-	(10,874)
Other receipts	139	-	-	-
Net Cash Provided (Used) by Non-capital Financing Activities	<u>(675)</u>	<u>(356)</u>	<u>-</u>	<u>(10,015)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of capital assets	-	748	10	-
Acquisition and construction of capital assets	(18)	(6,152)	-	(697)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(18)</u>	<u>(5,404)</u>	<u>10</u>	<u>(697)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends from investments	-	188	-	-
Net Cash Provided by Investing Activities	<u>-</u>	<u>188</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,303	1,596	(2,716)	(8,370)
Cash and Cash Equivalents - Beginning	<u>29,633</u>	<u>3,561</u>	<u>49,737</u>	<u>9,971</u>
Cash and Cash Equivalents - Ending	<u>\$ 33,936</u>	<u>\$ 5,157</u>	<u>\$ 47,021</u>	<u>\$ 1,601</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (53,543)	\$ (945)	\$ (5,239)	\$ (1,374)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	71	8,013	-	924
Net changes in assets and liabilities:				
(Increase) decrease in receivables, net of allowances	-	-	5,047	1,103
(Increase) decrease in due from other Funds	(430)	-	-	1,573
(Increase) in inventories, at cost	-	(128)	-	-
(Increase) decrease in other assets	(3,340)	-	(72)	562
Increase (decrease) in accounts payable	(3,566)	84	(2,900)	(979)
Increase in accrued liabilities	197	713	77	-
Increase (decrease) in due to other Funds	6	-	350	1,071
Increase in accrued insurance losses	65,600	-	-	-
Increase (decrease) in other liabilities	1	(569)	11	(538)
Net Cash Provided (Used) by Operating Activities	<u>\$ 4,996</u>	<u>\$ 7,168</u>	<u>\$ (2,726)</u>	<u>\$ 2,342</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL AND NON-CAPITAL FINANCING ACTIVITIES				
Assets acquired under capital leases	\$ -	\$ 5,220	\$ -	\$ -
Contribution of capital assets from other funds	-	3,903	-	-
Total Noncash Investing, Capital and Non-capital Financing Activities	<u>\$ -</u>	<u>\$ 9,123</u>	<u>\$ -</u>	<u>\$ -</u>

TECHNOLOGY	RETIREE SICK LEAVE	MOTOR POOL	TOTAL
\$ 17,320	\$ 12,149	\$ 11,381	\$ 729,431
(11,321)	-	(7,471)	(677,637)
(8,091)	(98)	(696)	(27,534)
-	(9,785)	-	(9,785)
-	-	-	693
<u>(2,092)</u>	<u>2,266</u>	<u>3,214</u>	<u>15,168</u>
10,010	-	-	10,869
-	-	-	(356)
(10)	-	(2)	(11,700)
-	-	-	139
<u>10,000</u>	<u>-</u>	<u>(2)</u>	<u>(1,048)</u>
-	-	-	758
<u>(177)</u>	<u>-</u>	<u>(2,996)</u>	<u>(10,040)</u>
<u>(177)</u>	<u>-</u>	<u>(2,996)</u>	<u>(9,282)</u>
-	-	-	188
<u>-</u>	<u>-</u>	<u>-</u>	<u>188</u>
7,731	2,266	216	5,026
-	5,866	10,632	109,400
<u>\$ 7,731</u>	<u>\$ 8,132</u>	<u>\$ 10,848</u>	<u>\$ 114,426</u>
\$ (1,299)	\$ 826	\$ 513	\$ (61,061)
1,471	-	2,511	12,990
(1,656)	-	8	4,502
(2,141)	-	289	(709)
(13)	-	(14)	(155)
(2,178)	-	-	(5,028)
3,223	-	(91)	(4,229)
-	-	-	987
2	-	(2)	1,427
-	-	-	65,600
499	1,440	-	844
<u>\$ (2,092)</u>	<u>\$ 2,266</u>	<u>\$ 3,214</u>	<u>\$ 15,168</u>
\$ -	\$ -	\$ -	\$ 5,220
<u>-</u>	<u>-</u>	<u>-</u>	<u>3,903</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,123</u>



PENSION TRUST FUNDS

Pension Trust Funds account for transactions of the four public employee retirement systems for which the State acts as trustee.

The Arizona State Retirement System is a cost-sharing, multiple-employer pension system that benefits employees of public schools, the State and its political subdivisions.

The Public Safety Personnel Retirement System is an agent multiple-employer pension system that benefits fire fighters and police officers employed by the State and its political subdivisions.

The Elected Officials' Retirement Plan is a cost-sharing, multiple-employer pension plan that benefits all elected State and county officials and judges and certain elected city officials.

The Corrections Officer Retirement Plan is an agent multiple-employer pension plan that benefits town, city and county detention officers and certain employees of the State's Department of Corrections and Department of Juvenile Corrections.

STATE OF ARIZONA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
JUNE 30, 2006
(Expressed in Thousands)

	STATE RETIREMENT	PUBLIC SAFETY	ELECTED OFFICIALS'	CORRECTIONS OFFICER	TOTAL
ASSETS					
Cash	\$ 27,066	\$ 584	\$ 915	\$ 84	\$ 28,649
Prepaid benefits	120,076	-	-	-	120,076
Receivables, net of allowances:					
Accrued interest and dividends	57,466	19,980	1,315	3,582	82,343
Securities sold	371,018	-	-	-	371,018
Forward contract receivable	1,889,592	-	-	-	1,889,592
Contributions	31,388	6,149	240	1,909	39,686
Court fees	-	-	341	-	341
Due from other Funds	-	-	320	-	320
Miscellaneous receivables	4,571	214	-	-	4,785
Total receivables	<u>2,354,035</u>	<u>26,343</u>	<u>2,216</u>	<u>5,491</u>	<u>2,388,085</u>
Investments, at fair value:					
Temporary investments	1,876,609	-	-	-	1,876,609
Temporary investments from securities lending	2,265,754	-	-	-	2,265,754
U.S. Government securities	3,858,714	449,168	27,927	75,553	4,411,362
Corporate bonds	1,972,262	592,358	41,363	107,348	2,713,331
Corporate notes	-	235,731	13,343	44,788	293,862
Corporate stocks	16,743,086	3,436,622	230,181	600,804	21,010,693
Real estate mortgages and contracts	245,787	-	-	-	245,787
Collateral investment pool	-	912,039	72,192	137,547	1,121,778
Other investments	-	162,164	11,013	27,531	200,708
Total investments	<u>26,962,212</u>	<u>5,788,082</u>	<u>396,019</u>	<u>993,571</u>	<u>34,139,884</u>
Property and equipment, net of accumulated depreciation	-	3,582	239	626	4,447
Total Assets	<u>29,463,389</u>	<u>5,818,591</u>	<u>399,389</u>	<u>999,772</u>	<u>36,681,141</u>
LIABILITIES					
Accounts payable and other current liabilities	1,916,492	153	45	122	1,916,812
Payable for securities purchased	895,749	-	-	-	895,749
Obligation under securities loan agreements	2,265,754	912,039	72,192	137,547	3,387,532
Due to other Funds	-	-	-	320	320
Total Liabilities	<u>5,077,995</u>	<u>912,192</u>	<u>72,237</u>	<u>137,989</u>	<u>6,200,413</u>
NET ASSETS					
Held in Trust for Pension Benefits	<u>\$ 24,385,394</u>	<u>\$ 4,906,399</u>	<u>\$ 327,152</u>	<u>\$ 861,783</u>	<u>\$ 30,480,728</u>

STATE OF ARIZONA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	STATE RETIREMENT	PUBLIC SAFETY	ELECTED OFFICIALS'	CORRECTIONS OFFICER	TOTAL
ADDITIONS:					
Member contributions	\$ 612,121	\$ 75,616	\$ 3,811	\$ 37,134	\$ 728,682
Employer contributions	612,121	127,219	7,625	24,028	770,993
Member purchase of service credit	124,024	9,409	2,430	994	136,857
Court fees	-	-	3,855	-	3,855
Investment income:					
Net increase in fair value of investments	1,758,899	237,239	14,718	39,303	2,050,159
Interest income	271,299	86,613	5,883	15,359	379,154
Dividends	232,692	55,502	3,781	9,514	301,489
Real estate	8,150	-	-	-	8,150
Other investment income	6,062	-	-	-	6,062
Securities lending income	89,084	972	87	190	90,333
Total investment income	2,366,186	380,326	24,469	64,366	2,835,347
Less investment expenses:					
Investment activity expenses	51,957	814	61	168	53,000
Security lending expenses	83,290	-	-	-	83,290
Net investment income	2,230,939	379,512	24,408	64,198	2,699,057
Other additions	1,727	1,125	1,704	1,234	5,790
Total Additions	3,580,932	592,881	43,833	127,588	4,345,234
DEDUCTIONS:					
Retirement and disability benefits	1,686,090	284,028	27,909	36,709	2,034,736
Death benefits	17,125	-	-	-	17,125
Refunds to withdrawing members, including interest	60,313	7,225	7	15,741	83,286
Administrative expense	32,145	2,980	248	674	36,047
Other deductions	7,250	291	11	1,555	9,107
Total Deductions	1,802,923	294,524	28,175	54,679	2,180,301
Change in net assets held in trust for pension benefits	1,778,009	298,357	15,658	72,909	2,164,933
Net Assets - Beginning	22,607,385	4,608,042	311,494	788,874	28,315,795
Net Assets - Ending	\$ 24,385,394	\$ 4,906,399	\$ 327,152	\$ 861,783	\$ 30,480,728



INVESTMENT TRUST FUNDS

Investment Trust Funds account for assets held by the State in a trustee capacity for local governments and political subdivisions of the State of Arizona which have elected to invest idle cash with the State Treasurer's Office. The Treasurer acts as trustee for the deposits made by participants.

Central Arizona Water Conservation District is an Investment Trust Account composed of corporate debt and United States Government securities. The Central Arizona Water Conservation District is the only participant in the account.

Local Government Investment Pool is an Investment Trust Account composed of corporate debt, negotiable certificates of deposit and United States Government securities.

Local Government Investment Pool-Government is an Investment Trust Account composed of repurchase agreements and United States Government securities. All investments of the fund are backed by the full faith and credit of the United States Government.

STATE OF ARIZONA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
JUNE 30, 2006
(Expressed in Thousands)

	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	LOCAL GOVERNMENT INVESTMENT POOL	LOCAL GOVERNMENT INVESTMENT POOL- GOVERNMENT	TOTAL
ASSETS				
Receivables, net of allowances:				
Accrued interest and dividends	\$ 817	\$ 4,463	\$ 3,495	\$ 8,775
Total receivables	<u>817</u>	<u>4,463</u>	<u>3,495</u>	<u>8,775</u>
Investments, at fair value:				
U.S. Government securities	89,570	544,668	447,646	1,081,884
Corporate bonds	11,535	861,678	-	873,213
Repurchase agreements	-	40,716	1,223,980	1,264,696
Money market mutual funds	3,065	5,638	-	8,703
Total investments	<u>104,170</u>	<u>1,452,700</u>	<u>1,671,626</u>	<u>3,228,496</u>
Total Assets	<u>104,987</u>	<u>1,457,163</u>	<u>1,675,121</u>	<u>3,237,271</u>
LIABILITIES				
Due to local governments	<u>943</u>	<u>2,250</u>	<u>2,041</u>	<u>5,234</u>
Total Liabilities	<u>943</u>	<u>2,250</u>	<u>2,041</u>	<u>5,234</u>
NET ASSETS				
Held in trust for pool participants	<u>\$ 104,044</u>	<u>\$ 1,454,913</u>	<u>\$ 1,673,080</u>	<u>\$ 3,232,037</u>
Net assets consist of:				
Participant shares outstanding	104,044	1,454,913	1,673,080	3,232,037
Participants' net asset value (net assets/shares outstanding)	\$ 1.00	\$ 1.00	\$ 1.00	

STATE OF ARIZONA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2006
(Expressed in Thousands)

	CENTRAL ARIZONA WATER CONSERVATION DISTRICT	LOCAL GOVERNMENT INVESTMENT POOL	LOCAL GOVERNMENT INVESTMENT POOL- GOVERNMENT	TOTAL
ADDITIONS:				
Investment income:				
Net increase (decrease) in fair value of investments	\$ (1,563)	\$ 2,380	\$ (833)	\$ (16)
Interest income	4,307	67,423	56,854	128,584
Total investment income	2,744	69,803	56,021	128,568
Less: Investment activity expenses	85	1,330	1,178	2,593
Net investment income	2,659	68,473	54,843	125,975
Capital share and individual account transactions:				
Shares sold	161	2,371,828	2,176,554	4,548,543
Reinvested interest income	4,079	61,197	52,474	117,750
Shares redeemed	(5,212)	(2,628,541)	(1,965,428)	(4,599,181)
Net capital share and individual account transactions	(972)	(195,516)	263,600	67,112
Total Additions	1,687	(127,043)	318,443	193,087
DEDUCTIONS:				
Dividends to investors	2,659	68,473	54,843	125,975
Total Deductions	2,659	68,473	54,843	125,975
Change in net assets held in trust for pool participants	(972)	(195,516)	263,600	67,112
Net Assets - Beginning	105,016	1,650,429	1,409,480	3,164,925
Net Assets - Ending	\$ 104,044	\$ 1,454,913	\$ 1,673,080	\$ 3,232,037



AGENCY FUNDS

Agency Funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the State, where the State acts as an agent for distribution to other governmental units or organizations.

The Treasurer Custodial Securities Fund consists of securities held by the State Treasurer for various State agencies as required by statute.

The Other Treasurer Funds account for other various deposits that are required to be made by other governmental units or organizations with the State Treasurer.

The Other Funds consist of various funds where the State acts as an agent for distribution to other governmental units or organizations.



STATE OF ARIZONA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2006
 (Expressed in Thousands)

	TREASURER CUSTODIAL SECURITIES FUND	OTHER TREASURER FUNDS	OTHER FUNDS	TOTAL
ASSETS				
Cash	\$ -	\$ -	\$ 41,132	\$ 41,132
Cash and pooled investments with State Treasurer	-	38,059	338,740	376,799
Short-term investments	-	-	5,906	5,906
Receivables, net of allowances:				
Accrued interest and dividends	-	111	675	786
Due from others	-	-	92,983	92,983
Custodial securities in safekeeping	2,578,150	-	63,426	2,641,576
Other assets	-	-	4,072	4,072
Total Assets	\$ 2,578,150	\$ 38,170	\$ 546,934	\$ 3,163,254
LIABILITIES				
Accounts payable and other current liabilities	\$ -	\$ 392	\$ 187,882	\$ 188,274
Accrued liabilities	-	-	8,112	8,112
Due to local governments	-	18,210	845	19,055
Due to others	2,578,150	19,568	350,095	2,947,813
Total Liabilities	\$ 2,578,150	\$ 38,170	\$ 546,934	\$ 3,163,254

STATE OF ARIZONA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006
 (Expressed in Thousands)

	BALANCE JULY 1, 2005	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2006
TREASURER CUSTODIAL SECURITIES FUND				
Assets:				
Custodial securities in safekeeping	\$ 2,486,435	\$ 2,765,190	\$ 2,673,475	\$ 2,578,150
Total Assets	<u>\$ 2,486,435</u>	<u>\$ 2,765,190</u>	<u>\$ 2,673,475</u>	<u>\$ 2,578,150</u>
Liabilities:				
Due to others	\$ 2,486,435	\$ 2,765,190	\$ 2,673,475	\$ 2,578,150
Total Liabilities	<u>\$ 2,486,435</u>	<u>\$ 2,765,190</u>	<u>\$ 2,673,475</u>	<u>\$ 2,578,150</u>
 OTHER TREASURER FUNDS				
Assets:				
Cash and pooled investments with State Treasurer	\$ 18,412	\$ 512,745	\$ 493,098	\$ 38,059
Interest receivable	36	111	36	111
Total Assets	<u>\$ 18,448</u>	<u>\$ 512,856</u>	<u>\$ 493,134</u>	<u>\$ 38,170</u>
Liabilities:				
Accounts payable and other current liabilities	\$ 301	\$ 60,722	\$ 60,631	\$ 392
Due to local governments	5,377	410,295	397,462	18,210
Due to others	12,770	46,246	39,448	19,568
Total Liabilities	<u>\$ 18,448</u>	<u>\$ 517,263</u>	<u>\$ 497,541</u>	<u>\$ 38,170</u>

(Continued)

STATE OF ARIZONA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2006
 (Expressed in Thousands)

	BALANCE		BALANCE	
	JULY 1, 2005	ADDITIONS	DELETIONS	JUNE 30, 2006
OTHER FUNDS				
Assets:				
Cash	\$ 43,439	\$ 668,283	\$ 670,590	\$ 41,132
Cash and pooled investments with State Treasurer	298,106	5,498,223	5,457,589	338,740
Short-term investments	2,353	5,906	2,353	5,906
Receivables, net of allowances:				
Interest	267	671	263	675
Other	207	-	207	-
Due from others	90,945	92,983	90,945	92,983
Custodial securities in safekeeping	57,118	63,426	57,118	63,426
Other assets	3,609	4,072	3,609	4,072
Total Assets	<u>\$ 496,044</u>	<u>\$ 6,333,564</u>	<u>\$ 6,282,674</u>	<u>\$ 546,934</u>
Liabilities:				
Accounts payable and other current liabilities	\$ 159,493	\$ 7,648,836	\$ 7,620,447	\$ 187,882
Accrued liabilities	5,512	8,112	5,512	8,112
Due to local governments	741	1,933	1,829	845
Due to others	330,298	959,303	939,506	350,095
Total Liabilities	<u>\$ 496,044</u>	<u>\$ 8,618,184</u>	<u>\$ 8,567,294</u>	<u>\$ 546,934</u>

COMBINED TOTAL ALL AGENCY FUNDS

Assets:				
Cash	\$ 43,439	\$ 668,283	\$ 670,590	\$ 41,132
Cash and pooled investments with State Treasurer	316,518	6,010,968	5,950,687	376,799
Short-term investments	2,353	5,906	2,353	5,906
Receivables, net of allowances:				
Interest	303	782	299	786
Other	207	-	207	-
Due from others	90,945	92,983	90,945	92,983
Custodial securities in safekeeping	2,543,553	2,828,616	2,730,593	2,641,576
Other assets	3,609	4,072	3,609	4,072
Total Assets	<u>\$ 3,000,927</u>	<u>\$ 9,611,610</u>	<u>\$ 9,449,283</u>	<u>\$ 3,163,254</u>
Liabilities:				
Accounts payable and other current liabilities	\$ 159,794	\$ 7,709,558	\$ 7,681,078	\$ 188,274
Accrued liabilities	5,512	8,112	5,512	8,112
Due to local governments	6,118	412,228	399,291	19,055
Due to others	2,829,503	3,770,739	3,652,429	2,947,813
Total Liabilities	<u>\$ 3,000,927</u>	<u>\$ 11,900,637</u>	<u>\$ 11,738,310</u>	<u>\$ 3,163,254</u>



NON-MAJOR UNIVERSITIES – AFFILIATED COMPONENT UNITS

Component units affiliated with the Universities are legally separate, tax-exempt organizations controlled by separate Boards of Directors that meet the criteria established in GASB 39, with the exception of the Collegiate Golf Foundation and University of Arizona Campus Research Corporation (CRC). The Collegiate Golf Foundation is included because it is a legally separate organization that the State believes would be misleading to exclude due to its financial relationship to the State. The CRC is included because the U of A appoints a majority of the board of directors and approves the budget; the U of A can thus impose its will on the CRC.

The Northern Arizona University Foundation receives gifts and bequests, administers and invests securities and property, and disburses payments to and on behalf of the NAU for advancement of its mission.

The Northern Arizona Capital Facilities Finance Corporation was established for the purpose of acquiring, developing, constructing, maintaining and operating student housing and other capital facilities and equipment for the use and benefit of the NAU's students.

Mesa Student Housing, LLC provides facilities for either the use by students of ASU or ASU itself.

Sun Angel Foundation receives funds primarily through donations and dues, and contribute funds to ASU for support of various programs.

Sun Angel Endowment receives funds primarily through donations and dues, and contribute funds to ASU for support of various programs.

The Collegiate Golf Foundation operates an ASU-owned golf course.

Arizona State University Research Park, Inc. is developing a research park to promote and support research activities in coordination with ASU.

The Arizona State University Alumni Association receives funds primarily through donations and dues, and contribute funds to ASU for support of various programs.

The University of Arizona Law College Association was established to provide support and financial assistance to the College of Law at the U of A. The Law Association funds provide support to the College on many levels, from endowed student scholarships to named faculty professorships.

The University of Arizona Campus Research Corporation was established to assist the U of A in the acquisition, improvement, and operation of the U of A Science and Technology Park (Park) and related properties. The CRC currently leases from the U of A the remaining 32% of building space of the Park not leased to the Arizona Research Park Authority. The CRC is responsible for assisting in the development of the presently undeveloped portions of the Park and for subleasing unoccupied space, newly developed space, and space now occupied by IBM or its subtenants once the current subleases expire. The U of A is responsible for payment of operational expenses associated with the space occupied by the U of A departments, offices and programs.

The University of Arizona Alumni Association was established to serve the U of A and its graduates, former students, and friends by attracting, organizing and encouraging them to advance the U of A's missions - teaching, research, and public service.

STATE OF ARIZONA
COMBINING STATEMENT OF FINANCIAL POSITION
NON-MAJOR UNIVERSITIES - AFFILIATED COMPONENT UNITS
JUNE 30, 2006
(Expressed in Thousands)

	NORTHERN ARIZONA UNIVERSITY FOUNDATION	NORTHERN ARIZONA CAPITAL FACILITIES FINANCE CORP.	MESA STUDENT HOUSING	SUN ANGEL FOUNDATION	SUN ANGEL ENDOWMENT
ASSETS					
Cash and cash equivalent investments	\$ 2,726	\$ -	\$ 684	\$ 1,278	\$ -
Receivables:					
Pledges receivable	3,013	-	-	2,145	-
Other receivables	233	450	-	36	-
Total receivables	3,246	450	-	2,181	-
Investments:					
Investments in securities	49,536	-	3,317	-	11,136
Investments held in trust for Universities	1,359	3,662	-	-	-
Other investments	-	-	-	-	-
Total investments	50,895	3,662	3,317	-	11,136
Net direct financing leases	-	13,110	-	-	-
Property and equipment, net of accumulated depreciation	1	17,201	14,869	4,536	-
Other assets	467	2,450	919	14	26
Total Assets	57,335	36,873	19,789	8,009	11,162
LIABILITIES					
Liability under Universities' endowment trust agreements	5,441	-	-	-	-
Bonds payable	-	35,391	19,880	-	-
Unearned revenue	-	-	95	-	-
Other liabilities	665	347	1,375	2,497	52
Total Liabilities	6,106	35,738	21,350	2,497	52
NET ASSETS					
Permanently restricted	26,666	-	-	-	1,792
Temporarily restricted	15,668	-	-	1,800	567
Unrestricted	8,895	1,135	(1,561)	3,712	8,751
Total Net Assets	\$ 51,229	\$ 1,135	\$ (1,561)	\$ 5,512	\$ 11,110

COLLEGIATE GOLF FOUNDATION	ARIZONA STATE UNIVERSITY RESEARCH PARK, INC.	ARIZONA STATE UNIVERSITY ALUMNI ASSOCIATION	UNIVERSITY OF ARIZONA LAW COLLEGE ASSOCIATION	UNIVERSITY OF ARIZONA CAMPUS RESEARCH CORPORATION	UNIVERSITY OF ARIZONA ALUMNI ASSOCIATION	TOTALS
\$ 415	\$ 484	\$ 823	\$ 2,237	\$ 2,155	\$ 1,168	\$ 11,970
-	-	-	29,445	-	-	34,603
79	5,485	30	-	801	1,541	8,655
79	5,485	30	29,445	801	1,541	43,258
-	1,493	13,371	4,341	-	4,073	87,267
-	-	-	-	-	-	5,021
-	-	-	229	-	-	229
-	1,493	13,371	4,570	-	4,073	92,517
-	-	-	-	-	-	13,110
161	8,179	-	121	11,378	57	56,503
175	2,570	342	-	5,382	156	12,501
830	18,211	14,566	36,373	19,716	6,995	229,859
-	-	-	-	-	-	5,441
-	12,975	-	-	11,076	29	79,351
74	13,991	2,163	-	412	3,432	20,167
670	526	128	31	1,376	56	7,723
744	27,492	2,291	31	12,864	3,517	112,682
-	-	-	3,052	-	-	31,510
-	-	96	32,081	-	-	50,212
86	(9,281)	12,179	1,209	6,852	3,478	35,455
\$ 86	\$ (9,281)	\$ 12,275	\$ 36,342	\$ 6,852	\$ 3,478	\$ 117,177

STATE OF ARIZONA
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR UNIVERSITIES - AFFILIATED COMPONENT UNITS
JUNE 30, 2006
(Expressed in Thousands)

	NORTHERN ARIZONA UNIVERSITY FOUNDATION	NORTHERN ARIZONA CAPITAL FACILITIES FINANCE CORP.	MESA STUDENT HOUSING	SUN ANGEL FOUNDATION	SUN ANGEL ENDOWMENT
REVENUES					
Contributions	\$ 7,014	\$ -	\$ -	\$ 9,333	\$ 197
Rental revenue	-	93	5,234	-	-
Sales and services	-	-	162	980	-
Net investment income	2,763	828	154	326	1,286
Capital lease revenue	-	92	-	-	-
Other revenues	1,253	864	115	1,796	1
Total Revenues	11,030	1,877	5,665	12,435	1,484
EXPENSES					
Program services:					
Payments to Universities	-	-	-	7,415	-
Leasing related expenses	-	-	-	-	-
Payments on behalf of Universities	-	-	-	-	-
Other program services	4,386	-	-	-	382
Personal services, operations, and administrative expenses	270	189	3,432	1,663	108
Fundraising expenses	1,311	-	-	1,067	-
Interest	-	820	1,241	-	-
Other expenses	-	25	947	40	-
Total Expenses	5,967	1,034	5,620	10,185	490
Increase (Decrease) in Net Assets	5,063	843	45	2,250	994
Net Assets - Beginning, as restated	46,166	292	(1,606)	3,262	10,116
Net Assets - Ending	\$ 51,229	\$ 1,135	\$ (1,561)	\$ 5,512	\$ 11,110

COLLEGIATE GOLF FOUNDATION	ARIZONA STATE UNIVERSITY RESEARCH PARK, INC.	ARIZONA STATE UNIVERSITY ALUMNI ASSOCIATION	UNIVERSITY OF ARIZONA LAW COLLEGE ASSOCIATION	UNIVERSITY OF ARIZONA CAMPUS RESEARCH CORPORATION	UNIVERSITY OF ARIZONA ALUMNI ASSOCIATION	TOTALS
\$ -	\$ -	\$ 1,548	\$ 2,800	\$ -	\$ 216	\$ 21,108
-	5,057	-	-	7,331	-	17,715
4,455	-	2,377	-	-	657	8,631
4	312	1,002	400	32	357	7,464
-	-	-	-	-	-	92
-	71	33	64	815	2,725	7,737
4,459	5,440	4,960	3,264	8,178	3,955	62,747
-	-	-	-	-	-	7,415
-	-	-	-	6,265	-	6,265
-	-	-	4,140	1,249	2,627	8,016
-	-	-	-	-	-	4,768
4,278	1,421	3,881	171	1,056	761	17,230
-	-	-	116	-	173	2,667
12	657	-	-	-	-	2,730
65	1,566	-	36	-	-	2,679
4,355	3,644	3,881	4,463	8,570	3,561	51,770
104	1,796	1,079	(1,199)	(392)	394	10,977
(18)	(11,077)	11,196	37,541	7,244	3,084	106,200
\$ 86	\$ (9,281)	\$ 12,275	\$ 36,342	\$ 6,852	\$ 3,478	\$ 117,177

