NONMAJOR ENTERPRISE FUNDS

Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services.

The following activities are included in the nonmajor enterprise funds:

Public School Insurance
Town of Butner Water and Sewer
North Carolina State Fair
USS North Carolina Battleship Commission
Agricultural Farmers Market
Workers' Compensation
Departmental Funds

COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS

June 30, 2004 *Exhibit D-1*

(Dollars in Thousands)

	Public School Insurance	Town of Butner Water and Sewer	North Carolina State Fair	USS North Carolina Battleship Commission	Agricultural Farmers Market	Workers' Compensation	Departmental Funds	*Total Nonmajor Enterprise Funds*
ASSETS								
Current Assets:								
Cash and cash equivalents	$ 4,703	$ 2,607	$ 5,334	$ 820	$ 958	$ 10,954	$ 1,452	$ 26,828
Investments	22,588	—	—	—	—	12,434	—	35,022
Restricted investments	—	2	—	—	—	—	—	2
Securities lending collateral	16,247	3,524	—	—	—	14,809	—	34,580
Receivables:								
Accounts receivable, net	—	184	68	132	9	2	12	407
Interest receivable	11	11	—	—	—	24	—	46
Premiums receivable	737	—	—	—	—	—	—	737
Inventories	—	158	53	251	6	—	17	485
Prepaid items	1,731	—	—	88	—	26	—	1,845
Total current assets	46,017	6,486	5,455	1,291	973	38,249	1,481	99,952
Noncurrent Assets:								
Restricted/designated cash and cash equivalents	—	4,135	—	—	—	—	—	4,135
Investments	—	—	—	40	—	—	—	40
Restricted investments	—	93	—	3,252	—	—	—	3,345
Deferred charges	—	118	—	—	—	—	—	118
Capital assets-nondepreciable	—	22,354	1,379	2,276	1,087	—	—	27,096
Capital assets-depreciable, net	—	5,572	7,635	634	6,592	—	1,823	22,256
Total noncurrent assets	—	32,272	9,014	6,202	7,679	—	1,823	56,990
Total Assets	46,017	38,758	14,469	7,493	8,652	38,249	3,304	156,942
LIABILITIES								
Current Liabilities:								
Accounts payable and accrued liabilities:								
Accounts payable	92	58	173	38	28	45	48	482
Accrued payroll	—	—	66	8	7	—	11	92
Claims payable	3,947	—	—	—	—	9,786	—	13,733
Obligations under securities lending	16,247	3,524	—	—	—	14,809	—	34,580
Interest payable	—	35	—	—	—	—	—	35
Due to other funds	3	1	20	—	1	—	—	25
Deferred revenue	2,874	2	556	3	—	991	128	4,554
Deposits payable	—	75	—	—	—	—	—	75
Bonds payable - current	—	255	—	—	—	—	—	255
Compensated absences - current	5	16	14	15	6	—	6	62
Total current liabilities	23,168	3,966	829	64	42	25,631	193	53,893
Noncurrent Liabilities:								
Bonds payable, net	—	9,070	—	—	—	—	—	9,070
Compensated absences	60	130	140	61	60	—	63	514
Total noncurrent liabilities	60	9,200	140	61	60	—	63	9,584
Total Liabilities	23,228	13,166	969	125	102	25,631	256	63,477
NET ASSETS								
Invested in capital assets, net of related debt	—	18,696	9,014	2,910	7,679	—	1,823	40,122
Restricted for:								
Capital outlay	—	1,796	—	3,252	—	—	—	5,048
Unrestricted	22,789	5,100	4,486	1,206	871	12,618	1,225	48,295
Total Net Assets	$ 22,789	$25,592	$ 13,500	$ 7,368	$ 8,550	$ 12,618	$ 3,048	$ 93,465

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS NONMAJOR ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2004 *Exhibit D-2*

(Dollars in Thousands)

	Public School Insurance	Town of Butner Water and Sewer	North Carolina State Fair	USS North Carolina Battleship Commission	Agricultural Farmers Market	Workers' Compensation	Departmental Funds	*Total Nonmajor Enterprise Funds*
Operating Revenues:								
Sales and services	$ —	$ —	$ 206	$ 684	$ 44	$ —	$ 152	$ 1,086
Sales and services used as security for bonds, net	—	3,672	—	—	—	—	—	3,672
Rental and lease earnings	—	8	3,217	—	570	—	818	4,613
Fees, licenses and fines	—	14	8,538	1,463	589	—	945	11,549
Insurance premiums	10,647	—	—	—	—	2,612	—	13,259
Miscellaneous	—	29	—	85	—	—	—	114
Total operating revenues	10,647	3,723	11,961	2,232	1,203	2,612	1,915	34,293
Operating Expenses:								
Personal services	472	1,362	3,281	993	649	—	801	7,558
Supplies and materials	3	166	638	43	50	—	234	1,134
Services	87	620	3,533	850	322	633	527	6,572
Cost of goods sold	—	—	—	316	—	—	142	458
Depreciation/amortization	—	642	472	95	281	—	62	1,552
Claims	13,439	—	—	—	—	6,208	—	19,647
Insurance and bonding	3,121	12	110	18	34	884	34	4,213
Other	6	212	922	70	90	—	110	1,410
Total operating expenses	17,128	3,014	8,956	2,385	1,426	7,725	1,910	42,544
Operating income (loss)	(6,481)	709	3,005	(153)	(223)	(5,113)	5	(8,251)
Nonoperating Revenues (Expenses):								
Noncapital gifts	—	—	143	—	—	—	70	213
Investment earnings (loss)	179	187	—	277	—	362	—	1,005
Interest and fees	—	(49)	—	—	—	—	—	(49)
Insurance recoveries	—	1	—	—	—	—	—	1
Gain (loss) on sale of equipment	—	3	—	—	—	—	—	3
Miscellaneous	(210)	(35)	5	—	3	(174)	1	(410)
Total nonoperating revenues (expenses)	(31)	107	148	277	3	188	71	763
Income (loss) before contributions and transfers	(6,512)	816	3,153	124	(220)	(4,925)	76	(7,488)
Capital contributions	—	862	—	30	—	—	—	892
Transfers in	—	—	952	—	277	4,500	85	5,814
Transfers out	—	(289)	(4,904)	—	(2)	—	—	(5,195)
Change in net assets	(6,512)	1,389	(799)	154	55	(425)	161	(5,977)
Net assets — July 1, as restated	29,301	24,203	14,299	7,214	8,495	13,043	2,887	99,442
Net assets — June 30	$ 22,789	$ 25,592	$ 13,500	$ 7,368	$ 8,550	$ 12,618	$ 3,048	$ 93,465

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2004 *Exhibit D-3*

(Dollars in Thousands)

	Public School Insurance	Town of Butner Water and Sewer	North Carolina State Fair	USS North Carolina Battleship Commission	Agricultural Farmers Market	Workers' Compensation	Departmental Funds	*Total Nonmajor Enterprise Funds*
Cash Flows from Operating Activities:								
Receipts from customers	$ 11,108	$ 3,214	$12,168	$ 2,180	$ 1,205	$ 2,138	$ 1,891	$ 33,904
Receipts from other funds	—	572	—	—	—	—	—	572
Payments to suppliers	(2,449)	(577)	(5,204)	(1,334)	(473)	(1,488)	(1,000)	(12,525)
Payments to employees	(448)	(1,334)	(3,253)	(962)	(632)	—	(769)	(7,398)
Payments for benefits and claims	(11,205)	—	—	—	—	(4,756)	—	(15,961)
Payments to other funds	—	(247)	—	—	—	—	—	(247)
Other receipts (payments)	(1)	(159)	5	—	3	—	1	(151)
Net cash flows provided (used) by operating activities	(2,995)	1,469	3,716	(116)	103	(4,106)	123	(1,806)
Cash Provided From (Used For) Noncapital Financing Activities:								
Transfers from other funds	—	—	458	—	12	4,500	—	4,970
Transfers to other funds	—	(289)	(4,904)	—	(2)	—	—	(5,195)
Gifts	—	—	143	—	—	—	70	213
Total cash provided from (used for) noncapital financing activities	—	(289)	(4,303)	—	10	4,500	70	(12)
Cash Provided From (Used For) Capital Financing Activities:								
Acquisition and construction of capital assets	—	(5,052)	(22)	(42)	(131)	—	(39)	(5,286)
Proceeds from the sale of capital assets	—	5	61	—	—	—	—	66
Capital contributions	—	862	—	30	—	—	—	892
Principal paid on capital debt	—	(245)	—	—	—	—	—	(245)
Interest paid on capital debt	—	(412)	—	—	—	—	—	(412)
Payment to bond escrow agent	—	(43)	—	—	—	—	—	(43)
Insurance recoveries	—	1	—	—	—	—	—	1
Total cash provided from (used for) capital financing activities	—	(4,884)	39	(12)	(131)	—	(39)	(5,027)
Cash Provided From (Used For) Investment Activities:								
Proceeds from the sale/maturities of non-State Treasurer investments	—	2,634	—	9,488	—	—	—	12,122
Purchase of non-State Treasurer investments	—	—	—	(9,356)	—	—	—	(9,356)
Purchase into State Treasurer investment pool	(3,372)	—	—	—	—	—	—	(3,372)
Investment earnings (loss)	247	145	—	(68)	—	388	—	712
Total cash provided from (used for) investment activities	(3,125)	2,779	—	64	—	388	—	106
Net increase (decrease) in cash and cash equivalents	(6,120)	(925)	(548)	(64)	(18)	782	154	(6,739)
Cash and cash equivalents at July 1	10,823	7,667	5,882	884	976	10,172	1,298	37,702
Cash and cash equivalents at June 30	$ 4,703	$ 6,742	$ 5,334	$ 820	$ 958	$ 10,954	$ 1,452	$ 30,963
Reconciliation of Operating Income to Net Cash Provided From (Used For) Operating Activities:								
Operating income (loss)	$ (6,481)	$ 709	$ 3,005	$ (153)	$ (223)	$ (5,113)	$ 5	$ (8,251)
Adjustments to reconcile operating income to net cash flows from operating activities:								
Depreciation/amortization	—	642	472	95	281	—	62	1,552
Restatements and adjustments to cash	—	(280)	549	—	—	6	—	275
Nonoperating miscellaneous income (expense)	—	—	5	—	3	—	1	9
(Increases) decreases in assets:								
Receivables	906	374	50	(51)	2	26	(5)	1,302
Inventories	—	3	(3)	(61)	2	—	30	(29)
Prepaid items	701	—	—	(2)	—	(1)	—	698
Increases (decreases) in liabilities:								
Accounts payable and accrued liabilities	2,300	(4)	28	28	24	1,475	25	3,876
Due to other funds	(1)	1	18	—	1	—	—	19
Compensated absences	24	26	26	28	13	—	23	140
Deferred revenue	(444)	(1)	(392)	—	—	(499)	(18)	(1,354)
Deposits payable	—	(1)	(42)	—	—	—	—	(43)
Total cash provided from (used for) operations	$ (2,995)	$ 1,469	$ 3,716	$ (116)	$ 103	$ (4,106)	$ 123	$ (1,806)
Noncash Investing, Capital, and Financing Activities:								
Noncash distributions from the State Treasurer Long-Term Investment Portfolio and/or other agents	$ 2,046	$ 12	$ —	$ —	$ —	$ 1,022	$ —	$ 3,080
Transferred assets	—	—	494	—	265	—	85	844
Change in construction in progress as a result of accrual of accounts payable	—	(874)	—	—	—	—	—	(874)
Assets acquired through the assumption of a liability	16,247	3,524	—	—	—	14,809	—	34,580
Change in fair value of investments	(2,143)	—	—	344	—	(1,215)	—	(3,014)