Combining, Individual Fund and Account Group Statements and Schedules

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SPECIAL REVENUE FUNDS

The special revenue funds are maintained to account for those financial resources which are restricted by legal, regulatory or administrative action to finance particular functions or activities of the State.

The following are included in special revenue funds:

State Highway Fund
Highway Trust Fund
Public School Building Capital Fund
Public School Bond Fund
Clean Water Management Trust Fund
Educational Materials and School Buses Fund
Employment Security Commission Funds
Employment and Training Administration Fund
Highway Patrol Fund
Clean Water Bonds Loan Fund
Leaking Petroleum Underground Storage Tank Cleanup Fund
Community Colleges Special Programs Fund
Wildlife Resources Commission Fund
Other Funds

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

June 30, 1999

(Dollars in Thousands)

	State Highway Fund	Highway Trust Fund	Public School Bond Fund	Public School Building Capital Fund	Clean Water Management Trust Fund	Educational Materials, School Buses Fund	Employment Security Commission Funds
ASSETS							
Cash and cash equivalents	$ 330,508	$ 690,860	$ 680,791	$ 94,471	$ 117,451	$ 29,461	$ 4,365
Investments	206,118	391,866	—	53,033	65,934	—	—
Receivables:							
Taxes receivable	73,818	27,512	—	—	—	—	—
Accounts receivable	2,483	316	—	—	—	40	631
Intergovernmental receivables	70,922	—	—	—	—	159	2,552
Interest receivable	1,694	3,545	—	643	591	—	—
Other receivables	8,092	—	—	—	—	—	—
Due from other funds	10,202	72,749	—	—	—	—	2,143
Notes receivable	—	—	—	—	—	—	—
Inventories	62,696	—	—	—	—	20,323	746
Prepaid items	—	—	—	—	—	—	147
Sureties	20,992	—	—	—	—	—	—
Total Assets	$ 787,525	$ 1,186,848	$ 680,791	$ 148,147	$ 183,976	$ 49,983	$ 10,584
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities:							
Accounts payable	$ 64,732	$ 11,472	$ —	$ 6	$ 300	$ 51,433	$ 2,645
Accrued payroll	22,653	—	—	—	—	—	467
Intergovernmental payables	87,233	42,170	—	—	187	39	—
Arbitrage rebate payable	—	—	2,530	—	—	—	—
Obligations under securities lending	206,118	391,866	—	53,033	65,934	—	—
Due to other funds	85,006	—	—	—	2	—	—
Due to component units	1,244	—	—	—	—	—	—
Claims payable	—	—	—	—	—	—	48
Deposits payable	88,471	351	—	—	—	—	—
Deferred revenue	5,238	—	—	—	—	—	—
Total Liabilities	560,695	445,859	2,530	53,039	66,423	51,472	3,160
Fund Balances:							
Reserved for:							
Reserved for specific encumbrances	14,228	—	—	—	—	—	—
Inventories	4,020	—	—	—	—	20,323	746
Vacation, sick leave	30,129	—	—	—	—	—	—
Notes receivable	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	147
Loan and grant commitments	—	—	645,028	—	60,127	—	—
Other purposes	1,030	—	—	—	—	—	—
Unreserved:							
Undesignated	177,423	740,989	33,233	95,108	57,426	(21,812)	6,531
Total Fund Balances	226,830	740,989	678,261	95,108	117,553	(1,489)	7,424
Total Liabilities and Fund Balances	$ 787,525	$ 1,186,848	$ 680,791	$ 148,147	$ 183,976	$ 49,983	$ 10,584

Exhibit B-1

Highway Patrol Fund	Employment and Training Administration Fund	Clean Water Bonds Loan Fund	Leaking Petroleum Underground Storage Tank Cleanup Fund	Community Colleges Special Programs Fund	Wildlife Resources Commission Fund	Other Funds	*Totals*
$ 13,036	$ 494	$ 578	$ 26,607	$ 35,972	$ 12,341	$ 422,089	$ 2,459,024
1,105	—	19	14,474	—	5,135	162,866	900,550
—	—	—	1,491	—	—	678	103,499
436	29	—	3,227	—	197	17,541	24,900
7	16	—	—	—	804	3,141	77,601
—	—	764	119	—	41	2,725	10,122
—	—	—	—	—	—	—	8,092
—	—	—	—	—	356	4,852	90,302
—	—	87,550	1,380	—	—	22,165	111,095
3,524	—	—	—	—	1,037	948	89,274
—	—	—	—	—	—	239	386
—	—	—	—	—	—	28,626	49,618
$ 18,108	$ 539	$ 88,911	$ 47,298	$ 35,972	$ 19,911	$ 665,870	$ 3,924,463
$ 1,555	$ 20	$ —	$ 2,399	$ —	$ 887	$ 10,851	$ 146,300
600	—	—	—	—	157	239	24,116
2	—	—	14	—	—	777	130,422
—	—	—	—	—	—	3,258	5,788
1,105	—	19	14,474	—	5,135	139,277	876,961
61	17	—	—	—	704	2,574	88,364
—	—	—	—	28,898	—	—	30,142
—	—	—	—	—	—	—	48
—	—	—	—	—	—	28,627	117,449
384	15	—	—	—	—	17,077	22,714
3,707	52	19	16,887	28,898	6,883	202,680	1,442,304
—	—	—	—	—	—	—	14,228
3,524	—	—	—	—	1,037	948	30,598
—	—	—	—	—	—	—	30,129
—	—	87,550	1,380	—	—	22,165	111,095
—	—	—	—	—	—	239	386
—	—	543	—	—	—	—	705,698
—	—	—	—	—	—	200	1,230
10,877	487	799	29,031	7,074	11,991	439,638	1,588,795
14,401	487	88,892	30,411	7,074	13,028	463,190	2,482,159
$ 18,108	$ 539	$ 88,911	$ 47,298	$ 35,972	$ 19,911	$ 665,870	$ 3,924,463

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	State Highway Fund	Highway Trust Fund	Public School Bond Fund	Public School Building Capital Fund	Clean Water Management Trust Fund	Educational Materials, School Buses Fund	Employment Security Commission Funds
Revenues:							
Taxes	$ 760,750	$ 744,237	$ —	$ 62,864	$ —	$ —	$ —
Federal funds	706,107	—	—	—	—	—	100,867
Local funds	21,635	685	—	—	—	1,052	7,298
Investment earnings	24,426	56,673	29,207	11,130	10,837	—	—
Interest earnings on loans	—	—	—	—	—	—	—
Sales and services	7,173	—	—	—	—	2,205	—
Sale, rental and lease of property	11,987	1,864	—	—	—	1,099	—
Fees, licenses and fines	364,230	90,493	—	—	—	9	2,093
Contributions, gifts and grants	1,170	—	—	—	—	—	4,484
Miscellaneous	13,460	302	—	—	—	—	1,256
Total revenues	1,910,938	894,254	29,207	73,994	10,837	4,365	115,998
Expenditures:							
Current:							
General government	—	—	—	—	—	—	—
Education	—	—	496,993	87,673	—	111,997	—
Health and human services	—	—	—	—	—	—	—
Economic development	—	—	—	—	—	—	132,452
Environment and natural resources	—	—	—	—	23,892	—	—
Public safety, corrections, and regulation	—	—	—	—	—	—	—
Transportation	1,997,528	511,358	—	—	—	—	—
Agriculture	—	—	—	—	—	—	—
Debt service:							
Bond principal retirement	—	16,675	—	—	—	—	—
Bond interest	—	11,683	—	—	—	—	—
Total expenditures	1,997,528	539,716	496,993	87,673	23,892	111,997	132,452
Excess revenues over (under) expenditures	(86,590)	354,538	(467,786)	(13,679)	(13,055)	(107,632)	(16,454)
Other Financing Sources (Uses):							
Operating transfers in	375,599	—	—	—	47,398	95,903	15,189
Operating transfers from component units	—	—	—	—	—	—	—
Operating transfers out	(179,886)	(525,045)	(10,722)	(4,343)	(44)	(711)	(159)
Operating transfers to component units	(8,238)	—	—	—	—	—	—
Proceeds from bond sale	—	—	450,000	—	—	—	—
Total other financing sources (uses)	187,475	(525,045)	439,278	(4,343)	47,354	95,192	15,030
Excess revenues and other sources over (under) expenditures and other uses	100,885	(170,507)	(28,508)	(18,022)	34,299	(12,440)	(1,424)
Fund balances — July 1	126,236	911,496	695,556	113,130	83,254	6,496	8,545
Restatements	—	—	11,213	—	—	—	—
Residual equity transfers in	—	—	—	—	—	—	—
Residual equity transfers out	—	—	—	—	—	—	—
Increase (decrease) in reserve for related assets	(291)	—	—	—	—	4,455	303
Fund balances — June 30	$ 226,830	$ 740,989	$ 678,261	$ 95,108	$ 117,553	$ (1,489)	$ 7,424

Exhibit B-2

Highway Patrol Fund	Employment and Training Administration Fund	Clean Water Bonds Loan Fund	Leaking Petroleum Underground Storage Tank Cleanup Fund	Community Colleges Special Programs Fund	Wildlife Resources Commission Fund	Other Funds	*Totals*
$ —	$ —	$ —	$ 16,691	$ —	$ 11,304	$ 52,740	$ 1,648,586
168	48,634	—	—	—	8,223	65,098	929,097
—	82	—	—	—	188	990	31,930
192	—	82	1,666	—	816	27,928	162,957
—	—	5,039	49	—	—	1,577	6,665
1,568	—	—	—	—	2,328	8,257	21,531
3,398	—	—	—	—	152	1,783	20,283
1,492	—	—	8,989	—	17,729	133,682	618,717
1,283	—	—	—	—	2,071	20,948	29,956
73	7	—	—	—	88	1,022	16,208
8,174	48,723	5,121	27,395	—	42,899	314,025	3,485,930
—	—	—	—	—	—	68,551	68,551
—	—	—	—	—	—	65,130	761,793
—	—	—	—	—	—	50,538	50,538
—	51,050	—	—	—	—	53,104	236,606
—	—	25	20,844	—	42,554	65,516	152,831
124,286	—	—	—	—	—	57,702	181,988
—	—	—	—	—	—	—	2,508,886
—	—	—	—	—	—	209	209
—	—	—	—	—	—	—	16,675
—	—	—	—	—	—	—	11,683
124,286	51,050	25	20,844	—	42,554	360,750	3,989,760
(116,112)	(2,327)	5,096	6,551	—	345	(46,725)	(503,830)
123,196	2,079	—	6,131	9,500	2,861	122,320	800,176
—	—	—	—	—	—	951	951
(630)	—	(10,123)	(3,188)	—	(1,818)	(53,826)	(790,495)
—	—	—	—	(8,933)	—	—	(17,171)
—	—	—	—	—	—	55	450,055
122,566	2,079	(10,123)	2,943	567	1,043	69,500	443,516
6,454	(248)	(5,027)	9,494	567	1,388	22,775	(60,314)
7,569	735	93,919	20,917	6,507	12,034	398,043	2,484,437
—	—	—	—	—	—	41,478	52,691
—	—	—	—	—	26	415	441
—	—	—	—	—	(14)	(7)	(21)
378	—	—	—	—	(406)	486	4,925
$ 14,401	$ 487	$ 88,892	$ 30,411	$ 7,074	$ 13,028	$ 463,190	$ 2,482,159

SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCES — BUDGET AND ACTUAL (BUDGETARY BASIS — NON-GAAP)

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	Employment and Training Administration Fund			Employment Security Commission Funds		
	Budget	***Actual***	***Variance Favorable (Unfavorable)***	***Budget***	***Actual***	***Variance Favorable (Unfavorable)***
Revenues:						
Departmental:						
Federal funds	$ 97,200	$ 48,615	$ (48,585)	$ 100,540	$ 101,124	$ 584
Local funds	133	56	(77)	7,600	7,834	234
Inter-agency grants and allocations	—	—	—	4,240	4,261	21
Intra-governmental transactions	2,181	2,132	(49)	46,361	30,137	(16,224)
Sales and services	—	—	—	—	—	—
Sale, rental and lease of property	4	3	(1)	—	—	—
Fees, licenses and fines	—	—	—	—	—	—
Contributions, gifts and grants	—	—	—	—	—	—
Miscellaneous	65	11	(54)	1,370	1,403	33
Total revenues	99,583	50,817	(48,766)	160,111	144,759	(15,352)
Expenditures:						
Current:						
General government	—	—	—	—	—	—
Health and human services	—	—	—	—	—	—
Environment and natural resources	—	—	—	—	—	—
Economic development	100,327	51,082	49,245	160,111	144,102	16,009
Public safety and corrections	—	—	—	—	—	—
Total expenditures	100,327	51,082	49,245	160,111	144,102	16,009
Excess revenues over (under) expenditures	$ (744)	(265)	$ 479	$ —	657	$ 657
Unreserved fund balances (budgetary basis) at July 1, 1998		755			1,040	
Restatements (Note 2 B)		—			—	
Unreserved fund balances (budgetary basis) at June 30, 1999		$ 490			$ 1,697	

Exhibit B-3

Highway Patrol Fund			Wildlife Resources Commission Fund			Other Funds		
Budget	***Actual***	***Variance Favorable (Unfavorable)***	***Budget***	***Actual***	***Variance Favorable (Unfavorable)***	***Budget***	***Actual***	***Variance Favorable (Unfavorable)***
$ 3,064	$ 168	$ (2,896)	$ 6,698	$ 7,495	$ 797	$ 74,746	$ 53,573	$ (21,173)
—	—	—	156	188	32	672	257	(415)
—	—	—	1,485	1,519	34	6,582	3,636	(2,946)
139,718	125,571	(14,147)	35,159	36,218	1,059	75,815	58,069	(17,746)
1,544	1,602	58	1,818	2,344	526	2,588	2,012	(576)
3,647	3,910	263	81	152	71	40	45	5
21	381	360	19,796	17,548	(2,248)	78,913	61,491	(17,422)
1	1	—	75	95	20	390	240	(150)
1	74	73	175	662	487	5,529	3,655	(1,874)
147,996	131,707	(16,289)	65,443	66,221	778	245,275	182,978	(62,297)
—	—	—	—	—	—	74,586	67,883	6,703
—	—	—	—	—	—	602	589	13
—	—	—	72,015	68,160	3,855	64,107	55,247	8,860
—	—	—	—	—	—	89,233	47,445	41,788
147,996	125,394	22,602	—	—	—	52,558	40,287	12,271
147,996	125,394	22,602	72,015	68,160	3,855	281,086	211,451	69,635
$ —	6,313	$ 6,313	$ (6,572)	(1,939)	$ 4,633	$ (35,811)	(28,473)	$ 7,338
	4,755			14,280			237,611	
	—			—			(126,517)	
	$ 11,068			$ 12,341			$ 82,621	

SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCES — BUDGET AND ACTUAL (BUDGETARY BASIS — NON-GAAP)

For the Fiscal Year Ended June 30, 1999 *Exhibit B-3*

(Dollars in Thousands)

	Totals - Budgeted Special Revenue Funds		
	Budget	***Actual***	***Variance Favorable (Unfavorable)***
Revenues:			
Departmental:			
Federal funds	$ 282,248	$ 210,975	$ (71,273)
Local funds	8,561	8,335	(226)
Inter-agency grants and allocations	12,307	9,416	(2,891)
Intra-governmental transactions	299,234	252,127	(47,107)
Sales and services	5,950	5,958	8
Sale, rental and lease of property	3,772	4,110	338
Fees, licenses and fines	98,730	79,420	(19,310)
Contributions, gifts and grants	466	336	(130)
Miscellaneous	7,140	5,805	(1,335)
Total revenues	718,408	576,482	(141,926)
Expenditures:			
Current:			
General government	74,586	67,883	6,703
Health and human services	602	589	13
Environment and natural resources	136,122	123,407	12,715
Economic development	349,671	242,629	107,042
Public safety and corrections	200,554	165,681	34,873
Total expenditures	761,535	600,189	161,346
Excess revenues over (under) expenditures	$ (43,127)	(23,707)	$ 19,420
Unreserved fund balances (budgetary basis) at July 1, 1998		258,441	
Restatements (Note 2 B)		(126,517)	
Unreserved fund balances (budgetary basis) at June 30, 1999		$ 108,217	

CAPITAL PROJECTS FUNDS

The Capital Projects funds are maintained to account for those financial resources received and used for the acquisition, construction or improvement of major governmental general fixed assets which are financed principally by transfers from the General Fund or general obligation bonds.

The following activities are included in the capital projects funds:

Capital Projects Fund
State Capital Facilities Legislative Bond Fund of 1991
State Prison and Youth Services Facilities Bond Fund
State Parks Bond Fund

CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

June 30, 1999 *Exhibit C-1*

(Dollars in Thousands)

	Capital Projects Fund	State Capital Facilities Legislative Bond Fund of 1991	State Prison and Youth Services Facilities Bond Fund	State Parks Bond Fund	*Totals*
ASSETS					
Cash and cash equivalents	$ 286,557	$ 4	$ 5,220	$ 3,075	$ 294,856
Receivables:					
Accounts receivable	15	—	—	—	15
Intergovernmental receivables	1,509	—	—	—	1,509
Due from other funds	2,400	—	—	—	2,400
Total Assets	$ 290,481	$ 4	$ 5,220	$ 3,075	$ 298,780
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities:					
Accounts payable	$ 14,600	$ —	$ —	$ 162	$ 14,762
Intergovernmental payables	228	—	—	—	228
Arbitrage rebate payable	—	—	88	—	88
Due to other funds	77	—	—	—	77
Deposits payable	5,978	—	7	213	6,198
Total Liabilities	20,883	—	95	375	21,353
Fund Balances:					
Reserved for capital projects	81,414	—	—	662	82,076
Unreserved:					
Undesignated	188,184	4	5,125	2,038	195,351
Total Fund Balances	269,598	4	5,125	2,700	277,427
Total Liabilities and Fund Balances	$ 290,481	$ 4	$ 5,220	$ 3,075	$ 298,780

CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 1999 *Exhibit C-2*

(Dollars in Thousands)

	Capital Projects Fund	State Capital Facilities Legislative Bond Fund of 1991	State Prison and Youth Services Facilities Bond Fund	State Parks Bond Fund	*Totals*
Revenues:					
Federal funds	$ 6,260	$ —	$ —	$ —	$ 6,260
Local funds	1,000	—	—	—	1,000
Investment earnings	—	—	386	—	386
Sales and services	320	—	—	—	320
Sale, rental and lease of property	71	—	—	—	71
Fees, licenses and fines	7	—	—	—	7
Contributions, gifts and grants	23,069	—	—	1,150	24,219
Miscellaneous	3,834	—	—	—	3,834
Total revenues	34,561	—	386	1,150	36,097
Expenditures:					
Capital outlay	176,491	8	112	6,182	182,793
Total expenditures	176,491	8	112	6,182	182,793
Excess revenues over (under) expenditures	(141,930)	(8)	274	(5,032)	(146,696)
Other Financing Sources (Uses):					
Operating transfers in	178,066	8	—	416	178,490
Operating transfers from component units	1,100	25	—	—	1,125
Operating transfers out	(3,110)	(485)	—	(2,301)	(5,896)
Total other financing sources (uses)	176,056	(452)	—	(1,885)	173,719
Excess revenues and other sources over (under) expenditures and other uses	34,126	(460)	274	(6,917)	27,023
Fund balances—July 1	243,621	483	4,863	9,617	258,584
Restatements	17	(17)	3,506	—	3,506
Residual equity transfers out	(8,166)	(2)	(3,518)	—	(11,686)
Fund balances—June 30	$ 269,598	$ 4	$ 5,125	$ 2,700	$ 277,427

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ENTERPRISE FUNDS

The enterprise funds are maintained to account for the operations of State government that provide goods or services to the general public in a manner similar to private business enterprises. The costs of providing these goods or services are financed through user charges.

The following activities are included in the enterprise funds. See Note 13 in the Notes to the Financial Statements for a description of the goods and services offered by these activities.

Governmental Enterprise Funds

- Public School Insurance
- Child Health Insurance Program
- North Carolina State Fair
- USS North Carolina Battleship Commission
- Agricultural Farmers Market
- Indian Cultural Tourist Center
- Workers' Compensation
- Other Enterprise Funds:
  - Cultural Resources Historic Site Sales
  - Services for the Blind

ENTERPRISE FUNDS
COMBINING BALANCE SHEET

June 30, 1999 *Exhibit D-1*

(Dollars in Thousands)

	Public School Insurance	Child Health Insurance Program	N.C. State Fair	USS North Carolina Battleship Commission	Agricultural Farmers Market	Indian Cultural Tourist Center	Workers' Compensation	Other Funds	*Totals*
ASSETS									
Current Assets:									
Cash and cash equivalents	$ 18,762	$ 8,935	$ 5,086	$ 970	$ 783	$ 32	$ 5,066	$ 518	$ 40,152
Investments	25,185	5,012	—	1,970	—	—	11,308	—	43,475
Receivables:									
Accounts receivable	357	—	46	9	—	—	830	12	1,254
Interest receivable	94	32	—	—	—	—	25	—	151
Premiums receivable	803	—	—	—	—	—	—	—	803
Inventories	—	—	61	221	20	—	—	56	358
Prepaid items	1,207	—	—	83	—	—	—	—	1,290
Total current assets	46,408	13,979	5,193	3,253	803	32	17,229	586	87,483
Fixed Assets:									
Land	—	—	1,379	97	1,087	292	—	—	2,855
Buildings	—	—	13,131	1,115	9,244	280	—	1,888	25,658
Other structures and improvements	—	—	3,148	412	3,508	—	—	—	7,068
Machinery and equipment	—	—	883	1,425	296	27	—	43	2,674
Construction in progress	—	—	—	774	—	—	—	—	774
Accumulated depreciation	—	—	(10,349)	(1,739)	(4,651)	(131)	—	(96)	(16,966)
Total fixed assets	—	—	8,192	2,084	9,484	468	—	1,835	22,063
Total Assets	$ 46,408	$ 13,979	$ 13,385	$ 5,337	$ 10,287	$ 500	$ 17,229	$ 2,421	$109,546
LIABILITIES AND FUND EQUITY									
Current Liabilities:									
Accounts payable and accrued liabilities:									
Accounts payable	$ 50	$ 403	$ 146	$ 56	$ 7	$ —	$ 49	$ 16	$ 727
Accrued payroll	5	—	20	22	3	—	—	—	50
Obligations under securities lending	12,062	5,012	—	—	—	—	2,845	—	19,919
Due to other funds	3	—	6	—	—	—	—	—	9
Claims payable	1,312	6,214	—	—	—	—	6,401	—	13,927
Accrued vacation leave	49	—	104	47	52	—	—	26	278
Deferred revenue	2,015	—	440	2	—	—	800	10	3,267
Total current liabilities	15,496	11,629	716	127	62	—	10,095	52	38,177
Fund Equity:									
Contributed capital	—	—	10,762	513	13,921	599	13,500	1,849	41,144
Retained earnings	30,912	2,350	1,907	4,697	(3,696)	(99)	(6,366)	520	30,225
Total Fund Equity	30,912	2,350	12,669	5,210	10,225	500	7,134	2,369	71,369
Total Liabilities and Fund Equity	$ 46,408	$ 13,979	$ 13,385	$ 5,337	$ 10,287	$ 500	$ 17,229	$ 2,421	$109,546

ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

For the Fiscal Year Ended June 30, 1999 *Exhibit D-2*

(Dollars in Thousands)

	Public School Insurance	Child Health Insurance Program	N.C. State Fair	USS North Carolina Battleship Commission	Agricultural Farmers Market	Indian Cultural Tourist Center	Workers' Compensation	Other Funds	*Totals*
Operating Revenues:									
Sales and services	$ —	$ —	$ 341	$ 702	$ 28	$ —	$ —	$ 164	$ 1,235
Investment earnings	1,967	217	—	—	—	—	325	—	2,509
Rental and lease earnings	—	—	3,044	—	420	4	—	618	4,086
Fees, licenses and fines	—	—	5,220	1,480	395	—	—	571	7,666
Insurance premiums	5,000	—	—	—	—	—	1,887	—	6,887
Miscellaneous	—	—	3	35	1	—	—	2	41
Total operating revenues	6,967	217	8,608	2,217	844	4	2,212	1,355	22,424
Operating Expenses:									
Personal services	556	—	3,070	819	629	—	—	590	5,664
Supplies and materials	8	—	357	30	38	—	—	101	534
Services	121	2,975	2,554	576	167	—	671	384	7,448
Interest	624	67	—	—	—	—	84	—	775
Cost of goods sold	—	—	—	339	—	—	—	124	463
Depreciation/amortization	—	—	595	190	623	11	—	64	1,483
Claims	4,414	22,407	1	—	—	—	3,568	—	30,390
Insurance and bonding	1,683	—	106	28	32	—	341	32	2,222
Other	30	—	874	67	8	—	—	165	1,144
Total operating expenses	7,436	25,449	7,557	2,049	1,497	11	4,664	1,460	50,123
Operating income (loss)	(469)	(25,232)	1,051	168	(653)	(7)	(2,452)	(105)	(27,699)
Nonoperating Revenues (Expenses):									
Investment earnings	—	—	—	92	—	—	—	—	92
Donations	—	—	36	841	5	—	—	48	930
Interest expense	—	—	—	(4)	—	—	—	—	(4)
Insurance recoveries	—	—	—	—	27	—	—	—	27
Miscellaneous	—	—	23	(365)	7	—	—	4	(331)
Total nonoperating revenues (expenses)	—	—	59	564	39	—	—	52	714
Income (loss) before operating transfers	(469)	(25,232)	1,110	732	(614)	(7)	(2,452)	(53)	(26,985)
Operating Transfers:									
Transfers in	—	27,582	—	—	120	—	—	205	27,907
Transfers out	—	—	(1,279)	—	(2)	—	—	—	(1,281)
Total operating transfers in (out)	—	27,582	(1,279)	—	118	—	—	205	26,626
Net income (loss)	(469)	2,350	(169)	732	(496)	(7)	(2,452)	152	(359)
Fund equity — July 1	32,276	—	12,781	4,278	10,699	507	5,976	2,195	68,712
Restatements	(895)	—	—	—	—	—	(890)	22	(1,763)
Increase (decrease) in contributed capital	—	—	57	200	22	—	4,500	—	4,779
Fund equity — June 30	$ 30,912	$ 2,350	$ 12,669	$ 5,210	$ 10,225	$ 500	$ 7,134	$ 2,369	$ 71,369

ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	Public School Insurance	Child Heatlh Insurance Program	N.C. State Fair	USS North Carolina Battleship Commission	Agricultural Farmers Market	Indian Cultural Tourist Center	Workers' Compensation	Other Funds	*Totals*
Cash Provided From (Used For) Operations:									
Operating income (loss)	$ (469)	$ (25,232)	$ 1,051	$ 168	$ (653)	$ (7)	$ (2,452)	$ (105)	$ (27,699)
Adjustments to reconcile operating income to net cash flows from operating activities:									
Depreciation/amortization	—	—	595	190	623	11	—	64	1,483
Investment earnings	(1,967)	(217)	—	—	—	—	(325)	—	(2,509)
Securities lending fees	624	67	—	—	—	—	84	—	775
Restatements and adjustments to cash	—	—	—	781	—	—	(890)	—	(109)
Nonoperating miscellaneous income/expense	—	—	23	(365)	34	—	—	4	(304)
(Increases) decreases in assets:									
Receivables	352	—	31	(6)	—	—	—	—	377
Inventories	—	—	—	39	(1)	—	—	(10)	28
Prepaid items	9	—	—	(12)	—	—	—	—	(3)
Increases (decreases) in liabilities:									
Accounts payable and accrued liabilities	43	403	84	22	(11)	—	(26)	(5)	510
Due to other funds	2	—	(2)	—	—	—	—	—	—
Claims payable	(2,854)	6,214	—	—	—	—	1,543	—	4,903
Accrued vacation leave	—	—	(12)	5	(13)	—	—	(2)	(22)
Deferred revenue	135	—	14	2	—	—	800	(2)	949
Total cash provided from (used for) operations	(4,125)	(18,765)	1,784	824	(21)	4	(1,266)	(56)	(21,621)
Cash Provided From (Used For) Noncapital Financing Activities:									
Operating transfers in	—	27,582	—	—	120	—	—	205	27,907
Operating transfers out	—	—	(1,279)	—	(2)	—	—	—	(1,281)
Increase in contributed capital	—	—	57	200	22	—	4,500	—	4,779
Nonoperating cash donations	—	—	36	841	5	—	—	48	930
Total cash provided from (used for) noncapital financing activities	—	27,582	(1,186)	1,041	145	—	4,500	253	32,335

ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended June 30, 1999 *Exhibit D-3*

(Dollars in Thousands)

	Public School Insurance	Child Heatlh Insurance Program	N.C. State Fair	USS North Carolina Battleship Commission	Agricultural Farmers Market	Indian Cultural Tourist Center	Workers' Compensation	Other Funds	*Totals*
Cash Provided From (Used For) Capital Financing Activities:									
Acquisition of fixed assets	—	—	(44)	(155)	(38)	—	—	(63)	(300)
Repayment of bond/note principal	—	—	—	(130)	—	—	—	—	(130)
Interest payments on bonds and notes	—	—	—	(4)	—	—	—	—	(4)
Total cash provided from (used for) capital financing activities	—	—	(44)	(289)	(38)	—	—	(63)	(434)
Cash Provided From (Used For) Investment Activities:									
Proceeds from the sale/maturities of non-State Treasurer investments	—	—	—	754	—	—	—	—	754
Purchase of non-State Treasurer investments	—	—	—	(1,585)	—	—	—	—	(1,585)
Investment earnings	1,220	118	—	68	—	—	174	—	1,580
Total cash provided from (used for) investment activities	1,220	118	—	(763)	—	—	174	—	749
Net increase (decrease) in cash and cash equivalents	(2,905)	8,935	554	813	86	4	3,408	134	11,029
Cash and cash equivalents at July 1	21,667	—	4,532	157	697	28	1,658	384	29,123
Cash and cash equivalents at June 30	$ 18,762	$ 8,935	$ 5,086	$ 970	$ 783	$ 32	$ 5,066	$ 518	$ 40,152
Noncash Investing, Capital, and Financing Activities:									
Noncash distributions from the State Treasurer Long-Term Investment Portfolio	$ 137	$ —	$ —	$ —	$ —	$ —	$ 50	$ —	$ 187
Assets acquired through the assumption of a liability	12,062	5,012	—	—	—	—	2,845	—	19,919

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INTERNAL SERVICE FUNDS

The internal service funds are maintained to account for the operations of State agencies that provide services to other State agencies, component units, or other governmental units on a cost reimbursement basis.

The following activities are included in the internal service funds:

State Health Plan

Disability Income Plan of North Carolina

Death Benefit Plan of North Carolina

State Property Fire Insurance Fund
Self-insurance fund for State agencies and certain component units

Central Governmental Services:
Department of Correction:
Prison Enterprises

Department of Administration:
Motor Fleet Management
Courier Service
Temporary Solutions

Department of Commerce:
North Carolina Information Highway
Centralized Computing Services
State Telecommunications
Applications Development Services
Decentralized Computing Services

Other Funds:
Clerk of Supreme Court:
Printing Department

Cherry Hospital:
Auxiliary Services (laundry)

John Umstead Hospital:
Auxiliary Services

Department of Administration:
Administration of State and Federal Surplus Property

INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET

June 30, 1999

(Dollars in Thousands)

	State Health Plan	Disability Income Plan of N.C.	Death Benefit Plan of N.C.	State Property Fire Insurance	Prison Enterprises	Motor Fleet Management	Courier Service	Temporary Solutions
ASSETS								
Current Assets:								
Cash and cash equivalents	$ 234,145	$ 3,613	$ 4,228	$ 7,319	$ 18,169	$ 5,671	$ 487	$ 1,405
Investments	143,887	200,719	192,971	35,903	—	—	—	—
Receivables:								
Accounts receivable	3,017	1,665	46	—	4,297	1,572	201	729
Intergovernmental receivables	—	—	—	—	651	—	—	—
Interest receivable	1,377	22	18	34	—	—	—	—
Premiums receivable	124	—	—	15	—	—	—	—
Contributions	—	3,831	1,314	—	—	—	—	—
Due from other funds	—	—	—	—	6,828	4,391	—	19
Due from component units	—	—	—	—	7	453	—	—
Inventories	—	—	—	—	12,121	149	—	—
Prepaid items	—	—	—	—	—	—	—	—
Total current assets	382,550	209,850	198,577	43,271	42,073	12,236	688	2,153
Noncurrent Assets:								
Accounts receivable	—	—	—	—	—	—	—	—
Total noncurrent assets	—	—	—	—	—	—	—	—
Fixed Assets:								
Land	—	—	—	—	322	406	—	—
Buildings	—	—	—	—	22,958	1,162	—	—
Other structures and improvements	—	—	—	—	1,724	377	—	—
Machinery and equipment	19	—	—	—	23,073	135,366	47	7
Construction in progress	—	—	—	—	10,538	—	—	—
Accumulated depreciation	(15)	—	—	—	(20,524)	(44,159)	(38)	(1)
Total fixed assets	4	—	—	—	38,091	93,152	9	6
Total Assets	$ 382,554	$ 209,850	$ 198,577	$ 43,271	$ 80,164	$ 105,388	$ 697	$ 2,159
LIABILITIES AND FUND EQUITY								
Liabilities:								
Current Liabilities:								
Accounts payable and accrued liabilities:								
Accounts payable	$ 5,595	$ —	$ 4	$ —	$ 2,029	$ 784	$ 11	$ 12
Accrued payroll	—	—	—	—	41	—	29	410
Obligations under securities lending	143,887	22,736	22,254	8,436	—	—	—	—
Due to other funds	1	—	—	2,656	78	371	53	1
Due to component units	—	—	—	184	—	—	—	—
Claims and benefits payable	136,401	216,432	1,813	518	—	—	—	—
Deposits payable	—	—	—	—	—	—	—	—
Accrued vacation leave	39	—	—	—	1,028	77	54	15
Deferred revenue	417	—	—	2,608	329	—	—	—
Total current liabilities	286,340	239,168	24,071	14,402	3,505	1,232	147	438
Total Liabilities	286,340	239,168	24,071	14,402	3,505	1,232	147	438
Fund Equity:								
Contributed capital	—	—	—	—	20,302	16,402	—	—
Retained earnings	96,214	(29,318)	174,506	28,869	56,357	87,754	550	1,721
Total Fund Equity	96,214	(29,318)	174,506	28,869	76,659	104,156	550	1,721
Total Liabilities and Fund Equity	$ 382,554	$ 209,850	$ 198,577	$ 43,271	$ 80,164	$ 105,388	$ 697	$ 2,159

Exhibit E-1

N. C. Information Highway	Centralized Computing Services	State Telecommu-nications Services	Applications Development Services	Decen-tralized Computing Services	Clerk of Supreme Court Printing Department	Cherry Hospital Auxiliary Services	John Umstead Hospital Auxiliary Services	Surplus Property	*Totals*
$ 49	$ 26,434	$ 17,839	$ 33	$ 942	$ 281	$ 149	$ 1,790	$ 3,881	$ 326,435
—	—	—	—	—	100	—	—	—	573,580
1,536	3,498	6,861	1,641	—	8	164	230	39	25,504
—	—	—	—	—	—	—	—	—	651
—	—	—	—	—	1	—	—	—	1,452
—	—	—	—	—	—	—	—	—	139
—	—	—	—	—	—	—	—	—	5,145
411	9,630	3,579	357	1,731	—	—	—	—	26,946
—	65	913	—	—	—	—	—	—	1,438
—	125	—	—	—	50	36	149	1	12,631
—	839	29	14	—	—	—	—	—	882
1,996	40,591	29,221	2,045	2,673	440	349	2,169	3,921	974,803
—	1	—	—	—	—	—	—	—	1
—	1	—	—	—	—	—	—	—	1
—	2,861	—	—	—	—	—	—	19	3,608
—	9,013	—	—	—	—	2,349	2,284	263	38,029
—	34	—	—	—	—	—	10,145	36	12,316
946	89,491	21,492	333	1,014	409	1,465	1,374	433	275,469
—	—	—	—	—	—	—	—	—	10,538
(542)	(66,553)	(15,557)	(333)	(786)	(83)	(2,609)	(6,645)	(606)	(158,451)
404	34,846	5,935	—	228	326	1,205	7,158	145	181,509
$ 2,400	$ 75,438	$ 35,156	$ 2,045	$ 2,901	$ 766	$ 1,554	$ 9,327	$ 4,066	$ 1,156,313
$ 5	$ 2,765	$ 1,605	$ 521	$ —	$ 11	$ 12	$ 62	$ 1,343	$ 14,759
6	38	65	—	—	—	—	6	—	595
—	—	—	—	—	—	—	—	—	197,313
369	1,534	9	1,404	—	—	—	—	151	6,627
—	—	—	—	—	—	—	—	—	184
—	—	—	—	—	—	—	—	—	355,164
—	—	—	—	—	—	—	70	—	70
53	748	304	268	—	3	72	138	71	2,870
—	—	—	—	—	—	—	1	—	3,355
433	5,085	1,983	2,193	—	14	84	277	1,565	580,937
433	5,085	1,983	2,193	—	14	84	277	1,565	580,937
—	5,785	1,307	15	6	—	3,284	12,338	315	59,754
1,967	64,568	31,866	(163)	2,895	752	(1,814)	(3,288)	2,186	515,622
1,967	70,353	33,173	(148)	2,901	752	1,470	9,050	2,501	575,376
$ 2,400	$ 75,438	$ 35,156	$ 2,045	$ 2,901	$ 766	$ 1,554	$ 9,327	$ 4,066	$ 1,156,313

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	State Health Plan	Disability Income Plan of N.C.	Death Benefit Plan of N.C.	State Property Fire Insurance	Prison Enterprises	Motor Fleet Management	Courier Service	Temporary Solutions
Operating Revenues:								
Sales and services	$ 16,365	$ —	$ —	$ —	$ 75,910	$ 36,013	$ 2,140	$ 7,065
Investment earnings	28,763	3,332	3,160	1,317	—	—	—	—
Rental and lease earnings	—	—	—	—	—	—	—	—
Fees, licenses and fines	—	—	1,009	—	—	—	—	—
Contributions	—	46,775	23,454	—	—	—	—	—
Insurance premiums	591,594	—	—	13,732	—	—	—	—
Other	—	—	—	—	560	546	—	—
Total operating revenues	636,722	50,107	27,623	15,049	76,470	36,559	2,140	7,065
Operating Expenses:								
Personal services	632	—	236	1,168	16,750	1,582	1,367	6,784
Supplies and materials	17	—	—	9	3,902	6,314	63	39
Services	18,402	418	189	151	4,061	2,087	608	28
Interest	8,805	1,251	1,186	501	—	—	—	—
Cost of goods sold	—	—	—	—	36,199	715	—	—
Depreciation	2	—	—	—	2,245	14,411	9	1
Claims and benefits	734,552	31,061	22,436	5,043	74	—	—	—
Insurance and bonding	—	—	—	7,466	341	2,067	—	—
Other	59	—	—	123	2,632	6	10	30
Total operating expenses	762,469	32,730	24,047	14,461	66,204	27,182	2,057	6,882
Operating income (loss)	(125,747)	17,377	3,576	588	10,266	9,377	83	183
Nonoperating Revenues (Expenses):								
Gain (loss) on sale of property and equipment	—	—	—	—	(664)	(430)	—	—
Investment earnings	—	—	—	—	—	—	—	—
Insurance recoveries	—	—	—	1,425	—	—	—	—
Miscellaneous	—	—	—	—	195	—	—	—
Total nonoperating revenues (expenses)	—	—	—	1,425	(469)	(430)	—	—
Income (loss) before operating transfers	(125,747)	17,377	3,576	2,013	9,797	8,947	83	183
Operating Transfers:								
Transfers in	—	—	—	—	311	—	—	—
Transfers out	—	—	—	—	(2,010)	—	(1)	—
Total operating transfers in (out)	—	—	—	—	(1,699)	—	(1)	—
Net income (loss)	(125,747)	17,377	3,576	2,013	8,098	8,947	82	183
Fund equity — July 1	221,961	(46,695)	170,792	26,856	67,547	95,209	468	1,538
Restatements	—	—	138	—	—	—	—	—
Increases (decreases) in contributed capital	—	—	—	—	1,014	—	—	—
Fund equity — June 30	$ 96,214	$ (29,318)	$ 174,506	$ 28,869	$ 76,659	$ 104,156	$ 550	$ 1,721

Exhibit E-2

N. C. Information Highway	Centralized Computing Services	State Telecommu-nications Services	Applications Development Services	Decen-tralized Computing Services	Clerk of Supreme Court Printing Department	Cherry Hospital Auxiliary Services	John Umstead Hospital Auxiliary Services	Surplus Property	*Totals*
$ 7,840	$ 60,872	$ 64,194	$ 8,064	$ 10	$ 444	$ 1,614	$ 3,469	$ 1,480	$ 285,480
—	—	—	—	—	—	—	—	—	36,572
—	364	—	—	—	—	—	—	7	371
—	—	—	—	—	—	—	2	—	1,011
—	—	—	—	—	—	—	—	—	70,229
—	—	—	—	—	—	—	—	—	605,326
—	—	235	—	10	31	—	—	78	1,460
7,840	61,236	64,429	8,064	20	475	1,614	3,471	1,565	1,000,449
992	9,277	7,634	4,223	—	183	1,016	1,549	895	54,288
16	525	135	44	—	38	143	659	98	12,002
7,833	12,501	42,503	4,299	—	53	319	780	421	94,653
—	—	—	—	—	—	—	—	—	11,743
—	—	—	—	—	—	—	—	—	36,914
261	12,312	1,903	—	233	36	83	608	38	32,142
—	—	—	—	—	—	—	—	—	793,166
2	125	36	1	—	3	—	2	17	10,060
289	22,876	8,758	606	12	115	9	270	7	35,802
9,393	57,616	60,969	9,173	245	428	1,570	3,868	1,476	1,080,770
(1,553)	3,620	3,460	(1,109)	(225)	47	44	(397)	89	(80,321)
—	(7)	—	—	—	—	—	—	(4)	(1,105)
—	—	—	—	—	22	—	—	—	22
—	—	1	—	—	—	—	—	—	1,426
—	11	—	1	—	—	—	—	—	207
—	4	1	1	—	22	—	—	(4)	550
(1,553)	3,624	3,461	(1,108)	(225)	69	44	(397)	85	(79,771)
3,224	—	—	—	—	—	—	395	—	3,930
(975)	(3)	(3)	(2)	—	—	—	(1,261)	—	(4,255)
2,249	(3)	(3)	(2)	—	—	—	(866)	—	(325)
696	3,621	3,458	(1,110)	(225)	69	44	(1,263)	85	(80,096)
1,271	66,877	29,683	962	3,126	683	1,426	10,313	2,416	654,433
—	(3)	—	—	—	—	—	—	—	135
—	(142)	32	—	—	—	—	—	—	904
$ 1,967	$ 70,353	$ 33,173	$ (148)	$ 2,901	$ 752	$ 1,470	$ 9,050	$ 2,501	$ 575,376

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	State Health Plan	Disability Income Plan of N.C.	Death Benefit Plan of N.C.	State Property Fire Insurance	Prison Enterprises	Motor Fleet Management	Courier Service	Temporary Solutions
Cash Provided From (Used For) Operations:								
Operating income (loss)	$ (125,747)	$ 17,377	$ 3,576	$ 588	$ 10,266	$ 9,377	$ 83	$ 183
Adjustments to reconcile operating income to net cash flows from operating activities:								
Depreciation	2	—	—	—	2,245	14,411	9	1
Investment earnings	(28,763)	(3,332)	(3,160)	(1,317)	—	—	—	—
Securities lending fees	8,805	1,251	1,186	501	—	—	—	—
Restatements and adjustments to cash	—	—	138	—	—	—	—	—
Nonoperating miscellaneous income	—	—	—	1,425	195	—	—	—
(Increases) decreases in assets:								
Receivables	(108)	455	(25)	(1)	(1,087)	363	6	(14)
Due from other funds	—	—	—	—	(1,510)	(1,179)	4	8
Due from component units	—	—	—	—	15	(23)	—	—
Inventories	—	—	—	—	1,108	(44)	—	—
Prepaid items	—	—	—	—	—	—	—	—
Increases (decreases) in liabilities:								
Accounts payable and accrued liabilities	909	—	(134)	—	(2,077)	(442)	6	(25)
Due to other funds	(1)	—	—	2,260	52	(58)	8	—
Due to component units	—	—	—	184	—	—	—	—
Claims and benefits payable	24,696	(15,860)	(467)	173	—	—	—	—
Deposits payable	—	—	—	—	—	—	—	—
Accrued vacation leave	(6)	—	—	—	17	(7)	(8)	4
Deferred revenue	(247)	—	—	(181)	240	—	—	—
Total cash provided from (used for) operations	(120,460)	(109)	1,114	3,632	9,464	22,398	108	157
Cash Provided From (Used For) Noncapital Financing Activities:								
Operating transfers in	—	—	—	—	251	—	—	—
Operating transfers out	—	—	—	—	(2,010)	—	(1)	—
Total cash provided from (used for) noncapital financing activities	—	—	—	—	(1,759)	—	(1)	—
Cash Provided From (Used For) Capital Financing Activities:								
Acquisition of fixed assets	—	—	—	—	(10,629)	(25,818)	—	—
Proceeds from the sale of fixed assets	—	—	—	—	16	2,959	—	—
Total cash provided from (used for) capital financing activities	—	—	—	—	(10,613)	(22,859)	—	—

Exhibit E-3

N. C. Information Highway	Centralized Computing Services	State Telecommu-nications Services	Applications Development Services	Decen-tralized Computing Services	Clerk of Supreme Court Printing Department	Cherry Hospital Auxiliary Services	John Umstead Hospital Auxiliary Services	Surplus Property	*Totals*
$ (1,553)	$ 3,620	$ 3,460	$ (1,109)	$ (225)	$ 47	$ 44	$ (397)	$ 89	$ (80,321)
261	12,312	1,903	—	233	36	83	608	38	32,142
—	—	—	—	—	—	—	—	—	(36,572)
—	—	—	—	—	—	—	—	—	11,743
—	—	—	—	—	—	—	—	—	138
—	11	1	—	—	—	—	—	—	1,632
(821)	2,039	(5,636)	(828)	86	43	(142)	(74)	3	(5,741)
(405)	(2,148)	3,104	58	(1,322)	—	—	—	—	(3,390)
—	67	(231)	—	—	—	—	—	—	(172)
—	(103)	—	—	—	5	7	182	(1)	1,154
—	(369)	(29)	(14)	12	—	—	—	—	(400)
11	1,988	15	258	—	—	2	(64)	278	725
290	283	(88)	1,368	—	—	—	—	(387)	3,727
—	—	—	—	—	—	—	—	—	184
—	—	—	—	—	—	—	—	—	8,542
—	—	—	—	—	—	—	7	—	7
3	55	43	(96)	—	(2)	(18)	3	6	(6)
—	—	—	—	—	—	—	(1)	—	(189)
(2,214)	17,755	2,542	(363)	(1,216)	129	(24)	264	26	(66,797)
3,224	—	—	—	—	—	—	395	—	3,870
(975)	(3)	(3)	(2)	—	—	—	(1,261)	—	(4,255)
2,249	(3)	(3)	(2)	—	—	—	(866)	—	(385)
—	(10,410)	(2,840)	—	—	(362)	—	(49)	(20)	(50,128)
1	—	—	1	—	—	—	—	1	2,978
1	(10,410)	(2,840)	1	—	(362)	—	(49)	(19)	(47,150)

Continued

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	State Health Plan	Disability Income Plan of N.C.	Death Benefit Plan of N.C.	State Property Fire Insurance	Prison Enterprises	Motor Fleet Management	Courier Service	Temporary Solutions
Cash Provided From (Used For) Investment Activities:								
Proceeds from the sale/maturities of non-State Treasurer investments	—	—	—	—	—	—	—	—
Redemptions from the State Treasurer Long-Term Investment Portfolio	—	1,000	700	—	—	—	—	—
Purchase into State Treasurer Long-Term Investment Portfolio	—	—	—	(3,000)	—	—	—	—
Investment earnings	20,465	197	152	589	—	—	—	—
Total cash provided from (used for) investment activities	20,465	1,197	852	(2,411)	—	—	—	—
Net increase (decrease) in cash and cash equivalents	(99,995)	1,088	1,966	1,221	(2,908)	(461)	107	157
Cash and cash equivalents at July 1	334,140	2,525	2,262	6,098	21,077	6,132	380	1,248
Cash and cash equivalents at June 30	$ 234,145	$ 3,613	$ 4,228	$ 7,319	$ 18,169	$ 5,671	$ 487	$ 1,405
Noncash Investing, Capital, and Financing Activities:								
Noncash distributions from the State Treasurer Long-Term Investment Portfolio	$ —	$ 1,880	$ 1,814	$ 220	$ —	$ —	$ —	$ —
Increase in contributed capital	—	—	—	—	1,014	—	—	—
Decrease in contributed capital	—	—	—	—	—	—	—	—
Assets acquired through the assumption of a liability	143,887	22,736	22,254	8,436	—	—	—	—

Exhibit E-3

N. C. Information Highway	Centralized Computing Services	State Telecommu-nications Services	Applications Development Services	Decen-tralized Computing Services	Supreme Court Printing Department	Cherry Hospital Auxiliary Services	Umstead Hospital Auxiliary Services	Surplus Property	*Totals*
—	—	—	—	—	200	—	—	—	200
—	—	—	—	—	—	—	—	—	1,700
—	—	—	—	—	—	—	—	—	(3,000)
—	—	—	—	—	23	—	—	—	21,426
—	—	—	—	—	223	—	—	—	20,326
36	7,342	(301)	(364)	(1,216)	(10)	(24)	(651)	7	(94,006)
13	19,092	18,140	397	2,158	291	173	2,441	3,874	420,441
$ 49	$ 26,434	$ 17,839	$ 33	$ 942	$ 281	$ 149	$ 1,790	$ 3,881	$ 326,435
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 3,914
—	—	32	—	—	—	—	—	—	1,046
—	(142)	—	—	—	—	—	—	—	(142)
—	—	—	—	—	—	—	—	—	197,313

TRUST AND AGENCY FUNDS

The trust and agency funds are maintained to account for assets held by the State in the capacity of a trustee or agent. These funds include expendable trusts, nonexpendable trusts, pension trusts, investment trusts and agency funds.

The following activities are included in the trust and agency funds:

Expendable Trusts

Expendable trust funds consist of various trust funds administered by the State, including significant funds for unemployment compensation, the Escheat Fund, the Employee Deferred Compensation Plan, the Recreation and Natural Heritage Trust Fund, and numerous departmental trusts. These funds are accounted for using the modified accrual basis of accounting.

Nonexpendable Trusts

Nonexpendable trust funds consist of various trust funds that are administered by the State and primarily relate to educational loan programs, the Wildlife Endowment Program and the Clean Water Revolving Loan and Grant Fund. These funds are accounted for using the accrual basis of accounting.

Pension Trusts

The pension trust funds reflect the activities of the six retirement systems administered by the State, and the 401(k) Supplemental Retirement Income Fund. These funds are accounted for using the accrual basis of accounting.

Investment Trust Fund

The investment trust fund accounts for the external portion of the Investment Pool sponsored by the State Treasurer. The external portion is comprised primarily of balances from local education agencies.

Agency Funds

Agency funds consist of numerous departmental funds for which the State acts solely in a custodial capacity. The State retains no equity in these funds, and assets equal liabilities. These funds are accounted for using the modified accrual basis of accounting.

TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET

June 30, 1999 *Exhibit F-1*

(Dollars in Thousands)

	Expendable Trust Funds	Non-expendable Trust Funds	Pension Trust Funds	Investment Trust Fund	Agency Funds	*Totals*
ASSETS						
Cash and cash equivalents	$ 268,477	$ 145,491	$ 252,143	$ 32,240	$ 669,326	$ 1,367,677
Investments	963,067	128,665	58,619,400	1,127,040	82,210	60,920,382
Deposit with Federal government	1,283,540	—	—	—	—	1,283,540
Receivables:						
Taxes receivable	116,234	—	—	—	113,016	229,250
Accounts receivable	14,724	5	593	—	2,602	17,924
Intergovernmental receivables	1,440	122	—	—	—	1,562
Interest receivable	1,355	1,873	1,366	10,278	5	14,877
Contributions receivable	154	—	129,656	—	—	129,810
Due from other funds	586	—	—	—	6,929	7,515
Due from component units	710	—	—	—	—	710
Advance to component units	25,000	—	—	—	—	25,000
Notes receivable	—	262,499	89,125	—	—	351,624
Inventories	1,245	—	—	—	301	1,546
Sureties	—	—	—	—	499,813	499,813
Total Assets	$ 2,676,532	$ 538,655	$ 59,092,283	$ 1,169,558	$ 1,374,202	$ 64,851,230
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities:						
Accounts payable	$ 2,347	$ 15	$ —	$ —	$ 3,202	$ 5,564
Accrued payroll	61	—	—	—	—	61
Intergovernmental payables	884	106	—	—	588,716	589,706
Obligations under securities lending	170,713	82,271	2,774,458	420,003	11,836	3,459,281
Refunds and other payables	—	—	2,021	—	—	2,021
Due to other funds	249	2	1	—	13,633	13,885
Due to component units	14,531	—	—	—	—	14,531
Claims and benefits payable	27,858	—	43,600	—	16,052	87,510
Deposits payable	3	—	—	—	740,763	740,766
Distributions payable	—	—	—	3,550	—	3,550
Deferred revenue	9,748	—	—	—	—	9,748
Total Liabilities	226,394	82,394	2,820,080	423,553	1,374,202	4,926,623
Fund Balances:						
Reserved for:						
Inventories	1,245	—	—	—	—	1,245
Advances to component units	25,000	—	—	—	—	25,000
Claims and benefits	569,952	—	—	—	—	569,952
Notes receivable	—	259,543	—	—	—	259,543
Loan and grant commitments	9,695	112,238	—	—	—	121,933
Abandoned property	204,806	—	—	—	—	204,806
Political parties	125	—	—	—	—	125
Wildlife endowment	—	41,318	—	—	—	41,318
Employees' pension benefits	—	—	56,272,203	—	—	56,272,203
Energy conservation	1,856	—	—	—	—	1,856
Investment pool participants	—	—	—	746,005	—	746,005
Other purposes	635	26	—	—	—	661
Unreserved:						
Undesignated	1,636,824	43,136	—	—	—	1,679,960
Total Fund Balances	2,450,138	456,261	56,272,203	746,005	—	59,924,607
Total Liabilities and Fund Balances	$ 2,676,532	$ 538,655	$ 59,092,283	$ 1,169,558	$ 1,374,202	$ 64,851,230

EXPENDABLE TRUST FUNDS
COMBINING BALANCE SHEET

June 30, 1999 *Exhibit F-2*

(Dollars in Thousands)

	Unemployment Compensation Funds	Escheat Fund	Deferred Compensation Plan	Recreation and Natural Heritage Trust Fund	Other Funds	*Totals*
ASSETS						
Cash and cash equivalents	$ 214,286	$ 16,153	$ 155	$ 13,830	$ 24,053	$ 268,477
Investments	120,097	253,617	561,143	7,751	20,459	963,067
Deposit with Federal government	1,283,540	—	—	—	—	1,283,540
Receivables:						
Taxes receivable	116,234	—	—	—	—	116,234
Accounts receivable	14,313	—	—	—	411	14,724
Intergovernmental receivables	1,440	—	—	—	—	1,440
Interest receivable	1,066	82	—	124	83	1,355
Contributions receivable	—	—	1	—	153	154
Due from other funds	—	—	—	208	378	586
Due from component units	—	710	—	—	—	710
Advance to component units	—	25,000	—	—	—	25,000
Inventories	—	—	—	—	1,245	1,245
Total Assets	$ 1,750,976	$ 295,562	$ 561,299	$ 21,913	$ 46,782	$ 2,676,532
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities:						
Accounts payable	$ 1,885	$ —	$ —	$ —	$ 462	$ 2,347
Accrued payroll	—	—	—	—	61	61
Intergovernmental payables	536	—	—	3	345	884
Obligations under securities lending	120,097	33,142	—	7,751	9,723	170,713
Due to other funds	74	—	—	107	68	249
Due to component units	—	14,531	—	—	—	14,531
Claims and benefits payable	12,024	15,834	—	—	—	27,858
Deposits payable	—	—	—	—	3	3
Deferred revenue	7,281	2,249	—	—	218	9,748
Total Liabilities	141,897	65,756	—	7,861	10,880	226,394
Fund Balances:						
Reserved for:						
Inventories	—	—	—	—	1,245	1,245
Advances to component units	—	25,000	—	—	—	25,000
Claims and benefits	—	—	561,299	—	8,653	569,952
Abandoned property	—	204,806	—	—	—	204,806
Political parties	—	—	—	—	125	125
Energy conservation	—	—	—	—	1,856	1,856
Loan and grant commitments	—	—	—	9,695	—	9,695
Other purposes	—	—	—	—	635	635
Unreserved:						
Undesignated	1,609,079	—	—	4,357	23,388	1,636,824
Total Fund Balances	1,609,079	229,806	561,299	14,052	35,902	2,450,138
Total Liabilities and Fund Balances	$ 1,750,976	$ 295,562	$ 561,299	$ 21,913	$ 46,782	$ 2,676,532

EXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 1999 *Exhibit F-3*

(Dollars in Thousands)

	Unemployment Compensation Funds	Escheat Fund	Deferred Compensation Plan	Recreation and Natural Heritage Trust Fund	Other Funds	*Totals*
Revenues:						
Taxes	$ 388,616	$ —	$ —	$ 8,149	$ 329	$ 397,094
Federal funds	9,978	—	—	—	—	9,978
Local funds	—	—	—	—	99	99
Investment earnings	104,000	7,329	72,958	2,024	1,519	187,830
Sales and services	—	—	—	—	32,400	32,400
Sale, rental and lease of property	—	—	—	—	529	529
Fees, licenses and fines	—	—	—	2,025	4,831	6,856
Contributions	883	—	26,265	—	2,472	29,620
Funds escheated	—	20,061	—	—	—	20,061
Miscellaneous	—	—	—	—	499	499
Total revenues	503,477	27,390	99,223	12,198	42,678	684,966
Expenditures:						
Current:						
General government	—	3,958	2,036	—	972	6,966
Education	—	—	—	—	17,900	17,900
Health and human services	—	—	—	—	2,436	2,436
Environment and natural resources	—	—	—	10,366	320	10,686
Public safety and corrections	—	—	—	—	29,922	29,922
Agriculture	—	—	—	—	4,903	4,903
Claims and benefits	421,711	—	25,999	—	1,593	449,303
Total expenditures	421,711	3,958	28,035	10,366	58,046	522,116
Excess revenues over expenditures	81,766	23,432	71,188	1,832	(15,368)	162,850
Other Financing Sources (Uses):						
Operating transfers in	613	—	—	—	18,286	18,899
Operating transfers out	(13,940)	—	—	—	(2,157)	(16,097)
Operating transfers to component units	—	(14,531)	—	—	(46)	(14,577)
Total other financing sources (uses)	(13,327)	(14,531)	—	—	16,083	(11,775)
Excess of revenues and other expenditures and other uses	68,439	8,901	71,188	1,832	715	151,075
Fund balances—July 1	1,540,640	205,127	490,111	12,220	35,081	2,283,179
Restatements	—	15,778	—	—	(7)	15,771
Increase (decrease) in reserve for inventories	—	—	—	—	113	113
Fund balances—June 30	$ 1,609,079	$ 229,806	$ 561,299	$ 14,052	$ 35,902	$ 2,450,138

NONEXPENDABLE TRUST FUNDS
COMBINING BALANCE SHEET

June 30, 1999 *Exhibit F-4*

(Dollars in Thousands)

	Public Education Loan Funds	Community Colleges Loans and Scholarships	Wildlife Endowment Program	Clean Water Revolving Loan and Grant Fund	Other Funds	*Totals*
ASSETS						
Cash and cash equivalents	$ 3,270	$ 65	$ 111	$ 134,871	$ 7,174	$ 145,491
Investments	1,836	5,707	46,128	71,668	3,326	128,665
Receivables:						
Accounts receivable	—	—	—	—	5	5
Intergovernmental receivable	—	—	—	122	—	122
Interest receivable	35	—	1	1,814	23	1,873
Notes receivable	727	15	—	261,651	106	262,499
Total Assets	$ 5,868	$ 5,787	$ 46,240	$ 470,126	$ 10,634	$ 538,655
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities:						
Accounts payable	$ —	$ —	$ —	$ 15	$ —	$ 15
Accrued payroll	—	—	—	—	—	—
Intergovernmental payables	—	—	—	106	—	106
Obligations under securities lending	1,836	562	4,879	71,668	3,326	82,271
Due to other funds	—	—	1	1	—	2
Total Liabilities	1,836	562	4,880	71,790	3,326	82,394
Fund Balances:						
Reserved for:						
Notes receivable	727	—	—	258,710	106	259,543
Loan and grant commitments	—	5,225	—	105,650	1,363	112,238
Wildlife endowment	—	—	41,318	—	—	41,318
Other reserves	—	—	—	—	26	26
Unreserved:						
Undesignated	3,305	—	42	33,976	5,813	43,136
Total Fund Balances	4,032	5,225	41,360	398,336	7,308	456,261
Total Liabilities and Fund Balances	$ 5,868	$ 5,787	$ 46,240	$ 470,126	$ 10,634	$ 538,655

NONEXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES

For the Fiscal Year Ended June 30, 1999 *Exhibit F-5*

(Dollars in Thousands)

	Public Education Loan Funds	Community Colleges Loans and Scholarships	Wildlife Endowment Program	Clean Water Revolving Loan and Grant Fund	Other Funds	*Totals*
Operating Revenues:						
Sales and services	$ —	$ —	$ 78	$ 917	$ —	$ 995
Federal funds	—	—	—	20,583	3,922	24,505
Investment earnings	269	129	740	8,978	198	10,314
Interest earnings on loans	45	—	—	8,807	—	8,852
Fees, licenses and fines	—	—	1,597	—	14	1,611
Contributions	—	43	25	—	—	68
Miscellaneous	—	—	—	—	115	115
Total operating revenues	314	172	2,440	39,285	4,249	46,460
Operating Expenses:						
Personal services	—	—	—	2,215	—	2,215
Supplies and materials	—	—	—	16	—	16
Services	—	8	—	241	—	249
Interest	83	31	280	2,748	60	3,202
Grants to local governments	—	—	—	802	7	809
Other expenses:						
Scholarships	—	391	—	—	—	391
Fixed charges	—	—	—	11	6	17
Capital outlay	—	—	—	288	—	288
Other	—	—	—	189	—	189
Total operating expenses	83	430	280	6,510	73	7,376
Operating income (loss)	231	(258)	2,160	32,775	4,176	39,084
Operating Transfers:						
Transfers in	—	—	—	7,432	—	7,432
Transfers out	—	—	(2,025)	(208)	(46)	(2,279)
Total operating transfers in (out)	—	—	(2,025)	7,224	(46)	5,153
Net income (loss)	231	(258)	135	39,999	4,130	44,237
Fund balances — July 1	3,801	5,510	41,225	358,337	3,178	412,051
Restatements	—	(27)	—	—	—	(27)
Fund balances — June 30	$ 4,032	$ 5,225	$ 41,360	$ 398,336	$ 7,308	$ 456,261

NONEXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended June 30, 1999 *Exhibit F-6*

(Dollars in Thousands)

	Public Education Loan Funds	Community Colleges Loans and Scholarships	Wildlife Endowment Program	Clean Water Revolving Loan and Grant Fund	Other Funds	*Totals*
Cash Provided From (Used For) Operations:						
Operating income (loss)	$ 231	$ (258)	$ 2,160	$ 32,775	$ 4,176	$ 39,084
Adjustments to reconcile operating income to net cash flows from operating activities:						
Investment earnings	(269)	(129)	(740)	(8,978)	(198)	(10,314)
Securities lending fees	83	31	280	2,748	60	3,202
Mortgage/loan/note principal repayments	210	—	—	18,485	—	18,695
Mortgages/loans/notes issued	(400)	—	—	(24,649)	(4)	(25,053)
Restatements and adjustments to cash	—	—	—	(1)	—	(1)
(Increases) decreases in assets:						
Receivables	(1)	—	—	(252)	(3)	(256)
Increases (decreases) in liabilities:						
Accounts payable and accrued liabilities	—	—	—	54	—	54
Due to other funds	—	—	1	1	—	2
Total cash provided from (used for) operations	(146)	(356)	1,701	20,183	4,031	25,413
Cash Provided From (Used For) Noncapital Financing Activities:						
Operating transfers in	—	—	—	7,432	—	7,432
Operating transfers out	—	—	(2,025)	(208)	(46)	(2,279)
Total cash provided from (used for) noncapital financing activities	—	—	(2,025)	7,224	(46)	5,153
Cash Provided From (Used For) Investment Activities:						
Proceeds from the sale/maturities of non-State Treasurer investments	—	386	—	—	—	386
Redemptions from the State Treasurer Long-Term Investment Portfolio	—	345	1,775	—	—	2,120
Purchase of non-State Treasurer investments	—	(375)	—	—	—	(375)
Purchase into State Treasurer Long-Term Investment Portfolio	—	—	(1,391)	—	—	(1,391)
Investment earnings	187	54	10	6,083	118	6,452
Total cash provided from (used for) investment activities	187	410	394	6,083	118	7,192
Net increase (decrease) in cash and cash equivalents	41	54	70	33,490	4,103	37,758
Cash and cash equivalents at July 1	3,229	11	41	101,381	3,071	107,733
Cash and cash equivalents at June 30	$ 3,270	$ 65	$ 111	$ 134,871	$ 7,174	$ 145,491
Noncash Investing, Capital, and Financing Activites:						
Noncash distributions (loss) from the State Treasurer Long-Term Investment Portfolio	$ —	$ (45)	$ 33	$ —	$ —	$ (12)
Assets acquired through the assumption of a liability	1,836	562	4,879	71,668	3,326	82,271

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AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	Balance, July 1, 1998	Additions	Deductions	Balance, June 30, 1999
Local Sales Tax Collections				
ASSETS				
Cash and cash equivalents	$ 376,680	$ 1,533,129	$ 1,495,483	$ 414,326
Receivables:				
Taxes receivable	96,967	113,016	96,967	113,016
Due from other funds	4,254	6,554	4,254	6,554
Total Assets	$ 477,901	$ 1,652,699	$ 1,596,704	$ 533,896
LIABILITIES				
Accounts payable and accrued liabilities:				
Intergovernmental payables	$ 477,901	$ 1,652,699	$ 1,596,704	$ 533,896
Total Liabilities	$ 477,901	$ 1,652,699	$ 1,596,704	$ 533,896
Deposits of Insurance Carriers Fund				
ASSETS				
Cash and cash equivalents	$ 225	$ 957	$ 1,116	$ 66
Investments	150	—	112	38
Receivables:				
Interest receivable	—	1	1	—
Sureties	482,499	13,883	22,001	474,381
Total Assets	$ 482,874	$ 14,841	$ 23,230	$ 474,485
LIABILITIES				
Accounts payable and accrued liabilities:				
Obligations under securities lending	$ 150	$ —	$ 113	$ 37
Deposits payable	482,724	14,278	22,554	474,448
Total Liabilities	$ 482,874	$ 14,278	$ 22,667	$ 474,485
Clerks of Court				
ASSETS				
Cash and cash equivalents	$ 150,987	$ 1,436,718	$ 1,426,049	$ 161,656
Investments	66,534	31,248	27,947	69,835
Receivables:				
Accounts receivable	400	1,404	1,311	493
Due from other funds	321	4,750	4,746	325
Sureties	24,919	20,256	20,794	24,381
Total Assets	$ 243,161	$ 1,494,376	$ 1,480,847	$ 256,690
LIABILITIES				
Accounts payable and accrued liabilities:				
Intergovernmental payables	$ 4,328	$ 93,677	$ 93,030	$ 4,975
Due to other funds	1,878	162,993	162,385	2,486
Deposits payable	236,955	1,002,296	990,022	249,229
Total Liabilities	$ 243,161	$ 1,258,966	$ 1,245,437	$ 256,690

Exhibit F-7

	Balance, July 1, 1998	Additions	Deductions	Balance, June 30, 1999
Departmental Agency Funds				
ASSETS				
Cash and cash equivalents	$ 76,283	$ 4,705,229	$ 4,688,234	$ 93,278
Investments	16,692	—	4,355	12,337
Receivables:				
Accounts receivable	1,421	86,038	85,350	2,109
Intergovernmental receivables	6,238	—	6,238	—
Interest receivable	3	7	5	5
Due from other funds	63	86	99	50
Inventories	301	—	—	301
Sureties	1,454	1,051	1,454	1,051
Total Assets	$ 102,455	$ 4,792,411	$ 4,785,735	$ 109,131
LIABILITIES				
Accounts payable and accrued liabilities:				
Accounts payable	$ 215	$ 60,468	$ 57,481	$ 3,202
Intergovernmental payables	48,845	682,374	681,374	49,845
Obligations under securities lending	16,144	—	4,345	11,799
Due to other funds	9,484	705,009	703,346	11,147
Claims and benefits payable	13,976	1,780,540	1,778,464	16,052
Deposits payable	13,791	27,586	24,291	17,086
Total Liabilities	$ 102,455	$ 3,255,977	$ 3,249,301	$ 109,131
Total Agency Funds				
ASSETS				
Cash and cash equivalents	$ 604,175	$ 7,676,033	$ 7,610,882	$ 669,326
Investments	83,376	31,248	32,414	82,210
Receivables:				
Taxes receivable	96,967	113,016	96,967	113,016
Accounts receivable	1,821	87,442	86,661	2,602
Intergovernmental receivables	6,238	—	6,238	—
Interest receivable	3	8	6	5
Due from other funds	4,638	11,390	9,099	6,929
Due from component units	—	—	—	—
Inventories	301	—	—	301
Sureties	508,872	35,190	44,249	499,813
Total Assets	$ 1,306,391	$ 7,954,327	$ 7,886,516	$ 1,374,202
LIABILITIES				
Accounts payable and accrued liabilities:				
Accounts payable	$ 215	$ 60,468	$ 57,481	$ 3,202
Intergovernmental payables	531,074	2,428,750	2,371,108	588,716
Obligations under securities lending	16,294	—	4,458	11,836
Due to other funds	11,362	868,002	865,731	13,633
Claims and benefits payable	13,976	1,780,540	1,778,464	16,052
Deposits payable	733,470	1,044,160	1,036,867	740,763
Total Liabilities	$ 1,306,391	$ 6,181,920	$ 6,114,109	$ 1,374,202

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General Fixed Assets Account Group

The general fixed assets account group is maintained to account for fixed assets acquired for general governmental purposes except for those assets accounted for in proprietary funds.

General fixed assets purchased by the State are valued at cost where historic records are available; otherwise, they are valued at estimated historic cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received by the State.

Infrastructure, which includes highways, bridges and rights-of-way, is not capitalized. Depreciation expense is not recognized in the general fixed assets account group.

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION

June 30, 1999 *Exhibit G-1*

(Dollars in Thousands)

BY FUNCTION	Land	Buildings	Other Structures and Improvements	Machinery and Equipment	Art, Literature and Artifacts	Construction in Progress	*Totals*
General government	$ 52,760	$ 141,513	$ 26,826	$ 35,973	$ 39,139	$ 145,355	$ 441,566
Education	1,348	51,387	70	9,392	1,013	11,697	74,907
Health and human services	3,182	268,146	43,090	84,661	1,482	67,452	468,013
Economic development	705	23,345	50	12,578	—	—	36,678
Environment and natural resources	177,335	98,084	19,879	94,537	147	24,368	414,350
Public safety, corrections, and regulation	22,249	770,609	56,640	207,836	1,497	25,578	1,084,409
Transportation	21,553	125,242	—	570,354	—	20,892	738,041
Agriculture	21,944	51,078	693	26,089	133	25,162	125,099
Total general fixed assets	$ 301,076	$ 1,529,404	$ 147,248	$ 1,041,420	$ 43,411	$ 320,504	$ 3,383,063

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION

For the Fiscal Year Ended June 30, 1999 *Exhibit G-2*

(Dollars in Thousands)

	Balance July 1, 1998	Prior Year Adjustments	Transfers (To) From Other Funds	Additions	Deletions	Balance June 30, 1999
BY FUNCTION						
General government	$ 482,137	$ 22,648	$ (104,465)	$ 42,350	$ 1,104	$ 441,566
Education	70,466	379	(9)	4,311	240	74,907
Health and human services	454,771	(6,250)	(8,479)	32,448	4,477	468,013
Economic development	36,138	515	—	52	27	36,678
Environment and natural resources	371,431	(485)	5	47,081	3,682	414,350
Public safety, corrections, and regulation	955,081	3,622	102,924	37,773	14,991	1,084,409
Transportation	692,545	(897)	(8)	82,419	36,018	738,041
Agriculture	115,980	1,339	—	8,310	530	125,099
Total general fixed assets	$ 3,178,549	$ 20,871	$ (10,032)	$ 254,744	$ 61,069	$ 3,383,063

General Long-Term Obligations Account Group

The general long-term obligations account group is maintained to account for the outstanding principal balances of the State's long-term obligations not otherwise reported in proprietary funds.

STATEMENT OF GENERAL LONG-TERM OBLIGATIONS

June 30, 1999 *Exhibit H-1*

(Dollars in Thousands)

AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE PAYMENT OF LONG-TERM OBLIGATIONS

Amounts Available In Other Funds:	
In General Fund	$ 145
Amount to be Provided for Retirement of General Long-Term Obligations:	
By General Fund	2,806,115
By Special Revenue Funds	289,492
By Expendable Trust Funds	226
By Nonexpendable Trust Funds	79
Total available and to be provided	$ 3,096,057

GENERAL LONG-TERM OBLIGATIONS

Bonds Payable:	
General obligation bonds payable	$ 2,451,973
Other Payables:	
Tax judgements payable	440,000
Notes payable	3,270
Deferred death benefit payable	145
Obligations for workers' compensation	6,787
Capital leases payable	904
Accrued vacation leave	192,978
Total general long-term obligations	$ 3,096,057

SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE

June 30, 1999

(Dollars in Thousands)

		Payable from General Fund Revenues						
	Total General Obligation Bonds	*Total General Fund*	Capital Improvement Bonds Series 1989 5-1-89	Capital Improvement Bonds Series A 3-1-91	Capital Improvement Bonds Series 1991 10-1-91	Prison and Youth Services Facilities Series A 3-1-92	Prison and Youth Services Facilities Series B 10-1-93	Public Improvement Refunding Series 1993 10-1-93
			6.5 - 6.9% [*]	5.75 - 6.0%	5.3 - 5.6%	5.9 - 6.2%	2.5 - 4.5%	2.4 - 5.5%
Bonds Authorized and Issued:								
Ch. 1048, 1987 session law....	$ 20,499	$ 20,499	$ 20,499	$ —	$ —	$ —	$ —	$ —
Ch. 933, 1989 session law.....	75,000	75,000	—	75,000	—	—	—	—
Ch. 935, 1989 session law.....	200,000	200,000	—	—	—	112,500	87,500	—
Ch. 760, 1991 session law.....	45,000	45,000	—	—	45,000	—	—	—
Ch. 542, 1993 session law.....	740,000	740,000	—	—	—	—	—	—
Ch. 631, 1995 session law.....	1,350,000	1,350,000	—	—	—	—	—	—
General Statute Ch. 142.....	170,450	170,450	—	—	—	—	—	61,025
Ch. 590, 1995 session law.....	250,000	—	—	—	—	—	—	—
Total bonds authorized and issued.....	2,850,949	2,600,949	20,499	75,000	45,000	112,500	87,500	61,025
Accretion.....	10,924	10,924	10,924	—	—	—	—	—
Bonds retired.....	326,300	309,625	17,990	50,200	26,300	26,500	14,600	39,105
Partial defeasances.....	83,600	83,600	—	—	—	59,600	—	—
Bonds outstanding— June 30, 1999.....	$ 2,451,973	$ 2,218,648	$ 13,433	$ 24,800	$ 18,700	$ 26,400	$ 72,900	$ 21,920
Bond Maturity As Follows:								
1999-00.....	$ 142,797	$ 126,122	$ 1,787	$ 8,300	$ 6,200	$ 8,800	$ 6,800	$ 21,920
2000-01.....	142,697	126,022	1,672	8,300	6,200	8,800	8,800	—
2001-02.....	142,673	125,998	1,563	8,200	6,300	8,800	8,800	—
2002-03.....	142,607	125,932	1,462	—	—	—	8,800	—
2003-04.....	142,409	125,734	1,364	—	—	—	8,800	—
2004-05.....	142,725	126,050	1,275	—	—	—	8,800	—
2005-06.....	142,498	125,823	1,188	—	—	—	8,800	—
2006-07.....	142,280	125,605	1,110	—	—	—	8,800	—
2007-08.....	142,265	125,590	1,040	—	—	—	4,500	—
2008-09.....	142,047	125,372	972	—	—	—	—	—
2009-10.....	141,725	125,050	—	—	—	—	—	—
2010-11.....	141,700	125,025	—	—	—	—	—	—
2011-12.....	141,675	125,000	—	—	—	—	—	—
2012-13.....	141,530	124,980	—	—	—	—	—	—
2013-14.....	124,965	124,965	—	—	—	—	—	—
2014-15.....	124,950	124,950	—	—	—	—	—	—
2015-16.....	124,930	124,930	—	—	—	—	—	—
2016-17.....	77,000	77,000	—	—	—	—	—	—
2017-18.....	8,500	8,500	—	—	—	—	—	—
Total Bonds Outstanding.....	$ 2,451,973	$ 2,218,648	$ 13,433	$ 24,800	$ 18,700	$ 26,400	$ 72,900	$ 21,920

[*] Capital Appreciation Bonds

Exhibit H-2

Payable from General Fund Revenues

Clean Water Refunding Series 1993 10-1-93	Prison and Youth Services Facilities Refunding Series C 10-15-93	Capital Improve-ment Bonds Series 1994A 2-1-94	Clean Water Series 1994A 10-1-94	Clean Water Series 1994B 11-1-94	Clean Water Series 1995A 6-1-95	Clean Water Series 1995B 7-1-95	Capital Improve-ment Bonds Series 1997 1-1-97	Public School Building Series 1997A 3-1-97
3.0 - 5.0%	4.2 - 4.8%	4.6 - 4.75%	5.7 - 5.8%	4.7 - 5.0%	5.0 - 5.25%	4.25-4.3%	4.8-5.1%	5.1-5.2%
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	400,000	40,000	20,000	60,000	25,000	195,000	—
—	—	—	—	—	—	—	—	450,000
16,045	67,475	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
16,045	67,475	400,000	40,000	20,000	60,000	25,000	195,000	450,000
—	—	—	—	—	—	—	—	—
9,550	3,380	35,500	6,000	16,000	6,000	20,000	6,000	16,000
—	—	—	24,000	—	—	—	—	—
$ 6,495	$ 64,095	$ 364,500	$ 10,000	$ 4,000	$ 54,000	$ 5,000	$ 189,000	$ 434,000
$ 4,045	$ 615	$ 8,000	$ 2,000	$ 4,000	$ 3,000	$ 5,000	$ 3,000	$ 8,000
2,450	640	28,000	2,000	—	3,000	—	12,000	9,500
—	670	28,000	2,000	—	3,000	—	12,000	12,000
—	9,500	28,000	2,000	—	3,000	—	12,000	26,500
—	9,390	28,000	2,000	—	3,000	—	12,000	26,500
—	9,285	28,000	—	—	3,000	—	12,000	27,000
—	9,175	28,000	—	—	3,000	—	12,000	27,000
—	9,060	28,000	—	—	3,000	—	12,000	27,000
—	8,940	28,000	—	—	3,000	—	12,000	31,500
—	6,820	28,000	—	—	3,000	—	12,000	32,000
—	—	28,000	—	—	3,000	—	12,000	32,000
—	—	28,000	—	—	3,000	—	12,000	32,000
—	—	28,000	—	—	3,000	—	12,000	32,000
—	—	20,500	—	—	3,000	—	12,000	32,000
—	—	—	—	—	3,000	—	12,000	32,000
—	—	—	—	—	3,000	—	12,000	32,000
—	—	—	—	—	3,000	—	6,000	15,000
—	—	—	—	—	3,000	—	—	—
—	—	—	—	—	—	—	—	—
$ 6,495	$ 64,095	$ 364,500	$ 10,000	$ 4,000	$ 54,000	$ 5,000	$ 189,000	$ 434,000

Continued

SCHEDULE OF GENERAL OBLIGATION BONDS PAYABLE (continued)

June 30, 1999 *Exhibit H-2*

(Dollars in Thousands)

	Payable from General Fund Revenues			*Payable from Highway Trust Fund Revenues*
	Public School Building Series 1998A 4/1/98	Public School Building Series 1999 4/1/99	Clean Water Refunding Series 1999 4/1/99	Highway Series 1997A 11/1/97
	4.75-5.0%	4.5-5.0%	2.9-5.0%	4.5-5.0%
Bonds Authorized and Issued:				
Ch. 1048, 1987 session law.....	$ —	$ —	$ —	$ —
Ch. 933, 1989 session law.....	—	—	—	—
Ch. 935, 1989 session law.....	—	—	—	—
Ch. 760, 1991 session law.....	—	—	—	—
Ch. 542, 1993 session law.....	—	—	—	—
Ch. 631, 1995 session law.....	450,000	450,000	—	—
General Statute Ch. 142.....	—	—	25,905	—
Ch. 590, 1995 session law.....	—	—	—	250,000
Total bonds authorized and issued.....	450,000	450,000	25,905	250,000
Accretion.....	—	—	—	—
Bonds retired.....	16,000	—	500	16,675
Partial defeasances.....	—	—	—	—
Bonds outstanding— June 30, 1999.....	$ 434,000	$ 450,000	$ 25,405	$ 233,325
Bond Maturity As Follows:				
1999-00.....	$ 16,000	$ 18,500	$ 155	$ 16,675
2000-01.....	16,000	18,500	160	16,675
2001-02.....	16,000	18,500	165	16,675
2002-03.....	16,000	18,500	170	16,675
2003-04.....	16,000	18,500	180	16,675
2004-05.....	16,000	18,500	2,190	16,675
2005-06.....	16,000	18,500	2,160	16,675
2006-07.....	16,000	18,500	2,135	16,675
2007-08.....	16,000	18,500	2,110	16,675
2008-09.....	22,000	18,500	2,080	16,675
2009-10.....	29,500	18,500	2,050	16,675
2010-11.....	29,500	18,500	2,025	16,675
2011-12.....	29,500	18,500	2,000	16,675
2012-13.....	37,000	18,500	1,980	16,550
2013-14.....	57,500	18,500	1,965	—
2014-15.....	57,500	18,500	1,950	—
2015-16.....	27,500	71,500	1,930	—
2016-17.....	—	74,000	—	—
2017-18.....	—	8,500	—	—
Total Bonds Outstanding.....	$ 434,000	$ 450,000	$ 25,405	$ 233,325

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COMPONENT UNITS:
PROPRIETARY FUNDS
COLLEGE AND UNIVERSITY FUNDS

The component units funds include the University of North Carolina system, the community colleges, and the component unit proprietary funds. These component units are legally separate entities for which the State is financially accountable. Accountability is defined as the State's substantive appointment of a majority of the component unit's governing board. Furthermore, the State must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific benefits to, or impose specific financial burdens on, the State. The State has applied the criteria outlined in GASB Statement No. 14, The Financial Reporting Entity, in determining financial accountability. The component units are included in the financial reporting entity because of the significance of their operational or financial relationships with the State.

Component units are comprised of the following entities:

University of North Carolina System

University of North Carolina - General Administration
Appalachian State University
East Carolina University
Elizabeth City State University
Fayetteville State University
North Carolina Agricultural and Technical State University
North Carolina Central University
North Carolina School of the Arts
North Carolina State University
University of North Carolina - Asheville
University of North Carolina - Chapel Hill
University of North Carolina - Charlotte
University of North Carolina - Greensboro
University of North Carolina - Pembroke
University of North Carolina - Wilmington
Western Carolina University
Winston-Salem State University
UNC Hospitals

Proprietary Funds

North Carolina Housing Finance Agency
State Education Assistance Authority
North Carolina State Ports Authority
North Carolina Railroad Company
North Carolina Low Level Radioactive Waste Management Authority
North Carolina Global TransPark Authority
MCNC
North Carolina Biotechnology Center
North Carolina Rural Economic Development Center, Inc.
North Carolina Agricultural Finance Authority
North Carolina Partnership for Children, Inc.
North Carolina Ports Railway Commission
North Carolina Rural Rehabilitation Corporation
North Carolina Regional Economic Development Commissions:
- Northeastern North Carolina Regional Economic Development Commission
- Southeastern North Carolina Regional Economic Development Commission
- Western North Carolina Regional Economic Development Commission

Community Colleges

Alamance Comm. College
Anson Comm. College
Asheville-Buncombe Technical Comm. College
Beaufort County Comm. College
Bladen Community College
Blue Ridge Comm. College
Brunswick Comm. College
Caldwell Comm. College and Technical Institute
Cape Fear Comm. College
Carteret Comm. College
Catawba Valley Comm. College
Central Carolina Comm. College
Central Piedmont Comm. College
Cleveland Comm. College
Coastal Carolina Comm. College
College of The Albemarle
Craven Comm. College
Davidson County Comm. College
Durham Technical Comm. College
Edgecombe Comm. College
Fayetteville Technical Comm. College
Forsyth Technical Comm. College
Gaston College
Guilford Technical Comm. College
Halifax Comm. College
Haywood Comm. College
Isothermal Comm. College
James Sprunt Comm. College
Johnston Comm. College
Lenoir Comm. College
Martin Comm. College
Mayland Comm. College
McDowell Technical Comm. College
Mitchell Comm. College
Montgomery Comm. College
Nash Comm. College
Pamlico Comm. College
Piedmont Comm. College
Pitt Comm. College
Randolph Comm. College
Richmond Comm. College
Roanoke-Chowan Comm. College
Robeson Comm. College
Rockingham Comm. College
Rowan-Cabarrus Comm. College
Sampson Comm. College
Sandhills Comm. College
Southeastern Comm. College
Southwestern Comm. College
Stanly Comm. College
Surry Comm. College
Tri-County Comm. College
Vance-Granville Comm. College
Wake Technical Comm. College
Wayne Comm. College
Western Piedmont Comm. College
Wilkes Comm. College
Wilson Technical Comm. College

COMPONENT UNITS — PROPRIETARY FUNDS
COMBINING BALANCE SHEET

June 30, 1999

(Dollars in Thousands)

	N.C. Housing Finance Agency	State Education Assistance Authority	N.C. State Ports Authority	North Carolina Railroad Company	N.C. Low Level Radioactive Waste Management Authority	N.C. Global TransPark Authority	MCNC
ASSETS							
Current Assets:							
Cash and cash equivalents	$ 24,670	$ 174,107	$ 15,755	$ 675	$ 263	$ 3,763	$ —
Investments	7,701	283,327	22,082	5,239	185	25,739	2,065
Receivables:							
Accounts receivable	1,575	297	4,762	184	—	1,869	5,143
Intergovernmental receivables	109	10,463	—	85	—	—	—
Interest receivable	10,263	11,584	171	—	2	13	—
Due from primary government	—	14,531	—	—	—	—	—
Notes receivable	—	75,372	—	—	—	—	166
Inventories	—	5	744	—	—	—	—
Prepaid items	—	299	381	15	—	—	1,893
Total current assets	44,318	569,985	43,895	6,198	450	31,384	9,267
Noncurrent Assets:							
Investments	263,512	—	—	—	—	—	—
Accounts receivable	—	—	—	—	—	—	—
Notes receivable	874,944	525,109	—	—	—	—	—
Prepaid items	—	3,701	193	—	—	—	—
Goodwill	—	—	—	—	—	—	460
Total noncurrent assets	1,138,456	528,810	193	—	—	—	460
Fixed Assets:							
Land	—	—	12,807	—	—	6,923	—
Buildings	—	—	110,816	339	—	6,689	32,889
Other structures and improvements	—	—	39,741	7,848	—	7,815	—
Machinery and equipment	944	1,580	51,716	—	16	1,635	14,572
Construction in progress	—	—	1,782	—	—	9,136	—
Accumulated depreciation	(496)	(606)	(94,799)	(326)	(16)	(5,835)	(37,496)
Total fixed assets	448	974	122,063	7,861	—	26,363	9,965
Total Assets	$ 1,183,222	$ 1,099,769	$ 166,151	$ 14,059	$ 450	$ 57,747	$ 19,692

Exhibit I-1

N.C. Biotechnology Center	Rural Economic Development Center	N.C. Regional Economic Development Commissions	N.C. Agricultural Finance Authority	N.C. Ports Railway Commission	N.C. Partnership for Children Inc.	N.C. Rural Rehabilitation Corporation	*Totals*
$ 875	$ 6,194	$ 1,116	$ 2,910	$ 1,042	$ 2,420	$ 2,411	$ 236,201
25,730	16,098	1,488	1,664	576	10	483	392,387
112	163	25	—	42	9,696	—	23,868
—	542	—	—	—	—	—	11,199
165	95	2	42	—	1	153	22,491
—	—	—	—	—	—	—	14,531
3,000	454	—	2,293	—	—	5,421	86,706
—	—	—	2	—	—	—	751
—	13	13	—	10	64	—	2,688
29,882	23,559	2,644	6,911	1,670	12,191	8,468	790,822
—	—	—	—	—	—	—	263,512
—	—	—	—	—	3,108	—	3,108
1,256	—	—	—	—	—	—	1,401,309
—	—	—	—	—	—	—	3,894
—	—	—	—	—	—	—	460
1,256	—	—	—	—	3,108	—	1,672,283
—	—	—	—	525	—	—	20,255
7,271	1,638	150	—	84	—	125	160,001
—	—	151	—	—	21	—	55,576
1,614	298	847	—	1,061	32	—	74,315
—	—	—	—	154	—	—	11,072
(3,197)	(287)	(554)	—	(841)	(24)	(14)	(144,491)
5,688	1,649	594	—	983	29	111	176,728
$ 36,826	$ 25,208	$ 3,238	$ 6,911	$ 2,653	$ 15,328	$ 8,579	$ 2,639,833

Continued

COMPONENT UNITS — PROPRIETARY FUNDS
COMBINING BALANCE SHEET (continued)

June 30, 1999

(Dollars in Thousands)

	N.C. Housing Finance Agency	State Education Assistance Authority	N.C. State Ports Authority	North Carolina Railroad Company	N.C. Low Level Radioactive Waste Management Authority	N.C. Global TransPark Authority	MCNC
LIABILITIES AND FUND EQUITY:							
Liabilities:							
Current Liabilities:							
Accounts payable and accrued liabilities:							
Accounts payable	$ 14,254	$ 1,542	$ 1,275	$ 72	$ 19	$ 119	$ 4,655
Accrued payroll	—	89	484	—	—	—	—
Intergovernmental payable	744	74	—	—	—	—	—
Obligations under securities lending	7,701	108,244	—	—	185	4,752	—
Due to primary government	3	—	—	1,843	—	710	—
Contracts payable	—	—	—	—	—	—	—
Notes payable	—	21,596	60	—	—	—	331
Claims payable	—	—	—	—	—	—	—
Capital leases payable	—	—	—	—	—	—	926
Bonds payable	77,132	—	1,110	—	—	—	—
Interest payable	13,987	2,938	82	1,016	—	—	—
Accrued vacation leave	219	84	895	—	31	33	—
Deferred revenue	—	—	615	—	—	3	2,319
Total current liabilities	114,040	134,567	4,521	2,931	235	5,617	8,231
Noncurrent Liabilities:							
Accounts payable and accrued liabilities:							
Advance from primary government	—	—	—	61,000	—	25,000	—
Contracts payable	—	—	—	—	—	—	—
Notes payable	—	—	614	—	—	—	463
Claims payable	—	10,922	—	—	—	—	—
Capital leases payable	—	—	—	—	—	—	1,263
Bonds payable	924,005	521,477	11,760	—	—	—	—
Total noncurrent liabilities	924,005	532,399	12,374	61,000	—	25,000	1,726
Total Liabilities	1,038,045	666,966	16,895	63,931	235	30,617	9,957
Fund Equity:							
Contributed capital	—	—	131,536	1,837	33,599	—	—
Retained earnings	145,177	432,803	17,720	(51,709)	(33,384)	27,130	9,735
Total Fund Equity	145,177	432,803	149,256	(49,872)	215	27,130	9,735
Total Liabilities and Fund Equity	$ 1,183,222	$ 1,099,769	$ 166,151	$ 14,059	$ 450	$ 57,747	$ 19,692

Exhibit I-1

N.C. Biotechnology Center	Rural Economic Development Center	Regional Economic Development Commissions	N.C. Agricultural Finance Authority	N.C. Ports Railway Commission	N.C. Partnership for Children Inc.	N.C. Rural Rehabilitation Corporation	*Totals*
$ 132	$ 487	$ 134	$ —	$ 41	$ 821	$ —	$ 23,551
—	—	2	—	—	10	—	585
—	—	—	—	—	—	277	1,095
—	—	—	1,664	576	—	483	123,605
—	—	—	—	—	6,330	—	8,886
5,839	—	—	—	—	—	—	5,839
237	522	—	—	79	—	—	22,825
—	—	—	—	—	—	16	16
—	—	3	—	27	—	—	956
—	—	—	—	—	—	—	78,242
—	12	—	—	—	—	—	18,035
—	75	121	19	12	90	—	1,579
1,499	—	1	—	10	6,446	36	10,929
7,707	1,096	261	1,683	745	13,697	812	296,143
—	—	—	—	—	—	—	86,000
1,171	—	—	—	—	—	—	1,171
2,763	1,635	—	—	14	—	—	5,489
—	—	—	—	—	—	—	10,922
—	—	5	—	—	—	—	1,268
—	—	—	—	—	—	—	1,457,242
3,934	1,635	5	—	14	—	—	1,562,092
11,641	2,731	266	1,683	759	13,697	812	1,858,235
—	—	—	500	50	—	1,120	168,642
25,185	22,477	2,972	4,728	1,844	1,631	6,647	612,956
25,185	22,477	2,972	5,228	1,894	1,631	7,767	781,598
$ 36,826	$ 25,208	$ 3,238	$ 6,911	$ 2,653	$ 15,328	$ 8,579	$ 2,639,833

COMPONENT UNITS — PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	N.C. Housing Finance Agency	State Education Assistance Authority	N.C. State Ports Authority	North Carolina Railroad Company	N.C. Low Level Radioactive Waste Management Authority	N.C. Global TransPark Authority	MCNC
Operating Revenues:							
Sales and services	$ —	$ —	$ 26,101	$ —	$ —	$ —	$ 33,354
Investment earnings	14,668	19,384	—	—	—	—	—
Interest earnings on loans	64,861	43,251	—	—	—	—	—
Rental and lease earnings	—	—	2,018	2,132	—	68	—
Fees, licenses and fines	—	—	—	—	—	—	—
Miscellaneous	3,985	1,431	—	—	—	269	2,887
Total operating revenues	83,514	64,066	28,119	2,132	—	337	36,241
Operating Expenses:							
Personal services	3,771	1,558	13,708	451	—	767	38,917
Supplies and materials	230	56	1,488	—	—	34	—
Services	5,413	10,001	4,342	599	—	1,094	—
Interest	63,507	31,324	—	—	—	—	—
Depreciation/amortization	153	468	7,557	9	—	377	—
Claims and benefits	—	218	27	—	—	—	—
Insurance and bonding	42	—	969	168	—	—	—
Other	348	14,984	212	199	—	127	—
Total operating expenses	73,464	58,609	28,303	1,426	—	2,399	38,917
Operating income (loss)	10,050	5,457	(184)	706	—	(2,062)	(2,676)
Nonoperating Revenues (Expenses):							
Gain (loss) on sale of equipment	—	—	26	—	—	—	(683)
Investment earnings	—	—	881	538	30	1,853	—
Donations	—	—	—	—	—	—	—
Interest expense	—	—	(524)	(2,859)	—	(2,146)	—
Grants	—	2,730	—	—	—	3,714	—
Grants, aid and subsidies	—	(2,085)	—	—	—	—	—
Development stage expense	—	—	—	—	(651)	—	—
Gain (loss) on sale of investments	—	—	(19)	—	—	—	—
Miscellaneous	—	—	—	193	—	—	(229)
Total nonoperating revenues (expenses)	—	645	364	(2,128)	(621)	3,421	(912)
Income (loss) before operating transfers	10,050	6,102	180	(1,422)	(621)	1,359	(3,588)
Operating Transfers:							
Transfers from component units	—	12,002	—	—	—	—	—
Transfers from primary government	2,300	14,531	—	—	—	8,446	4,500
Transfers to primary government	(51)	—	(1)	—	—	—	—
Total operating transfers in (out)	2,249	26,533	(1)	—	—	8,446	4,500
Net income (loss)	12,299	32,635	179	(1,422)	(621)	9,805	912
Excess of revenues over (under) expenditures from governmental operations	(148)	—	—	—	—	—	—
Fund equity — July 1	133,026	405,626	135,312	(44,557)	(49,564)	2,128	10,909
Restatements	—	(5,458)	—	—	16,801	15,197	(2,086)
Increase (decrease) in contributed capital	—	—	13,765	(3,893)	33,599	—	—
Fund equity— June 30	$ 145,177	$ 432,803	$ 149,256	$ (49,872)	$ 215	$ 27,130	$ 9,735

Exhibit I-2

N.C. Biotechnology Center	Rural Economic Development Center	N.C. Regional Economic Development Commissions	N.C. Agricultural Finance Authority	N.C. Ports Railway Commission	N.C. Partnership for Children, Inc.	N.C. Rural Rehabilitation Corporation	*Totals*
$ 8,190	$ —	$ —	$ 40	$ —	$ —	$ —	$ 67,685
—	—	—	297	—	—	129	34,478
77	608	—	264	—	—	297	109,358
—	—	—	—	444	—	21	4,683
—	—	—	2	—	—	—	2
326	—	—	—	—	—	—	8,898
8,593	608	—	603	444	—	447	225,104
1,979	464	1,325	282	215	1,739	55	65,231
75	5	67	2	74	138	—	2,169
64	123	1,053	44	252	1,613	5	24,603
—	15	—	56	—	—	47	94,949
354	84	181	—	84	1	4	9,272
—	—	—	—	—	—	—	245
30	6	16	—	7	7	2	1,247
1,447	86	241	63	10	417	—	18,134
3,949	783	2,883	447	642	3,915	113	215,850
4,644	(175)	(2,883)	156	(198)	(3,915)	334	9,254
—	—	—	—	308	(147)	—	(496)
1,386	315	164	—	40	142	—	5,349
—	220	734	—	—	2,253	—	3,207
—	—	—	—	(7)	—	—	(5,536)
—	736	—	—	—	124	—	7,304
(5,201)	(6,372)	(1,103)	—	—	(79,105)	(25)	(93,891)
—	—	—	—	—	—	—	(651)
—	—	—	—	—	—	—	(19)
—	205	73	64	56	101	—	463
(3,815)	(4,896)	(132)	64	397	(76,632)	(25)	(84,270)
829	(5,071)	(3,015)	220	199	(80,547)	309	(75,016)
—	—	—	—	—	—	—	12,002
10,139	12,632	2,753	134	35	80,817	1,500	137,787
—	—	—	—	—	—	—	(52)
10,139	12,632	2,753	134	35	80,817	1,500	149,737
10,968	7,561	(262)	354	234	270	1,809	74,721
—	—	—	—	—	—	—	(148)
21,671	14,916	3,234	4,874	1,778	11,332	5,958	656,643
(7,454)	—	—	—	(118)	(9,971)	—	6,911
—	—	—	—	—	—	—	43,471
$ 25,185	$ 22,477	$ 2,972	$ 5,228	$ 1,894	$ 1,631	$ 7,767	$ 781,598

COMPONENT UNITS — PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	N.C. Housing Finance Agency	State Education Assistance Authority	N.C. State Ports Authority	North Carolina Railroad Company	N.C. Low Level Radioactive Waste Management Authority	N.C. Global TransPark Authority	MCNC
Cash Provided From (Used For) Operations:							
Operating income (loss)	$ 10,050	$ 5,457	$ (184)	$ 706	$ —	$ (2,062)	$ (2,676)
Adjustments to reconcile operating income to net cash flows from operating activities:							
Depreciation/amortization	153	468	7,557	9	—	377	—
Investment earnings	(14,668)	(19,384)	—	—	—	—	—
Securities lending fees	963	5,003	—	—	—	—	—
Construction projects expensed	—	—	3	—	—	—	—
Mortgage/loan/note principal repayments	98,443	193,944	—	—	—	—	—
Loan sales	—	—	—	—	—	—	—
Mortgages/loans/notes issued	(142,017)	(337,547)	—	—	—	—	—
Mortgages/loans/note cancellation and writeoff	—	6,617	—	—	—	—	—
Allowances and uncollectible accounts	—	2,459	—	—	—	—	—
Restatements and adjustments to cash	—	—	—	(274)	—	—	—
Interest expense	62,544	(6,790)	—	—	—	—	—
Development stage expense	—	—	—	—	(690)	—	—
Nonoperating miscellaneous income (expense)	—	—	—	193	—	—	229
(Increases) decreases in assets:							
Receivables	(1,735)	(5,197)	(79)	(96)	—	(1,483)	(69)
Due from primary government	—	(1,232)	—	—	—	—	195
Inventories	—	—	48	—	—	—	—
Prepaid items	—	—	60	(1)	—	—	(1,578)
Increases (decreases) in liabilities:							
Accounts payable and accrued liabilities	1,679	6,841	742	(308)	—	(430)	1,035
Due to component units	—	(113)	—	—	—	—	—
Due to primary government	(11)	—	—	1,843	—	382	—
Contracts payable	—	—	—	—	—	—	—
Accrued vacation leave	56	16	19	—	—	(13)	—
Deferred revenue	—	—	(28)	—	—	3	2,319
Total cash provided from (used for) operations	15,457	(149,458)	8,138	2,072	(690)	(3,226)	(545)
Cash Provided From (Used For) Noncapital Financing Activities:							
Proceeds from sale of bonds/notes	191,840	265,925	—	—	—	—	—
Repayment of bond/note principal	(147,551)	(101,791)	—	—	—	—	—
Interest payments on bonds and notes	(60,892)	—	—	—	—	—	—
Bond issuance cost	(3,324)	(1,597)	—	—	—	—	—
Grants	—	2,730	—	—	—	—	—
Grants, aid and subsidies	—	(2,085)	—	—	—	—	—
Operating transfers from component units	—	12,002	—	—	—	—	—
Operating transfers from primary government	2,300	14,531	—	—	—	8,446	4,500
Operating transfers to primary government	(51)	—	(1)	—	—	—	—
Advance from primary government	—	—	—	—	(33,054)	—	—
Long term contract payments	—	—	—	—	—	—	—
Increase in contributed capital	—	—	—	—	33,599	—	—
Decrease in contributed capital	—	—	—	(3,893)	—	—	—
Nonoperating cash donations	—	—	—	—	—	—	—
Total cash provided from (used for) noncapital financing activities	(17,678)	189,715	(1)	(3,893)	545	8,446	4,500

Exhibit I-3

N.C. Biotechnology Center	Rural Economic Development Center	N.C. Regional Economic Development Commissions	N.C. Agricultural Finance Authority	N.C. Ports Railway Commission	N.C. Partnership for Children, Inc.	N.C. Rural Rehabilitation Corporation	*Totals*
$ 4,644	$ (175)	$ (2,883)	$ 156	$ (198)	$ (3,915)	$ 334	$ 9,254
354	84	181	—	84	1	4	9,272
—	—	—	(297)	—	—	(129)	(34,478)
—	—	—	56	—	—	47	6,069
—	—	—	—	—	—	—	3
159	293	—	277	—	—	445	293,561
—	—	—	2,078	—	—	—	2,078
(725)	(436)	—	(1,585)	—	—	(1,875)	(484,185)
—	58	—	—	—	—	—	6,675
(211)	—	—	20	—	—	—	2,268
(7,454)	—	—	—	43	—	—	(7,685)
—	—	—	—	—	—	—	55,754
—	—	—	—	—	—	—	(690)
—	205	73	64	56	101	—	921
(7)	(511)	49	35	(17)	(4,530)	(36)	(13,676)
—	—	—	—	—	—	—	(1,037)
—	—	—	—	—	—	—	48
—	(3)	(1)	—	(7)	(53)	—	(1,583)
(16)	215	17	(1)	41	399	(165)	10,049
—	—	—	—	—	—	—	(113)
—	(1)	—	—	—	(4,737)	—	(2,524)
(166)	—	—	—	—	—	—	(166)
—	13	(31)	(2)	—	20	—	78
65	—	(6)	—	10	(859)	3	1,507
(3,357)	(258)	(2,601)	801	12	(13,573)	(1,372)	(148,600)
—	—	—	—	—	—	—	457,765
—	—	—	—	—	—	—	(249,342)
—	—	—	—	—	—	—	(60,892)
—	—	—	—	—	—	—	(4,921)
—	736	—	—	—	124	—	3,590
(5,201)	(6,372)	(1,103)	—	—	(79,105)	(25)	(93,891)
—	—	—	—	—	—	—	12,002
10,139	12,632	2,753	134	—	80,817	1,500	137,752
—	—	—	—	—	—	—	(52)
—	—	—	—	—	—	—	(33,054)
219	—	—	—	—	—	—	219
—	—	—	—	—	—	—	33,599
—	—	—	—	—	—	—	(3,893)
—	220	734	—	—	2,253	—	3,207
5,157	7,216	2,384	134	—	4,089	1,475	202,089

Continued

COMPONENT UNITS — PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)

For the Fiscal Year Ended June 30, 1999

(Dollars in Thousands)

	N.C. Housing Finance Agency	State Education Assistance Authority	N.C. State Ports Authority	North Carolina Railroad Company	N.C. Low Level Radioactive Waste Management Authority	N.C. Global TransPark Authority	MCNC
Cash Provided From (Used For) Capital Financing Activities:							
Acquisition of fixed assets	(187)	(525)	(11,411)	(28)	—	(7,628)	(5,116)
Proceeds from the sale of fixed assets	17	—	32	—	—	—	—
Proceeds from the sale of notes	—	—	—	—	—		—
Repayment of bond/note principal	—	—	(1,150)	—	—	—	(331)
Principal payment on capital leases	—	—	—	—	—	—	(1,088)
Transfer from primary government	—	—	—	—	—	—	—
Interest payments on bonds, notes and capital leases	—	—	(538)	—	—		—
Capital grants	—	—	14,316	—	—	3,714	—
Dredging costs	—	—	(391)	—	—	—	—
Total cash provided from (used for) capital financing activities	(170)	(525)	858	(28)	—	(3,914)	(6,535)
Cash Provided From (Used For) Investment Activities:							
Proceeds from the sale/maturities of non-State Treasurer investments	444,986	178,851	27,865	1,925	—	958	2,580
Purchase of non-State Treasurer investments	(452,449)	(215,740)	(34,412)	—	—	—	—
Investment earnings	14,812	13,387	897	538	30		—
Total cash provided from (used for) investment activities	7,349	(23,502)	(5,650)	2,463	30	958	2,580
Net increase (decrease) in cash and cash equivalents	4,958	16,230	3,345	614	(115)	2,264	—
Deficit from governmental operations	148	—	—	—	—		—
Cash and cash equivalents at July 1	19,564	157,877	12,410	61	378	1,499	—
Cash and cash equivalents at June 30	$ 24,670	$ 174,107	$ 15,755	$ 675	$ 263	$ 3,763	$ —
Noncash Investing, Capital, and Financing Activities:							
Interest expense on advance from primary government	$ —	$ —	$ —	$ —	$ 3,088		$ —
Noncash distributions from the State Treasurer Long-Term Investment Pool	—	7,720	—	—	—	—	—
Assets acquired through the assumption of a liability	7,701	5,003	—	—	185		—

Exhibit I-3

N.C. Biotechnology Center	Rural Economic Development Center	N.C. Regional Economic Development Commissions	N.C. Agricultural Finance Authority	N.C. Ports Railway Commission	N.C. Partnership for Children, Inc.	N.C. Rural Rehabilitation Corporation	*Totals*
(91)	(88)	(165)	—	(83)	(10)	—	(25,332)
—	—	—	—	—	—	—	49
—	—	—	—	533	—	—	533
—	(19)	—	—	(74)	—	—	(1,574)
—	—	—	—	(27)	—	—	(1,115)
—	—	—	—	35	—	—	35
—	—	—	—	(7)	—	—	(545)
—	—	—	—	—	—	—	18,030
—	—	—	—	—	—	—	(391)
(91)	(107)	(165)	—	377	(10)	—	(10,310)
89,604	—	1,683	—	—	—	—	748,452
(92,581)	(1,312)	(1,000)	—	—	—	—	(797,494)
1,393	243	162	234	40	129	88	31,953
(1,584)	(1,069)	845	234	40	129	88	(17,089)
125	5,782	463	1,169	429	(9,365)	191	26,090
—	—	—	—	—	—	—	148
750	412	653	1,741	613	11,785	2,220	209,963
$ 875	$ 6,194	$ 1,116	$ 2,910	$ 1,042	$ 2,420	$ 2,411	$ 236,201
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 3,088
—	—	—	—	—	—	—	7,720
—	—	—	1,664	576	—	483	15,612

COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS
COMBINING BALANCE SHEET

June 30, 1999 *Exhibit I-4*

(Dollars in Thousands)

	University Funds	Community Colleges Funds	*Totals*
ASSETS			
Cash and cash equivalents	$ 1,454,690	$ 90,155	$ 1,544,845
Investments	2,561,198	55,194	2,616,392
Receivables:			
Accounts receivable	221,915	10,087	232,002
Intergovernmental receivables	49,271	56,127	105,398
Interest receivable	9,769	279	10,048
Due from other funds	60,901	528	61,429
Due from component units	1,022	—	1,022
Due from primary government	13,819	28,898	42,717
Notes receivable	95,577	500	96,077
Inventories	42,566	11,968	54,534
Prepaid items	8,481	556	9,037
Fixed assets	5,020,923	1,226,763	6,247,686
Total Assets	$ 9,540,132	$ 1,481,055	$11,021,187
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts payable and accrued liabilities:			
Accounts payable	$ 92,158	$ 15,072	$ 107,230
Accrued payroll	61,335	5,790	67,125
Intergovernmental payables	17,365	154	17,519
Arbitrage rebate payable	3,070	—	3,070
Obligations under securities lending	553,403	34,208	587,611
Due to other funds	60,901	528	61,429
Due to component units	1,022	—	1,022
Due to primary government	1,422	3,125	4,547
Obligations under reverse repurchase agreements	86,891	—	86,891
Notes payable	18,892	1,271	20,163
Claims and benefits payable	37,426	—	37,426
Capital leases payable	647	350	997
Bonds payable	897,654	—	897,654
Interest payable	11,874	8	11,882
Deposits payable	383,269	5,185	388,454
Accrued vacation leave	112,024	24,556	136,580
Deferred revenue	32,500	26	32,526
Total Liabilities	2,371,853	90,273	2,462,126
Fund Equity:			
Investment in fixed assets	4,120,252	1,225,174	5,345,426
Fund balances:			
Restricted for:			
Loans	98,266	992	99,258
Endowments	837,429	16,644	854,073
Revenue bonds	71,749	—	71,749
Restricted funds	648,444	104,250	752,694
Total restricted fund balances	1,655,888	121,886	1,777,774
Unrestricted:			
Quasi-endowment	151,930	2,044	153,974
Undesignated	1,240,209	41,678	1,281,887
Total Fund Equity	7,168,279	1,390,782	8,559,061
Total Liabilities and Fund Equity	$ 9,540,132	$ 1,481,055	$11,021,187

COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS
COMBINING STATEMENT OF CHANGES IN FUND EQUITY

For the fiscal year ended June 30, 1999 *Exhibit I-5*

(Dollars in Thousands)

	University Funds	Community Colleges Funds	*Totals*
Revenues and Other Additions:			
Tuition and fees	$ 406,052	$ 14,427	$ 420,479
Federal appropriations	23,397	—	23,397
County appropriations	—	118,719	118,719
Federal contracts and grants	569,104	92,062	661,166
State contracts and grants	89,834	7,528	97,362
Local contracts and grants	4,794	19,637	24,431
Private gifts, contracts and grants	287,776	19,702	307,478
Endowment income	23,766	643	24,409
Sales and services	823,380	51,044	874,424
Investment earnings	129,257	6,507	135,764
Expended for plant facilities	327,025	127,216	454,241
Retirement of indebtedness	33,652	244	33,896
Proceeds of refunding debt	9,032	—	9,032
Income from hospital operations	436,671	—	436,671
Other revenues and additions	55,460	3,736	59,196
Total revenues and other additions	3,219,200	461,465	3,680,665
Expenditures and Other Deductions:			
Educational and general	2,833,815	829,030	3,662,845
Auxiliary enterprises	459,376	46,960	506,336
Internal service	31,676	2,276	33,952
Independent operations	13,047	—	13,047
Professional clinical services	207,222	—	207,222
Indirect cost recovered	93,503	756	94,259
Refunded to grantors	1,354	35	1,389
Administrative and collection costs, loan cancellation and bad debts	2,998	—	2,998
Expended for plant facilities	234,325	129,798	364,123
Retirement of indebtedness	33,645	171	33,816
Payment to escrow agent	8,776	—	8,776
Interest on indebtedness	37,644	49	37,693
Disposal of plant facilities	50,585	36,468	87,053
Loss on refunding of debt	543	—	543
Hospital operations	436,549	—	436,549
Other expenditures and deductions	5,031	1,852	6,883
Total expenditures and other deductions	4,450,089	1,047,395	5,497,484
Transfers - Additions (Deductions):			
Operating transfers from primary government	1,799,860	652,597	2,452,457
Operating transfers to primary government	(20,332)	—	(20,332)
Operating transfers to component units	(12,002)	—	(12,002)
Net transfers	1,767,526	652,597	2,420,123
Net increase in fund equity	536,637	66,667	603,304
Fund equity — July 1	6,523,755	1,322,792	7,846,547
Restatements	107,978	1,323	109,301
Residual equity transfers out	(91)	—	(91)
Fund equity — June 30	$ 7,168,279	$ 1,390,782	$ 8,559,061

COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS
COMBINING STATEMENT OF CURRENT FUNDS
REVENUES, EXPENDITURES AND TRANSFERS

For the Fiscal Year Ended June 30, 1999 *Exhibit I-6*

(Dollars in Thousands)

	University Funds	Community Colleges Funds	*Totals*
Revenues:			
Tuition and fees	$ 404,743	$ 14,399	$ 419,142
Federal appropriations	23,397	—	23,397
County appropriations	—	100,410	100,410
Federal contracts and grants	482,899	91,510	574,409
State contracts and grants	88,286	—	88,286
Local contracts and grants	95,899	1,418	97,317
Private gifts, contracts and grants	143,537	10,451	153,988
Endowment income	15,998	375	16,373
Sales and services	823,356	51,040	874,396
Investment earnings	56,752	4,306	61,058
Other revenues	36,751	3,121	39,872
Total current revenues	2,171,618	277,030	2,448,648
Expenditures:			
Educational and general:			
Instruction	1,148,041	467,135	1,615,176
Organized research	393,077	93	393,170
Public service	256,657	4,574	261,231
Academic support	248,181	21,734	269,915
Student services	75,977	58,693	134,670
Institutional support	272,303	121,591	393,894
Physical plant operations	204,979	76,024	281,003
Student financial aid	234,600	79,186	313,786
Total educational and general	2,833,815	829,030	3,662,845
Auxiliary enterprises	459,376	46,960	506,336
Internal service	31,676	2,276	33,952
Independent operations	13,047	—	13,047
Professional clinical services	207,222	—	207,222
Total expenditures	3,545,136	878,266	4,423,402
Transfers and Additions (Deductions):			
Excess of restricted receipts over (under) revenues earned	10,526	1,445	11,971
Refunded to grantors	(1,354)	—	(1,354)
Mandatory transfers	(61,874)	(3)	(61,877)
Non-mandatory transfers	(39,132)	(2,568)	(41,700)
Interinstitutional transfers	(2,338)	—	(2,338)
Operating transfers from primary government	1,580,716	605,305	2,186,021
Operating transfers to primary government	(1,549)	—	(1,549)
Operating transfers to component units	(12,002)	—	(12,002)
Net increase in fund equity	$ 99,475	$ 2,943	$ 102,418