

## STATEMENT OF NET POSITION PROPRIETARY FUNDS

June 30, 2021

*(Dollars in Thousands)*

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents (Note 3)	\$ 2,827,813	\$ 656,094	\$ 218,568	\$ -
Investments (Note 3)	-	245,889	7,371	-
Securities lending collateral (Note 3)	1	7	2	8
Receivables: (Note 4)				
Accounts receivable, net	372,980	-	16,518	19,770
Intergovernmental receivable	133,342	280	-	4,723
Interest receivable	16,687	116	2	-
Premiums receivable	-	-	-	-
Contributions receivable, net	162,399	-	-	-
Notes receivable	-	85,796	-	-
Due from other funds (Note 10)	23,149	1,557	-	263
Inventories	-	-	-	402
Prepaid items	-	-	-	133
Restricted cash and cash equivalents (Note 3)	-	-	-	16,344
Total current assets	<u>3,536,371</u>	<u>989,739</u>	<u>242,461</u>	<u>41,643</u>
<b>Noncurrent Assets</b>				
Investments (Note 3)	-	-	80,789	-
Notes receivable	-	1,036,395	-	-
Prepaid items	-	-	5,140	4,696
Restricted/designated cash and cash equivalents (Note 3)	-	-	-	18,024
Restricted investments (Note 3)	-	-	-	799,239
Net OPEB asset	-	10	48	4
Capital assets-nondepreciable (Note 5)	-	-	-	986,348
Capital assets-depreciable, net (Note 5)	-	-	2,469	1,358,636
Total noncurrent assets	<u>-</u>	<u>1,036,405</u>	<u>88,446</u>	<u>3,166,947</u>
Total Assets	<u>3,536,371</u>	<u>2,026,144</u>	<u>330,907</u>	<u>3,208,590</u>
<b>Deferred Outflows of Resources</b>				
Deferred loss on refunding	-	-	-	23,539
Deferred outflows for pensions	-	1,761	5,809	786
Deferred outflows for OPEB	-	2,637	4,472	1,688
Total Deferred Outflows of Resources	<u>-</u>	<u>4,398</u>	<u>10,281</u>	<u>26,013</u>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable and accrued liabilities:				
Accounts payable	\$ 50,491	\$ 85	\$ 3,295	\$ 18,121
Accrued payroll	-	-	2,680	-
Intergovernmental payable	271,230	2,461	-	1,726
Claims payable	-	-	-	-
Unemployment benefits payable	33,296	-	-	-
Obligations under securities lending	1	7	2	8
Interest payable	-	-	-	49,781
Due to fiduciary funds (Note 10)	-	-	378	-
Due to other funds (Note 10)	859	-	235,072	54,076
Due to component units (Note 18)	-	-	-	-
Unearned revenue	2,210	-	-	-
Deposits payable	-	-	-	9,194
Annuity and life income payable (Note 8)	-	-	7,371	-
Notes from direct borrowings (Note 8)	-	-	-	-
Capital leases payable (Note 8)	-	-	-	-
Bonds payable (Note 8)	-	-	-	42,122
Compensated absences (Note 8)	-	58	275	38
Workers' compensation (Note 8)	-	-	55	-
Total current liabilities	<u>358,087</u>	<u>2,611</u>	<u>249,128</u>	<u>175,066</u>

## Exhibit B-3

		Governmental Activities —	
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 178,192	\$ 3,880,667	\$ 92,119	
162,483	415,743	32,325	
1	19	-	
4,395	413,663	59,598	
2,338	140,683	-	
628	17,433	-	
1,390	1,390	93	
-	162,399	-	
-	85,796	-	
2,717	27,686	14,343	
629	1,031	140	
5,526	5,659	14,854	
4,652	20,996	-	
<u>362,951</u>	<u>5,173,165</u>	<u>213,472</u>	
22,763	103,552	-	
250	1,036,645	-	
83	9,919	-	
71	18,095	-	
-	799,239	-	
76	138	203	
24,926	1,011,274	3,396	
<u>67,531</u>	<u>1,428,636</u>	<u>146,973</u>	
<u>115,700</u>	<u>4,407,498</u>	<u>150,572</u>	
<u>478,651</u>	<u>9,580,663</u>	<u>364,044</u>	
-	23,539	-	
10,841	19,197	38,710	
14,180	22,977	84,382	
<u>25,021</u>	<u>65,713</u>	<u>123,092</u>	
\$ 10,411	\$ 82,403	\$ 10,652	
141	2,821	6,117	
27	275,444	-	
28,154	28,154	2,096	
-	33,296	-	
1	19	-	
-	49,781	-	
-	378	-	
1	290,008	2,496	
-	-	29,598	
48,044	50,254	10,774	
-	9,194	-	
-	7,371	-	
780	780	-	
31	31	-	
-	42,122	-	
1,404	1,775	874	
-	55	233	
<u>88,994</u>	<u>873,886</u>	<u>62,840</u>	

Continued

**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS (Continued)**

June 30, 2021

*(Dollars in Thousands)*

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
<b>Noncurrent Liabilities</b>				
Accounts payable	-	-	-	-
Interest payable	-	-	-	65,384
Advances from other funds (Note 10)	-	-	-	30,355
Annuity and life income payable (Note 8)	-	-	80,788	-
Notes from direct borrowings (Note 8)	-	-	-	166,500
Capital leases payable (Note 8)	-	-	-	-
Bonds payable, net (Note 8)	-	-	-	2,503,105
Compensated absences (Note 8)	-	1,008	2,334	346
Workers' compensation (Note 8)	-	-	-	-
Net pension liability (Note 8)	-	3,000	13,734	1,270
Net OPEB liability (Note 8)	-	5,874	27,073	2,522
Total noncurrent liabilities	-	9,882	123,929	2,769,482
Total Liabilities	358,087	12,493	373,057	2,944,548
<b>Deferred Inflows of Resources</b>				
Deferred gain on refunding	-	-	-	6,201
Deferred inflows for pensions	-	538	39	-
Deferred inflows for OPEB	-	5,766	12,789	1,322
Total Deferred Inflows of Resources	-	6,304	12,828	7,523
<b>Net Position</b>				
Net investment in capital assets	-	-	2,469	432,495
Restricted for:				
Expendable:				
Economic development	-	-	-	-
Environment and natural resources	-	3	-	-
Public safety, corrections, and regulation	-	-	-	-
Transportation	-	-	-	18,024
Agriculture	-	-	-	-
Debt service	-	-	-	232,841
Other purposes	-	-	33	-
Unrestricted	3,178,284	2,011,742	(47,199)	(400,828)
Total Net Position	<u>\$ 3,178,284</u>	<u>\$ 2,011,745</u>	<u>\$ (44,697)</u>	<u>\$ 282,532</u>

*The accompanying Notes to the Financial Statements are an integral part of this statement.*

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities —	
		Internal Service Funds	
1,975	1,975	-	-
-	65,384	-	-
-	30,355	-	-
-	80,788	-	-
18,711	185,211	-	-
35	35	-	-
-	2,503,105	-	-
7,430	11,118	17,988	-
32	32	1,430	-
22,124	40,128	59,699	-
43,570	79,039	114,388	-
<u>93,877</u>	<u>2,997,170</u>	<u>193,505</u>	-
<u>182,871</u>	<u>3,871,056</u>	<u>256,345</u>	-
-	6,201	-	-
570	1,147	891	-
<u>27,546</u>	<u>47,423</u>	<u>61,465</u>	-
<u>28,116</u>	<u>54,771</u>	<u>62,356</u>	-
81,562	516,526	150,369	-
2,717	2,717	-	-
2	5	-	-
6	6	2	-
-	18,024	-	-
8	8	-	-
-	232,841	-	-
2,166	2,199	6	-
<u>206,224</u>	<u>4,948,223</u>	<u>18,058</u>	-
<u>\$ 292,685</u>	<u>\$ 5,720,549</u>	<u>\$ 168,435</u>	-

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2021

*(Dollars in Thousands)*

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
<b>Operating Revenues</b>				
Employer unemployment contributions	\$ 592,352	\$ -	\$ -	\$ -
Federal funds	6,957	-	-	-
Sales and services	-	3,255	3,805,326	575
Student tuition and fees, net	-	-	-	-
Interest earnings on loans	-	12,701	-	-
Rental and lease earnings	-	-	-	-
Fees, licenses, and fines	-	-	5,220	8,465
Toll revenues	-	-	-	42,424
Insurance premiums	-	-	-	-
Miscellaneous	-	-	449	5,722
Total operating revenues	<u>599,309</u>	<u>15,956</u>	<u>3,810,995</u>	<u>57,186</u>
<b>Operating Expenses</b>				
Personal services	-	7,160	27,931	3,387
Supplies and materials	-	101	1,742	40,591
Services	-	1,473	373,307	11,148
Cost of goods sold	-	-	-	701
Depreciation	-	-	529	29,684
Lottery prizes	-	-	2,462,425	-
Claims	-	-	-	-
Unemployment benefits	7,310,011	-	-	-
Insurance and bonding	-	-	114	-
Other	-	402	9,850	16,748
Total operating expenses	<u>7,310,011</u>	<u>9,136</u>	<u>2,875,898</u>	<u>102,259</u>
Operating income (loss)	<u>(6,710,702)</u>	<u>6,820</u>	<u>935,097</u>	<u>(45,073)</u>
<b>Nonoperating Revenues (Expenses)</b>				
Noncapital grants	287,267	57,251	-	-
Noncapital gifts, net	-	-	-	-
Noncapital contributions	-	101	464	43
Investment earnings	67,366	1,143	359	4,496
Interest and fees	-	-	-	(90,896)
Insurance recoveries	-	-	-	652
Grants, aid, and subsidies	-	(8,289)	-	-
Gain (loss) on sale of equipment	-	-	-	-
Federal interest subsidy on debt	-	-	-	4,147
Federal COVID-19 funds	6,477,431	-	-	-
Miscellaneous	(7,237)	(28)	(1)	(658)
Total nonoperating revenues (expenses)	<u>6,824,827</u>	<u>50,178</u>	<u>822</u>	<u>(82,216)</u>
Income (loss) before contributions and transfers	114,125	56,998	935,919	(127,289)
Capital contributions	-	-	-	21,391
Transfers in (Note 10)	39,963	12,558	4,000	49,922
Transfers out (Note 10)	-	(137)	(939,919)	(13,891)
Change in net position	<u>154,088</u>	<u>69,419</u>	<u>-</u>	<u>(69,867)</u>
Net position — July 1, as restated (Note 23)	3,024,196	1,942,326	(44,697)	352,399
Net position — June 30	<u>\$ 3,178,284</u>	<u>\$ 2,011,745</u>	<u>\$ (44,697)</u>	<u>\$ 282,532</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities — Internal Service Funds</u>
\$ -	\$ 592,352	\$ -
-	6,957	-
1,103	3,810,259	432,190
11	11	-
-	12,701	-
5,538	5,538	-
148,582	162,267	4,460
-	42,424	-
17,951	17,951	28,003
1,580	7,751	332
<u>174,765</u>	<u>4,658,211</u>	<u>464,985</u>
92,249	130,727	263,551
3,255	45,689	17,390
41,362	427,290	119,278
273	974	215
4,515	34,728	21,304
-	2,462,425	-
15,397	15,397	7,414
-	7,310,011	-
19,719	19,833	27,679
7,444	34,444	29,009
<u>184,214</u>	<u>10,481,518</u>	<u>485,840</u>
<u>(9,449)</u>	<u>(5,823,307)</u>	<u>(20,855)</u>
1,079	345,597	-
3,118	3,118	-
701	1,309	1,959
2,911	76,275	(24)
(345)	(91,241)	-
26	678	13
(350)	(8,639)	-
(285)	(285)	2,763
-	4,147	-
-	6,477,431	-
19	(7,905)	557
<u>6,874</u>	<u>6,800,485</u>	<u>5,268</u>
(2,575)	977,178	(15,587)
2	21,393	8
16,805	123,248	8,453
<u>(2,814)</u>	<u>(956,761)</u>	<u>(8,473)</u>
11,418	165,058	(15,599)
281,267	5,555,491	184,034
<u>\$ 292,685</u>	<u>\$ 5,720,549</u>	<u>\$ 168,435</u>

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2021

*(Dollars in Thousands)*

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
<b>Cash Flows From Operating Activities</b>				
Receipts from customers	\$ 323,193	\$ 2,372	\$ 3,544,928	\$ 60,538
Receipts from federal agencies	7,879	-	-	-
Receipts from program loan - interest	-	12,701	-	-
Receipts from program loan - principal	-	257,759	-	-
Receipts from other funds	-	-	-	-
Payments to suppliers	-	(2,099)	(132,421)	(37,662)
Payments to employees	-	(7,680)	(26,567)	(3,056)
Payments for prizes, benefits, and claims	(7,613,836)	-	(2,476,667)	-
Payments for program loans issued	-	(131,308)	-	-
Payments to other funds	-	-	-	-
Other receipts	41	4	86	5,903
Other payments	(6,419)	(28)	(1)	(1,205)
Net cash provided by (used for) operating activities	<u>(7,289,142)</u>	<u>131,721</u>	<u>909,358</u>	<u>24,518</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Grant receipts	294,463	57,251	-	-
Grants, aid, and subsidies	-	(7,015)	-	-
Federal aid - COVID-19	6,639,679	-	-	-
Advances from other funds	-	-	-	501
Transfers from other funds	39,963	12,558	4,000	-
Transfers to other funds	-	(137)	(732,500)	-
Gifts	649	-	-	-
Insurance recoveries	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>6,974,754</u>	<u>62,657</u>	<u>(728,500)</u>	<u>501</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Acquisition and construction of capital assets	-	-	(545)	(223,330)
Proceeds from the sale of capital assets	-	-	87	-
Proceeds from capital debt	-	-	-	661,762
Transfers from other funds	-	-	-	49,922
Transfers to other funds	-	-	-	(13,891)
Capital contributions	-	-	-	21,482
Principal paid on capital debt	-	-	-	(124,865)
Interest paid on capital debt	-	-	-	(85,958)
Payment to bond escrow agent	-	-	-	(1,234)
Federal subsidy for interest on debt	-	-	-	4,147
Insurance recoveries	-	-	-	652
Bond issuance costs	-	-	-	(653)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(458)</u>	<u>288,034</u>
<b>Cash Flows From Investing Activities</b>				
Proceeds from the sales/maturities of non-State Treasurer investments	-	-	-	809,693
Purchase of non-State Treasurer investments	-	-	-	(1,121,121)
Investment earnings	72,651	5,524	406	3,434
Net cash provided by (used for) investment activities	<u>72,651</u>	<u>5,524</u>	<u>406</u>	<u>(307,994)</u>
Net increase (decrease) in cash and cash equivalents	(241,737)	199,902	180,806	5,059
Cash and cash equivalents at July 1, as restated	3,069,550	456,192	37,762	29,309
Cash and cash equivalents at June 30	<u>\$ 2,827,813</u>	<u>\$ 656,094</u>	<u>\$ 218,568</u>	<u>\$ 34,368</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B-5

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities —
		Internal Service Funds
\$ 179,414	\$ 4,110,445	\$ 19,752
-	7,879	-
-	12,701	-
-	257,759	-
2,234	2,234	439,884
(57,319)	(229,501)	(186,068)
(89,064)	(126,367)	(246,272)
(17,944)	(10,108,447)	-
-	(131,308)	-
-	-	(20,450)
1,629	7,663	879
(15,381)	(23,034)	-
3,569	(6,219,976)	7,725
1,075	352,789	-
(393)	(7,408)	-
-	6,639,679	-
-	501	-
17,042	73,563	8,453
(2,814)	(735,451)	(8,472)
3,120	3,769	-
26	26	-
18,056	6,327,468	(19)
(7,234)	(231,109)	(25,159)
19	106	5,342
9,931	671,693	-
-	49,922	-
-	(13,891)	-
2	21,484	-
(5,993)	(130,858)	-
(345)	(86,303)	-
-	(1,234)	-
-	4,147	-
-	652	13
-	(653)	-
(3,620)	283,956	(19,804)
16,276	825,969	-
(19,514)	(1,140,635)	-
1,801	83,816	140
(1,437)	(230,850)	140
16,568	160,598	(11,958)
166,347	3,759,160	104,077
\$ 182,915	\$ 3,919,758	\$ 92,119

Continued

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2021

*(Dollars in Thousands)*

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
<b>Reconciliation of Operating Income to Net Cash Provided</b>				
<b>By Operating Activities</b>				
Operating income (loss)	\$ (6,710,702)	\$ 6,820	\$ 935,097	\$ (45,073)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	-	-	529	29,684
Management fees	-	-	-	(1,206)
Nonoperating miscellaneous and other income (expense)	(7,237)	77	463	(615)
Change in assets and deferred outflows:				
Receivables	(232,421)	-	(3,929)	11,108
Intergovernmental receivables	-	-	-	(1,889)
Due from other funds	(4,739)	(884)	-	(144)
Inventories	-	-	-	702
Prepaid items	-	-	573	-
Net OPEB asset	-	2	(8)	(1)
Notes receivable	-	126,452	-	-
Deferred outflows for pensions	-	128	(1,332)	(236)
Deferred outflows for OPEB	-	703	(868)	(373)
Change in liabilities and deferred inflows:				
Accounts payable and accrued liabilities	(334,902)	(124)	(22,959)	(2,686)
Due to other funds	859	-	-	41,604
Due to component units	-	-	-	-
Due to fiduciary funds	-	-	378	(8,094)
Compensated absences	-	135	127	75
Workers' compensation	-	-	32	-
Unearned revenue	-	-	-	-
Net pension liability	-	(423)	2,671	390
Net OPEB liability	-	(3,092)	(2,673)	167
Deferred inflows for pensions	-	346	(114)	(9)
Deferred inflows for OPEB	-	1,581	1,371	254
Deposits payable	-	-	-	860
Net cash provided by (used for) operations	<u>\$ (7,289,142)</u>	<u>\$ 131,721</u>	<u>\$ 909,358</u>	<u>\$ 24,518</u>
<b>Noncash Investing, Capital, and Financing Activities</b>				
Noncash distributions from the State Treasurer				
Bond Index External Investment Pool and/or other agents	\$ -	\$ 19,527	\$ -	\$ -
Donated or transferred assets	-	-	-	-
Change in construction in progress as a result of accrual of accounts payable	-	-	-	13,043
Capital asset writeoff	-	-	-	-
Assets acquired through the assumption of a liability	-	-	-	(1,681)
Change in fair value of investments	-	(20,589)	-	(3,646)
Increase in receivables related to nonoperating income	-	-	-	-
Change in securities lending collateral	(1,100)	(9,919)	(817)	(6,274)

Exhibit B-5

		<b>Governmental Activities —</b>	
<b>Other Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>	
\$ (9,449)	\$ (5,823,307)	\$	(20,855)
4,515	34,728		21,304
-	(1,206)		-
810	(6,502)		2,515
4,144	(221,098)		268
-	(1,889)		-
-	(5,767)		(6,431)
27	729		17
6,599	7,172		2,659
(13)	(20)		(35)
-	126,452		-
(1,448)	(2,888)		(3,620)
(1,611)	(2,149)		8,436
(5,879)	(366,550)		4,378
(33)	42,430		(6,085)
-	-		(4,683)
-	(7,716)		-
262	599		1,309
(34)	(2)		(281)
4,213	4,213		1,191
3,870	6,508		12,219
(3,897)	(9,495)		(9,834)
(293)	(70)		(344)
1,880	5,086		5,597
(94)	766		-
<u>\$ 3,569</u>	<u>\$ (6,219,976)</u>	<u>\$</u>	<u>7,725</u>
\$ 2,906	\$ 22,433	\$	726
-	-		8
-	13,043		-
(18)	(18)		-
11	(1,670)		-
(3,068)	(27,303)		(865)
5	5		-
(1,777)	(19,887)		502