

STATEMENT OF NET POSITION PROPRIETARY FUNDS

June 30, 2022

(Dollars in Thousands)

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
Assets				
Current Assets				
Cash and cash equivalents (Note 3)	\$ 3,447,397	\$ 698,205	\$ 122,263	\$ -
Investments (Note 3)	-	220,900	7,621	-
Securities lending collateral (Note 3)	1,895	23,598	4,209	5,191
Receivables: (Note 4)				
Accounts receivable, net	842,380	-	24,753	41,025
Intergovernmental receivable	1,744	280	-	3,676
Interest receivable	13,909	359	14	-
Premiums receivable	-	-	-	-
Contributions receivable, net	183,319	-	-	-
Notes receivable	-	86,206	-	-
Lease receivable	-	-	-	-
Due from other funds (Note 10)	28,475	2,115	-	1,129
Inventories	-	-	-	914
Prepaid items	-	-	-	49
Restricted cash and cash equivalents (Note 3)	-	-	-	-
Total current assets	<u>4,519,119</u>	<u>1,031,663</u>	<u>158,860</u>	<u>51,984</u>
Noncurrent Assets				
Investments (Note 3)	-	-	73,395	-
Notes receivable	-	1,079,874	-	-
Lease receivable	-	-	-	-
Prepaid items	-	-	3,924	4,487
Restricted/designated cash and cash equivalents (Note 3)	-	-	-	38,348
Restricted investments (Note 3)	-	-	-	485,467
Net OPEB asset	-	4	17	2
Capital assets-nondepreciable (Note 5)	-	-	-	1,254,255
Capital assets-depreciable, net (Note 5)	-	-	1,894	1,328,953
Total noncurrent assets	<u>-</u>	<u>1,079,878</u>	<u>79,230</u>	<u>3,111,512</u>
Total Assets	<u>4,519,119</u>	<u>2,111,541</u>	<u>238,090</u>	<u>3,163,496</u>
Deferred Outflows of Resources				
Deferred loss on refunding	-	-	-	20,939
Deferred outflows for pensions	-	2,254	6,537	808
Deferred outflows for OPEB	-	4,249	8,100	1,816
Total Deferred Outflows of Resources	<u>-</u>	<u>6,503</u>	<u>14,637</u>	<u>23,563</u>
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities:				
Accounts payable	\$ 49,049	\$ 124	\$ 25,092	\$ 16,866
Accrued payroll	-	-	2,106	-
Intergovernmental payable	667,245	21,107	-	1,861
Claims payable	-	-	-	-
Unemployment benefits payable	3,079	-	-	-
Obligations under securities lending	1,895	23,598	4,209	5,191
Interest payable	-	-	-	58,312
Due to fiduciary funds (Note 10)	-	-	441	-
Due to other funds (Note 10)	661	-	127,834	69,881
Due to component units (Note 18)	-	-	-	-
Unearned revenue	2,552	-	-	241
Deposits payable	-	-	-	10,670
Annuity and life income payable (Note 8)	-	-	7,621	-
Notes from direct borrowings (Note 8)	-	-	-	-
Lease liability (Note 8)	-	-	-	-
Bonds payable (Note 8)	-	-	-	36,994
Compensated absences (Note 8)	-	89	345	32
Workers' compensation (Note 8)	-	-	12	-
Total current liabilities	<u>724,481</u>	<u>44,918</u>	<u>167,660</u>	<u>200,048</u>

Exhibit B-3

		Governmental Activities —	
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 205,394	\$ 4,473,259	\$ 133,868	
128,166	356,687	26,070	
3,055	37,948	715	
1,222	909,380	42,503	
3,001	8,701	-	
542	14,824	10	
2,156	2,156	83	
-	183,319	-	
-	86,206	-	
1,545	1,545	-	
1,966	33,685	14,777	
456	1,370	233	
20,600	20,649	17,517	
2,161	2,161	-	
<u>370,264</u>	<u>6,131,890</u>	<u>235,776</u>	
27,908	101,303	-	
249	1,080,123	-	
4,180	4,180	-	
67	8,478	-	
71	38,419	-	
-	485,467	-	
26	49	74	
15,193	1,269,448	3,396	
76,171	1,407,018	145,669	
<u>123,865</u>	<u>4,394,485</u>	<u>149,139</u>	
<u>494,129</u>	<u>10,526,375</u>	<u>384,915</u>	
-	20,939	-	
11,493	21,092	38,577	
<u>17,458</u>	<u>31,623</u>	<u>86,472</u>	
<u>28,951</u>	<u>73,654</u>	<u>125,049</u>	
\$ 11,909	\$ 103,040	\$ 18,875	
147	2,253	5,689	
-	690,213	-	
29,373	29,373	3,137	
-	3,079	-	
3,055	37,948	715	
-	58,312	-	
-	441	-	
2	198,378	6,751	
-	-	26,110	
42,468	45,261	12,060	
1,282	11,952	-	
-	7,621	-	
1,014	1,014	-	
697	697	299	
-	36,994	-	
1,521	1,987	1,504	
-	12	222	
<u>91,468</u>	<u>1,228,575</u>	<u>75,362</u>	

Continued

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

June 30, 2022

(Dollars in Thousands)

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
Noncurrent Liabilities				
Accounts payable	-	-	-	-
Interest payable	-	-	-	75,899
Advances from other funds (Note 10)	-	-	-	30,424
Annuity and life income payable (Note 8)	-	-	73,395	-
Notes from direct borrowings (Note 8)	-	-	-	166,500
Lease liability (Note 8)	-	-	-	-
Bonds payable, net (Note 8)	-	-	-	2,442,257
Compensated absences (Note 8)	-	909	2,115	295
Workers' compensation (Note 8)	-	-	-	-
Net pension liability (Note 8)	-	1,433	5,607	512
Net OPEB liability (Note 8)	-	8,133	32,535	2,951
Total noncurrent liabilities	-	10,475	113,652	2,718,838
Total Liabilities	724,481	55,393	281,312	2,918,886
Deferred Inflows of Resources				
Deferred gain on refunding	-	-	-	5,779
Deferred inflow for lease agreements	-	-	-	-
Deferred inflows for pensions	-	2,138	7,084	670
Deferred inflows for OPEB	-	4,576	9,028	1,093
Total Deferred Inflows of Resources	-	6,714	16,112	7,542
Net Position				
Net investment in capital assets	-	-	1,894	422,924
Restricted for:				
Expendable:				
Economic development	-	-	-	-
Public safety, corrections, and regulation	-	-	-	-
Transportation	-	-	-	2,878
Debt service	-	-	-	197,963
Other purposes	-	-	4	-
Unrestricted	3,794,638	2,055,937	(46,595)	(363,134)
Total Net Position	\$ 3,794,638	\$ 2,055,937	\$ (44,697)	\$ 260,631

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
2,163	2,163	-
-	75,899	-
-	30,424	-
-	73,395	-
18,613	185,113	-
2,188	2,188	1,229
-	2,442,257	-
7,154	10,473	16,970
33	33	1,505
8,869	16,421	25,105
44,047	87,666	139,824
<u>83,067</u>	<u>2,926,032</u>	<u>184,633</u>
<u>174,535</u>	<u>4,154,607</u>	<u>259,995</u>
-	5,779	-
5,648	5,648	-
11,846	21,738	32,278
26,106	40,803	44,635
<u>43,600</u>	<u>73,968</u>	<u>76,913</u>
68,835	493,653	147,571
1,583	1,583	-
1	1	-
-	2,878	-
-	197,963	-
2,065	2,069	-
232,461	5,673,307	25,485
<u>\$ 304,945</u>	<u>\$ 6,371,454</u>	<u>\$ 173,056</u>

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

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
Operating Revenues				
Employer unemployment contributions	\$ 660,626	\$ -	\$ -	\$ -
Federal funds	2,759	-	-	-
Sales and services	-	7,940	3,887,004	815
Student tuition and fees, net	-	-	-	-
Interest earnings on loans	-	11,479	-	-
Rental and lease earnings	-	-	-	-
Fees, licenses, and fines	-	-	5,207	19,306
Toll revenues	-	-	-	72,088
Insurance premiums	-	-	-	-
Miscellaneous	-	-	558	15,062
Total operating revenues	<u>663,385</u>	<u>19,419</u>	<u>3,892,769</u>	<u>107,271</u>
Operating Expenses				
Personal services	-	7,394	25,271	3,024
Supplies and materials	-	161	2,339	36,399
Services	-	1,525	382,435	13,403
Cost of goods sold	-	-	-	934
Depreciation	-	-	461	29,684
Lottery prizes	-	-	2,543,961	-
Claims	-	-	-	-
Unemployment benefits	671,403	-	-	-
Insurance and bonding	-	-	192	-
Other	-	481	5,211	25,021
Total operating expenses	<u>671,403</u>	<u>9,561</u>	<u>2,959,870</u>	<u>108,465</u>
Operating income (loss)	<u>(8,018)</u>	<u>9,858</u>	<u>932,899</u>	<u>(1,194)</u>
Nonoperating Revenues (Expenses)				
Noncapital grants	-	71,912	-	-
Noncapital gifts, net	-	-	-	-
Noncapital contributions	-	49	197	18
Lease interest revenue	-	-	-	-
Investment earnings (losses)	52,302	(23,626)	213	19,537
Insurance recoveries	-	-	-	288
Grants, aid, and subsidies	-	(27,863)	-	-
Gain (loss) on sale of equipment	-	-	(372)	-
Federal interest subsidy on debt	-	-	-	4,016
Federal COVID-19 funds	572,579	-	-	-
Interest and fees	-	-	-	(101,576)
Miscellaneous	(1,077)	(23)	(4)	(111)
Total nonoperating revenues (expenses)	<u>623,804</u>	<u>20,449</u>	<u>34</u>	<u>(77,828)</u>
Income (loss) before contributions and transfers	615,786	30,307	932,933	(79,022)
Capital contributions	-	-	-	98
Transfers in (Note 10)	568	14,019	-	57,023
Transfers out (Note 10)	-	(134)	(932,933)	-
Change in net position	616,354	44,192	-	(21,901)
Net position — July 1, as restated (Note 23)	3,178,284	2,011,745	(44,697)	282,532
Net position — June 30	<u>\$ 3,794,638</u>	<u>\$ 2,055,937</u>	<u>\$ (44,697)</u>	<u>\$ 260,631</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>
\$ -	\$ 660,626	\$ -
-	2,759	-
1,879	3,897,638	454,652
21	21	-
-	11,479	-
8,044	8,044	-
174,599	199,112	4,648
-	72,088	-
22,765	22,765	34,713
1,328	16,948	372
<u>208,636</u>	<u>4,891,480</u>	<u>494,385</u>
92,207	127,896	254,682
3,965	42,864	18,871
54,219	451,582	129,264
535	1,469	269
5,264	35,409	23,230
-	2,543,961	-
14,288	14,288	12,042
-	671,403	-
23,315	23,507	33,231
8,970	39,683	22,263
<u>202,763</u>	<u>3,952,062</u>	<u>493,852</u>
<u>5,873</u>	<u>939,418</u>	<u>533</u>
281	72,193	-
2,763	2,763	-
253	517	846
144	144	-
(5,256)	43,170	(3,705)
20	308	14
-	(27,863)	-
1,318	946	5,464
-	4,016	-
-	572,579	-
(425)	(102,001)	(71)
(266)	(1,481)	17
<u>(1,168)</u>	<u>565,291</u>	<u>2,565</u>
4,705	1,504,709	3,098
150	248	-
11,621	83,231	17,359
(3,206)	(936,273)	(15,836)
13,270	651,915	4,621
291,675	5,719,539	168,435
<u>\$ 304,945</u>	<u>\$ 6,371,454</u>	<u>\$ 173,056</u>

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
Cash Flows From Operating Activities				
Receipts from customers	\$ 632,939	\$ 7,382	\$ 3,617,776	\$ 69,341
Receipts from federal agencies	2,887	-	-	-
Receipts from program loan - interest	-	11,479	-	-
Receipts from program loan - principal	-	94,351	-	-
Receipts from other funds	-	-	-	-
Payments to suppliers	(198)	(2,125)	(120,060)	(60,088)
Payments to employees	-	(8,413)	(29,205)	(3,105)
Payments for prizes, benefits, and claims	(775,005)	-	(2,524,801)	-
Payments for program loans issued	-	(138,240)	-	-
Payments to other funds	-	-	-	-
Other receipts	70	-	218	16,428
Other payments	(1,145)	-	(4)	(13)
Net cash provided by (used for) operating activities	<u>(140,452)</u>	<u>(35,566)</u>	<u>943,924</u>	<u>22,563</u>
Cash Flows From Noncapital Financing Activities				
Grant receipts	-	71,912	-	-
Grants, aid, and subsidies	-	(9,217)	-	-
Federal aid - COVID-19	704,048	-	-	-
Noncapital contributions	-	-	-	-
Advances from other funds	-	-	-	69
Transfers from other funds	568	14,019	-	-
Transfers to other funds	-	(134)	(1,040,172)	-
Gifts	342	-	-	-
Insurance recoveries	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>704,958</u>	<u>76,580</u>	<u>(1,040,172)</u>	<u>69</u>
Cash Flows From Capital and Related Financing Activities				
Acquisition and construction of capital assets	-	-	(257)	(266,054)
Proceeds from the sale of capital assets	-	-	-	-
Proceeds from capital debt	-	-	-	-
Transfers from other funds	-	-	-	57,023
Transfers to other funds	-	-	-	-
Capital contributions	-	-	-	2,133
Principal paid on capital debt	-	-	-	(42,122)
Interest paid on capital debt	-	-	-	(107,132)
Federal subsidy for interest on debt	-	-	-	4,016
Insurance recoveries	-	-	-	288
Proceeds from lease arrangements	-	-	-	-
Bond issuance costs	-	-	-	(99)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(257)</u>	<u>(351,947)</u>
Cash Flows From Investing Activities				
Proceeds from the sales/maturities of non-State Treasurer investments	-	-	-	926,164
Purchase of non-State Treasurer investments	-	-	-	(619,319)
Purchase into State Treasurer investment pool	-	-	-	-
Redemptions from State Treasurer investment pool	-	-	-	-
Investment earnings	55,078	1,097	200	26,450
Net cash provided by investment activities	<u>55,078</u>	<u>1,097</u>	<u>200</u>	<u>333,295</u>

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

Exhibit B-5

		Governmental Activities —	
Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
\$ 202,232	\$ 4,529,670	\$ 25,856	
-	2,887	-	
-	11,479	-	
-	94,351	-	
-	-	486,062	
(92,514)	(274,985)	(196,713)	
(93,795)	(134,518)	(251,030)	
(12,090)	(3,311,896)	-	
-	(138,240)	-	
-	-	(15,236)	
2,174	18,890	3,737	
(16,890)	(18,052)	-	
(10,883)	779,586	52,676	
286	72,198	-	
-	(9,217)	-	
-	704,048	-	
181	181	-	
-	69	-	
11,753	26,340	17,043	
(2,413)	(1,042,719)	(15,835)	
2,551	2,893	-	
20	20	-	
12,378	(246,187)	1,208	
(3,298)	(269,609)	(23,100)	
3,013	3,013	8,464	
1,182	1,182	-	
-	57,023	317	
(793)	(793)	-	
99	2,232	-	
(1,722)	(43,844)	(299)	
(416)	(107,548)	(71)	
-	4,016	-	
-	288	14	
1,824	1,824	-	
-	(99)	-	
(111)	(352,315)	(14,675)	
30,497	956,661	-	
(43,135)	(662,454)	-	
-	-	(20,000)	
35,000	35,000	22,500	
965	83,790	40	
23,327	412,997	2,540	

Continued

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2022

(Dollars in Thousands)

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
Net increase (decrease) in cash and cash equivalents	619,584	42,111	(96,305)	3,980
Cash and cash equivalents at July 1, as restated	2,827,813	656,094	218,568	34,368
Cash and cash equivalents at June 30	<u>\$ 3,447,397</u>	<u>\$ 698,205</u>	<u>\$ 122,263</u>	<u>\$ 38,348</u>
Reconciliation of Operating Income to Net Cash Provided				
By Operating Activities				
Operating income (loss)	\$ (8,018)	\$ 9,858	\$ 932,899	\$ (1,194)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	-	-	461	29,684
Lease revenue (amortized deferred inflow for leases)	-	-	-	-
Management fees	-	-	-	(13)
Nonoperating miscellaneous and other income (expense)	(1,076)	-	(4)	(111)
Change in assets and deferred outflows:				
Receivables	(490,191)	-	(8,235)	(21,255)
Intergovernmental receivables	-	-	-	(988)
Due from other funds	(5,326)	(558)	-	(866)
Inventories	-	-	-	(513)
Prepaid items	-	-	1,216	-
Net OPEB asset	-	6	31	3
Notes receivable	-	(43,890)	-	-
Deferred outflows for pensions	-	(492)	(728)	(22)
Deferred outflows for OPEB	-	(1,612)	(3,628)	(128)
Change in liabilities and deferred inflows:				
Accounts payable and accrued liabilities	364,356	39	21,222	369
Due to other funds	(197)	-	-	25,681
Due to component units	-	-	-	-
Due to fiduciary funds	-	-	63	(9,876)
Compensated absences	-	(68)	(148)	(57)
Workers' compensation	-	-	(43)	-
Unearned revenue	-	-	-	241
Net pension liability	-	(1,567)	(8,126)	(758)
Net OPEB liability	-	2,308	5,660	447
Deferred inflows for pensions	-	1,600	7,045	670
Deferred inflows for OPEB	-	(1,190)	(3,761)	(228)
Deposits payable	-	-	-	1,477
Net cash provided by (used for) operations	<u>\$ (140,452)</u>	<u>\$ (35,566)</u>	<u>\$ 943,924</u>	<u>\$ 22,563</u>
Noncash Investing, Capital, and Financing Activities				
Noncash distributions from the State Treasurer				
Bond Index External Investment Pool and/or other agents	\$ -	\$ (2,069)	\$ -	\$ -
Change in construction in progress as a result of accrual of accounts payable	-	-	-	11,974
Capital asset writeoff	-	-	(16)	-
Assets acquired through the assumption of a liability	-	-	-	287
Change in fair value of investments	-	(22,919)	-	(21,220)
Increase in receivables related to nonoperating income	-	243	13	-
Change in securities lending collateral	1,895	23,591	4,206	5,183
Decrease in net OPEB liability related to noncapital contributions	-	(49)	197	(18)

Exhibit B-5

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities — Internal Service Funds
24,711	594,081	41,749
182,915	3,919,758	92,119
<u>\$ 207,626</u>	<u>\$ 4,513,839</u>	<u>\$ 133,868</u>

\$ 5,873 \$ 939,418 \$ 533

5,264	35,409	23,230
(1,755)	(1,755)	-
-	(13)	-
184	(1,007)	18
1,830	(517,851)	17,105
-	(988)	-
617	(6,133)	(434)
171	(342)	(93)
(15,015)	(13,799)	(2,662)
49	89	129
-	(43,890)	-
(632)	(1,874)	131
(3,246)	(8,614)	(2,091)
2,895	388,881	7,478
19	25,503	5,614
-	-	(3,488)
-	(9,813)	-
(165)	(438)	(388)
1	(42)	63
(5,574)	(5,333)	1,286
(13,253)	(23,704)	(34,594)
763	9,178	26,282
11,275	20,590	31,386
(1,466)	(6,645)	(16,829)
1,282	2,759	-
<u>\$ (10,883)</u>	<u>\$ 779,586</u>	<u>\$ 52,676</u>

\$ 1,844 \$ (225) \$ 523

-	11,974	-
329	313	-
11	298	346
(12,012)	(56,151)	(4,279)
83	339	10
3,054	37,929	213
(285)	(155)	(846)