

Combined Balance Sheet

ALL FUND TYPES, ACCOUNT GROUPS, AND DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2001

(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES			PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES
	General	Special Revenue	Capital Projects	Enterprise	Internal Service	Trust and Agency
ASSETS AND OTHER DEBITS						
Cash and cash equivalents	\$ 335,101	\$ 2,398,573	\$ 132,051	\$ 369,621	\$ 203,038	\$ 4,192,565
Cash on deposit with fiscal agents	—	—	—	—	—	759,403
Investments	5,109	124,878	—	7,459	266,883	18,280,362
Securities held in lieu of surety bonds.....	—	—	—	—	—	368,346
Invested securities lending collateral.....	75,658	112,571	8,856	9,137	46,578	1,721,822
Receivables, net:						
Accounts	44,056	142,807	1,351	13,396	53,011	386,046
Taxes	582,992	161,202	323	—	—	42,233
Patient and student	—	—	—	—	—	—
Student loans	—	12,498	—	—	—	—
Loans and notes	46	534,731	—	279,352	—	82
Due from Federal government and other grantors ..	8,896	482,070	1,145	3,797	—	4,347
Due from other funds	9	37,404	1,617	—	29,122	22,925
Due from component units.....	15	49	—	—	6	23
Due from primary government.....	—	—	—	—	—	—
Interfund receivables	12,656	—	—	—	—	—
Advances to other funds	6,650	2,450	—	—	20,182	—
Inventories	12,784	14,164	—	1,719	7,298	—
Prepaid long-term operating lease.....	—	—	—	—	—	—
Servicing rights, net.....	—	—	—	1,610	—	—
Interest in license agreement.....	—	—	—	—	—	—
Restricted assets:						
Cash and cash equivalents	—	—	—	211,375	—	—
Investments	—	—	—	30,839	—	—
Loans receivable	—	—	—	518,753	—	—
Other	—	—	—	7,056	—	—
Other assets	—	826	—	669	2,584	—
Deferred charges	—	—	—	5,401	—	—
Investment in joint venture.....	—	—	—	—	—	—
Property, plant, and equipment, net	—	—	—	27,923	179,441	4,289
Amount to be provided for retirement of long-term obligations	—	—	—	—	—	—
Total assets and other debits	\$ 1,083,972	\$ 4,024,223	\$ 145,343	\$ 1,488,107	\$ 808,143	\$ 25,782,443

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

ACCOUNT GROUPS		HIGHER EDUCATION FUNDS	Totals Primary Government (Memorandum Only)	COMPONENT UNITS	Totals Reporting Entity (Memorandum Only)
General Fixed Assets	General Long-Term Obligations				
\$ —	\$ —	\$ 574,028	\$ 8,204,977	\$ 160,161	\$ 8,365,138
—	—	—	759,403	—	759,403
—	—	85,332	18,770,023	91,248	18,861,271
—	—	—	368,346	—	368,346
—	—	24,191	1,998,813	3,365	2,002,178
—	—	25,257	665,924	119,200	785,124
—	—	—	786,750	—	786,750
—	—	120,423	120,423	—	120,423
—	—	49,994	62,492	—	62,492
—	—	66,725	880,936	—	880,936
—	—	91,068	591,323	—	591,323
—	—	12,931	104,008	—	104,008
—	—	5	98	—	98
—	—	—	—	19	19
—	—	—	12,656	—	12,656
—	—	—	29,282	—	29,282
—	—	25,488	61,453	73,483	134,936
—	—	15,634	15,634	—	15,634
—	—	—	1,610	—	1,610
—	—	—	—	179,774	179,774
—	—	—	211,375	247,763	459,138
—	—	—	30,839	260,082	290,921
—	—	—	518,753	—	518,753
—	—	—	7,056	110	7,166
—	—	40,928	45,007	7,036	52,043
—	—	—	5,401	369,539	374,940
—	—	—	—	8,307	8,307
2,547,364	—	3,402,779	6,161,796	2,868,798	9,030,594
—	4,060,822	—	4,060,822	95	4,060,917
\$ 2,547,364	\$ 4,060,822	\$ 4,534,783	\$ 44,475,200	\$ 4,388,980	\$ 48,864,180

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Combined Balance Sheet

ALL FUND TYPES, ACCOUNT GROUPS, AND DISCRETELY PRESENTED COMPONENT UNITS
(Continued)

June 30, 2001

(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES			PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES
	General	Special Revenue	Capital Projects	Enterprise	Internal Service	Trust and Agency
LIABILITIES, FUND EQUITY, AND OTHER CREDITS						
Liabilities:						
Accounts payable and accrued liabilities	\$ 203,482	\$ 432,261	\$ 5,352	\$ 32,656	\$ 18,807	\$ 99,573
Retainages payable.....	—	5,344	2,306	—	259	—
Tax refunds payable	389,066	448	3	—	—	4,589
Intergovernmental payables	81,517	175,278	—	—	—	2,435
Policy claims.....	—	1	—	152,901	366,449	—
Due to other funds	26,330	11,559	2,584	686	—	54,527
Due to component units.....	—	19	—	—	—	—
Due to primary government.....	—	—	—	—	—	—
Interfund payables	—	11,364	—	—	1,034	—
Advances from other funds	2,050	2,912	—	17,270	5,707	—
Deferred revenues and deferred credits	304,273	88,355	1,085	9,399	65,592	870
Deposits	—	—	—	1,654	—	472
Amounts held in custody for others	—	—	—	—	—	594,747
Deferred retirement benefits.....	—	—	—	—	—	54,644
Securities lending collateral.....	75,658	112,571	8,856	9,137	46,578	1,721,822
Liabilities payable from restricted assets	—	—	—	66,966	—	—
Notes payable	—	—	—	152	6,056	—
General obligation bonds payable	—	—	—	—	—	—
Tobacco Authority bonds payable.....	—	—	—	—	—	—
Infrastructure Bank bonds payable.....	—	—	—	—	—	—
Revenue bonds payable	—	—	—	931,726	—	—
Limited obligation bonds payable.....	—	—	—	—	34,003	—
Certificates of participation payable	—	—	—	—	—	—
Capital lease and installment debt obligations payable	—	—	—	—	2,536	—
Commercial paper notes	—	—	—	—	—	—
Compensated absences payable	—	—	—	1,453	5,023	—
Other liabilities	22,319	28	—	45,437	—	—
Total liabilities	1,104,695	840,140	20,186	1,269,437	552,044	2,533,679
Fund equity (deficit) and other credits:						
Contributed capital	—	—	—	21,103	91,924	—
Investment in fixed assets	—	—	—	—	—	—
Retained earnings (deficit):						
Reserved.....	—	—	—	258,037	—	—
Unreserved, accumulated deficit- development stage	—	—	—	—	—	—
Unreserved	—	—	—	(60,470)	164,175	—
Fund balances:						
Reserved	153,079	875,445	—	—	—	23,072,321
Unreserved, designated.....	—	344,509	125,157	—	—	—
Unreserved, undesignated.....	(173,802)	1,964,129	—	—	—	176,443
Total fund equity (deficit) and other credits.....	(20,723)	3,184,083	125,157	218,670	256,099	23,248,764
Total liabilities, fund equity, and other credits	\$ 1,083,972	\$ 4,024,223	\$ 145,343	\$ 1,488,107	\$ 808,143	\$ 25,782,443

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

ACCOUNT GROUPS		HIGHER EDUCATION FUNDS	Totals Primary Government (Memorandum Only)	COMPONENT UNITS	Totals Reporting Entity (Memorandum Only)
General Fixed Assets	General Long-Term Obligations				
\$ —	\$ —	\$ 127,152	\$ 919,283	\$ 136,369	\$ 1,055,652
—	—	4,635	12,544	8,005	20,549
—	—	—	394,106	—	394,106
—	4,710	—	263,940	538	264,478
—	6,732	—	526,083	—	526,083
—	—	8,322	104,008	—	104,008
—	—	—	19	—	19
—	—	—	—	98	98
—	—	258	12,656	—	12,656
—	—	1,343	29,282	—	29,282
—	—	51,532	521,106	77,182	598,288
—	—	4,839	6,965	—	6,965
—	—	5,510	600,257	—	600,257
—	—	—	54,644	—	54,644
—	—	24,191	1,998,813	3,365	2,002,178
—	—	—	66,966	1,766	68,732
—	970	176,551	183,729	—	183,729
—	2,054,526	96,310	2,150,836	—	2,150,836
—	934,530	—	934,530	—	934,530
—	832,575	—	832,575	—	832,575
—	—	351,858	1,283,584	2,366,477	3,650,061
—	—	—	34,003	—	34,003
—	—	19,010	19,010	—	19,010
—	7,506	47,782	57,824	29,926	87,750
—	—	—	—	331,578	331,578
—	185,894	92,649	285,019	14,006	299,025
—	33,379	11,673	112,836	64,381	177,217
—	4,060,822	1,023,615	11,404,618	3,033,691	14,438,309
—	—	130,356	243,383	228,280	471,663
2,547,364	—	2,760,075	5,307,439	139	5,307,578
—	—	10,005	268,042	—	268,042
—	—	—	—	(1,143)	(1,143)
—	—	888	104,593	1,084,722	1,189,315
—	—	322,770	24,423,615	—	24,423,615
—	—	146,747	616,413	—	616,413
—	—	140,327	2,107,097	43,291	2,150,388
2,547,364	—	3,511,168	33,070,582	1,355,289	34,425,871
\$ 2,547,364	\$ 4,060,822	\$ 4,534,783	\$ 44,475,200	\$ 4,388,980	\$ 48,864,180

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances

ALL GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS, AND
DISCRETELY PRESENTED GOVERNMENTAL COMPONENT UNIT

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

GOVERNMENTAL FUND TYPES

Revenues:	General	Special Revenue	Capital Projects
Taxes:			
Individual income.....	\$ 2,491,424	\$ 1,453	\$ —
Retail sales and use.....	1,978,744	726,463	—
Other.....	712,855	528,507	3,189
Licenses, fees, and permits.....	160,069	148,948	—
Interest and other investment income.....	114,151	129,050	3,786
Federal.....	78,271	4,094,179	7,641
Departmental services.....	376,875	186,792	895
Contributions.....	862	158,495	446
Fines and penalties.....	18,892	56,067	—
Tobacco legal settlement.....	73,747	—	—
Other.....	4,145	96,424	259
Total revenues.....	6,010,035	6,126,378	16,216
Expenditures:			
Current:			
General government.....	293,136	195,729	—
Education.....	262,742	180,798	—
Health and environment.....	1,416,681	2,783,405	—
Social services.....	115,596	605,006	—
Administration of justice.....	616,553	99,909	—
Resources and economic development.....	112,865	85,486	—
Transportation.....	—	324,207	—
Capital outlay.....	—	589,107	74,393
Debt service:			
Principal retirement.....	121,878	18,099	—
Interest and fiscal charges.....	51,542	50,893	—
Intergovernmental.....	2,700,057	1,432,539	—
Total expenditures.....	5,691,050	6,365,178	74,393
Revenues over (under) expenditures.....	318,985	(238,800)	(58,177)
Other financing sources (uses):			
Proceeds from bonds and notes.....	250,027	1,550,778	191,444
Lease and installment debt proceeds.....	87	228	—
Operating transfers in.....	60,771	166,965	24,668
Transfers from primary government.....	—	—	—
Transfers from component units.....	9,216	—	—
Operating transfers out.....	(1,053,806)	(88,562)	(127,139)
Transfers to component units.....	(30,000)	—	(11,179)
Total other financing sources (uses).....	(763,705)	1,629,409	77,794
Revenues and other sources over (under) expenditures and other uses.....	(444,720)	1,390,609	19,617
Fund balances at beginning of year (restated).....	425,784	1,797,398	105,540
Decreases in reserve for inventories.....	(1,195)	(3,924)	—
Residual equity transfers out.....	(592)	—	—
Fund balances (deficit) at end of year.....	\$ (20,723)	\$ 3,184,083	\$ 125,157

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

<u>FIDUCIARY FUND TYPE</u>		<u>GOVERNMENTAL COMPONENT UNIT</u>	
<u>Expendable Trust</u>	<u>Totals Primary Government (Memorandum Only)</u>	<u>First Steps to School Readiness Board of Trustees</u>	<u>Totals Reporting Entity (Memorandum Only)</u>
\$ —	\$ 2,492,877	\$ —	\$ 2,492,877
—	2,705,207	—	2,705,207
180,418	1,424,969	—	1,424,969
788	309,805	—	309,805
66,584	313,571	3,476	317,047
7,798	4,187,889	—	4,187,889
40	564,602	—	564,602
12,281	172,084	24	172,108
—	74,959	—	74,959
—	73,747	—	73,747
1,551	102,379	1,508	103,887
269,460	12,422,089	5,008	12,427,097
284,649	773,514	—	773,514
—	443,540	3,536	447,076
44	4,200,130	—	4,200,130
19	720,621	—	720,621
25	716,487	—	716,487
139	198,490	—	198,490
—	324,207	—	324,207
—	663,500	—	663,500
—	139,977	—	139,977
—	102,435	—	102,435
2,557	4,135,153	6,840	4,141,993
287,433	12,418,054	10,376	12,428,430
(17,973)	4,035	(5,368)	(1,333)
—	1,992,249	—	1,992,249
—	315	—	315
—	252,404	—	252,404
—	—	30,000	30,000
—	9,216	—	9,216
(1,289)	(1,270,796)	—	(1,270,796)
—	(41,179)	—	(41,179)
(1,289)	942,209	30,000	972,209
(19,262)	946,244	24,632	970,876
991,685	3,320,407	18,659	3,339,066
—	(5,119)	—	(5,119)
—	(592)	—	(592)
\$ 972,423	\$ 4,260,940	\$ 43,291	\$ 4,304,231

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual (Budgetary Basis)

ALL BUDGETED FUNDS

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

	BUDGETARY GENERAL FUND		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Admissions tax.....	\$ 32,169	\$ 32,499	\$ 330
Aircraft tax.....	3,448	3,996	548
Alcoholic liquors tax.....	44,160	49,034	4,874
Bank tax.....	18,386	9,357	(9,029)
Beer and wine tax.....	92,249	88,395	(3,854)
Business license tax.....	29,239	29,497	258
Coin-operated device tax.....	2,000	2,509	509
Commercial nuclear waste tax.....	—	—	—
Contractors' license tax.....	—	—	—
Corporation income tax.....	176,226	180,414	4,188
Corporation license tax.....	52,873	64,432	11,559
Department of Agriculture.....	—	—	—
Departmental revenue (primarily grant revenues and fees for services).....	56,243	56,563	320
Documentary tax.....	35,628	31,950	(3,678)
Earned on investments.....	71,000	77,310	6,310
Education Improvement Act—1% sales tax.....	—	—	—
Education Improvement Act—investment earnings.....	—	—	—
Education Improvement Act—other.....	—	—	—
Electric power tax.....	23,088	23,494	406
Estate tax.....	47,350	49,407	2,057
Excise tax—casual sales.....	17,557	16,476	(1,081)
Fertilizer inspection tax.....	200	191	(9)
Gift tax.....	—	81	81
Individual income tax.....	2,241,990	2,127,287	(114,703)
Insurance tax.....	111,927	108,323	(3,604)
Miscellaneous sources.....	48,431	50,152	1,721
Motor transport fees.....	10	—	(10)
Motor vehicle licenses.....	45,951	57,103	11,152
Petroleum inspection tax.....	8,248	7,917	(331)
Private car lines tax.....	2,945	3,186	241
Public service assessment.....	—	58	58
Public Service Authority.....	8,982	9,217	235
Retail sales tax (4%).....	2,033,085	1,983,732	(49,353)
Retailers' license tax.....	918	896	(22)
Savings and loan association tax.....	1,893	2,299	406
Soft drinks tax.....	4,600	5,698	1,098
Tobacco legal settlement.....	—	—	—
Workers' compensation insurance tax.....	9,687	8,851	(836)
Total revenues.....	5,220,483	5,080,324	(140,159)

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

OTHER BUDGETED FUNDS			TOTAL BUDGETED FUNDS		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 6,693	\$ 5,163	\$ (1,530)	\$ 38,862	\$ 37,662	\$ (1,200)
—	—	—	3,448	3,996	548
—	—	—	44,160	49,034	4,874
—	—	—	18,386	9,357	(9,029)
—	—	—	92,249	88,395	(3,854)
—	—	—	29,239	29,497	258
250	—	(250)	2,250	2,509	259
24,873	42,025	17,152	24,873	42,025	17,152
1,677	425	(1,252)	1,677	425	(1,252)
—	—	—	176,226	180,414	4,188
—	—	—	52,873	64,432	11,559
3,214	2,610	(604)	3,214	2,610	(604)
8,814,440	7,883,841	(930,599)	8,870,683	7,940,404	(930,279)
7,277	7,135	(142)	42,905	39,085	(3,820)
41,241	64,198	22,957	112,241	141,508	29,267
518,810	506,093	(12,717)	518,810	506,093	(12,717)
3,800	3,807	7	3,800	3,807	7
8,186	3,764	(4,422)	8,186	3,764	(4,422)
—	—	—	23,088	23,494	406
—	—	—	47,350	49,407	2,057
34	3	(31)	17,591	16,479	(1,112)
—	—	—	200	191	(9)
—	—	—	—	81	81
—	1,453	1,453	2,241,990	2,128,740	(113,250)
5,221	4,401	(820)	117,148	112,724	(4,424)
175,474	94,279	(81,195)	223,905	144,431	(79,474)
2,381	2,472	91	2,391	2,472	81
58,909	66,036	7,127	104,860	123,139	18,279
—	—	—	8,248	7,917	(331)
—	—	—	2,945	3,186	241
8,511	6,391	(2,120)	8,511	6,449	(2,062)
—	—	—	8,982	9,217	235
600	699	99	2,033,685	1,984,431	(49,254)
—	—	—	918	896	(22)
—	—	—	1,893	2,299	406
—	—	—	4,600	5,698	1,098
185,172	94,447	(90,725)	185,172	94,447	(90,725)
—	—	—	9,687	8,851	(836)
9,866,763	8,789,242	(1,077,521)	15,087,246	13,869,566	(1,217,680)

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Combined Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual (Budgetary Basis)

ALL BUDGETED FUNDS (Continued)

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	BUDGETARY GENERAL FUND		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures:			
Legislative.....	\$ 34,894	\$ 32,059	\$ 2,835
Judicial.....	48,022	46,646	1,376
Executive and administrative.....	206,261	183,063	23,198
Educational.....	2,858,473	2,805,970	52,503
Health.....	959,720	944,047	15,673
Social rehabilitation services.....	131,277	131,057	220
Correctional and public safety.....	575,904	572,371	3,533
Conservation, natural resources, and development..	178,795	172,248	6,547
Regulatory.....	83,712	81,320	2,392
Transportation.....	2,578	1,220	1,358
Debt service.....	174,895	170,262	4,633
Miscellaneous.....	289,319	282,600	6,719
Enterprise agencies.....	—	—	—
Total expenditures.....	<u>5,543,850</u>	<u>5,422,863</u>	<u>120,987</u>
Excess of revenues over (under) expenditures.....	<u>(323,367)</u>	<u>(342,539)</u>	<u>(19,172)</u>
Other financing sources (uses):			
Operating transfers in:			
From Budgetary General Fund.....	—	—	—
From Other Budgeted Funds.....	—	16,000	16,000
From unbudgeted funds.....	—	750	750
Operating transfers out:			
To Budgetary General Fund.....	—	—	—
To Other Budgeted Funds.....	(96,914)	(96,914)	—
Total financing sources (uses).....	<u>(96,914)</u>	<u>(80,164)</u>	<u>16,750</u>
Excess of revenues and other sources over (under) expenditures and other uses.....	<u>(420,281)</u>	<u>(422,703)</u>	<u>(2,422)</u>
Budgetary fund balance at beginning of year.....	<u>573,432</u>	<u>573,432</u>	<u>—</u>
Budgetary fund balance at end of year.....	<u>\$ 153,151</u>	<u>\$ 150,729</u>	<u>\$ (2,422)</u>

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

OTHER BUDGETED FUNDS			TOTAL BUDGETED FUNDS		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 1,909	\$ 1,625	\$ 284	\$ 36,803	\$ 33,684	\$ 3,119
979	67	912	49,001	46,713	2,288
419,810	318,085	101,725	626,071	501,148	124,923
3,101,648	2,572,754	528,894	5,960,121	5,378,724	581,397
3,651,920	3,564,616	87,304	4,611,640	4,508,663	102,977
719,136	672,518	46,618	850,413	803,575	46,838
254,276	207,798	46,478	830,180	780,169	50,011
250,349	175,569	74,780	429,144	347,817	81,327
180,026	153,220	26,806	263,738	234,540	29,198
1,577,806	1,226,720	351,086	1,580,384	1,227,940	352,444
—	—	—	174,895	170,262	4,633
—	—	—	289,319	282,600	6,719
27,179	16,744	10,435	27,179	16,744	10,435
10,185,038	8,909,716	1,275,322	15,728,888	14,332,579	1,396,309
(318,275)	(120,474)	197,801	(641,642)	(463,013)	178,629
96,914	96,914	—	96,914	96,914	—
—	—	—	—	16,000	16,000
—	—	—	—	750	750
—	(16,000)	(16,000)	—	(16,000)	(16,000)
—	—	—	(96,914)	(96,914)	—
96,914	80,914	(16,000)	—	750	750
(221,361)	(39,560)	181,801	(641,642)	(462,263)	179,379
1,305,846	1,305,846	—	1,879,278	1,879,278	—
\$ 1,084,485	\$ 1,266,286	\$ 181,801	\$ 1,237,636	\$ 1,417,015	\$ 179,379

Combined Statement of Revenues, Expenses, and Changes in Fund Equity

ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND, AND DISCRETELY
PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE
	Enterprise	Internal Service	Nonexpendable Trust
Operating revenues:			
Charges for services.....	\$ 104,746	\$ 1,170,966	\$ —
Contributions.....	—	632	—
Interest and other investment income.....	60,567	41,665	38
Licenses, fees, and permits.....	—	—	94
Total operating revenues.....	165,313	1,213,263	132
Operating expenses:			
General operations and administration.....	45,156	297,620	—
Benefits and claims.....	82,558	869,363	—
Interest.....	51,717	—	—
Depreciation and amortization.....	1,497	16,619	—
Other operating expenses.....	4,787	8,146	16
Total operating expenses.....	185,715	1,191,748	16
Operating income (loss).....	(20,402)	21,515	116
Nonoperating revenues (expenses):			
Interest income.....	2,762	1,373	—
Federal revenue.....	38,116	4	—
Costs to be recovered from future revenues.....	—	—	—
Interest expense.....	(1,383)	(3,757)	—
Other nonoperating revenues (expenses).....	(40,735)	452	—
Total nonoperating revenues (expenses).....	(1,240)	(1,928)	—
Income (loss) before operating transfers and extraordinary items.....	(21,642)	19,587	116
Operating transfers in.....	125	3,385	—
Transfers from primary government.....	—	—	—
Operating transfers out.....	(197)	(6,477)	—
Transfers to primary government.....	—	—	—
Income (loss) before extraordinary items.....	(21,714)	16,495	116
Extraordinary loss on early extinguishment of debt.....	(372)	—	—
Net income (loss).....	(22,086)	16,495	116
Retained earnings/fund balances at beginning of year (restated).....	219,653	147,680	1,810
Retained earnings/fund balances at end of year.....	197,567	164,175	1,926
Contributed capital at beginning of year	21,103	91,188	—
Additions to contributed capital.....	—	838	—
Deductions from contributed capital.....	—	(102)	—
Fund equity at end of year.....	\$ 218,670	\$ 256,099	\$ 1,926

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

Totals Primary Government (Memorandum Only)	COMPONENT UNITS	Totals Reporting Entity (Memorandum Only)
\$ 1,275,712	\$ 967,078	\$ 2,242,790
632	—	632
102,270	—	102,270
94	—	94
1,378,708	967,078	2,345,786
342,776	600,727	943,503
951,921	—	951,921
51,717	—	51,717
18,116	135,452	153,568
12,949	2,490	15,439
1,377,479	738,669	2,116,148
1,229	228,409	229,638
4,135	40,203	44,338
38,120	—	38,120
—	(21,043)	(21,043)
(5,140)	(167,425)	(172,565)
(40,283)	1,039	(39,244)
(3,168)	(147,226)	(150,394)
(1,939)	81,183	79,244
3,510	—	3,510
—	11,179	11,179
(6,674)	—	(6,674)
—	(8,497)	(8,497)
(5,103)	83,865	78,762
(372)	—	(372)
(5,475)	83,865	78,390
369,143	999,714	1,368,857
363,668	1,083,579	1,447,247
112,291	221,137	333,428
838	7,143	7,981
(102)	—	(102)
\$ 476,695	\$ 1,311,859	\$ 1,788,554

Combined Statement of Cash Flows

ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND, AND
DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE
	Enterprise	Internal Service	Nonexpendable Trust
Cash flows from operating activities:			
Operating income (loss)	\$ (20,402)	\$ 21,515	\$ 116
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,497	16,619	—
Net increase in the fair value of investments.....	(1,119)	(9,632)	—
Issuance of loans and notes.....	(254,783)	—	—
Collection of loans and notes.....	352,080	—	—
Interest payments reclassified as noncapital financing activities.....	51,697	—	—
Interest on investments and interfund loans.....	(22,152)	(25,799)	(9)
Amounts received for payment of claims.....	70,433	—	—
Payment of claims.....	(80,851)	—	—
Deferred coal contract buy-out costs.....	—	—	—
Impact of transactions involving joint venture.....	—	—	—
Other nonoperating revenues.....	862	1,367	—
Other nonoperating expenses.....	(480)	(16)	—
Other.....	(39)	(99)	—
Change in assets—decreases (increases):			
Accounts receivable, net.....	137	(9,764)	13
Due from Federal government and other grantors.....	3,977	—	—
Due from other funds.....	(248)	896	—
Inventories.....	272	(363)	—
Other current assets.....	253	(272)	—
Deferred charges.....	—	—	—
Change in liabilities—increases (decreases):			
Accounts payable and accrued liabilities.....	6,628	605	—
Retainages payable.....	—	(113)	—
Policy claims.....	41,390	1,504	—
Due to other funds.....	(71)	—	—
Deferred revenues	1,028	20,470	—
Deposits.....	113	—	—
Liabilities payable from restricted assets	221	—	—
Compensated absences payable	44	(545)	—
Other current liabilities.....	45	—	—
Net cash provided by operating activities.....	150,532	16,373	120
Cash flows from noncapital financing activities:			
Proceeds from loans made by other funds.....	606	—	—
Principal payments received from other funds.....	—	13,173	—
Principal payments made to other funds.....	(200)	(12,789)	—
Receipt of interest from other funds.....	—	2,178	—
Interest payments made to other funds.....	—	(1,714)	—
Loans made to other funds.....	—	(4,107)	—
Principal payments on notes payable	(109)	—	—
Proceeds from sale of revenue bonds.....	49,200	—	—
Principal payments on revenue bonds.....	(56,400)	—	—
Interest payments.....	(55,202)	—	—
Payment of bond issuance costs.....	(459)	—	—
Federal revenue.....	38,116	—	—
Payments from Federal grants.....	(34,694)	—	—
Operating transfers in.....	125	3,385	—
Operating transfers out.....	(197)	(6,477)	—
Transfers from primary government.....	—	—	—
Transfers to primary government.....	—	—	—
Net cash provided by (used in) noncapital financing activities.....	(59,214)	(6,351)	—

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

Totals Primary Government (Memorandum Only)	COMPONENT UNITS	Totals Reporting Entity (Memorandum Only)
\$ 1,229	\$ 228,409	\$ 229,638
18,116	135,452	153,568
(10,751)	—	(10,751)
(254,783)	—	(254,783)
352,080	—	352,080
51,697	—	51,697
(47,960)	—	(47,960)
70,433	—	70,433
(80,851)	—	(80,851)
—	6,976	6,976
—	(5,495)	(5,495)
2,229	203	2,432
(496)	(11,794)	(12,290)
(138)	459	321
(9,614)	(15,284)	(24,898)
3,977	—	3,977
648	—	648
(91)	10,909	10,818
(19)	(2,729)	(2,748)
—	(11,567)	(11,567)
7,233	5,313	12,546
(113)	—	(113)
42,894	—	42,894
(71)	—	(71)
21,498	—	21,498
113	—	113
221	—	221
(501)	—	(501)
45	35,453	35,498
167,025	376,305	543,330
606	—	606
13,173	—	13,173
(12,989)	—	(12,989)
2,178	—	2,178
(1,714)	—	(1,714)
(4,107)	—	(4,107)
(109)	—	(109)
49,200	—	49,200
(56,400)	—	(56,400)
(55,202)	—	(55,202)
(459)	—	(459)
38,116	—	38,116
(34,694)	—	(34,694)
3,510	—	3,510
(6,674)	—	(6,674)
—	11,179	11,179
—	(8,497)	(8,497)
(65,565)	2,682	(62,883)

Continued on Next Page

Combined Statement of Cash Flows

ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS (Continued)

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE
	Enterprise	Internal Service	Nonexpendable Trust
Cash flows from capital and related financing activities:			
Acquisition of property, plant, and equipment	\$ (2,705)	\$ (16,112)	\$ —
Proceeds from notes payable.....	—	2,041	—
Principal payments on notes payable	—	—	—
Proceeds from sale of revenue bonds.....	—	—	—
Principal payments on revenue bonds.....	—	—	—
Proceeds from sale of limited obligation bonds.....	—	2,000	—
Principal payments on limited obligation bonds.....	—	(3,190)	—
Interest payments	—	(2,043)	—
Payment of bond issuance costs.....	—	—	—
Decrease in commercial paper notes.....	—	—	—
Proceeds from sale of capital assets.....	5	—	—
Principal payments on capital leases and installment debt obligations payable	—	(298)	—
Contributions of capital	—	—	—
Net cash used in capital and related financing activities.....	(2,700)	(17,602)	—
Cash flows from investing activities:			
Payment for interest in license agreement.....	—	—	—
Proceeds from sale of investments	139	40,250	—
Purchase of investments	(17,856)	(25,195)	—
Interest on investments.....	30,329	25,143	9
Issuance of loans	(673)	—	—
Collection of loans	419	—	—
Net cash provided by investing activities.....	12,358	40,198	9
Net increase in cash and cash equivalents.....	100,976	32,618	129
Cash and cash equivalents at beginning of year	480,020	170,420	1,777
Cash and cash equivalents at end of year.....	580,996	203,038	1,906
Reconciliation to the Combined Balance Sheet:			
Add: Governmental Fund Types	—	—	—
Expendable Trust Funds, Pension Trust Funds, Investment Trust Fund, and Agency Funds.....	—	—	4,190,659
Higher Education Funds.....	—	—	—
Governmental Discretely Presented Component Unit.....	—	—	—
Cash and cash equivalents at end of year.....	\$ 580,996	\$ 203,038	\$ 4,192,565
Noncash capital, investing, and financing activities:			
Acquisition of property, plant, and equipment through assumption of liabilities.....	\$ —	\$ —	\$ —
Acquisition of property, plant, and equipment through transfers from other funds.....	—	246	—
Disposal of fixed assets.....	—	(199)	—
Increase in interest in license agreement through:			
Accrual of construction retainages.....	—	—	—
Accretion of interest on bonds payable.....	—	—	—
Decrease in interest in license agreement through:			
Accrual of interest on repurchase agreements.....	—	—	—
Accrual of refunds of escrowed monies.....	—	—	—
Increase in fair value of investments.....	284	—	—
Amortization and write-off of bond issue discount.....	650	—	—
Accrual of arbitrage expense.....	6,973	—	—
Long-term interfund loan payments forgiven.....	—	592	—
Total noncash capital, investing, and financing activities.....	\$ 7,907	\$ 639	\$ —

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

Totals Primary Government (Memorandum Only)	COMPONENT UNITS	Totals Reporting Entity (Memorandum Only)
\$ (18,817)	\$ (289,781)	\$ (308,598)
2,041	1,324	3,365
—	(1,324)	(1,324)
—	1,071	1,071
—	(85,285)	(85,285)
2,000	—	2,000
(3,190)	—	(3,190)
(2,043)	(153,948)	(155,991)
—	(506)	(506)
—	(38,488)	(38,488)
5	—	5
(298)	(2,976)	(3,274)
—	6,872	6,872
(20,302)	(563,041)	(583,343)
—	(63,177)	(63,177)
40,389	275,867	316,256
(43,051)	(11,275)	(54,326)
55,481	35,981	91,462
(673)	—	(673)
419	—	419
52,565	237,396	289,961
133,723	53,342	187,065
652,217	310,622	962,839
785,940	363,964	1,149,904
2,865,725	—	2,865,725
4,190,659	—	4,190,659
574,028	—	574,028
—	43,960	43,960
\$ 8,416,352	\$ 407,924	\$ 8,824,276
\$ —	\$ 2,411	\$ 2,411
246	—	246
(199)	—	(199)
—	3,155	3,155
—	9,002	9,002
—	(1,036)	(1,036)
—	(612)	(612)
284	—	284
650	219	869
6,973	—	6,973
592	—	592
\$ 8,546	\$ 13,139	\$ 21,685

Combining Statement of Changes in Plan Net Assets

PENSION TRUST FUNDS

Statement of Changes in Net Assets

INVESTMENT TRUST FUND

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	PENSION TRUST		
	South Carolina Retirement System	Police Officers' Retirement System	General Assembly Retirement System
Additions:			
Retirement contributions:			
Employer.....	\$ 491,329	\$ 93,584	\$ 2,510
Employee.....	435,072	55,845	844
Transfers from other retirement systems.....	3	1,835	60
Total retirement contributions.....	<u>926,404</u>	<u>151,264</u>	<u>3,414</u>
Deposits, pool participants.....	—	—	—
Investment income.....	1,297,919	150,203	3,036
Investment expense.....	9,577	1,068	21
Net income from investing activities.....	<u>1,288,342</u>	<u>149,135</u>	<u>3,015</u>
Securities lending income.....	88,545	8,908	190
Securities lending expenses	82,890	8,469	183
Net income from securities lending activities...	<u>5,655</u>	<u>439</u>	<u>7</u>
Total net investment income.....	<u>1,293,997</u>	<u>149,574</u>	<u>3,022</u>
Operating transfers in.....	3,518	104	—
Total additions.....	<u>2,223,919</u>	<u>300,942</u>	<u>6,436</u>
Deductions:			
Regular retirement benefits.....	864,235	94,439	4,197
Deferred retirement benefits.....	56,487	—	—
Supplemental retirement benefits.....	3,518	104	—
Refunds of retirement contributions to members.....	68,894	11,498	38
Group life insurance claims.....	12,850	1,399	42
Accidental death benefits.....	—	797	—
Withdrawals, pool participants.....	—	—	—
Distributions to pool participants.....	—	—	—
Depreciation.....	107	11	—
Administrative expense.....	13,154	1,537	31
Transfers to other retirement systems.....	2,113	3	40
Total deductions.....	<u>1,021,358</u>	<u>109,788</u>	<u>4,348</u>
Net increase in plan and pool net assets.....	1,202,561	191,154	2,088
Net assets held in trust for pension benefits and pool participants:			
Beginning of year.....	<u>17,487,280</u>	<u>2,043,035</u>	<u>40,865</u>
End of year.....	<u>\$ 18,689,841</u>	<u>\$ 2,234,189</u>	<u>\$ 42,953</u>

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

PENSION TRUST (Continued)				INVESTMENT TRUST
Judges' and Solicitors' Retirement System	National Guard Pension System	Eliminations	Totals	Local Government Investment Pool
\$ 5,875	\$ 2,474	\$ —	\$ 595,772	\$ —
1,958	—	—	493,719	—
258	—	(2,156)	—	—
8,091	2,474	(2,156)	1,089,491	—
—	—	—	—	3,967,662
7,163	1,111	—	1,459,432	63,824
44	—	—	10,710	—
7,119	1,111	—	1,448,722	63,824
202	—	—	97,845	17
193	—	—	91,735	16
9	—	—	6,110	1
7,128	1,111	—	1,454,832	63,825
—	—	—	3,622	—
15,219	3,585	(2,156)	2,547,945	4,031,487
7,426	2,029	—	972,326	—
—	—	—	56,487	—
—	—	—	3,622	—
—	—	—	80,430	—
6	—	—	14,297	—
—	—	—	797	—
—	—	—	—	3,819,313
—	—	—	—	62,488
1	1	—	120	—
66	9	—	14,797	77
—	—	(2,156)	—	—
7,499	2,039	(2,156)	1,142,876	3,881,878
7,720	1,546	—	1,405,069	149,609
87,998	8,384	—	19,667,562	1,052,175
\$ 95,718	\$ 9,930	\$ —	\$ 21,072,631	\$ 1,201,784

Combined Statement of Changes in Fund Equity

HIGHER EDUCATION FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	CURRENT FUNDS		LOAN FUNDS	ENDOWMENT AND SIMILAR FUNDS
	Unrestricted	Restricted		
Revenues and other additions:				
Unrestricted Current Fund revenues.....	\$ 1,009,870	\$ —	\$ —	\$ —
Restricted student tuition and fees.....	—	—	1	—
Federal grants and contracts—restricted.....	—	398,822	1,070	—
State and local grants—restricted.....	—	12,597	88	—
Nongovernmental grants and contracts--restricted.....	—	59,803	—	—
Gifts—restricted.....	—	33,070	1	8,365
Interest and other investment income—restricted.....	—	5,289	1,642	(4,362)
Interest and other investment income—unrestricted.....	—	—	—	(257)
Expended for plant facilities (including \$57,456 charged to Current Funds expenditures).....	—	—	—	—
Retirement of indebtedness (including \$1,373 charged to Current Funds expenditures).....	—	—	—	—
Capitalization of interest cost.....	—	—	—	—
Foundations and institutes.....	—	—	—	—
Other revenues and additions.....	—	1,285	304	34
Total revenues and other additions.....	1,009,870	510,866	3,106	3,780
Expenditures and other deductions:				
Educational and general.....	1,553,288	533,414	—	—
Auxiliary enterprises.....	224,641	3,445	—	—
Foundations and institutes.....	—	—	—	—
Indirect costs recovered.....	—	42,698	—	—
Loan cancellation and bad debt write-offs.....	—	—	775	—
Administration and collection costs.....	—	101	—	—
Expended for plant facilities (including noncapitalized expenditures of \$21,951).....	—	—	—	—
Retirement of indebtedness.....	—	—	—	—
Interest on indebtedness.....	—	—	—	—
Disposal of plant facilities.....	—	—	—	—
Refunds to grantors.....	—	783	39	—
Other expenditures and deductions.....	1,725	71	2	20
Total expenditures and other deductions.....	1,779,654	580,512	816	20
Transfers in (out):				
Transfers among Higher Education Funds:				
Mandatory transfers for:				
Principal and interest.....	(24,102)	—	—	—
Loan fund matching grants.....	(312)	—	312	—
Other.....	(1,192)	29	—	23
Nonmandatory transfers.....	(22,877)	(4,707)	(61)	3,366
Operating transfers in.....	859,750	89,512	252	—
Operating transfers out.....	(8,238)	(1,840)	—	—
Total transfers in (out).....	803,029	82,994	503	3,389
Net increase in fund balances/retained earnings.....	33,245	13,348	2,793	7,149
Fund balances/retained earnings at beginning of year (restated).....	172,859	56,372	55,318	125,151
Residual equity transfers out.....	(43,470)	—	—	—
Fund balances/retained earnings at end of year.....	162,634	69,720	58,111	132,300
Contributed capital at beginning of year.....	—	—	—	—
Additions to contributed capital.....	—	—	—	—
Fund equity at end of year.....	\$ 162,634	\$ 69,720	\$ 58,111	\$ 132,300

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

PLANT FUNDS				
Unexpended	Retirement of Indebtedness	Investment in Plant	Foundations and Institutes	Totals
\$ —	\$ —	\$ —	\$ —	\$ 1,009,870
5,834	27,346	—	—	33,181
10,814	168	—	—	410,874
—	—	—	—	12,685
550	—	2	—	60,355
2,562	—	8,766	—	52,764
10,187	2,877	—	—	15,633
162	73	—	—	(22)
—	—	213,130	—	213,130
815	—	23,117	—	23,932
—	—	1,792	—	1,792
—	—	—	748,482	748,482
2,276	202	779	—	4,880
33,200	30,666	247,586	748,482	2,587,556
—	—	—	—	2,086,702
—	—	—	—	228,086
—	—	—	731,334	731,334
—	—	—	—	42,698
—	—	—	—	775
—	—	—	—	101
177,625	—	—	—	177,625
—	22,559	—	—	22,559
—	20,258	—	—	20,258
—	—	41,287	—	41,287
—	—	—	—	822
579	750	2,978	—	6,125
178,204	43,567	44,265	731,334	3,358,372
(1,090)	25,192	—	—	—
—	—	—	—	—
1,272	(132)	—	—	—
79,078	(9,209)	(36,137)	(9,453)	—
79,007	—	—	—	1,028,521
(509)	—	—	—	(10,587)
157,758	15,851	(36,137)	(9,453)	1,017,934
12,754	2,950	167,184	7,695	247,118
126,913	40,416	2,801,249	15,941	3,394,219
12,576	(21,273)	(208,358)	—	(260,525)
152,243	22,093	2,760,075	23,636	3,380,812
—	—	—	—	—
—	—	—	130,356	130,356
\$ 152,243	\$ 22,093	\$ 2,760,075	\$ 153,992	\$ 3,511,168

Combined Statement of Current Funds Revenues, Expenditures, and Other Changes

HIGHER EDUCATION FUNDS

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Totals</u>
Revenues:			
Tuition and fees.....	\$ 498,984	\$ —	\$ 498,984
Federal grants and contracts.....	56,029	346,361	402,390
State grants and contracts.....	—	9,871	9,871
Local grants and contracts.....	38,450	3,311	41,761
Nongovernmental grants and contracts.....	8,866	53,323	62,189
Gifts.....	22,693	31,428	54,121
Endowment income.....	687	2,993	3,680
Sales and services of educational departments.....	39,220	—	39,220
Sales and services of auxiliary enterprises.....	243,959	—	243,959
Sales of services to foundation hospitals.....	57,068	—	57,068
Other.....	43,914	1,929	45,843
Total current revenues.....	<u>1,009,870</u>	<u>449,216</u>	<u>1,459,086</u>
Expenditures, mandatory and operating transfers:			
Educational and general:			
Instruction.....	713,252	32,917	746,169
Research.....	97,356	167,680	265,036
Public service.....	78,883	68,444	147,327
Academic support.....	180,170	8,818	188,988
Student services.....	107,849	17,497	125,346
Institutional support.....	158,021	5,667	163,688
Operation and maintenance of plant.....	169,504	600	170,104
Scholarships and fellowships.....	48,253	231,791	280,044
Educational and general expenditures.....	<u>1,553,288</u>	<u>533,414</u>	<u>2,086,702</u>
Mandatory transfers for:			
Principal and interest.....	3,398	—	3,398
Loan fund matching grants.....	312	—	312
Other.....	1,192	29	1,221
Total educational and general.....	<u>1,558,190</u>	<u>533,443</u>	<u>2,091,633</u>
Auxiliary enterprises:			
Expenditures.....	224,641	3,445	228,086
Mandatory transfers for principal and interest.....	20,704	—	20,704
Total auxiliary enterprises.....	<u>245,345</u>	<u>3,445</u>	<u>248,790</u>
Operating transfers in.....	(859,750)	(89,512)	(949,262)
Operating transfers out.....	8,238	1,840	10,078
Total expenditures, mandatory and operating transfers.....	<u>952,023</u>	<u>449,216</u>	<u>1,401,239</u>
Other additions (deductions):			
Excess of restricted receipts over transfers to revenues.....	—	19,010	19,010
Refunds to grantors.....	—	(783)	(783)
Other deductions.....	(24,602)	(4,879)	(29,481)
Total net additions (deductions).....	<u>(24,602)</u>	<u>13,348</u>	<u>(11,254)</u>
Net increase in fund balances.....	<u>\$ 33,245</u>	<u>\$ 13,348</u>	<u>\$ 46,593</u>

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

Combining Balance Sheet

DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2001

(Expressed in Thousands)

	GOVERNMENTAL	PROPRIETARY				Totals
	First Steps to School Readiness Board of Trustees	Public Service Authority	State Ports Authority	Connector 2000 Association, Inc.	Savannah Lakes Regional Loan Fund	
ASSETS						
Current assets:						
Cash and cash equivalents.....	\$ 43,960	\$ 96,226	\$ 19,601	\$ 10	\$ 364	\$ 160,161
Investments.....	—	68,121	—	22,987	140	91,248
Invested securities lending collateral.....	3,365	—	—	—	—	3,365
Accounts receivable, net	520	98,933	18,822	925	—	119,200
Due from primary government.....	19	—	—	—	—	19
Inventories.....	—	70,975	2,508	—	—	73,483
Restricted assets:						
Cash and cash equivalents.....	—	101,149	—	1,767	—	102,916
Investments.....	—	—	—	22,295	—	22,295
Other.....	—	—	—	110	—	110
Other current assets.....	—	537	5,885	614	—	7,036
Total current assets.....	<u>47,864</u>	<u>435,941</u>	<u>46,816</u>	<u>48,708</u>	<u>504</u>	<u>579,833</u>
Long-term assets:						
Interest in license agreement.....	—	—	—	179,774	—	179,774
Restricted assets:						
Cash and cash equivalents.....	—	87,965	56,882	—	—	144,847
Investments.....	—	231,021	6,766	—	—	237,787
Deferred charges.....	—	362,811	1,904	4,824	—	369,539
Investment in joint venture.....	—	8,307	—	—	—	8,307
Total long-term assets.....	<u>—</u>	<u>690,104</u>	<u>65,552</u>	<u>184,598</u>	<u>—</u>	<u>940,254</u>
Property, plant, and equipment:						
Land and improvements.....	—	—	260,634	—	—	260,634
Buildings and improvements.....	—	—	206,458	—	—	206,458
Utility plant.....	—	3,491,768	—	—	—	3,491,768
Machinery, equipment, and other.....	138	1,893	73,720	—	—	75,751
Construction in progress.....	—	331,793	113,229	—	—	445,022
Less: accumulated depreciation.....	—	(1,387,687)	(223,148)	—	—	(1,610,835)
Total property, plant, and equipment, net....	<u>138</u>	<u>2,437,767</u>	<u>430,893</u>	<u>—</u>	<u>—</u>	<u>2,868,798</u>
Amount to be provided for retirement of long-term obligations.....						
	95	—	—	—	—	95
Total assets.....	\$ <u>48,097</u>	\$ <u>3,563,812</u>	\$ <u>543,261</u>	\$ <u>233,306</u>	\$ <u>504</u>	\$ <u>4,388,980</u>

Combining Balance Sheet

DISCRETELY PRESENTED COMPONENT UNITS (Continued)

June 30, 2001

(Expressed in Thousands)

	GOVERNMENTAL		PROPRIETARY				Totals
	First Steps to School Readiness Board of Trustees	Public Service Authority	State Ports Authority	Connector 2000 Association, Inc.	Savannah Lakes Regional Loan Fund		
LIABILITIES AND FUND EQUITY							
Liabilities:							
Current liabilities:							
Accounts payable and accrued liabilities.....	\$ 571	\$ 121,370	\$ 11,319	\$ 3,109	\$ —	\$ 136,369	
Retainages payable.....	—	—	784	7,221	—	8,005	
Intergovernmental payables.....	538	—	—	—	—	538	
Due to primary government.....	98	—	—	—	—	98	
Securities lending collateral.....	3,365	—	—	—	—	3,365	
Liabilities payable from restricted assets.....	—	—	—	1,766	—	1,766	
Revenue bonds payable.....	—	65,530	2,545	—	—	68,075	
Capital lease and installment debt obligations payable.....	—	2,552	184	—	—	2,736	
Commercial paper notes.....	—	331,578	—	—	—	331,578	
Compensated absences payable.....	—	—	1,830	—	—	1,830	
Other current liabilities.....	—	31,478	—	—	—	31,478	
Total current liabilities.....	4,572	552,508	16,662	12,096	—	585,838	
Long-term liabilities:							
Deferred revenues and deferred credits.....	—	77,182	—	—	—	77,182	
Revenue bonds payable.....	—	1,927,031	149,018	222,353	—	2,298,402	
Capital lease and installment debt obligations payable.....	—	26,933	257	—	—	27,190	
Compensated absences payable.....	95	12,081	—	—	—	12,176	
Other long-term liabilities.....	—	32,903	—	—	—	32,903	
Total long-term liabilities.....	95	2,076,130	149,275	222,353	—	2,447,853	
Total liabilities.....	4,667	2,628,638	165,937	234,449	—	3,033,691	
Fund Equity:							
Contributed capital.....	—	34,921	192,339	—	1,020	228,280	
Investment in fixed assets.....	139	—	—	—	—	139	
Retained earnings (deficit):							
Unreserved, accumulated deficit—development stage.....	—	—	—	(1,143)	—	(1,143)	
Unreserved.....	—	900,253	184,985	—	(516)	1,084,722	
Unreserved, undesignated fund balance.....	43,291	—	—	—	—	43,291	
Total fund equity (deficit).....	43,430	935,174	377,324	(1,143)	504	1,355,289	
Total liabilities and fund equity.....	\$ 48,097	\$ 3,563,812	\$ 543,261	\$ 233,306	\$ 504	\$ 4,388,980	

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

Combining Statement of Revenues, Expenses, and Changes in Fund Equity

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Public Service Authority	State Ports Authority	Connector 2000 Association, Inc.	Savannah Lakes Regional Loan Fund	Totals
Operating revenues:					
Charges for services.....	\$ 862,415	\$ 104,655	\$ —	\$ 8	\$ 967,078
Total operating revenues.....	862,415	104,655	—	8	967,078
Operating expenses:					
General operations and administration.....	533,776	66,947	—	4	600,727
Depreciation and amortization.....	116,539	18,913	—	—	135,452
Other operating expenses.....	2,490	—	—	—	2,490
Total operating expenses.....	652,805	85,860	—	4	738,669
Operating income.....	209,610	18,795	—	4	228,409
Nonoperating revenues (expenses):					
Interest income.....	36,799	3,381	—	23	40,203
Costs to be recovered from future revenues.....	(21,043)	—	—	—	(21,043)
Interest expense.....	(163,541)	(3,884)	—	—	(167,425)
Other nonoperating revenues (expenses).....	12,992	(11,077)	(876)	—	1,039
Total nonoperating revenues (expenses).....	(134,793)	(11,580)	(876)	23	(147,226)
Income (loss) before operating transfers and extraordinary items.....	74,817	7,215	(876)	27	81,183
Transfers from primary government.....	—	11,179	—	—	11,179
Transfers to primary government.....	(8,497)	—	—	—	(8,497)
Net income (loss).....	66,320	18,394	(876)	27	83,865
Retained earnings (deficit) at beginning of year.....	833,933	166,591	(267)	(543)	999,714
Retained earnings (deficit) at end of year.....	900,253	184,985	(1,143)	(516)	1,083,579
Contributed capital at beginning of year.....	34,650	185,467	—	1,020	221,137
Additions to contributed capital.....	271	6,872	—	—	7,143
Fund equity (deficit) at end of year.....	\$ 935,174	\$ 377,324	\$ (1,143)	\$ 504	\$ 1,311,859

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

Combining Statement of Cash Flows

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Public Service Authority	State Ports Authority	Connector 2000 Association, Inc.	Savannah Lakes Regional Loan Fund	Totals
Cash flows from operating activities:					
Operating income	\$ 209,610	\$ 18,795	\$ —	\$ 4	\$ 228,409
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:					
Depreciation and amortization	116,539	18,913	—	—	135,452
Deferred coal contract buy-out costs	6,976	—	—	—	6,976
Impact of transactions involving joint venture.....	(5,495)	—	—	—	(5,495)
Other nonoperating revenues.....	101	102	—	—	203
Other nonoperating expenses.....	—	(11,179)	(615)	—	(11,794)
Other.....	271	188	—	—	459
Change in assets—decreases (increases):					
Accounts receivable, net.....	(12,539)	(2,745)	—	—	(15,284)
Inventories.....	11,502	(593)	—	—	10,909
Other current assets.....	236	(2,965)	—	—	(2,729)
Deferred charges.....	(11,567)	—	—	—	(11,567)
Change in liabilities—increases (decreases):					
Accounts payable and accrued liabilities.....	6,059	(740)	—	(6)	5,313
Other current liabilities.....	35,453	—	—	—	35,453
Net cash provided by (used in) operating activities.....	357,146	19,776	(615)	(2)	376,305
Cash flows from noncapital financing activities:					
Transfers from primary government.....	—	11,179	—	—	11,179
Transfers to primary government.....	(8,497)	—	—	—	(8,497)
Net cash provided by (used in) noncapital financing activities.....	(8,497)	11,179	—	—	2,682

Combining Statement of Cash Flows

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS (Continued)

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

	Public Service Authority	State Ports Authority	Connector 2000 Association, Inc.	Savannah Lakes Regional Loan Fund	Totals
Cash flows from capital and related financing activities:					
Acquisition of property, plant, and equipment.....	\$ (237,212)	\$ (52,569)	\$ —	\$ —	\$ (289,781)
Proceeds from notes payable.....	—	1,324	—	—	1,324
Principal payments on notes payable.....	—	(1,324)	—	—	(1,324)
Proceeds from sale of revenue bonds.....	1,071	—	—	—	1,071
Principal payments on revenue bonds.....	(83,520)	(1,765)	—	—	(85,285)
Interest payments	(142,833)	(7,583)	(3,532)	—	(153,948)
Payment of bond issuance costs.....	(506)	—	—	—	(506)
Decrease in commercial paper notes	(38,488)	—	—	—	(38,488)
Principal payments on capital leases and installment debt obligations payable	(2,763)	(213)	—	—	(2,976)
Contributions of capital	—	6,872	—	—	6,872
Net cash used in capital and related financing activities.....	(504,251)	(55,258)	(3,532)	—	(563,041)
Cash flows from investing activities:					
Payment for interest in license agreement.....	—	—	(63,177)	—	(63,177)
Proceeds from sale of investments.....	199,114	10,217	66,256	280	275,867
Purchase of investments	—	(10,995)	—	(280)	(11,275)
Interest on investments.....	30,031	4,855	1,072	23	35,981
Net cash provided by investing activities.....	229,145	4,077	4,151	23	237,396
Net increase (decrease) in cash and cash equivalents.....	73,543	(20,226)	4	21	53,342
Cash and cash equivalents at beginning of year.....	211,797	96,709	1,773	343	310,622
Cash and cash equivalents at end of year.....	\$ 285,340	\$ 76,483	\$ 1,777	\$ 364	363,964
Reconciliation to the Combining Balance Sheet:					
Add: Governmental Discretely Presented Component Unit....					43,960
Cash and cash equivalents at end of year.....					\$ 407,924
Noncash capital, investing, and financing activities:					
Acquisition of property, plant, and equipment through assumption of liabilities.....	\$ —	\$ 2,411	\$ —	\$ —	\$ 2,411
Increase in interest in license agreement through:					
Accrual of construction retainages.....	—	—	3,155	—	3,155
Accretion of interest on bonds payable.....	—	—	9,002	—	9,002
Decrease in interest in license agreement through:					
Accrual of interest on repurchase agreements.....	—	—	(1,036)	—	(1,036)
Accrual of refunds of escrowed monies.....	—	—	(612)	—	(612)
Amortization and write-off of bond issue discount	—	—	219	—	219
Total noncash capital, investing, and financing activities.....	\$ —	\$ 2,411	\$ 10,728	\$ —	\$ 13,139

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

Statement of Revenues, Expenses, and Changes in Accumulated Deficit

CONNECTOR 2000 ASSOCIATION, INC. (A DEVELOPMENT STAGE ENTERPRISE)

For the Period January 12, 1996 (Date of Inception) through December 31, 2000

(Expressed in Thousands)

Operating income (loss)	<u>\$ —</u>
Nonoperating expenses:	
Other nonoperating expenses.....	<u>(1,143)</u>
Total nonoperating expenses	<u>(1,143)</u>
Net loss	<u>(1,143)</u>
Accumulated deficit (development stage) at beginning of period	<u>—</u>
Accumulated deficit (development stage) at end of period	<u><u>\$ (1,143)</u></u>

Statement of Cash Flows

CONNECTOR 2000 ASSOCIATION, INC. (A DEVELOPMENT STAGE ENTERPRISE)

For the Period January 12, 1996 (Date of Inception) through December 31, 2000

(Expressed in Thousands)

Cash flows from operating activities:

Operating income	\$ —
Adjustments to reconcile operating income to net cash used in operating activities:	
Other nonoperating expenses.....	(615)
Net cash used in operating activities.....	(615)

Cash flows from noncapital financing activities:

—

Cash flows from capital and related financing activities:

Proceeds from sale of revenue bonds.....	194,711
Interest payments	(8,534)
Payment of bond issuance costs.....	(2,358)
Net cash provided by capital and related financing activities.....	183,819

Cash flows from investing activities:

Payment for interest in license agreement.....	(155,531)
Proceeds from sale of investments.....	159,381
Purchase of investments	(188,392)
Interest on investments.....	3,115
Net cash used in investing activities.....	(181,427)

Net increase in cash and cash equivalents.....

1,777

Cash and cash equivalents at beginning of period.....

—

Cash and cash equivalents at end of period.....

\$ 1,777

Noncash capital, investing, and financing activities:

Increase in interest in license agreement through:	
Accrual of construction retainages.....	\$ 7,221
Accrual of construction requisitions.....	3,109
Accrual of interest on bonds payable.....	1,766
Accretion of interest on bonds payable.....	24,635
Decrease in interest in license agreement through:	
Accrual of interest on repurchase agreements.....	(1,036)
Accrual of refunds of escrowed monies.....	(612)
Amortization and write-off of bond issue discount	640
Total noncash capital, investing, and financing activities.....	\$ 35,723