STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2020

(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)	$ 3,069,550	$ 456,531	$ 37,762	$ —
Investments (Note 3)	—	246,950	6,656	—
Securities lending collateral (Note 3)	1,101	9,926	819	6,282
Receivables: (Note 4)				
Accounts receivable, net	237,848	—	12,589	30,878
Intergovernmental receivable	303,708	280	—	2,924
Interest receivable	21,973	3,440	48	—
Premiums receivable	—	—	—	—
Contributions receivable, net	64,187	—	—	—
Notes receivable	—	111,905	—	—
Due from other funds (Note 10)	18,410	673	—	119
Inventories	—	—	—	1,105
Prepaid items	—	—	—	218
Restricted cash and cash equivalents (Note 3)	—	—	—	14,461
Total current assets	3,716,777	829,705	57,874	55,987
Noncurrent Assets				
Investments (Note 3)	—	—	74,072	—
Notes receivable	—	1,136,445	—	—
Prepaid items	—	—	5,713	4,904
Restricted/designated cash and cash equivalents (Note 3)	—	—	—	14,848
Restricted investments (Note 3)	—	—	—	486,754
Net OPEB asset	—	12	40	3
Capital assets-nondepreciable (Note 5)	—	—	—	764,677
Capital assets-depreciable, net (Note 5)	—	—	2,540	1,388,320
Total noncurrent assets	—	1,136,457	82,365	2,659,506
Total Assets	3,716,777	1,966,162	140,239	2,715,493
Deferred Outflows of Resources				
Deferred loss on refunding	—	—	—	26,211
Deferred outflows for pensions	—	1,889	4,476	549
Deferred outflows for OPEB	—	3,341	3,604	1,315
Total Deferred Outflows of Resources	—	5,230	8,080	28,075
Liabilities				
Current Liabilities				
Accounts payable and accrued liabilities:				
Accounts payable	216,699	210	27,584	20,176
Accrued payroll	—	—	1,350	—
Intergovernmental payable	141,144	1,187	—	3,307
Claims payable	—	—	—	—
Unemployment benefits payable	332,076	—	—	—
Obligations under securities lending	1,101	9,926	819	6,282
Interest payable	—	—	—	38,999
Due to fiduciary funds (Note 10)	—	—	—	8,094
Due to other funds (Note 10)	—	—	27,652	12,473
Due to component units (Note 18)	—	—	—	—
Unearned revenue	1,561	—	—	—
Deposits payable	—	—	—	8,334
Short-term debt (Note 6)	—	—	—	—
Annuity and life income payable (Note 8)	—	—	6,656	—
Notes from direct borrowings (Note 8)	—	—	—	—
Capital leases payable (Note 8)	—	—	—	—
Bonds payable (Note 8)	—	—	—	29,860
Compensated absences (Note 8)	—	45	105	19
Workers compensation (Note 8)	—	—	22	—
Total current liabilities	692,581	11,368	64,188	127,544

Exhibit B-3

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities — Internal Service Funds
$ 161,776	$ 3,725,619	$ 104,077
151,272	404,878	32,465
1,778	19,906	502
9,831	291,146	29,851
1,735	308,647	—
666	26,127	25
173	173	2,697
—	64,187	—
5	111,910	—
2,955	22,157	9,597
656	1,761	157
12,152	12,370	22
1,884	16,345	—
344,883	5,005,226	179,393
25,084	99,156	—
256	1,136,701	—
19	10,636	—
2,687	17,535	—
—	486,754	—
63	118	168
18,823	783,500	3,396
70,265	1,461,125	145,693
117,197	3,995,525	149,257
462,080	9,000,751	328,650
—	26,211	—
9,392	16,306	35,089
12,570	20,830	92,819
21,962	63,347	127,908
11,234	275,903	8,258
78	1,428	4,232
48	145,686	—
30,696	30,696	1,997
—	332,076	—
1,778	19,906	502
—	38,999	—
—	8,094	—
32	40,157	8,582
—	—	34,281
43,341	44,902	9,583
94	8,428	—
4,112	4,112	—
—	6,656	—
683	683	—
31	31	—
—	29,860	—
1,214	1,383	693
—	22	330
93,341	989,022	68,458

Continued

STATEMENT OF NET POSITION
PROPRIETARY FUNDS (Continued)

June 30, 2020

(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	—	—	—	52,606
Advances from other funds (Note 10)	—	—	—	29,854
Annuity and life income payable (Note 8)	—	—	74,072	—
Notes from direct borrowings (Note 8)	—	—	—	166,500
Capital leases payable (Note 8)	—	—	—	—
Bonds payable, net (Note 8)	—	—	—	2,010,063
Compensated absences (Note 8)	—	885	2,377	290
Workers compensation (Note 8)	—	—	—	—
Net pension liability (Note 8)	—	3,423	11,063	880
Net OPEB liability (Note 8)	—	8,966	29,745	2,355
Total noncurrent liabilities	—	13,274	117,257	2,262,548
Total Liabilities	692,581	24,642	181,445	2,390,092
Deferred Inflows of Resources				
Deferred inflows for pensions	—	192	153	9
Deferred inflows for OPEB	—	4,185	11,418	1,068
Total Deferred Inflows of Resources	—	4,377	11,571	1,077
Net Position				
Net investment in capital assets	—	—	2,540	433,327
Restricted for:				
Expendable:				
Economic development	—	—	—	—
Environment and natural resources	—	5	—	—
Public safety, corrections, and regulation	—	—	—	—
Transportation	—	—	—	14,461
Agriculture	—	—	—	—
Debt service	—	—	—	160,748
Capital projects/repairs and renovations	—	—	—	—
Other purposes	—	—	36	—
Unrestricted	3,024,196	1,942,368	(47,273)	(256,137)
Total Net Position	$ 3,024,196	$ 1,942,373	$ (44,697)	$ 352,399

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

Exhibit B-3

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities — Internal Service Funds
3,004	3,004	—
—	52,606	—
—	29,854	—
—	74,072	—
10,742	177,242	—
63	63	—
—	2,010,063	—
7,370	10,922	16,859
66	66	1,615
18,253	33,619	47,480
47,466	88,532	124,221
86,964	2,480,043	190,175
180,305	3,469,065	258,633
862	1,216	1,235
25,795	42,466	55,871
26,657	43,682	57,106
77,511	513,378	149,089
23	23	—
2	7	—
5	5	1
—	14,461	—
8	8	—
—	160,748	—
588	588	—
2,336	2,372	5
196,607	4,859,761	(8,276)
$ 277,080	$ 5,551,351	$ 140,819

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

For the Fiscal Year Ended June 30, 2020

(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	$ 240,961	$ —	$ —	$ —
Federal funds	5,060	—	—	—
Sales and services	—	2,445	3,016,203	889
Student tuition and fees, net	—	—	—	—
Interest earnings on loans	—	17,076	—	—
Rental and lease earnings	—	—	—	—
Fees, licenses, and fines	—	—	5,377	11,627
Toll revenues	—	—	—	66,576
Insurance premiums	—	—	—	—
Miscellaneous	—	1	412	3,521
Total operating revenues	246,021	19,522	3,021,992	82,613
Operating Expenses				
Personal services	—	6,852	25,477	2,738
Supplies and materials	—	78	1,792	48,503
Services	—	1,689	299,837	7,312
Cost of goods sold	—	—	—	1,046
Depreciation	—	10	527	29,684
Lottery prizes	—	—	1,957,588	—
Claims	—	—	—	—
Unemployment benefits	5,707,068	—	—	—
Insurance and bonding	—	—	20	—
Other	—	361	5,480	11,996
Total operating expenses	5,707,068	8,990	2,290,721	101,279
Operating income (loss)	(5,461,047)	10,532	731,271	(18,666)
Nonoperating Revenues (Expenses)				
Noncapital grants	12,707	51,283	—	—
Noncapital gifts, net	—	—	—	—
Investment earnings	93,860	27,699	1,156	8,475
Interest and fees	—	—	—	(84,530)
Insurance recoveries	—	—	—	102
Grants, aid, and subsidies	—	(4,534)	—	—
Gain (loss) on sale of equipment	—	—	(167)	—
Federal interest subsidy on debt	—	—	—	4,324
Federal COVID-19 funds	4,493,227	—	—	—
Miscellaneous	(36)	(261)	240	(560)
Total nonoperating revenues (expenses)	4,599,758	74,187	1,229	(72,189)
Income (loss) before contributions and transfers	(861,289)	84,719	732,500	(90,855)
Capital contributions	—	—	—	3,317
Transfers in (Note 10)	1,571	30,094	—	185,396
Transfers out (Note 10)	—	—	(732,500)	(146,255)
Change in net position	(859,718)	114,813	—	(48,397)
Net position — July 1, as restated (Note 23)	3,883,914	1,827,560	(44,697)	400,796
Net position — June 30	$ 3,024,196	$ 1,942,373	$ (44,697)	$ 352,399

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

Exhibit B-4

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities — Internal Service Funds
$ —	$ 240,961	$ —
—	5,060	—
1,353	3,020,890	392,465
15	15	—
—	17,076	—
8,161	8,161	—
157,098	174,102	4,064
—	66,576	—
19,530	19,530	28,012
1,783	5,717	378
187,940	3,558,088	424,919
93,569	128,636	230,881
4,114	54,487	15,565
50,261	359,099	92,775
356	1,402	222
4,574	34,795	22,949
—	1,957,588	—
43,980	43,980	15,355
—	5,707,068	—
7,273	7,293	28,669
9,648	27,485	44,813
213,775	8,321,833	451,229
(25,835)	(4,763,745)	(26,310)
23	64,013	—
1,753	1,753	—
9,783	140,973	3,231
(376)	(84,906)	—
31,578	31,680	8,908
—	(4,534)	—
(91)	(258)	1,521
—	4,324	—
—	4,493,227	—
127	(490)	1,760
42,797	4,645,782	15,420
16,962	(117,963)	(10,890)
364	3,681	—
9,704	226,765	14,576
(786)	(879,541)	(13,586)
26,244	(767,058)	(9,900)
250,836	6,318,409	150,719
$ 277,080	$ 5,551,351	$ 140,819

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2020

(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	$ 521,830	$ 1,772	$ 2,828,780	$ 71,670
Receipts from federal agencies	4,044	—	—	—
Receipts from program loans — interest	—	17,076	—	—
Receipts from program loans — principal	—	106,573	—	—
Receipts from other funds	—	—	—	—
Payments to suppliers	—	(1,832)	(93,516)	(78,266)
Payments to employees	—	(6,221)	(25,119)	(2,486)
Payments for prizes, benefits, and claims	(5,416,776)	—	(1,946,517)	—
Payments for program loans issued	—	(147,212)	—	—
Payments to other funds	—	—	—	—
Other receipts	—	1	335	5,545
Other payments	(1)	(341)	—	(2,769)
Net cash provided by (used for) operating activities	(4,890,903)	(30,184)	763,963	(6,306)
Cash Flows From Noncapital Financing Activities				
Grant receipts	4,203,286	51,283	—	—
Grants, aid, and subsidies	—	(12,743)	—	—
Advances from other funds	—	—	—	1,135
Transfers from other funds	—	30,093	—	—
Transfers to other funds	—	—	(748,435)	—
Gifts	—	—	—	—
Insurance recoveries	—	—	—	—
Net cash provided by (used for) noncapital financing activities	4,203,286	68,633	(748,435)	1,135
Cash Flows From Capital and Related Financing Activities				
Acquisition and construction of capital assets	—	—	(758)	(331,393)
Proceeds from the sale of capital assets	—	—	524	—
Proceeds from capital debt	—	—	—	590,785
Transfers from other funds	1,571	—	—	185,396
Transfers to other funds	—	—	—	(146,255)
Capital contributions	248	—	—	4,508
Principal paid on capital debt	—	—	—	(26,210)
Interest paid on capital debt	—	—	—	(65,048)
Federal subsidy for interest on debt	—	—	—	4,324
Insurance recoveries	—	—	—	102
Debt issuance costs paid	—	—	—	(437)
Net cash provided by (used for) capital and related financing activities	1,819	—	(234)	215,772
Cash Flows From Investing Activities				
Proceeds from the sale/maturities of non-State Treasurer investments	—	—	—	952,885
Purchase of non-State Treasurer investments	—	—	—	(1,156,969)
Redemptions from State Treasurer investment pool	—	—	—	—
Investment earnings	94,360	7,688	1,158	9,427
Net cash provided by (used for) investment activities	94,360	7,688	1,158	(194,657)
Net increase (decrease) in cash and cash equivalents	(591,438)	46,137	16,452	15,944
Cash and cash equivalents at July 1	3,660,988	410,394	21,310	13,365
Cash and cash equivalents at June 30	$ 3,069,550	$ 456,531	$ 37,762	$ 29,309

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
$ 181,078	$ 3,605,130	$ 37,591
—	4,044	—
—	17,076	—
—	106,573	—
—	—	386,925
(65,428)	(239,042)	(179,247)
(89,365)	(123,191)	(211,280)
(40,705)	(7,403,998)	(24,692)
—	(147,212)	—
—	—	(7,022)
2,024	7,905	2,159
(15,964)	(19,075)	—
(28,360)	(4,191,790)	4,434
29	4,254,598	—
37	(12,706)	—
—	1,135	—
9,704	39,797	14,576
(785)	(749,220)	(13,587)
1,794	1,794	—
31,578	31,578	8,908
42,357	3,566,976	9,897
(6,857)	(339,008)	(34,109)
240	764	3,648
4,112	594,897	—
—	186,967	—
—	(146,255)	
327	5,083	—
(682)	(26,892)	(46)
(374)	(65,422)	—
—	4,324	—
—	102	—
—	(437)	—
(3,234)	214,123	(30,507)
21,953	974,838	—
(28,493)	(1,185,462)	—
—	—	6,000
3,133	115,766	688
(3,407)	(94,858)	6,688
7,356	(505,549)	(9,488)
158,991	4,265,048	113,565
$ 166,347	$ 3,759,499	$ 104,077

Continued

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2020

(Dollars in Thousands)

	Business-type Activities — Enterprise Funds			
	Unemployment Compensation Fund	EPA Revolving Loan Fund	N.C. State Lottery Fund	N.C. Turnpike Authority
Reconciliation of Operating Income to Net Cash Provided By Operating Activities				
Operating income (loss)	$ (5,461,047)	$ 10,532	$ 731,271	$ (18,666)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	—	10	527	29,684
Nonoperating miscellaneous income (expense)	(1)	—	279	(2,769)
Change in assets and deferred outflows:				
Receivables	(67,847)	—	16,387	(7,325)
Due from other funds	2,868	(674)	—	228
Inventories	—	—	—	330
Prepaid items	—	—	(3,499)	(1,849)
Net OPEB asset	—	(5)	(11)	(1)
Notes receivable	—	(40,638)	—	—
Deferred outflows for pensions	—	183	1,323	2
Deferred outflows for OPEB	—	(2,320)	(1,542)	(451)
Change in liabilities and deferred inflows:				
Accounts payable and accrued liabilities	635,124	(46)	18,640	(2,692)
Due to other funds	—	—	—	(6,557)
Due to component units	—	—	—	—
Due to fiduciary funds	—	—	—	1,359
Compensated absences	—	(27)	440	62
Workers' compensation	—	—	4	—
Unearned revenue	—	—	—	(325)
Net pension liability	—	796	311	150
Net OPEB liability	—	2,485	3,139	560
Deferred inflows for pensions	—	(205)	(163)	(12)
Deferred inflows for OPEB	—	(275)	(3,143)	(59)
Deposits payable	—	—	—	2,025
Net cash provided by (used for) operations	$ (4,890,903)	$ (30,184)	$ 763,963	$ (6,306)
Noncash Investing, Capital, and Financing Activities				
Noncash distributions from the State Treasurer Bond Index External Investment Pool and/or other agents	$ —	$ 17,342	$ —	$ —
Donated or transferred assets	—	—	—	—
Change in construction in progress as a result of accrual of accounts payable	—	—	—	10,874
Capital asset writeoff	—	—	(110)	—
Assets acquired through the assumption of a liability	—	—	—	4,429
Change in fair value of investments	—	2,484	—	(9,765)
Increase in receivables related to nonoperating income	302,648	—	—	—
Change in securities lending collateral	(2,264)	(16,922)	(646)	5,294

Exhibit B-5

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities — Internal Service Funds
$ (25,835)	$ (4,763,745)	$ (26,310)
4,574	34,795	22,949
301	(2,190)	1,781
(468)	(59,253)	(2,761)
(2,337)	85	1,245
4	334	20
(7,389)	(12,737)	—
(16)	(33)	(104)
—	(40,638)	—
2,306	3,814	(13,343)
(2,153)	(6,466)	(74,949)
4,979	656,005	(4,782)
(15)	(6,572)	2,705
—	—	(10,395)
—	1,359	—
1,146	1,621	2,923
56	60	166
(2,724)	(3,049)	896
544	1,801	22,591
3,529	9,713	64,117
(435)	(815)	281
(4,148)	(7,625)	17,404
(279)	1,746	—
$ (28,360)	$ (4,191,790)	$ 4,434
$ 2,788	$ 20,130	$ 778
36	36	—
—	10,874	—
(224)	(334)	(13,462)
181	4,610	—
2,702	(4,579)	(1,763)
—	302,648	—
(3,273)	(17,811)	(1,483)