

STATE OF MARYLAND

Combined Statement of Cash Flows

Enterprise Funds and Component Unit Proprietary Funds

for the year ended June 30, 1998

(Expressed in Thousands)

	Primary Government Enterprise Funds	Component Unit Proprietary Funds	Total Reporting Entity (Memorandum Only)
Cash flows from operating activities:			
Operating income.....	\$ 423,318	\$ 10,260	\$ 433,578
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization	2,857	8,937	11,794
Loss on disposal of property, plant and equipment	60	1,856	1,916
Effect of changes in assets and liabilities:			
Other accounts receivable.....	2,723	(2,660)	63
Due from other funds/primary government	(19,386)	48,968	29,582
Inventories.....	(470)		(470)
Loans and notes receivable.....	82,215		82,215
Other assets	10,998	1,647	12,645
Accounts payable and accrued liabilities	4,462	(1,984)	2,478
Due to other funds.....	2,234	6,817	9,051
Accrued insurance on loan losses	2,275	(2,322)	(47)
Other liabilities.....	7,277	574	7,851
Deferred revenue.....	(1,213)	3,201	1,988
Accrued self insurance costs.....	194	(8)	186
Accrued annual leave	24	148	172
Lottery installment payments.....	(62,976)		(62,976)
Future lottery prize installments.....	62,013		62,013
Net cash provided by operating activities.....	516,605	75,434	592,039
Cash flows from noncapital financing activities:			
Third party contributions		21,000	21,000
Proceeds from sale of revenue bonds.....	435,085		435,085
Payment on revenue bonds.....	(355,219)		(355,219)
Revolving loan agreement		(750)	(750)
Operating transfers in	55,045		55,045
Operating transfers in from primary government		21,371	21,371
Operating transfers out.....	(405,682)		(405,682)
Operating transfers out to primary government.....		(167)	(167)
Contributed capital	15,709		15,709
Grant recoveries.....	2,008		2,008
Net cash (used) provided by noncapital financing activities.....	(253,054)	41,454	(211,600)
Cash flows from capital and related financing activities:			
Investment in direct financing leases.....		(45,972)	(45,972)
Increase in interest in direct financing lease.....		(101,389)	(101,389)
Proceeds from notes payable and revenue bonds.....		5,999	5,999
Principal paid on notes payable and revenue bonds.....	(3,873)	(7,516)	(11,389)
Interest payments.....	(206)	(16,956)	(17,162)
Acquisition and construction of property, plant and equipment.....	(4,471)	(6,914)	(11,385)
Decrease in revenue bond debt service account		64	64
Proceeds from property, plant and equipment sales.....		86	86
Net cash used by capital and related financing activities.....	(8,550)	(172,598)	(181,148)
Cash flows from investing activities:			
Proceeds from maturity and sale of investments.....	492,694	60,287	552,981
Purchase of investments.....	(743,323)	(9,540)	(752,863)
Interest and gains on investments	23,657	8,383	32,040
Proceeds from loans and notes receivable		321	321
Lease principal interest payments received		789	789
Net cash (used) provided by investing activities.....	(226,972)	60,240	(166,732)
Net increase in cash and cash equivalents.....	28,029	4,530	32,559
Cash and cash equivalents balance, July 1, 1997.....	163,703	29,410	193,113
Cash and cash equivalents balance, June 30, 1998.....	\$ 191,732	\$ 33,940	\$ 225,672

The accompanying notes to the general purpose financial statements are an integral part of these financial statements.