

GENERAL FIXED ASSETS

The general fixed assets of the State are those used in the performance of general governmental functions and exclude the fixed assets of the proprietary fund type and the component units. As of June 30, 2000, the general fixed assets of the State amounted to \$10,551,166,000. This amount represents the actual or estimated cost of the assets. Depreciation of general fixed assets is not recognized in the State's accounting system. Infrastructure assets, consisting principally of highways, roads, bridges and tunnels, are not recorded in general fixed assets.

ENTERPRISE, FIDUCIARY AND COMPONENT UNIT FUNDS

The retained earnings for enterprise funds increased during 2000 by \$118,712,000, compared to an increase of \$3,568,000 in fiscal year 1999. The Economic Development – Insurance Programs reported an increase of \$1,251,000 in retained earnings. The retained earnings for the Economic Development-Loan Programs increased by \$109,481,000. This increase was primarily due to increased earnings on investments. The State Lottery Agency reported \$406,747,000 income before transfers, of which \$401,013,000 was transferred out accounting for a net increase of \$5,734,000 in its retained earnings.

Fiduciary fund types include the expendable trust fund, investment trust fund, pension trust funds and agency funds. Agency funds are custodial in nature and do not report fund balances. All other fiduciary fund types reported fund balances of \$36,441,779,000 at June 30, 2000, compared to \$32,977,703,000 at June 30, 1999. The increase was due primarily to increased net assets in expendable trust funds and pension funds.

The State Retirement and Pension System of Maryland was established to provide pension benefits for State employees and employees of 127 participating political subdivisions and 98 participating municipal corporations within the State. The Mass Transit Administration Pension Plan was established to provide pension benefits for all Mass Transit Administration employees covered by a collective bargaining agreement and all those management employees who were employed by the Baltimore Transit Company. The annual actuarial valuation continues to reflect a positive trend in funding of the pension plans.

The total fund balance for the State at June 30, 2000, was \$2,608,921,000.