

STATE OF MARYLAND  
**Combined Statement of Cash Flows**  
**Enterprise Funds and Component Unit Proprietary Funds**  
**for the year ended June 30, 2000**  
(Expressed in Thousands)

|  | Primary<br>Government<br>Enterprise<br>Funds | Component<br>Unit<br>Proprietary<br>Funds | Total Reporting<br>Entity<br>(Memorandum<br>Only) |
|--|--|---|---|
| <b>Cash flows from operating activities:</b>   |  |   |   |
| Operating income (loss) .....  | \$429,478                                    | \$ (9,679)                                | \$419,799   |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: |  |   |   |
| Depreciation and amortization .....  | 2,966  | 12,299                                    | 15,265  |
| Loss on disposal of property, plant and equipment .....  | 215  |   | 215   |
| Effect of changes in assets and liabilities:   |  |   |   |
| Other accounts receivable .....  | (14,588)                                     | 2,268                                     | (12,320)  |
| Tuition contracts receivable .....   |  | 12,401                                    | 12,401  |
| Due from other funds/primary government .....  | (49,541)                                     | (4,309)                                   | (53,850)  |
| Inventories .....  | (654)  |   | (654)   |
| Loans and notes receivable .....   | (121,783)                                    |   | (121,783)   |
| Other assets .....   | (10,240)                                     | (2,186)                                   | (12,426)  |
| Accounts payable and accrued liabilities .....   | 3,133  | 2,590                                     | 5,723   |
| Accrued tuition benefits .....   |  | 12,027                                    | 12,027  |
| Due to other funds .....   | 3,676  | (757)                                     | 2,919   |
| Accrued insurance on loan losses .....   | (5,171)                                      | (331)                                     | (5,502)   |
| Other liabilities .....  | (1,085)                                      | (1,560)                                   | (2,645)   |
| Deferred revenue .....   | (881)  | (213)                                     | (1,094)   |
| Accrued self insurance costs .....   | 4  | 83  | 87  |
| Accrued annual leave .....   | 110  | 70  | 180   |
| Lottery installment payments .....   | (111,475)                                    |   | (111,475)   |
| Future lottery prize installments .....  | 52,645                                       |   | 52,645  |
| Net cash provided by operating activities .....  | 176,809                                      | 22,703                                    | 199,512   |
| <b>Cash flows from non-capital financing activities:</b>                                       |  |   |   |
| Third party contributions .....  |  | 1,000                                     | 1,000   |
| Proceeds from sale of revenue bonds .....  | 529,587                                      | 250                                       | 529,837   |
| Payment on revenue bonds .....   | (394,574)                                    |   | (394,574)   |
| Operating transfers in .....   | 77,439                                       |   | 77,439  |
| Operating transfers in from primary government .....   |  | 30,780                                    | 30,780  |
| Operating transfers out .....  | (408,108)                                    |   | (408,108)   |
| Operating transfers out to primary government .....  |  | (816)                                     | (816)   |
| Contributed capital .....  | 41,954                                       |   | 41,954  |
| Grant recoveries .....   | 74   |   | 74  |
| Net cash provided (used) by non-capital financing activities .....                             | (153,628)                                    | 31,214                                    | (122,414)   |
| <b>Cash flows from capital and related financing activities:</b>                               |  |   |   |
| Investments in direct financing leases .....   |  | 6,897                                     | 6,897   |
| Increase in interest in direct financing lease .....   |  | (3,698)                                   | (3,698)   |
| Proceeds from notes payable and revenue bonds .....  | 2,210  | 121,380                                   | 123,590   |
| Principal paid on notes payable and revenue bonds .....  | (1,032)                                      | (131,918)                                 | (132,950)   |
| Interest payments .....  | (120)  | (22,064)                                  | (22,184)  |
| Acquisition and construction of property, plant and equipment .....                            | (3,836)                                      | (2,680)                                   | (6,516)   |
| Decrease in revenue bond debt service account .....  |  | (397)                                     | (397)   |
| Proceeds from property, plant and equipment sales .....  | 16   | 66  | 82  |
| Net cash used by capital and related financing activities .....                                | (2,762)                                      | (32,414)                                  | (35,176)  |
| <b>Cash flows from investing activities:</b>   |  |   |   |
| Proceeds from maturity and sale of investments .....   | 668,370                                      | 27,835                                    | 696,205   |
| Purchase of investments .....  | (714,344)                                    | (57,580)                                  | (771,924)   |
| Interest on investments .....  | 21,217                                       | 4,889                                     | 26,106  |
| Increase in loans and notes receivable .....   |  | 209                                       | 209   |
| Lease principal interest payments received .....   |  | 1,154                                     | 1,154   |
| Net cash used by investing activities .....  | (24,757)                                     | (23,493)                                  | (48,250)  |
| Net decrease in cash and cash equivalents .....  | (4,338)                                      | (1,990)                                   | (6,328)   |
| Cash and cash equivalents balance, July 1, 1999 .....  | 190,721                                      | 4,251                                     | 194,972   |
| Cash and cash equivalents balance, June 30, 2000 .....   | \$186,383                                    | \$ 2,261                                  | \$188,644   |

Noncash transactions (amount in thousands):

Enterprise funds--Unrealized gain on investments \$4,137. The acquisition of equipment totaling \$143 which was financed by contributed capital from the State.  
Proprietary funds--Unrealized gain on investments \$1,302.

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