

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. A brief description of major enterprise funds follows:

Housing Loan Fund accounts for contracts for the sale of properties to California veterans and California National Guard members, and program loans to finance the housing needs of persons and families of low and moderate income.

Water Resources Fund accounts for charges to local water districts and the sale of excess power to public utilities.

School Building Aid Fund accounts for loans to school districts for acquisition, construction, or rehabilitation of classroom facilities, and for income from the rental of portable classrooms to school districts.

Toll Facilities Fund accounts for fees collected for crossing state toll bridges, except for the fees administered by the Bay Area Toll Authority.

California State University Fund accounts for charges to students for housing and parking and student fees for campus unions, health centers, and self-supporting educational programs.

Leasing of Public Assets Fund accounts for rental charges from the lease of public assets.

State Lottery Fund accounts for the sale of lottery tickets.

Health Facilities Construction Loan Insurance Fund accounts for an insurance program for health facility construction loans.

Public Employees' Benefits Fund accounts for contributions and premiums for public employee long-term care plans and administration of a deferred compensation program.

Other Enterprise Funds account for all other goods or services provided to the general public on a continuing basis when all or most of the cost involved is to be financed by user charges, or when periodic measurement of the results of operations is appropriate for management control, accountability, capital maintenance, public policy, or other purposes.

Enterprise Funds Combining Balance Sheet

June 30, 1999

(Amounts in thousands)

	Housing Loan	Water Resources	School Building Aid	Toll Facilities
ASSETS				
Cash and pooled investments.....	\$ 257,902	\$ 397,307	\$ 39,100	\$ 78,431
Investments.....	1,128,804	74,057	—	—
Receivables (net).....	8,338	6,652	—	3,016
Due from other funds.....	10,725	71,787	—	1,163
Due from other governments.....	—	59,826	46	—
Prepaid items.....	—	5,471	—	1,050
Inventories, at cost.....	—	8,161	—	—
Net investment in direct financing leases.....	—	—	—	—
Advances and loans receivable.....	2,042,766	69,860	160,047	16,802
Deferred charges.....	25,218	980,517	—	1,587
Fixed assets.....	7,578	3,258,584	64,879	592,697
Other assets.....	21,031	—	—	268
Total Assets.....	\$ 3,502,362	\$ 4,932,222	\$ 264,072	\$ 695,014
LIABILITIES				
Accounts payable.....	\$ —	\$ 35,009	\$ 4	\$ 216
Due to other funds.....	407	34,698	—	17,255
Due to other governments.....	—	62,913	—	5,586
Advances from other funds.....	22,072	6	—	6,160
Benefits payable.....	43,153	—	—	—
Deposits.....	50	—	—	1,437
Contracts and notes payable.....	—	—	—	—
Lottery prizes and annuities.....	—	—	—	—
Compensated absences payable.....	—	12,610	—	—
Commercial paper.....	—	14,364	—	—
Advance collections.....	—	289,396	—	—
General obligation bonds payable.....	2,687,390	984,130	2,500	—
Revenue bonds payable.....	404,215	2,454,672	—	—
Interest payable.....	49,976	24,540	—	—
Other liabilities.....	6,394	663	—	449
Total Liabilities.....	3,213,657	3,913,001	2,504	31,103
FUND EQUITY				
Contributed capital.....	—	181,654	—	—
Retained earnings				
Reserved for regulatory requirements.....	—	—	—	—
Unreserved (Deficit).....	288,705	837,567	261,568	663,911
Total Retained Earnings.....	288,705	837,567	261,568	663,911
Total Fund Equity.....	288,705	1,019,221	261,568	663,911
Total Liabilities and Fund Equity.....	\$ 3,502,362	\$ 4,932,222	\$ 264,072	\$ 695,014

California State University	Leasing of Public Assets	State Lottery	Health Facilities Construction Loan Insurance	Public Employees' Benefits	Other Enterprise	Total
\$ 539,752	\$ 418,380	\$ 278,156	\$ 159,499	\$ 943	\$ 275,761	\$ 2,445,231
—	111,163	2,946,255	—	386,579	6,242	4,653,100
10,865	—	105,935	254	459	2,324	137,843
20,995	130,430	9,107	3,887	38	11,701	259,833
115	—	—	—	435	14,830	75,252
—	—	302	—	—	16	6,839
—	—	4,807	—	—	2,679	15,647
—	4,938,296	—	—	—	—	4,938,296
2,803	—	—	67,077	—	231,635	2,590,990
—	55,586	4,000	—	—	—	1,066,908
792,743	118,472	41,574	8,009	—	968	4,885,504
35	—	—	—	—	365	21,699
\$ 1,367,308	\$ 5,772,327	\$ 3,390,136	\$ 238,726	\$ 388,454	\$ 546,521	\$ 21,097,142
\$ 31,825	\$ 11,387	\$ 25,328	\$ 4,724	\$ —	\$ 22,542	\$ 131,035
17,612	10,011	252,566	218	875	4,780	338,422
—	813	—	3	—	78,098	147,413
2,803	—	—	—	—	4,232	35,273
—	—	—	—	312,635	—	355,788
814	—	1,057	—	—	365	3,723
585	—	—	—	—	—	585
—	—	2,903,192	—	—	—	2,903,192
10,751	—	3,376	160	—	437	27,334
—	—	—	—	—	—	14,364
32,559	24,738	1,281	283	—	307	348,564
—	—	—	—	—	42,095	3,716,115
543,983	5,504,652	—	—	—	—	8,907,522
5,558	60,285	—	—	—	—	140,359
576	—	203,336	181,506	5,588	156	398,668
647,066	5,611,886	3,390,136	186,894	319,098	153,012	17,468,357
17,202	—	—	—	—	48,801	247,657
231,348	—	—	—	—	—	231,348
471,692	160,441	—	51,832	69,356	344,708	3,149,780
703,040	160,441	—	51,832	69,356	344,708	3,381,128
720,242	160,441	—	51,832	69,356	393,509	3,628,785
\$ 1,367,308	\$ 5,772,327	\$ 3,390,136	\$ 238,726	\$ 388,454	\$ 546,521	\$ 21,097,142

Enterprise Funds

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings

Year Ended June 30, 1999

(Amounts in thousands)

	Housing Loan	Water Resources	School Building Aid	Toll Facilities
OPERATING REVENUES				
Lottery ticket sales.....	\$ —	\$ —	\$ —	\$ —
Services and sales.....	3,920	619,187	—	2,556
Earned premiums (net).....	282	—	—	—
Investment and interest.....	217,455	—	—	—
Rent.....	—	—	25,962	—
Other.....	1,675	—	—	1,350
Total Operating Revenues.....	223,332	619,187	25,962	3,906
OPERATING EXPENSES				
Lottery prizes.....	—	—	—	—
Personal services.....	11,171	108,868	466	740
Supplies.....	—	—	—	89
Services and charges.....	19,210	223,882	10,685	2,263
Depreciation.....	1,042	75,176	3,720	17,394
Interest expense.....	201,774	—	337	—
Amortization of deferred charges.....	—	118,871	—	430
Total Operating Expenses.....	233,197	526,797	15,208	20,916
Operating Income (Loss).....	(9,865)	92,390	10,754	(17,010)
NONOPERATING REVENUES (EXPENSES)				
Grants received.....	—	—	—	—
Grants provided.....	—	—	—	(625,946)
Investment and interest income.....	1,027	8,955	—	2,949
Interest expense and fiscal charges.....	—	(178,587)	—	(7)
Lottery payments for education.....	—	—	—	—
Other.....	(2,352)	(3,588)	—	—
Total Nonoperating Revenues (Expenses).....	(1,325)	(173,220)	—	(623,004)
Income (Loss) Before Operating Transfers.....	(11,190)	(80,830)	10,754	(640,014)
OPERATING TRANSFERS				
Operating transfers in.....	6,840	—	3,392	—
Operating transfers out.....	(887)	—	—	—
Total Operating Transfers.....	5,953	—	3,392	—
Net Income (Loss).....	(5,237)	(80,830)	14,146	(640,014)
Retained Earnings, July 1, 1998.....	293,942	918,397	247,422	1,303,925
Retained Earnings, June 30, 1999.....	\$ 288,705	\$ 837,567	\$ 261,568	\$ 663,911

California State University	Leasing of Public Assets	State Lottery	Health Facilities Construction Loan Insurance	Public Employees' Benefits	Other Enterprise	Total
\$ —	\$ —	\$ 2,498,298	\$ —	\$ —	\$ —	\$ 2,498,298
274,881	—	—	37,599	134,700	102,869	1,175,712
—	—	—	—	—	—	282
71	32,753	—	—	—	1,816	252,095
—	367,835	—	—	—	—	393,797
4,515	730	—	—	1,070	15,541	24,881
279,467	401,318	2,498,298	37,599	135,770	120,226	4,345,065
—	—	1,307,443	—	—	—	1,307,443
99,518	—	33,647	1,359	—	4,265	260,034
—	—	75,630	—	—	—	75,719
138,069	52,697	224,621	18,477	120,187	84,727	894,818
—	—	5,468	—	—	17	102,817
—	321,458	—	—	—	3,454	527,023
—	5,993	1,709	—	—	—	127,003
237,587	380,148	1,648,518	19,836	120,187	92,463	3,294,857
41,880	21,170	849,780	17,763	15,583	27,763	1,050,208
277	—	—	—	—	—	277
—	—	—	—	—	—	(625,946)
26,265	—	18,128	7,451	39,821	16,431	121,027
(30,328)	—	—	—	—	(632)	(209,554)
—	—	(868,084)	—	—	—	(868,084)
—	—	176	—	—	—	(5,764)
(3,786)	—	(849,780)	7,451	39,821	15,799	(1,588,044)
38,094	21,170	—	25,214	55,404	43,562	(537,836)
20,143	838	—	—	—	17,496	48,709
(48,725)	—	—	—	—	(215)	(49,827)
(28,582)	838	—	—	—	17,281	(1,118)
9,512	22,008	—	25,214	55,404	60,843	(538,954)
693,528	138,433	—	26,618	13,952	283,865	3,920,082
\$ 703,040	\$ 160,441	\$ —	\$ 51,832	\$ 69,356	\$ 344,708	\$ 3,381,128

Enterprise Funds

Combining Statement of Cash Flows

Year Ended June 30, 1999

(Amounts in thousands)

	Housing Loan	Water Resources	School Building Aid	Toll Facilities
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss).....	\$ (9,865)	\$ 92,390	\$ 10,754	\$ (17,010)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS				
Interest expense on operating debt.....	—	—	—	—
Depreciation.....	1,042	75,176	3,720	17,394
Accretion of capital appreciation bonds.....	—	—	—	—
Provisions and allowances.....	—	—	—	—
Accrual of deferred charges.....	—	—	—	—
Amortization of deferred credits.....	—	(3,747)	—	—
Amortization of discounts.....	2,476	—	—	—
Amortization of deferred charges.....	—	118,871	—	430
Purchase of program loans.....	(13)	—	—	—
Other.....	(2,351)	3,369	—	(7)
Change in assets and liabilities				
Receivables.....	1,236	(400)	—	(547)
Due from other funds.....	(6,141)	—	—	9,914
Due from other governments.....	—	(12,453)	628	—
Prepaid items.....	—	669	—	14,000
Inventories.....	—	(1,066)	—	—
Net investment in direct financing leases.....	—	—	—	—
Advances and loans receivable.....	(15,308)	—	32,593	(115)
Other assets.....	22,930	—	—	(8)
Accounts payable.....	(2)	(7,543)	(7)	(724)
Interest payable.....	(8,482)	—	—	—
Due to other funds.....	(189)	1,105	(52,265)	1,668
Due to other governments.....	—	(1,202)	—	3,642
Benefits payable.....	(13,091)	—	—	—
Deposits.....	50	—	—	8
Lottery prizes and annuities.....	—	—	—	—
Contracts and notes payable.....	—	—	—	—
Compensated absences payable.....	—	433	—	—
Advance collections.....	328	(3,145)	—	—
Other liabilities.....	6,392	(364)	—	46
Total Adjustments.....	(11,123)	169,703	(15,331)	45,701
Net Cash Provided by (Used In) Operating Activities.....	(20,988)	262,093	(4,577)	28,691
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Advances from other funds.....	9,818	—	—	—
Proceeds from revenue bonds.....	129,160	—	—	—
Retirement of general obligation bonds.....	(259,775)	—	(1,250)	—
Operating transfers in.....	6,840	—	3,392	—
Operating transfers out.....	(887)	—	—	—

California State University	Leasing of Public Assets	State Lottery	Health Facilities Construction Loan Insurance	Public Employees' Benefits	Other Enterprise	Total
\$ 41,880	\$ 21,170	\$ 849,780	\$ 17,763	\$ 15,583	\$ 27,763	\$ 1,050,208
—	110	—	—	—	—	110
—	—	5,468	—	—	17	102,817
—	10,871	—	—	—	—	10,871
—	—	8,516	—	—	—	8,516
—	(2,014)	—	—	—	—	(2,014)
—	—	—	—	—	—	(3,747)
—	1,499	—	—	—	—	3,975
—	5,993	1,709	—	—	—	127,003
—	—	—	—	—	—	(13)
—	12,656	146	—	—	—	13,813
4,430	5,488	(29,960)	(235)	(413)	1,989	(18,412)
(5,630)	(265)	(545)	(255)	(38)	(5,450)	(8,410)
(63)	—	—	—	423	(1,281)	(12,746)
471	—	418	—	—	138	15,696
—	—	(1,605)	—	—	181	(2,490)
—	129,596	—	—	—	—	129,596
—	—	—	—	—	665	17,835
—	—	—	—	—	25	22,947
16,498	103	5,492	4,337	—	(5,731)	12,423
—	—	—	—	—	—	(8,482)
1,307	(24)	(874)	69	169	636	(48,398)
—	80	—	(18)	—	(5,304)	(2,802)
—	—	—	—	101,112	—	88,021
90	—	73	—	—	(6,025)	(5,804)
—	—	(184,620)	—	—	—	(184,620)
(415)	—	—	—	—	—	(415)
2,546	—	(232)	1	—	18	2,766
(15,013)	(981)	(1,271)	(119)	—	22	(20,179)
(1,470)	23,181	—	—	888	(8,312)	20,361
2,751	186,293	(197,285)	3,780	102,141	(28,412)	258,218
44,631	207,463	652,495	21,543	117,724	(649)	1,308,426
—	—	—	—	—	—	9,818
—	—	—	—	—	—	129,160
—	—	—	—	—	(2,505)	(263,530)
20,016	—	—	—	—	17,496	47,744
(49,821)	(1,907)	—	—	—	(215)	(52,830)

(Continued)

Enterprise Funds

Combining Statement of Cash Flows

Year Ended June 30, 1999

(Amounts in thousands)

	Housing Loan	Water Resources	School Building Aid	Toll Facilities
CASH FLOWS FROM NONCAPITAL FINANCING				
ACTIVITIES (Cont.)				
Grants provided.....	—	—	—	(625,946)
Lottery payments for education.....	—	—	—	—
Net Cash Provided by (Used In) Noncapital Financing Activities...	(114,844)	—	2,142	(625,946)
CASH FLOWS FROM CAPITAL AND RELATED				
FINANCING ACTIVITIES				
Unamortized water project costs.....	—	89,585	—	—
Acquisition of fixed assets.....	—	(126,937)	—	(9,339)
Proceeds from sale of fixed assets.....	—	—	—	—
Advances from other funds.....	—	—	—	—
Return of advances from other funds.....	—	(397)	—	—
Proceeds from notes payable and commercial paper.....	—	14,364	—	—
Principal paid on notes payable and commercial paper.....	—	(29,277)	—	—
Retirement of general obligation bonds.....	—	(37,220)	—	—
Proceeds from revenue bonds.....	—	225,842	—	—
Retirement of revenue bonds.....	—	(152,713)	—	—
Interest paid.....	—	(184,314)	—	—
Contributed capital.....	—	—	—	—
Grants received.....	—	—	—	—
Operating transfers in.....	—	—	—	—
Payment to refunding bond escrow agent.....	—	—	—	—
Net Cash Provided by (Used In) Capital and Related Financing Activities.....	—	(201,067)	—	(9,339)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments.....	(9,918)	—	—	—
Advances and loans provided.....	—	3,378	—	—
Collection of advances and loans.....	—	—	—	—
Proceeds from maturity and sale of investments.....	62,725	(1,139)	—	—
Interest on investments.....	1,027	8,681	—	2,949
Net Cash Provided by (Used In) Investing Activities.....	53,834	10,920	—	2,949
Net Increase (Decrease) in Cash and Pooled Investments.....	(81,998)	71,946	(2,435)	(603,645)
Cash and Pooled Investments at July 1, 1998.....	339,900	325,361	41,535	682,076
Cash and Pooled Investments at June 30, 1999.....	\$ 257,902	\$ 397,307	\$ 39,100	\$ 78,431

California State University	Leasing of Public Assets	State Lottery	Health Facilities Construction Loan Insurance	Public Employees' Benefits	Other Enterprise	Total
—	—	—	—	—	—	(625,946)
—	—	(897,845)	—	—	—	(897,845)
(29,805)	(1,907)	(897,845)	—	—	14,776	(1,653,429)
—	—	—	—	—	—	89,585
(46,885)	(126,588)	(2,447)	—	—	(64)	(312,260)
—	—	125	14	—	—	139
—	250,432	—	—	—	25	250,457
—	(250,432)	—	—	—	—	(250,829)
—	—	—	—	—	—	14,364
—	—	—	—	—	—	(29,277)
—	—	—	—	—	—	(37,220)
53,531	264,879	—	—	—	—	544,252
(9,380)	(236,801)	—	—	—	—	(398,894)
(29,632)	—	—	—	—	(632)	(214,578)
—	—	—	—	—	48,801	48,801
277	—	—	—	—	—	277
146	2,746	—	—	—	—	2,892
—	(200,996)	—	—	—	—	(200,996)
(31,943)	(296,760)	(2,322)	14	—	48,130	(493,287)
—	(18,064)	(93,268)	—	(157,984)	—	(279,234)
(171)	—	—	—	—	(15,823)	(12,616)
—	—	—	—	—	16,225	16,225
—	47,842	338,208	—	—	6,061	453,697
26,177	—	18,437	7,451	39,821	15,955	120,498
26,006	29,778	263,377	7,451	(118,163)	22,418	298,570
8,889	(61,426)	15,705	29,008	(439)	84,675	(539,720)
530,863	479,806	262,451	130,491	1,382	191,086	2,984,951
\$ 539,752	\$ 418,380	\$ 278,156	\$ 159,499	\$ 943	\$ 275,761	\$ 2,445,231

(Concluded)