

Basic Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Assets

June 30, 2009

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and Cash Equivalents	\$ 11,679,678	\$ 672,337,942	\$ 684,017,620	\$ 41,062,839
Investments	1,075,158,877	1,469,826,743	2,544,985,620	32,136,623
Accounts Receivable - Net	51,627,671	88,052,301	139,679,972	19,352,645
Taxes Receivable - Net	258,336,391	-	258,336,391	-
Interest Receivable - Net	8,454,593	46,271,118	54,725,711	85,229
Intergovernmental Receivable - Net	222,505,975	41,204,702	263,710,677	-
Internal Receivable	1,852,768,660	-	150,864,253	-
Due from Component Units	-	9,280,691	9,280,691	-
Due from Primary Government	-	-	-	62,770,818
Prepaid Items	5,853,792	1,709,625	7,563,417	-
Inventory	16,389,853	28,186,897	44,576,750	520,096
Loans and Notes Receivable - Net	107,099,366	2,642,104,559	2,749,203,925	11,677,758
Unamortized Bond Financing Costs	1,145,897	10,856,888	12,002,785	2,859,754
Pension Assets	2,471,502	-	2,471,502	-
Other Assets	-	10,507,424	10,507,424	28,032,015
Restricted Assets:				
Cash and Cash Equivalents	49,626	124,608,441	124,658,067	21,411,228
Investments	-	28,921,807	28,921,807	703,497,133
Interest Receivable - Net	-	3,515,000	3,515,000	4,133,000
Loans and Notes Receivable - Net	-	839,444,000	839,444,000	-
Capital Assets:				
Land and Construction in Progress	510,943,893	61,633,860	572,577,753	3,443,805
Infrastructure - Net	638,109,275	89,477,455	727,586,730	12,057,337
Buildings and Equipment - Net	393,598,527	683,984,820	1,077,583,347	109,681,005
Total Assets	<u>5,156,193,576</u>	<u>6,851,924,273</u>	<u>10,306,213,442</u>	<u>1,052,721,285</u>

* An internal receivable balance remains in the Total column because certain Business-Type Activities have different fiscal year ends than the Governmental Activities. As internal balances are reported separately as internal receivables and internal payables, those lines, as well as the total assets and total liabilities, do not crossfoot.

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Assets June 30, 2009

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES				
Accounts Payable	187,401,654	36,215,738	223,617,392	8,053,737
Accrued Payroll	38,316,787	26,240,519	64,557,306	103,686
Securities Lending Collateral	72,571,905	61,204,672	133,776,577	-
Interest Payable	3,829,112	19,853,381	23,682,493	1,539,000
Intergovernmental Payable	65,871,655	4,090,249	69,961,904	-
Tax Refunds Payable	54,120,613	-	54,120,613	-
Internal Payable	-	1,701,904,407	-	-
Due to Component Units	-	4,047,936	4,047,936	-
Due to Primary Government	-	-	-	9,280,691
Contracts Payable	7,718,596	755,782	8,474,378	-
Federal Funds Purchased	-	300,945,000	300,945,000	-
Reverse Repurchase Agreements	-	3,075,000	3,075,000	-
Other Deposits	-	677,392,905	677,392,905	660,383
Amounts Held In Custody for Others	-	18,922,038	18,922,038	-
Unearned Revenue	11,647,777	93,863,880	105,511,657	6,881,475
Other Liabilities	-	10,947,684	10,947,684	28,521,176
Long-Term Liabilities				
Due within one year	28,680,366	144,711,826	173,392,192	17,340,835
Due in more than one year	297,351,491	2,104,812,792	2,402,164,283	256,165,048
Total Liabilities	<u>767,509,956</u>	<u>5,208,983,809</u>	<u>4,274,589,358</u>	<u>328,546,031</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	1,323,476,716	578,827,822	1,902,304,538	102,924,608
Restricted for:				
General Government	1,440,757	-	1,440,757	-
Education	128,198,786	-	128,198,786	-
Health and Human Services	39,069,734	-	39,069,734	-
Regulatory Purposes	30,880,045	-	30,880,045	-
Public Safety & Corrections	35,834,415	-	35,834,415	-
Agriculture and Commerce	18,881,200	-	18,881,200	-
Cultural and Natural Resources	126,639,996	-	126,639,996	-
Transportation	188,880,963	-	188,880,963	-
Capital Projects	3,340,000	79,659	3,419,659	-
Debt Service	25,220,898	102,738,979	127,959,877	58,643,000
Loan Purposes	-	46,432,847	46,432,847	215,761,000
Pledged Assets	-	190,647,000	190,647,000	-
Unemployment Compensation	-	116,945,710	116,945,710	-
Permanent Fund and University System - Expendable	20,887,944	30,553,551	51,441,495	-
Permanent Fund and University System - Nonexpendable	879,305,267	11,920,629	891,225,896	-
Other	3,657,246	1,114,857	4,772,103	300,962,291
Unrestricted	1,562,969,653	563,679,410	2,126,649,063	45,884,355
Total Net Assets	<u>\$ 4,388,683,620</u>	<u>\$ 1,642,940,464</u>	<u>\$ 6,031,624,084</u>	<u>\$ 724,175,254</u>

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Activities

For the Fiscal Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 418,220,944	\$ 24,085,311	\$ 37,991,743	\$ -
Education	564,818,600	4,325,036	69,947,510	-
Health and Human Services	1,005,299,226	34,200,110	694,183,117	7,000
Regulatory	26,581,606	19,418,470	3,095,779	-
Public Safety and Corrections	194,263,845	10,572,514	87,764,235	221,000
Agriculture and Commerce	68,057,495	22,749,832	22,169,064	-
Natural Resources	64,816,773	26,553,195	13,474,231	14,559,813
Transportation	382,619,328	87,100,993	203,212,452	42,276,911
Interest on Long Term Debt	12,683,901	-	-	-
Total Governmental Activities	<u>2,737,361,718</u>	<u>229,005,461</u>	<u>1,131,838,131</u>	<u>57,064,724</u>
Business-Type Activities:				
Bank of North Dakota	99,089,692	155,951,000	(5,310,000)	-
Housing Finance	59,769,233	53,438,021	13,635,000	-
Loan Programs	6,776,733	6,941,602	592,013	-
Mill and Elevator	233,792,242	224,127,818	27,178	-
State Lottery	16,122,996	21,815,381	38,239	-
Unemployment Compensation	106,475,262	75,137,232	6,023,243	-
University System	894,733,624	400,638,083	217,373,005	10,820,227
Workforce Safety & Insurance	168,527,183	163,857,781	(115,693,869)	-
Other	15,809,783	14,303,486	(2,526,628)	-
Total Business-Type Activities	<u>1,601,096,748</u>	<u>1,116,210,404</u>	<u>114,158,181</u>	<u>10,820,227</u>
Total Primary Government	<u>\$ 4,338,458,466</u>	<u>\$ 1,345,215,865</u>	<u>\$ 1,245,996,312</u>	<u>\$ 67,884,951</u>
Component Units:	<u>\$ 104,427,713</u>	<u>\$ 58,560,007</u>	<u>\$ (11,139,038)</u>	<u>\$ -</u>

General Revenues:

Taxes:
 Individual and Corporate Income Taxes
 Sales and Use Taxes
 Oil, Gas and Coal Taxes
 Business and Other Taxes
 Unrestricted Investment Earnings
 Tobacco Settlement
 Miscellaneous
 Contributions to Perm Fund Principal
 Special Item - Loss on Discontinuance of Computer Project
 Transfers
 Total General Revenues and Transfers
 Change in Net Assets
 Net Assets, Beginning of Year, as Restated
 Net Assets, Ending

Net (Expense) Revenue and Change in Net Assets			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (356,143,890)		\$ (356,143,890)	
(490,546,054)		(490,546,054)	
(276,908,999)		(276,908,999)	
(4,067,357)		(4,067,357)	
(95,706,096)		(95,706,096)	
(23,138,599)		(23,138,599)	
(10,229,534)		(10,229,534)	
(50,028,972)		(50,028,972)	
(12,683,901)		(12,683,901)	
<u>(1,319,453,402)</u>		<u>(1,319,453,402)</u>	
	51,551,308	51,551,308	
	7,303,788	7,303,788	
	756,882	756,882	
	(9,637,246)	(9,637,246)	
	5,730,624	5,730,624	
	(25,314,787)	(25,314,787)	
	(265,902,309)	(265,902,309)	
	(120,363,271)	(120,363,271)	
	(4,032,925)	(4,032,925)	
<u>-</u>	<u>(359,907,936)</u>	<u>(359,907,936)</u>	
(1,319,453,402)	(359,907,936)	(1,679,361,338)	
			\$ (57,006,744)
503,975,529	-	503,975,529	-
857,770,891	-	857,770,891	-
428,669,882	-	428,669,882	-
60,813,632	-	60,813,632	-
12,830,321	-	12,830,321	-
30,990,193	-	30,990,193	-
54,636,981	-	54,636,981	-
11,573,541	-	11,573,541	8,246,062
(3,314,057)	-	(3,314,057)	-
(229,267,859)	270,189,481	40,921,622	-
<u>1,728,679,054</u>	<u>270,189,481</u>	<u>1,998,868,535</u>	<u>8,246,062</u>
409,225,652	(89,718,455)	319,507,197	(48,760,682)
3,979,457,968	1,732,658,919	5,712,116,887	772,935,936
<u>\$ 4,388,683,620</u>	<u>\$ 1,642,940,464</u>	<u>\$ 6,031,624,084</u>	<u>\$ 724,175,254</u>

STATE OF NORTH DAKOTA

Balance Sheet Governmental Funds June 30, 2009

	General	Federal	School Permanent Trust Fund	Other Governmental Funds	Total
ASSETS					
Cash Deposits at the Bank of ND	\$ 585,968,025	\$ -	\$ 4,871,323	\$ 1,011,928,975	\$ 1,602,768,323
Cash and Cash Equivalents	5,710,517	15,762	-	5,926,946	11,653,225
Restricted Cash and Cash Equivalents	-	-	-	49,626	49,626
Investments at the Bank of ND	99,923,955	7,750,000	-	136,606,842	244,280,797
Investments	81,761,823	-	901,847,772	86,577,815	1,070,187,410
Accounts Receivable - Net	3,460,232	7,252,497	9,803,718	29,100,699	49,617,146
Taxes Receivable - Net	191,155,829	-	1,854,439	65,326,124	258,336,392
Interest Receivable - Net	97,245	-	7,306,563	996,232	8,400,040
Intergovernmental Receivable - Net	-	212,196,169	-	10,137,978	222,334,147
Due from Other Funds	101,045,606	13,725,077	2,043,566	66,443,781	183,258,030
Due from Fiduciary Funds	151,171	1,174,999	-	158,271	1,484,441
Prepaid Items	1,202,509	818,949	-	2,221,220	4,242,678
Inventory	2,845,591	6,086,735	-	7,351,222	16,283,548
Loans and Notes Receivable - Net	141,290	279,673	38,334,416	68,343,987	107,099,366
Total Assets	\$ 1,073,463,793	\$ 249,299,861	\$ 966,061,797	\$ 1,491,169,718	\$ 3,779,995,169
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 43,664,077	\$ 105,971,754	\$ 4,486,449	\$ 31,327,368	\$ 185,449,648
Accrued Payroll	19,680,488	8,718,799	-	8,107,008	36,506,295
Securities Lending Collateral	-	-	61,297,730	11,164,202	72,461,932
Interest Payable	-	-	-	290,263	290,263
Intergovernmental Payable	2,770,223	7,838,180	-	55,263,217	65,871,620
Tax Refunds Payable	53,317,541	-	-	803,072	54,120,613
Due to Other Funds	55,394,555	99,596,789	84,409	36,224,384	191,300,137
Contracts Payable	9,984	6,539,400	-	1,169,212	7,718,596
Deferred Revenue	31,409,983	16,977,693	-	33,153,600	81,541,276
Total Liabilities	206,246,851	245,642,615	65,868,588	177,502,326	695,260,380
Fund Balances:					
Reserved For:					
Inventory	2,845,591	6,086,735	-	7,351,222	16,283,548
Long - Term Receivables	75,454	166,566	-	61,901,185	62,143,205
Capital Projects	-	-	-	3,340,000	3,340,000
Debt Service	-	-	-	25,220,898	25,220,898
Prepaid Expenditures	1,202,509	818,949	-	2,221,220	4,242,678
Legal Requirements	-	-	-	14,611,223	14,611,223
Undistributed Revenue	-	-	7,306,562	-	7,306,562
Permanent Trust Fund	-	-	892,886,647	-	892,886,647
Unreserved, Reported in:					
General Fund	863,093,388	-	-	-	863,093,388
Special Revenue Funds	-	(3,415,004)	-	1,199,021,644	1,195,606,640
Total Fund Balances	867,216,942	3,657,246	900,193,209	1,313,667,392	3,084,734,789
Total Liabilities and Fund Balances	\$ 1,073,463,793	\$ 249,299,861	\$ 966,061,797	\$ 1,491,169,718	\$ 3,779,995,169

STATE OF NORTH DAKOTA

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets June 30, 2009

Total Fund Balances-Governmental Funds		\$ 3,084,734,789
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$4,235,960,037 and the accumulated depreciation is \$2,768,654,623.		1,467,305,414
Some of the state's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.		69,893,499
Internal service funds are used to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		74,942,639
Bonds issued by the State have associated costs that are paid from current available financial resources in the funds. However, these costs are deferred on the statement of net assets.		1,106,000
The pension assets resulting from contributions in excess of annual required contribution are not financial resources and, therefore, are not reported in the funds.		2,471,500
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Those liabilities consist of:		
Bonds Payable	(247,949,109)	
Notes Payable	(20,522,820)	
Accrued Interest on Long-Term Liabilities	(3,165,661)	
Compensated Absences	(34,080,137)	
Intergovernmental Payable	(504,739)	
Capital Leases	(3,662,211)	
Pension Obligation (Reported as Accounts Payable)	(214,386)	
Claims and Judgments	(1,671,158)	
Total Long-Term Liabilities	<u>(311,770,221)</u>	<u>(311,770,221)</u>
Net Assets of Governmental Activities		<u>\$ 4,388,683,620</u>

STATE OF NORTH DAKOTA

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Fiscal Year Ended June 30, 2009

	General	Federal	School Permanent Trust Fund	Other Governmental Funds	Total
REVENUES					
Individual and Corporate Income Taxes	\$ 492,125,666	\$ -	\$ -	\$ 12,885,825	\$ 505,011,491
Sales and Use Taxes	648,762,770	-	-	208,638,009	857,400,779
Oil, Gas, and Coal Taxes	53,168,841	-	17,686,968	357,773,973	428,629,782
Business and Other Taxes	42,512,178	-	-	18,505,454	61,017,632
Licenses, Permits and Fees	14,041,483	-	-	119,178,385	133,219,868
Intergovernmental	499,011	1,204,858,005	-	46,808,433	1,252,165,449
Sales and Services	3,715,595	3,796,238	-	41,359,867	48,871,700
Royalties and Rents	31,680,880	8,015	72,574,656	20,988,135	125,251,686
Fines and Forfeits	4,031,692	-	3,236,701	8,506,021	15,774,414
Interest and Investment Income	11,798,140	189,741	(129,908,272)	7,567,234	(110,353,157)
Tobacco Settlement	-	-	8,336,839	30,990,193	39,327,032
Commodity Assessments	-	-	-	16,502,864	16,502,864
Miscellaneous	1,420,715	502,976	-	3,939,953	5,863,644
Total Revenues	1,303,756,971	1,209,354,975	(28,073,108)	893,644,346	3,378,683,184
EXPENDITURES					
Current:					
General Government	153,986,572	3,100,917	-	7,974,910	165,062,399
Education	388,901,838	127,298,564	4,211,800	44,167,512	564,579,714
Health and Human Services	263,307,026	678,106,249	-	61,286,541	1,002,699,816
Regulatory	8,264,935	4,064,607	-	9,954,847	22,284,389
Public Safety and Corrections	100,686,357	51,129,437	-	35,243,433	187,059,227
Agriculture and Commerce	13,374,239	20,642,603	-	33,970,990	67,987,832
Natural Resources	15,465,496	14,237,465	-	28,730,204	58,433,165
Transportation	-	212,493,146	-	140,747,267	353,240,413
Intergovernmental - Revenue Sharing	-	-	-	253,363,580	253,363,580
Capital Outlay	16,210,390	65,423,082	-	32,246,113	113,879,585
Debt Service:					
Principal	3,492,402	341,792	-	16,372,999	20,207,193
Interest and Other Charges	851,603	81,522	-	11,347,531	12,280,656
Total Expenditures	964,540,858	1,176,919,384	4,211,800	675,405,927	2,821,077,969
Revenues over (under) Expenditures	339,216,113	32,435,591	(32,284,908)	218,238,419	557,605,215
OTHER FINANCING SOURCES (USES)					
Bonds and Notes Issued	-	-	-	3,005,000	3,005,000
Capital Lease Acquisitions	58,585	29,660	-	-	88,245
Sale of Capital Assets	-	-	11,800	74,825	86,625
Transfers In	84,765,607	9,202,293	-	184,265,987	278,233,887
Transfers Out	(344,762,727)	(37,912,452)	(35,600,000)	(89,226,567)	(507,501,746)
Total Other Financing Sources (Uses)	(259,938,535)	(28,680,499)	(35,588,200)	98,119,245	(226,087,989)
Net Change in Fund Balances	79,277,578	3,755,092	(67,873,108)	316,357,664	331,517,226
Fund Balances - Beginning of Year, as Adjusted	787,939,364	(97,846)	968,066,317	997,309,728	2,753,217,563
Fund Balances - End of Year	\$ 867,216,942	\$ 3,657,246	\$ 900,193,209	\$ 1,313,667,392	\$ 3,084,734,789

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2009

Net Change in Fund Balances-Total Governmental Funds \$ 331,517,226

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	113,879,585	
Depreciation expense	<u>(54,990,948)</u>	
Excess of capital outlay over depreciation expense		58,888,637

Construction in progress previously capitalized on the government wide and expensed in governmental funds. This construction in progress was written off in the current fiscal year on the government wide but does not affect the governmental funds. (3,314,057)

In the statement of activities, only the *gain(loss)* on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the book value of the assets sold. (1,246,657)

Donations of capital assets increase net assets in the statement of activities but do not appear in the governmental funds because they are not financial resources. 312,832

Some of the assets acquired this year were financed through capital leases. The amount financed is reported in the governmental funds as a source of financing. However, capital leases are reported as long-term liabilities in the statement of net assets. (88,245)

Based on receipt dates, some revenues are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues increased/decreased by this amount this year. (421,136)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of internal service funds is reported with governmental activities 6,858,499

Bonds proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. (3,005,000)

The pension assets resulting from contributions in excess of annual required contribution are not financial resources and, therefore, are not reported in the funds. 98,177

Repayment of long-term debt is reported as an expenditure in governmental funds but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consist of:

Bond principal retirement	16,217,000	
Note payments	3,203,326	
Capital lease payments	<u>1,164,863</u>	
Total long-term debt repayment		20,585,189

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:

Net increase/decrease in accrued interest	327,944	
Net increase/decrease in compensated absences	(1,591,486)	
Net increase/decrease in net pension obligation (reported as accounts payable)	(112,756)	
Net increase/decrease in claims and judgments	<u>416,485</u>	
Total additional expenditures		<u>(959,813)</u>

Change in Net Assets of Governmental Activities \$ 409,225,652

STATE OF NORTH DAKOTA

Statement of Net Assets Proprietary Funds June 30, 2009

	Business-Type Activities - Enterprise Funds						Governmental	
	Bank of North Dakota	Housing Finance	Mill and Elevator	University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
ASSETS								
Current Assets:								
Cash Deposits at the Bank of ND	\$ 2,840,000	\$ 46,725	\$ 49,851,643	\$ 2,030,233	\$ 30,063,976	\$ 84,832,577	\$ 13,822,436	
Cash and Cash Equivalents	92,000	-	9,837,092	-	109,685,850	119,614,942	26,453	
Investments at the Bank of ND	-	-	95,428,748	25,761,995	11,051,000	132,241,743	-	
Investments	-	-	2,760,815	1,110,726,761	21,724,114	1,135,211,690	4,971,458	
Accounts Receivable - Net	549,000	30,430,826	21,022,999	17,739,055	18,241,116	87,982,996	526,085	
Interest Receivable - Net	178,000	-	-	8,521,532	2,920,586	11,620,118	54,053	
Intergovernmental Receivable - Net	157,000	-	36,749,624	-	4,298,078	41,204,702	171,828	
Due from Other Funds	98,000	-	12,023,287	1,855	1,006,541	13,129,683	6,539,622	
Due from Fiduciary Funds	-	-	-	-	69,305	69,305	-	
Due from Component Units	-	-	5,612,691	-	-	5,612,691	-	
Prepaid Items	46,000	475,820	-	62,411	1,125,394	1,709,625	1,611,114	
Inventory	-	19,964,272	7,210,562	-	1,012,063	28,186,897	106,305	
Loans and Notes Receivable - Net	-	-	8,715,134	-	9,462,261	18,177,395	-	
Other Assets	452,000	-	2,284,199	-	-	2,736,199	-	
Restricted Cash at the Bank of ND	10,542,000	-	-	-	3,279,949	13,821,949	191,977	
Restricted Cash and Cash Equivalents	124,584,000	-	-	-	-	124,584,000	-	
Restricted Investments at the Bank of ND	-	-	-	-	4,575,000	4,575,000	-	
Restricted Interest Receivable - Net	3,515,000	-	-	-	-	3,515,000	-	
Restricted Loans Receivable - Net	15,857,000	-	-	-	-	15,857,000	-	
Total Current Assets	158,910,000	50,917,643	251,496,794	1,164,843,842	218,515,233	1,844,683,512	28,021,331	
Noncurrent Assets:								
Restricted Cash at the Bank of ND	-	-	4,002,365	-	260,070	4,262,435	-	
Restricted Cash and Cash Equivalents	-	-	24,441	-	-	24,441	-	
Restricted Investments at the Bank of ND	-	-	6,262,965	-	-	6,262,965	-	
Restricted Investments	13,345,000	-	15,361,119	-	215,688	28,921,807	-	
Investments at the Bank of ND	-	-	35,893,634	-	-	35,893,634	-	
Investments	-	-	6,867,053	-	-	6,867,053	-	
Loans and Notes Receivable - Net	-	-	31,817,269	-	57,099,895	88,917,164	-	
Restricted Loans Receivable - Net	808,387,000	-	-	-	15,200,000	823,587,000	-	
Unamortized Bond Issuance Costs	7,143,000	-	3,620,327	-	93,561	10,856,888	39,897	
Other Noncurrent Assets	3,033,000	269,721	254	-	2,766,250	6,069,225	-	
Capital Assets:								
Land and Construction in Progress	-	2,599,407	47,676,888	7,912,533	2,274,032	60,462,860	58,904	
Infrastructure - Net	-	853,041	87,636,889	-	987,525	89,477,455	-	
Buildings and Equipment - Net	96,000	33,836,453	618,000,366	9,767,934	9,874,067	671,574,820	75,287,377	
Total Noncurrent Assets	832,004,000	37,558,622	857,163,570	17,680,467	88,771,088	1,833,177,747	75,386,178	
Bank Related Assets:								
Cash and Cash Equivalents	\$ 552,723,000					\$ 552,723,000		
Investments	327,748,000					327,748,000		
Interest Receivable - Net	34,651,000					34,651,000		
Due from Other Funds	47,882,000					47,882,000		
Due from Component Units	3,668,000					3,668,000		
Loans and Notes Receivable - Net	2,535,010,000					2,535,010,000		
Other Assets	1,702,000					1,702,000		
Capital Assets:								
Land and Construction in Progress	1,171,000					1,171,000		
Buildings and Equipment - Net	12,410,000					12,410,000		
Total Bank Related Assets	3,516,965,000					3,516,965,000		
Total Assets	3,516,965,000	990,914,000	88,476,265	1,108,660,364	1,182,524,309	7,194,826,259	103,407,509	

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Assets Proprietary Funds June 30, 2009

	Business-Type Activities - Enterprise Funds						Governmental		
	Bank of North Dakota	Housing Finance	Mill and Elevator	University System	Workforce Safety and Insurance	Other Enterprise Funds	Internal Service Funds		
LIABILITIES									
Current Liabilities:									
Accounts Payable		1,044,000	4,304,453	22,212,668	4,563,677	4,090,940	36,215,738	1,735,671	
Accrued Payroll		-	280,818	25,679,825	-	279,876	26,240,519	1,810,492	
Securities Lending Collateral		-	-	-	60,747,094	457,578	61,204,672	109,963	
Interest Payable		19,149,000	-	27,812	-	114,389	19,291,201	308,742	
Intergovernmental Payable		544,000	-	169,563	-	4,102,249	4,815,812	35	
Due to Other Funds		2,802,000	38,600,000	2,742,100	127,527	10,594,763	54,866,390	129,395	
Due to Component Units		-	-	379,936	-	-	379,936	-	
Contracts Payable		-	-	755,782	-	-	755,782	-	
Other Deposits		-	-	8,511,531	-	-	8,511,531	-	
Amounts Held in Custody for Others		10,542,000	-	-	-	8,380,038	18,922,038	-	
Claims/Judgments Payable		-	-	-	96,250,000	868,653	97,118,653	1,896,767	
Dividends Payable		-	-	-	1,644,630	-	1,644,630	-	
Compensated Absences Payable		133,000	37,272	1,333,346	836,573	33,724	2,373,915	122,810	
Notes Payable		-	-	951,999	-	-	951,999	1,049,917	
Capital Leases Payable		-	-	8,576,442	-	24,716	8,601,158	161,389	
Bonds Payable		19,480,000	-	8,488,908	-	190,000	28,158,908	654,108	
Deferred Revenue		35,000	-	12,188,589	77,004,241	4,636,050	93,863,880	-	
Total Current Liabilities		53,729,000	43,222,543	92,018,501	241,173,742	33,772,976	463,916,762	7,979,289	
Noncurrent Liabilities:									
Intergovernmental Payable		1,612,000	-	1,362,405	-	4,877,778	7,852,183	-	
Claims/Judgments Payable		-	-	-	675,650,000	75,534	675,725,534	4,174,325	
Compensated Absences Payable		68,000	708,174	24,374,565	147,630	299,853	25,598,222	1,477,271	
Notes Payable		-	-	2,291,179	-	-	2,291,179	4,950,083	
Capital Leases Payable		-	-	59,312,871	-	182,538	59,495,409	296,921	
Bonds Payable		830,106,000	-	177,309,988	-	15,967,277	1,023,383,265	2,922,538	
Other Noncurrent Liabilities		-	-	1,373,787	-	5,870,897	7,244,684	-	
Total Noncurrent Liabilities		831,786,000	708,174	266,024,795	675,797,630	27,273,877	1,801,590,476	13,821,138	
Bank Related Liabilities:									
Interest Payable		428,482	-	-	-	-	428,482	-	
Due to Other Funds		23,931,518	-	-	-	-	23,931,518	-	
Due to Component Units		3,668,000	-	-	-	-	3,668,000	-	
Federal Funds Purchased		300,945,000	-	-	-	-	300,945,000	-	
Reverse Repurchase Agreements		3,075,000	-	-	-	-	3,075,000	-	
Deposits Held for Other Funds		2,017,227,840	-	-	-	-	2,017,227,840	-	
Other Deposits		624,460,160	-	-	-	-	624,460,160	-	
Other Liabilities		3,703,000	-	-	-	-	3,703,000	-	
Long Term Liabilities:									
Due within one year		5,137,000	-	-	-	-	5,137,000	-	
Due in more than one year		310,467,000	-	-	-	-	310,467,000	-	
Total Bank Related Liabilities		3,293,043,000	-	-	-	-	3,293,043,000	-	
Total Liabilities		3,293,043,000	885,515,000	43,930,717	358,043,296	916,971,372	61,046,853	5,558,550,238	21,800,427
NET ASSETS									
Invested in Capital Assets, Net of Related Debt		13,581,000	96,000	37,282,916	498,376,235	17,680,467	11,811,204	578,827,822	68,829,203
Restricted for:									
Capital Projects		-	-	79,659	-	-	79,659	-	
Debt Service		-	89,748,000	-	11,785,221	-	1,205,758	102,738,979	-
Loan Purposes		-	-	45,827,764	-	605,083	46,432,847	-	
Pledged Assets		190,647,000	-	-	-	-	190,647,000	-	
Unemployment Compensation		-	-	-	-	116,945,710	116,945,710	-	
University System-Nonexpendable		-	-	11,920,629	-	-	11,920,629	-	
University System-Expendable		-	-	30,553,551	-	-	30,553,551	-	
Other		-	-	117,403	-	997,454	1,114,857	-	
Unrestricted		19,694,000	15,555,000	7,262,632	151,956,606	247,872,470	114,674,259	557,014,967	12,777,879
Total Net Assets		\$ 223,922,000	\$ 105,399,000	\$ 44,545,548	\$ 750,617,068	\$ 265,552,937	\$ 246,239,468	\$ 1,636,276,021	\$ 81,607,082

Reconciliation of the Proprietary Funds Statement of Net Assets to the Statement of Net Assets June 30, 2009

Total Net Assets - Enterprise Funds

Amounts reported for business-type activities in the statement of net assets are different because: \$ 1,636,276,021

Prior year net assets restatement and reduction of current year expenses based on the allocation of internal service fund's net income 6,664,443

Net Assets of Business-Type Activities \$ 1,642,940,464

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Revenues, Expenses and Changes in Fund Net Assets

Proprietary Funds

For the Fiscal Year Ended June 30, 2009

	Business-Type Activities - Enterprise Funds						Governmental	
	Bank of North Dakota	Housing Finance	Mill and Elevator	University System	Workforce Safety and Insurance	Other Enterprise Funds	Internal Service Funds	
OPERATING REVENUES								
Sales and Services	\$ 7,475,000	\$ 1,572,000	\$ 224,052,365	\$ 57,477,025	\$ 162,179,298	\$ 114,488,417	\$ 567,244,105	\$ 83,794,546
Auxiliary Sales Pledges for Bonds	-	-	-	94,329,556	-	-	94,329,556	-
Tuition and Fees	-	-	-	244,594,116	-	-	244,594,116	-
Grants and Contributions	-	-	-	156,649,964	-	-	156,649,964	-
Royalties and Rents	-	-	-	-	759,180	71,608	830,788	-
Fines and Forfeits	-	-	-	-	919,303	-	919,303	-
Interest and Investment Income	143,166,000	51,866,021	-	-	-	3,631,792	198,663,813	-
Miscellaneous	-	-	-	1,553,886	-	1,384	1,555,270	296,821
Total Operating Revenues	150,641,000	53,438,021	224,052,365	554,604,547	163,857,781	118,193,201	1,264,786,915	84,091,367
OPERATING EXPENSES								
Cost of Sales and Services	-	-	226,765,117	38,080,007	-	2,726,946	267,572,070	1,179,284
Salaries and Benefits	9,595,000	2,416,000	1,568,849	543,130,015	14,481,049	4,220,439	575,411,352	21,029,682
Operating	16,596,000	4,995,000	732,844	225,073,998	3,760,342	27,462,804	278,620,988	37,040,580
Claims	-	-	-	-	147,080,241	108,347,826	255,428,067	3,378,476
Dividends Expense	-	-	-	-	(3,300,000)	-	(3,300,000)	-
Scholarships and Fellowships	-	-	-	29,537,642	-	-	29,537,642	-
Interest	71,801,000	40,204,000	-	-	-	834,444	112,839,444	-
Depreciation	1,194,000	4,000	2,700,468	43,817,249	248,627	1,000,189	48,964,533	11,519,942
Miscellaneous	-	-	-	-	-	3,800	3,800	-
Total Operating Expenses	99,186,000	47,619,000	231,767,278	879,638,911	162,270,259	144,596,448	1,565,077,896	74,147,964
Operating Income (Loss)	51,455,000	5,819,021	(7,714,913)	(325,034,364)	1,587,522	(26,403,247)	(300,290,981)	9,943,403
NONOPERATING REVENUES (EXPENSES)								
Grants and Contracts	-	-	-	33,046,541	-	516,860	33,563,401	-
Gifts	-	-	-	23,263,783	-	-	23,263,783	-
Interest and Investment Income	-	13,635,000	27,178	4,412,717	(115,693,869)	3,610,007	(94,008,967)	(405,844)
Interest Expense	-	(12,157,000)	(2,036,147)	(14,179,789)	(6,332,254)	(166,715)	(34,871,905)	(787,698)
Gain (Loss) on Sale of Capital Assets	-	-	-	(1,794,197)	-	4,500	(1,789,697)	(79,475)
Other	-	-	26,828	1,875,745	-	(466,412)	1,436,161	19,061
Total Nonoperating Revenues (Expenses)	-	1,478,000	(1,982,141)	46,624,800	(122,026,123)	3,498,240	(72,407,224)	(1,253,956)
Income (Loss) Before Contributions and Transfers	51,455,000	7,297,021	(9,697,054)	(278,409,564)	(120,438,601)	(22,905,007)	(372,698,205)	8,689,447
Capital Grants and Contributions	-	-	-	10,820,227	-	-	10,820,227	142,096
Transfers In	-	363,979	-	303,759,385	-	1,160,375	305,283,739	-
Transfer Out	(20,004,000)	(31,000)	(36,254)	(8,234,000)	-	(6,789,004)	(35,094,258)	-
Changes in Net Assets	31,451,000	7,630,000	(9,733,308)	27,936,048	(120,438,601)	(28,533,636)	(91,688,497)	8,831,543
Total Net Assets - Beginning of Year, as Adjusted	192,471,000	97,769,000	54,278,856	722,684,020	385,991,538	274,773,104	1,727,967,518	72,775,539
Total Net Assets - End of Year	\$ 223,922,000	\$ 105,399,000	\$ 44,545,548	\$ 750,620,068	\$ 265,552,937	\$ 246,239,468	\$ 1,636,279,021	\$ 81,607,082

Reconciliation of Statement of Revenues, Expenses and Changes in Fund Net Assets of Proprietary Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2009

Net Change in Net Assets-Total Enterprise Funds \$ (91,691,497)

Amounts reported for business-type activities in the statement of net assets are different because:

Expenses were reduced based on the allocation of internal service fund's net income 1,973,042

Change in Net Assets of Business-Type Activities \$ (89,718,455)

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Cash Flows Proprietary Funds

For the Fiscal Year Ended June 30, 2009

	Business-Type Activities - Enterprise Funds		
	Bank of North Dakota	Housing Finance	Mill and Elevator
Cash Flows from Operating Activities:			
Receipts from Customers and Users	\$ 7,664,000	\$ 153,562,021	\$ 275,810,930
Receipts from Tuition and Fees	-	-	-
Interest Income on Loans	-	-	-
Receipts from Loan Principal Repayments	-	-	-
Receipts from Other Funds	-	-	-
Receipts from Grants and Contracts	-	-	-
Receipts from Others	-	-	-
Payments for Loan Funds	-	(460,000)	-
Payments to Other Funds	-	-	-
Payments for Scholarships and Fellowships	-	-	-
Payments to Suppliers	(8,500,000)	(157,703,000)	(221,517,628)
Payments to Employees	(9,550,000)	(2,410,000)	(7,998,481)
Claim Payments	-	-	-
Payments to Others	-	(921,000)	-
Other	-	-	(48,625)
Net Cash Provided by (Used for) Operating Activities	(10,386,000)	(7,931,979)	46,246,196
Cash Flows from Noncapital Financing Activities:			
Proceeds from Bonds	-	175,641,000	-
Proceeds from Sale of Notes and Other Borrowings	360,200,000	-	31,600,000
Principal Payments - Bonds	-	(254,020,000)	-
Principal Payments - Notes and Other Borrowings	(289,666,000)	-	(71,898,712)
Interest Payments - Bonds	-	(40,733,000)	-
Interest Payments - Notes and Other Borrowings	(14,468,000)	-	(2,036,147)
Payment of Bond Issue Costs	-	(1,236,000)	-
Transfers In	-	363,979	-
Transfers Out	(30,046,000)	(31,000)	(36,254)
Net Increase in Non-Interest Bearing Deposits	(4,049,000)	-	-
Net Decrease in Interest Bearing Deposits	777,638,000	-	-
Payments of Interest on Deposits	(46,233,000)	-	-
Interest Paid on Federal Funds and Reverse Repurchase Agreements	(9,226,000)	-	-
Net Decrease in Federal Funds and Reverse Repurchase Agreements	(130,041,000)	-	-
Principal Payments on Due To Other Funds	-	-	-
Grants and Gifts Received for Other than Capital Purposes	-	-	-
Agency Fund Cash Increase	-	-	-
Grants Given for Other than Capital Purposes	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	614,109,000	(120,015,021)	(42,371,113)
Cash Flows from Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(3,731,000)	(89,000)	(3,909,273)
Proceeds from Sale of Capital Assets	2,122,000	-	50,000
Proceeds from Sale of Notes and Other Borrowings	-	-	-
Principal Payments - Bonds	-	-	-
Principal Payments - Notes and Other Borrowings	-	-	-
Interest Payments - Bonds	-	-	-
Interest Payments - Notes and Other Borrowings	-	-	-
Capital Appropriations	-	-	-
Payment on Capital Leases	-	-	-
Interest Payments - Capital Leases	-	-	-
Capital Grants and Gifts Received	-	-	-
Insurance Proceeds	-	-	-
Other	-	-	-
Net Cash Used for Capital and Related Financing Activities	(1,609,000)	(89,000)	(3,859,273)
Cash Flows from Investing Activities:			
Proceeds from Sale and Maturities of Investment Securities	131,488,000	10,918,000	-
Purchase of Investment Securities	(232,664,000)	(5,942,000)	-
Interest and Dividends on Investments	18,999,000	1,803,000	27,178
Proceeds from Sale of Other Real Estate	129,000	-	-
Net Decrease in Loans	(618,415,000)	-	-
Receipt of Loan Principal Repayments	-	-	-
Loan Income Received	128,415,000	-	-
Net Cash Provided by (Used for) Investing Activities	(572,048,000)	6,779,000	27,178

The Accompanying Notes are an Integral Part of the Financial Statements

Business-Type Activities - Enterprise Funds				Governmental Activities
University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
\$ 146,301,463	\$ 88,306,037	\$ 283,731,720	\$ 955,376,171	\$ 82,534,560
245,208,707	-	-	245,208,707	-
-	-	488,788	488,788	-
4,855,567	-	11,963,738	16,819,305	-
-	-	6,380	6,380	231,145
155,300,058	-	-	155,300,058	-
4,513,910	2,835,198	92,097	7,441,205	-
(4,705,013)	-	(10,663,788)	(15,828,801)	-
-	-	225	225	(186,793)
(29,537,642)	-	-	(29,537,642)	-
(262,442,569)	(1,545,746)	(195,821,979)	(847,530,922)	(37,462,349)
(539,978,286)	(10,845,602)	(4,138,108)	(574,920,477)	(20,786,870)
-	(112,186,839)	(77,674,286)	(189,861,125)	(484,313)
-	(15,615,457)	(63,678)	(16,600,135)	(2,745,908)
2,989,448	-	(454,323)	2,486,500	2,953
<u>(277,494,357)</u>	<u>(49,052,409)</u>	<u>7,466,786</u>	<u>(291,151,763)</u>	<u>21,102,425</u>
-	-	-	175,641,000	-
-	-	-	391,800,000	-
-	-	(59,400,000)	(313,420,000)	-
-	-	-	(361,564,712)	-
-	-	(929,000)	(41,662,000)	-
-	-	(61,122)	(16,565,269)	-
-	-	-	(1,236,000)	(2,449)
308,619,021	-	906,431	309,889,431	-
(8,234,000)	-	(9,743,004)	(48,090,258)	(5,500,000)
-	-	-	(4,049,000)	-
-	-	-	777,638,000	-
-	-	-	(46,233,000)	-
-	-	-	(9,226,000)	-
-	-	-	(130,041,000)	-
(1,479,887)	-	(443,486)	(1,923,373)	-
45,017,972	-	516,860	45,534,832	-
263,298	-	-	263,298	-
(1,557,755)	-	-	(1,557,755)	-
<u>342,628,649</u>	<u>-</u>	<u>(69,153,321)</u>	<u>725,198,194</u>	<u>(5,502,449)</u>
(57,362,918)	(3,623,419)	(1,278,975)	(69,994,585)	(14,000,722)
167,455	-	-	2,339,455	1,953,653
10,632,445	-	73,150	10,705,595	-
-	-	(195,000)	(195,000)	-
(31,757,754)	-	(25,950)	(31,783,704)	(6,613,350)
-	-	(43,586)	(43,586)	-
(13,848,295)	-	(15,582)	(13,863,877)	(935,650)
14,876,265	-	-	14,876,265	-
-	-	(41,108)	(41,108)	(150,209)
-	-	-	-	(41,909)
8,397,112	-	-	8,397,112	-
257,851	-	-	257,851	-
-	-	220	220	-
<u>(68,637,839)</u>	<u>(3,623,419)</u>	<u>(1,526,831)</u>	<u>(79,345,362)</u>	<u>(19,788,187)</u>
52,099,864	56,000,000	24,292,039	274,797,903	1,060,300
(67,163,685)	(2,669,137)	(20,528,452)	(328,967,274)	-
7,668,070	-	6,206,211	34,703,459	(27,522)
-	-	-	129,000	-
-	-	(1,085,000)	(619,500,000)	-
-	-	976,426	976,426	-
-	-	517,573	128,932,573	-
<u>(7,395,751)</u>	<u>53,330,863</u>	<u>10,378,797</u>	<u>(508,927,913)</u>	<u>1,032,778</u>

STATE OF NORTH DAKOTA

Statement of Cash Flows Proprietary Funds (Continued) For the Fiscal Year Ended June 30, 2009

	Business-Type Activities - Enterprise Funds		
	Bank of North Dakota	Housing Finance	Mill and Elevator
Net Change in Cash:			
Net Increase (Decrease) in Cash and Cash Equivalents	30,066,000	(121,257,000)	42,988
Cash and Cash Equivalents at June 30, 2008	522,657,000	259,315,000	3,737
Cash and Cash Equivalents at June 30, 2009	<u>\$ 552,723,000</u>	<u>\$ 138,058,000</u>	<u>\$ 46,725</u>
Reconciliation:			
Current:			
Cash Deposits at the Bank of North Dakota	\$ -	\$ 2,840,000	\$ 46,725
Cash and Cash Equivalents	552,723,000	92,000	-
Restricted Cash Deposits at the Bank of North Dakota	-	10,542,000	-
Restricted Cash and Cash Equivalents	-	124,584,000	-
Noncurrent:			
Restricted Cash Deposits At The Bank of North Dakota	-	-	-
Restricted Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents	<u>\$ 552,723,000</u>	<u>\$ 138,058,000</u>	<u>\$ 46,725</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:			
Operating Income (Loss)	\$ 51,455,000	\$ 5,819,021	\$ (7,714,913)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	1,194,000	4,000	2,700,468
Amortization/Accretion	-	694,000	-
Reclassification of Interest Revenue/Expense	(76,675,000)	40,602,000	-
Gain on Sale of Student Loans	(1,000)	-	-
Loss on Sale of Real Estate	28,000	-	-
Net Decrease in Fair Value of Investments	5,099,000	-	-
Interest Received on Program Loans	-	-	-
Disbursements for Loans and Loan Purchases	-	-	-
Receipt of Loan Principal Repayments	-	-	-
Provision for Losses	8,900,000	-	-
Contributed Property and Equipment	(628,000)	-	-
Other	-	(123,000)	75,453
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	-	(55,173,000)	16,057,557
(Increase) Decrease in Interest Receivable	-	(337,000)	-
(Increase) Decrease in Due From	96,000	25,000	-
Decrease in Due From Fiduciary Funds	-	-	-
(Increase) Decrease in Intergovernmental Receivable	-	48,000	-
Decrease in Notes Receivable	-	-	-
(Increase) Decrease in Prepaid Items	-	(22,000)	554,545
Decrease in Inventories	-	-	38,016,258
Increase in Other Assets	(94,000)	-	(21,766)
Increase (Decrease) in Accounts Payable	-	-	(3,221,233)
Increase (Decrease) in Claims/Judgments Payable	-	-	-
Increase (Decrease) in Intergovernmental Payable	-	(210,000)	-
Increase in Accrued Payroll	-	-	26,007
Increase in Compensated Absences Payable	-	13,000	55,884
Increase in Amounts Held for Others	-	388,000	-
Increase in Other Deposits	-	-	-
Increase (Decrease) in Due To Other Funds	(9,000)	26,000	-
Increase (Decrease) in Deferred Revenue	-	-	-
Increase (Decrease) in Other Liabilities	249,000	314,000	(282,064)
Decrease in Dividends Payable	-	-	-
Total Adjustments	<u>(61,841,000)</u>	<u>(13,751,000)</u>	<u>53,961,109</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (10,386,000)</u>	<u>\$ (7,931,979)</u>	<u>\$ 46,246,196</u>
Noncash Transactions:			
Net Increase (Decrease) in Fair Value of Investments	\$ 5,310,000	\$ (246,000)	\$ -
Change in Securities Lending Collateral	-	-	-
Interest on Investments	-	-	-
Amortization of Bond Discount	-	-	-
Amortization of Bond Issuance Costs	-	-	-
Assets Acquired Through Capital Lease	-	-	-
Assets Acquired Through Special Assessments	-	-	-
Gifts of Capital Assets	-	-	-
Interest Revenue on Prize Reserves	-	-	-
Total Noncash Transactions	<u>\$ 5,310,000</u>	<u>\$ (246,000)</u>	<u>\$ -</u>

The Accompanying Notes are an Integral Part of the Financial Statements

Business-Type Activities - Enterprise Funds				Governmental Activities
University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
(10,899,298)	655,035	(52,834,569)	(154,226,844)	(3,155,433)
74,614,839	1,375,198	196,124,414	1,054,090,188	17,196,299
<u>\$ 63,715,541</u>	<u>\$ 2,030,233</u>	<u>\$ 143,289,845</u>	<u>\$ 899,863,344</u>	<u>\$ 14,040,866</u>
\$ 49,851,643	\$ 2,030,233	\$ 30,063,976	\$ 84,832,577	\$ 13,822,436
9,837,092	-	109,685,850	672,337,942	26,453
-	-	3,279,949	13,821,949	-
-	-	-	124,584,000	-
4,002,365	-	260,070	4,262,435	191,977
24,441	-	-	24,441	-
<u>\$ 63,715,541</u>	<u>\$ 2,030,233</u>	<u>\$ 143,289,845</u>	<u>\$ 899,863,344</u>	<u>\$ 14,040,866</u>
\$ (325,037,364)	\$ 1,587,522	\$ (26,403,247)	\$ (300,293,981)	\$ 9,943,403
43,817,249	248,627	1,000,189	48,964,533	11,513,292
-	-	539,000	1,233,000	6,650
-	-	(2,360,500)	(38,433,500)	-
-	-	-	(1,000)	-
-	-	-	28,000	-
-	-	-	5,099,000	-
-	-	2,495,000	2,495,000	-
-	-	(178,000)	(178,000)	-
-	-	24,758,000	24,758,000	-
-	-	897,000	9,797,000	-
-	-	-	(628,000)	-
-	-	(378,323)	(425,870)	-
(11,911,526)	(1,598,444)	(1,501,328)	(54,126,741)	(375,169)
-	-	35,314	(301,686)	-
-	-	6,243	127,243	(1,195,494)
-	-	4,476	4,476	-
-	-	(1,464,644)	(1,416,644)	230,614
1,380,461	-	177,307	1,557,768	-
-	36,753	(343,152)	226,146	694,950
202,708	-	51,299	38,270,265	6,225
2,373,271	-	(59,878)	2,197,627	2,953
1,851,001	155,715	1,258,173	43,656	77,029
-	31,300,000	(320,661)	30,979,339	160,603
2,205,334	-	2,784,385	2,574,385	(191,567)
2,040,942	164,720	33,169	2,264,510	192,637
-	-	49,162	2,323,708	50,174
3,211,042	-	3,908,835	4,296,835	-
-	-	-	3,211,042	-
-	58,581	1,279,373	1,354,954	(13,336)
2,372,525	8,930,567	1,208,414	12,511,506	(539)
-	-	(8,820)	272,116	-
-	(89,936,450)	-	(89,936,450)	-
<u>47,543,007</u>	<u>(50,639,931)</u>	<u>33,870,033</u>	<u>9,142,218</u>	<u>11,159,022</u>
<u>\$ (277,494,357)</u>	<u>\$ (49,052,409)</u>	<u>\$ 7,466,786</u>	<u>\$ (291,151,763)</u>	<u>\$ 21,102,425</u>
\$ (138,139)	\$ (117,088,561)	\$ (2,109,850)	\$ (114,272,550)	\$ (409,517)
-	(76,051,009)	(444,891)	(76,495,900)	(127,261)
-	43,923,868	-	43,923,868	-
-	-	8,754	8,754	-
-	-	3,335	3,335	-
26,761,225	-	-	26,761,225	-
657,055	-	-	657,055	-
2,335,463	-	-	2,335,463	-
-	-	591	591	-
<u>\$ 29,615,604</u>	<u>\$ (149,215,702)</u>	<u>\$ (2,542,061)</u>	<u>\$ (117,078,159)</u>	<u>\$ (536,778)</u>

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Fiduciary Net Assets Fiduciary Funds June 30, 2009

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Agency Funds
ASSETS				
Cash Deposits at the Bank of ND	\$ 27,963,234	\$ 716,541	\$ 8,021,963	\$ 15,249,160
Cash and Cash Equivalents	-	-	1,806,697	3,894,839
Receivables:				
Contributions Receivable	13,881,378	-	-	-
Accounts Receivable - Net	4,717	-	54,630	6,223,561
Taxes Receivable - Net	-	-	-	14,179,561
Interest Receivable - Net	9,713,752	74,124	5,096	409
Due from Other Funds	14,290	-	26	-
Due from Fiduciary Funds	140,720	-	-	-
Total Receivables	<u>23,754,857</u>	<u>74,124</u>	<u>59,752</u>	<u>20,403,531</u>
Investments, at Fair Value:				
Investments at the Bank of ND	5,500	-	21,103	19,857,655
Equity Pool	1,306,117,088	59,599,108	-	-
Fixed Income	2,399,637	-	-	-
Fixed Income Pool	1,054,485,414	58,468,110	2,080,342	230,774
Cash and Cash Pool	8,132,298	250,157	-	-
Real Estate Pool	220,441,035	7,338,132	-	-
Alternative Investments	141,264,674	3,307,954	-	-
Annuities	88,888	-	-	-
Mutual Funds	33,107,540	-	263,169,979	-
Total Investments	<u>2,766,042,074</u>	<u>128,963,461</u>	<u>265,271,424</u>	<u>20,088,429</u>
Invested Securities Lending Collateral	<u>14,552,880</u>	<u>988,942</u>	<u>34,178</u>	<u>-</u>
Capital Assets (Net of Depreciation)	<u>4,684,575</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>2,836,997,620</u>	<u>130,743,068</u>	<u>275,194,014</u>	<u>\$ 59,635,959</u>
LIABILITIES				
Accounts Payable	4,809,889	226,164	771,343	\$ -
Accrued Payroll	113,626	-	-	-
Securities Lending Collateral	14,552,880	988,942	34,178	-
Intergovernmental Payable	-	-	-	31,033,499
Tax Refunds Payable	-	-	-	42,665
Due to Other Funds	138,703	-	-	-
Due to Fiduciary Funds	134,605	-	-	-
Amounts Held in Custody for Others	-	-	-	28,559,795
Deferred Revenue	18,744	-	-	-
Compensated Absences Payable	130,273	-	-	-
Total Liabilities	<u>19,898,720</u>	<u>1,215,106</u>	<u>805,521</u>	<u>\$ 59,635,959</u>
NET ASSETS				
Net Assets Held in Trust for:				
Pension Benefits	2,815,803,258	-	-	
Other Employee Benefits	1,295,642	-	-	
External Investment Pool Participants	-	129,527,962	-	
Other Purposes	-	-	274,388,493	
Total Net Assets Held in Trust	<u>\$ 2,817,098,900</u>	<u>\$ 129,527,962</u>	<u>\$ 274,388,493</u>	

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Changes in Fiduciary Net Assets Fiduciary Funds For the Fiscal Year Ended June 30, 2009

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds
ADDITIONS			
Contributions:			
Employer	\$ 73,681,743	\$ -	\$ -
Employee	77,174,126	-	-
From Participants	-	-	27,420,196
Transfers from Other Funds	564,078	-	-
Transfers from Other Plans	150,734	-	-
Donations	-	-	3,359
Total Contributions	<u>151,570,681</u>	<u>-</u>	<u>27,423,555</u>
Investment Income:			
Net Change in Fair Value of Investments	(1,019,750,271)	(26,057,926)	(69,463,525)
Interest and Dividends	77,164,619	3,100,638	9,976,204
Less Investment Expense	<u>13,774,604</u>	<u>556,975</u>	<u>-</u>
Net Investment Income	<u>(956,360,256)</u>	<u>(23,514,263)</u>	<u>(59,487,321)</u>
Securities Lending Activity:			
Securities Lending Income	543,773	30,809	-
Less Securities Lending Expense	<u>225,741</u>	<u>13,050</u>	<u>-</u>
Net Securities Lending Income	<u>318,032</u>	<u>17,759</u>	<u>-</u>
Repurchase Service Credit	6,078,777	-	-
Miscellaneous Income	<u>1,055,807</u>	<u>-</u>	<u>3,900</u>
Total Additions	<u>(797,336,959)</u>	<u>(23,496,504)</u>	<u>(32,059,866)</u>
DEDUCTIONS			
Benefits Paid to Participants	204,715,940	-	371
Refunds	7,304,171	-	-
Prefunded Credit Applied	4,854,724	-	-
Transfer to Other Plans	564,078	-	-
Payments in Accordance with Trust Agreements	-	-	33,534,397
Administrative Expenses	<u>3,785,294</u>	<u>-</u>	<u>2,406,482</u>
Total Deductions	<u>221,224,207</u>	<u>-</u>	<u>35,941,250</u>
Purchase of Units at Net Asset Value of \$1.00 Per Unit	<u>-</u>	<u>31,970,490</u>	<u>-</u>
Change in Net Assets Held in Trust for:			
Pension Benefits	(1,018,941,438)	-	-
Other Employee Benefits	380,272	-	-
External Investment Pool Participants	-	8,473,986	-
Other Purposes	<u>-</u>	<u>-</u>	<u>(68,001,116)</u>
Total Change in Net Assets	<u>(1,018,561,166)</u>	<u>8,473,986</u>	<u>(68,001,116)</u>
Net Assets - Beginning of Year	<u>3,835,660,066</u>	<u>121,053,976</u>	<u>342,389,609</u>
Net Assets - End of Year	<u>\$ 2,817,098,900</u>	<u>\$ 129,527,962</u>	<u>\$ 274,388,493</u>

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Combining Statement of Net Assets Component Units - Proprietary Funds June 30, 2009

	BSC Foundation	DSU Foundation	CHAND	MISU Development Foundation	Public Finance Authority	ND Development Fund
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 101,791	\$ 11,309,711	\$ 3,523,938	\$ 293,524	\$ 1,000	\$ 6,687,135
Investments	-	-	-	-	-	6,019,000
Accounts Receivable - Net	1,381,102	2,838,022	10,957	41,152	-	-
Interest Receivable - Net	-	-	-	-	-	85,229
Due from Primary Government	54,788	-	-	-	-	-
Inventory	-	-	-	-	-	-
Loans and Notes Receivable - Net	-	-	-	-	-	2,346,473
Other Assets	65,079	99,631	-	3,892	-	-
Restricted Cash and Cash Equivalents	-	-	-	-	1,233,000	-
Restricted Investments	-	-	-	-	54,570,000	-
Restricted Interest Receivable - Net	-	-	-	-	4,133,000	-
Total Current Assets	1,602,760	14,247,364	3,534,895	338,568	59,937,000	15,137,837
Noncurrent Assets:						
Restricted Cash and Cash Equivalents	456,391	111,737	-	-	-	-
Restricted Investments	10,101,508	7,018,881	-	8,655,276	393,316,000	-
Investments	327,647	580,000	-	956,202	-	834,057
Due from Primary Government	2,265,000	-	-	-	3,668,000	-
Loans and Notes Receivable - Net	-	-	-	-	-	7,671,535
Unamortized Bond Issuance Costs	41,526	-	-	-	1,036,000	-
Other Noncurrent Assets	603,594	5,248,349	-	343,937	-	-
Capital Assets:						
Land and Construction in Progress	1,200,000	80,000	-	-	-	-
Infrastructure - Net	11,071,939	57,596	-	-	-	-
Buildings and Equipment - Net	70,206	770,497	-	-	-	766
Total Noncurrent Assets	26,137,811	13,867,060	-	9,955,415	398,020,000	8,506,358
Total Assets	27,740,571	28,114,424	3,534,895	10,293,983	457,957,000	23,644,195
LIABILITIES						
Current Liabilities:						
Accounts Payable	81,818	785,625	2,000,325	14,314	153,000	13,653
Accrued Payroll	-	74,991	-	-	-	-
Interest Payable	-	-	-	-	1,539,000	-
Intergovernmental Payable	-	-	-	-	-	-
Due to Primary Government	87,764	1,511,847	-	-	-	-
Other Deposits	-	-	-	-	-	-
Notes Payable	-	464,924	-	-	-	-
Capital Leases Payable	-	-	-	-	-	-
Bonds Payable	771,834	-	-	-	12,234,000	-
Deferred Revenue	-	-	165,233	-	-	-
Other Current Liabilities	-	-	-	-	-	-
Total Current Liabilities	941,416	2,837,387	2,165,558	14,314	13,926,000	13,653
Noncurrent Liabilities:						
Intergovernmental Payable	-	-	-	-	310,000	-
Due to Primary Government	-	-	-	-	3,668,000	-
Notes Payable	-	131,569	-	-	-	-
Capital Leases Payable	-	-	-	-	-	-
Bonds Payable	3,430,799	9,200,000	-	-	162,774,000	-
Other Noncurrent Liabilities	2,445,031	611,265	-	161,712	-	-
Total Noncurrent Liabilities	5,875,830	9,942,834	-	161,712	166,752,000	-
Total Liabilities	6,817,246	12,780,221	2,165,558	176,026	180,678,000	13,653
Net Assets						
Invested in Capital Assets, Net of Related Debt	9,139,512	311,600	-	-	-	766
Restricted for:						
Debt Service	-	-	-	-	58,643,000	-
Loan Purposes	-	-	-	-	215,761,000	-
Other	12,640,139	15,542,936	-	7,910,175	-	-
Unrestricted	(856,326)	(520,333)	1,369,337	2,207,782	2,875,000	23,629,776
Total Net Assets	\$ 20,923,325	\$ 15,334,203	\$ 1,369,337	\$ 10,117,957	\$ 277,279,000	\$ 23,630,542

The Accompanying Notes are an Integral Part of the Financial Statements

	NDSU Development Foundation	NDSU Research and Technology Park	RE Arena Inc. UND Arena Services, Inc. & Affiliates	UND Aerospace Foundation	UND Alumni Association and UND Foundation	Non-Major	Total
\$	1,271,676	\$ 2,565,625	\$ 4,317,053	\$ 737,589	\$ 2,439,456	\$ 7,814,341	\$ 41,062,839
	-	-	-	-	-	-	6,019,000
	2,399,661	287,777	1,557,174	1,577,150	9,013,054	246,596	19,352,645
	-	-	-	-	-	-	85,229
	373,824	840,000	-	132,951	915,693	229,619	2,546,875
	-	-	387,867	132,229	-	-	520,096
	-	-	-	-	-	-	2,346,473
	588,484	72,310	148,305	261,101	27,619	104,994	1,371,415
	-	-	-	-	-	-	1,233,000
	-	-	-	-	-	-	54,570,000
	-	-	-	-	-	-	4,133,000
	4,633,645	3,765,712	6,410,399	2,841,020	12,395,822	8,395,550	133,240,572
	6,566,481	550,599	2,782,497	-	-	9,710,523	20,178,228
	82,759,996	-	-	-	130,626,146	16,449,326	648,927,133
	17,730,451	-	-	31,310	5,657,956	-	26,117,623
	19,144,510	23,645,000	-	1,784,126	9,717,307	-	60,223,943
	-	1,659,750	-	-	-	-	9,331,285
	-	1,782,228	-	-	-	-	2,859,754
	1,425,194	674,755	200,000	-	17,907,665	257,106	26,660,600
	868,809	-	-	1,088,436	-	206,560	3,443,805
	-	907,569	-	20,233	-	-	12,057,337
	4,981,296	3,387,496	82,112,115	15,384,373	2,649,911	324,345	109,681,005
	133,476,737	32,607,397	85,094,612	18,308,478	166,558,985	26,947,860	919,480,713
	138,110,382	36,373,109	91,505,011	21,149,498	178,954,807	35,343,410	1,052,721,285
	1,642,738	340,704	1,233,474	912,709	796,627	78,750	8,053,737
	-	28,695	-	-	-	-	103,686
	-	-	-	-	-	-	1,539,000
	-	28,368	-	-	-	-	28,368
	-	-	1,427,088	881,899	3,150	1,700,943	5,612,691
	660,383	-	-	-	-	-	660,383
	195,525	81,667	-	980,093	200,000	33,734	1,955,943
	-	41,564	-	40,858	-	-	82,422
	485,861	840,000	226,714	-	715,693	-	15,274,102
	-	-	3,793,683	1,597,565	1,324,994	-	6,881,475
	-	-	-	-	-	20,000	20,000
	2,984,507	1,360,998	6,680,959	4,413,124	3,040,464	1,833,427	40,211,807
	-	463,452	-	-	-	-	773,452
	-	-	-	-	-	-	3,668,000
	1,793,487	628,000	-	6,958,495	100,000	37,881	9,649,432
	-	-	-	1,784,126	-	-	1,784,126
	22,677,819	27,085,000	5,538,844	-	13,251,576	-	243,958,038
	6,194,691	1,003,700	-	-	18,001,446	83,331	28,501,176
	30,665,997	29,180,152	5,538,844	8,742,621	31,353,022	121,212	288,334,224
	33,650,504	30,541,150	12,219,803	13,155,745	34,393,486	1,954,639	328,546,031
	5,850,105	(387,587)	76,346,557	8,554,454	2,649,911	459,290	102,924,608
	-	-	-	-	-	-	58,643,000
	-	-	-	-	-	-	215,761,000
	99,806,823	636,515	2,782,497	-	130,132,376	31,510,830	300,962,291
	(1,197,050)	5,583,031	156,154	(560,701)	11,779,034	1,418,651	45,884,355
\$	104,459,878	\$ 5,831,959	\$ 79,285,208	\$ 7,993,753	\$ 144,561,321	\$ 33,388,771	\$ 724,175,254

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Combining Statement of Activities Component Units - Proprietary Funds For the Fiscal Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	
BSC Foundation	\$ 2,298,387	\$ 400,006	\$ (1,783,977)	\$ (3,682,358)
DSU Foundation	2,251,076	145,149	4,405,760	2,299,833
CHAND	10,721,751	11,398,138	446,291	1,122,678
MISU Development Foundation	706,212	203,446	(2,320,693)	(2,823,459)
Public Finance Authority	8,929,000	1,297,000	24,573,000	16,941,000
ND Development Fund	1,473,687	887,649	233,596	(352,442)
NDSU Development Foundation	15,146,243	1,254,933	(11,897,423)	(25,788,733)
NDSU Research and Technology Park	3,382,172	2,823,640	533,789	(24,743)
RE Arena, Inc., UND Arena Services & Affiliates	12,161,832	7,485,936	-	(4,675,896)
UND Aerospace Foundation	19,481,610	20,090,136	404,098	1,012,624
UND Alumni Association & UND Foundation	15,698,405	4,492,821	(25,329,411)	(36,534,995)
Nonmajor Component Units	12,177,338	8,141,153	(464,068)	(4,500,253)
Total Component Units	\$ 104,427,713	\$ 58,620,007	\$ (11,199,038)	\$ (57,006,744)

The Accompanying Notes are an Integral Part of the Financial Statements

	Adds to Permanent Endowments	Change in Net Assets	Net Assets Beginning of Year, as Adjusted	Net Assets End of Year
\$	406,523	\$ (3,275,835)	\$ 24,199,160	\$ 20,923,325
	250,184	2,550,017	12,784,186	15,334,203
	-	1,122,678	246,659	1,369,337
	251,466	(2,571,993)	12,689,950	10,117,957
	-	16,941,000	260,338,000	277,279,000
	-	(352,442)	23,982,984	23,630,542
	5,403,988	(20,384,745)	124,844,623	104,459,878
	-	(24,743)	5,856,702	5,831,959
	-	(4,675,896)	83,961,104	79,285,208
	-	1,012,624	6,981,129	7,993,753
	1,343,163	(35,191,832)	179,753,153	144,561,321
	590,738	(3,909,515)	37,298,286	33,388,771
	<u>8,246,062</u>	<u>(48,760,682)</u>	<u>772,935,936</u>	<u>724,175,254</u>

The Accompanying Notes are an Integral Part of the Financial Statements