

Basic Financial Statements
Government-wide Financial Statements

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Statement of Net Assets

June 30, 2011

(expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and pooled investments	\$ 4,192,162	\$ 6,062,493	\$ 10,254,655	\$ 78,720
Taxes receivable (net of allowance)	3,043,494	10,514	3,054,008	-
Other receivables (net of allowance)	1,222,946	1,492,462	2,715,408	2,062
Internal balances (net)	159,895	(159,895)	-	-
Due from other governments	3,841,826	183,094	4,024,920	-
Inventories	89,938	98,122	188,060	-
Investments, noncurrent	4,277,739	14,910,710	19,188,449	16,138
Other assets	97,741	366,838	464,579	87,560
Restricted assets:				
Cash and pooled investments	243,934	284,630	528,564	-
Receivables	40,446		40,446	-
Capital assets (Note 6):				
Non-depreciable assets	23,392,880	358,129	23,751,009	34,677
Depreciable assets, net of depreciation	9,567,210	1,589,116	11,156,326	322,866
Total capital assets, net of depreciation	32,960,090	1,947,245	34,907,335	357,543
Total Assets	\$ 50,170,211	\$ 25,196,213	\$ 75,366,424	\$ 542,023
LIABILITIES				
Accounts payable	\$ 1,559,577	\$ 113,036	\$ 1,672,613	\$ 54,936
Contracts and retainage payable	198,422	17,177	215,599	3,141
Accrued liabilities	658,472	234,262	892,734	3,895
Obligations under security lending agreements	223,779	2,579,797	2,803,576	-
Due to other governments	960,692	122,868	1,083,560	-
Unearned revenue	299,337	41,733	341,070	5,189
Long-term liabilities (Note 7):				
Due within one year	1,311,879	2,163,282	3,475,161	-
Due in more than one year	20,228,250	25,669,118	45,897,368	20,750
Total Liabilities	25,440,408	30,941,273	56,381,681	87,911
NET ASSETS				
Invested in capital assets, net of related debt	18,723,038	717,778	19,440,816	331,840
Restricted for:				
Unemployment compensation	-	3,199,137	3,199,137	-
Higher education	1,020,304	-	1,020,304	-
Expendable endowment funds	1,553,252	-	1,553,252	-
Nonexpendable permanent endowments	1,700,603	-	1,700,603	-
Transportation	315,447	-	315,447	-
Loan programs	242,751	-	242,751	-
Other purposes	14,067	-	14,067	20,108
Unrestricted (deficit)	1,160,341	(9,661,975)	(8,501,634)	102,164
Total Net Assets (Deficit)	\$ 24,729,803	\$ (5,745,060)	\$ 18,984,743	\$ 454,112

The notes to the financial statements are an integral part of this statement.

Statement of Activities
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities:				
General government	\$ 1,674,061	\$ 645,269	\$ 403,541	\$ 344
Education - elementary and secondary (K-12)	8,054,781	16,493	1,386,388	-
Education - higher education	6,257,439	2,379,335	2,349,362	48,596
Human services	13,363,482	461,623	8,216,895	1,710
Adult corrections	935,264	7,270	2,264	-
Natural resources and recreation	996,349	478,059	171,079	51,270
Transportation	1,980,584	914,343	79,372	730,939
Interest on long-term debt	881,961	-	-	-
Total Governmental Activities	34,143,921	4,902,392	12,608,901	832,859
Business-Type Activities:				
Workers' compensation	1,219,310	2,018,981	9,165	-
Unemployment compensation	3,690,343	1,573,368	2,288,291	-
Higher education student services	1,819,520	1,614,592	7,367	13,227
Liquor control	556,212	595,690	41	-
Washington's lottery	393,227	510,619	-	-
Other	784,306	152,061	-	-
Total Business-Type Activities	8,462,918	6,465,311	2,304,864	13,227
Total Primary Government	\$ 42,606,839	\$ 11,367,703	\$ 14,913,765	\$ 846,086
COMPONENT UNITS				
Total Component Units	\$ 130,380	\$ 16,739	\$ 105,081	\$ 1,023
Total Component Units	\$ 130,380	\$ 16,739	\$ 105,081	\$ 1,023

General Revenues:

Taxes, net of related credits:

Sales and use
Business and occupation
Property
Motor vehicle and fuel
Excise
Cigarette and tobacco
Public utilities
Insurance premium
Other

Interest and investment earnings

Total general revenues

Excess (deficiency) of revenues over expenses before contributions to endowments, transfers and special item

Contributions to endowments

Transfers

Special item - Transfer of Convention and Trade

Center to another government

Change in Net Assets

Net Assets (Deficit) - Beginning, as restated

Net Assets (Deficit) - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and
Changes in Net Assets

Primary Government			Component Units
Governmental Activities	Business-Type Activities	Total	
\$ (624,907)	\$ -	\$ (624,907)	
(6,651,900)	-	(6,651,900)	
(1,480,146)	-	(1,480,146)	
(4,683,254)	-	(4,683,254)	
(925,730)	-	(925,730)	
(295,941)	-	(295,941)	
(255,930)	-	(255,930)	
(881,961)	-	(881,961)	
<u>(15,799,769)</u>	<u>-</u>	<u>(15,799,769)</u>	
-	808,836	808,836	
-	171,316	171,316	
-	(184,334)	(184,334)	
-	39,519	39,519	
-	117,392	117,392	
-	(632,245)	(632,245)	
<u>-</u>	<u>320,484</u>	<u>320,484</u>	
<u>(15,799,769)</u>	<u>320,484</u>	<u>(15,479,285)</u>	
			<u>\$ (7,537)</u>
			<u>(7,537)</u>
7,349,216	-	7,349,216	-
3,076,917	-	3,076,917	-
1,857,837	-	1,857,837	-
1,205,859	-	1,205,859	-
442,015	35,310	477,325	-
493,755	-	493,755	-
445,985	-	445,985	-
413,097	-	413,097	-
880,236	139,029	1,019,265	-
474,223	1,611,271	2,085,494	1,552
<u>16,639,140</u>	<u>1,785,610</u>	<u>18,424,750</u>	<u>1,552</u>
839,371	2,106,094	2,945,465	(5,985)
69,436	-	69,436	-
230,732	(230,732)	-	-
<u>-</u>	<u>(222,794)</u>	<u>(222,794)</u>	<u>-</u>
1,139,539	1,652,568	2,792,107	(5,985)
<u>23,590,264</u>	<u>(7,397,628)</u>	<u>16,192,636</u>	<u>460,097</u>
<u>\$ 24,729,803</u>	<u>\$ (5,745,060)</u>	<u>\$ 18,984,743</u>	<u>\$ 454,112</u>

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Basic Financial Statements
Fund Financial Statements

Balance Sheet
GOVERNMENTAL FUNDS
June 30, 2011
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
ASSETS					
Cash and pooled investments	\$ 30,417	\$ 370,496	\$ 316,809	\$ 2,572,010	\$ 3,289,732
Investments	-	1,150,922	3,043,187	240,061	4,434,170
Taxes receivable (net of allowance)	2,909,152	21,795	-	112,547	3,043,494
Other receivables (net of allowance)	159,463	384,430	27,075	713,649	1,284,617
Due from other funds	175,013	319,730	122	581,747	1,076,612
Due from other governments	1,160,118	155,035	42	2,282,541	3,597,736
Inventories and prepaids	13,981	14,066	-	47,323	75,370
Restricted assets:					
Cash and pooled investments	28,302	-	-	215,632	243,934
Receivables	3,212	27,796	-	-	31,008
Total Assets	\$ 4,479,658	\$ 2,444,270	\$ 3,387,235	\$ 6,765,510	\$ 17,076,673
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 939,027	\$ 70,206	\$ 28,528	\$ 414,956	\$ 1,452,717
Contracts and retainages payable	34,039	3,313	2,078	117,276	156,706
Accrued liabilities	160,621	249,340	9,926	59,561	479,448
Obligations under security lending agreements	-	-	176,616	47,163	223,779
Due to other funds	183,362	92,291	3,506	611,802	890,961
Due to other governments	565,615	18,367	-	166,579	750,561
Deferred revenue	1,369,593	190,551	8,304	985,757	2,554,205
Claims and judgments payable	9,200	-	-	8,028	17,228
Total Liabilities	3,261,457	624,068	228,958	2,411,122	6,525,605
Fund Balances:					
Nonspendable fund balance	89,916	157,849	1,577,691	1,928,654	3,754,110
Restricted fund balance	23,273	744,826	1,580,586	1,465,165	3,813,850
Committed fund balance	98,077	917,527	-	1,134,996	2,150,600
Assigned fund balance	1,114,699	-	-	45	1,114,744
Unassigned fund balance	(107,764)	-	-	(174,472)	(282,236)
Total Fund Balances	1,218,201	1,820,202	3,158,277	4,354,388	10,551,068
Total Liabilities and Fund Balances	\$ 4,479,658	\$ 2,444,270	\$ 3,387,235	\$ 6,765,510	\$ 17,076,673

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Balance Sheet
to the Statement of Net Assets
GOVERNMENTAL FUNDS**

June 30, 2011
(expressed in thousands)

Total Fund Balances for Governmental Funds \$ 10,551,068

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 in the funds. These assets consist of:

Non-depreciable assets	\$ 23,355,789	
Depreciable assets	15,928,569	
Less: Accumulated depreciation	(6,781,461)	
Total capital assets	32,502,897	32,502,897

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. 2,256,097

Certain pension trust funds have been funded in excess of the annual required contributions, creating a year-end asset. This asset is not a financial resource and therefore is not reported in the funds. 10,700

Unmatured interest on general obligation bonds is not recognized in the funds until due. (363,498)

Internal service funds are used by management 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. (39,519)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds and other financing contracts payable	\$ (17,748,170)	
Accreted interest on bonds	(393,181)	
Compensated absences	(502,199)	
Other postemployment benefits obligations	(921,841)	
Unfunded pension obligations	(234,320)	
Claims and judgments	(36,303)	
Pollution remediation obligations	(168,219)	
Other obligations	(183,709)	
Total long-term liabilities	(20,187,942)	(20,187,942)

Net Assets of Governmental Activities \$ 24,729,803

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
REVENUES					
Retail sales and use taxes	\$ 7,274,926	\$ -	\$ -	\$ 74,290	\$ 7,349,216
Business and occupation taxes	3,072,245	-	-	4,672	3,076,917
Property taxes	1,857,837	-	-	-	1,857,837
Excise taxes	414,362	-	-	32,707	447,069
Motor vehicle and fuel taxes	-	-	-	1,205,859	1,205,859
Other taxes	1,804,138	117,373	-	225,088	2,146,599
Licenses, permits, and fees	88,464	629	-	982,663	1,071,756
Timber sales	4,037	-	22,224	179,863	206,124
Other contracts and grants	199,408	797,112	-	40,428	1,036,948
Federal grants-in-aid	9,597,099	1,757,935	271	1,243,400	12,598,705
Charges for services	59,882	2,010,187	145	620,259	2,690,473
Investment income (loss)	(15,055)	45,857	368,404	75,017	474,223
Miscellaneous revenue	229,905	83,389	1,841	341,321	656,456
Unclaimed property	62,987	-	-	-	62,987
Contributions and donations	-	-	69,436	-	69,436
Total Revenues	24,650,235	4,812,482	462,321	5,025,567	34,950,605
EXPENDITURES					
Current:					
General government	923,216	-	131	451,864	1,375,211
Human services	13,472,743	363	-	660,529	14,133,635
Natural resources and recreation	387,553	-	-	578,370	965,923
Transportation	41,234	-	-	1,767,266	1,808,500
Education	9,211,186	4,461,526	3,710	409,136	14,085,558
Intergovernmental	102,335	-	-	290,221	392,556
Capital outlays	48,504	218,129	2,441	2,134,383	2,403,457
Debt service:					
Principal	16,104	29,018	-	651,991	697,113
Interest	502	13,171	-	816,032	829,705
Total Expenditures	24,203,377	4,722,207	6,282	7,759,792	36,691,658
Excess of Revenues Over (Under) Expenditures	446,858	90,275	456,039	(2,734,225)	(1,741,053)
OTHER FINANCING SOURCES (USES)					
Bonds issued	336,009	26,359	-	581,826	944,194
Refunding bonds issued	-	-	-	1,160,990	1,160,990
Payments to escrow agents for refunded bond debt	-	-	-	(1,339,372)	(1,339,372)
Bond issue premiums	3,678	657	-	219,195	223,530
Other debt issued	14,700	21,523	-	118,601	154,824
Refunding COPs issued	-	-	-	9,310	9,310
Payments to escrow agents for refunded COP debt	-	-	-	(11,054)	(11,054)
Transfers in	938,822	140,148	2,876	2,778,501	3,860,347
Transfers out	(1,154,483)	(171,790)	(94,954)	(2,214,952)	(3,636,179)
Total Other Financing Sources (Uses)	138,726	16,897	(92,078)	1,303,045	1,366,590
Net Change in Fund Balances	585,584	107,172	363,961	(1,431,180)	(374,463)
Fund Balances - Beginning, as restated	632,617	1,713,030	2,794,316	5,785,568	10,925,531
Fund Balances - Ending	\$ 1,218,201	\$ 1,820,202	\$ 3,158,277	\$ 4,354,388	\$ 10,551,068

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities**

GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

Net Change in Fund Balances - Total Governmental Funds **\$ (374,463)**

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 capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlays	\$ 2,240,190	
Less: Depreciation expense	<u>(539,915)</u>	1,700,275

Some revenues in the Statement of Activities do not provide current financial resources, and therefore, are deferred in governmental funds. Also, revenues related to prior periods that became available during the current period are reported in governmental funds but are eliminated in the Statement of Activities. This amount is the net adjustment.

113,945

Pension trust funding in excess of annual required contributions uses current financial resources, but does not qualify as an expense.

(1,800)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net assets of the internal service funds is reported with governmental activities.

210,805

Bond proceeds and other financing contracts provide current financial resources to governmental funds, while the repayment of the related debt principal consumes those financial resources. These transactions, however, have no effect on net assets. In the current period, these amounts consist of:

Bonds and other financing contracts issued	\$ (2,824,069)	
Principal payments on bonds and other financing contracts	2,629,497	
Accreted interest on bonds	<u>(26,666)</u>	(221,238)

Some expenses/revenue reductions reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not recognized in governmental funds. Also payments of certain obligations related to prior periods are recognized in governmental funds but are eliminated in the Statement of Activities.

In the current period, the net adjustments consist of:

Compensated absences	\$ 10,356	
Other postemployment benefits obligations	(224,628)	
Unfunded pension obligations	(42,931)	
Pollution remediation obligations	6,134	
Claims and judgments	(2,640)	
Accrued interest	(25,711)	
Unclaimed property	(6,973)	
Other obligations	<u>(1,592)</u>	(287,985)

Change in Net Assets of Governmental Activities **\$ 1,139,539**

The notes to the financial statements are an integral part of this statement.

Statement of Fund Net Assets
PROPRIETARY FUNDS
June 30, 2011
(expressed in thousands)

	Business-Type Activities Enterprise Funds			
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services	Other Activities
ASSETS				
Current Assets:				
Cash and pooled investments	\$ 43,372	\$ 2,554,055	\$ 684,156	\$ 96,345
Investments	2,217,078	-	3,594	362,719
Taxes receivable (net of allowance)	-	-	-	-
Other receivables (net of allowance)	673,619	605,698	182,819	4,405
Due from other funds	55	6,771	320,306	791
Due from other governments	1,127	91,850	41,957	3,428
Inventories	94	-	41,976	84
Prepaid expenses	-	-	19,087	12
Restricted assets:				
Cash and pooled investments	-	-	284,630	-
Receivables	-	-	-	-
Total Current Assets	2,935,345	3,258,374	1,578,525	467,784
Noncurrent Assets:				
Investments, noncurrent	12,512,691	-	278,183	1,897,675
Other noncurrent assets	-	-	84,577	262,346
Capital assets:				
Land and other non-depreciable assets	3,240	-	60,344	-
Buildings	65,134	-	1,933,708	-
Other improvements	1,662	-	79,107	110
Furnishings and equipment	68,809	-	410,284	9,351
Infrastructure	-	-	41,273	-
Intangible assets	4,338	-	19,358	-
Accumulated depreciation	(87,042)	-	(997,418)	(7,417)
Construction in progress	13,041	-	279,789	-
Total Noncurrent Assets	12,581,873	-	2,189,205	2,162,065
Total Assets	15,517,218	3,258,374	3,767,730	2,629,849
LIABILITIES				
Current Liabilities:				
Accounts payable	8,820	-	68,686	1,940
Contracts and retainages payable	6,959	-	10,223	129,500
Accrued liabilities	135,119	8,591	205,459	8,866
Obligations under security lending agreements	2,217,078	-	-	362,719
Bonds and notes payable	3,206	-	59,212	-
Due to other funds	6,114	1,182	480,735	565
Due to other governments	14	49,464	160	4,392
Unearned revenue	7,676	-	34,045	-
Claims and judgments payable	1,741,968	-	-	2,038
Total Current Liabilities	4,126,954	59,237	858,520	510,020
Noncurrent Liabilities:				
Claims and judgments payable	21,201,343	-	-	9,977
Bonds and notes payable	14,876	-	1,421,341	-
Other long-term liabilities	34,556	-	154,165	2,606,489
Total Noncurrent Liabilities	21,250,775	-	1,575,506	2,616,466
Total Liabilities	25,377,729	59,237	2,434,026	3,126,486
NET ASSETS				
Invested in capital assets, net of related debt	51,100	-	630,521	2,043
Restricted for:				
Unemployment compensation	-	3,199,137	-	-
Unrestricted	(9,911,611)	-	703,183	(498,680)
Total Net Assets (Deficit)	\$ (9,860,511)	\$ 3,199,137	\$ 1,333,704	\$ (496,637)

The notes to the financial statements are an integral part of this statement.

Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
\$ 55,735	\$ 3,433,663	\$ 681,644
45,439	2,628,830	14,108
10,514	10,514	-
25,921	1,492,462	17,020
8,345	336,268	141,915
460	138,822	10,442
55,968	98,122	17,209
809	19,908	4,469
-	284,630	-
-	-	9,438
<u>203,191</u>	<u>8,443,219</u>	<u>896,245</u>
222,161	14,910,710	50,251
3	346,926	-
1,715	65,299	3,836
41,605	2,040,447	168,467
2,426	83,305	15,514
50,916	539,360	787,437
-	41,273	1,818
1,029	24,725	4,901
(48,117)	(1,139,994)	(558,033)
-	292,830	33,254
<u>271,738</u>	<u>17,204,881</u>	<u>507,445</u>
<u>474,929</u>	<u>25,648,100</u>	<u>1,403,690</u>
33,590	113,036	106,883
-	146,682	41,713
100,451	458,486	50,335
-	2,579,797	-
3,135	65,553	55,785
32,123	520,719	104,184
-	54,030	40,475
12	41,733	1,227
-	1,744,006	244,675
<u>169,311</u>	<u>5,724,042</u>	<u>645,277</u>
-	21,211,320	593,040
12,329	1,448,546	180,964
<u>214,042</u>	<u>3,009,252</u>	<u>23,928</u>
<u>226,371</u>	<u>25,669,118</u>	<u>797,932</u>
<u>395,682</u>	<u>31,393,160</u>	<u>1,443,209</u>
34,114	717,778	262,607
-	3,199,137	-
45,133	(9,661,975)	(302,126)
<u>\$ 79,247</u>	<u>\$ (5,745,060)</u>	<u>\$ (39,519)</u>

Statement of Revenues, Expenses, and Changes in Fund Net Assets

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2011

(expressed in thousands)

	Business-Type Activities Enterprise Funds			
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services	Other Activities
OPERATING REVENUES				
Sales	\$ -	\$ -	\$ 123,257	\$ 153
Less: Cost of goods sold	-	-	87,957	83
Gross profit	-	-	35,300	70
Charges for services	-	-	1,275,485	74,997
Premiums and assessments	1,983,348	1,545,016	-	-
Federal aid for unemployment insurance benefits	-	2,288,291	-	-
Lottery ticket proceeds	-	-	-	-
Miscellaneous revenue	35,634	28,352	211,123	3,217
Total Operating Revenues	2,018,982	3,861,659	1,521,908	78,284
OPERATING EXPENSES				
Salaries and wages	135,979	-	635,834	23,628
Employee benefits	51,397	-	174,338	8,099
Personal services	6,366	-	16,119	3,278
Goods and services	72,443	-	713,179	20,232
Travel	3,401	-	20,225	622
Premiums and claims	888,160	3,690,343	-	-
Lottery prize payments	-	-	-	-
Depreciation and amortization	8,037	-	94,293	1,552
Guaranteed education tuition expense	-	-	-	639,365
Miscellaneous expenses	52,463	-	15,541	1,100
Total Operating Expenses	1,218,246	3,690,343	1,669,529	697,876
Operating Income (Loss)	800,736	171,316	(147,621)	(619,592)
NONOPERATING REVENUES (EXPENSES)				
Earnings (loss) on investments	997,577	97,979	225,438	283,923
Interest expense	(1,064)	-	(62,034)	(13)
Distributions to other governments	-	-	-	-
Tax and license revenue	130	-	-	21,557
Other revenues (expenses)	9,164	-	12,094	29
Total Nonoperating Revenues (Expenses)	1,005,807	97,979	175,498	305,496
Income (Loss) Before Contributions, Transfers and Special Item	1,806,543	269,295	27,877	(314,096)
Capital contributions	-	-	13,227	-
Transfers in	-	-	128,476	-
Transfers out	-	-	(58,525)	(3,250)
Net Contributions and Transfers	-	-	83,178	(3,250)
SPECIAL ITEM				
Transfer of Convention and Trade Center to another government (Note 2)	-	-	-	-
Change in Net Assets	1,806,543	269,295	111,055	(317,346)
Net Assets (Deficit) - Beginning, as restated	(11,667,054)	2,929,842	1,222,649	(179,291)
Net Assets (Deficit) - Ending	\$ (9,860,511)	\$ 3,199,137	\$ 1,333,704	\$ (496,637)

The notes to the financial statements are an integral part of this statement.

Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
\$ 660,197	\$ 783,607	\$ 99,781
429,167	517,207	91,918
231,030	266,400	7,863
8,385	1,358,867	590,630
-	3,528,364	1,449,731
-	2,288,291	-
510,457	510,457	-
1,700	280,026	121,292
751,572	8,232,405	2,169,516
71,105	866,546	271,021
34,365	268,199	83,035
15,516	41,279	15,647
114,447	920,301	246,399
1,592	25,840	3,307
-	4,578,503	1,267,281
295,155	295,155	-
8,529	112,411	70,751
-	639,365	-
226	69,330	2,157
540,935	7,816,929	1,959,598
210,637	415,476	209,918
6,354	1,611,271	4,826
(18,545)	(81,656)	(8,961)
(47,128)	(47,128)	-
152,652	174,339	23
(724)	20,563	(3,293)
92,609	1,677,389	(7,405)
303,246	2,092,865	202,513
-	13,227	1,771
29,890	158,366	23,920
(327,321)	(389,096)	(17,397)
(297,431)	(217,503)	8,294
(222,794)	(222,794)	-
(216,979)	1,652,568	210,807
296,226	(7,397,628)	(250,326)
\$ 79,247	\$ (5,745,060)	\$ (39,519)

Statement of Cash Flows
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	Business-Type Activities Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,824,052	\$ 1,464,198	\$ 1,115,737
Payments to suppliers	(2,038,603)	(3,654,975)	(539,004)
Payments to employees	(181,791)	-	(778,198)
Other receipts (payments)	35,634	2,325,435	211,121
Net Cash Provided (Used) by Operating Activities	<u>(360,708)</u>	<u>134,658</u>	<u>9,656</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	-	128,476
Transfers out	-	-	(58,525)
Operating grants and donations received	9,250	-	9,701
Taxes and license fees collected	130	-	-
Distributions to other governments	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>9,380</u>	<u>-</u>	<u>79,652</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	(1,143)	-	(58,557)
Principal payments on long-term capital financing	(4,030)	-	(32,800)
Proceeds from long-term capital financing	-	-	400,371
Proceeds from sale of capital assets	95	-	25,997
Acquisitions of capital assets	(13,954)	-	(206,773)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(19,032)</u>	<u>-</u>	<u>128,238</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of interest	569,678	97,979	212,976
Proceeds from sale of investment securities	4,419,372	-	14,212
Purchases of investment securities	(4,622,325)	-	(55,980)
Net Cash Provided (Used) by Investing Activities	<u>366,725</u>	<u>97,979</u>	<u>171,208</u>
Net Increase (Decrease) in Cash and Pooled Investments	<u>(3,635)</u>	<u>232,637</u>	<u>388,754</u>
Cash and Pooled Investments, July 1, as restated	47,007	2,321,418	580,031
Cash and Pooled Investments, June 30	<u>\$ 43,372</u>	<u>\$ 2,554,055</u>	<u>\$ 968,785</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 800,736	\$ 171,316	\$ (147,621)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:			
Depreciation	8,037	-	94,293
Change in Assets: Decrease (Increase)			
Receivables (net of allowance)	(108,684)	(72,027)	(282,503)
Inventories	25	-	126
Prepaid expenses	-	-	311
Change in Liabilities: Increase (Decrease)			
Payables	(1,060,822)	35,369	345,050
Net Cash or Cash Equivalents Provided by (Used in) Operating Activities	<u>\$ (360,708)</u>	<u>\$ 134,658</u>	<u>\$ 9,656</u>

The notes to the financial statements are an integral part of this statement.

Continued

			Governmental Activities
Other Activities	Nonmajor Enterprise Funds	Total	Internal Service Funds
\$ 914,488	\$ 1,171,064	\$ 6,489,539	\$ 2,171,437
(665,784)	(894,428)	(7,792,794)	(1,663,935)
(30,789)	(102,034)	(1,092,812)	(351,477)
3,191	1,674	2,577,055	92,487
221,106	176,276	180,988	248,512
-	29,890	158,366	23,920
(3,250)	(327,321)	(389,096)	(17,397)
-	25	18,976	532
21,557	151,926	173,613	23
-	(100,550)	(100,550)	-
18,307	(246,030)	(138,691)	7,078
(13)	(3,563)	(63,276)	(8,961)
(297)	(273,991)	(311,118)	(25,590)
-	-	400,371	32,032
-	271,841	297,933	6,965
(283)	(4,848)	(225,858)	(92,011)
(593)	(10,561)	98,052	(87,565)
31,323	88	912,044	5,212
405,929	101,070	4,940,583	69,550
(679,888)	(50,535)	(5,408,728)	(59,867)
(242,636)	50,623	443,899	14,895
(3,816)	(29,692)	584,248	182,920
100,161	85,427	3,134,044	498,724
\$ 96,345	\$ 55,735	\$ 3,718,292	\$ 681,644
\$ (619,592)	\$ 210,637	\$ 415,476	\$ 209,918
1,552	8,529	112,411	70,751
(37,958)	(7,796)	(508,968)	18,541
(11)	(131)	9	755
3	65	379	631
877,112	(35,028)	161,681	(52,084)
\$ 221,106	\$ 176,276	\$ 180,988	\$ 248,512

Statement of Cash Flows
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	Business-Type Activities Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Contributions of capital assets	\$ -	\$ -	\$ 13,227
Acquisition of capital assets through capital leases	-	-	2,714
Amortization of annuity prize liability	-	-	-
Increase (decrease) in fair value of investments	421,195	-	281
Refunding bonds issued	-	-	10,400
Refunding bonds redeemed	-	-	10,890
Amortization of debt premium (issue costs/discount)	-	-	448
Increase in ownership of joint venture	-	-	12,169

The notes to the financial statements are an integral part of this statement.

Concluded

		Governmental Activities	
Other Activities	Nonmajor Enterprise Funds	Total	Internal Service Funds
\$ -	\$ -	\$ 13,227	\$ 1,771
-	-	2,714	586
-	14,982	14,982	-
253,048	6,266	427,742	(338)
-	-	10,400	-
-	-	10,890	-
-	-	448	-
-	-	12,169	-

Statement of Fiduciary Net Assets
FIDUCIARY FUNDS
June 30, 2011
(expressed in thousands)

	Private- Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans	Agency Funds
ASSETS				
Current Assets:				
Cash and pooled investments	\$ 9,234	\$ 2,509,133	\$ 385,135	\$ 294,185
Investments	-	5,646,806	-	-
Receivables, pension and other employee benefit plans:				
Employers	-	-	117,834	-
Members (net of allowance)	-	-	2,684	-
Interest and dividends	-	-	184,280	-
Investment trades pending	-	-	3,133,472	-
Due from other pension and other employee benefit funds	-	-	968	-
Other receivables, all other funds	-	1,988	-	7,570
Due from other funds	-	-	1,454	479
Due from other governments	-	-	-	19,184
Total Current Assets	9,234	8,157,927	3,825,827	321,418
Noncurrent Assets:				
Investments, noncurrent, pension and other employee benefit plans:				
Public equity	-	-	29,858,894	-
Fixed income	-	-	11,765,036	-
Private equity	-	-	15,613,270	-
Real estate	-	-	8,598,192	-
Security lending	-	-	2,718,939	-
Liquidity	-	-	1,949,411	-
Tangible assets	-	-	718,740	-
Investments, noncurrent, all other funds	24,174	708,861	-	28,343
Other noncurrent assets	-	-	-	40,842
Capital assets:				
Furnishings and equipment	32	-	-	-
Accumulated depreciation	(19)	-	-	-
Total Noncurrent Assets	24,187	708,861	71,222,482	69,185
Total Assets	33,421	8,866,788	75,048,309	\$ 390,603
LIABILITIES				
Accounts payable	328	-	-	\$ 5,444
Contracts and retainages payable	-	-	-	60,345
Accrued liabilities	148	108	3,857,768	6,910
Obligations under security lending agreements	-	-	2,718,938	-
Due to other funds	-	-	2,527	38,337
Due to other pension and other employee benefit funds	-	-	968	-
Due to other governments	-	3,552	-	238,724
Unearned revenue	-	-	893	-
Other long-term liabilities	-	-	-	40,843
Total Liabilities	476	3,660	6,581,094	\$ 390,603
NET ASSETS				
Net assets held in trust for:				
Pension benefits	-	-	65,528,135	
Deferred compensation participants	-	-	2,939,080	
Local government pool participants	-	8,863,128	-	
Individuals, organizations & other governments	32,945	-	-	
Total Net Assets	\$ 32,945	\$ 8,863,128	\$ 68,467,215	

The notes to the financial statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Assets

FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2011

(expressed in thousands)

	Private- Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans
ADDITIONS			
Contributions:			
Employers	\$ -	\$ -	\$ 902,855
Members	-	-	959,141
State	-	-	68,699
Participants	-	16,566,893	186,734
Total Contributions	-	16,566,893	2,117,429
Investment Income:			
Net appreciation (depreciation) in fair value	-	-	10,557,243
Interest and dividends	-	22,019	1,614,756
Less: Investment expenses	-	-	(216,935)
Net Investment Income (Loss)	-	22,019	11,955,064
Other Additions:			
Unclaimed property	42,191	-	-
Transfers from other pension plans	-	-	11,441
Other contracts, grants and miscellaneous	31	-	1,462
Total Other Additions	42,222	-	12,903
Total Additions	42,222	16,588,912	14,085,396
DEDUCTIONS			
Pension benefits	-	-	2,937,334
Pension refunds	-	-	282,064
Transfers to other pension plans	-	-	11,441
Administrative expenses	3,353	724	2,649
Distributions to participants	-	16,054,499	149,010
Payments to or on behalf of individuals, organizations and other governments in accordance with state unclaimed property laws	31,827	-	-
Total Deductions	35,180	16,055,223	3,382,498
Net Increase (Decrease)	7,042	533,689	10,702,898
Net Assets - Beginning	25,903	8,329,439	57,764,317
Net Assets - Ending	\$ 32,945	\$ 8,863,128	\$ 68,467,215

The notes to the financial statements are an integral part of this statement.

Statement of Fund Net Assets
COMPONENT UNITS
June 30, 2011
(expressed in thousands)

	Public Stadium	Nonmajor Component Units	Total
ASSETS			
Current Assets:			
Cash and pooled investments	\$ 7,235	\$ 25,746	\$ 32,981
Investments	-	42,038	42,038
Investments - restricted	3,701	-	3,701
Other receivables (net of allowance)	834	1,228	2,062
Prepaid expenses	21	109	130
Total Current Assets	11,791	69,121	80,912
Noncurrent Assets:			
Investments, noncurrent - restricted	16,138	-	16,138
Other noncurrent assets	-	87,430	87,430
Capital assets:			
Land	34,677	-	34,677
Buildings	460,610	-	460,610
Furnishings, equipment and intangible assets	20,979	1,596	22,575
Accumulated depreciation	(158,943)	(1,376)	(160,319)
Total Noncurrent Assets	373,461	87,650	461,111
Total Assets	385,252	156,771	542,023
LIABILITIES			
Current Liabilities:			
Accounts payable	98	54,838	54,936
Contracts and retainages payable	3,141	-	3,141
Accrued liabilities	3,855	40	3,895
Unearned revenue	-	5,189	5,189
Total Current Liabilities	7,094	60,067	67,161
Noncurrent Liabilities:			
Other long-term liabilities	20,750	-	20,750
Total Noncurrent Liabilities	20,750	-	20,750
Total Liabilities	27,844	60,067	87,911
NET ASSETS			
Invested in capital assets, net of related debt	331,620	220	331,840
Restricted for deferred sales tax	19,029	-	19,029
Restricted for other purposes	-	1,079	1,079
Unrestricted	6,759	95,405	102,164
Total Net Assets (Deficit)	\$ 357,408	\$ 96,704	\$ 454,112

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Fund Net Assets
COMPONENT UNITS

For the Fiscal Year Ended June 30, 2011
(expressed in thousands)

	Public Stadium	Nonmajor Component Units	Total
OPERATING REVENUES			
Charges for services	\$ 1,051	\$ 15,688	\$ 16,739
Total Operating Revenues	1,051	15,688	16,739
OPERATING EXPENSES			
Salaries and wages	398	4,567	4,965
Employee benefits	103	1,268	1,371
Personal services	304	1,612	1,916
Goods and services	783	2,198	2,981
Travel	3	21	24
Depreciation and amortization	15,469	150	15,619
Miscellaneous expenses	-	979	979
Total Operating Expenses	17,060	10,795	27,855
Operating Income (Loss)	(16,009)	4,893	(11,116)
NONOPERATING REVENUES (EXPENSES)			
Earnings (loss) on investments	704	848	1,552
Operating grants and contributions	-	103,065	103,065
Distributions of operating grants	-	(102,140)	(102,140)
Naming rights	2,016	-	2,016
Other	(385)	-	(385)
Total Nonoperating Revenues (Expenses)	2,335	1,773	4,108
Income (Loss)	(13,674)	6,666	(7,008)
Capital grants and contributions	1,023	-	1,023
Total Contributions and Transfers	1,023	-	1,023
Change in Net Assets	(12,651)	6,666	(5,985)
Net Assets - Beginning	370,059	90,038	460,097
Net Assets - Ending	\$ 357,408	\$ 96,704	\$ 454,112

The notes to the financial statements are an integral part of this statement.

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