

State of Montana
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2002

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State of Montana
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2002

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SUPPLEMENTARY INFORMATION

STATE OF MONTANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
 JUNE 30, 2002
 (expressed in thousands)

	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT	TOTALS
ASSETS				
Cash/cash equivalents	\$ 33,671	\$ 17,273	\$ 6,703	\$ 57,647
Receivables (net)	1,955	1,024	1,506	4,485
Due from component units	-	25	-	25
Due from other funds	-	1,252	-	1,252
Equity in pooled investments	-	-	147,037	147,037
Long-term loans/notes receivable	35,846	-	-	35,846
Advances to other funds	1,698	-	-	1,698
Investments	3,141	-	13,086	16,227
Securities lending collateral	-	-	18,777	18,777
Other assets	-	4	-	4
Total assets	<u>\$ 76,311</u>	<u>\$ 19,578</u>	<u>\$ 187,109</u>	<u>\$ 282,998</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	1	3,643	8	3,652
Interfund loans payable	1,771	1,684	970	4,425
Advances from other funds	8,996	-	-	8,996
Due to component units	-	3	-	3
Due to other funds	14	128	2,276	2,418
Deferred revenue	-	-	31	31
Property held in trust	-	191	-	191
Securities lending liability	-	-	18,777	18,777
Total liabilities	<u>10,782</u>	<u>5,649</u>	<u>22,062</u>	<u>38,493</u>
Fund balances:				
Reserved for:				
Encumbrances	-	442	-	442
Long-term loans	35,846	-	-	35,846
Long-term advances	1,698	-	-	1,698
Debt service	6,000	-	-	6,000
Trust principal	-	-	165,047	165,047
Unreserved, designated	24,630	-	-	24,630
Unreserved, undesignated	(2,645)	13,487	-	10,842
Total fund balances	<u>65,529</u>	<u>13,929</u>	<u>165,047</u>	<u>244,505</u>
Total liabilities and fund balances	<u>\$ 76,311</u>	<u>\$ 19,578</u>	<u>\$ 187,109</u>	<u>\$ 282,998</u>

STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002
 (expressed in thousands)

	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT	TOTALS
REVENUES				
Licenses/permits	\$ -	\$ -	\$ 353	\$ 353
Taxes:				
Natural resource	297	3,746	2,280	6,323
Fuel	-	-	13	13
Other	-	1,718	2	1,720
Charges for services/finances/forfeits/settlements	1,199	132	12,430	13,761
Investment earnings	6,377	112	12,648	19,137
Securities lending income	21	2	516	539
Sale of documents/merchandise/property	2,072	-	14	2,086
Rentals/leases/royalties	-	-	130	130
Grants/contracts/donations	-	-	83	83
Other revenues	41	92	-	133
Total revenues	10,007	5,802	28,469	44,278
EXPENDITURES				
Current:				
General government	36	4,596	-	4,632
Public safety/corrections	-	1,309	-	1,309
Education/cultural	-	-	3	3
Economic development/assistance	-	479	-	479
Debt service:				
Principal retirement	34,842	-	-	34,842
Interest/fiscal charges	15,752	-	-	15,752
Capital outlay	-	28,706	15	28,721
Securities lending	18	2	455	475
Total expenditures	50,648	35,092	473	86,213
Excess of revenue over (under) expenditures	(40,641)	(29,290)	27,996	(41,935)
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	1,405	-	1,405
Payment to refunded bond escrow agent	(13,719)	-	-	(13,719)
Operating transfers in	60,346	10,544	5	70,895
Operating transfers out	(6,131)	(5,302)	(11,561)	(22,994)
Total other financing sources (uses)	40,496	6,647	(11,556)	35,587
Excess of revenues/other sources over (under) expenditures/other uses	(145)	(22,643)	16,440	(6,348)
Fund balances - July 1 - as previously reported	70,197	36,568	147,879	254,644
Prior period adjustments	(4,523)	4	728	(3,791)
Fund balances - July 1 - as restated	65,674	36,572	148,607	250,853
Fund balances - June 30	\$ 65,529	\$ 13,929	\$ 165,047	\$ 244,505

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NONMAJOR DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for the payment of general long-term obligation principal and interest. A brief description of each debt service fund follows:

Coal Tax Bonds – Monies in this fund are pledged for the payment of principal and interest on all State of Montana coal severance tax bonds.

Long-Range Building Program – This fund accounts for the payment of all long-range building program bonds and interest.

Water Development – This fund accounts for coal severance taxes pledged to retire bonds sold to make loans/grants for water development projects and activities, as prioritized by the Legislature.

Highway Revenue Bonds – This fund accounts for gasoline taxes pledged for payment of principal and interest on bonds issued for the purpose of constructing highways in Montana.

Health Care Debt Service – This fund accounts for funds from services provided to patients at the Montana Developmental Center and Montana State Hospital to pay off bonds issued by the Montana Facility Finance Authority.

Information Technology (IT) Bonds – This fund accounts for the accumulation and payment of resources for information technology bond debt service requirements.

Renewable Resource – This fund accounts for coal severance taxes pledged to retire bonds that were sold to provide funds to finance renewable resource projects.

Water Conservation Bonds – This fund accounts for water conservation bonds issued for four projects: Sidney, Little Dry, South Side Canal, and Petrolia.

Energy Bonds – This fund accounts for general obligation bonds issued for State Building Energy Conservation Projects.

STATE OF MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2002
 (expressed in thousands)

	COAL TAX BONDS	LONG-RANGE BUILDING PROGRAM	WATER DEVELOPMENT	HIGHWAY REVENUE BONDS
ASSETS				
Cash/cash equivalents	\$ 10,502	\$ 3,270	\$ 1,719	\$ 13,498
Receivables (net)	412	9	1,491	18
Long-term loans/notes receivable	21,518	-	14,301	-
Advances to other funds	1,698	-	-	-
Investments	-	-	3,141	-
Total assets	<u>\$ 34,130</u>	<u>\$ 3,279</u>	<u>\$ 20,652</u>	<u>\$ 13,516</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	-	-	-	-
Interfund loans payable	1,771	-	-	-
Advances from other funds	-	-	8,996	-
Due to other funds	3	11	-	-
Total liabilities	<u>1,774</u>	<u>11</u>	<u>8,996</u>	<u>-</u>
Fund balances:				
Reserved for:				
Long-term loans	21,518	-	14,301	-
Long-term advances	1,698	-	-	-
Debt service	6,000	-	-	-
Unreserved, designated	3,140	3,268	-	13,516
Unreserved, undesignated	-	-	(2,645)	-
Total fund balances	<u>32,356</u>	<u>3,268</u>	<u>11,656</u>	<u>13,516</u>
Total liabilities and fund balances	<u>\$ 34,130</u>	<u>\$ 3,279</u>	<u>\$ 20,652</u>	<u>\$ 13,516</u>

HEALTH CARE DEBT SERVICE	INFORMATION TECHNOLOGY BONDS	RENEWABLE RESOURCE	WATER CONSERVATION BONDS	ENERGY BONDS	TOTALS
\$ 4,303	\$ 46	\$ 160	\$ -	\$ 173	\$ 33,671
-	7	16	-	2	1,955
-	-	-	27	-	35,846
-	-	-	-	-	1,698
-	-	-	-	-	3,141
<u>\$ 4,303</u>	<u>\$ 53</u>	<u>\$ 176</u>	<u>\$ 27</u>	<u>\$ 175</u>	<u>\$ 76,311</u>
-	-	-	-	1	1
-	-	-	-	-	1,771
-	-	-	-	-	8,996
-	-	-	-	-	14
-	-	-	-	1	10,782
-	-	-	27	-	35,846
-	-	-	-	-	1,698
-	-	-	-	-	6,000
4,303	53	176	-	174	24,630
-	-	-	-	-	(2,645)
<u>4,303</u>	<u>53</u>	<u>176</u>	<u>27</u>	<u>174</u>	<u>65,529</u>
<u>\$ 4,303</u>	<u>\$ 53</u>	<u>\$ 176</u>	<u>\$ 27</u>	<u>\$ 175</u>	<u>\$ 76,311</u>

STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	COAL TAX BONDS	LONG-RANGE BUILDING PROGRAM	WATER DEVELOPMENT	HIGHWAY REVENUE BONDS
REVENUES				
Taxes:				
Natural resource	\$ -	\$ -	\$ 297	\$ -
Charges for services/finances/forfeits/settlements	-	-	1	-
Investment earnings	1,415	405	3,836	141
Securities lending income	6	7	-	3
Sale of documents/merchandise/property	2,072	-	-	-
Other revenues	41	-	-	-
Total revenues	<u>3,534</u>	<u>412</u>	<u>4,134</u>	<u>144</u>
EXPENDITURES				
Current:				
General government	-	36	-	-
Debt service:				
Principal retirement	3,205	7,545	3,370	12,470
Interest/fiscal charges	1,704	7,090	1,636	1,155
Securities lending	5	7	-	2
Total expenditures	<u>4,914</u>	<u>14,678</u>	<u>5,006</u>	<u>13,627</u>
Excess of revenue over (under) expenditures	<u>(1,380)</u>	<u>(14,266)</u>	<u>(872)</u>	<u>(13,483)</u>
OTHER FINANCING SOURCES (USES)				
Payment to refunded bond escrow agent	(13,719)	-	-	-
Operating transfers in	14,505	14,419	7,108	13,749
Operating transfers out	(441)	-	(5,627)	-
Total other financing sources (uses)	<u>345</u>	<u>14,419</u>	<u>1,481</u>	<u>13,749</u>
Excess of revenues/other sources over (under) expenditures/other uses	<u>(1,035)</u>	<u>153</u>	<u>609</u>	<u>266</u>
Fund balances - July 1 - as previously reported	33,390	3,126	15,560	13,250
Prior period adjustments	1	(11)	(4,513)	-
Fund balances - July 1 - as restated	<u>33,391</u>	<u>3,115</u>	<u>11,047</u>	<u>13,250</u>
Fund balances - June 30	<u>\$ 32,356</u>	<u>\$ 3,268</u>	<u>\$ 11,656</u>	<u>\$ 13,516</u>

HEALTH CARE DEBT SERVICE	INFORMATION TECHNOLOGY BONDS	RENEWABLE RESOURCE	WATER CONSERVATION BONDS	ENERGY BONDS	TOTALS
\$ -	\$ -	\$ -	\$ -	\$ -	297
-	279	-	-	919	1,199
276	208	42	3	51	6,377
-	4	-	-	1	21
-	-	-	-	-	2,072
-	-	-	-	-	41
276	491	42	3	971	10,007
-	-	-	-	-	36
1,080	6,410	-	2	760	34,842
1,930	2,076	-	1	160	15,752
-	3	-	-	1	18
3,010	8,489	-	3	921	50,648
(2,734)	(7,998)	42	-	50	(40,641)
-	-	-	-	-	(13,719)
2,888	7,677	-	-	-	60,346
-	-	-	-	(63)	(6,131)
2,888	7,677	-	-	(63)	40,496
154	(321)	42	-	(13)	(145)
4,149	374	134	27	187	70,197
-	-	-	-	-	(4,523)
4,149	374	134	27	187	65,674
\$ 4,303	\$ 53	\$ 176	\$ 27	\$ 174	\$ 65,529

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NONMAJOR CAPITAL PROJECTS FUNDS

Capital project funds are used to account for financial resources used for the acquisition or construction of major governmental general capital assets. A brief description of each capital project fund follows:

Long-Range Building Program – This fund is maintained to account for resources received and expended for the State's long-range building program. The long-range building program includes costs for the acquisition, construction, and improvement of major capital assets financed by general obligation bonds and interest earned on bond proceeds.

Information Technology (IT) Project – This fund accounts for resources received and expended for information technology projects for various upgrade and replacement activities.

Federal/Private Construction Grants – This fund accounts for federal grants, private donations, and federal matching funds that are restricted to general capital asset construction.

Capital Land Grant – This fund accounts for revenues and expenditures from the Capital Land Grant. Revenues are dedicated for the purpose of constructing capital buildings or additions thereto. Revenues may be transferred to a debt service fund for the payment of principal and interest on bonds issued for capital building construction.

STATE OF MONTANA
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2002
 (expressed in thousands)

	LONG-RANGE BUILDING	INFORMATION TECHNOLOGY PROJECTS	FEDERAL/ PRIVATE CONSTRUCTION GRANTS	CAPITAL LAND GRANT	TOTALS
ASSETS					
Cash/cash equivalents	\$ 10,538	\$ 5,532	\$ 85	\$ 1,118	\$ 17,273
Receivables (net)	1,024	-	-	-	1,024
Due from component units	25	-	-	-	25
Due from other funds	1,000	243	-	9	1,252
Other assets	-	-	-	4	4
Total assets	\$ 12,587	\$ 5,775	\$ 85	\$ 1,131	\$ 19,578
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	2,890	736	1	16	3,643
Interfund loans payable	10	1,674	-	-	1,684
Due to component units	1	2	-	-	3
Due to other funds	79	49	-	-	128
Property held in trust	191	-	-	-	191
Total liabilities	3,171	2,461	1	16	5,649
Fund balances:					
Reserved for:					
Encumbrances	-	442	-	-	442
Unreserved	9,416	2,872	84	1,115	13,487
Total fund balances	9,416	3,314	84	1,115	13,929
Total liabilities and fund balances	\$ 12,587	\$ 5,775	\$ 85	\$ 1,131	\$ 19,578

STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	LONG-RANGE BUILDING	INFORMATION TECHNOLOGY PROJECTS	FEDERAL/ PRIVATE CONSTRUCTION GRANTS	CAPITAL LAND GRANT	TOTALS
REVENUES					
Taxes:					
Natural Resource	\$ 3,746	\$ -	\$ -	\$ -	\$ 3,746
Other	1,718	-	-	-	1,718
Charges for services/fines/forfeits/settlements	132	-	-	-	132
Investment earnings	96	16	-	-	112
Securities lending income	2	-	-	-	2
Other revenues	92	-	-	-	92
Total revenues	5,786	16	-	-	5,802
EXPENDITURES					
Current:					
General government	12	4,580	-	4	4,596
Public safety/corrections	-	1,309	-	-	1,309
Economic development/assistance	-	479	-	-	479
Capital outlay	26,980	1,335	262	129	28,706
Securities lending	2	-	-	-	2
Total expenditures	26,994	7,703	262	133	35,092
Excess of revenue over (under) expenditures	(21,208)	(7,687)	(262)	(133)	(29,290)
OTHER FINANCING SOURCES (USES)					
Loan proceeds	-	1,405	-	-	1,405
Operating transfers in	9,260	65	285	934	10,544
Operating transfers out	(3,838)	(33)	-	(1,431)	(5,302)
Total other financing sources (uses)	5,422	1,437	285	(497)	6,647
Excess of revenues/other sources over (under) expenditures/other uses	(15,786)	(6,250)	23	(630)	(22,643)
Fund balances - July 1 - as previously reported	25,202	9,564	61	1,741	36,568
Prior period adjustments	-	-	-	4	4
Fund balances - July 1 - as restated	25,202	9,564	61	1,745	36,572
Fund balances - June 30	\$ 9,416	\$ 3,314	\$ 84	\$ 1,115	\$ 13,929

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NONMAJOR PERMANENT FUNDS

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support state government programs. A brief description of each permanent fund follows:

Resource Indemnity – Taxes paid by persons engaging in or carrying on the business of mining, extracting, or producing minerals are deposited in this fund. Only the net earnings of the trust may be appropriated until the principal reaches \$100 million. Interest earnings are expended from a special revenue fund. This fund is administered by the Department of Revenue.

Parks Trust and Cultural Trust – A portion of coal severance taxes are credited to these funds by the Department of Revenue. Income from the trusts is used for the acquisition and maintenance of state parks and historical sites by the Department of Fish, Wildlife and Parks. The Montana Arts Council uses income from the trusts for the protection of works of art in the State Capitol and for other cultural projects.

Real Property Trust – Money received by the Department of Fish, Wildlife and Parks from the sale of real property; the exploration and development of oil, gas, and mineral deposits; and leasing department real property is deposited in this fund. Interest is recorded in a special revenue fund and used for developing and maintaining real property of the department.

Noxious Weed Management – The Department of Agriculture accounts for revenues and interest earned on fees charged for the control of noxious weeds.

Historical Society Funds – Four funds (Jim Bradley Memorial, Thomas Teakle, Merritt-Wheeler, and Historical Society Acquisitions) account for memorials, bequests, and various other contributions to the Montana Historical Society. Investment income is either expended from a state special revenue fund, a private purpose trust fund or added to the principal.

Endowment for Children – This fund provides services and activities related to a broad range of child abuse and neglect prevention activities operated by non-profit or public community educational and service organizations.

Tobacco Settlement Interest – This fund holds interest earned by investing the Tobacco Settlement Principal.

STATE OF MONTANA
COMBINING BALANCE SHEET
NONMAJOR PERMANENT FUNDS
JUNE 30, 2002
(expressed in thousands)

	RESOURCE INDEMNITY	PARKS TRUST	CULTURAL TRUST	REAL PROPERTY TRUST	NOXIOUS WEED MANAGEMENT
ASSETS					
Cash/cash equivalents	\$ 2,418	\$ 309	\$ 169	\$ 1,804	\$ 1,255
Receivables (net of uncollectibles)	903	188	73	134	73
Equity in pooled investments	103,276	15,807	4,440	-	-
Investments	-	-	-	8,510	4,576
Securities lending collateral	9,048	1,385	389	3,830	2,118
Total assets	\$ 115,645	\$ 17,689	\$ 5,071	\$ 14,278	\$ 8,022
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	-	-	-	6	2
Interfund loans payable	-	-	-	-	970
Due to other funds	1,230	369	129	254	172
Deferred revenue	31	-	-	-	-
Securities lending liability	9,048	1,385	389	3,830	2,118
Total liabilities	10,309	1,754	518	4,090	3,262
Fund balances:					
Reserved for:					
Trust principal	105,336	15,935	4,553	10,188	4,760
Total fund balances	105,336	15,935	4,553	10,188	4,760
Total liabilities and fund balances	\$ 115,645	\$ 17,689	\$ 5,071	\$ 14,278	\$ 8,022

JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT- WHEELER MEMORIAL	HISTORICAL SOCIETY ACQUISITIONS	ENDOWMENT FOR CHILDREN	TOBACCO SETTLEMENT INTEREST	TOTALS
\$ 30	\$ 38	\$ 30	\$ 64	\$ 1	\$ 585	\$ 6,703
-	-	-	-	-	135	1,506
311	268	60	37	-	22,838	147,037
-	-	-	-	-	-	13,086
3	2	1	-	-	2,001	18,777
<u>\$ 344</u>	<u>\$ 308</u>	<u>\$ 91</u>	<u>\$ 101</u>	<u>\$ 1</u>	<u>\$ 25,559</u>	<u>\$ 187,109</u>
-	-	-	-	-	-	8
-	-	-	-	-	-	970
-	-	-	-	-	122	2,276
-	-	-	-	-	-	31
3	2	1	-	-	2,001	18,777
3	2	1	-	-	2,123	22,062
341	306	90	101	1	23,436	165,047
341	306	90	101	1	23,436	165,047
<u>\$ 344</u>	<u>\$ 308</u>	<u>\$ 91</u>	<u>\$ 101</u>	<u>\$ 1</u>	<u>\$ 25,559</u>	<u>\$ 187,109</u>

STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expressed in thousands)

	RESOURCE INDEMNITY	PARKS TRUST	CULTURAL TRUST	REAL PROPERTY TRUST	NOXIOUS WEED MANAGEMENT
REVENUES					
Licenses/permits	\$ -	\$ -	\$ -	\$ 353	\$ -
Taxes:					
Natural resource	1,686	397	197	-	-
Fuel	-	-	-	-	13
Other	-	-	-	-	2
Charges for services/fines/forfeits/settlements	-	-	-	-	-
Investment earnings	8,767	1,319	366	723	440
Securities lending income	296	45	12	89	35
Sale of documents/merchandise/property	-	-	-	-	-
Rentals/leases/royalties	-	-	-	130	-
Grants/contracts/donations	-	-	66	-	-
Total revenues	10,749	1,761	641	1,295	490
EXPENDITURES					
Current:					
Education/cultural	-	-	-	-	-
Capital outlay	-	-	-	-	-
Securities lending	263	40	11	77	30
Total expenditures	263	40	11	77	30
Excess of revenue over (under) expenditures	10,486	1,721	630	1,218	460
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	(7,321)	(1,101)	(305)	(627)	(1,184)
Total other financing sources (uses)	(7,321)	(1,101)	(305)	(627)	(1,184)
Excess of revenues/other sources over (under) expenditures/other uses	3,165	620	325	591	(724)
Fund balances - July 1 - as previously reported	102,171	15,315	4,228	9,592	4,760
Prior period adjustments	-	-	-	5	724
Fund balances - July 1 - as restated	102,171	15,315	4,228	9,597	5,484
Fund balances - June 30	\$ 105,336	\$ 15,935	\$ 4,553	\$ 10,188	\$ 4,760

	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT- WHEELER MEMORIAL	HISTORICAL SOCIETY ACQUISITIONS	ENDOWMENT FOR CHILDREN	TOBACCO SETTLEMENT INTEREST	TOTALS
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	353
	-	-	-	-	-	-	2,280
	-	-	-	-	-	-	13
	-	-	-	-	-	-	2
	-	-	-	-	-	12,430	12,430
	(83)	(71)	(16)	(8)	-	1,211	12,648
	-	-	-	-	-	39	516
	-	-	-	14	-	-	14
	-	-	-	-	-	-	130
	-	-	-	17	-	-	83
	(83)	(71)	(16)	23	-	13,680	28,469
	3	-	-	-	-	-	3
	-	-	-	15	-	-	15
	-	-	-	-	-	34	455
	3	-	-	15	-	34	473
	(86)	(71)	(16)	8	-	13,646	27,996
	-	-	-	-	-	5	5
	-	(3)	-	-	-	(1,020)	(11,561)
	-	(3)	-	-	-	(1,015)	(11,556)
	(86)	(74)	(16)	8	-	12,631	16,440
	427	380	106	94	1	10,805	147,879
	-	-	-	(1)	-	-	728
	427	380	106	93	1	10,805	148,607
\$	341	\$ 306	\$ 90	101	\$ 1	\$ 23,436	\$ 165,047

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that provide goods or services to the public on a user charge basis. A brief description of each enterprise fund follows:

Liquor Warehouse – This fund accounts for activities related to the sale and distribution of alcoholic beverages and licensing within the State. Profits and license fees are used to finance General Fund expenditures.

Hail Insurance – Any producer engaged in the growing of crops subject to damage by hail may participate in the hail insurance program. This fund accounts for premium assessments paid by producers for crop acreage insured, investment and interest earnings, administrative costs, and benefits paid by the Department of Agriculture.

State Lottery – This fund accounts for the operations of Montana's lottery.

Montana State Prison Ranch/Industries, and Womens Prison Industries – These operations provide training and employment for inmates. The products produced are sold to state agencies, non-profit organizations, and other customers in accordance with state policies.

MUS Group Insurance – This fund accounts for employee contributions to the Montana University System's medical/dental self-insurance plan.

Subsequent Injury – This fund accounts for the assessments collected from employers and benefits paid to workers who are certified as vocationally handicapped and are injured on the job.

Montana Career Information System (MCIS) – The MCIS is a private organization that collects and distributes labor market and educational data in software and books to various schools and agencies. The MCIS is funded through a combination of user fees and state grants.

Secretary of State Business Services – This fund accounts for the Business and Government Services activities and the Administrative Code Program of the Secretary of State's Office.

Historical Society Publications – This fund accounts for the Historical Society's sales from "Montana, The Magazine of Western History"; books; publications; and merchandise from the Historical Society store.

Surplus Property – The Department of Administration accounts for intragovernmental sales of state and federal surplus property to state agencies, local governments, and designated non-profit organizations.

West Yellowstone Airport – This fund, administered by the Department of Transportation, accounts for operations of the airport at West Yellowstone. User airlines are assessed rental and landing fees.

Judiciary Law Library – This fund accounts for fees collected for on-line law library references and searches and the related administrative costs.

Local Government Audits – This fund accounts for the costs incurred by the Department of Commerce for audits of local governments, required under Section 2-7-501 through 522 of the Montana Code Annotated, and the fees assessed the local governments for the audits.

Flexible Spending Administration – This fund accounts for the fees collected from the participants in the Flexible Spending Programs and the related administrative costs of the plans administered by the Department of Administration and the Office of the Commissioner of Higher Education.

Department of Agriculture – This fund accounts for fees collected from persons importing, possessing, or controlling alfalfa leaf-cutting bees; and the costs incurred in certifying that the bees are disease free; and the application fees from the operations of the Beginning Farm Loan Program.

Advanced Drivers Education – This fund is used by OPI (Office of Public Instruction) to provide additional driver education courses.

FWP Visitor Services – This fund manages state park visitor services revenue. Visitor services include educational, commemorative, and interpretive goods and services.

STATE OF MONTANA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2002
(expressed in thousands)

	LIQUOR WAREHOUSE	HAIL INSURANCE	STATE LOTTERY	PRISON RANCH	PRISON INDUSTRIES
ASSETS					
Current assets:					
Cash/cash equivalents	\$ 2,852	\$ 4,865	\$ 391	\$ 1,400	\$ 552
Receivables (net)	11,453	1,307	795	103	112
Interfund loans receivable	-	-	-	-	-
Due from other funds	1	-	3	79	129
Due from component units	-	-	-	-	14
Inventories	80	-	813	3,375	932
Securities lending collateral	-	-	-	-	-
Other current assets	-	-	13	-	-
Total current assets	14,386	6,172	2,015	4,957	1,739
Noncurrent assets:					
Advances to other funds	75	-	-	411	-
Long-term investments	-	-	-	-	-
Long-term notes/loans receivable	-	-	-	-	-
Other long-term assets	-	-	2,101	292	-
Capital assets:					
Land	-	-	-	690	-
Land improvements	-	-	-	222	-
Buildings/improvements	2,033	-	-	2,764	3,562
Equipment	419	-	5,563	1,787	1,350
Infrastructure	-	-	-	884	-
Other capital assets	-	-	-	-	-
Construction in progress	-	-	-	71	-
Intangible assets	-	-	623	-	-
Less accumulated depreciation	(1,270)	-	(2,208)	(2,616)	(710)
Total capital assets	1,182	-	3,978	3,802	4,202
Total noncurrent assets	1,257	-	6,079	4,505	4,202
Total assets	15,643	6,172	8,094	9,462	5,941

MUS GROUP INSURANCE	SUBSEQUENT INJURY	MONTANA CAREER INFORMATION SYSTEM	SECRETARY OF STATE BUSINESS SERVICES	HISTORICAL SOCIETY PUBLICATIONS	SURPLUS PROPERTY
\$ 7,826	\$ 299	\$ 90	\$ 1,307	\$ 91	\$ 85
63	44	-	2	35	66
-	-	-	-	-	-
-	-	26	4	-	23
941	-	-	-	-	-
-	-	-	44	617	613
-	1,104	-	-	-	-
-	-	-	44	-	1
8,830	1,447	116	1,401	743	788
-	-	-	190	-	-
-	1,742	-	-	-	-
-	-	-	-	-	3
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	118
-	-	-	75	17	155
-	-	-	-	-	-
-	-	-	-	-	7
-	-	-	-	-	-
-	-	-	849	-	-
-	-	-	(41)	(13)	(120)
-	-	-	883	4	160
-	1,742	-	1,073	4	163
8,830	3,189	116	2,474	747	951

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF NET ASSETS - Continued
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2002
(expressed in thousands)

	WEST YELLOWSTONE AIRPORT	JUDICIARY LAW LIBRARY	LOCAL GOVERNMENT AUDITS	FLEXIBLE SPENDING ADMINISTRATION
ASSETS				
Current assets:				
Cash/cash equivalents	\$ 456	\$ 13	\$ 402	\$ 364
Receivables (net)	-	-	-	-
Interfund loans receivable	-	6	-	-
Due from other funds	-	2	-	-
Due from component units	-	-	-	19
Inventories	-	-	-	-
Securities lending collateral	-	-	-	-
Other current assets	-	-	-	112
Total current assets	456	21	402	495
Noncurrent assets:				
Advances to other funds	-	-	-	-
Long-term investments	-	-	-	-
Long-term notes/loans receivable	-	-	-	-
Other long-term assets	-	-	-	-
Capital assets:				
Land	110	-	-	-
Land improvements	-	-	-	-
Buildings/improvements	487	-	-	-
Equipment	71	-	-	-
Infrastructure	-	-	-	-
Other capital assets	1,147	-	-	-
Construction in progress	-	-	-	-
Intangible assets	-	-	-	-
Less accumulated depreciation	(1,374)	-	-	-
Total capital assets	441	-	-	-
Total noncurrent assets	441	-	-	-
Total assets	897	21	402	495

	DEPT OF AGRICULTURE	ADVANCED DRIVERS EDUCATION	FWP VISITOR SERVICES	TOTALS
\$	7	\$ 40	\$ 39	\$ 21,079
	-	-	-	13,980
	-	-	-	6
	-	11	4	282
	-	-	-	974
	-	-	-	6,474
	-	-	-	1,104
	-	-	-	170
	7	51	43	44,069
	-	-	-	676
	-	-	-	1,742
	-	-	-	3
	-	-	-	2,393
	-	-	-	800
	-	-	-	222
	-	-	-	8,964
	-	-	-	9,437
	-	-	-	884
	-	-	-	1,154
	-	-	-	71
	-	-	-	1,472
	-	-	-	(8,352)
	-	-	-	14,652
	-	-	-	19,466
	7	51	43	63,535

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF NET ASSETS - Continued
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2002
(expressed in thousands)

	LIQUOR WAREHOUSE	HAIL INSURANCE	STATE LOTTERY	PRISON RANCH	PRISON INDUSTRIES
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 3,007	\$ 3	\$ 1,036	\$ 45	\$ 106
Lottery prizes payable	-	-	1,337	-	-
Interfund loans payable	-	-	-	-	-
Due to component units	-	-	2	-	-
Due to other funds	8,407	18	1,600	30	24
Deferred revenue	966	873	79	-	42
Bonds/notes payable (net)	-	-	1,055	-	-
Property held in trust	-	-	-	-	-
Securities lending liability	-	-	-	-	-
Estimated insurance claims	-	42	-	-	-
Compensated absences payable	86	6	101	53	72
Total current liabilities	12,466	942	5,210	128	244
Long-term liabilities:					
Lottery prizes payable	-	-	1,707	-	-
Advances from other funds	-	-	-	-	111
Bonds/notes payable (net)	-	-	1,110	-	-
Estimated insurance claims	-	-	-	-	-
Compensated absences payable	65	10	67	85	43
Total long-term liabilities	65	10	2,884	85	154
Total liabilities	12,531	952	8,094	213	398
NET ASSETS					
Invested in capital assets, net of related debt	1,182	-	1,813	3,802	4,202
Restricted for:					
Other purposes	-	5,220	-	-	-
Unrestricted	1,930	-	(1,813)	5,447	1,341
Total net assets	\$ 3,112	\$ 5,220	\$ -	\$ 9,249	\$ 5,543

MUS GROUP INSURANCE	SUBSEQUENT INJURY	MONTANA CAREER INFORMATION SYSTEM	SECRETARY OF STATE BUSINESS SERVICES	HISTORICAL SOCIETY PUBLICATIONS	SURPLUS PROPERTY
\$ 792	\$ 1	\$ -	\$ 45	\$ 7	\$ 1
-	-	-	-	-	-
-	-	-	-	-	275
-	-	-	-	-	3
1	-	21	47	25	19
-	-	71	41	132	-
-	-	-	-	-	-
25	-	-	101	-	-
-	1,104	-	-	-	-
2,982	324	-	-	-	-
14	-	2	77	21	25
3,814	1,429	94	311	185	323
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,777	-	-	-	-
40	-	2	79	40	3
40	1,777	2	79	40	3
3,854	3,206	96	390	225	326
-	-	-	883	4	160
-	-	-	-	-	-
4,976	(17)	20	1,201	518	465
\$ 4,976	\$ (17)	\$ 20	\$ 2,084	\$ 522	\$ 625

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF NET ASSETS - Continued
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2002
(expressed in thousands)

	WEST YELLOWSTONE AIRPORT	JUDICIARY LAW LIBRARY	LOCAL GOVERNMENT AUDITS	FLEXIBLE SPENDING ADMINISTRATION
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 2	\$ -	\$ 10	\$ 27
Lottery prizes payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to component units	-	-	-	-
Due to other funds	-	11	1	-
Deferred revenue	-	13	-	-
Bonds/notes payable (net)	-	-	-	-
Property held in trust	-	-	-	-
Securities lending liability	-	-	-	-
Estimated insurance claims	-	-	-	-
Compensated absences payable	3	-	12	-
Total current liabilities	5	24	23	27
Long-term liabilities:				
Lottery prizes payable	-	-	-	-
Advances from other funds	-	-	-	-
Bonds/notes payable (net)	-	-	-	-
Estimated insurance claims	-	-	-	-
Compensated absences payable	-	-	31	-
Total long-term liabilities	-	-	31	-
Total liabilities	5	24	54	27
NET ASSETS				
Invested in capital assets, net of related debt	441	-	-	-
Restricted for:				
Other purposes	451	-	-	-
Unrestricted	-	(3)	348	468
Total net assets	\$ 892	\$ (3)	\$ 348	\$ 468

	DEPT OF AGRICULTURE	ADVANCED DRIVERS EDUCATION	FWP VISITOR SERVICES	TOTALS
\$	-	\$ 2	\$ 3	\$ 5,087
	-	-	-	1,337
	-	-	-	275
	-	-	-	5
	-	14	-	10,218
	-	-	-	2,217
	-	-	-	1,055
	-	-	-	126
	-	-	-	1,104
	-	-	-	3,348
	-	1	-	473
	-	17	3	25,245
	-	-	-	1,707
	-	-	-	111
	-	-	-	1,110
	-	-	-	1,777
	-	6	-	471
	-	6	-	5,176
	-	23	3	30,421
	-	-	-	12,487
	7	-	-	5,678
	-	28	40	14,949
\$	7	\$ 28	\$ 40	\$ 33,114

STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	LIQUOR WAREHOUSE	HAIL INSURANCE	STATE LOTTERY	PRISON RANCH	PRISON INDUSTRIES
Operating revenues:					
Charges for services	\$ 45,538	\$ -	\$ 33,669	\$ 2,695	\$ 2,889
Investment earnings	-	136	146	-	-
Securities lending income	-	2	1	-	-
Contributions/premiums	-	298	-	-	-
Taxes	12,907	-	-	-	-
Other operating revenues	91	4	1	-	-
Total operating revenues	58,536	440	33,817	2,695	2,889
Operating expenses:					
Personal services	1,987	183	1,261	1,018	1,618
Contractual services	199	61	5,152	111	38
Supplies/materials	35,491	3	1,003	803	838
Benefits/claims	-	1,767	-	-	-
Depreciation	87	-	706	169	51
Amortization	-	-	164	-	-
Utilities/rent	112	5	100	109	66
Communications	119	5	665	5	7
Travel	12	14	28	7	7
Repair/maintenance	33	-	22	175	50
Lottery prize payments	-	-	17,104	-	-
Interest expense	-	-	134	-	-
Securities lending expense	-	2	1	-	-
Other operating expenses	33	6	246	277	28
Total operating expenses	38,073	2,046	26,586	2,674	2,703
Operating income (loss)	20,463	(1,606)	7,231	21	186
Nonoperating revenues (expenses):					
Gain (loss) on sale of capital assets	-	-	(2)	8	(8)
Increase (decrease) value of livestock	-	-	-	(68)	-
Total nonoperating revenues (expenses)	-	-	(2)	(60)	(8)
Income (loss) before contributions and transfers	20,463	(1,606)	7,229	(39)	178
Capital contributions	-	-	-	-	-
Operating transfers in	-	-	-	-	2
Operating transfers out	(19,332)	(42)	(7,467)	-	-
Change in net assets	1,131	(1,648)	(238)	(39)	180
Total net assets - July 1 - as previously reported	(212)	6,437	-	8,196	1,260
Prior period adjustments	278	431	-	1,071	3,848
Cumulative effect of accounting change	1,915	-	238	21	255
Total net assets - July 1 - as restated	1,981	6,868	238	9,288	5,363
Total net assets - June 30	\$ 3,112	\$ 5,220	\$ -	\$ 9,249	\$ 5,543

WOMENS PRISON INDUSTRIES	MUS GROUP INSURANCE	SUBSEQUENT INJURY	MONTANA CAREER INFORMATION SYSTEM	SECRETARY OF STATE BUSINESS SERVICES	HISTORICAL SOCIETY PUBLICATIONS
\$ -	\$ -	\$ 100	\$ 174	\$ 2,832	\$ 696
-	235	141	-	27	-
-	4	18	-	-	-
-	33,602	-	-	-	-
-	-	-	-	-	-
-	236	-	-	36	21
-	34,077	259	174	2,895	717
-	150	-	78	1,565	379
-	4,459	-	53	526	76
-	1	-	7	49	137
-	29,677	(386)	-	-	-
-	-	-	-	11	3
-	-	-	-	23	-
-	2	-	13	65	6
-	3	-	4	150	53
-	2	-	3	34	6
-	1	-	-	7	6
-	-	-	-	-	-
-	-	-	-	-	-
-	4	15	-	-	-
-	297	-	11	29	21
-	34,596	(371)	169	2,459	687
-	(519)	630	5	436	30
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(519)	630	5	436	30
-	-	-	-	-	-
-	-	-	-	-	54
(2)	-	(33)	-	-	-
(2)	(519)	597	5	436	84
2	5,495	(614)	15	1,741	399
-	-	-	-	(93)	-
-	-	-	-	-	39
2	5,495	(614)	15	1,648	438
\$ -	\$ 4,976	\$ (17)	\$ 20	\$ 2,084	\$ 522

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - Continued
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	SURPLUS PROPERTY	WEST YELLOWSTONE AIRPORT	JUDICIARY LAW LIBRARY	LOCAL GOVERNMENT AUDITS
Operating revenues:				
Charges for services	\$ 296	\$ 55	\$ -	\$ 258
Investment earnings	-	-	-	-
Securities lending income	-	-	-	-
Contributions/premiums	-	-	-	-
Taxes	-	-	-	-
Other operating revenues	-	71	47	-
Total operating revenues	296	126	47	258
Operating expenses:				
Personal services	227	33	-	178
Contractual services	36	4	43	20
Supplies/materials	1,019	2	-	6
Benefits/claims	-	-	-	-
Depreciation	26	2	-	-
Amortization	-	-	-	-
Utilities/rent	19	10	-	27
Communications	21	2	-	4
Travel	9	1	-	-
Repair/maintenance	13	9	-	-
Lottery prize payments	-	-	-	-
Interest expense	-	-	-	-
Securities lending expense	-	-	-	-
Other operating expenses	12	1	-	19
Total operating expenses	1,382	64	43	254
Operating income (loss)	(1,086)	62	4	4
Nonoperating revenues (expenses):				
Gain (loss) sale of capital assets	(1)	-	-	-
Increase (decrease) value of livestock	-	-	-	-
Total nonoperating revenues (expenses)	(1)	-	-	-
Income (loss) before contributions and transfers	(1,087)	62	4	4
Capital contributions	602	-	-	-
Operating transfers in	-	25	-	-
Operating transfers out	-	-	-	-
Change in net assets	(485)	87	4	4
Total net assets - July 1 - as previously reported	124	(540)	(7)	238
Prior period adjustments	(1)	-	-	-
Cumulative effect of accounting change	987	1,345	-	106
Total net assets - July 1 - as restated	1,110	805	(7)	344
Total net assets - June 30	\$ 625	\$ 892	\$ (3)	\$ 348

FLEXIBLE SPENDING ADMINISTRATION	DEPT OF AGRICULTURE	ADVANCED DRIVERS EDUCATION	FWP VISITOR SERVICES	TOTALS
\$ 88	\$ 2	\$ 102	\$ 70	\$ 89,464
3	-	-	-	688
-	-	-	-	25
6,613	-	-	-	40,513
-	-	-	-	12,907
-	-	-	7	514
6,704	2	102	77	144,111
-	3	48	-	8,728
85	-	2	-	10,865
-	1	4	51	39,415
6,276	-	-	-	37,334
-	-	-	-	1,055
-	-	-	-	187
-	-	2	-	536
-	-	2	-	1,040
-	-	12	-	135
-	-	9	-	325
-	-	-	-	17,104
-	-	-	-	134
-	-	-	-	22
102	-	14	1	1,097
6,463	4	93	52	117,977
241	(2)	9	25	26,134
-	-	-	-	(3)
-	-	-	-	(68)
-	-	-	-	(71)
241	(2)	9	25	26,063
-	-	-	-	602
-	-	24	15	120
-	-	-	-	(26,876)
241	(2)	33	40	(91)
227	(178)	-	-	22,583
-	-	(5)	-	5,529
-	187	-	-	5,093
227	9	(5)	-	33,205
\$ 468	\$ 7	\$ 28	\$ 40	\$ 33,114

STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	LIQUOR WAREHOUSE	HAIL INSURANCE	STATE LOTTERY	PRISON RANCH	PRISON INDUSTRIES
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from sales and services	\$ 43,916	\$ 782	\$ 33,747	\$ 2,685	\$ 2,946
Payments to suppliers for goods and services	(35,953)	(128)	(7,067)	(1,698)	(1,129)
Payments to employees	(1,974)	(192)	(1,274)	(1,048)	(1,660)
Cash payments for claims	-	(1,894)	-	-	-
Cash payments for prizes	-	-	(17,305)	-	-
Other operating revenues	91	4	-	-	-
Net cash provided by (used for) operating activities	6,080	(1,428)	8,101	(61)	157
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Collection of taxes	12,907	-	-	-	-
Transfers to other funds	(16,896)	(48)	(7,777)	-	-
Transfers from other funds	-	-	-	-	2
Proceeds from interfund loans/advances	-	-	-	18	-
Payments of interfund loans/advances	-	-	-	(300)	(18)
Net cash provided by (used for) noncapital financing activities	(3,989)	(48)	(7,777)	(282)	(16)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	-	-	(49)	(362)	-
Principal and interest payments on bonds and notes	-	-	(1,146)	-	-
Net cash used for capital and related financing activities	-	-	(1,195)	(362)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	-	-	-	-	-
Proceeds from sales or maturities of investments	-	-	-	-	-
Proceeds from securities lending transactions	-	2	1	-	-
Interest and dividends on investments	-	849	46	-	-
Payment of securities lending costs	-	(2)	(1)	-	-
Net cash provided by (used for) investing activities	-	849	46	-	-
Net increase (decrease) in cash and cash equivalents	2,091	(627)	(825)	(705)	141
Cash and cash equivalents, July 1	761	5,492	1,216	2,105	411
Cash and cash equivalents, June 30	\$ 2,852	\$ 4,865	\$ 391	\$ 1,400	\$ 552

WOMENS PRISON INDUSTRIES	MUS GROUP INSURANCE	SUBSEQUENT INJURY	MONTANA CAREER INFORMATION SYSTEM	SECRETARY OF STATE BUSINESS SERVICES	HISTORICAL SOCIETY PUBLICATIONS	SURPLUS PROPERTY
\$ -	\$ 33,576	\$ 94	\$ 245	\$ 2,875	\$ 765	\$ 228
-	(4,732)	-	(89)	(1,066)	(441)	(244)
-	(158)	-	(97)	(1,516)	(384)	(220)
-	(29,305)	(234)	-	-	-	-
-	-	-	-	-	-	-
-	184	-	-	-	-	-
-	(435)	(140)	59	293	(60)	(236)
-	-	-	-	-	-	-
(2)	-	(64)	-	-	-	-
-	-	-	-	-	54	-
-	-	-	-	-	-	275
-	-	-	-	-	-	-
(2)	-	(64)	-	-	54	275
-	-	-	-	(29)	-	-
-	-	-	-	-	-	-
-	-	-	-	(29)	-	-
-	-	(497)	-	-	-	-
-	-	250	-	-	-	-
-	4	18	-	-	-	-
-	252	82	-	27	-	-
-	(4)	(16)	-	-	-	-
-	252	(163)	-	27	-	-
(2)	(183)	(367)	59	291	(6)	39
2	8,009	666	31	1,016	97	46
\$ -	\$ 7,826	\$ 299	\$ 90	\$ 1,307	\$ 91	\$ 85

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS - Continued
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	WEST YELLOWSTONE AIRPORT	JUDICIARY LAW LIBRARY	LOCAL GOVERNMENT AUDITS	FLEXIBLE SPENDING ADMINISTRATION
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from sales and services	\$ 126	\$ 49	\$ 260	\$ 6,927
Payments to suppliers for goods and services	(29)	(33)	(71)	(193)
Payments to employees	(37)	-	(180)	-
Cash payments for claims	-	-	-	(6,370)
Cash payments for prizes	-	-	-	-
Other operating revenues	-	-	-	-
Net cash provided by (used for) operating activities	60	16	9	364
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Collection of taxes	-	-	-	-
Transfers to other funds	-	-	-	-
Transfers from other funds	25	-	-	-
Proceeds from interfund loans/advances	-	-	-	-
Payments of interfund loans/advances	-	(6)	-	(200)
Net cash provided by (used for) noncapital financing activities	25	(6)	-	(200)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	-	-	-
Principal and interest payments on bonds and notes	-	-	-	-
Net cash used for capital and related financing activities	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	-	-	-	-
Proceeds from sales or maturities of investments	-	-	-	-
Proceeds from securities lending transactions	-	-	-	-
Interest and dividends on investments	-	-	-	3
Payment of securities lending costs	-	-	-	-
Net cash provided by (used for) investing activities	-	-	-	3
Net increase (decrease) in cash and cash equivalents	85	10	9	167
Cash and cash equivalents, July 1	371	3	393	197
Cash and cash equivalents, June 30	\$ 456	\$ 13	\$ 402	\$ 364

DEPT OF AGRICULTURE	ADVANCED DRIVERS EDUCATION	FWP VISITOR SERVICES	TOTALS
\$ 2	\$ 93	\$ 70	\$ 129,386
(1)	(30)	(53)	(52,957)
(3)	(47)	-	(8,790)
-	-	-	(37,803)
-	-	-	(17,305)
-	-	7	286
(2)	16	24	12,817
-	-	-	12,907
-	-	-	(24,787)
-	24	15	120
-	-	-	293
-	-	-	(524)
-	24	15	(11,991)
-	-	-	(440)
-	-	-	(1,146)
-	-	-	(1,586)
-	-	-	(497)
-	-	-	250
-	-	-	25
-	-	-	1,259
-	-	-	(23)
-	-	-	1,014
(2)	40	39	254
9	-	-	20,825
\$ 7	\$ 40	\$ 39	\$ 21,079

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS - Continued
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	LIQUOR WAREHOUSE	HAIL INSURANCE	STATE LOTTERY	PRISON RANCH	PRISON INDUSTRIES
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 20,463	\$ (1,606)	\$ 7,231	\$ 21	\$ 186
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation	87	-	706	169	51
Amortization	-	-	164	-	-
Taxes	(12,907)	-	-	-	-
Interest expense	-	-	134	-	-
Securities lending expense	-	2	1	-	-
Interest on investments	-	(136)	(146)	-	-
Securities lending income	-	(2)	(1)	-	-
Change in assets and liabilities:					
Decr (incr) in accounts receivable	(1,279)	522	102	13	55
Decr (incr) in due from other funds	(1)	-	(1)	(56)	(17)
Decr (incr) in due from component units	-	-	-	-	(3)
Decr (incr) in inventories	63	-	339	(134)	(150)
Decr (incr) in intangible assets	-	-	(2)	-	-
Decr (incr) in other assets	-	-	264	(88)	-
Incr (decr) in accounts payable	(49)	3	(239)	19	30
Incr (decr) in lottery prizes payable	-	-	(389)	-	-
Incr (decr) in due to other funds	(17)	(34)	(75)	(15)	(38)
Incr (decr) in due to component units	-	-	(3)	-	-
Incr (decr) in due to other governments	-	(51)	-	-	-
Incr (decr) in deferred revenue	(336)	(40)	20	(1)	29
Incr (decr) in property held in trust	-	-	-	-	-
Incr (decr) in compensated absences payable	56	(4)	(4)	11	14
Incr (decr) in estimated claims	-	(82)	-	-	-
Net cash provided by (used for) operating activities	\$ 6,080	\$ (1,428)	\$ 8,101	\$ (61)	\$ 157

WOMENS PRISON INDUSTRIES	MUS GROUP INSURANCE	SUBSEQUENT INJURY	MONTANA CAREER INFORMATION SYSTEM	SECRETARY OF STATE BUSINESS SERVICES	HISTORICAL SOCIETY PUBLICATIONS	SURPLUS PROPERTY
\$ -	\$ (519)	\$ 630	\$ 5	\$ 436	\$ 30	(1,086)
-	-	-	-	11	3	26
-	-	-	-	23	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	4	15	-	-	-	-
-	(235)	(141)	-	(27)	-	-
-	(4)	(18)	-	-	-	-
-	28	(7)	-	(1)	47	(65)
-	17	-	(26)	(4)	3	(2)
-	(131)	-	-	-	-	-
-	-	-	-	(28)	(139)	927
-	-	-	-	(180)	-	-
-	-	-	-	(39)	-	(1)
-	(183)	-	-	20	2	(5)
-	-	-	-	-	-	-
-	(6)	-	15	(28)	(15)	(29)
-	(9)	-	-	-	-	2
-	-	-	-	-	-	-
-	-	-	67	13	-	-
-	-	-	-	55	-	-
-	(1)	-	(2)	42	9	(3)
-	604	(619)	-	-	-	-
\$ -	\$ (435)	\$ (140)	\$ 59	\$ 293	\$ (60)	(236)

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STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS - Continued
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	WEST YELLOWSTONE AIRPORT	JUDICIARY LAW LIBRARY	LOCAL GOVERNMENT AUDITS	FLEXIBLE SPENDING ADMINISTRATION
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	\$ 62	\$ 4	\$ 4	\$ 241
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Depreciation	2	-	-	-
Amortization	-	-	-	-
Taxes	-	-	-	-
Interest expense	-	-	-	-
Securities lending expense	-	-	-	-
Interest on investments	-	-	-	(3)
Securities lending income	-	-	-	-
Change in assets and liabilities:				
Decr (incr) in accounts receivable	-	-	-	3
Decr (incr) in due from other funds	-	1	-	165
Decr (incr) in due from component units	-	-	-	59
Decr (incr) in inventories	-	-	-	-
Decr (incr) in intangible assets	-	-	-	-
Decr (incr) in other assets	-	-	1	(112)
Incr (decr) in accounts payable	1	-	9	11
Incr (decr) in lottery prizes payable	-	-	-	-
Incr (decr) in due to other funds	(5)	11	(10)	-
Incr (decr) in due to component units	-	-	-	-
Incr (decr) in due to other governments	-	-	-	-
Incr (decr) in deferred revenue	-	-	-	-
Incr (decr) in property held in trust	-	-	-	-
Incr (decr) in compensated absences payable	-	-	5	-
Incr (decr) in estimated claims	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ 60</u>	<u>\$ 16</u>	<u>\$ 9</u>	<u>\$ 364</u>

DEPT OF AGRICULTURE	ADVANCED DRIVERS EDUCATION	FWP VISITOR SERVICES	TOTALS
\$ (2)	\$ 9	\$ 25	\$ 26,134
-	-	-	1,055
-	-	-	187
-	-	-	(12,907)
-	-	-	134
-	-	-	22
-	-	-	(688)
-	-	-	(25)
-	-	-	(582)
-	(10)	(3)	66
-	-	-	(75)
-	-	-	878
-	-	-	(182)
-	-	-	25
-	1	2	(378)
-	-	-	(389)
-	14	-	(232)
-	-	-	(10)
-	-	-	(51)
-	-	-	(248)
-	-	-	55
-	2	-	125
-	-	-	(97)
<u>\$ (2)</u>	<u>\$ 16</u>	<u>\$ 24</u>	<u>\$ 12,817</u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for operations that provide goods or services to other agencies or programs of state government on a cost-reimbursement basis. A brief description of each internal service fund follows:

Office Supplies & Equipment – Four internal service funds under the Department of Fish, Wildlife and Parks (FWP Equipment, FWP Warehouse Inventory, and FWP Office Supply) and the Department of Transportation (Highway Equipment) are used to account for interdepartmental and intradepartmental sales and use of office supplies and equipment.

Employee Group Benefits – This fund receives employee (excluding higher education units) withholdings and state contributions to the medical self-insurance plan. The State contracted with Blue Cross and Blue Shield of Montana to oversee the administrative functions of the program.

Information Services Division (ISD) – State agencies and private users are assessed a fee for their use of the State's phone system, centralized data processing, and systems design services provided by the Department of Administration.

Administration Insurance – In this fund, the Department of Administration accounts for the State's property self-insurance program (including liability, property, flood, etc.).

Administration Supply – This fund is used by the Department of Administration to account for intragovernmental sales of office supplies and paper products to state agencies.

Motor Pool – State employee transportation is provided by the Department of Transportation through a pool of vehicles. The cost of operating the Motor Pool is recovered through rental rates charged to user agencies based on the average operating costs per mile for each class of vehicle.

Publications & Graphics – Agencies are assessed a fee for duplicating, typesetting, forms design, and graphic arts services.

Buildings & Grounds – Rental proceeds from state agencies are used to pay maintenance, security, and landscaping costs for state-owned property.

Central Service Funds – This fund group consists of four funds, used by the Department of Administration, the Department of Labor and Industry, the Department of Commerce, and the Office of Public Instruction, for administrative services provided on a cost recovery basis to programs within the departments.

DEQ Indirect Cost Pool – This fund is used to account for funds collected as indirect costs from the operating units of the Department of Environmental Quality and to fund the department's indirect cost pool operations that provide services to the department.

Mail & Messenger – This fund accounts for costs associated with intrastate government mail and package delivery.

Payroll Processing – This fund accounts for the payments received from state agencies for the costs associated with the processing of payroll warrants.

Warrant Processing – This fund accounts for the payments received from state agencies for the costs associated with the processing of all warrants other than payroll.

Investment Division – This fund accounts for costs associated with operations of the Board of Investments (BOI). BOI assists agencies in the investment of state funds. Costs of administering and accounting for each investment fund are allocated based on the dollar volume of investments held by user agencies.

Aircraft Operations – This fund is used by the Department of State Lands to account for fees charged to users of state aircraft.

Justice Legal Services – The Attorney General's Office and the Department of Justice charge other state agencies a fee for legal assistance. The Department of Administration funds legal services with intradepartmental fees.

Personnel Training – This fund accounts for fees charged to state agencies for training state employees. The fees are used by the Department of Administration to pay instructors and purchase training materials.

Records Management – State agencies are assessed a fee for records storage and microfilm services provided by the Office of the Secretary of State.

Debt Collection/Customer Service Center (CSC) – The debt collection component of this fund accounts for fees charged for the collection of bad debts. The Customer Service Center (CSC) provides customer assistance and registration, mail and remittance processing, data capture, collection of accounts receivable, account maintenance, and record retention services.

Statewide Fueling Network – This fund accounts for the costs associated with the development of a statewide fueling network, which will allow state agencies and local governments to utilize a single fueling network and management information system for all fueling transactions.

Procurement Card Purchases – The State Procurement Card program administers the State's MasterCard contract for the automated processing of small purchases.

MSP Food Factory – This fund accounts for the payments received from state agencies for the costs associated with meal preparation and delivery provided by the Montana State Prison (MSP).

STATE OF MONTANA
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2002
(expresses in thousands)

	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	FWP OFFICE SUPPLY	HIGHWAY EQUIPMENT	EMPLOYEE GROUP BENEFITS
ASSETS					
Current assets:					
Cash/cash equivalents	\$ 97	\$ 77	\$ 20	\$ 2,758	\$ 6,994
Receivables (net)	7	-	-	5	2,584
Interfund loans receivable	-	-	-	-	-
Due from other funds	168	4	6	761	8
Due from component units	1	-	-	-	-
Inventories	-	129	12	-	-
Securities lending collateral	-	-	-	-	2,689
Other current assets	5	-	-	-	-
Total current assets	278	210	38	3,524	12,275
Noncurrent assets:					
Long-term investments	-	-	-	-	8,663
Capital assets:					
Land	-	-	-	-	-
Land improvements	-	-	-	-	-
Buildings/improvements	-	-	-	-	-
Equipment	9,409	-	65	105,543	17
Construction in progress	-	-	-	757	-
Intangible assets	-	-	-	-	-
Less accumulated depreciation	(4,099)	-	(52)	(53,987)	(16)
Total capital assets	5,310	-	13	52,313	1
Total noncurrent assets	5,310	-	13	52,313	8,664
Total assets	5,588	210	51	55,837	20,939
LIABILITIES					
Current liabilities:					
Accounts payable	124	4	2	273	2,184
Interfund loans payable	-	-	-	-	-
Due to component units	-	-	-	-	-
Due to other funds	3	-	-	-	9
Deferred revenue	-	-	-	-	-
Lease/installment purchase payable	-	-	-	-	-
Bonds/notes payable (net)	-	-	-	-	-
Property held in trust	-	-	-	-	-
Securities lending liability	-	-	-	-	2,689
Estimated insurance claims	-	-	-	-	8,981
Compensated absences payable	1	-	-	346	27
Total current liabilities	128	4	2	619	13,890
Long-term liabilities:					
Advances from other funds	300	-	-	-	-
Lease/installment purchase payable	-	-	-	-	-
Bonds/notes payable (net)	-	-	-	-	-
Estimated insurance claims	-	-	-	-	183
Compensated absences payable	1	-	1	356	25
Total long-term liabilities	301	-	1	356	208
Total liabilities	429	4	3	975	14,098
NET ASSETS					
Invested in capital assets, net of related debt	5,310	-	13	52,313	1
Unrestricted	(151)	206	35	2,549	6,840
Total net assets	\$ 5,159	\$ 206	\$ 48	\$ 54,862	\$ 6,841

INFORMATION SERVICES DIVISION	ADMIN INSURANCE	ADMIN SUPPLY	ADMIN CENTRAL SERVICES	MOTOR POOL	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS
\$ 1,078	\$ 2,424	\$ 620	\$ 86	\$ 2	\$ 97	\$ 1,241
59	-	29	-	-	-	2
40	-	275	-	-	-	-
2,254	-	155	-	421	385	128
203	-	15	-	-	19	-
-	-	431	-	-	164	-
-	-	-	-	-	-	-
28	-	6	-	-	1	-
3,662	2,424	1,531	86	423	666	1,371
-	-	-	-	-	-	-
-	-	-	-	236	-	-
-	-	-	-	-	-	95
-	-	-	-	-	-	32
28,813	-	118	11	13,912	1,223	258
-	-	-	-	-	-	-
206	-	-	-	-	-	-
(26,103)	-	(86)	(6)	(5,628)	(850)	(178)
2,916	-	32	5	8,520	373	207
2,916	-	32	5	8,520	373	207
6,578	2,424	1,563	91	8,943	1,039	1,578
880	915	121	-	71	196	312
-	4,700	-	-	1,400	-	-
11	26	-	-	-	-	-
117	123	4	3	-	9	426
38	-	-	-	-	20	-
1,291	-	-	-	-	-	-
-	-	-	-	2,075	-	-
13	10	-	-	-	-	-
-	-	-	-	-	-	-
-	6,104	-	-	-	-	-
720	38	24	16	15	47	84
3,070	11,916	149	19	3,561	272	822
-	-	-	-	-	-	-
753	-	-	-	-	-	-
-	-	-	-	2,841	-	-
-	23,745	-	-	-	-	-
611	66	40	53	8	30	31
1,364	23,811	40	53	2,849	30	31
4,434	35,727	189	72	6,410	302	853
2,916	-	32	5	3,603	373	207
(772)	(33,303)	1,342	14	(1,070)	364	518
\$ 2,144	\$ (33,303)	\$ 1,374	\$ 19	\$ 2,533	\$ 737	\$ 725

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF NET ASSETS - Continued
INTERNAL SERVICE FUNDS
 JUNE 30, 2002
 (expressed in thousands)

	LABOR CENTRAL SERVICES	COMMERCE CENTRAL SERVICES	OPI CENTRAL SERVICES	DEQ INDIRECT COST POOL	MAIL & MESSENGER
ASSETS					
Current assets:					
Cash/cash equivalents	\$ 690	\$ 341	\$ 121	\$ 341	\$ 87
Receivables (net)	-	-	-	-	22
Interfund loans receivable	-	-	-	-	-
Due from other funds	97	122	217	677	308
Due from component units	9	18	-	2	6
Inventories	-	-	-	-	-
Securities lending collateral	-	-	-	-	-
Other current assets	17	1	1	-	334
Total current assets	813	482	339	1,020	757
Noncurrent assets:					
Long-term investments	-	-	-	-	-
Capital assets:					
Land	-	-	-	-	-
Land improvements	-	-	-	-	-
Buildings/improvements	-	-	-	-	-
Equipment	283	41	-	259	461
Construction in progress	-	-	-	-	-
Intangible assets	-	-	-	-	-
Less accumulated depreciation	(145)	(19)	-	(111)	(85)
Total capital assets	138	22	-	148	376
Total noncurrent assets	138	22	-	148	376
Total assets	951	504	339	1,168	1,133
LIABILITIES					
Current liabilities:					
Accounts payable	144	21	6	215	227
Interfund loans payable	-	-	-	-	-
Due to component units	-	-	-	2	-
Due to other funds	65	20	81	38	1
Deferred revenue	-	-	-	-	-
Lease/installment purchase payable	-	-	-	-	-
Bonds/notes payable (net)	-	-	-	-	-
Property held in trust	1	30	-	-	-
Securities lending liability	-	-	-	-	-
Estimated insurance claims	-	-	-	-	-
Compensated absences payable	206	49	75	149	21
Total current liabilities	416	120	162	404	249
Long-term liabilities:					
Advances from other funds	-	-	-	-	-
Lease/installment purchase payable	-	-	-	-	-
Bonds/notes payable (net)	-	-	-	-	-
Estimated insurance claims	-	-	-	-	-
Compensated absences payable	151	103	39	175	47
Total long-term liabilities	151	103	39	175	47
Total liabilities	567	223	201	579	296
NET ASSETS					
Invested in capital assets, net of related debt	138	22	-	148	376
Unrestricted	246	259	138	441	461
Total net assets	\$ 384	\$ 281	\$ 138	\$ 589	\$ 837

PAYROLL PROCESSING	WARRANT PROCESSING	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL SERVICES	PERSONNEL TRAINING	RECORDS MANAGEMENT
\$ 34	\$ 166	\$ 384	\$ 227	\$ 65	\$ 94	\$ 69
-	-	2	-	16	5	3
-	-	-	-	-	-	-
1	45	28	31	183	31	28
-	20	58	-	-	-	5
-	-	-	-	-	-	11
-	-	-	-	-	-	-
-	-	11	-	-	3	5
35	231	483	258	264	133	121
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	34	55	25	-	-	58
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(32)	(34)	(21)	-	-	(57)
-	2	21	4	-	-	1
-	2	21	4	-	-	1
35	233	504	262	264	133	122
-	3	3	12	20	21	2
-	-	-	-	100	-	-
-	-	-	-	-	-	-
4	44	54	1	4	4	7
-	-	-	-	-	51	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
15	9	131	15	53	10	9
19	56	188	28	177	86	18
-	-	-	-	-	-	190
-	-	-	-	-	-	-
-	-	-	-	-	-	-
14	3	146	19	89	13	8
14	3	146	19	89	13	198
33	59	334	47	266	99	216
-	2	21	4	-	-	1
2	172	149	211	(2)	34	(95)
\$ 2	\$ 174	\$ 170	\$ 215	\$ (2)	\$ 34	\$ (94)

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STATE OF MONTANA
COMBINING STATEMENT OF NET ASSETS - Continued
INTERNAL SERVICE FUNDS
 JUNE 30, 2002
 (expressed in thousands)

	DEBT COLLECTION/ CSC	STATEWIDE FUELING NETWORK	PROCUREMENT CARD PURCHASES	MSP FOOD FACTORY	TOTALS
ASSETS					
Current assets:					
Cash/cash equivalents	\$ 517	\$ 9	\$ 19	\$ 197	\$ 18,855
Receivables (net)	-	-	-	4	2,738
Interfund loans receivable	-	-	-	-	315
Due from other funds	-	-	-	179	6,237
Due from component units	-	-	-	-	356
Inventories	-	-	-	95	842
Securities lending collateral	-	-	-	-	2,689
Other current assets	-	-	-	-	412
Total current assets	517	9	19	475	32,444
Noncurrent assets:					
Long-term investments	-	-	-	-	8,663
Capital assets:					
Land	-	-	-	-	236
Land improvements	-	-	-	-	95
Buildings/improvements	-	-	-	2,761	2,793
Equipment	-	-	-	1,045	161,630
Construction in progress	-	-	-	-	757
Intangible assets	-	-	-	-	206
Less accumulated depreciation	-	-	-	(172)	(91,681)
Total capital assets	-	-	-	3,634	74,036
Total noncurrent assets	-	-	-	3,634	82,699
Total assets	517	9	19	4,109	115,143
LIABILITIES					
Current liabilities:					
Accounts payable	-	-	-	6	5,762
Interfund loans payable	-	-	-	-	6,200
Due to component units	-	-	-	-	39
Due to other funds	29	1	-	4	1,051
Deferred revenue	-	-	-	-	109
Lease/installment purchase payable	-	-	-	-	1,291
Bonds/notes payable (net)	-	-	-	-	2,075
Property held in trust	-	-	-	-	54
Securities lending liability	-	-	-	-	2,689
Estimated insurance claims	-	-	-	-	15,085
Compensated absences payable	1	-	-	29	2,090
Total current liabilities	30	1	-	39	36,445
Long-term liabilities:					
Advances from other funds	-	-	-	300	790
Lease/installment purchase payable	-	-	-	-	753
Bonds/notes payable (net)	-	-	-	-	2,841
Estimated insurance claims	-	-	-	-	23,928
Compensated absences payable	1	-	-	13	2,043
Total long-term liabilities	1	-	-	313	30,355
Total liabilities	31	1	-	352	66,800
NET ASSETS					
Invested in capital assets, net of related debt	-	-	-	3,634	69,119
Unrestricted	486	8	19	123	(20,776)
Total net assets	\$ 486	\$ 8	\$ 19	\$ 3,757	\$ 48,343

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STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002
 (expressed in thousands)

	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	FWP OFFICE SUPPLY	HIGHWAY EQUIPMENT	EMPLOYEE GROUP BENEFITS
Operating revenues:					
Charges for services	\$ 1,739	\$ 89	\$ 76	\$ 18,693	\$ 2
Investment earnings	-	-	-	-	1,070
Securities lending income	-	-	-	-	147
Contributions/premiums	-	-	-	-	65,256
Taxes	-	-	-	-	-
Other operating revenues	202	-	-	-	574
Total operating revenues	1,941	89	76	18,693	67,049
Operating expenses:					
Personal services	71	6	26	4,252	493
Contractual services	61	-	1	609	2,372
Supplies/materials	570	82	31	3,396	15
Benefits/claims	-	-	-	-	73,792
Depreciation	1,540	-	2	4,907	-
Amortization	-	-	-	-	-
Utilities/rent	9	1	1	90	16
Communications	3	-	2	9	66
Travel	5	-	-	27	6
Repair/maintenance	519	-	13	2,917	1
Interest expense	-	-	-	-	-
Securities lending expense	-	-	-	-	131
Other operating expenses	8	-	-	147	173
Total operating expenses	2,786	89	76	16,354	77,065
Operating income (loss)	(845)	-	-	2,339	(10,016)
Nonoperating revenues (expenses):					
Gain (loss) on sale of capital assets	(193)	-	-	394	-
Federal indirect cost recoveries	-	-	-	-	-
Total nonoperating revenues (expenses)	(193)	-	-	394	-
Income (loss) before contributions and transfers	(1,038)	-	-	2,733	(10,016)
Capital contributions	-	-	-	-	-
Operating transfers in	240	-	-	612	-
Operating transfers out	-	-	-	-	-
Change in net assets	(798)	-	-	3,345	(10,016)
Total net assets - July 1 - as previously reported	3,575	121	23	35,667	16,856
Prior period adjustments	-	-	-	1,561	1
Cumulative effect of accounting change	2,382	85	25	14,289	-
Total net assets - July 1 - as restated	5,957	206	48	51,517	16,857
Total net assets - June 30	\$ 5,159	\$ 206	\$ 48	\$ 54,862	6,841

INFORMATION SERVICES DIVISION	ADMIN INSURANCE	ADMIN SUPPLY	ADMIN CENTRAL SERVICES	MOTOR POOL	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS
\$ 29,839	\$ -	\$ 4,865	\$ 524	\$ 3,643	\$ 5,217	\$ 5,565
-	56	-	-	-	-	-
-	1	-	-	-	-	-
-	8,024	-	-	-	-	-
-	-	-	-	-	-	-
14	47	-	-	-	-	-
29,853	8,128	4,865	524	3,643	5,217	5,565
9,439	659	358	423	250	751	1,043
2,513	3,837	49	17	155	48	2,145
991	34	3,988	25	680	4,197	156
-	12,931	-	-	-	-	-
2,157	1	2	2	1,552	89	22
592	-	-	-	-	-	-
5,551	51	92	10	76	77	1,652
5,740	19	35	7	2	32	18
192	22	-	3	-	1	12
1,933	1	12	1	212	148	601
68	-	-	-	271	3	-
-	1	-	-	-	-	-
485	27	21	11	6	30	111
29,661	17,583	4,557	499	3,204	5,376	5,760
192	(9,455)	308	25	439	(159)	(195)
-	(1)	(1)	-	(25)	(5)	-
-	-	-	-	-	-	-
-	(1)	(1)	-	(25)	(5)	-
192	(9,456)	307	25	414	(164)	(195)
-	-	-	-	-	-	27
-	1,150	-	18	-	-	933
-	(436)	-	-	-	-	(418)
192	(8,742)	307	43	414	(164)	347
368	(24,551)	1,067	(24)	2,119	901	271
(8)	(12)	-	-	-	-	102
1,592	2	-	-	-	-	5
1,952	(24,561)	1,067	(24)	2,119	901	378
\$ 2,144	\$ (33,303)	\$ 1,374	\$ 19	\$ 2,533	\$ 737	\$ 725

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STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - Continued
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expressed in thousands)

	LABOR CENTRAL SERVICES	COMMERCE CENTRAL SERVICES	OPI CENTRAL SERVICES	DEQ INDIRECT COST POOL	MAIL & MESSENGER
Operating revenues:					
Charges for services	\$ 1,153	\$ 807	\$ 650	\$ 1,913	\$ 3,555
Investment earnings	-	-	-	-	-
Securities lending income	-	-	-	-	-
Contributions/premiums	-	-	-	-	-
Taxes	-	-	2	-	-
Other operating revenues	1,195	-	-	-	-
Total operating revenues	2,348	807	652	1,913	3,555
Operating expenses:					
Personal services	3,010	773	1,747	2,030	482
Contractual services	355	45	284	562	26
Supplies/materials	239	37	68	227	23
Benefits/claims	-	-	-	-	-
Depreciation	37	7	-	40	53
Amortization	-	-	-	-	-
Utilities/rent	277	33	107	61	54
Communications	63	25	73	50	2,662
Travel	19	10	12	15	-
Repair/maintenance	60	3	74	7	115
Interest expense	-	-	-	-	-
Securities lending expense	-	-	-	-	-
Other operating expenses	182	43	51	44	11
Total operating expenses	4,242	976	2,416	3,036	3,426
Operating income (loss)	(1,894)	(169)	(1,764)	(1,123)	129
Nonoperating revenues (expenses):					
Gain (loss) sale of capital assets	(6)	(3)	-	-	(16)
Federal indirect cost recoveries	1,869	237	819	1,292	-
Total nonoperating revenues (expenses)	1,863	234	819	1,292	(16)
Income (loss) before contributions and transfers	(31)	65	(945)	169	113
Capital contributions	-	-	-	-	-
Operating transfers in	-	-	-	-	-
Operating transfers out	-	(18)	-	-	-
Change in net assets	(31)	47	(945)	169	113
Total net assets - July 1 - as previously reported	328	216	278	132	724
Prior period adjustments (Note 3)	76	(48)	805	17	-
Cumulative effect of accounting change	11	66	-	271	-
Total net assets - July 1 - as restated	415	234	1,083	420	724
Total net assets - June 30	\$ 384	\$ 281	\$ 138	\$ 589	\$ 837

PAYROLL PROCESSING	WARRANT PROCESSING	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL SERVICES	PERSONNEL TRAINING	RECORDS MANAGEMENT
\$ 360	\$ 922	\$ 2,901	\$ 459	\$ 1,254	\$ 261	\$ 358
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	15
360	922	2,901	459	1,254	261	373
248	143	1,843	318	972	152	238
95	138	233	32	154	32	27
4	7	85	49	29	36	54
-	-	-	-	-	-	-
-	-	8	1	-	-	4
-	-	-	-	-	-	-
8	6	138	64	34	6	56
7	409	31	8	12	9	12
1	-	39	26	13	37	3
1	1	3	355	5	-	11
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12	29	303	5	11	21	5
376	733	2,683	858	1,230	293	410
(16)	189	218	(399)	24	(32)	(37)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(16)	189	218	(399)	24	(32)	(37)
-	-	-	-	-	-	-
-	-	-	389	10	-	-
-	-	-	-	(10)	-	-
(16)	189	218	(10)	24	(32)	(37)
(85)	(36)	(66)	225	(26)	65	(63)
-	-	-	-	-	-	-
103	21	18	-	-	1	6
18	(15)	(48)	225	(26)	66	(57)
\$ 2	\$ 174	\$ 170	\$ 215	\$ (2)	\$ 34	\$ (94)

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STATE OF MONTANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - Continued
INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002
 (expressed in thousands)

	DEBT COLLECTION/ CSC	STATEWIDE FUELING NETWORK	PROCUREMENT CARD PURCHASES	MSP FOOD FACTORY	TOTALS
Operating revenues:					
Charges for services	\$ 128	\$ 24	\$ 9	\$ 2,047	\$ 87,053
Investment earnings	-	-	-	-	1,126
Securities lending income	-	-	-	-	148
Contributions/premiums	-	-	-	-	73,280
Taxes	-	-	-	-	2
Other operating revenues	-	-	5	-	2,052
Total operating revenues	128	24	14	2,047	163,661
Operating expenses:					
Personal services	97	-	-	715	30,539
Contractual services	13	-	1	5	13,809
Supplies/materials	51	14	-	1,192	16,280
Benefits/claims	-	-	-	-	86,723
Depreciation	-	-	-	172	10,596
Amortization	-	-	-	-	592
Utilities/rent	3	-	-	36	8,509
Communications	7	3	-	-	9,304
Travel	-	6	-	-	449
Repair/maintenance	-	-	7	21	7,021
Interest expense	-	-	-	-	342
Securities lending expense	-	-	-	-	132
Other operating expenses	1	1	-	3	1,741
Total operating expenses	172	24	8	2,144	186,037
Operating income (loss)	(44)	-	6	(97)	(22,376)
Nonoperating revenues (expenses):					
Gain (loss) sale of capital assets	-	-	-	-	144
Federal indirect cost recoveries	-	-	-	-	4,217
Total nonoperating revenues (expenses)	-	-	-	-	4,361
Income (loss) before contributions and transfers	(44)	-	6	(97)	(18,015)
Capital contributions	-	-	-	3,806	3,833
Operating transfers in	-	-	-	48	3,400
Operating transfers out	(104)	-	-	-	(986)
Change in net assets	(148)	-	6	3,757	(11,768)
Total net assets - July 1 - as previously reported	51	5	13	-	38,154
Prior period adjustments (Note 3)	50	-	-	-	2,544
Cumulative effect of accounting change	533	3	-	-	19,413
Total net assets - July 1 - as restated	634	8	13	-	60,111
Total net assets - June 30	\$ 486	\$ 8	\$ 19	\$ 3,757	\$ 48,343

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STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	FWP OFFICE SUPPLY	HIGHWAY EQUIPMENT	EMPLOYEE GROUP BENEFITS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from sales and services	\$ 1,701	\$ 86	\$ 75	\$ 17,958	\$ 65,020
Payments to suppliers for goods and services	(1,156)	(59)	(50)	(7,088)	(2,688)
Payments to employees	(74)	(6)	(25)	(4,396)	(502)
Grant receipts	-	-	-	-	-
Cash payments for claims	-	-	-	-	(72,458)
Collections of payroll taxes	-	-	-	-	-
Other operating revenues	211	-	-	-	458
Net cash provided by (used for) operating activities	682	21	-	6,474	(10,170)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payment of principal and interest on bonds and notes	-	-	-	-	-
Proceeds from issuance of bonds and notes	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Transfers from other funds	240	-	-	612	-
Cash payments for loans	-	-	-	-	-
Proceeds from interfund loans/advances	-	-	-	-	-
Payment of interfund loans/advances	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	240	-	-	612	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(1,139)	-	-	(5,441)	-
Proceeds from sale of capital assets	179	-	-	760	-
Principal and interest payments on bonds and notes	-	-	-	-	-
Net cash used for capital and related financing activities	(960)	-	-	(4,681)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales or maturities of investments	-	-	-	-	7,905
Proceeds from securities lending transactions	-	-	-	-	148
Interest and dividends on investments	-	-	-	-	1,150
Payment of securities lending costs	-	-	-	-	(131)
Net cash provided by (used for) investing activities	-	-	-	-	9,072
Net increase (decrease) in cash and cash equivalents	(38)	21	-	2,405	(1,098)
Cash and cash equivalents, July 1	135	56	20	353	8,092
Cash and cash equivalents, June 30	\$ 97	\$ 77	\$ 20	\$ 2,758	\$ 6,994

INFORMATION SERVICES DIVISION	ADMIN INSURANCE	ADMIN SUPPLY	ADMIN CENTRAL SERVICES	MOTOR POOL	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS
\$ 30,526	\$ 8,024	\$ 5,180	\$ 524	\$ 3,684	\$ 5,220	\$ 5,896
(18,107)	(4,023)	(4,240)	(72)	(1,095)	(4,518)	(4,728)
(9,768)	(676)	(366)	(393)	(263)	(807)	(1,090)
-	-	-	-	-	-	-
-	(7,618)	-	-	-	-	-
-	-	-	-	-	-	-
15	47	-	-	-	-	-
2,666	(4,246)	574	59	2,326	(105)	78
-	-	-	-	(3,118)	-	-
-	-	-	-	2,043	-	-
-	(446)	-	-	-	-	(418)
-	1,150	-	18	-	-	935
-	-	(275)	-	-	-	-
-	4,700	-	-	1,400	-	-
(37)	-	-	-	(815)	-	-
(37)	5,404	(275)	18	(490)	-	517
1,195	-	(18)	-	(2,043)	(63)	(26)
-	-	-	-	140	-	-
(2,961)	-	-	-	-	(45)	-
(1,766)	-	(18)	-	(1,903)	(108)	(26)
-	-	-	-	-	-	-
-	1	-	-	-	-	-
-	57	-	-	-	-	-
-	(1)	-	-	-	-	-
-	57	-	-	-	-	-
863	1,215	281	77	(67)	(213)	569
215	1,209	339	9	69	310	672
\$ 1,078	\$ 2,424	\$ 620	\$ 86	\$ 2	\$ 97	\$ 1,241

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STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS - Continued
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	LABOR CENTRAL SERVICES	COMMERCE CENTRAL SERVICES	OPI CENTRAL SERVICES	DEQ INDIRECT COST POOL	MAIL & MESSENGER
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from sales and services	\$ 2,497	\$ 847	\$ 700	\$ 1,668	\$ 3,513
Payments to suppliers for goods and services	(1,289)	(255)	(643)	(783)	(2,894)
Payments to employees	(2,825)	(1,092)	(968)	(2,085)	(478)
Grant receipts	1,847	244	875	1,131	-
Cash payments for claims	-	-	-	-	-
Collections of payroll taxes	-	-	2	-	-
Other operating revenues	-	-	-	-	-
Net cash provided by (used for) operating activities	230	(256)	(34)	(69)	141
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payment of principal and interest on bonds and notes	-	-	-	-	-
Proceeds from issuance of bonds and notes	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Cash payments for loans	-	-	-	-	-
Proceeds from interfund loans/advances	-	-	-	-	-
Payment of interfund loans/advances	-	-	-	-	-
Net cash provided by (used for) noncapital financing activities	-	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(86)	(1)	-	(49)	(194)
Proceeds from sale of capital assets	-	1	-	-	-
Principal and interest payments on bonds and notes	-	-	-	-	-
Net cash used for capital and related financing activities	(86)	-	-	(49)	(194)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales or maturities of investments	-	-	-	-	-
Proceeds from securities lending transactions	-	-	-	-	-
Interest and dividends on investments	-	-	-	-	-
Payment of securities lending costs	-	-	-	-	-
Net cash provided by (used for) investing activities	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	144	(256)	(34)	(118)	(53)
Cash and cash equivalents, July 1	546	597	155	459	140
Cash and cash equivalents, June 30	\$ 690	\$ 341	\$ 121	\$ 341	\$ 87

PAYROLL PROCESSING	WARRANT PROCESSING	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL SERVICES	PERSONNEL TRAINING	RECORDS MANAGEMENT
\$ 359	\$ 927	\$ 2,907	\$ 463	\$ 1,159	\$ 358	\$ 356
(129)	(612)	(815)	(549)	(241)	(123)	(161)
(253)	(145)	(1,899)	(335)	(979)	(154)	(265)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(23)	170	193	(421)	(61)	81	(70)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	389	-	-	-
-	(8)	-	-	-	-	-
-	-	-	-	(150)	-	-
-	-	-	-	150	-	-
-	(8)	-	389	-	-	-
-	-	(4)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(4)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(23)	162	189	(32)	(61)	81	(70)
57	4	195	259	126	13	139
\$ 34	\$ 166	\$ 384	\$ 227	\$ 65	\$ 94	\$ 69

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS - Continued
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	DEBT COLLECTION/ CSC	STATEWIDE FUELING NETWORK	PROCUREMENT CARD PURCHASES	MSP FOOD FACTORY	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from sales and services	\$ 401	\$ 23	\$ 15	\$ 1,867	\$ 161,954
Payments to suppliers for goods and services	(297)	(23)	(8)	(1,347)	(57,993)
Payments to employees	(236)	-	-	(671)	(30,751)
Grant receipts	-	-	-	-	4,097
Cash payments for claims	-	-	-	-	(80,076)
Collections of payroll taxes	-	-	-	-	2
Other operating revenues	-	-	-	-	731
Net cash provided by (used for) operating activities	(132)	-	7	(151)	(2,036)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payment of principal and interest on bonds and notes	-	-	-	-	(3,118)
Proceeds from issuance of bonds and notes	-	-	-	-	2,043
Transfers to other funds	-	-	-	-	(864)
Transfers from other funds	-	-	-	48	3,392
Cash payments for loans	-	-	-	-	(283)
Proceeds from interfund loans/advances	-	-	-	300	6,250
Payment of interfund loans/advances	-	-	-	-	(702)
Net cash provided by (used for) noncapital financing activities	-	-	-	348	6,718
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	-	-	-	-	(7,869)
Proceeds from sale of capital assets	-	-	-	-	1,080
Principal and interest payments on bonds and notes	-	-	-	-	(3,006)
Net cash used for capital and related financing activities	-	-	-	-	(9,795)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales or maturities of investments	-	-	-	-	7,905
Proceeds from securities lending transactions	-	-	-	-	149
Interest and dividends on investments	-	-	-	-	1,207
Payment of securities lending costs	-	-	-	-	(132)
Net cash provided by (used for) investing activities	-	-	-	-	9,129
Net increase (decrease) in cash and cash equivalents	(132)	-	7	197	4,016
Cash and cash equivalents, July 1	649	9	12	-	14,839
Cash and cash equivalents, June 30	\$ 517	\$ 9	19	197	\$ 18,855

STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS - Continued
INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002
 (expressed in thousands)

	FWP EQUIPMENT	FWP WAREHOUSE INVENTORY	FWP OFFICE SUPPLY	HIGHWAY EQUIPMENT	EMPLOYEE GROUP BENEFITS
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ (845)	\$ -	\$ -	\$ 2,339	\$ (10,016)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation	1,540	-	2	4,907	-
Interest expense	-	-	-	-	-
Securities lending expense	-	-	-	-	131
Interest on investments	-	-	-	-	(1,070)
Securities lending income	-	-	-	-	(147)
Federal indirect cost recoveries	-	-	-	-	-
Change in assets and liabilities:					
Decr (incr) in accounts receivable	(1)	-	-	4	(2,448)
Decr (incr) in due from other governments	8	-	-	5	-
Decr (incr) in due from other funds	(48)	(4)	(2)	(689)	2,110
Decr (incr) in due from component units	-	-	-	-	-
Decr (incr) in inventories	-	22	3	-	-
Decr (incr) in other assets	-	-	-	-	-
Incr (decr) in accounts payable	29	3	(1)	67	(648)
Incr (decr) in due to other funds	(1)	-	(3)	(216)	(53)
Incr (decr) in due to component units	-	-	-	-	-
Incr (decr) in deferred revenue	-	-	-	-	-
Incr (decr) in property held in trust	-	-	-	-	-
Incr (decr) in compensated absences payable	-	-	1	57	(12)
Incr (decr) in estimated claims	-	-	-	-	1,983
Net cash provided by (used for) operating activities	\$ 682	\$ 21	\$ -	\$ 6,474	\$ (10,170)
Schedule of noncash transactions:					
Capital asset acquisitions from capital leases	\$ -	\$ -	\$ -	\$ -	\$ -
Total noncash transactions	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued on Next Page)

INFORMATION SERVICES DIVISION	ADMIN INSURANCE	ADMIN SUPPLY	ADMIN CENTRAL SERVICES	MOTOR POOL	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS
\$ 192	\$ (9,455)	\$ 308	\$ 25	\$ 439	\$ (159)	\$ (195)
2,157	1	2	2	1,552	89	22
68	-	-	-	271	3	-
-	1	-	-	-	-	-
-	(56)	-	-	-	-	-
-	(1)	-	-	-	-	-
-	-	-	-	-	-	-
26	-	72	-	3	1	1
-	-	-	-	-	-	-
83	1	234	-	75	(15)	(72)
450	3	5	-	1	(3)	-
-	-	(47)	-	-	1	-
(6)	-	(6)	-	-	(1)	-
(131)	596	16	-	37	27	(18)
(261)	9	(15)	(5)	(57)	(47)	347
(7)	22	(1)	-	-	-	-
-	-	-	-	-	20	-
8	10	-	-	-	-	-
87	8	6	37	5	(21)	(7)
-	4,615	-	-	-	-	-
<u>\$ 2,666</u>	<u>\$ (4,246)</u>	<u>\$ 574</u>	<u>\$ 59</u>	<u>\$ 2,326</u>	<u>\$ (105)</u>	<u>\$ 78</u>
\$ 1,002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 1,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS - Continued
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	LABOR CENTRAL SERVICES	COMMERCE CENTRAL SERVICES	OPI CENTRAL SERVICES	DEQ INDIRECT COST POOL	MAIL & MESSENGER
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ (1,894)	\$ (169)	\$ (1,764)	\$ (1,123)	\$ 129
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation	37	7	-	40	53
Interest expense	-	-	-	-	-
Securities lending expense	-	-	-	-	-
Interest on investments	-	-	-	-	-
Securities lending income	-	-	-	-	-
Federal indirect cost recoveries	1,869	237	819	1,292	-
Change in assets and liabilities:					
Decr (incr) in accounts receivable	1	1	-	-	(8)
Decr (incr) in due from other governments	-	-	-	-	-
Decr (incr) in due from other funds	113	20	109	(391)	(35)
Decr (incr) in due from component units	(3)	(4)	-	-	2
Decr (incr) in inventories	-	-	-	-	-
Decr (incr) in other assets	(17)	3	-	-	(50)
Incr (decr) in accounts payable	(21)	(1)	3	143	50
Incr (decr) in due to other funds	(84)	(126)	(11)	(49)	(18)
Incr (decr) in due to component units	(2)	(3)	-	2	-
Incr (decr) in deferred revenue	-	-	-	-	-
Incr (decr) in property held in trust	1	16	-	-	-
Incr (decr) in compensated absences payable	230	(237)	810	17	18
Incr (decr) in estimated claims	-	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ 230</u>	<u>\$ (256)</u>	<u>\$ (34)</u>	<u>\$ (69)</u>	<u>\$ 141</u>
Schedule of noncash transactions:					
Capital asset acquisitions from capital leases	\$ -	\$ -	\$ -	\$ -	\$ -
Total noncash transactions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued on Next Page)

PAYROLL PROCESSING	WARRANT PROCESSING	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL SERVICES	PERSONNEL TRAINING	RECORDS MANAGEMENT
\$ (16)	\$ 189	\$ 218	\$ (399)	\$ 24	\$ (32)	\$ (37)
-	-	8	1	-	-	4
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(1)	-	(15)	4	6
-	-	-	-	-	-	-
(1)	9	9	5	(87)	43	(6)
-	(5)	16	-	7	-	1
-	-	-	-	-	1	13
4	-	(3)	-	-	(2)	(4)
-	2	(22)	(11)	18	20	(1)
(15)	(28)	(84)	(18)	(35)	(7)	(14)
-	-	-	-	-	-	-
-	-	-	-	-	51	(18)
-	-	-	-	-	-	-
5	3	52	1	27	3	(14)
-	-	-	-	-	-	-
<u>\$ (23)</u>	<u>\$ 170</u>	<u>\$ 193</u>	<u>\$ (421)</u>	<u>\$ (61)</u>	<u>\$ 81</u>	<u>\$ (70)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF MONTANA
COMBINING STATEMENT OF CASH FLOWS - Continued
INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002
 (expressed in thousands)

	DEBT COLLECTION/ CSC	STATEWIDE FUELING NETWORK	PROCUREMENT CARD PURCHASES	MSP FOOD FACTORY	TOTALS
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ (44)	\$ -	\$ 6	\$ (97)	\$ (22,376)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation	-	-	-	172	10,596
Interest expense	-	-	-	-	342
Securities lending expense	-	-	-	-	132
Interest on investments	-	-	-	-	(1,126)
Securities lending income	-	-	-	-	(148)
Federal indirect cost recoveries	-	-	-	-	4,217
Change in assets and liabilities:					
Decr (incr) in accounts receivable	-	-	-	(4)	(2,358)
Decr (incr) in due from other governments	-	-	-	-	13
Decr (incr) in due from other funds	349	-	1	(179)	1,632
Decr (incr) in due from component units	3	-	-	-	473
Decr (incr) in inventories	-	-	-	(95)	(102)
Decr (incr) in other assets	-	-	-	-	(82)
Incr (decr) in accounts payable	(80)	-	-	6	83
Incr (decr) in due to other funds	(360)	-	-	4	(1,147)
Incr (decr) in due to component units	-	-	-	-	11
Incr (decr) in deferred revenue	-	-	-	-	53
Incr (decr) in property held in trust	-	-	-	-	35
Incr (decr) in compensated absences payable	-	-	-	42	1,118
Incr (decr) in estimated claims	-	-	-	-	6,598
Net cash provided by (used for) operating activities	\$ (132)	\$ -	\$ 7	\$ (151)	\$ (2,036)
Schedule of noncash transactions:					
Capital asset acquisitions from capital leases	\$ -	\$ -	-	-	\$ 1,002
Total noncash transactions	\$ -	\$ -	-	-	\$ 1,002

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PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

These funds provide retirement, disability, death, and lump-sum payments to retirement system members. A brief description of each fund follows:

Public Employee Defined Benefit Retirement System – This fund provides retirement benefits to substantially all public employees not covered by another public system.

Public Employee Education Fund – This fund provides education of the Public Employee retirement systems members.

Municipal Police Officers Retirement System – This fund provides retirement benefits to all municipal police officers covered by the plan.

Firefighters Unified Retirement System – This fund provides retirement benefits for firefighters employed by first and second- class cities and other cities that wish to adopt the plan.

Sheriffs Retirement System – This fund provides retirement benefits for sheriffs and State Department of Justice investigators.

Highway Patrol Officers Retirement System – This fund provides retirement benefits for all members of the Montana Highway Patrol.

Judges Retirement System – This fund provides retirement benefits for all district court judges, justices of the Supreme Court, and the Chief Water Judge.

Game Wardens & Peace Officers Retirement System – This fund provides retirement benefits for all persons employed as game wardens, supervisory personnel, and state peace officers.

Volunteer Firefighters Compensation Act – This fund provides medical benefits and pension, disability, and death benefits for all volunteer firefighters who are members of eligible volunteer fire companies in unincorporated areas of the state.

Public Employee Defined Contribution Retirement System – Members of the defined contribution retirement plan will decide how to invest their contributions and a portion of their employer contributions in the available investment options.

Public Employee 457 Plan – All employees of the State, Montana University System, and contracting political subdivisions are eligible to participate in this plan. The 457 plan is a voluntary, tax-deferred retirement plan designed to supplement state service retirement, Social Security, and other retirement plans and savings.

Teachers Retirement System – This fund provides retirement services to all persons employed as teachers or professional staff of any public elementary or secondary school, or unit of the university system.

Voluntary Employee Benefit Association – This fund provides members with individual health care expense trust accounts to pay the qualified health care expenses of members and their dependents and beneficiaries.

STATE OF MONTANA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
 JUNE 30, 2002
 (expressed in thousands)

PUBLIC EMPLOYEE RETIREMENT BOARD

	PUBLIC EMPLOYEE DEFINED BENEFIT	PUBLIC EMPLOYEE EDUCATION	MUNICIPAL POLICE	FIRE- FIGHTERS UNIFIED	SHERIFFS	HIGHWAY PATROL
ASSETS						
Cash/cash equivalents	\$ 65,705	\$ 728	\$ 1,570	\$ 1,351	\$ 3,371	\$ 833
Receivables (net):						
Accounts receivable	5,147	-	384	294	372	-
Interest	12,405	-	549	520	547	324
Due from primary government	32	-	6,529	5,764	-	58
Due from other funds	697	68	-	-	-	-
Long-term notes/loans receivable	439	-	-	-	58	-
Total receivables	18,720	68	7,462	6,578	977	382
Investments at fair value:						
Equity in pooled investments	2,116,367	-	102,727	97,986	102,674	60,851
Other investments	377,970	-	8,271	8,002	8,875	5,729
Total investments	2,494,337	-	110,998	105,988	111,549	66,580
Securities lending collateral	127,173	-	6,460	6,163	6,417	3,800
Capital assets:						
Land	-	-	-	-	-	-
Buildings/improvements	-	-	-	-	-	-
Equipment	5	-	-	-	-	-
Accumulated depreciation	(3)	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Total capital assets	2	-	-	-	-	-
Total assets	2,705,937	796	126,490	120,080	122,314	71,595
LIABILITIES						
Accounts payable	13,909	18	-	-	390	-
Due to primary government	46	-	-	-	-	-
Due to other funds	69	4	49	39	40	18
Deferred revenue	14	-	1	3	-	-
Bonds/notes payable (net)	-	-	-	-	-	-
Securities lending liability	127,173	-	6,460	6,163	6,417	3,800
Compensated absences payable	226	5	-	-	-	-
Total liabilities	141,437	27	6,510	6,205	6,847	3,818
NET ASSETS						
Held in trust for pension benefits and other purposes	\$ 2,564,500	\$ 769	\$ 119,980	\$ 113,875	\$ 115,467	\$ 67,777

PUBLIC EMPLOYEE RETIREMENT BOARD

JUDGES	GAME WARDENS/ PEACE OFFICERS	VOLUNTEER FIRE- FIGHTERS	PUBLIC EMPLOYEE DEFINED CONTRIBUTION	PUBLIC EMPLOYEE 457 PLAN	TEACHERS RETIREMENT SYSTEM	VOLUNTARY EMPLOYEE BENEFIT ASSOCIATION	TOTALS
\$ 1,037	\$ 1,876	\$ 1,812	\$ 535	\$ 2,305	\$ 45,141	\$ 38	\$ 126,302
-	4	-	-	-	14,337	-	20,538
178	149	86	-	-	9,741	-	24,499
-	-	-	-	-	76	-	12,459
-	5	-	1	52	1,451	-	2,274
-	-	-	-	-	-	-	497
178	158	86	1	52	25,605	-	60,267
33,238	27,904	13,827	-	-	1,667,825	-	4,223,399
2,900	2,586	1,194	-	194,201	311,036	-	920,764
36,138	30,490	15,021	-	194,201	1,978,861	-	5,144,163
2,067	1,757	1,012	-	-	99,887	-	254,736
-	-	-	-	-	35	-	35
-	-	-	-	-	158	-	158
-	-	-	-	-	137	-	142
-	-	-	-	-	(233)	-	(236)
-	-	-	-	-	3,837	-	3,837
-	-	-	-	-	3,934	-	3,936
39,420	34,281	17,931	536	196,558	2,153,428	38	5,589,404
-	34	96	42	112	11,734	-	26,335
-	-	-	1	2	32	-	81
4	30	38	14	4	-	1	310
-	2	-	-	-	-	-	20
-	-	-	1,498	-	-	65	1,563
2,067	1,757	1,012	-	-	99,887	-	254,736
-	-	-	8	21	84	-	344
2,071	1,823	1,146	1,563	139	111,737	66	283,389
\$ 37,349	\$ 32,458	\$ 16,785	\$ (1,027)	\$ 196,419	\$ 2,041,691	\$ (28)	\$ 5,306,015

STATE OF MONTANA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION

	PUBLIC EMPLOYEE DEFINED BENEFIT	PUBLIC EMPLOYEE EDUCATION	MUNICIPAL POLICE	FIRE- FIGHTERS UNIFIED	SHERIFFS	HIGHWAY PATROL
ADDITIONS						
Contributions/premiums:						
Employer	\$ 56,067	\$ 812	\$ 9,802	\$ 8,286	\$ 2,431	\$ 2,770
Employee	59,938	-	2,164	1,872	2,456	693
Other contributions	92	-	7	2	41	309
Net investment earnings:						
Investment earnings	(198,104)	35	(9,121)	(8,759)	(9,052)	(5,523)
Administrative investment expense	(3,785)	-	(123)	(109)	(123)	(81)
Securities lending income	3,515	1	178	170	177	105
Securities lending expense	(3,026)	(1)	(154)	(147)	(153)	(91)
Charges for services	-	-	-	-	-	-
Total additions	(85,303)	847	2,753	1,315	(4,223)	(1,818)
DEDUCTIONS						
Benefits	114,663	-	9,845	8,508	3,700	4,861
Refunds	11,048	-	348	80	447	149
Administrative expenses:						
Personal services	858	115	-	-	-	-
Contractual services	730	1,327	-	-	-	-
Supplies/materials	53	7	-	-	-	-
Depreciation	-	-	-	-	-	-
Amortization	-	-	-	-	-	-
Utilities/rent	74	10	-	-	-	-
Communications	92	8	-	-	-	-
Travel	17	14	-	-	-	-
Repair/maintenance	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-
Other operating expenses	-	4	49	39	40	20
Local assistance	-	-	-	-	-	-
Total deductions	127,535	1,485	10,242	8,627	4,187	5,030
Change in net assets	(212,838)	(638)	(7,489)	(7,312)	(8,410)	(6,848)
Net assets - July 1 - as previously reported	2,777,338	1,407	127,469	121,187	123,877	74,625
Prior period adjustments	-	-	-	-	-	-
Net assets - July 1 - as restated	2,777,338	1,407	127,469	121,187	123,877	74,625
Net assets - June 30	\$ 2,564,500	\$ 769	\$ 119,980	\$ 113,875	\$ 115,467	\$ 67,777

PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION

JUDGES	GAME WARDENS/ PEACE OFFICERS	VOLUNTEER FIRE- FIGHTERS	PUBLIC EMPLOYEE DEFINED CONTRIBUTION	PUBLIC EMPLOYEE 457 PLAN	TEACHERS RETIREMENT SYSTEM	VOLUNTARY EMPLOYEE BENEFIT ASSOCIATION	TOTALS
\$ 1,032	\$ 1,595	\$ 1,134	\$ -	\$ 46	\$ 51,519	\$ -	\$ 135,494
280	1,825	-	-	13,314	47,872	-	130,414
-	21	-	-	-	762	-	1,234
(3,006)	(2,538)	(573)	3	(4,194)	(156,900)	-	(397,732)
(48)	(32)	(22)	-	-	(3,074)	-	(7,397)
57	48	29	-	107	2,796	-	7,183
(49)	(41)	(25)	-	(95)	(2,407)	-	(6,189)
-	-	-	-	222	-	-	222
(1,734)	878	543	3	9,400	(59,432)	-	(136,771)
1,566	1,230	1,411	-	11,460	130,006	-	287,250
-	331	-	-	-	6,472	-	18,875
-	-	-	150	149	600	26	1,898
-	-	-	209	1,114	298	-	3,678
-	-	-	8	5	37	2	112
-	-	-	-	-	14	-	14
-	-	-	-	-	514	-	514
-	-	-	10	9	32	-	135
-	-	-	8	8	43	-	159
-	-	-	16	12	11	-	70
-	-	-	-	-	22	-	22
-	-	-	34	-	9	-	43
4	30	38	10	8	26	-	268
-	-	13	-	-	-	-	13
1,570	1,591	1,462	445	12,765	138,084	28	313,051
(3,304)	(713)	(919)	(442)	(3,365)	(197,516)	(28)	(449,822)
40,653	33,171	17,704	(585)	200,280	2,239,207	-	5,756,333
-	-	-	-	(496)	-	-	(496)
40,653	33,171	17,704	(585)	199,784	2,239,207	-	5,755,837
\$ 37,349	\$ 32,458	\$ 16,785	\$ (1,027)	\$ 196,419	\$ 2,041,691	\$ (28)	\$ 5,306,015

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PRIVATE PURPOSE TRUST FUNDS

Private purpose trust funds are used to account for assets held by the State in a trustee capacity, where both the trust principal and earnings benefit individuals, private organizations, or other governments. A brief description of each private purpose trust fund follows:

Rural Development – This fund accounts for programs authorized under the Bankhead Jones Farm Tenant Act. Resources are used by the Department of Agriculture under a federal use agreement for the purpose of aiding low-income rural families.

Escheated Property – This fund accounts for property that has reverted to the State due to the absence of legal claimants or heirs.

Labor & Industry (L & I) Compensation Insurance – This fund accounts for the proceeds from liquidated security bonds held on deposit from self-insured employers and other insurance companies in lieu of participating in the state compensation insurance plan. Administrative costs of operating the fund are paid from a special revenue fund.

Woodville Highway Replacement – This fund accounts for money paid to the Montana Department of Transportation by the Anaconda Company to provide the government of Butte-Silver Bow with traffic facilities to replace the abandoned portion of U.S. Highway 91.

Cisco Academies – This trust distributes funds to support the ongoing needs of regional and local academies to train students in information technology skills.

Moore-Sipple Connector – Money is held in trust to provide funds for the restructuring of the Geraldine-Lewistown railroad line.

STATE OF MONTANA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 PRIVATE PURPOSE TRUST FUNDS
 JUNE 30, 2002
 (expressed in thousands)

	RURAL DEVELOPMENT	ESCHEATED PROPERTY	LABOR & INDUSTRY COMPENSATION INSURANCE	WOODVILLE HIGHWAY REPLACEMENT	CISCO ACADEMIES	MOORE- SIPPLE CONNECTOR	TOTALS
ASSETS							
Cash/cash equivalents	\$ 1,690	\$ 3,881	\$ 857	\$ 84	\$ 8	239	\$ 6,759
Interest receivable	68	-	-	-	-	-	68
Due from other funds	-	311	-	-	-	-	311
Long-term loans/notes receivable	1,756	-	-	-	-	-	1,756
Total assets	3,514	4,192	857	84	8	239	8,894
LIABILITIES							
Accounts payable	2	8	-	-	-	1	11
Due to other funds	1	74	-	-	-	-	75
Property held in trust	-	3,155	86	-	-	-	3,241
Total liabilities	3	3,237	86	-	-	1	3,327
NET ASSETS							
Held in trust for pension benefits and other purposes	\$ 3,511	\$ 955	\$ 771	\$ 84	\$ 8	\$ 238	\$ 5,567

STATE OF MONTANA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expresses in thousands)

	RURAL DEVELOPMENT	ESCHEATED PROPERTY	LABOR & INDUSTRY COMPENSATION INSURANCE	WOODVILLE HIGHWAY REPLACEMENT	CISCO ACADEMIES	MOORE- SIPPLE CONNECTOR	TOTALS
ADDITIONS							
Net investment earnings:							
Investment earnings	\$ 195	\$ 7	\$ 23	\$ 4	\$ -	\$ 7	\$ 236
Securities lending income	1	-	-	-	-	-	1
Securities lending expense	(1)	-	-	-	-	-	(1)
Grants/contracts/donations	6	319	-	-	-	-	325
Charges for services	-	13	-	-	-	-	13
Total additions	201	339	23	4	-	7	574
DEDUCTIONS							
Benefits	-	-	8	-	-	-	8
Administrative expenses:							
Personal services	67	-	-	-	-	-	67
Contractual services	9	-	-	63	12	-	84
Supplies/materials	9	-	-	-	-	-	9
Utilities/rent	3	-	-	-	-	-	3
Communications	4	-	-	-	-	-	4
Travel	13	-	-	-	-	-	13
Grants	2	-	-	-	-	10	12
Transfers to other funds	-	395	-	-	-	-	395
Total deductions	107	395	8	63	12	10	595
Change in net assets	94	(56)	15	(59)	(12)	(3)	(21)
Net assets - July 1 - as previously reported	3,446	1,011	756	143	20	241	5,617
Prior period adjustments	(29)	-	-	-	-	-	(29)
Net assets - July 1 - as restated	3,417	1,011	756	143	20	241	5,588
Net assets - June 30	\$ 3,511	\$ 955	\$ 771	\$ 84	\$ 8	\$ 238	\$ 5,567

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AGENCY FUNDS

Agency funds are used to account for assets held by the State as an agent for individuals, private organizations, and other governments. A brief description of each agency fund follows:

Investment Pool – This fund accounts for idle cash invested on a pooled basis. Investment earnings on state funds are accounted for as revenue in either the fund providing the cash for investment or in the fund from which the earnings will be expended.

Performance Deposits – This fund accounts for deposits held by the State pending compliance with performance agreements.

Central Payroll – This fund accounts for the accumulation of state employee payroll and withholding by the Department of Administration, pending remittance to employees and other appropriate third parties.

Workers Compensation Securities – This fund, administered by the Department of Labor and Industry, accounts for surety bonds, converting the bonds into cash to liquidate liabilities as necessary.

Custodial Accounts – This fund accounts for monies belonging to state institution residents, students of the School for the Deaf and Blind, and participants in the foster children and protective services programs. The fund also accounts for balances held by the Office of the Commissioner of Higher Education for remittance, on behalf of eligible employees of the Montana University System, to the TIAA-CREF (Teachers Insurance and Annuity Association-College Retirement Equities Fund) retirement fund.

Child Support Collections – This fund accounts for payments from parents under the Child Support Enforcement Program administered by the Department of Public Health and Human Services.

Unclaimed Property – This fund accounts for property held by state agencies pending claim by the person entitled thereto. It includes proceeds from the sale of abandoned property, escheated and undistributed estates, stale-dated state warrants, and unclaimed wages.

Intergovernmental – This fund accounts for resources that flow through state agencies to federal and local governments.

Debt Collection – This fund accounts for amounts due to the State which have been written off as uncollectible by the receiving agency. The Department of Revenue continues to attempt to collect amounts owing for a period of time after they are deemed uncollectible by the receiving agency.

Stock Estray – This fund accounts for the proceeds derived from the sale of estray animals.

STATE OF MONTANA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
 JUNE 30, 2002
 (expressed in thousands)

	INVESTMENT POOL	PERFORMANCE DEPOSITS	CENTRAL PAYROLL	WORKERS COMPENSATION SECURITIES
ASSETS				
Cash/cash equivalents	\$ 13,370	\$ 12,564	\$ 4,287	\$ -
Receivables (net):				
Interest	57,361	-	-	-
Other receivables	-	3	1	-
Total receivables	57,361	3	1	-
Other assets	-	13,291	-	660
Total assets	70,731	25,858	4,288	660
LIABILITIES				
Accounts payable	3,832	7,859	4,188	-
Property held in trust	66,899	16,047	100	660
Other liabilities	-	1,952	-	-
Total liabilities	70,731	25,858	4,288	660

CUSTODIAL ACCOUNTS	CHILD SUPPORT COLLECTIONS	UNCLAIMED PROPERTY	INTER- GOVERNMENTAL	DEBT COLLECTION	STOCK ESTRAY FUND	TOTALS
\$ 1,121	\$ 595	\$ 17	\$ 15,222	\$ 40	\$ 57	\$ 47,273
-	-	-	-	-	-	57,361
-	587	-	44	10	-	645
-	587	-	44	10	-	58,006
-	-	-	2,619	-	-	16,570
1,121	1,182	17	17,885	50	57	121,849
5	754	-	160	-	50	16,848
1,116	428	17	17,725	50	7	103,049
-	-	-	-	-	-	1,952
1,121	1,182	17	17,885	50	57	121,849

STATE OF MONTANA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002
 (expressed in thousands)

FUND	BALANCE		ADDITIONS		DEDUCTIONS		BALANCE	
	JUNE 30, 2001						JUNE 30, 2002	
INVESTMENT POOL:								
ASSETS								
Cash/cash equivalents	\$	37,229	\$	27,911,298	\$	27,935,157	\$	13,370
Receivables (net)		87,831		423,412		453,882		57,361
Equity in pooled investments		-		11,530,191		11,530,191		-
Investments		-		25,740,203		25,740,203		-
Deferred gains (losses)		-		763,941		763,941		-
Securities lending collateral		-		708,330		708,330		-
Total assets	\$	125,060	\$	67,077,375	\$	67,131,704	\$	70,731
LIABILITIES								
Accounts payable	\$	6,419	\$	13,851		16,438	\$	3,832
Due to other governments		-		1,873,359		1,873,359		-
Due to other funds		55		38		93		-
Property held in trust		118,586		13,389,735		13,441,422		66,899
Securities lending liability		-		708,330		708,330		-
Total liabilities	\$	125,060	\$	15,985,313	\$	16,039,642	\$	70,731
PERFORMANCE DEPOSITS:								
ASSETS								
Cash/cash equivalents	\$	5,312	\$	91,031	\$	83,779	\$	12,564
Receivables (net)		57		96		150		3
Interfund loans receivable		430		-		430		-
Due from other funds		27		647		674		-
Advances to other funds		30		-		30		-
Other assets		15,296		1,830		3,835		13,291
Total assets	\$	21,152	\$	93,604	\$	88,898	\$	25,858
LIABILITIES								
Accounts payable	\$	62	\$	10,681	\$	2,884	\$	7,859
Due to other funds		1,023		2,186		3,209		-
Property held in trust		18,125		49,666		51,744		16,047
Other liabilities		1,942		41,843		41,833		1,952
Total liabilities	\$	21,152	\$	104,376	\$	99,670	\$	25,858
CENTRAL PAYROLL:								
ASSETS								
Cash/cash equivalents	\$	10,298	\$	559,091	\$	565,102	\$	4,287
Receivables (net)		-		20,434		20,433		1
Due from other funds		-		42,010		42,010		-
Total assets	\$	10,298	\$	621,535	\$	627,545	\$	4,288
LIABILITIES								
Accounts payable	\$	1,912	\$	16,808	\$	14,532	\$	4,188
Due to other funds		622		7,385		8,007		-
Property held in trust		7,764		559,926		567,590		100
Total liabilities	\$	10,298	\$	584,119	\$	590,129	\$	4,288

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FUND	BALANCE JUNE 30, 2001	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2002
WORKERS COMPENSATION SECURITIES:				
ASSETS				
Other assets	\$ 660	\$ -	\$ -	\$ 660
Total assets	<u>\$ 660</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 660</u>
LIABILITIES				
Property held in trust	\$ 660	\$ -	\$ -	\$ 660
Total liabilities	<u>\$ 660</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 660</u>
CUSTODIAL ACCOUNTS:				
ASSETS				
Cash/cash equivalents	\$ 1,408	\$ 3,763	\$ 4,050	\$ 1,121
Receivables (net)	1	1	2	-
Due from other funds	9	2	11	-
Total assets	<u>\$ 1,418</u>	<u>\$ 3,766</u>	<u>\$ 4,063</u>	<u>\$ 1,121</u>
LIABILITIES				
Accounts payable	\$ 25	\$ 426	\$ 446	\$ 5
Due to other funds	164	-	164	-
Property held in trust	1,229	6,983	7,096	1,116
Total liabilities	<u>\$ 1,418</u>	<u>\$ 7,409</u>	<u>\$ 7,706</u>	<u>\$ 1,121</u>
CHILD SUPPORT COLLECTIONS:				
ASSETS				
Cash/cash equivalents	\$ 271	\$ 56,177	\$ 55,853	\$ 595
Receivables (net)	208	487	108	587
Due from other funds	157	73	230	-
Due from component units	9	-	9	-
Total assets	<u>\$ 645</u>	<u>\$ 56,737</u>	<u>\$ 56,200</u>	<u>\$ 1,182</u>
LIABILITIES				
Accounts payable	\$ -	\$ 49,605	\$ 48,851	\$ 754
Property held in trust	645	52,694	52,911	428
Total liabilities	<u>\$ 645</u>	<u>\$ 102,299</u>	<u>\$ 101,762</u>	<u>\$ 1,182</u>
UNCLAIMED PROPERTY:				
ASSETS				
Cash/cash equivalents	\$ 50	\$ 124	\$ 157	\$ 17
Total assets	<u>\$ 50</u>	<u>\$ 124</u>	<u>\$ 157</u>	<u>\$ 17</u>
LIABILITIES				
Accounts payable	\$ 4	\$ 116	\$ 120	\$ -
Property held in trust	46	142	171	17
Total liabilities	<u>\$ 50</u>	<u>\$ 258</u>	<u>\$ 291</u>	<u>\$ 17</u>

(Continued on Next Page)

STATE OF MONTANA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - Continued
AGENCY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002
 (expressed in thousands)

FUND	BALANCE JUNE 30, 2001		ADDITIONS	DEDUCTIONS		BALANCE JUNE 30, 2002	
INTERGOVERNMENTAL:							
ASSETS							
Cash/cash equivalents	\$	22,084	\$ 191,865	\$	198,727	\$	15,222
Receivables (net)		5	49		10		44
Due from other funds		-	1		1		-
Other assets		2,576	154		111		2,619
Total assets	\$	24,665	\$ 192,069	\$	198,849	\$	17,885
LIABILITIES							
Accounts payable	\$	76	\$ 2,447	\$	2,363	\$	160
Due to other funds		-	12,454		12,454		-
Property held in trust		24,589	17,600		24,464		17,725
Total liabilities	\$	24,665	\$ 32,501	\$	39,281	\$	17,885
DEBT COLLECTION:							
ASSETS							
Cash/cash equivalents	\$	324	\$ 1,358	\$	1,642	\$	40
Receivables (net)		11	27,658		27,659		10
Due from other funds		2	24		26		-
Total assets	\$	337	\$ 29,040	\$	29,327	\$	50
LIABILITIES							
Accounts payable	\$	5	\$ 103	\$	108	\$	-
Due to other funds		196	50		246		-
Due to component units		26	-		26		-
Property held in trust		110	1,305		1,365		50
Total liabilities	\$	337	\$ 1,458	\$	1,745	\$	50
STOCK ESTRAY FUND:							
ASSETS							
Cash/cash equivalents	\$	-	\$ 803	\$	746	\$	57
Due from other funds		-	2		2		-
Total assets	\$	-	\$ 805	\$	748	\$	57
LIABILITIES							
Accounts payable	\$	-	\$ 840	\$	790	\$	50
Property held in trust		-	1,141		1,134		7
Total liabilities	\$	-	\$ 1,981	\$	1,924	\$	57

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FUND	BALANCE JUNE 30, 2001	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2002
TOTAL - ALL AGENCY FUNDS				
ASSETS				
Cash/cash equivalents	\$ 76,976	\$ 28,815,510	\$ 28,845,213	\$ 47,273
Receivables (net)	88,113	472,137	502,244	58,006
Interfund loans receivable	430	-	430	-
Due from other funds	195	42,759	42,954	-
Due from component units	9	-	9	-
Advances to other funds	30	-	30	-
Equity in pooled investments	-	11,530,191	11,530,191	-
Investments	-	25,740,203	25,740,203	-
Deferred gains (losses)	-	763,941	763,941	-
Securities lending collateral	-	708,330	708,330	-
Other assets	18,532	1,984	3,946	16,570
Total assets	<u>\$ 184,285</u>	<u>\$ 68,075,055</u>	<u>\$ 68,137,491</u>	<u>\$ 121,849</u>
LIABILITIES				
Accounts payable	\$ 8,503	\$ 94,877	\$ 86,532	\$ 16,848
Due to other governments	-	1,873,359	1,873,359	-
Due to other funds	2,060	22,113	24,173	-
Due to component units	26	-	26	-
Property held in trust	171,754	14,079,192	14,147,897	103,049
Securities lending liability	-	708,330	708,330	-
Other liabilities	1,942	41,843	41,833	1,952
Total liabilities	<u>\$ 184,285</u>	<u>\$ 16,819,714</u>	<u>\$ 16,882,150</u>	<u>\$ 121,849</u>

CAPITAL ASSETS

The following three schedules present the capital assets used in the operation of governmental funds by function and activity.

STATE OF MONTANA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 JUNE 30, 2002
 (expressed in thousands)

GOVERNMENTAL FUND CAPITAL ASSETS

Land	\$	265,994
Land improvements		9,566
Buildings/other improvements		302,293
Equipment		68,211
Other capital assets		66,639
Construction in progress		170,127
Infrastructure		253,676
		<hr/>
Total general capital assets	\$	<u>1,136,506</u>

INVESTMENTS IN GOVERNMENTAL CAPITAL ASSETS FROM

General fund capital assets		330,777
State special revenue fund capital assets		632,853
Federal special revenue fund capital assets		59,047
Capital projects fund capital assets		5,118
Permanent fund capital assets		51,270
Donated capital assets		57,441
		<hr/>
Total investments in general capital assets	\$	<u>1,136,506</u>

STATE OF MONTANA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2002
(expressed in thousands)

FUNCTION AND ACTIVITY	LAND	LAND IMPROVEMENTS	BUILDINGS AND IMPROVEMENTS	EQUIPMENT	OTHER CAPITAL ASSETS	INFRA-STRUCTURE	TOTALS
General government							
Legislative	\$ -	\$ -	\$ -	\$ 329	\$ 5	\$ -	\$ 334
Executive	3,199	4,898	50,815	3,097	45	-	62,054
Judicial	-	-	-	155	981	-	1,136
Total general government	3,199	4,898	50,815	3,581	1,031	-	63,524
Public safety/corrections							
Law enforcement	383	-	29,932	11,702	-	-	42,017
Corrections	2,404	486	74,119	3,621	-	-	80,630
Professional/business regulation	-	-	5	136	-	-	141
Safety	-	-	-	91	-	-	91
Total public safety/corrections	2,787	486	104,056	15,550	-	-	122,879
Transportation	143,041	-	46,500	11,264	-	158,979	359,784
Health/social services							
Health/environment	-	-	92	4,494	-	-	4,586
Social services/welfare/mental health	2,299	549	56,765	11,196	34	-	70,843
Veterans affairs	33	-	288	43	-	-	364
Total health/social services	2,332	549	57,145	15,733	34	-	75,793
Educational/cultural							
Educational	52,729	-	8,221	3,362	1,940	-	66,252
Cultural	196	-	4,584	206	63,625	-	68,611
Total educational/cultural	52,925	-	12,805	3,568	65,565	-	134,863
Resource development/recreation							
Health/environment	-	-	-	37	-	-	37
Resource development	-	1,083	646	6,651	-	94,697	103,077
Recreation	61,064	2,446	23,543	6,128	9	-	93,190
Agricultural	-	-	60	1,482	-	-	1,542
Total resource development/recreation	61,064	3,529	24,249	14,298	9	94,697	197,846
Economic development/assistance	646	104	6,723	4,217	-	-	11,690
Total capital assets allocated to functions	\$ 265,994	\$ 9,566	\$ 302,293	\$ 68,211	\$ 66,639	\$ 253,676	\$ 966,379
Construction in progress							170,127
Total general capital assets							\$ 1,136,506

STATE OF MONTANA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(expressed in thousands)

FUNCTION AND ACTIVITY	GENERAL CAPITAL ASSETS JULY 1, 2001	ADDITIONS	DELETIONS	GENERAL CAPITAL ASSETS JUNE 30, 2002
General government				
Legislative	\$ 539	\$ 53	\$ 258	\$ 334
Executive	51,658	10,396	-	62,054
Judicial	1,028	119	11	1,136
Total general government	53,225	10,568	269	63,524
Public safety/corrections				
Law enforcement	40,687	2,410	1,080	42,017
Corrections	86,165	2,912	8,447	80,630
Professional/business regulation	2,041	-	1,900	141
Safety	91	-	-	91
Total public safety/corrections	128,984	5,322	11,427	122,879
Transportation	60,495	301,881	2,592	359,784
Health/social services				
Health/environment	4,039	747	200	4,586
Social services/welfare/mental health	75,635	1,898	6,690	70,843
Veterans affairs	364	-	-	364
Total health/social services	80,038	2,645	6,890	75,793
Educational/cultural				
Educational	14,025	52,431	204	66,252
Cultural	67,237	10,562	9,188	68,611
Total educational/cultural	81,262	62,993	9,392	134,863
Resource development/recreation				
Health/environment	37	-	-	37
Resource development	122,338	96,567	115,828	103,077
Recreation	88,416	10,266	5,492	93,190
Agricultural	1,781	74	313	1,542
Total resource development/recreation	212,572	106,907	121,633	197,846
Economic development/assistance	10,165	2,184	659	11,690
Construction in progress	28,571	144,089	2,533	170,127
Total general capital assets	\$ 655,312	\$ 636,589	\$ 155,395	\$ 1,136,506