

TOWN OF CARY, NORTH CAROLINA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2006

EXHIBIT K

	Utility Systems Enterprise Fund	Governmental Activities - Internal Service Funds
ASSETS		
Current Assets		
Equity in Pooled Cash and Investments	\$122,524,890	5,838,258
Accrued Interest on Investments	986,506	8,233
Accounts Receivable, net of allowance for doubtful accounts	11,053,192	159,566
Inventories	---	79,084
Equity in Pooled Cash and Investments-Restricted	1,191,106	---
TOTAL CURRENT ASSETS	135,755,694	6,085,141
Non-Current Assets		
Deferred Bond Expenses	920,953	---
Capital Assets		
Land, Land Improvements and Construction-in-Progress	37,938,807	---
Other Capital Assets, Net of Accumulated Depreciation	324,113,847	1,301,072
Total Capital Assets, net	362,052,654	1,301,072
TOTAL NON-CURRENT ASSETS	362,973,607	1,301,072
TOTAL ASSETS	498,729,301	7,386,213
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts Payable and Accrued Liabilities	3,330,815	85,005
Due to Other Funds	(170,103)	---
Debt Payable	6,897,063	---
Accrued Debt Interest Payable	1,234,361	---
Retainage Payable	577,028	---
Deferred Revenues	1,065,812	---
Purchased Capacity Liability	103,498	---
Developer Fee Credits	755,366	---
TOTAL CURRENT LIABILITIES	13,793,840	85,005
Non-Current liabilities		
Compensated Absences	621,852	34,292
Deposits	1,155,140	9,000
Debt Payable, net of deferred loss on refunding	100,887,297	---
Deferred Bond Premium	158,060	---
Purchased Capacity Liability	569,747	---
Developer Fee Credits	3,823,654	---
Claims Incurred But Not Reported	---	835,301
Morrisville Merger Debt	3,187,686	---
Miscellaneous	860,620	---
TOTAL NON-CURRENT LIABILITIES	111,264,056	878,593
TOTAL LIABILITIES	125,057,896	963,598

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	Utility Systems Enterprise Fund	Governmental Activities - Internal Service Funds
	<u> </u>	<u> </u>
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	\$249,016,029	1,301,072
Restricted for Deposits Held	1,155,140	---
Unrestricted Net Assets	<u>123,500,236</u>	<u>5,121,543</u>
TOTAL NET ASSETS	<u>373,671,405</u>	<u>6,422,615</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$498,729,301</u>	<u>7,386,213</u>

The accompanying notes are an integral part of these basic financial statements.