

Cash Balance Table⁽¹⁾ (\$ in Thousands)

<u>Month End</u>	<u>Highway Fund</u>	<u>Highway Trust Fund</u>	<u>Total⁽²⁾</u>	<u>HTF Loans to HF (Outstanding Amount)</u>
June 2014	\$400,388	\$ 837,169	\$1,237,557	--
June 2015	373,063	1,121,310	1,494,374	--
June 2016	359,649	1,432,521	1,792,170	--
June 2017	420,658	1,746,773	2,167,432	--
March 2018	157,103	1,711,767	1,868,870	--
April 2018	103,093	1,630,588	1,733,682	\$ 60,000
May 2018	106,794	1,488,527	1,595,321	165,000
June 2018	99,797	1,360,957	1,460,754	275,000
July 2018	98,968	1,254,248	1,353,216	355,000
August 2018	100,766	1,039,225	1,139,991	540,000
September 2018	103,415	918,400	1,021,816	640,000
October 2018	96,945	714,186	811,132	810,000
November 2018	125,753	458,684	584,437	1,010,000
December 2018	95,472	309,174	404,646	1,110,000
January 2019	94,309	383,087	477,397	1,110,300
February 2019	96,840	375,061	471,901	1,110,300
March 2019	137,746	319,166	456,912	1,110,300
April 2019	114,955	285,521	400,476	1,140,300

⁽¹⁾ This is a cash basis table and accordingly the balances shown herein are different from the balances shown below in the tables under “Summary Financial Information” which are on an accrual basis.

⁽²⁾ Totals may differ due to rounding.

The decline in total cash balance in the two funds is primarily the result of efforts to accelerate construction activities. As between the two funds, the cash balance of the Highway Fund would be significantly lower (and the HTF higher) if the loans for cash management purposes had not occurred. Such loans have no effect on the aggregate cash balance of the funds and therefore have no impact on either the Act’s requirements relating to balances or the limitations discussed below. Without taking into account additional revenue sources for the Highway Fund, it is currently expected such loans will be repaid to the HTF within the next five years without interest.

With the recent increase in the cash management loans noted above, the State has decided more detailed procedures are required therefor. The State Treasurer, NCDOT and the State Office of State Budget and Management are in the process of implementing such procedures and anticipate having them in place prior to delivery of the Series 2019A Bonds. The State Treasurer, NCDOT and the State Office of State Budget and Management have agreed that, prior to the issuance of any Additional Bonds, they will execute a memorandum of understanding concerning the procedures, including reporting and notification provisions, and documentation for such loans and any interfund transfers to or from the HTF.

Limitations

There are several legislative mandates applicable to NCDOT’s cash balances. In any month in which NCDOT’s total cash balance on hand from the HTF and the Highway Fund exceeds \$1,000,000,000, NCDOT must report its cash balance to the Board of Transportation and certain legislative entities no later than the 15th day of the following month. In addition, the total of annual expenditures and payments cannot cause the aggregate amount in the Highway Fund and the HTF at the end of any month to fall below 7.5%