



# North Carolina Office of the State Controller

## Financial Reporting Update

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### GASB 65 Effective for FY 2014

**January 24, 2014 – Contact: Terri Noblin, Manager, Accounting & Financial Reporting (919) 707-0526**

**Update: March 14, 2014 – Appendices B, C, and D added**

In March 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65). GASB 65 reclassifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources, and recognizes certain items that were previously reported as assets and liabilities as expenses/expenditures or revenues.

GASB 65 is effective for the fiscal year ending June 30, 2014. This new standard amends the financial statement element classification of certain items previously reported as assets and liabilities to be consistent with the definitions in the GASB's Concepts Statement 4 *Elements of Financial Statements*, where deferred outflows and deferred inflows of resources are introduced and defined. Concepts Statement 4 also limits reporting of items as deferred outflows and inflows to only those instances identified by the GASB in authoritative pronouncements. GASB 65 also introduces changes that impact the determination of the major fund calculations, and limits the use of the term "deferred" in financial statement presentations.

The agencies that will be most significantly impacted by the implementation of this new standard are those with the following types of transactions:

- Deferred amounts resulting from the refunding of debt.
- Bond issuance costs.
- Resources received from grantors related to government-mandated or voluntary nonexchange transactions when a time requirement is the only eligibility requirement that has not been met.
- Revenue of a governmental fund that is not recognized solely because it is not yet available.

The key implementation issues are to ensure that transactions previously posted to asset or liability accounts impacted by GASB 65 are reclassified to the appropriate deferred outflow/ inflow of resources, expense/expenditure, or revenue accounts. Restatements may be required. [For example: Bond issuance costs will now be expensed in the year they are incurred. So in 2014, a restatement for all bond issuance costs incurred in prior years that is still being amortized will be required. Any bond issuance costs incurred in the current year would be expensed.] Governmental fund statements have been updated to include a section for deferred outflows and inflows of resources. Governmental and proprietary statements include new statement captions and amendments to certain statement captions.

To gain additional understanding of GASB 65, please refer to the following resources:

- GASB Plain-Language Articles on GASB 65 and Concepts Statement 4:
  - [GASB Statement Reclassifies Certain Items Previously Reported as Assets and Liabilities](#)
  - [Defining the Fundamental Elements of Financial Reporting](#)
- The GASB webpage from which you may access a PDF file of GASB 65 as well as other GASB pronouncements – [GASB Pronouncements](#).
- NACUBO Website Article – [GASB Issues Statement No. 65: Items Previously Reported as Assets and Liabilities](#)
- Appendix A: List of items reclassified by GASB 65 – See **Attachment** below
- Appendix B: Chart of Accounts changes for GASB 65 – See **Attachment** below



# North Carolina Office of the State Controller

## Financial Reporting Update

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- Appendix C: Changes to the governmental funds balance sheet – See **Attachment** below
- Appendix D: Changes to the proprietary funds statement of net position – See **Attachment** below

Thank you for your time and attention to this important change. OSC will continue to provide updates as the standard is implemented. Questions regarding this specific update should be directed to Debbie Dryer at (919) 707-0528, [Debbie.Dryer@osc.nc.gov](mailto:Debbie.Dryer@osc.nc.gov) or Helen Vozzo at (919) 707-0529, [Helen.Vozzo@osc.nc.gov](mailto:Helen.Vozzo@osc.nc.gov).

## **Appendix A**

### **Items Reclassified by GASB 65**

Appendix A provides a list of items reclassified by GASB 65 to deferred outflows of resources; deferred inflows of resources; and expenses/revenues. (*Paragraph references provided below are for GASB 65.*)

#### ***From assets (or deduction from bonds payable) to deferred outflows of resources:***

- The excess of the reacquisition price of refunded debt over its net carrying amount (previously reported as deduction from bonds payable) (§6);
- Payments made within the financial reporting entity to purchase the right to future revenues (§13);
- A loss on a sale-leaseback transaction (§18);
- Direct loan origination costs paid in connection with mortgage banking activities for loans held for sale (§26);
- Fees paid to permanent investors to ensure the ultimate sale of loans in connection with mortgage banking activities (prior to sale) (§27);
- An increase in the present value of the payments due from a lessee under a capital lease as a result of the lessor's passing on the economic advantages of a refunding of tax exempt debt under a revised agreement (§7);
- Expenses or losses recoverable from future rates (*for regulated industries, if this accounting treatment is elected*) (§29); and
- Resources provided by a grantor when the only eligibility criterion that has *not* been met by the recipient is a time requirement (§10).

GASB Statement 53, which was issued after GASB Concepts Statement 4, already classified the following as a deferred outflow of resources:

- Accumulated decrease in fair value of hedging derivatives.

#### ***From liabilities to deferred inflows of resources:***

- The excess of the net carrying amount of refunded debt over its reacquisition price (previously reported as addition to bonds payable) (§6);
- Resources received from a grantor when the only eligibility criterion that has *not* been met by the recipient is a timing requirement (§10);
- Other imposed nonexchange revenues received or recognized as a receivable prior to the period when the use of the resources is either required or first permitted (§9);
- Revenue of a governmental fund that is not recognized solely because it is not yet considered to be *available* (§30);
- A reduction in the present value of the payments due from a lessee under a capital lease as a result of the lessor's passing on the economic advantages of a refunding of tax exempt debt (§7);
- Property taxes received or recognized as a receivable prior to the period they were intended to finance (§9);
- Proceeds from the sale of future revenues (§12);
- Payments received within the financial reporting entity for the right to future revenues (§13);
- Gain on a sale-leaseback transaction (§18);
- Points received by a lender in relation to a loan origination (§22);
- Loan origination fees received in connection with mortgage-banking activities (including any portion related to points) for loans held for sale (§26); and
- Rates set or other gains received to offset anticipated future costs (*for regulated industries, if this accounting treatment is elected*) (§29).

*Appendix A cont.*

GASB Statements 53 and 60, which were issued after GASB Concepts Statement 4, already classified the following as deferred inflows of resources:

- Accumulated increase in fair value of hedging derivatives (Statement 53); and
- Service concession arrangement (SCA) revenue applicable to future years (Statement 60).

***From assets to expenses:***

- Debt issuance costs (excluding any portion that represents prepaid insurance) (¶15);
- Initial direct costs of operating leases (¶17);
- Acquisition costs related to insurance activities (¶20);
- Direct loan origination costs (¶22);
- Fees paid in connection with the purchase of a loan (¶24); and
- Direct loan origination costs paid in connection with mortgage banking activities for loans held for investment purposes (¶26).

***From liabilities to revenues:***

- Loan origination fees received (other than the portion related to points) (¶22);
- Fees received in connection with the purchase of loans (¶23 and 24); and
- Loan origination fees received in connection with mortgage banking activities (other than the portion related to points) for loans held for investment purposes (¶26).

NC Office of the State Controller - GASB 65 Appendix B - Part 1 of 5		
New Accounts Added to Implement GASB 65 Items Previously Reported as Assets and Liabilities		
Effective for fiscal year 2014		Updated 4/14/14 for accts 129702 & 229203 - for DST
New	Full Account Title	NCAS Account title (25 characters)
NCAS	Account classification	Financial statement caption
Acct #	Definition	DSS Financial statement roll-up
1	129702 Deferred loss on refunding bonds <b>Deferred outflow of resources</b> <u>Definition:</u> The excess of the reacquisition price of refunded debt over its net carrying amount; defined in GASB 65 paragraph 6	DEF LOSS ON REFUNDNG BOND rolls to new caption "Deferred loss on refunding" in the <b>Deferred outflows of resources</b> section. For governmental funds, should only be used by Dept of State Treasurer for refunding bonds.
2	129703 Other deferred outflow of resources <b>Deferred outflow of resources</b> <u>Definition:</u> For deferred outflows defined by GASB 65 in paragraphs 7, 10, 13, 18, 26, 27, and 29. See accts 129701 and 129702 for deferred outflows for hedging derivatives and deferred loss on refunding bonds, respectively. If an agency requires a more specific deferred outflow account, a new account request should be submitted to the OSC.	OTH DEF OUTFLOW OF RESRCS rolls to new caption "Deferred outflows - other" in the <b>Deferred outflows of resources</b> section on statement of net position/balance sheet (DSS CAFR 11P/11G)
3	229203 Deferred gain on refunding bonds <b>Deferred inflow of resources</b> <u>Definition:</u> The excess of the net carrying amount of refunded debt over its reacquisition price; defined in GASB 65 par 6.	DEF GAIN ON REFUNDNG BOND rolls to new caption "Deferred gain on refunding" in the <b>Deferred inflows of resources</b> section. For governmental funds, should only be used by Dept of State Treasurer for refunding bonds
4	229204 Deferred inflow-nonexchange transactions <b>Deferred inflow of resources</b> <u>Definition:</u> This account may be used by governmental or proprietary funds to record deferred inflows from nonexchange transactions defined by GASB 65 in paragraphs 9 and 10. This includes imposed nonexchange revenues received or recorded as a receivable prior to the period when use of the resources is either required or first permitted. This also includes resources received from a grantor when the only eligibility criterion that has <i>not</i> been met by the recipient is a timing requirement.	DEF INFLOW-NONEXCH TXNS rolls to new caption "Deferred inflows-nonexchange transactions" in the <b>Deferred inflows of resources</b> section on statement of net position/balance sheet
5	229205 Other deferred inflow of resources <b>Deferred inflow of resources</b> <u>Definition:</u> For deferred inflows defined by GASB 65 paragraphs 7, 12, 13, 18, 22, 26, and 29. See acct 218120 and other 2292XX accts already established as deferred inflows. If an agency requires a more specific deferred inflow account, a new account request should be submitted to the OSC.	OTH DEF INFLOW OF RESRCS rolls to new caption "Deferred inflows-other" in the <b>Deferred inflows of resources</b> section on statement of net position/balance sheet

NC Office of the State Controller - GASB 65 Appendix B - Part 2 of 5				
Existing Accounts Modified to Implement GASB 65 Items Previously Reported as Assets and Liabilities				
Effective for fiscal year 2014				
OSC	NCAS	Old Account Title; Acct classification;	New Account Title; Acct classification;	NCAS Account title (25 characters)/ Effect on NCAS chart of accounts/roll-up
Action	Acct #	Old F/S caption; Old definition	F/S caption; Definition/Explanation	Agency Action for FY 2014 if needed:
1 Amend caption title for roll-up; Add definition to clarify	129100	Prepaid items-noncurrent Noncurrent asset Old F/S caption: Deferred charges Did not have definition	Same acct title Remains a noncurrent asset New F/S caption: Prepaid items <u>Definition:</u> This account is for prepaid rent, insurance and subscriptions, and includes prepaid insurance associated with debt issuance. This account is invalid for governmental funds. <u>Explanation:</u> GASB 65 par. 15 states that debt issuance costs, except any portion related to prepaid insurance costs, should be recognized as an expense in the period incurred. Prepaid insurance costs should be reported as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt.	PREPAID ITEMS - NON CUR NCAS acct title remains same but amended caption title for roll-up. On NCAS DSS CAFR 11P, changed old caption "Deferred charges" to " <u>Prepaid items</u> " in the noncurrent assets section of the statement of net position because GASB 65 limits use of the term deferred to specific items defined by GASB. Invalid acct on gov funds bal sheet CAFR 11G
2 Modify account title; Amend caption title	129200	Deferred dredging Noncurrent asset Old F/S caption: Deferred charges Did not have definition	New Acct title: Unamortized dredging Remains a noncurrent asset New F/S caption: Prepaid items <u>Explanation:</u> State Ports Authority uses this acct; conferred with State Ports on new acct title; definition not needed.	UNAMORTIZED DREDGING rolls to noncurrent asset caption " <u>Prepaid items</u> " This caption title was changed from Deferred charges to Prepaid items because GASB 65 limits the use of the term deferred.
3 Modify acct title; Amend gov funds caption to which acct rolls; Enhance definition to clarify	218110	Rev collected in advance-(Unearned rev) Old NCAS title: REV COLLECTED IN ADV Current liability Old F/S caption: Deferred revenue Old definition: For revenues realized prior to meeting revenue recognition criteria; may be used by governmental funds and proprietary funds. Acct 218110 is <i>not</i> for unavailable revenue of governmental funds; separate acct 218120 is for unavailable.	New Acct title: Unearned revenue New NCAS Acct title: UNEARNED REVENUE Remains a current liability New F/S caption: Unearned revenue <u>New definition:</u> Acct 218110 may be used by governmental funds and proprietary funds as follows: in gov-mandated and voluntary nonexchange transactions, should be used by recipient to record resources transmitted <i>before</i> eligibility requirements are met, excluding time requirements as described in GASB 65 par 10; to record resources received in advance of an exchange transaction; to record resources received in advance for derived tax revenue nonexchange transactions.	UNEARNED REVENUE For governmental funds balance sheet old F/S caption Deferred revenue changed to " <u>Unearned revenue</u> ", same as for proprietary funds. GASB 65 limits the use of the term deferred. <u>Agency Action:</u> Analyze existing balances in acct 218110 and evaluate whether they are properly classified based on the enhanced definition for the account. Look also at new deferred inflow acct 229204. As needed, confer with OSC analyst. If necessary, reclassify balance to new deferred inflow account.
4 Modify acct title; Change acct classification and roll-up; Enhance acct def'n	218120	Deferred revenue-unavail curr period Old NCAS title: DEF REV-UNAVAIL CUR PER Old classification: Current liability Old F/S caption: Deferred revenue Old definition: Used by governmental funds only when a receivable recorded, offset by a "deferred revenue" when the revenue is not yet "available." Acct is invalid for proprietary funds.	New Acct title: Unavailable revenue New NCAS acct title: UNAVAILABLE REVENUE New classification: <b>Deferred inflow of resources.</b> New F/S caption: Unavailable revenue <u>New definition:</u> For revenue of a governmental fund that is not recognized solely because it is not yet considered to be <i>available</i> ; defined by GASB 65 paragraph 30 as a deferred inflow. This account is for use only by governmental funds and is invalid for proprietary funds.	UNAVAILABLE REVENUE will roll to new caption " <u>Unavailable revenue</u> " Change in the acct roll-up for 218120 on gov balance sheet from current liabilities to <b>Deferred inflows of resources</b> - new section on the gov funds bal sheet; remains invalid for proprietary funds.

NC Office of the State Controller - GASB 65 Appendix B - Part 2 of 5				
Existing Accounts Modified to Implement GASB 65 Items Previously Reported as Assets and Liabilities				
Effective for fiscal year 2014				
OSC	NCAS	<u>Old Account Title;</u> <u>Acct classification;</u>	<u>New Account Title;</u> <u>Acct classification;</u>	<u>NCAS Account title (25 characters)/</u> <u>Effect on NCAS chart of accounts/roll-up</u>
<u>Action</u>	<u>Acct #</u>	<u>Old F/S caption; Old definition</u>	<u>F/S caption; Definition/Explanation</u>	<u>Agency Action for FY 2014 if needed:</u>
5 Modify account & caption title	221500	Deferred Death Benefit Payable Old NCAS title: DEFERRED DEATH BEN PAY Long-term liability Old F/S caption: Deferred Death Benefit Payable	New acct title: Death Benefit Payable New NCAS acct title: DEATH BENEFIT PAYABLE Remains a long-term liability New F/S caption: Death Benefit Payable <u>Explanation:</u> No change in acct use; removing deferred from title because not needed and GASB 65 limits use of term to only items defined by GASB	DEATH BENEFIT PAYABLE No change in roll-up other than titles.
6 Modify definition only	535326	535326 Amortization-Debt Discounts, premiums and refunding deferrals; Nonoperating expense F/S caption: Interest and fees- Debt interest Old definition: Amortization of debt discounts/premiums and the difference between the reacquisition price and net carrying amount of the old debt for current/advance refundings resulting in defeasance of debt. For proprietary fund year-end reporting, this account rolls to interest expense, nonoperating. This account should not be used for amortization of debt issuance costs recorded as deferred charges – use account 535332 instead.	Same acct title Remains Nonoperating expense F/S caption: remains Interest and fees, Debt interest caption. <u>New definition:</u> For amortization of debt discounts/premiums and the difference between the reacquisition price and net carrying amount of the old debt for current/advance refundings resulting in defeasance of debt. For proprietary fund year-end reporting, this account rolls to nonoperating interest expense. This acct is not valid for governmental funds. <u>Explanation of change:</u> Removed last sentence referring to acct 535332 for amortizing debt issuance costs as GASB 65 now requires all debt issuance costs except for prepaid insurance to be expensed in the year incurred. Updated other wording slightly.	AMORTIZ-DISC/PREM/REF DEF No change in NCAS acct title or roll-up.
7 Modify acct use and definition	535332	535332 Bond issue cost Acct classification: Nonoperating expense for proprietary; Debt service exp for governmental Old F/S caption: Misc nonop exp for proprietary; Debt issuance costs for governmental funds. Old definition: Payments to bond underwriters, legal fees, and other costs associated with debt issuance. This account may be used by governmental and proprietary funds. For governmental funds, this account rolls with expenditures to a separate caption for Debt issuance costs. For proprietary funds, this account should be used for amortization of debt issuance costs recorded as deferred charges; this rolls to miscellaneous nonoperating expenses.	Same acct title Acct classification: Remains Nonop exp for proprietary and Debt issuance cost for governmental. Same F/S captions for both governmental funds and proprietary funds. <u>New definition:</u> Payments to bond underwriters, legal fees, and other costs associated with debt issuance. This account may be used by governmental and proprietary funds. For governmental funds, this account rolls with expenditures to a separate caption for Debt issuance costs. For proprietary funds, this account should be used for expensing debt issuance costs in the period in which they are incurred. For proprietary funds, this is a miscellaneous nonoperating expense. <u>Explanation of change:</u> Deleting reference to using acct for amortization of bond issuance cost as GASB 65 par 15 requires expensing and no longer allows recording debt issuance costs as asset to amortize.	BOND ISSUE COST No change in NCAS acct title or roll-up for governmental or proprietary funds.

NC Office of the State Controller - GASB 65 Appendix B - Part 3 of 5					
Accounts made Invalid to Implement GASB 65 <i>Items Previously Reported as Assets and Liabilities</i>					
Effective for fiscal year 2014			Updated 4/14/14 acct 226130 - invalid for 11G also		
OSC	NCAS	Old Account Title and	Explanation for Acct becoming Invalid		
Action	Acct #	Financial statement classification	for CAFR and F/S reports	Agency Action for FY 2014:	
1	Add invalid indicator on NCAS and change to invalid on DSS CAFR 11P roll-up	129400	Bond Issuance Cost - Non-current Noncurrent asset	Invalid effective FY 2014 because GASB 65 par.15 now requires bond issuance costs to be expensed in the year incurred.	Restate beginning net position for any prior year bond issuance costs that had been recorded in this account. Starting fiscal year 2014 use exp acct 535332 Bond Issue Cost to expense.
2	Add invalid indicator on NCAS and change to invalid on DSS CAFR 11G and 11P roll-ups	218200	Other deferred credits Current liability Old F/S caption: "Deferred revenue" on governmental funds balance sheet and "Unearned revenue" on proprietary funds statement of net position	Invalid effective for FY 2014 because GASB 65 limits the use of the term deferred to specific deferred inflows or deferred outflows as defined by the GASB. Starting FY 2014, accounts meeting GASB criteria for deferred items have been established or amended.	For FY 2014, any agency with a balance in account 218200 must analyze and reclassify to an appropriate liability or deferred inflow account for 6/30/14. Please refer to GASB 65 new and modified accounts spreadsheets and confer with OSC as needed.
3	Add invalid indicator on NCAS and change to invalid on DSS CAFR 11P roll-up and 11G	226130	Unamortized Charge-Refunding bonds Noncurrent liability Prior to FY 2014, this acct was for the unamortized portion of the diff between the reacquisition price and the net carrying amt of debt that had been refunded in either an advance refunding or current refunding transaction; the acct was added to or deducted from the related debt reported on the balance sheet.	Invalid effective FY 2014 because under GASB 65 par.6, for current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business activities, and proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflow or deferred inflow of resources. New accts 129702 and 229203, respectively, have been established.	Starting fiscal year 2014, use accts 129702 Deferred loss on refunding or 229203 Deferred gain on refunding. Reclassify any prior year balance in account 226130 to new account as needed.



NC Office of the State Controller - GASB 65 Appendix B - Part 4 of 5			
GASB 65 Paragraph references with NCAS acct numbers for Deferred Outflows and Deferred Inflows			
Effective for fiscal year 2014			
Reference	Item	Description of Item	NCAS Acct. No. & Title
GASB 65, ¶6	Deferred <b>outflow</b> of resources	The excess of the reacquisition price of refunded debt over its net carrying amount (previously reported as deduction from bonds payable)	129702 Deferred loss on refunding bonds
GASB 65, ¶7	Deferred <b>outflow</b> of resources	An increase in the present value of the payments due from a lessee under a capital lease as a result of the lessor's passing on the economic advantages of a refunding of tax exempt debt under a revised agreement	129703 Other deferred outflow of resources
GASB 65, ¶10	Deferred <b>outflow</b> of resources	Resources provided by a grantor when the only eligibility criterion that has <i>not</i> been met by the recipient is a time requirement	129703 Other deferred outflow of resources
GASB 65, ¶13	Deferred <b>outflow</b> of resources	Payments made within the financial reporting entity to purchase the right to future revenues	129703 Other deferred outflow of resources
GASB 65, ¶18	Deferred <b>outflow</b> of resources	A loss on a sale-leaseback transaction	129703 Other deferred outflow of resources
GASB 65, ¶26	Deferred <b>outflow</b> of resources	Direct loan origination costs paid in connection with mortgage banking activities for loans held for sale	129703 Other deferred outflow of resources
GASB 65, ¶27	Deferred <b>outflow</b> of resources	Fees paid to permanent investors to ensure the ultimate sale of loans in connection with mortgage banking activities (prior to sale)	129703 Other deferred outflow of resources
GASB 65, ¶29	Deferred <b>outflow</b> of resources	Expenses or losses recoverable from future rates <i>(for regulated industries, if this accounting treatment is elected)</i>	129703 Other deferred outflow of resources
GASB 65, ¶6	Deferred <b>inflow</b> of resources	The excess of the net carrying amount of refunded debt over its reacquisition price (previously reported as addition to bonds payable)	229203 Deferred gain on refunding bonds
GASB 65, ¶7	Deferred <b>inflow</b> of resources	A reduction in the present value of the payments due from a lessee under a capital lease as a result of the lessor's passing on the economic advantages of a refunding of tax exempt debt	229205 Other deferred inflow of resources
GASB 65, ¶9	Deferred <b>inflow</b> of resources	Property taxes received or recognized as a receivable prior to the period they were intended to finance	Does not apply to State Gov't at this time so no NCAS acct established
GASB 65, ¶9	Deferred <b>inflow</b> of resources	Other imposed nonexchange revenues received or recognized as a receivable prior to the period when the use of the resources is either required or first permitted	229204 Deferred inflow-Nonexchange transaction
GASB 65, ¶10	Deferred <b>inflow</b> of resources	Resources received from a grantor when the only eligibility criterion that has <i>not</i> been met by the recipient is a timing requirement	229204 Deferred inflow-Nonexchange transaction
GASB 65, ¶12	Deferred <b>inflow</b> of resources	Proceeds from the sale of future revenues	229205 Other deferred inflow of resources
GASB 65, ¶13	Deferred <b>inflow</b> of resources	Payments received within the financial reporting entity for the right to future revenues	229205 Other deferred inflow of resources
GASB 65, ¶18	Deferred <b>inflow</b> of resources	Gain on a sale-leaseback transaction	229205 Other deferred inflow of resources
GASB 65, ¶22	Deferred <b>inflow</b> of resources	Points received by a lender in relation to a loan origination	229205 Other deferred inflow of resources
GASB 65, ¶26	Deferred <b>inflow</b> of resources	Loan origination fees received in connection with mortgage-banking activities (including any portion related to points) for loans held for sale	229205 Other deferred inflow of resources
GASB 65, ¶29	Deferred <b>inflow</b> of resources	Rates set or other gains received to offset anticipated future costs <i>(for regulated industries, if this accounting treatment is elected)</i>	229205 Other deferred inflow of resources
GASB 65, ¶30	Deferred <b>inflow</b> of resources	Revenue of a governmental fund that is not recognized solely because it is not yet considered to be <i>available</i>	218120 Unavailable revenues

## Glossary

**Imposed nonexchange revenues** – result from assessments by governments on nongovernmental entities, including individuals, other than assessments on exchange transactions. Examples include property (ad valorem) taxes; fines and penalties; and property forfeitures, such as seizures and escheats. The principal characteristic of these transactions is that the required transmittal of resources to the assessing government is imposed by that government on an act committed or omitted by the provider (such as property ownership or the contravention of a law or regulation) that is not an exchange transaction. [GASBS 33, ¶7]

**Government-mandated nonexchange transactions** – occur when a government (including the federal government) at one level provides resources to a government at another level and requires that government to use them for a specific purpose or purposes established in the provider's enabling legislation. That is, the provider establishes purpose restrictions and also may establish time requirements. Examples of government-mandated nonexchange transactions include federal programs that state or local governments are mandated to perform, and state programs that local governments are mandated to perform. The principal characteristics of these transactions are (1) a provider government (including the federal government) mandates that a recipient government perform a particular program or facilitate its performance by another government or by a nongovernmental entity (secondary recipient) and (2) fulfillment of certain requirements is essential for a transaction (other than the provision of cash or other assets in advance) to occur. These essential requirements may include time requirements and are referred to in this section as eligibility requirements. [GASBS 33, ¶7]

**Voluntary nonexchange transactions** – result from legislative or contractual agreements, other than exchanges, entered into willingly by two or more parties. Examples of voluntary nonexchange transactions include certain grants, certain entitlements, and donations by nongovernmental entities, including individuals (private donations). Both parties to a voluntary nonexchange transaction may be governments (including the federal government, as a provider), or one party may be a nongovernmental entity, including an individual. Frequently, the provider establishes purpose restrictions and eligibility requirements. In many cases, the provider may require the return of the resources if the purpose restrictions or eligibility requirements are contravened after recognition of the transaction. The principal characteristics of voluntary nonexchange transactions are (1) they are not imposed on the provider or the recipient and (2) fulfillment of eligibility requirements is essential for a transaction (other than the provision of cash or other assets in advance) to occur. [GASBS 33, ¶7]

**Derived tax revenues** – result from assessments imposed by governments on exchange transactions. Examples include taxes on personal income, corporate income, and retail sales of goods and services. The principal characteristics of these transactions are (1) the assessing government imposes the provision of resources on the provider (the entity that acquires the income, goods, or services) and (2) the government's assessment is on an exchange transaction, such as the exchange of an employee's services for a wage or salary or the exchange of motor fuel for the market price of the fuel. [GASBS 33, ¶7]

NC Office of the State Controller - GASB 65 - Appendix C					
Changes to the DSS CAFR 11G Balance Sheet to Implement GASB 65 Items Previously Reported as Assets and Liabilities					
Effective for fiscal year 2014					
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes		updated 4/14/14 - see bottom p 3	
Items to be changed highlighted in yellow		Summary of Changes for Governmental funds: (highlighted in green)			
		<ul style="list-style-type: none"> <li>- Add 2 new financial statement sections with new captions and accounts and subtotals: <ul style="list-style-type: none"> <li>Deferred Outflows of Resources (after Assets) - 1 new caption</li> <li>Deferred Inflows of Resources (after Liabilities) - 3 new captions</li> </ul> </li> <li>- Change Deferred revenue caption to Unearned revenue</li> <li>- Modify acct title 218110</li> <li>- Modify acct title 218120 &amp; move to new caption Unavailable revenues under Deferred Inflows</li> <li>- Redo formulas for totals accordingly</li> </ul>			
FY 2013,13th Period,YTD ACTUAL		Assets(and other debits) + Def Outflows = Liab + Def Inflows + Fund Bal(and other credits)			
	Gen+ Spec + Cap Imp+ Perm		Gen+ Spec + Cap Imp+ Perm	Comments/Explanation	
ASSETS AND OTHER DEBITS		ASSETS AND OTHER DEBITS			
Cash, cash equiv, and pooled cash		Cash, cash equiv, and pooled cash			
. Cash and cash equivalents	28,931,661.71	. Cash and cash equivalents	28,931,661.71		
. Pooled cash	4,200,051,892.41	. Pooled cash	4,200,051,892.41		
Investments		Investments			
. Investments	478,715,498.71	. Investments	478,715,498.71		
. Pooled investments	210,359,008.48	. Pooled investments	210,359,008.48		
. Restricted investments	43,149,491.78	. Restricted investments	43,149,491.78		
Receivables, net:		Receivables, net:			
. Taxes receivable	2,089,397,343.11	. Taxes receivable	2,089,397,343.11		
. Accounts receivable	277,050,301.72	. Accounts receivable	277,050,301.72		
. Intergovernmental rec	1,302,434,077.80	. Intergovernmental receivables	1,302,434,077.80		
. Interest receivable	5,372,166.02	. Interest receivable	5,372,166.02		
. Other receivables	4,691,327.53	. Other receivables	4,691,327.53		
Due from other funds	78,982,088.99	Due from other funds	78,982,088.99		
Due from component units	1,180,276.81	Due from component units	1,180,276.81		
Inventories	194,035,077.86	Inventories	194,035,077.86		
Advances to other funds	23,605,800.47	Advances to other funds	23,605,800.47		
Advances to component units	3,440,614.88	Advances to component units	3,440,614.88		
Notes receivable	89,468,048.26	Notes receivable	89,468,048.26		
Securities held in trust (Sureties)	49,508,295.15	Securities held in trust (Sureties)	49,508,295.15		
TOTAL ASSETS AND OTHER DEBITS	9,080,372,971.69	TOTAL ASSETS AND OTHER DEBITS	9,080,372,971.69		

NC Office of the State Controller - GASB 65 - Appendix C					
Changes to the DSS CAFR 11G Balance Sheet to Implement GASB 65 <i>Items Previously Reported as Assets and Liabilities</i>					
Effective for fiscal year 2014					
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes		updated 4/14/14 - see bottom p 3	
		<b>DEFERRED OUTFLOWS OF RESOURCES</b>			<b>Add new section heading</b>
		Deferred outflows-other			<b>Add new caption</b>
		129703 OTH DEF OUTFLOW OF RESRCS	0.00		New acct 129703 for this caption
		<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	0.00		<b>New section total</b>
		<b>TOTAL ASSETS (AND OTHER DEBITS) AND DEFERRED OUTFLOWS</b>	9,080,372,971.69		<b>New total for two sections</b>
LIABILITIES:		LIABILITIES:			
Accts payable & accrued liabilities:		Accts payable & accrued liabilities:			
. Accounts payable	864,172,016.72	. Accounts payable	864,172,016.72		
. Accrued payroll	44,719,504.62	. Accrued payroll	44,719,504.62		
. Intergovernmental payables	824,706,045.00	. Intergovernmental payables	824,706,045.00		
. Claims payable	52,061,284.80	. Claims payable	52,061,284.80		
Medical claims payable	914,053,722.73	Medical claims payable	914,053,722.73		
Tax refunds payable	1,441,372,670.92	Tax refunds payable	1,441,372,670.92		
Due to fiduciary funds	86,376,921.98	Due to fiduciary funds	86,376,921.98		
Due to other funds	88,012,822.01	Due to other funds	88,012,822.01		
Due to component units	211,696,372.90	Due to component units	211,696,372.90		
Deferred revenue		<b>Unearned revenue</b>			<b>Change caption title</b>
218110 REV COLLECTED IN ADV	414,566,184.48	218110 UNEARNED REVENUE	430,859,766.44		Change acct title 218110. For illustration, acct 218200 added as Unearned rev.
218120 DEF REV-UNAVAIL CURR PER	234,791,472.74				Acct 218120 renamed & reclassified to Deferred inflow - see below
218200 OTHER DEFERRED CREDITS	16,293,581.96				Acct 218200 changed to invalid-moved bal for illustration to 218110
Deposits payable	3,749,492.49	Deposits payable	3,749,492.49		
Funds held for others	85,105,997.01	Funds held for others	85,105,997.01		
<b>TOTAL LIABILITIES</b>	<b>5,281,678,090.36</b>	<b>TOTAL LIABILITIES</b>	<b>5,046,886,617.62</b>		

NC Office of the State Controller - GASB 65 - Appendix C			
Changes to the DSS CAFR 11G Balance Sheet to Implement GASB 65 <i>Items Previously Reported as Assets and Liabilities</i>			
Effective for fiscal year 2014			
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes	updated 4/14/14 - see bottom p 3
		<b>DEFERRED INFLOWS OF RESOURCES:</b>	<b>Add new section heading</b>
		<b>Unavailable revenue</b>	<b>Add new caption</b>
		218120 UNAVAILABLE REVENUE	234,791,472.74 move 218120 to new caption
		<b>Deferred inflows-nonexchange transactions</b>	<b>Add new caption</b>
		229204 DEF INFLOW-NONEXCH TXNS	0.00 New acct 229204 for this caption
		<b>Deferred inflows-other</b>	<b>Add new caption</b>
		229205 OTH DEF INFLOW OF RESRCS	0.00 New acct 229205 for this caption
		<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	234,791,472.74 <b>New section total</b>
<b>FUND BALANCES AND OTHER CREDITS:</b>		<b>FUND BALANCES AND OTHER CREDITS:</b>	
Fund balance	3,521,434,336.22	Fund balance	3,521,434,336.22
Restatements	-22,884,407.92	Restatements	-22,884,407.92
Revenue/expense summaries	300,144,953.03	Revenue/expense summaries	300,144,953.03
<b>TOTAL FUND BAL AND OTHER CREDITS</b>	<b>3,798,694,881.33</b>	<b>TOTAL FUND BALANCE AND OTHER CREDITS</b>	<b>3,798,694,881.33</b>
<b>TOTAL LIABILITIES, FUND BALANCE AND OTHER CREDITS</b>	<b>9,080,372,971.69</b>	<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE (AND OTHER CREDITS)</b>	<b>9,080,372,971.69</b> <b>New total for three sections</b>
		Assets+Def Outflows-Liab-Def Inflows = Fund Bal	<b>In Bal.</b> <b>New equation and check</b>
<b>For GASB 5200 General Long-term Debt account group which is also on the CAFR 11G, the caption and account changes are:</b>			
Deferred death benefit payable		Death benefit payable	<b>Change caption title</b>
221500 DEFERRED DEATH BEN PAY		221500 DEATH BENEFIT PAYABLE	Change account title
<b>For GASB 5200 General Long-term Debt: (updated 4/14/14) Changes below would apply only to Dept of State Treasurer.</b>			
<b>Old - prior to GASB 65</b>		<b>New - change for GASB 65</b>	
The following account was used for FY 2013:		For FY 2014 Acct 226130 is invalid. The debit balance (loss) must be reclassified to:	
226130 UNAMORT CHG-REFUNDING BOND		129702 DEF LOSS ON REFUNDNG BOND	<b>New acct 129702</b>
This was a contra-liability acct with Bonds payable under Liabilities.		which rolls to the caption "Deferred loss on refunding" in the DEFERRED OUTFLOWS OF RESOURCES section	<b>Add new caption</b>
		For a deferred gain on refunding, please add:	
		229203 DEF GAIN ON REFUNDNG BOND	<b>New acct 229203</b>
		to roll to the caption "Deferred gain on refunding" in the DEFERRED INFLOWS OF RESOURCES section	<b>Add new caption</b>

NC Office of the State Controller - GASB 65 - Appendix D			
Changes to the DSS CAFR 11P Statement of Net Position for GASB 65 Items Previously Reported as Assets and Liabilities			
Effective for fiscal year 2014			
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes	
Items to be changed highlighted in yellow		Summary of Changes: (highlighted in green)	
		<ul style="list-style-type: none"> <li>- Add 5 new financial statement captions:               <ul style="list-style-type: none"> <li>2 more Deferred Outflows captions and accounts</li> <li>3 more Deferred Inflows captions and accounts</li> </ul> </li> <li>- Change "Deferred charges" caption to "Prepaid items" in noncurrent assets section</li> <li>- Modify acct title 129200</li> <li>- Make invalid acct 129400</li> <li>- Modify acct title 218110</li> <li>- Make invalid acct 218200</li> <li>- Modify acct title 221500 and caption title</li> <li>- Make invalid acct 226130</li> </ul>	
FY 2013,13th Period,YTD ACTUAL			
	Proprietary	Proprietary	<u>Comments/Explanation</u>
ASSETS		ASSETS	
Current Assets:		Current Assets:	
Cash and cash equivalents	4,242,620.10	Cash and cash equivalents	4,242,620.10
Pooled cash	18,736.86	Pooled cash	18,736.86
Restricted cash & cash equivalents	575,700.50	Restricted cash & cash equivalents	575,700.50
Restricted pooled cash	0.00	Restricted pooled cash	0.00
Investments	3,193,632.22	Investments	3,193,632.22
Pooled investments	0.00	Pooled investments	0.00
Restricted Investments	0.00	Restricted Investments	0.00
Security lending collateral	0.00	Security lending collateral	0.00
Receivables:		Receivables:	
. Accounts receivable	6,583,474.88	. Accounts receivable	6,583,474.88
. Intergovernmental receivables	0.00	. Intergovernmental receivables	0.00
. Interest receivable	0.00	. Interest receivable	0.00
. Premiums receivable	0.00	. Premiums receivable	0.00
. Contributions receivable	0.00	. Contributions receivable	0.00
. Other receivables	246,749.69	. Other receivables	246,749.69
Due from fiduciary funds	0.00	Due from fiduciary funds	0.00
Due from other funds	0.00	Due from other funds	0.00



NC Office of the State Controller - GASB 65 - Appendix D				
Changes to the DSS CAFR 11P Statement of Net Position for GASB 65 Items Previously Reported as Assets and Liabilities				
Effective for fiscal year 2014				
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes		
Due from component units	0.00	Due from component units	0.00	
Due from agency/institution comp unit	0.00	Due from agency/institution component unit	0.00	
Due from primary government	0.00	Due from primary government	0.00	
Notes receivable	0.00	Notes receivable	0.00	
Inventories	669,640.25	Inventories	669,640.25	
Food stamps	0.00	Food stamps	0.00	
Prepaid items	1,272,663.96	Prepaid items	1,272,663.96	
Securities held in trust (Sureties)	0.00	Securities held in trust (Sureties)	0.00	
Hedging derivatives	0.00	Hedging derivatives	0.00	
<b>Total Current Assets</b>	<b>16,803,218.46</b>	<b>Total Current Assets</b>	<b>16,803,218.46</b>	
Non-Current Assets:		Non-Current Assets:		
Restricted/designated cash and cash equiv	2,962,207.14	Restricted/designated cash and cash equiv	2,962,207.14	
Restricted/designated pooled cash	39,409.26	Restricted/designated pooled cash	39,409.26	
Investments	8,608,582.64	Investments	8,608,582.64	
Pooled investments	0.00	Pooled investments	0.00	
Restricted investments	0.00	Restricted investments	0.00	
Receivables:		Receivables:		
. Accounts receivable	0.00	. Accounts receivable	0.00	
. Interest receivable	0.00	. Interest receivable	0.00	
. Contributions receivable	0.00	. Contributions receivable	0.00	
. Other receivables	0.00	. Other receivables	0.00	
Restricted due from primary government	2,599,114.43	Restricted due from primary government	2,599,114.43	
Restricted due from component units	0.00	Restricted due from component units	0.00	
Notes receivable	0.00	Notes receivable	0.00	
Investment in joint venture	0.00	Investment in joint venture	0.00	
Deferred charges		Prepaid items		Amend caption title
129100 PREPAID ITEMS - NON CUR	0.00	129100 PREPAID ITEMS - NON CUR	0.00	No change on DSS
129200 DEFERRED DREDGING	183,152.89	129200 UNAMORTIZED DREDGING	183,152.89	Modify acct title
129400 BOND ISSUANCE COST-NONCUR	538,782.31		0.00	Acct made invalid-restate
Advances to other funds	0.00	Advances to other funds	0.00	
Advances to component unit	0.00	Advances to component unit	0.00	
Hedging derivatives	0.00	Hedging derivatives	0.00	

NC Office of the State Controller - GASB 65 - Appendix D			
Changes to the DSS CAFR 11P Statement of Net Position for GASB 65 Items Previously Reported as Assets and Liabilities			
Effective for fiscal year 2014			
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes	
Total Non-Current Assets	14,931,248.67	Total Non-Current Assets	14,392,466.36
Capital Assets, Non-depreciable:		Capital Assets, Non-depreciable:	
. Land and permanent easements	58,703,691.93	. Land and permanent easements	58,703,691.93
. Art, literature and artifact,non-depr	0.00	. Art, literature and artifact,non-depr	0.00
. Construction in progress	14,438,053.63	. Construction in progress	14,438,053.63
. Computer software in development	0.00	. Computer software in development	0.00
. Patents in development	0.00	. Patents in development	0.00
. Other intangible assets - non-depr	0.00	. Other intangible assets - non-depr	0.00
Total Capital Assets, Non-depreciable	73,141,745.56	Total Capital Assets, Non-depreciable	73,141,745.56
Capital Assets, Depreciable (net):		Capital Assets, Depreciable (net):	
. Buildings	84,331,002.41	. Buildings	84,331,002.41
. Machinery and equipment	76,053,007.25	. Machinery and equipment	76,053,007.25
. Art, literature and artifacts, depr	0.00	. Art, literature and artifacts, depr	0.00
. General infrastructure	186,251,345.42	. General infrastructure	186,251,345.42
. NC DOT highway network	0.00	. NC DOT highway network	0.00
. Computer software	3,810,356.22	. Computer software	3,810,356.22
. Patents	0.00	. Patents	0.00
. Other intangible assets - deprec	0.00	. Other intangible assets - deprec	0.00
. Accumulated depreciation	-133,312,509.82	. Accumulated depreciation	-133,312,509.82
Total Capital Assets, Depreciable (net)	217,133,201.48	Total Capital Assets, Depreciable (net)	217,133,201.48
Unclass/invalid/clear accts	0.00	Unclass/invalid/clear accts	0.00
TOTAL ASSETS	322,009,414.17	TOTAL ASSETS	321,470,631.86
DEFERRED OUTFLOWS OF RESOURCES		DEFERRED OUTFLOWS OF RESOURCES	See new captions below
Accum decr in fair value hedg deriv	128,925.93	Accum decr in fair value hedg deriv	128,925.93 same as last yr -acct 129701 here
		<b>Deferred loss on refunding</b>	<b>Add new caption</b>
		129702 DEF LOSS ON REFUNDING BOND	0.00 New acct 129702 for this caption
		<b>Deferred outflows-other</b>	<b>Add new caption</b>
		129703 OTH DEF OUTFLOW OF RESRCS	0.00 New acct 129703 for this caption
TOTAL DEFERRED OUTFLOWS OF RESOURCES	128,925.93	TOTAL DEFERRED OUTFLOWS OF RESOURCES	128,925.93
LIABILITIES		LIABILITIES	
Current Liabilities:		Current Liabilities:	
Accounts payable & accrued liabilities:		Accounts payable & accrued liabilities:	



NC Office of the State Controller - GASB 65 - Appendix D			
Changes to the DSS CAFR 11P Statement of Net Position for GASB 65 Items Previously Reported as Assets and Liabilities			
Effective for fiscal year 2014			
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes	
. Accounts payable	2,954,066.58	. Accounts payable	2,954,066.58
. Accrued payroll	348,355.58	. Accrued payroll	348,355.58
. Intergovernmental payables	0.00	. Intergovernmental payables	0.00
. Premium tax credit payables	0.00	. Premium tax credit payables	0.00
. Due to plan participants	0.00	. Due to plan participants	0.00
. Claims payable	0.00	. Claims payable	0.00
Unemployment benefits payable	0.00	Unemployment benefits payable	0.00
Due to fiduciary funds	0.00	Due to fiduciary funds	0.00
Due to other funds	0.00	Due to other funds	0.00
Due to component units	0.00	Due to component units	0.00
Due to agency/institution comp units	0.00	Due to agency/institution comp units	0.00
Due to primary government	19,563.06	Due to primary government	19,563.06
Obligations under reverse repo agreemts	0.00	Obligations under reverse repo agreements	0.00
Obligation under securities lending	0.00	Obligation under securities lending	0.00
Hedging derivatives liability	0.00	Hedging derivatives liability	0.00
Notes payable	559,350.00	Notes payable	559,350.00
Capital leases payable	623,359.70	Capital leases payable	623,359.70
Medical claims payable	0.00	Medical claims payable	0.00
Revolving line of credit payable	0.00	Revolving line of credit payable	0.00
Commercial paper payable	0.00	Commercial paper payable	0.00
Bond & similar debt payable	1,655,000.00	Bond & similar debt payable	1,655,000.00
Bond anticipation notes payable	0.00	Bond anticipation notes payable	0.00
Interest Payable:		Interest Payable:	
. Matured interest payable	0.00	. Matured interest payable	0.00
. Accrued interest payable	1,216,641.97	. Accrued interest payable	1,216,641.97
Deposits payable	0.00	Deposits payable	0.00
Funds held for others	0.00	Funds held for others	0.00
Arbitrage rebate payable	0.00	Arbitrage rebate payable	0.00
Annuity & life income payable	0.00	Annuity & life income payable	0.00
Fed unemploy acct advances	0.00	Fed unemploy acct advances	0.00
Pollution remediation payable	0.00	Pollution remediation payable	0.00
Accrued vacation leave	70,995.76	Accrued vacation leave	70,995.76

NC Office of the State Controller - GASB 65 - Appendix D				
Changes to the DSS CAFR 11P Statement of Net Position for GASB 65 Items Previously Reported as Assets and Liabilities				
Effective for fiscal year 2014				
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes		
Liability insurance trust fund payable	0.00	Liability insurance trust fund payable	0.00	
Unearned revenue		Unearned revenue		
218110 REV COLLECTED IN ADV	202,977.41	218110 UNEARNED REVENUE	202,977.41	Change acct title
218111 UNEARNED INSURANCE PREM	0.00	218111 UNEARNED INSURANCE PREM	0.00	no change
218200 OTHER DEFERRED CREDITS	0.00			Acct made invalid. Reclass any FY2013 amt as needed
Total Current Liabilities	7,650,310.06	Total Current Liabilities	7,650,310.06	
Non-Current Liabilities:		Non-Current Liabilities:		
Accounts payable & accrued liabilities:		Accounts payable & accrued liabilities:		
. Accounts payable	0.00	. Accounts payable	0.00	
. Deferred death benefit payable		. Death benefit payable		Amend caption title
221500 DEFERRED DEATH BEN PAY	0.00	221500 DEATH BENEFIT PAYABLE	0.00	Change acct title
. Premium tax credit payable	0.00	. Premium tax credit payable	0.00	
. Intergovernmental payables	0.00	. Intergovernmental payables	0.00	
. Claims payable	0.00	. Claims payable	0.00	
Unemployment benefits payable	0.00	Unemployment benefits payable	0.00	
Due to component units	0.00	Due to component units	0.00	
Due to primary government	0.00	Due to primary government	0.00	
Advances from primary government	0.00	Advances from primary government	0.00	
Advances from other funds	0.00	Advances from other funds	0.00	
Advances from component units	0.00	Advances from component units	0.00	
Contracts payable	0.00	Contracts payable	0.00	
Hedging derivatives liability	128,925.93	Hedging derivatives liability	128,925.93	
Notes payable	1,589,025.00	Notes payable	1,589,025.00	
Capital leases	28,486,417.79	Capital leases	28,486,417.79	
Medical claims payable	0.00	Medical claims payable	0.00	
Bond & similar debt payable		Bond & similar debt payable		
226100 REVENUE BONDS PAYABLE	63,450,000.00	226100 REVENUE BONDS PAYABLE	63,450,000.00	
226120 UNAMORT PREM ON BONDS PAY	212,848.95	226120 UNAMORT PREM ON BONDS PAY	212,848.95	
226130 UNAMORT CHG-REFUNDING BOND	0.00			Acct made invalid. Reclass any FY2013 amt & begin using new acct 129702 Def loss or acct 229203 Def gain
Deposits payable	0.00	Deposits payable	0.00	

NC Office of the State Controller - GASB 65 - Appendix D				
Changes to the DSS CAFR 11P Statement of Net Position for GASB 65 Items Previously Reported as Assets and Liabilities				
Effective for fiscal year 2014				
OLD - As of 6/30/13 - Before GASB 65 Changes		NEW - Effective for 6/30/14- Including GASB 65 Changes		
Funds held for others	0.00	Funds held for others	0.00	
Arbitrage rebate payable	0.00	Arbitrage rebate payable	0.00	
Annuity & life income payable	0.00	Annuity & life income payable	0.00	
Fed unemploy acct advances	0.00	Fed unemploy acct advances	0.00	
Pollution remediation payable	0.00	Pollution remediation payable	0.00	
Accrued vacation leave	1,054,135.08	Accrued vacation leave	1,054,135.08	
Liability insurance trust fund payable	0.00	Liability insurance trust fund payable	0.00	
Total Non-Current Liabilities	94,921,352.75	Total Non-Current Liabilities	94,921,352.75	
Unclass/invalid/clear accts	0.00	Unclass/invalid/clear accts	0.00	
TOTAL LIABILITIES	102,571,662.81	TOTAL LIABILITIES	102,571,662.81	
DEFERRED INFLOWS OF RESOURCES	0.00	DEFERRED INFLOWS OF RESOURCES	0.00	
Accum incr in fair value hedg deriv	0.00	Accum incr in fair value hedg deriv	0.00	same as last yr -acct 229201 here
SCA rev applicable to future year	0.00	SCA rev applicable to future year	0.00	same as last yr -acct 229202 here
		<b>Deferred gain on refunding</b>		<b>Add new caption</b>
		229203 DEF GAIN ON REFUNDING BOND	0.00	New acct 229203 for this caption
		<b>Deferred inflows-nonexchange transactions</b>		<b>Add new caption</b>
		229204 DEF INFLOW-NONEXCH TXNS	0.00	New acct 229204 for this caption
		<b>Deferred inflows-other</b>		<b>Add new caption</b>
		229205 OTH DEF INFLOW OF RESRCS	0.00	New acct 229205 for this caption
TOTAL DEFERRED INFLOWS OF RESRCS	0.00	TOTAL DEFERRED INFLOWS OF RESOURCES	0.00	
NET POSITION		NET POSITION		
Net position	218,775,810.30	Net position	218,775,810.30	
		Net position adjustments	-538,782.31	Restatement for noncurr asset acct 129400 Bond issuance cost (debit bal) no longer valid
Net position adjustments	0.00	Revenue/expense summaries	790,866.99	
Revenue/expense summaries	790,866.99	Unclassified/invalid accounts	0.00	
Unclassified/invalid accounts	0.00	TOTAL NET POSITION	219,027,894.98	
TOTAL NET POSITION	219,566,677.29	TOTAL NET POSITION	219,027,894.98	
Assets+Def Outflw-Liab-Def Inflw= NetPos	<b>In Bal.</b>	Assets+Def Outflw-Liab-Def Inflw= NetPos	<b>In Bal.</b>	