

NOTES TO THE FINANCIAL STATEMENTS

NOTE 22: FUND EQUITY RECLASSIFICATIONS AND RESTATEMENTS

The following table reconciles the beginning fund equity as previously reported to the beginning fund equity as restated (dollars in thousands). The adjustments in the *Fund Reclassification* column result from the following: reclassification of the Town of Butner from an enterprise fund to governmental funds and reclassification of special revenue funds supported by appropriations to the General Fund. The amount in the *Change in Capital Assets Valuation* column represents adjustments to beginning balances of accumulated depreciation on capital assets previously reported as fully depreciated that remain in use. The amounts in the *Other Adjustments* column are due primarily to the correction of errors related to prior periods, including an adjustment for the accounting liability incurred in the Disability Income Plan.

	July 1, 2006 Fund Equity as Previously Reported	Change in Capital Assets Valuation	Fund Reclassifications	Other Adjustments	July 1, 2006 Fund Equity as Restated
Primary Government					
Major Governmental Funds:					
General Fund	\$ 1,925,198	\$ —	\$ 40,672	\$ 530	\$ 1,966,400
Highway Fund	568,785	—	—	—	568,785
Highway Trust Fund	(134,998)	—	—	—	(134,998)
Other Governmental Funds:					
Special Revenue Funds	2,562,527	—	(35,911)	(1,578)	2,525,038
Capital Projects Funds	253,083	—	1,627	—	254,710
Permanent Funds	58,890	—	—	—	58,890
Total Governmental Funds	<u>5,233,485</u>	<u>—</u>	<u>6,388</u>	<u>(1,048)</u>	<u>5,238,825</u>
Internal Service Funds	203,818	—	—	(5,129)	198,689
Government-wide adjustments:					
Capital assets	29,063,499	115,332	26,070	62,743	29,267,644
Unavailable deferred revenues	297,302	—	—	(1,331)	295,971
Long-term debt	(7,277,788)	—	(10,285)	6,402	(7,281,671)
Accrued interest payable	(86,887)	—	—	—	(86,887)
Pension assets	471	—	—	—	471
Total Government-wide adjustments	<u>21,996,597</u>	<u>115,332</u>	<u>15,785</u>	<u>67,814</u>	<u>22,195,528</u>
Total Governmental Activities	<u>\$ 27,433,900</u>	<u>\$ 115,332</u>	<u>\$ 22,173</u>	<u>\$ 61,637</u>	<u>\$ 27,633,042</u>
Business-type Activities - Enterprise Funds:					
Unemployment Compensation Fund	\$ 507,477	\$ —	\$ —	\$ —	\$ 507,477
EPA Revolving Loan Fund	775,379	—	—	—	775,379
Other enterprise funds	127,819	—	(22,173)	58	105,704
Total Business-type Activities - Enterprise Funds ...	<u>\$ 1,410,675</u>	<u>\$ —</u>	<u>\$ (22,173)</u>	<u>\$ 58</u>	<u>\$ 1,388,560</u>
Fiduciary Funds					
Pension and Other Employee Benefit Trust Funds	<u>\$ 72,643,578</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 318,993</u>	<u>\$ 72,962,571</u>
Component Units					
The Golden LEAF, Inc.	\$ 510,655	\$ —	\$ —	\$ —	\$ 510,655
University of North Carolina System	9,601,715	2,359	—	9,916	9,613,990
Community Colleges	1,804,351	86,953	—	4,421	1,895,725
NC Housing Finance Agency	396,270	—	—	—	396,270
State Education Assistance Authority	559,827	—	—	—	559,827
Other component units	318,362	—	—	23,201	341,563
Total Component Units	<u>\$ 13,191,180</u>	<u>\$ 89,312</u>	<u>\$ —</u>	<u>\$ 37,538</u>	<u>\$ 13,318,030</u>