

Reconciliation of the Balance Sheet of Governmental Funds  
 To the Statement of Net Assets  
 June 30, 2008

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Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$	11,272,727
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets, cost	\$	72,741,364	
Less: accumulated depreciation		<u>(13,989,498)</u>	58,751,866

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Deferred revenue			2,880,487
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Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

143,240

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and loans payable	\$	(61,754,987)	
Interest payable		(835,918)	
Capital lease obligations		(1,186,293)	
Compensated absences		<u>(473,067)</u>	<u>(64,250,265)</u>

Net assets of governmental activities	\$	<u>8,798,055</u>
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The notes to the financial statements are an integral part of this statement.