

**CATAWBA COUNTY, NORTH CAROLINA**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Assets**  
**For the Year Ended June 30, 2007**

Total <i>fund balances</i> for governmental funds (Exhibit 3)	\$ 105,883,965
Total net assets reported for governmental activities in the statement of net assets (Exhibit 1) is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	90,776,271
Net Investment in Joint Venture	710,149
Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period expenditures, therefore are reported as deferred revenue in the funds	4,076,009
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in fund statements	756,833
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 4)	<u>(106,924,540)</u>
Net assets of governmental activities	<u>\$ 95,278,687</u>

The accompanying notes are an integral part of the financial statements.