

COUNTY OF JAMES CITY, VIRGINIA

Balance Sheet

Governmental Funds

June 30, 2006

Assets	General	Capital projects	Debt service	Other governmental funds	Total governmental funds
Cash and cash equivalents and investments	\$ 17,180,723	—	—	1,829,838	19,010,561
Cash and cash equivalents and investments – restricted (note 3)	1,159,724	41,541,322	—	943,050	43,644,096
Investments	2,774,474	15,598,777	—	1,537,443	19,910,694
Receivables, net of allowance for uncollectibles:					
Taxes	21,313,403	1,611	—	—	21,315,014
Interest	141,372	—	—	—	141,372
Loans	—	—	—	147,168	147,168
Miscellaneous (note 4)	3,612,253	—	—	161,125	3,773,378
Due from other funds (note 5)	1,199,954	—	—	149,555	1,349,509
Due from other governments, net (note 6)	6,738,685	—	—	784,523	7,523,208
Inventory	245,959	—	—	—	245,959
Prepaid and other assets	15,290	—	—	25,362	40,652
Total assets	<u>\$ 54,381,837</u>	<u>57,141,710</u>	<u>—</u>	<u>5,578,064</u>	<u>117,101,611</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable (note 4)	\$ 1,068,095	1,585,636	—	378,248	3,031,979
Accrued liabilities (note 4)	221,670	624,000	—	22,538	868,208
Liabilities payable from restricted assets	1,175,481	—	—	93,820	1,269,301
Due to other funds (note 5)	149,555	—	—	703,422	852,977
Due to component unit (note 8)	39,188	3,122,461	—	10,435	3,172,084
Deferred revenue (note 9)	15,561,691	1,611	—	560,063	16,123,365
Total liabilities	<u>18,215,680</u>	<u>5,333,708</u>	<u>—</u>	<u>1,768,526</u>	<u>25,317,914</u>
Fund balances:					
Reserved for:					
Encumbrances	2,454,283	11,448,180	—	—	13,902,463
Inventory	245,959	—	—	—	245,959
Loans	—	—	—	147,168	147,168
Other purposes	—	—	—	25,362	25,362
Unreserved:					
Designated:					
Subsequent years' expenditures, reported in Special Revenue Funds	—	—	—	2,297,482	2,297,482
Potential insurance losses	300,000	—	—	—	300,000
Capital projects	2,000,000	40,359,822	—	—	42,359,822
Fiscal liquidity	17,485,691	—	—	—	17,485,691
Health insurance	157,287	—	—	—	157,287
Capital reserve fund	12,056,476	—	—	—	12,056,476
Undesignated, reported in:					
General fund	1,466,461	—	—	—	1,466,461
Special revenue funds	—	—	—	1,339,526	1,339,526
Total fund balances	<u>36,166,157</u>	<u>51,808,002</u>	<u>—</u>	<u>3,809,538</u>	<u>91,783,697</u>
Total liabilities and fund balances	<u>\$ 54,381,837</u>	<u>57,141,710</u>	<u>—</u>	<u>5,578,064</u>	<u>117,101,611</u>

COUNTY OF JAMES CITY, VIRGINIA

Exhibit 3

Balance Sheet

Governmental Funds

June 30, 2006

Reconciliation of the balance sheet for governmental funds to the government-wide statement of net assets:

Ending fund balance – governmental funds	\$ 91,783,697
Amounts reported for governmental activities in the balance sheet are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	200,484,395
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	15,508,275
Governmental funds report the effect of issuance costs when the debt is issued. These costs are deferred in the government-wide statement of net assets.	851,826
Unmatured interest payable reported in governmental activities will not be paid with current financial resources and therefore is not reported in the funds.	(1,519,851)
Long-term liabilities, including notes and bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(146,360,591)</u>
Net assets of governmental activities	<u>\$ 160,747,751</u>

See accompanying notes to basic financial statements.