

## Summary of Audit Differences

During the course of our audit, we accumulate differences between amounts recorded by your organization and amounts that we believe are required to be recorded under generally accepted accounting principles. Following is a summary of those differences we have identified through the date of this report:

	Differences Would Have Increased (Decreased) Net Liabilities	
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### Current Operations

<i>Known Audit Differences</i>	<b>2008</b>	<b>2007</b>
Underaccrual in accounts payable re: common area maintenance	(53,445)	(59,386) [*]
Overaccrual in accounts payable re: purchase of library cards	—	94,500 [*]
Underaccrual in employee benefits	(96,000)	(96,000) [*]
Overaccrual in sick leave benefits [**]	220,000	220,000
 Total Operating Differences	 <u>70,555</u>	 <u>159,114</u>

### Capital Operations

<i>Known Audit Differences</i>	<b>2008</b>	<b>2007</b>
Capital expenditures relating to next year accrued in current year	—	<u>43,498</u> [*]
 Total Capital Differences	 —	 <u>43,498</u>
Total Unadjusted Audit Differences Before Turnaround Effect of Prior Year Differences	70,555	202,612
Turnaround Effect of Prior Year Differences in Net Liabilities	<u>17,388</u>	
 Total Unadjusted Audit Differences in Income After Turnaround Effect of Prior Year Differences	 <u>87,943</u>	

[\*] The turnaround effect of these prior year's unadjusted audit differences is an increase of \$17,388 to the current year's net liabilities.

[\*\*] Employee benefits liability and the amount to be recovered from the City are understated by \$2.4million each, which is a misclassification within the Statement of Financial Position. The amount represents approximately 2.6% of the net liabilities at December 31, 2008.