

JAMES CITY SERVICE AUTHORITY
(A Component Unit of the County of James City, Virginia)

Schedule of Revenues, Expenses and Changes in Net Assets – by Activity

Year ended June 30, 2005

(with comparative totals for year ended June 30, 2004)

	Water operations	Sewer operations	Totals	
			2005	2004
Operating revenues:				
Water and sewer services	\$ 4,507,187	3,876,413	8,383,600	8,027,991
Reimbursements for storm costs	—	—	—	371,538
Miscellaneous	1,203,742	58,674	1,262,416	442,554
Total operating revenues	<u>5,710,929</u>	<u>3,935,087</u>	<u>9,646,016</u>	<u>8,842,083</u>
Operating expenses:				
Salaries	400,364	353,818	754,182	687,155
Fringe benefits	177,811	93,053	270,864	229,833
Operating supplies	298,039	182,955	480,994	271,026
Maintenance of buildings and equipment	395,720	460,576	856,296	690,678
Special services	1,974,725	2,318,155	4,292,880	4,212,422
Utilities	328,047	264,106	592,153	431,373
Water purchases	394,426	—	394,426	341,726
Storm costs	—	—	—	209,444
Other	7,349	94,221	101,570	54,965
Total operating expenses	<u>3,976,481</u>	<u>3,766,884</u>	<u>7,743,365</u>	<u>7,128,622</u>
Operating income before depreciation and amortization	1,734,448	168,203	1,902,651	1,713,461
Depreciation and amortization	<u>2,352,719</u>	<u>2,195,212</u>	<u>4,547,931</u>	<u>4,119,963</u>
Operating loss	<u>(618,271)</u>	<u>(2,027,009)</u>	<u>(2,645,280)</u>	<u>(2,406,502)</u>
Nonoperating revenues (expenses):				
Water and sewer facility fees	3,412,205	2,718,435	6,130,640	4,914,512
Investment income	273,990	232,949	506,939	184,213
Gain on disposal of capital assets	24,124	—	24,124	1,869
Interest expense, net	(513,617)	—	(513,617)	(482,695)
Net nonoperating revenues	<u>3,196,702</u>	<u>2,951,384</u>	<u>6,148,086</u>	<u>4,617,899</u>
Income before contributions	2,578,431	924,375	3,502,806	2,211,397
Capital assets contributions	<u>2,227,040</u>	<u>2,756,350</u>	<u>4,983,390</u>	<u>5,233,761</u>
Changes in net assets	4,805,471	3,680,725	8,486,196	7,445,158
Net assets at beginning of year	<u>67,494,654</u>	<u>63,864,619</u>	<u>131,359,273</u>	<u>123,914,115</u>
Net assets at end of year	<u>\$ 72,300,125</u>	<u>67,545,344</u>	<u>139,845,469</u>	<u>131,359,273</u>

See accompanying independent auditors' report.