

Table 2

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

Changes in Net Assets

Last Five Fiscal Years

	2003	2004	2005	2006, as restated	2007
Operating revenues:					
Water and sewer services	\$ 7,596,532	8,027,991	8,383,600	10,269,798	11,464,460
Miscellaneous	460,601	442,554	431,550	309,429	1,029,399
Rental income	—	—	195,981	217,172	187,753
Water supply proffers	—	—	634,885	403,459	530,518
Reimbursements for storm costs	—	371,538	—	—	161,573
Total operating revenues	<u>8,057,133</u>	<u>8,842,083</u>	<u>9,646,016</u>	<u>11,199,858</u>	<u>13,373,703</u>
Operating expenses:					
Salaries	607,509	687,155	754,182	762,584	1,020,053
Fringe benefits	137,091	229,833	270,864	265,520	409,947
Operating supplies	265,937	271,026	480,994	560,840	737,092
Maintenance of buildings and equipment	714,515	690,678	856,296	637,345	793,764
Special services	3,860,843	4,212,422	4,292,880	4,877,696	5,168,706
Utilities	430,235	431,373	592,153	651,820	640,890
Water purchases	441,101	341,726	394,426	320,509	285,190
Storm costs	—	209,444	—	—	161,349
Other	130,420	54,965	101,570	207,397	203,327
Total operating expenses	<u>6,587,651</u>	<u>7,128,622</u>	<u>7,743,365</u>	<u>8,283,711</u>	<u>9,420,318</u>
Operating income before depreciation and amortization	1,469,482	1,713,461	1,902,651	2,916,147	3,953,385
Depreciation and amortization	<u>3,856,524</u>	<u>4,119,963</u>	<u>4,547,931</u>	<u>5,330,865</u>	<u>5,594,153</u>
Operating income/(loss)	<u>(2,387,042)</u>	<u>(2,406,502)</u>	<u>(2,645,280)</u>	<u>(2,414,718)</u>	<u>(1,640,768)</u>
Nonoperating revenues (expenses)					
Connection fees	4,030,744	4,914,512	6,130,640	6,132,383	5,904,875
Investment income	302,872	184,213	506,939	935,971	1,503,939
Gain (loss) on disposal of capital assets	(117,874)	1,869	24,124	(39,930)	(2,198,500)
Interest expense, net	(60,969)	(482,695)	(513,617)	(494,712)	(475,557)
Net nonoperating revenues (expenses)	<u>4,154,773</u>	<u>4,617,899</u>	<u>6,148,086</u>	<u>6,533,712</u>	<u>4,734,757</u>
Income before contributions	1,767,731	2,211,397	3,502,806	4,118,994	3,093,989
Capital asset contributions	<u>5,696,575</u>	<u>5,233,761</u>	<u>4,983,390</u>	<u>10,077,376</u>	<u>7,926,456</u>
Changes in net assets	<u>\$ 7,464,306</u>	<u>7,445,158</u>	<u>8,486,196</u>	<u>14,196,370</u>	<u>11,020,445</u>

(1) Governmental Accounting Standards Board (GASB) Statement No. 34 was adopted by the Authority as of July 1, 2002. Therefore, the financial information for fiscal years prior to 2003 is not available.