

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

Balance Sheets
June 30, 2007 and 2006

Assets	<u>2007</u>	<u>2006, as restated</u>
Current assets:		
Cash and cash equivalents (note 2)	\$ 1,215,916	1,349,986
Investments (note 2)	29,163,873	26,882,240
Accounts receivable, customers	3,291,745	2,477,126
Accounts receivable, other	631,745	156,708
Notes receivable (note 12)	500,000	—
Interest receivable	354,225	240,444
Inventories	592,997	627,198
Total current assets	<u>35,750,501</u>	<u>31,733,702</u>
Noncurrent assets:		
Capital assets (note 3):		
Utility plant:		
Land and land rights	954,738	890,438
Water and sewer systems	192,828,628	184,876,629
Total utility plant	<u>193,783,366</u>	<u>185,767,067</u>
Nonutility property:		
Land	1,762,961	1,785,961
Central shop	1,952,567	1,903,142
Office fixtures and equipment	950,603	925,966
Land improvements	13,183	13,183
Automotive equipment	2,012,538	1,958,287
Total nonutility property	<u>6,691,852</u>	<u>6,586,539</u>
Construction in progress (note 11)	8,913,781	5,098,030
Less accumulated depreciation	65,110,056	59,762,117
Net capital assets	<u>144,278,943</u>	<u>137,689,519</u>
Investments restricted for future use (note 2)	709,584	703,494
Bond issuance costs, net (note 5)	157,629	172,171
Total noncurrent assets	<u>145,146,156</u>	<u>138,565,184</u>
Total assets	<u>\$ 180,896,657</u>	<u>170,298,886</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable, trade	\$ 963,131	1,067,851
Accrued salaries and benefits (note 6)	366,515	334,419
Due to James City County	553,142	496,532
Deposits	118,863	115,598
Interest payable	119,622	128,423
Deferred liability (note 12)	500,000	—
Current portion of bonds payable (note 5)	880,000	860,000
Total current liabilities	<u>3,501,273</u>	<u>3,002,823</u>
Noncurrent liabilities:		
Advances for construction (note 4)	135,302	135,302
Bonds payable, net of current portion (note 5)	11,253,794	12,174,918
Total noncurrent liabilities	<u>11,389,096</u>	<u>12,310,220</u>
Total liabilities	<u>14,890,369</u>	<u>15,313,043</u>
Net assets:		
Invested in capital assets, net of related debt	132,145,149	124,654,601
Restricted for capital projects	709,584	703,494
Unrestricted	33,151,555	29,627,748
Total net assets	<u>166,006,288</u>	<u>154,985,843</u>
Total liabilities and net assets	<u>\$ 180,896,657</u>	<u>170,298,886</u>

See accompanying notes to basic financial statements.