

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

Balance Sheets -- by Activity  
June 30, 2008  
(with comparative totals for 2007)

Assets	Water operations	Sewer operations	Totals	
			2008	2007
<b>Current assets:</b>				
Cash and cash equivalents	\$ 861,534	1,011,367	1,872,901	1,215,916
Investments	15,575,933	15,212,741	30,788,674	29,163,873
Accounts receivable, customers	2,247,843	2,166,448	4,414,291	3,291,745
Accounts receivable, other	159,527	—	159,527	631,745
Notes receivable	500,000	—	500,000	500,000
Interest receivable	186,620	164,714	351,334	354,225
Inventories	625,614	52,160	677,774	592,997
<b>Total current assets</b>	<b>20,157,071</b>	<b>18,607,430</b>	<b>38,764,501</b>	<b>35,750,501</b>
<b>Noncurrent assets:</b>				
<b>Capital assets:</b>				
<b>Utility plant:</b>				
Land and land rights	—	1,010,933	1,010,933	954,738
Water and sewer systems	105,790,596	98,636,811	204,427,407	192,828,628
<b>Total utility plant</b>	<b>105,790,596</b>	<b>99,647,744</b>	<b>205,438,340</b>	<b>193,783,366</b>
<b>Nonutility property:</b>				
Land	1,754,961	—	1,754,961	1,762,961
Central shop	1,949,487	121,007	2,070,494	1,952,567
Office fixtures and equipment	546,959	435,723	982,682	950,603
Land improvements	13,183	—	13,183	13,183
Automotive equipment	1,525,341	478,306	2,003,647	2,012,538
<b>Total nonutility property</b>	<b>5,789,931</b>	<b>1,035,036</b>	<b>6,824,967</b>	<b>6,691,852</b>
<b>Construction in progress</b>	<b>1,201,546</b>	<b>2,381,433</b>	<b>3,582,979</b>	<b>8,913,781</b>
<b>Less accumulated depreciation</b>	<b>32,410,275</b>	<b>38,310,010</b>	<b>70,720,285</b>	<b>65,110,056</b>
<b>Net capital assets</b>	<b>80,371,798</b>	<b>64,754,203</b>	<b>145,126,001</b>	<b>144,278,943</b>
<b>Investments restricted for future use</b>	<b>705,775</b>	<b>—</b>	<b>705,775</b>	<b>709,584</b>
<b>Bond issuance costs, net</b>	<b>143,087</b>	<b>—</b>	<b>143,087</b>	<b>157,629</b>
<b>Total noncurrent assets</b>	<b>81,220,660</b>	<b>64,754,203</b>	<b>145,974,863</b>	<b>145,146,156</b>
<b>Total assets</b>	<b>\$ 101,377,731</b>	<b>83,361,633</b>	<b>184,739,364</b>	<b>180,896,657</b>
<b>Liabilities and Net Assets</b>				
<b>Current liabilities:</b>				
Accounts payable, trade	\$ 891,241	63,911	955,152	963,131
Accrued salaries	19,255	1,337	20,592	15,925
Compensated absences, current portion	35,923	—	35,923	35,059
Due to James City County	525,263	71,756	597,019	553,142
Deposits	98,987	—	98,987	118,863
Interest payable	135,199	—	135,199	119,622
Deferred liability	500,000	—	500,000	500,000
Bonds payable, current portion	946,124	—	946,124	921,124
<b>Total current liabilities</b>	<b>3,151,992</b>	<b>137,004</b>	<b>3,288,996</b>	<b>3,226,866</b>
<b>Noncurrent liabilities:</b>				
Advances for construction	5,882	129,420	135,302	135,302
Compensated absences, net of current portion	323,306	—	323,306	315,531
Bonds payable, net of current portion	10,266,546	—	10,266,546	11,212,670
<b>Total noncurrent liabilities</b>	<b>10,595,734</b>	<b>129,420</b>	<b>10,725,154</b>	<b>11,663,503</b>
<b>Total liabilities</b>	<b>13,747,726</b>	<b>266,424</b>	<b>14,014,150</b>	<b>14,890,369</b>
<b>Net assets:</b>				
Invested in capital assets, net of related debt	69,561,798	64,754,203	134,316,001	132,145,149
Restricted for capital projects	705,775	—	705,775	709,584
Unrestricted	17,362,432	18,341,006	35,703,438	33,151,555
<b>Total net assets</b>	<b>87,630,005</b>	<b>83,095,209</b>	<b>170,725,214</b>	<b>166,006,288</b>
<b>Total liabilities and net assets</b>	<b>\$ 101,377,731</b>	<b>83,361,633</b>	<b>184,739,364</b>	<b>180,896,657</b>

See accompanying independent auditors' report.