

## CITY OF PORTSMOUTH, VIRGINIA

Exhibit A

Statement of Net Assets  
June 30, 2007

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets:				
Current assets:				
Cash and temporary investments (note 3)	\$ 66,452,460	29,743,909	96,196,369	23,161,790
Cash with fiscal agent (note 3)	3,204	-	3,204	4,444,427
Restricted cash and temporary investments (note 3)	5,001,206	26,056,704	31,057,910	-
Receivables (net of allowance for uncollectibles of \$4,530,819):				
Taxes	10,420,383	-	10,420,383	-
Accounts	6,070,778	5,936,527	12,007,305	194,031
Other	-	-	-	10,617
Internal balances (note 12)	4,011,935	(4,011,935)	-	-
Due from primary government (note 10)	-	-	-	345,163
Due from component units (note 10)	93,594	-	93,594	-
Due from other governments (note 11)	16,498,979	-	16,498,979	6,722,709
Deposits	-	-	-	1,500
Prepaid items	479,219	-	479,219	-
Inventory of supplies	616,829	624,052	1,240,881	1,085,109
Notes receivable (note 12)	4,152	-	4,152	-
<b>Total current assets</b>	<b>109,652,739</b>	<b>58,349,257</b>	<b>168,001,996</b>	<b>35,965,346</b>
Noncurrent assets:				
Other assets	1,930,787	996,739	2,927,526	-
Property held for resale	-	-	-	11,926,772
Capital assets (note 4):				
Land	17,387,241	15,348,574	32,735,815	7,543,305
Site improvements	1,436,092	-	1,436,092	-
Infrastructure	466,881,964	-	466,881,964	-
Buildings	182,419,663	22,965,868	205,385,531	55,680,190
Improvements other than buildings	-	147,188,762	147,188,762	-
Machinery, furniture, and equipment	40,354,991	18,505,999	58,860,990	17,173,211
Construction in progress	78,972,710	75,940,477	154,913,187	12,211,741
<b>Total capital assets</b>	<b>787,452,661</b>	<b>279,949,680</b>	<b>1,067,402,341</b>	<b>92,608,447</b>
Less accumulated depreciation	(394,353,647)	(77,647,772)	(472,001,419)	(38,387,618)
<b>Total capital assets, net</b>	<b>393,099,014</b>	<b>202,301,908</b>	<b>595,400,922</b>	<b>54,220,829</b>
<b>Total noncurrent assets</b>	<b>395,029,801</b>	<b>203,298,647</b>	<b>598,328,448</b>	<b>66,147,601</b>
<b>Total assets</b>	<b>\$ 504,682,540</b>	<b>261,647,904</b>	<b>766,330,444</b>	<b>102,112,947</b>

See accompanying notes to basic financial statements.

## CITY OF PORTSMOUTH, VIRGINIA

## Exhibit A, Continued

Statement of Net Assets  
June 30, 2007

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Liabilities:				
Current liabilities:				
Accounts payable	\$ 8,652,704	838,126	9,490,830	14,204,167
Construction payable	-	984,220	984,220	-
Accrued interest payable	3,997,147	1,869,622	5,866,769	296,789
Deposits	372,681	611,638	984,319	15,225
Due to other governments (note 11)	17,351	-	17,351	-
Due to primary government (note 10)	-	-	-	93,594
Due to component units (note 10)	345,163	-	345,163	-
Unearned revenues (note 12)	4,152	43,148	47,300	-
Claims payable (note 15)	4,718,471	-	4,718,471	1,281,648
Compensated absences (note 5)	4,996,059	739,794	5,735,853	1,540,000
General obligation and revenue bonds, net (note 5)	14,154,058	4,368,259	18,522,317	-
Obligations under capital leases (notes 5 and 7)	3,128,816	616,673	3,745,489	482,776
Literary loans (note 5)	375,000	-	375,000	-
<b>Total current liabilities</b>	<b>40,761,602</b>	<b>10,071,480</b>	<b>50,833,082</b>	<b>17,914,199</b>
Noncurrent liabilities:				
Claims payable (note 15)	11,724,654	-	11,724,654	964,829
Arbitrage liability	290,137	291,286	581,423	-
Compensated absences (note 5)	2,140,363	-	2,140,363	2,789,111
General obligation and revenue bonds, net (note 5)	203,659,666	107,627,771	311,287,437	-
Obligations under capital leases (notes 5 and 7)	15,322,564	1,602,110	16,924,674	7,600,413
General obligation notes payable (note 5)	6,794,220	-	6,794,220	-
Landfill closure and postclosure care (notes 5 and 13)	-	5,436,375	5,436,375	-
Literary loans (note 5)	3,000,000	-	3,000,000	-
<b>Total noncurrent liabilities</b>	<b>242,931,604</b>	<b>114,957,542</b>	<b>357,889,146</b>	<b>11,467,383</b>
<b>Total liabilities</b>	<b>283,693,206</b>	<b>125,029,022</b>	<b>408,722,228</b>	<b>29,381,582</b>
Net assets:				
Invested in capital assets, net of related debt	178,183,374	108,111,466	286,294,840	46,137,640
Restricted for:				
Capital projects	3,539,397	2,190,726	5,730,123	4,384,612
Behavioral health services	3,634,689	-	3,634,689	-
Grants and donations	2,334,449	-	2,334,449	347,430
Other purposes:				
Expendable	1,659	-	1,659	-
Nonexpendable	1,000,000	-	1,000,000	-
Unrestricted	32,295,766	26,316,690	58,612,456	21,861,683
<b>Total net assets</b>	<b>220,989,334</b>	<b>136,618,882</b>	<b>357,608,216</b>	<b>72,731,365</b>
<b>Total liabilities and net assets</b>	<b>\$ 504,682,540</b>	<b>261,647,904</b>	<b>766,330,444</b>	<b>102,112,947</b>

See accompanying notes to basic financial statements.