

CITY OF PORTSMOUTH, VIRGINIA

Exhibit A

Statement of Net Assets
June 30, 2009

| | Primary Government | | | Component Units |
|--|----------------------------|-----------------------------|----------------------|---------------------|
| | Governmental Activities | Business-Type Activities | Total | |
| Assets: | | | | |
| Current assets: | | | | |
| Cash and temporary investments (note 3) | \$ 73,272,494 | 35,186,917 | 108,459,411 | 43,092,854 |
| Cash with fiscal agent (note 3) | - | - | - | 1,051,045 |
| Restricted cash and temporary investments (note 3) | 5,265,892 | 14,787,699 | 20,053,591 | - |
| Receivables (net of allowance for uncollectibles): | | | | |
| Taxes | 12,849,274 | - | 12,849,274 | - |
| Accounts | 5,476,920 | 7,191,813 | 12,668,733 | 191,155 |
| Other | - | - | - | 11,033 |
| Internal balances (note 10) | 3,788,772 | (3,788,772) | - | - |
| Due from primary government (note 10) | - | - | - | 341,265 |
| Due from component units (note 10) | 100,318 | - | 100,318 | - |
| Due from other governments (note 11) | 16,452,651 | - | 16,452,651 | 4,477,546 |
| Prepaid items | 40,204 | - | 40,204 | - |
| Inventory of supplies | 761,017 | 647,366 | 1,408,383 | 1,042,975 |
| Notes receivable (note 12) | 4,152 | - | 4,152 | - |
| Total current assets | 118,011,694 | 54,025,023 | 172,036,717 | 50,207,873 |
| Noncurrent assets: | | | | |
| Other assets | 2,580,817 | 943,723 | 3,524,540 | 692,670 |
| Property held for resale | - | - | - | 11,687,114 |
| Capital assets (note 4): | | | | |
| Land | 17,430,801 | 15,348,574 | 32,779,375 | 7,352,453 |
| Site improvements | 2,239,871 | - | 2,239,871 | - |
| Infrastructure | 478,875,822 | - | 478,875,822 | - |
| Buildings | 209,873,365 | 25,469,577 | 235,342,942 | 68,275,227 |
| Improvements other than buildings | - | 172,607,621 | 172,607,621 | - |
| Machinery, furniture, and equipment | 43,470,480 | 21,039,027 | 64,509,507 | 19,797,348 |
| Construction in progress | 79,256,192 | 66,248,557 | 145,504,749 | 4,684,503 |
| Total capital assets | 831,146,531 | 300,713,356 | 1,131,859,887 | 100,109,531 |
| Less accumulated depreciation | (432,211,845) | (87,361,678) | (519,573,523) | (39,581,079) |
| Total capital assets, net | 398,934,686 | 213,351,678 | 612,286,364 | 60,528,452 |
| Total noncurrent assets | 401,515,503 | 214,295,401 | 615,810,904 | 72,908,236 |
| Total assets | \$ 519,527,197 | 268,320,424 | 787,847,621 | 123,116,109 |

See accompanying notes to basic financial statements.

CITY OF PORTSMOUTH, VIRGINIA
Statement of Net Assets
June 30, 2009

Exhibit A, Continued

| | Primary Government | | | Component Units |
|--|----------------------------|-----------------------------|--------------------|--------------------|
| | Governmental Activities | Business-Type Activities | Total | |
| Liabilities: | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 8,163,294 | 1,654,736 | 9,818,030 | 16,370,000 |
| Construction payable | - | 220,964 | 220,964 | - |
| Accrued interest payable | 3,573,981 | 1,750,021 | 5,324,002 | 259,756 |
| Deposits | 221,160 | 713,129 | 934,289 | 3,525 |
| Due to other governments (note 11) | 634,895 | - | 634,895 | - |
| Due to primary government (note 10) | - | - | - | 100,318 |
| Due to component units (note 10) | 341,264 | - | 341,264 | - |
| Unearned revenues (note 12) | 4,152 | 48,391 | 52,543 | - |
| Claims payable (note 15) | 4,297,677 | - | 4,297,677 | 945,005 |
| Compensated absences (note 5) | 5,016,645 | 782,712 | 5,799,357 | 1,770,000 |
| General obligation and revenue bonds, net (note 5) | 8,213,933 | 4,363,142 | 12,577,075 | - |
| Obligations under capital leases (notes 5 and 6) | 3,290,608 | 920,090 | 4,210,698 | 571,337 |
| Literary loans (note 5) | 375,000 | - | 375,000 | - |
| Total current liabilities | 34,132,609 | 10,453,185 | 44,585,794 | 20,019,941 |
| Noncurrent liabilities: | | | | |
| Claims payable (note 15) | 11,388,196 | - | 11,388,196 | 1,537,836 |
| Arbitrage liability | 86,196 | 71,638 | 157,834 | - |
| Other post employment benefit obligation (note 8) | 18,048,975 | 2,414,081 | 20,463,056 | - |
| Compensated absences (note 5) | 2,519,360 | - | 2,519,360 | 2,944,203 |
| General obligation and revenue bonds, net (note 5) | 191,518,783 | 99,090,444 | 290,609,227 | - |
| Obligations under capital leases (notes 5 and 6) | 13,474,218 | 2,208,079 | 15,682,297 | 6,503,228 |
| Bond anticipation notes (note 5) | 29,935,000 | - | 29,935,000 | - |
| Landfill closure and postclosure care (notes 5 and 13) | - | 5,481,808 | 5,481,808 | - |
| Literary loans (note 5) | 2,250,000 | - | 2,250,000 | - |
| Net pension obligation (notes 5 and 8) | - | - | - | 113,194 |
| Total noncurrent liabilities | 269,220,728 | 109,266,050 | 378,486,778 | 11,098,461 |
| Total liabilities | 303,353,337 | 119,719,235 | 423,072,572 | 31,118,402 |
| Net assets: | | | | |
| Invested in capital assets, net of related debt | 176,415,840 | 114,270,026 | 290,685,866 | 53,453,887 |
| Restricted for: | | | | |
| Capital projects | 6,540,701 | 4,117,658 | 10,658,359 | 829,897 |
| Behavioral health services | 1,982,807 | - | 1,982,807 | - |
| Grants and donations | 2,913,566 | - | 2,913,566 | - |
| Other purposes: | | | | |
| Expendable | 1,013 | - | 1,013 | 617,670 |
| Nonexpendable | 1,000,000 | - | 1,000,000 | - |
| Unrestricted | 27,319,933 | 30,213,505 | 57,533,438 | 37,096,253 |
| Total net assets | 216,173,860 | 148,601,189 | 364,775,049 | 91,997,707 |
| Total liabilities and net assets | \$ 519,527,197 | 268,320,424 | 787,847,621 | 123,116,109 |

See accompanying notes to basic financial statements.