

CITY OF PORTSMOUTH, VIRGINIA

Exhibit C

Balance Sheet

Governmental Funds

June 30, 2010

	General	Capital Improvements	Other Governmental Funds	Total
Assets:				
Cash and temporary investments (note 3)	\$ 20,573,896	68,808,911	24,412,655	113,795,462
Restricted cash and temporary investments (note 3)	254,421	5,085,690	-	5,340,111
Receivables (net of allowance for uncollectibles):				
Taxes	13,115,676	-	-	13,115,676
Accounts	6,650,873	-	352,474	7,003,347
Due from other funds (note 10)	4,150,519	-	-	4,150,519
Due from component units (note 10)	22,994	-	-	22,994
Due from other governments (note 11)	11,880,422	-	4,023,685	15,904,107
Prepaid items	77,908	-	32,218	110,126
Inventory of supplies	76,610	-	-	76,610
Advances receivable	2,780,250	13,480	-	2,793,730
Notes receivable (note 12)	-	4,152	-	4,152
Total assets	\$ 59,583,569	73,912,233	28,821,032	162,316,834
Liabilities:				
Accounts payable	\$ 3,018,126	2,070,783	2,187,373	7,276,282
Deposits	18,266	202,476	-	220,742
Due to other governments (note 11)	-	-	17,928	17,928
Due to other funds (note 10)	-	-	3,514,055	3,514,055
Due to component units (note 10)	-	3,880	622,477	626,357
Deferred revenues (note 12)	8,217,431	4,152	46,477	8,268,060
Total liabilities	11,253,823	2,281,291	6,388,310	19,923,424
Fund balances:				
Reserved for encumbrances (notes 2 and 4)	-	15,457,505	1,167,276	16,624,781
Reserved for advances (note 2)	2,780,250	-	-	2,780,250
Reserved for revenue maximization (note 2)	-	-	204,358	204,358
Reserve for prepaid items (note 2)	77,908	-	32,218	110,126
Reserved for inventory of supplies (note 2)	76,610	-	-	76,610
Reserved for cemetery care (note 2)	-	-	1,000,000	1,000,000
Unreserved:				
Designated for subsequent year's expenditures	17,246	56,173,437	-	56,190,683
Designated for subsequent year's expenditures - Special Revenue Funds	-	-	330,501	330,501
Undesignated	45,377,732	-	-	45,377,732
Undesignated - Special Revenue Funds	-	-	19,588,198	19,588,198
Undesignated - Capital Projects Funds	-	-	(338,034)	(338,034)
Undesignated - Permanent Fund	-	-	448,205	448,205
Total fund balances	48,329,746	71,630,942	22,432,722	142,393,410
Total liabilities and fund balances	\$ 59,583,569	73,912,233	28,821,032	162,316,834

See accompanying notes to basic financial statements.

(continued)

CITY OF PORTSMOUTH, VIRGINIA**Exhibit C, Continued****Balance Sheet - Reconciliation of the Balance Sheet
to the Statement of Net Assets****Governmental Funds****June 30, 2010**

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balances for governmental funds		\$ 142,393,410
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	17,415,753	
Site improvements	2,239,871	
Infrastructure	488,807,198	
Buildings	209,180,282	
Machinery, furniture and equipment	20,667,996	
Construction in progress	91,120,429	
Accumulated depreciation	(425,640,540)	403,790,989
Other assets (bond issuance costs) used in governmental activities are not financial resources and therefore are not reported in the funds.		3,185,722
Some of the City's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred revenue in the funds.		
		8,263,908
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds. Those liabilities consist of:		
Compensated absences	(7,287,057)	
Net pension asset	1,351,207	
Other post employment benefit obligation	(27,923,149)	
Accrued interest payable	(3,854,052)	
General obligation bonds	(241,815,594)	
Obligations under capital leases	(9,564,316)	
Obligations under notes payable	(25,329,479)	
Bond anticipation notes	(29,935,000)	
Arbitrage liability	(54,254)	
Literary loans	(2,250,000)	(346,661,694)
Internal service funds are used by the City to charge costs of certain activities to individual funds. The assets and liabilities of internal service funds are reported as components of other governmental funds.		
		16,937,375
Net assets of governmental activities		\$ 227,909,710

See accompanying notes to basic financial statements.