

CITY OF PORTSMOUTH, VIRGINIA

Exhibit E-2

Statement of Revenues, Expenses, and Changes in Fund Net Assets

Proprietary Funds

Year ended June 30, 2005

	Public Utility	Golf	Waste Management	Nonmajor Enterprise Fund - Port Facility and Economic Development	Total	Governmental Activities - Internal Service Funds
Operating revenues:						
Charges for services	\$ 29,699,640	1,300,507	7,290,352	544,836	38,835,335	30,907,422
Use of property	71,558	207,800	-	-	279,358	-
Other	344,717	-	4,755	21,670	371,142	991,657
Total operating revenues	30,115,915	1,508,307	7,295,107	566,506	39,485,835	31,899,079
Operating expenses:						
Personnel services	4,831,402	695,762	2,690,164	-	8,217,328	4,105,255
Contractual services	2,034,136	490,548	3,824,926	-	6,349,610	3,221,183
Supplies and materials	1,449,993	215,357	129,225	-	1,794,575	2,859,277
Utilities	940,295	73,788	3,299	-	1,017,382	188,490
Internal charges	803,396	-	1,195,496	-	1,998,892	-
Claims, settlements and refunds	-	-	-	-	-	17,031,950
Insurance premiums	-	-	-	-	-	887,811
Payments in lieu of taxes	828,867	-	-	-	828,867	-
Rent	-	67,375	-	-	67,375	-
Depreciation and amortization	3,209,646	171,246	535,616	86,924	4,003,432	1,552,621
Bad debt expense	972,619	-	67,332	-	1,039,951	-
Other	390,994	6,889	882	946	399,711	124,619
Total operating expenses	15,461,348	1,720,965	8,446,940	87,870	25,717,123	29,971,206
Operating income (loss)	14,654,567	(212,658)	(1,151,833)	478,636	13,768,712	1,927,873
Nonoperating revenues (expenses):						
Intergovernmental revenue	191,386	-	1,120,794	-	1,312,180	-
Investment income	418,835	45,988	1,404	327,389	793,616	9,543
Gain (loss) on disposal of capital assets	472,052	-	(45,729)	-	426,323	41,157
Interest expense and fiscal charges	(1,738,003)	(408,185)	(20,700)	(113,107)	(2,279,995)	(60,006)
Net nonoperating revenues (expenses)	(655,730)	(362,197)	1,055,769	214,282	252,124	(9,306)
Net income (loss) before transfers	13,998,837	(574,855)	(96,064)	692,918	14,020,836	1,918,567
Transfers from other funds (note 10)	-	505,759	-	-	505,759	-
Transfers to other funds (note 10)	(8,961,087)	-	-	-	(8,961,087)	-
Change in net assets	5,037,750	(69,096)	(96,064)	692,918	5,565,508	1,918,567
Net assets (deficit), beginning of year, as restated (note 18)	104,771,437	5,958,401	1,314,392	2,532,041	114,576,271	(17,106,804)
Net assets (deficit), end of year	\$ 109,809,187	5,889,305	1,218,328	3,224,959	120,141,779	(15,188,237)

See accompanying notes to basic financial statements.