

**COUNTY OF JAMES CITY, VIRGINIA**  
**Statement of Cash Flows**  
**Proprietary Fund – James City Service Authority**  
**Year ended June 30, 2004**

|   |                |
|---|----------------|
| Cash flows from operating activities:   |                |
| Cash receipts from customers  | \$ 7,993,419   |
| Other operating cash receipts   | 146,019        |
| Cash payments to suppliers of goods and services                                      | (7,230,409)    |
| Cash payments to employees for services   | (892,708)      |
|   | <hr/>          |
| Net cash provided by operating activities   | 16,321         |
|   | <hr/>          |
| Cash flows from capital and related financing activities:                             |                |
| Payment of debt   | (435,000)      |
| Interest paid   | (447,896)      |
| Acquisition and construction of capital assets  | (14,209,444)   |
| Costs of debt issuance paid   | (50,000)       |
|   | <hr/>          |
| Net cash used in capital and related financing activities                             | (15,142,340)   |
|   | <hr/>          |
| Cash flows provided by noncapital and related financing activities -                  |                |
| Water and sewer facility fees   | 4,914,512      |
|   | <hr/>          |
| Cash flows from investing activities:   |                |
| Purchases of investments  | (56,215,910)   |
| Sales of investments  | 55,988,665     |
| Interest received   | 156,225        |
|   | <hr/>          |
| Net cash used in investing activities   | (71,020)       |
|   | <hr/>          |
| Net decrease in cash and cash equivalents   | (10,282,527)   |
|   | <hr/>          |
| Cash and cash equivalents at beginning of year  | 14,210,339     |
|   | <hr/>          |
| Cash and cash equivalents at end of year  | \$ 3,927,812   |
|   | <hr/> <hr/>    |
| Reconciliation of operating loss to net cash provided by operating activities:        |                |
| Operating loss  | \$ (2,406,502) |
| Adjustments to reconcile operating loss to net cash provided by operating activities: |                |
| Depreciation and amortization   | 4,119,963      |
| Changes in assets and liabilities:  |                |
| Accounts and interest receivable  | (411,694)      |
| Accounts receivable, miscellaneous  | (296,534)      |
| Inventory   | (39,177)       |
| Accounts payable  | (1,093,035)    |
| Accrued salaries and benefits   | 24,280         |
| Due to other funds  | 113,437        |
| Deposits  | 5,583          |
|   | <hr/>          |
| Net cash provided by operating activities   | \$ 16,321      |
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| Supplemental schedule – noncash capital and investing activities:                     |                |
| Capital asset contributions   | \$ 5,233,761   |
| Unrealized loss from change in fair value of investments                              | 195,008        |

See accompanying notes to basic financial statements.