

**COUNTY OF JAMES CITY, VIRGINIA**  
Statement of Cash Flows  
Proprietary Fund – James City Service Authority  
Year ended June 30, 2005

Cash flows from operating activities:	
Cash receipts from customers	\$ 9,004,853
Other operating cash receipts	845,378
Cash payments to suppliers of goods and services	(7,458,895)
Cash payments to employees for services	(981,736)
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Net cash provided by operating activities	1,409,600
Cash flows from capital and related financing activities:	
Payment of debt	(825,000)
Interest paid	(563,183)
Acquisition and construction of capital assets	(5,915,226)
Proceeds from sale of capital assets	24,124
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Net cash used in capital and related financing activities	(7,279,285)
Cash flows provided by noncapital and related financing activities -	
Water and sewer facility fees	<hr/> 6,130,640
Cash flows from investing activities:	
Purchases of investments	(36,257,406)
Sales of investments	32,714,830
Interest received	456,271
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Net cash used in investing activities	(3,086,305)
Net decrease in cash and cash equivalents	(2,825,350)
Cash and cash equivalents at beginning of year	<hr/> 3,927,812
Cash and cash equivalents at end of year	\$ <hr/> <hr/> 1,102,462
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (2,645,280)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and amortization	4,547,931
Changes in assets and liabilities:	
Accounts and interest receivable	(20,673)
Accounts receivable, miscellaneous	217,846
Inventory	(41,989)
Accounts payable	(780,847)
Accrued salaries and benefits	43,310
Due to other funds	82,260
Deposits	7,042
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Net cash provided by operating activities	\$ <hr/> <hr/> 1,409,600
Supplemental schedule – noncash capital and investing activities:	
Capital asset contributions	\$ 4,983,390
Unrealized loss from change in fair value of investments	3,942

See accompanying notes to basic financial statements.