

COUNTY OF JAMES CITY, VIRGINIA
Statement of Cash Flows
Proprietary Fund – James City Service Authority
Year ended June 30, 2007

| | |
|---------------------------------------------------------------------------------------|---------------------|
| Cash flows from operating activities: | |
| Cash receipts from customers | \$ 10,653,106 |
| Other operating cash receipts | 1,434,206 |
| Cash payments to suppliers of goods and services | (8,004,227) |
| Cash payments to employees for services | (1,397,901) |
| Net cash provided by operating activities | <u>2,685,184</u> |
| Cash flows from capital and related financing activities: | |
| Connection fees | 5,904,875 |
| Payment of debt | (860,000) |
| Interest paid | (525,482) |
| Acquisition and construction of capital assets | (6,441,082) |
| Net cash used in capital and related financing activities | <u>(1,921,689)</u> |
| Cash flows from investing activities: | |
| Purchases of investments | (34,375,887) |
| Sales of investments | 32,088,164 |
| Interest received | 1,390,158 |
| Net cash used in investing activities | <u>(897,565)</u> |
| Net increase in cash and cash equivalents | (134,070) |
| Cash and cash equivalents at beginning of year | <u>1,349,986</u> |
| Cash and cash equivalents at end of year | <u>\$ 1,215,916</u> |
| Reconciliation of operating loss to net cash provided by operating activities: | |
| Operating loss | \$ (1,640,768) |
| Adjustments to reconcile operating loss to net cash provided by operating activities: | |
| Depreciation and amortization | 5,594,153 |
| Changes in assets and liabilities: | |
| Accounts and interest receivable | (814,619) |
| Accounts receivable, miscellaneous | (475,037) |
| Inventory | 34,204 |
| Accounts payable | (104,720) |
| Accrued salaries and benefits | 32,096 |
| Due to other funds | 56,610 |
| Deposits | 3,265 |
| Net cash provided by operating activities | <u>\$ 2,685,184</u> |
| Supplemental schedule – noncash capital and investing activities: | |
| Capital asset contributions | \$ 7,926,456 |
| Transfer of capital assets to HRSD | (2,198,500) |
| Unrealized gain from change in fair value of investments | 228,355 |

See accompanying notes to basic financial statements.