

**City of Cedar Rapids, Iowa
Statement of Net Assets
June 30, 2005**

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Airport	Cedar Rapids/ Linn County Solid Waste Agency	Cedar Rapids Public Library Foundation
ASSETS						
Current assets:						
Cash and investments	\$ 209,933,112	\$ 14,101,557	\$ 224,034,669	\$ 200	\$ 24,531,065	\$ -
Receivables:						
Taxes	73,745,735	3,000,299	76,746,034	-	-	-
Accounts and unbilled usage, net						
\$453,336 of allowance for doubtful accounts	1,115,532	7,385,837	8,501,369	856,039	668,135	-
Special assessments	2,390,784	-	2,390,784	-	-	-
Interest	748,835	282	749,117	-	-	1,044
Notes	-	-	-	-	733,461	-
Internal balances, net	(58,420,235)	58,420,235	-	-	-	-
Due from primary government	-	-	-	24,078,215	-	-
Due from other governments	6,386,566	641,964	7,028,530	1,011,629	151,232	-
Inventories	328,223	1,149,830	1,478,053	-	33,533	-
Prepaid items	1,121,323	106,977	1,228,300	-	1,120	-
Deferred charges	435,821	522,362	958,183	47,394	-	-
Restricted assets:						
Cash and investments	-	-	-	-	-	3,053,974
Total current assets	<u>237,785,696</u>	<u>85,329,343</u>	<u>323,115,039</u>	<u>25,993,477</u>	<u>26,118,546</u>	<u>3,055,018</u>
Noncurrent assets:						
Land	20,872,915	10,993,390	31,866,305	8,832,230	3,666,290	-
Buildings and structures	67,011,962	209,861,129	276,873,091	60,892,660	1,225,699	-
Improvements other than buildings	280,396,733	235,821,871	516,218,604	49,266,798	4,292,316	-
Machinery and equipment	35,127,693	37,009,161	72,136,854	3,510,410	6,749,460	3,216
Accumulated depreciation	(120,303,697)	(199,783,568)	(320,087,265)	(44,978,330)	(7,776,784)	(3,011)
Construction in progress	3,541,068	14,731,466	18,272,534	7,258,611	-	-
Total noncurrent assets	<u>286,846,674</u>	<u>308,633,449</u>	<u>595,280,123</u>	<u>84,782,379</u>	<u>8,156,981</u>	<u>205</u>
Total assets	<u>524,432,370</u>	<u>393,962,792</u>	<u>918,395,162</u>	<u>110,775,856</u>	<u>34,275,527</u>	<u>3,055,223</u>
LIABILITIES						
Current liabilities:						
Vouchers payable	2,527,625	1,630,728	4,158,353	403,905	359,244	14,887
Contracts payable	2,820,111	2,723,124	5,543,235	955,400	-	-
Claims and judgments payable	6,518,000	-	6,518,000	-	-	-
Accrued expenses	3,759,196	1,211,614	4,970,810	122,506	170,506	-
Revenues collected in advance	155,097	72,028	227,125	-	26,521	-
Unearned revenues	73,320,645	3,536,490	76,857,135	-	-	-
Due to component unit	24,078,215	-	24,078,215	-	-	-
Due to general public	105,732	-	105,732	-	-	-
Due to employees	8,803	-	8,803	-	-	-
Due to other governments	1,194,195	297,018	1,491,213	-	184,767	-
Due to primary government	-	-	-	-	-	89,350
Security deposits	707	211,717	212,424	3,150	29,500	-
General obligation bonds payable	8,778,200	10,765,400	19,543,600	1,991,400	-	-
Unamortized bond premium	22,412	71,841	94,253	2,466	-	-
Interest payable	384,321	544,530	928,851	34,353	-	-
Compensated absences	3,990,119	1,133,079	5,123,198	239,331	112,843	-
Total current liabilities	<u>127,663,378</u>	<u>22,197,569</u>	<u>149,860,947</u>	<u>3,752,511</u>	<u>883,381</u>	<u>104,237</u>
Noncurrent liabilities:						
General obligation bonds payable	95,477,574	133,815,776	229,293,350	6,406,650	-	-
Unamortized bond premium	281,706	681,421	963,127	7,554	-	-
Compensated absences	595,861	168,432	764,293	943	-	-
Closure/post closure landfill	-	3,178,096	3,178,096	-	12,579,633	-
Total noncurrent liabilities	<u>96,355,141</u>	<u>137,843,725</u>	<u>234,198,866</u>	<u>6,415,147</u>	<u>12,579,633</u>	<u>-</u>
Total liabilities	<u>224,018,519</u>	<u>160,041,294</u>	<u>384,059,813</u>	<u>10,167,658</u>	<u>13,463,014</u>	<u>104,237</u>
NET ASSETS						
Invested in capital assets, net of related debt	182,522,603	163,821,373	346,343,976	76,421,703	8,156,981	205
Restricted for:						
Closure/post closure landfill	-	-	-	-	12,318,119	-
Compost site closure	-	-	-	-	316,135	-
Donor Restrictions	-	-	-	-	-	921,088
Unrestricted	117,891,248	70,100,125	187,991,373	24,186,495	21,278	2,029,693
	<u>\$ 300,413,851</u>	<u>\$ 233,921,498</u>	<u>\$ 534,335,349</u>	<u>\$ 100,608,198</u>	<u>\$ 20,812,513</u>	<u>\$ 2,950,986</u>

The notes to the financial statements are an integral part of this statement.

**City of Cedar Rapids, Iowa
Statement of Activities
For the Year Ended June 30, 2005**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Public safety	\$ 36,598,588	\$ 2,680,541	\$ 809,715	\$ 34,795
Public works	23,476,595	1,224,718	10,417,038	6,747,161
Culture and recreation	14,448,265	2,798,179	796,327	1,017,806
Community and economic development	17,737,847	905,983	10,606,097	10,987
General government	9,620,708	1,915,122	150,078	40,518
Interest on long-term debt	4,736,327	-	-	-
Total governmental activities	<u>106,618,330</u>	<u>9,524,543</u>	<u>22,779,255</u>	<u>7,851,267</u>
Business-type activities:				
Water	20,183,395	20,062,822	-	766,990
Water pollution control	21,155,005	17,614,839	-	2,628
Sanitary sewer	5,212,436	6,211,361	-	962,370
Ground transportation system	7,941,027	1,055,043	2,115,981	850,198
Parking system	4,028,604	2,989,577	-	12,613
Solid waste management	5,381,234	6,544,751	48,564	25,185
Golf	2,765,321	2,550,384	3,175	3,926
U.S. Cellular center	2,322,972	2,145,149	-	12,071
Paramount theatre	835,535	1,182,730	-	-
Ice arena	1,785,060	1,085,718	-	-
Total business-type activities	<u>71,610,589</u>	<u>61,442,374</u>	<u>2,167,720</u>	<u>2,635,981</u>
Total primary government	<u><u>178,228,919</u></u>	<u><u>70,966,917</u></u>	<u><u>24,946,975</u></u>	<u><u>10,487,248</u></u>
Component units:				
Airport	9,776,595	11,811,444	-	3,053,368
Cedar Rapids / Linn County Solid Waste Agency	7,497,518	6,694,657	53,513	-
Cedar Rapids Public Library Foundation	124,122	221,496	-	-
Total component units	<u><u>17,398,235</u></u>	<u><u>18,727,597</u></u>	<u><u>53,513</u></u>	<u><u>3,053,368</u></u>

General revenues:
 Property taxes
 Other taxes
 Franchise taxes
 Investment income
 Gain on sale of capital assets
Special items:
 Retirement employee payouts
Transfers
 Total general revenues and transfers
 Change in net assets
Net assets - beginning
Net assets - ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and
Changes in Net Assets

Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Airport	Cedar Rapids/ Linn County Solid Waste Agency	Cedar Rapids Public Library Foundation
\$ (33,073,537)	\$ -	\$ (33,073,537)	\$ -	\$ -	\$ -
(5,087,678)	-	(5,087,678)	-	-	-
(9,835,953)	-	(9,835,953)	-	-	-
(6,214,780)	-	(6,214,780)	-	-	-
(7,514,990)	-	(7,514,990)	-	-	-
(4,736,327)	-	(4,736,327)	-	-	-
<u>(66,463,265)</u>	<u>-</u>	<u>(66,463,265)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	646,417	646,417	-	-	-
-	(3,537,538)	(3,537,538)	-	-	-
-	1,961,295	1,961,295	-	-	-
-	(3,919,805)	(3,919,805)	-	-	-
-	(1,026,414)	(1,026,414)	-	-	-
-	1,237,266	1,237,266	-	-	-
-	(207,836)	(207,836)	-	-	-
-	(165,752)	(165,752)	-	-	-
-	347,195	347,195	-	-	-
-	(699,342)	(699,342)	-	-	-
-	<u>(5,364,514)</u>	<u>(5,364,514)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(66,463,265)</u>	<u>(5,364,514)</u>	<u>(71,827,779)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	5,088,217	-	-
-	-	-	-	(749,348)	-
-	-	-	-	-	97,374
-	-	-	<u>5,088,217</u>	<u>(749,348)</u>	<u>97,374</u>
67,750,613	2,960,123	70,710,736	-	-	-
2,044,472	-	2,044,472	-	-	-
1,190,521	-	1,190,521	-	-	-
2,881,115	1,817,105	4,698,220	447,535	465,900	-
366,958	-	366,958	-	-	-
-	(137,948)	(137,948)	-	-	-
<u>1,750,165</u>	<u>(1,750,165)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>75,983,844</u>	<u>2,889,115</u>	<u>78,872,959</u>	<u>447,535</u>	<u>465,900</u>	<u>-</u>
9,520,579	(2,475,399)	7,045,180	5,535,752	(283,448)	97,374
290,893,272	236,396,897	527,290,169	95,072,446	21,095,961	2,853,612
<u>\$ 300,413,851</u>	<u>\$ 233,921,498</u>	<u>\$ 534,335,349</u>	<u>\$ 100,608,198</u>	<u>\$ 20,812,513</u>	<u>\$ 2,950,986</u>

**City of Cedar Rapids, Iowa
Balance Sheet
Governmental Funds
June 30, 2005**

	General	Infrastructure Construction	Debt Service	Other Governmental Funds	Total
ASSETS					
Cash and investments	\$ 178,259,544	\$ 15,056,673	\$ 1,559,560	\$ 13,549,193	\$ 208,424,970
Receivables:					
Taxes	39,212,997	-	9,452,679	25,080,059	73,745,735
Accounts and unbilled usage	339,840	17,963	-	550,593	908,396
Special assessments	113,651	2,277,133	-	-	2,390,784
Interest	670,004	-	-	71,022	741,026
Advance to other funds	200,000	-	-	-	200,000
Due from other funds	-	19,065,298	1,065,661	21,700,415	41,831,374
Due from other governments	394,826	2,576,091	-	3,393,885	6,364,802
Inventories	126,170	-	-	-	126,170
Prepaid items	126,710	-	-	44,690	171,400
Total assets	<u>219,443,742</u>	<u>38,993,158</u>	<u>12,077,900</u>	<u>64,389,857</u>	<u>334,904,657</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Vouchers payable	942,561	87,263	121	301,181	1,331,126
Contracts payable	16,036	2,463,919	-	327,999	2,807,954
Accrued expenditures	2,654,803	-	-	1,020,295	3,675,098
Revenues collected in advance	15,244	-	-	120,854	136,098
Deferred revenues	39,048,554	3,911,350	9,403,716	26,654,963	79,018,583
Due to other funds	123,380,982	-	-	557,743	123,938,725
Advance from other funds	-	-	-	825,015	825,015
Due to component unit	24,078,215	-	-	-	24,078,215
Due to general public	-	-	-	105,732	105,732
Due to employees	-	-	-	8,803	8,803
Due to other governments	1,033,288	-	-	160,907	1,194,195
Security deposits	507	-	-	200	707
Total liabilities	<u>191,170,190</u>	<u>6,462,532</u>	<u>9,403,837</u>	<u>30,083,692</u>	<u>237,120,251</u>
Fund balances:					
Reserved for:					
Prepaid items	126,710	-	-	44,690	171,400
Encumbrances	1,807,190	10,725,501	-	1,836,410	14,369,101
Inventories	126,170	-	-	-	126,170
Future construction	1,500,000	-	-	-	1,500,000
Advance from other funds	200,000	-	-	-	200,000
Employee retirement	-	-	-	11,668,679	11,668,679
Debt service	-	-	2,674,063	-	2,674,063
Unreserved, designated:					
Targeted fund balance	19,142,778	-	-	-	19,142,778
Unreserved, undesignated reported in:					
General fund	5,370,704	-	-	-	5,370,704
Special revenue funds	-	-	-	14,021,295	14,021,295
Capital projects funds	-	21,805,125	-	6,735,091	28,540,216
Total fund balances	<u>28,273,552</u>	<u>32,530,626</u>	<u>2,674,063</u>	<u>34,306,165</u>	<u>97,784,406</u>
Total liabilities and fund balances	<u>\$ 219,443,742</u>	<u>\$ 38,993,158</u>	<u>\$ 12,077,900</u>	<u>\$ 64,389,857</u>	<u>\$ 334,904,657</u>

The notes to the financial statements are an integral part of this statement.

City of Cedar Rapids, Iowa
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
June 30, 2005

Fund balances-total governmental funds		\$ 97,784,406
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in funds.		280,191,492
Other long-term assets not available to pay for current-period expenditures and, therefore, are deferred in the funds		5,697,938
Internal service funds:		
Capital assets	6,455,182	
Other current assets	2,896,827	
Internal balances	23,646,163	
Other current liabilities	(8,013,267)	
Noncurrent liabilities	(277,539)	24,707,366
Internal service funds allocated to business-type activities		665,968
Long-term liabilities, including bonds payable, are not due and payable in current period and therefore are not reported in the funds:		
Compensated absences	(4,490,679)	
Bonds payable	(103,895,774)	
Bond premium	(299,866)	
Accrued interest on long-term debt	(382,821)	
Deferred charges	435,821	(108,633,319)
Net assets of governmental activities		<u>\$ 300,413,851</u>

The notes to the financial statements are an integral part of this statement.

City of Cedar Rapids, Iowa
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2005

	General	Infrastructure Construction	Debt Service	Other Governmental Funds	Total
Revenues:					
Property taxes	\$ 38,571,531	\$ -	\$ 8,613,019	\$ 20,566,063	\$ 67,750,613
Other taxes	1,190,521	-	-	2,044,472	3,234,993
Licenses and permits	2,148,995	-	-	20,200	2,169,195
Intergovernmental	277,558	4,715,852	8	21,973,226	26,966,644
Charges for services	2,458,833	205,497	-	45,835	2,710,165
Fines and forfeits	387,960	-	-	9,062	397,022
Use of money and property	841,955	393,159	126,131	908,492	2,269,737
Rents and royalties	474,207	66,532	-	293,968	834,707
Miscellaneous	1,307,244	767,570	43,500	1,235,091	3,353,405
Total revenues	<u>47,658,804</u>	<u>6,148,610</u>	<u>8,782,658</u>	<u>47,096,409</u>	<u>109,686,481</u>
Expenditures:					
Current:					
Public safety	34,890,353	-	-	508,534	35,398,887
Public works	15,215,027	453,391	-	1,000	15,669,418
Culture and recreation	10,075,599	-	-	1,737,259	11,812,858
Community and economic development	3,165,090	-	-	14,452,610	17,617,700
General government	7,114,479	-	694	337,892	7,453,065
Debt service:					
Principal	-	-	10,314,806	-	10,314,806
Interest	-	-	4,870,749	-	4,870,749
Bond issuance costs	-	34,129	-	1,890	36,019
Capital outlay	1,304,341	12,879,291	-	4,048,717	18,232,349
Total expenditures	<u>71,764,889</u>	<u>13,366,811</u>	<u>15,186,249</u>	<u>21,087,902</u>	<u>121,405,851</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(24,106,085)</u>	<u>(7,218,201)</u>	<u>(6,403,591)</u>	<u>26,008,507</u>	<u>(11,719,370)</u>
Other Financing Sources (Uses):					
Long-term debt issued	-	16,160,000	-	895,000	17,055,000
Discount on bonds issued	-	(94,867)	-	(4,323)	(99,190)
Settlement reimbursement	246	-	-	-	246
Sale of capital assets	85,864	250	-	308,098	394,212
Reimbursement of escrow	-	-	7,150	-	7,150
Transfers in	26,265,719	1,984,275	6,052,612	2,349,128	36,651,734
Transfers (out)	(423,649)	(1,065,257)	-	(32,878,577)	(34,367,483)
Total other financing sources (uses)	<u>25,928,180</u>	<u>16,984,401</u>	<u>6,059,762</u>	<u>(29,330,674)</u>	<u>19,641,669</u>
Net change in fund balances	1,822,095	9,766,200	(343,829)	(3,322,167)	7,922,299
Fund balances - July 1, 2004	26,451,457	22,764,426	3,017,892	37,628,332	89,862,107
Fund balances - June 30, 2005	<u>\$ 28,273,552</u>	<u>\$ 32,530,626</u>	<u>\$ 2,674,063</u>	<u>\$ 34,306,165</u>	<u>\$ 97,784,406</u>

The notes to the financial statements are an integral part of this statement.

**City of Cedar Rapids, Iowa
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2005**

Net change in fund balances-total governmental funds \$ 7,922,299

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

Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlay	18,232,349	
Contributions of capital assets	3,549,014	
Depreciation expense	<u>(12,744,047)</u>	9,037,316

Governmental funds reported proceeds from sale of capital assets	(394,212)
Gain on sale of capital assets	366,958

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(806,090)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Payments of bond principal	10,314,806	
Issuance of debt	(17,055,000)	
Accrued interest	(5,650)	
Discount on bonds issued	99,190	
Bond issuance costs	36,019	
Amortization on premium	27,790	
Amortization on discount	(22,232)	(6,605,077)

Expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	126,269
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Internal service funds net change reported in governmental activities	(126,884)
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Change in net assets - governmental activities	<u>\$ 9,520,579</u>
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The notes to the financial statements are an integral part of this statement.

City of Cedar Rapids, Iowa
Statement of Net Assets
Proprietary Funds
June 30, 2005

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Sanitary Sewer	Other		
ASSETS						
Current assets:						
Cash and investments	\$ 6,788,061	\$ 75	\$ 6,763,189	\$ 550,232	\$ 14,101,557	\$ 1,508,142
Receivables:						
Taxes	-	-	-	3,000,299	3,000,299	-
Accounts and unbilled usage, net						
\$402,666 of allowance for doubtful accounts	2,207,962	3,169,801	225,178	1,782,896	7,385,837	207,136
Interest	-	-	-	282	282	7,809
Due from other funds	12,968,628	16,845,975	6,309,353	20,424,220	56,548,176	22,821,148
Advance to other funds	-	-	-	-	-	825,015
Due from other governments	-	47,999	4,356	589,609	641,964	21,764
Inventories	672,183	-	-	477,647	1,149,830	202,053
Prepaid items	37,158	-	-	69,819	106,977	949,923
Deferred charges	316,092	97,987	85,860	22,423	522,362	-
Restricted Assets:						
Due from other funds	-	-	-	3,178,096	3,178,096	-
Total current assets	22,990,084	20,161,837	13,387,936	30,095,523	86,635,380	26,542,990
Noncurrent assets:						
Land	437,328	726,865	322,105	9,507,092	10,993,390	1,016,663
Buildings and structures	54,319,693	98,036,067	-	57,505,369	209,861,129	7,410,772
Improvements other than buildings	93,934,951	40,101,046	83,373,961	18,411,913	235,821,871	1,092,787
Machinery and equipment	4,697,029	4,551,274	2,973,905	24,786,953	37,009,161	638,601
Accumulated depreciation	(47,564,803)	(66,962,322)	(34,398,165)	(50,858,278)	(199,783,568)	(3,763,048)
Construction in progress	1,300,676	6,015,712	28,833	7,386,245	14,731,466	59,407
Total noncurrent assets	107,124,874	82,468,642	52,300,639	66,739,294	308,633,449	6,455,182
Total assets	130,114,958	102,630,479	65,688,575	96,834,817	395,268,829	32,998,172
LIABILITIES						
Current liabilities:						
Vouchers payable	343,028	309,614	63,240	914,846	1,630,728	1,196,499
Claims and judgements payable	-	-	-	-	-	6,518,000
Contracts payable	807,877	1,280,965	527,291	106,991	2,723,124	12,157
Accrued expenses	325,620	234,704	69,073	582,217	1,211,614	84,098
Compensated absences	387,281	252,231	52,459	441,108	1,133,079	90,951
Revenues collected in advance	-	-	-	72,028	72,028	18,999
Deferred revenues	-	-	-	3,536,490	3,536,490	-
Due to other funds	-	-	-	440,069	440,069	-
Due to other governments	71,667	47,665	-	177,686	297,018	-
Advance from other funds	-	-	-	200,000	200,000	-
Security deposits	203,217	-	-	8,500	211,717	-
General obligation bonds payable	5,194,400	2,891,000	2,032,000	648,000	10,765,400	90,000
Unamortized bond premium	38,525	22,828	9,576	912	71,841	1,063
Matured bonds interest payable	221,465	180,720	87,103	55,242	544,530	1,500
Total current liabilities	7,593,080	5,219,727	2,840,742	7,184,089	22,837,638	8,013,267
Noncurrent liabilities:						
General obligation bonds payable	59,712,200	42,973,150	19,818,900	11,311,526	133,815,776	270,000
Unamortized bond premium	356,739	252,963	59,158	12,561	681,421	3,189
Compensated absences	115,112	44,880	6,145	2,295	168,432	4,350
Liabilities payable from restricted assets:						
Closure/post closure landfill	-	-	-	3,178,096	3,178,096	-
Total noncurrent liabilities	60,184,051	43,270,993	19,884,203	14,504,478	137,843,725	277,539
Total liabilities	67,777,131	48,490,720	22,724,945	21,688,567	160,681,363	8,290,806
NET ASSETS						
Invested in capital assets, net of related debt	42,139,102	36,426,688	30,466,865	54,788,718	163,821,373	6,455,182
Unrestricted	20,198,725	17,713,071	12,496,765	20,357,532	70,766,093	18,252,184
	<u>\$ 62,337,827</u>	<u>\$ 54,139,759</u>	<u>\$ 42,963,630</u>	<u>\$ 75,146,250</u>	<u>\$ 234,587,466</u>	<u>\$ 24,707,366</u>
Total enterprise fund net assets					\$ 234,587,466	
Amounts reported for business-type activities in the statement of net assets are different due to: Internal service funds are used by management to charge the cost of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets						(665,968)
						<u>\$ 233,921,498</u>

The notes to the financial statements are an integral part of this statement.

City of Cedar Rapids, Iowa
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2005

	Business-type Activities - Enterprise Funds		
	Water	Water Pollution Control	Sanitary Sewer
Operating revenues:			
Charges for services	\$ 19,312,792	\$ 17,589,199	\$ 6,185,621
Fines and forfeits	-	-	-
Use of money and property	61,062	2,083	-
Rents and royalties	29,618	8,189	-
Miscellaneous	659,350	15,368	25,740
Total operating revenues	<u>20,062,822</u>	<u>17,614,839</u>	<u>6,211,361</u>
Operating expenses:			
Personal services	7,075,338	5,085,288	1,489,287
Purchased services	3,980,144	4,314,280	258,073
Supplies and materials	2,226,369	2,911,608	279,737
Other	336,172	59,438	201,222
Depreciation	3,843,914	6,557,692	1,872,391
Total operating expenses	<u>17,461,937</u>	<u>18,928,306</u>	<u>4,100,710</u>
Operating income (loss)	<u>2,600,885</u>	<u>(1,313,467)</u>	<u>2,110,651</u>
Nonoperating revenues (expenses):			
Intergovernmental	-	-	-
Investment earnings	537,061	415,060	318,307
Property tax revenue	-	-	-
Gain (loss) on sale of capital assets	2,769	2,628	(1,619)
Interest expense	(2,755,995)	(2,249,724)	(1,117,782)
Total nonoperating revenue (expenses)	<u>(2,216,165)</u>	<u>(1,832,036)</u>	<u>(801,094)</u>
Capital contributions	<u>764,221</u>	<u>-</u>	<u>962,370</u>
Income (loss) before transfers and special items	1,148,941	(3,145,503)	2,271,927
Special items:			
Water retirement employee payouts	(137,948)	-	-
Transfers:			
Transfers in	-	-	87,766
Transfers out	(343,036)	(408,886)	(158,055)
Change in net assets	667,957	(3,554,389)	2,201,638
Total net assets, beginning	61,669,870	57,694,148	40,761,992
Total net assets, ending	<u>\$ 62,337,827</u>	<u>\$ 54,139,759</u>	<u>\$ 42,963,630</u>

Net changes in net assets in enterprise funds

Internal service funds are used by management to charge various costs of various activities internally to individual funds. The net expense of certain activities of internal service funds is reported with business-type activities

Change in net assets of business-type activities

The notes to the financial statements are an integral part of this statement.

Other	Total	Governmental Activities - Internal Service Funds
\$ 13,274,770	\$ 56,362,382	\$ 15,904,152
388,978	388,978	-
6,205	69,350	-
2,640,435	2,678,242	1,319,628
1,242,964	1,943,422	41,566
<u>17,553,352</u>	<u>61,442,374</u>	<u>17,265,346</u>
11,125,938	24,775,851	2,209,846
5,371,252	13,923,749	13,623,236
2,492,616	7,910,330	123,711
821,813	1,418,645	843,450
4,593,249	16,867,246	555,616
<u>24,404,868</u>	<u>64,895,821</u>	<u>17,355,859</u>
(6,851,516)	(3,453,447)	(90,513)
2,167,720	2,167,720	-
546,677	1,817,105	617,941
2,960,123	2,960,123	-
36,463	40,241	-
(694,853)	(6,818,354)	(21,062)
<u>5,016,130</u>	<u>166,835</u>	<u>596,879</u>
861,448	2,588,039	12,123
(973,938)	(698,573)	518,489
-	(137,948)	-
1,240,101	1,327,867	131,523
(2,168,055)	(3,078,032)	(665,609)
(1,901,892)	(2,586,686)	(15,597)
77,048,142	237,174,152	24,722,963
<u>\$ 75,146,250</u>	<u>\$ 234,587,466</u>	<u>\$ 24,707,366</u>
	(2,586,686)	
	111,287	
	<u>\$ (2,475,399)</u>	

City of Cedar Rapids, Iowa
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2004

	Business-type Activities - Enterprise Funds				Total	Governmental
	Water	Water Pollution Control	Sanitary Sewer	Other		Activities - Internal Service Funds
Cash flows from operating activities:						
Cash received from users	\$ 19,887,528	\$ 17,217,053	\$ 6,215,471	\$ 16,554,443	\$ 59,874,495	\$ 17,333,538
Cash paid to employees	(7,055,072)	(5,087,927)	(1,491,491)	(11,536,374)	(25,170,864)	(2,177,379)
Cash paid to suppliers	(6,653,969)	(7,537,717)	(787,248)	(8,630,461)	(23,609,395)	(14,558,720)
Net cash flows from operating activities	<u>6,178,487</u>	<u>4,591,409</u>	<u>3,936,732</u>	<u>(3,612,392)</u>	<u>11,094,236</u>	<u>597,439</u>
Cash flows from non-capital financing activities:						
Borrowing from other funds	9,060,274	5,731,546	2,560,654	6,752,279	24,104,753	1,067,424
Loans to other funds	(6,051,200)	(4,439,823)	(3,193,956)	(6,700,821)	(20,385,800)	(2,039,402)
Intergovernmental	-	-	-	2,167,720	2,167,720	-
Transfers in	-	-	87,766	1,240,101	1,327,867	131,523
Transfers out	(343,036)	(408,886)	(158,055)	(2,168,055)	(3,078,032)	(665,609)
Employee annuity payment	(2,306,615)	-	-	-	(2,306,615)	-
Property taxes	-	-	-	3,363,132	3,363,132	-
Net cash flows from non-capital financing activities	<u>359,423</u>	<u>882,837</u>	<u>(703,591)</u>	<u>4,654,356</u>	<u>5,193,025</u>	<u>(1,506,064)</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	(3,803,475)	(6,007,486)	(3,630,366)	(2,017,948)	(15,459,275)	(351,760)
Proceeds from disposition of property and equipment	4,772	2,628	1,586	44,951	53,937	-
Capital contributions	-	-	-	861,448	861,448	12,123
General obligation bonds issued	8,080,000	2,525,000	1,895,000	-	12,500,000	-
Discount on bonds	(20,685)	(6,464)	(4,852)	-	(32,001)	-
Principal paid	(5,312,408)	(2,840,050)	(2,128,786)	(833,000)	(11,114,244)	(90,000)
Issuance costs on issue	(17,065)	(5,332)	(4,002)	-	(26,399)	-
Interest paid	(2,754,777)	(2,265,657)	(1,119,190)	(698,579)	(6,838,203)	(22,499)
Net cash flows from capital and related financing activities	<u>(3,823,638)</u>	<u>(8,597,361)</u>	<u>(4,990,610)</u>	<u>(2,643,128)</u>	<u>(20,054,737)</u>	<u>(452,136)</u>
Cash flows from investing activities:						
Interest on investments	552,677	415,060	318,307	546,699	1,832,743	621,796
Net increase (decrease) in cash and cash equivalents	3,266,949	(2,708,055)	(1,439,162)	(1,054,465)	(1,934,733)	(738,965)
Cash and cash equivalents, July 1, 2004	3,521,112	2,708,130	8,202,351	1,604,697	16,036,290	2,247,107
Cash and cash equivalents, June 30, 2005	<u>\$ 6,788,061</u>	<u>\$ 75</u>	<u>\$ 6,763,189</u>	<u>\$ 550,232</u>	<u>\$ 14,101,557</u>	<u>\$ 1,508,142</u>
Reconciliation of operating income (loss) to net cash flows from operating activities						
Operating income (loss)	\$ 2,600,885	\$ (1,313,467)	\$ 2,110,651	\$ (6,851,516)	\$ (3,453,447)	(90,513)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Depreciation expense	3,843,914	6,557,692	1,872,391	4,593,249	16,867,246	555,616
Change in assets and liabilities:						
(Increase) decrease in prepaid items	3	23,783	1,000	27,717	52,503	(23,047)
Increase (decrease) in vouchers payable	(100,127)	(276,174)	(49,216)	(15,522)	(441,039)	148,088
Increase (decrease) in accrued expenses	21,574	12,874	5,036	(401,786)	(362,302)	3,787
Increase (decrease) in compensated absences	(1,308)	(15,513)	(7,240)	(7,031)	(31,092)	28,681
(Increase) decrease in accounts receivable	(428,745)	(400,959)	4,160	(199,101)	(1,024,645)	88,233
(Increase) (decrease) in inventories	(11,160)	-	-	43,025	31,865	(21,365)
(Increase) decrease in due from other governments	53,918	111	-	(333,946)	(279,917)	(2,473)
Increase (decrease) due to other governments	68,433	3,062	-	(18,508)	52,987	-
(Decrease) in revenues collected in advance	(231)	-	-	(437,763)	(437,994)	(17,568)
(Decrease) in employee uniform deposits	-	-	-	(1,619)	(1,619)	-
Increase (decrease) in security deposit	131,331	-	(50)	(11,292)	119,989	-
Increase in deferred revenue	-	-	-	1,701	1,701	-
(Decrease) in open claims payable	-	-	-	-	-	(72,000)
Net cash flows from operating activities	<u>\$ 6,178,487</u>	<u>\$ 4,591,409</u>	<u>\$ 3,936,732</u>	<u>\$ (3,612,392)</u>	<u>\$ 11,094,236</u>	<u>\$ 597,439</u>
Schedule of noncash capital and related financing activities:						
Acquisition of capital assets through contracts payable	\$ 221,148	\$ 592,010	\$ 333,030	\$ (199,580)	\$ 946,608	\$ 12,157
Acquisition of capital assets through private contributions	\$ 764,221	\$ -	\$ 962,370	\$ -	\$ 1,726,591	\$ -

The notes to the financial statements are an integral part of this statement.

**City of Cedar Rapids, Iowa
Statement of Assets and Liabilities
Agency Funds
June 30, 2005**

	Agency Funds
ASSETS	
Accounts and unbilled usage	109
Due from other governments	760,550
Total assets	\$ 760,659
 LIABILITIES	
Vouchers payable	2,604
Due to other governments	401,462
Security deposits	356,593
Total liabilities	\$ 760,659

The notes to the financial statements are an integral part of this statement.