CITY OF CEDAR RAPIDS, IOWA

Amphitheater & Levee Project

Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2011

About the Cover

Cedar Rapids Riverfront Amphitheater: With stunning views of the Cedar River and downtown Cedar Rapids, the Cedar Rapids Riverfront Amphitheater will create a special gathering space in the heart of this community. The Amphitheatre is built into an earthen levee that serves as the first segment of flood protection on the west side of Cedar Rapids, will seat up to 5,000 people, and has a lawn area with vendor hookups at the adjacent Festival Park. The naturalized facility will function as a park during non-event times and will be open to the public daily. It is anticipated to open late 2012 or spring 2013.

Construction costs for the amphitheater are $6.8 million. The project is funded by $2.9 million in state grants from IJOBS, RECAT and REAP, $1 million from the Hall-Perrine Foundation and close to $1 million in private funding from Transamerica, Rockwell Collins, IPL Alliant Energy, CRST International, United Fire Group, Cedar Rapids Area Chamber of Commerce, Trees Forever, Gazette Foundation, International Paper, McIntyre Foundation, MidAmerican Energy and individuals. For more information go to www.crrec.org.

COMPREHENSIVE
ANNUAL
FINANCIAL REPORT
OF THE
CITY OF CEDAR RAPIDS, IOWA
FOR THE FISCAL YEAR ENDED
JUNE 30, 2011

PUBLISHED BY

FINANCE DEPARTMENT

CITY OF
CEDAR RAPIDS, IOWA

CITY OF CEDAR RAPIDS, IOWA
Table of Contents
June 30, 2011

I. INTRODUCTORY SECTION

Table of Contents 1
Letter of Transmittal 3
Certificate of Achievement for Excellence in Financial Reporting 9
Organizational Chart 10
List of Principal Officials 11

II. FINANCIAL SECTION

A. INDEPENDENT AUDITOR'S REPORT 12

B. MANAGEMENT'S DISCUSSION AND ANALYSIS 14

C. BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

Statement of Net Assets 24
Statement of Activities 25

Fund Financial Statements

Governmental Funds:

Balance Sheet 27
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets 28
Statement of Revenues, Expenditures, and Changes in Fund Balances 29
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 30

Proprietary Funds:

Statement of Net Assets 32
Statement of Revenues, Expenses, and Changes in Fund Net Assets 33
Statement of Cash Flows 35

Fiduciary Funds:

Statement of Assets and Liabilities – Agency Funds 36

Notes to Financial Statements 37

D. REQUIRED SUPPLEMENTARY INFORMATION

Budget Comparison Schedule of Receipts, Disbursements, and Changes in Balances – Budget to Actual – All Governmental Funds and Proprietary Funds 73
Notes to Required Supplementary Information – Budgetary Reporting 75
Schedule of Funding Progress 76

E. COMBINING STATEMENTS – NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet 77
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) 79

F. COMBINING STATEMENTS – NONMAJOR ENTERPRISE FUNDS

Combining Statement of Net Assets 81
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets 83
Combining Statement of Cash Flows 85

F. COMBINING STATEMENTS – INTERNAL SERVICE FUNDS

Combining Statement of Net Assets 87
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets 88
Combining Statement of Cash Flows 89

CITY OF CEDAR RAPIDS, IOWA
Table of Contents
June 30, 2011

G. COMBINING STATEMENTS – AGENCY FUNDS
Combining Statement of Assets and Liabilities 90
Combining Statement of Changes in Assets and Liabilities 91

H. STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS – DISCRETELY PRESENTED COMPONENT UNITS 92

I. STATEMENTS OF CASH FLOWS – DISCRETELY PRESENTED COMPONENT UNITS 93

J. CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS:
Schedule By Source 94
Schedule by Function and Activity 95
Schedule of Changes by Function and Activity 96

III. STATISTICAL SECTION (Unaudited)
Statistical Section 98
Net Assets by Component 99
Changes in Net Assets 101
Program Revenues by Function/Program 105
Fund Balances, Governmental Funds 107
Changes in Fund Balances, Governmental Funds 109
Tax Revenues by Source, Governmental Funds 112
Assessed Value and Estimated Actual Value of Taxable Property 113
Direct and Overlapping Property Tax Rates 115
Principal Property Taxpayers 118
Property Tax Levies and Collections 119
Ratios of Net General Bonded Debt Outstanding by Type 121
Direct and Overlapping Governmental Activities Debt 124
Legal Debt Margin Information 125
Pledged-Revenue Coverage 127
Demographic and Economic Statistics 128
Principal Employers 130
Full-Time Equivalent Employees by Functions/Programs 131
Operating Indicators by Function/Program 133
Capital Asset Statistics by Function/Program 135

IV. COMPLIANCE SECTION
Schedule of Expenditures of Federal Awards 138
Notes to Schedule of Expenditures of Federal Awards 142
Summary Schedule of Prior Audit Findings 143
Independent Auditor's Report Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards 144
Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 146
Schedule of Findings and Questioned Costs 148

December 16, 2011

The Honorable Mayor, City Council Members,
And Citizens of the City of Cedar Rapids, Iowa:

The City of Cedar Rapids, Iowa, is required by various state and federal regulations to publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (generally accepted accounting principles or GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to these requirements, the Comprehensive Annual Financial Report (CAFR) of the City of Cedar Rapids, Iowa (City) for the fiscal year ended June 30, 2011 as prepared by the Finance Department is hereby submitted in accordance with the provisions of Chapter 11.6 of the Code of Iowa.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

McGladrey & Pullen, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City's financial statements for the year ended June 30, 2011. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated single audit designed to meet the special needs of federal grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including the Schedule of Expenditures of Federal Awards, Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133, and Schedule of Findings and Questioned Costs is included in the section entitled Compliance Section.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY OF CEDAR RAPIDS

The City of Cedar Rapids, incorporated in 1849, is located twenty-five miles north of Iowa City and one hundred-thirty miles east of Des Moines, the State Capitol. Cedar Rapids is an important manufacturing, service, and trade area servicing an eight county area with a combined population estimated at 445,380 and occupies 71 square miles. The population of Linn County based upon the 2010 census is 211,226 of which 126,326 reside within Cedar Rapids. The City of Cedar Rapids is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Cedar Rapids has operated under the city council-manager form of government since January 2006. This form of government consists of nine council members. Five of the members represent a specific district. The remaining four council members are elected at-large, with the Mayor being one of those seats. Previously, the City had operated under the commission form of government from 1908 until 2005.

The City of Cedar Rapids provides a full range of services, including public safety, public works, solid waste collection, animal control, parking, ground transportation, community development, and municipal water and sewer. The City also provides various cultural and recreational opportunities through various departments.

The City's financial statements include all funds, departments, boards and commissions, and other government entities that do not have separate legal status as required by accounting principles generally accepted in the United States of America. Three component units are included in our financial report: The Eastern Iowa Airport, Cedar Rapids/Linn County Solid Waste Agency, and Cedar Rapids Public Library Foundation.

The annual budget serves as a foundation for the City's financial planning and control. The City Council is responsible for developing a budget proposal. Council is required to hold public hearings on the proposed budget and to adopt the final budget no later than March 15 for the fiscal year beginning the following July 1. The budget is prepared by fund and function. Department directors may transfer resources within the department as they see fit.

FACTORS AFFECTING FINANCIAL CONDITION

The City of Cedar Rapids continues its recovery efforts from the June 2008 record flood that includes assisting residents and businesses in obtaining federal and state funding to move forward with recovery. In addition, the City has begun rebuilding its facilities and infrastructure that were damaged due to the flood. Overall, the community recovery costs are estimated to be as much as $5 billion dollars and it will take as long as 15 years to complete the demolition, reconstruction, and installation of adequate flood protection for the neighborhoods and downtown business district. The City continues to work closely with federal and state agencies to assist the City with recovery efforts.

City Council is clearly committed to a recovery and reinvestment effort that will not just return Cedar Rapids to pre-flood condition but make Cedar Rapids a greater, more vibrant community. A ten year financial plan has been updated to reflect the financial challenges since the flood and will help the City identify its funding needs over the next ten years.

Progress with flood recovery can clearly be seen throughout the flood impacted area as 1,128 of 1,300 projected property buyouts have occurred to date and 879 of 1,200 structures scheduled for demolition have been completed. In addition, the City has begun construction of major facilities such as Library, Paramount Theatre, Convention Center, Hotel, Arena, City Hall, Ground Transportation Center, 2 Fire Stations, Neighborhood Recreation Center, and Public Works Building. These facilities will all be completed over the next two calendar years. The City is working on a flood protection plan to protect both sides of the river and which will assist with future development in the City along the river.

The City of Cedar Rapids has been recognized over the past year nationally:

- Top 25 Cities Where Homes are Affordable: Cedar Rapids ranked #11 for median family income and median home price by Money Magazine.
- Top 10 Best Value Cities of 2011: Cedar Rapids ranked #9 based on average home costs, property tax rates, and great amenities.
- Best Places for Business and Careers: Cedar Rapids ranked #11 out of the 200 largest metropolitan statistical areas in the U.S. based on costs, income growth, educational attainment, and projected economic growth.

- Milken Institute's 2011 Best Performing Cities: Cedar Rapids ranks #13 in The 2011 Milken Institute Best-Performing Cities Index ranks U.S. metropolitan areas by how well they are creating and sustaining jobs and economic growth.

Regionalism continues to be the focus of our economic development initiatives. The state's first regional laborshed study was completed and confirmed that the Cedar Rapids/Iowa City Technology Corridor™ has one work force. Priority One, the economic development arm of the Cedar Rapids Chamber of Commerce, reported the following accomplishments for the past decade:

- New job creation: 16,135 jobs
- New business attractions: 65 companies
- Existing business expansions: 236 local expansions
- Total capital investment: $2,497,201,466

In addition, the 2010 Laborshed Study, conducted by the Workforce Research Bureau of Iowa Workforce Development, reveals the Cedar Rapids laborshed region has grown. Based on figures in the 2010 study, the potential available labor force in the Cedar Rapids area is estimated to be 536,331. That amount is up from 499,072 in the 2008 study. The increase reflects growth in the laborshed area, new population growth, increased numbers of people willing to re-enter the workforce and travel to the region's central nodes for work.

The largest concentrations of workers in the Technology Corridor are employed in the following four areas: manufacturing, health care & social services, government, and wholesale & retail trade. The top industries of the area are manufacturing, education & health services, and public administration & government.

The City of Cedar Rapids is building a downtown riverfront amphitheater and levee project on the west bank of the Cedar River. This project is the first segment of a comprehensive west side flood management system, with room for an outdoor event space. The amphitheater is anticipated seat approximately 3,000 to 5,000 people and host eight national touring concerts and 20 ticketed events per year with up to 57,300 total annual attendance. The construction began in the spring of 2011 with anticipated completion in fall of 2012 or spring of 2012. The City has secured $1.075 million in funding from State of Iowa I-JOBS program as well as $1.6 million in a State RECAT grant.

The City of Cedar Rapids is building a new convention and events center in downtown, which includes the renovation of the U.S. Cellular Center and the Hotel. When the complex is completed in February 2013, it will become the second largest convention and events center complex in the state of Iowa. The Cedar Rapids Convention Complex includes a new exhibit hall, ballrooms, meeting rooms and pre-function space, as well as a renovated arena and renovated hotel with an additional ballroom and meeting rooms. The new Cedar Rapids Convention Complex is projected to attract more than 375,000 visitors annually, resulting in $22.8 million of direct spending per year. Total economic impact from the new convention center is estimated to be more than $34 million per year. The City has secured $15 million in grant funding from State of Iowa I-JOBS program and $35 million from Economic Development Administration.

The City of Cedar Rapids, Five Seasons Facilities Commission and Paramount Theatre Reconstruction Committee have hired a team of professionals to rebuild, restore and improve the flood-damaged theatre to bring it back better than before. The goal of this restoration project is to create a financially viable multipurpose venue suitable for symphony, theatre and opera performances, organ recitals, community productions, film showings and community gatherings to better serve eastern Iowa through the 21st Century. The Paramount Theatre Restoration Project includes flood-damage repairs, building code upgrades, hazard mitigation measures and several proposed upgrades and improvements for performers and patrons. Construction is commenced in 2011 with scheduled completion in the fall of 2012. The City has secured $5 million in State of Iowa I-JOBS program funding as well as $21 million from the Federal Emergency Management Agency.

The City and businesses in efforts to bring the talents of a diverse work force from around the world to this region. This effort is essential for Technology Corridor businesses to compete in a global economy and the City has pledged financial support for this project through calendar year 2012.

Cedar Rapids' unemployment rate decreased 0.6% to 5.9% for fiscal year ending 2011, which is slightly lower than the state unemployment rate of 6.0% and is lower than the national unemployment rate of 9.5% for the same time period.

The Cedar Rapids MSA mean household income in 2011 was $94,884 as compared to $90,962 in 2010. These amounts are presented in 1996 constant dollar.

Retail sales in the metro area increased to $3.7 billion for calendar year 2011 compared to $3.6 billion in calendar year 2010.

The total value of building permits in FY 2011 was approximately $243.8 million. This compares with an amount of $197.6 million for FY 2010. This amount represents an increase of 23.4 percent from the previous fiscal year mainly due to more home repairs related to the 2008 flood being completed in FY 2011.

Long-term financial planning

The minimal fund balance in the general fund is $24.6 million or 70% of total fund balance less nonspendable fund balance. This percentage falls within the City's policy guidelines for reserves, which at a minimum must be 25 percent of next fiscal year's budgeted general fund expenditures as established by Council resolution. By maintaining an appropriate reserve balance the City is able to react to both known and unknown events that will have an impact on the City finances without disrupting services provided to its citizens in the short term.

The City completed a ten year financial plan for all operating departments and capital improvement programs. The financial plan is a necessary element of Cedar Rapids strategy to remain competitive in today's demanding environment. The City's financial plan will provide a road map into the future and a framework for future decision-making. This financial plan reflects the following financial principles: 1) Sustainability; 2) Long-term Community Affordability; 3) Competitive and Responsive Community Services; and 4) Protecting Community Investment and Value.

In addition to the financial plan, performance measurements have been created by all City departments to measure effectiveness, efficiency, customer service, and organizational climate. These measurements will be reported on a regular basis to the City Council, City staff, and citizens of Cedar Rapids.

Relevant financial policies

Internal Controls

The management of the City is responsible for the establishment and continued maintenance of an internal control structure to ensure that all City assets are protected from loss, theft, or misuse. The management must also ensure that adequate accounting data is available to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable assurance these objectives are met. The concept of reasonable assurance recognizes: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit

A recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

Budgetary Controls

The City's management team takes a very active role in the financial planning and management of the City for both short-term daily operations and long-range planning. The City adopts its annual program budget to include all funds except fiduciary funds. While budgetary control is exercised at the program level, management control is exercised on a major objective of expenditure basis. The daily operations are closely monitored through the City's automated and integrated on-line financial system which provides daily appropriations status capabilities, weekly cash management forecasting reports, and monthly, current and year-to-date budget by major object of expenditure reports. Estimated revenues are also closely monitored as to their impact on budgeted expenditures. If a department falls short of its discretionary revenue projections, adjustments must be made in its appropriations to reflect these shortfalls. Encumbrance accounting is employed in all funds for management control purposes. Appropriations, as adopted and amended, lapse at the end of the fiscal year. Encumbrances outstanding at year-end are reflected as reservations of the Governmental fund balances, which serve as authorizations for expenditures in the subsequent year. Capital projects are appropriated on a yearly basis.

In terms of long-range planning, the City, in compliance with a Council resolution, annually develops and issues a ten-year capital improvements program, which is funded primarily through the sale of general obligation bonds and federal and state grants.

Debt Administration

The City’s debt management policy strives to repay 30 to 60 percent of the principal amount of its general obligation debt within five years and at least 60 percent within ten fiscal years. Capital projects financed through issuance of debt are programmed to be paid off completely within the expected useful life of the capital project. Currently, the City is on pace to repay over 69 percent of its debt within ten fiscal years. Moody's Investor Services continues to rate the City’s general obligation bonds Aaa. This rating is predicated on the City's strong financial management, a diverse and substantial economic and tax base, and a low debt burden with a rapid payout. FY11 marked our thirty-ninth anniversary of maintaining this rating.

Cash Management

The City maintains almost all deposits, except for those funds that must maintain their demand deposits separately, in one demand deposit account in the General Fund. The majority of the City's investments are handled through an investment pool. This concept provides for greater investment earnings, which are then allocated on a systematic basis.

Risk Management

The City's risk management program strives to protect the City's assets in a cost effective and responsible manner using a combination of the four recognized methods of treating risks: elimination, reduction, transfer, and retention. Safety and loss prevention programs help reduce the City's exposure to risks. Those risks that cannot be eliminated or reduced are either transferred or retained. Funded self-retention of risks is being employed not only because it is cost effective but it also enables the City to: stabilize insurance costs; build a fund to provide a reliable and constant source of funds to pay claims; and provide a high level of service by handling claims promptly and courteously. During fiscal year 2011, the City purchased liability insurance to cover its airport, 3 of its 4 underground fuel tank sites, four vehicles, lead paint hazard control program and liquor liability. The City self-insures without excess insurance, the rest of its general liability, errors and employment practices liability, police liability, auto liability, and bus liability exposures which are accounted for and financed under a separate subdivision of the Risk Management Fund. The City also self-insures its workers compensation and dental benefits without stop loss insurance. A combination of risk transfer and risk retention is employed in handling the City's property and health insurance exposures. Property insurance and health insurance are purchased with large deductibles. The City accounts for and finances its retained risks through the Risk Management Internal Service Fund. In compliance with Statement 10 of the Governmental Accounting Standards Board, the City's financial statements show as an

expense and liability, the estimated cost of all claims which have occurred. Claim liabilities are based on the estimated total cost of all claims including claims reported but not settled, and claims incurred but not reported. The tort liability and workers' compensation claims liabilities are shown at a 95% confidence level, as determined by an independent actuary, in the City's June 30, 2011, financial statements. The amount of incurred but unpaid health and dental bills were determined by an independent actuary along with calculations to comply with Statement 45 of the Governmental Accounting Standards Board.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cedar Rapids, Iowa, for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2010. This was the thirtieth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the efficient and dedicated services of the General Accounting division as well as the entire staff of the Finance Department. We would also like to thank the members of the City Council for their prudent management of the City's finances.

Respectfully submitted,

Jeffrey A. Pomeranz
City Manager

Casey J. Drew
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cedar Rapids
Iowa

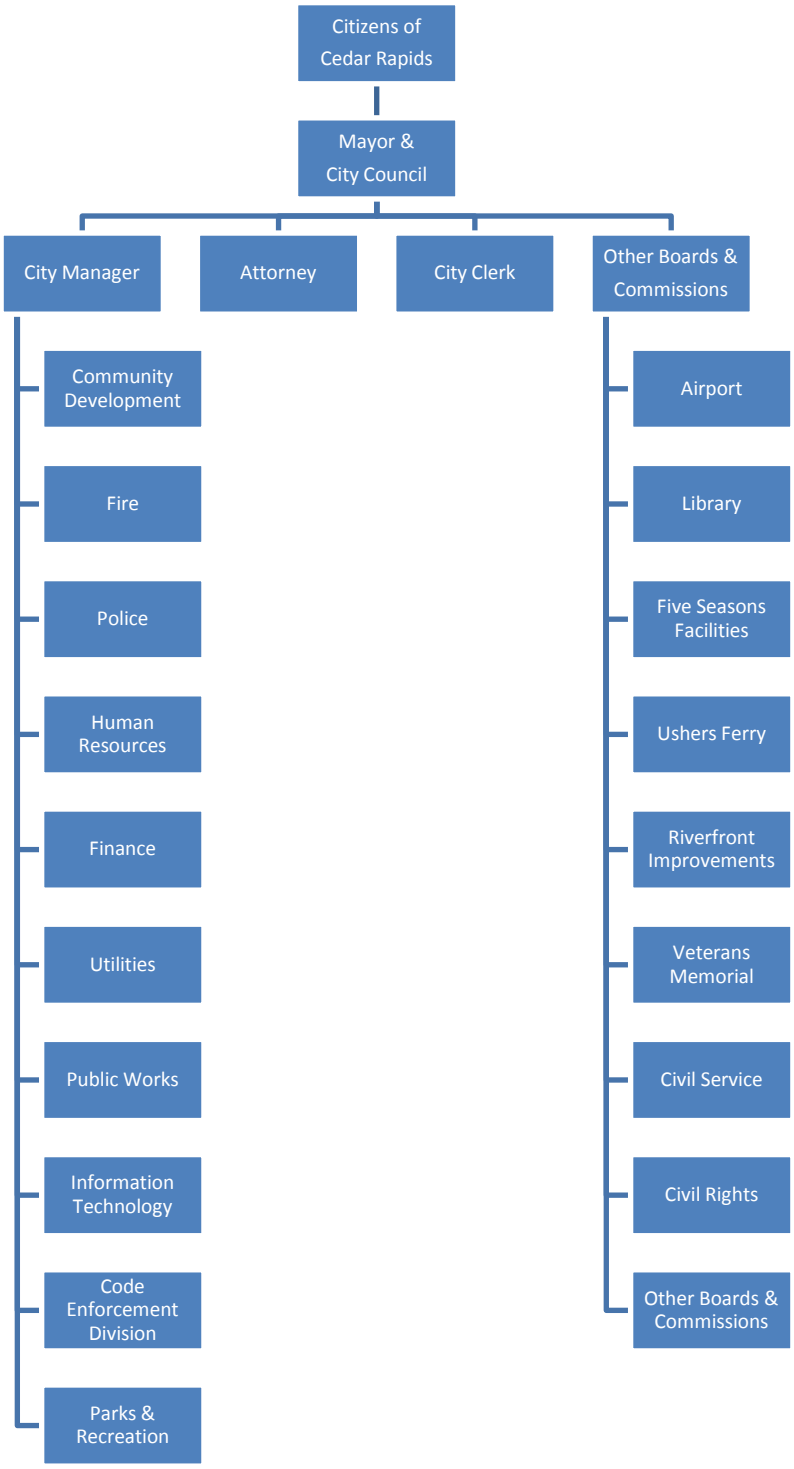
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

The City of Cedar Rapids
Organizational Chart



CITY OF CEDAR RAPIDS, IOWA

City Manager Form of Government

CITY COUNCIL

Ron Corbett
Mayor

Don Karr
At-Large

Tom Podzimek
At-Large

Chuck Swore
At-Large

Kris Gulick
District 1

Monica Vernon
Mayor Pro Tempore
District 2

Pat Shey
District 3

Chuck Wieneke
District 4

Justin Shields
District 5

STAFF

Casey J. Drew, CPA
Finance Director

Jeffrey A. Pomeranz
City Manager

McGladrey

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Cedar Rapids, Iowa
Cedar Rapids, Iowa

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cedar Rapids, Iowa, as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Cedar Rapids, Iowa's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit, Cedar Rapids Public Library Foundation, which represents 3.7 percent, 4.3 percent and 10.7 percent, respectively, of the assets, net assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Cedar Rapids Public Library Foundation, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Cedar Rapids Public Library Foundation were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cedar Rapids, Iowa, as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As explained in Note 18 to the basic financial statements, the City adopted GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which changed its method of accounting for governmental funds' fund balance classifications, and restated the General Fund, Flood Fund, Water Pollution Control Fund, and aggregate remaining funds' beginning fund balances.

McGladrey is the brand under which RSM McGladrey, Inc. and McGladrey & Pullen, LLP serve clients' business needs.
The two firms operate as separate legal entities in an alternative practice structure.

Member of RSM International network, a network of
independent accounting, tax and consulting firms.

In accordance with *Government Auditing Standards,* we have also issued our report dated December 16, 2011, on our consideration of the City of Cedar Rapids, Iowa's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion & Analysis, the budgetary comparison information and the City of Cedar Rapids, Iowa Retiree Healthcare Plan schedule of funding progress on pages 14 through 22 and 73 through 76, respectively are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Cedar Rapids, Iowa's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments and Nonprofit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Davenport, Iowa
December 16, 2011

Management's Discussion and Analysis

As management of the City of Cedar Rapids, Iowa, we offer readers of the City of Cedar Rapids' financial statements this narrative overview and analysis of the financial statements of the City of Cedar Rapids for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 3-8 of this report.

Financial Highlights

- The assets of the City of Cedar Rapids exceeded its liabilities at the close of June 30, 2011, by $677.8 million (net assets).
- The government's total assets increased by approximately $84.7 million.
- At the close of the current fiscal year, the City of Cedar Rapids' governmental funds reported combined ending fund balances of $76.2 million, a decrease of 23.6 percent as compared to the prior fiscal year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $33.1 million, or 32.7 percent of the total general fund expenditures.
- The City has a minimum fund balance policy of 25% of next year's budgeted general fund expenditures. The minimum fund balance for FY2011 is $24.6 million or 70.0% of total fund balance less nonspendable.
- Total debt increased by $11.9 million during the current fiscal year. The City issued $33.1 million of new general obligation bonds, refunded $32.4 million in general obligation bonds, $1.2 million of new notes payable, $6.4 million of revenue bonds, and retired $61.0 million of existing bonds and notes payable.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Cedar Rapids' basic financial statements. The City of Cedar Rapids' basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The report consists of government-wide statements, fund financial statements, notes to the financial statements, required budgetary schedules, combining schedules of non-major funds and supplementary information. The first several statements are highly condensed and present a government-wide view of the City's finances. The governmental activities of the City of Cedar Rapids include general government, police and fire protection, streets and public buildings operation and maintenance, parks and recreation oriented activities, and flood recovery. The major business-type activities of the City include a water and wastewater treatment facilities and a sanitary sewer system. Included within others are a ground transportation system, parking system, solid waste management collection, golf courses, an ice arena, a theatre and an entertainment and convention facility. The City's three component units, The Eastern Iowa Airport, Cedar Rapids/Linn County Solid Waste Agency, and Cedar Rapids Library Foundation are also included. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

Government–wide Financial Statements

The government-wide financial statements include the Statement of Net Assets. The Statement of Net Assets presents information on all of the City of Cedar Rapids' assets and liabilities, with the difference between the two reported as Net Assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities is also included in the government-wide financial statements. The focus of the Statement of Activities is to show how the government's assets changed during the most recent fiscal year.

All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Statement of Net Assets for the Fiscal Years Ended June 30, 2011 and 2010:

A condensed version of the Statement of Net Assets as of June 30, 2011 and 2010 follows:

City of Cedar Rapids Net Assets
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Cash and investments	$ 148.0	$ 185.7	$ 2.4	$ 2.0	$ 150.4	$ 187.7
Restricted assets	56.9	58.7	32.1	30.8	89.0	89.5
Other assets	119.9	107.8	90.1	86.6	210.0	194.4
Capital assets	433.3	346.1	359.3	339.6	792.6	685.7
Total assets	758.1	698.3	483.9	459.0	1,242.0	1,157.3
Other liabilities	182.3	174.4	31.7	31.8	214.0	206.2
Noncurrent liabilities	160.1	146.5	190.1	190.7	350.2	337.2
Total liabilitites	342.4	320.9	221.8	222.5	564.2	543.4
Net assets:						
Invested in capital assets, net of debt	401.6	255.4	186.8	162.4	588.4	417.8
Restricted	67.6	21.9	10.3	3.6	77.9	25.5
Unrestricted (deficit)	(53.5)	100.1	65.0	70.5	11.5	170.6
Total net assets	$ 415.7	$ 377.4	$ 262.1	$ 236.5	$ 677.8	$ 613.9

Governmental Activities

Net assets increased $38.3 million or 10.1 percent. The change is mainly an increase in improvements & structures due to increase in infrastructure capital projects, property acquired as part of the 2008 flood recovery process, an increase in due from other governments related to grant money earned but not received as of June 30, 2011, and an increase in general obligation bonds and notes payable.

Business-Type Activities
Total net assets increased $25.6 million or 10.8% for fiscal year 2011. The increase is mainly due to an increase in improvements and structures due to Water treatment capital projects and issuance of revenue bonds.

Statement of Activities for the Fiscal Years Ended June 30, 2011 and 2010:

A condensed version of the Statement of Activities as of June 30, 2011 and 2010 follows:

Table 2
Governmental and Business-type Activities
For Fiscal Years Ending June 30, 2011 and 2010
(in millions)

	Governmental Activities		Business-type Activities			
	2011	2010	2011	2010	2011	2010
Revenues						
Charges for services	$ 34.9	$ 29.5	$ 88.8	$ 84.7	$123.7	$ 114.2
Operating grants and contributions	116.9	96.1	4.7	3.9	121.6	100.0
Capital grants and contributions	71.7	7.8	14.0	2.4	85.7	10.2
General revenues:						
Property taxes	82.5	83.2	4.3	3.9	86.8	87.1
Hotel-motel taxes	2.7	2.4	-	-	2.4	2.4
Local option sales taxes	19.6	16.4	-	-	19.6	16.4
Franchise taxes	3.7	3.3	-	-	3.7	3.3
Investment income	2.9	1.9	0.5	0.9	3.4	12.9
Gain on sale of capital assets	-	0.1	-	-	-	0.1
Total revenues	334.9	240.7	112.3	95.8	447.2	336.5
Expenses						
Public safety	73.6	59.4	-	-	73.6	59.4
Public works	46.6	50.6	-	-	46.6	50.6
Culture and recreation	20.1	17.2	-	-	20.1	17.2
Community and economic development	116.0	59.5	-	-	116.0	59.5
General government	31.7	33.4	-	-	31.7	33.4
Debt service	6.0	6.0	-	-	6.0	6.0
Water	-	-	25.4	23.9	25.4	23.9
Water pollution control	-	-	27.7	27.5	27.7	27.5
Sanitary sewer	-	-	7.8	7.2	7.8	7.2
Ground transportation system	-	-	8.6	8.1	8.6	8.1
Parking system	-	-	2.7	4.1	2.7	4.1
Solid waste management	-	-	8.9	10.0	8.9	10.0
Golf	-	-	3.1	3.3	3.1	3.3
U.S. cellular center	-	-	3.1	3.1	3.1	3.1
Paramount theatre	-	-	0.5	0.4	0.5	0.4
Ice arena	-	-	1.5	1.5	1.5	1.8
Total expenses	294.0	226.1	89.3	88.9	383.3	315.0
Increase in net assets before special Items and transfers	40.9	14.6	23.0	7.0	63.9	21.6
Transfers	(2.6)	(2.9)	2.6	2.9	-	-
Changes in net assets	38.7	11.7	25.6	9.9	63.9	21.6
Beginning net assets, as restated	377.4	365.7	236.5	226.6	613.9	592.3
Ending net assets	$ 415.7	$ 377.4	$262.1	$ 236.5	$ 677.8	$ 613.9

Governmental Activities

Charges for services make up 10.4 percent of governmental revenues. Operating and capital grants, primarily due to street projects and flood recovery grants, make up another 34.9 percent of governmental revenues. The remaining revenue comes from taxes, primarily property taxes & one-percent local option sales tax.

Business-type Activities

As expected, charges for services are the primary revenue source for business-type activities. Water fees, wastewater fees, and sanitary sewer charges are the primary charges for services that make up 80.1 percent of charges for services**.** Operating and capital grants make up 16.7 percent of overall revenue, grants for ground transportation system and EDA grant for the Cedar Rapids event center make up 80.3 percent of this amount.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to insure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers can better understand the long-term impact of the City's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Cedar Rapids maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General fund, Infrastructure Construction fund, and Flood fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report.

The General Fund revenues increased $9.6 million or 14.4%, while expenditures increased $5.0 million or 5.3% over the prior year thus resulting in an increase in the change in fund balance of $0.8 million compared to a increase in FY 2010 of $0.5 million. Fines and forfeits increased $6.6 million due to a full year of red light camera operations and $2.1 million increase in property taxes due to an increase in valuations. The majority of the increase in the General Fund expenditures was purchased services in public safety, which increased $2.4 million due to a full year of red light camera operations. Personal services also increased by $1.6 million due to an increase in FTEs in Finance and Fire of 5 and 7 respectively, as well as a decrease of 4 FTEs in Code Enforcement. The City has continued to maintain its minimum fund balance policy of 25 percent of the next year's expenditure budget in the General Fund of $24.6 million and is 70% of total fund balance, less nonspendable fund balance. Infrastructure construction fund expenditures increased by 44.7 percent due to increase in streets improvements, and operating and capital grant revenue increased 107.5 percent, resulting in an increase in fund balance of $0.7 million as compared to an increase of $1.9 million in the prior year. The Flood Fund had a decrease in fund balance of $9.8 million resulting in a negative fund balance of $48.9 million. The negative fund balance is due to a delay between expenditures and receiving reimbursement from federal and state funding and is expected to be temporary.

Proprietary Funds

The City of Cedar Rapids maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, water pollution control, sanitary sewer, and others. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Cedar Rapids uses internal service funds to account for its risk management functions, joint communications, fleet services, and facilities maintenance functions. Because all of these services predominately benefit governmental rather than business type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Water Pollution Control, and Sanitary Sewer as these are considered major funds of the City. Data from the other seven enterprise funds are combined into a single aggregate presentation. Individual fund data for each of the non-major enterprise funds is provided in the form of combining statements elsewhere in this report. All Internal Service funds are combined into a single aggregate presentation in the proprietary fund financial statements. Individual fund data for internal service funds is provided in the form of combining statements elsewhere in this report.

Water operating revenues increased 11.0 percent over the prior year while operating expenses increased 6.7 percent thus increasing the net operating income from $6.6 million in FY 2010 to $8.2 million in FY 2011. The change in net assets increased $5.6 million. The $3.0 million increase in Water operating revenue is due to an increase in utility rates of 7.69% combined with an increase in consummation of 1.68%. Water operating expenditures increased due to an increase in purchases services due to an increase in infrastructure repairs. Water Pollution Control's change in net assets is $5.9 million as compared to an increase of $3.4 million in FY 2010 mainly increase in operating revenues. Water Pollution Control's operating revenues increased by 2.6 percent due to rate increase of 3.49 percent and increase in usage by the eight largest industrial users. Sanitary Sewer's operating revenues increased 5.5 percent while operating expenses increased 9.1 percent thus decreasing the net change in assets to $3.6 million in FY 2011 as compared to an increase of $3.7 million in FY 2010. Sanitary Sewer's operating revenues increase was due to a 7.85 percent increase in utility rates, and operating expenses increase was due to an increase in non-personal services, primarily in internal service charges.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected on the government-wide financial statements because the resources of those funds are not available to support the City of Cedar Rapids' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37-71 of this report.

Other Information

The combining statements referred to earlier in connection with non-major governmental, non-major enterprise funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 77-89 of this report.

Budgetary Highlights

The City presents budgetary information as allowed by GASB Statement No. 41. Budgets are based on ten functional areas as required by state statute, not by fund or fund type.

The City had one budget amendment during the fiscal year that is our common practice. This amendment increased the expenditure budget by $125.8 million to a total of $760.0 million. This represented a 19.8 percent increase. General government increased by $59 million due to addition of local option sales tax expenditures. Debt service budget increased due to a refunding of $34 million in general obligation bonds. Governmental activities budget increased by $12.0 million due to an increase in internal service charges in the general fund. Business-type activities increased by $21 million primarily due to the construction of the Event Center in downtown Cedar Rapids. Actual expenditures were $604.2 million. Budgetary comparison can be found on pages 73-74 of this report.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2011**,** the City had invested $792.6 million in capital assets as reflected in the following table. This investment includes land, buildings, improvements, machinery and equipment, roads, highways, and bridges.

Table 3
Capital Assets at Fiscal Year-End
(Net of Depreciation)
(in millions)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2009
Land	$ 102.3	$ 38.0	$ 20.6	$ 12.4	$ 122.9	$ 50.4
Building and structures	34.4	34.1	66.8	70.7	101.2	104.8
Improvements other than buildings	261.0	241.6	197.8	192.3	458.8	433.9
Machinery and equipment	25.6	24.5	12.3	9.7	37.9	34.2
Construction in progress	10.0	7.9	61.8	54.5	71.8	62.4
Total	$ 433.3	$ 346.1	$ 359.3	$ 339.6	$ 792.6	$ 685.7

The following table reconciles the change in capital assets. Included with additions is construction in progress balances. The amount for governmental activities is $433.3 million that represents a 25.2 percent increase. For business type activities the amount is $359.3 million that is a 5.8 percent increase. Detail of this summary is presented on pages 48-49 of the notes.

Table 4
Change in Capital Assets
(in millions)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2009
Beginning Balance	$ 346.1	$ 333.5	$ 339.6	$ 325.2	$ 685.7	$ 658.7
Additions	109.3	29.6	36.4	30.9	145.7	60.5
Retirement	(11.8)	(1.3)	(6.7)	(2.8)	(18.5)	(4.1)
Depreciation, net	(10.3)	(15.7)	(10.0)	(13.7)	(20.3)	(29.4)
Ending Balance	$ 433.3	$ 346.1	$ 359.3	$ 339.6	$ 792.6	$ 685.7

Governmental Activities

Major capital assets events during the current fiscal year included the following:

- Acquisition of flood damaged properties, $64.4 million or 58.9% of total additions
- Street Improvements, $23.1 million or 21.1% of total additions
- Flood recovery purchases, $5.4 million or 4.9% of total additions
- Fleet purchases, $3.4 million or 3.1% of total additions
- Traffic signals, $2.8 million or 2.6% of total additions
- New Bridges on Edgewood Road over the Indian Creek and 6th Street over Prairie Creek, $1.8 million or 1.6% of total additions

Business-type Activities

Major capital assets events during the current fiscal year included the following:

- Improvements at Water Distribution plant, $8.9 million or 24.5% of total additions
- Acquisition of land for Event Center, $7.4 million or 20.3% of total additions
- Improvements at Water Pollution Control plant, $5.3 million or 14.6% of total additions
- Sanitary Sewer improvements, $4.4 million or 12.1% of total additions
- Purchase of six transit buses, $1.5 million or 4.1% of total additions

Additional information on the City of Cedar Rapids' capital assets can be found in note 7 on pages 48-50 of this report.

Debt Administration

The amount of debt outstanding at fiscal year end was $368.7 million as compared to $356.8 million last fiscal year. The increase in debt in FY11 is due to issuance of $33.1 million in general obligation bonds, $6.4 in revenue bonds, and $32.4 in refunding general obligation capital loan notes. Of the total debt outstanding, $162.2 million is backed by the full faith and credit of the City. The remainder is general obligation debt, revenue debt, and loans abated by enterprise revenues.

Table 5
Outstanding Debt at Year End
(in millions)

	Totals	
	2011	2010
Governmental		
General obligation	$ 162.2	$ 148.6
Notes Payable	5.0	5.0
Business-type		
General obligation		
Abated by:		
Water	78.5	84.5
Water Pollution Control	47.3	52.1
Sanitary Sewer	18.4	20.1
Others	14.3	8.5
Sub-totals	158.5	165.2
Revenue		
Abated by:		
Water	22.5	16.7
Water Pollution Control	17.5	18.2
Sanitary Sewer	3.0	3.1
Sub-totals	43.0	38.0
Totals	$ 368.7	$ 356.8

Moody's Investor Services continues to rate the City's general obligation bonds Aaa.

For more detailed information on the City's debt and amortization terms, please refer to page 51 of the Notes to the Financial Statements.

Economic Factors

Cedar Rapids' unemployment rate decreased 0.6% to 5.9% for fiscal year ending 2011, which is slightly lower than the state unemployment rate of 6.0% and is lower than the national unemployment rate of 9.5% for the same time period.

The Cedar Rapids MSA mean household income in 2011 was $94,884 as compared to $90,962 in 2010. These amounts are presented in 1996 constant dollar.

Retail sales in the metro area increased to $3.7 billion for calendar year 2011 compared to $3.6 billion in calendar year 2010.

The total value of building permits in FY 2011 was approximately $243.8 million. This compares with an amount of $197.6 million for FY 2010. This amount represents an increase of 23.4 percent from the previous fiscal year mainly due to more home repairs related to the 2008 flood being completed in FY 2011.

Next Year's Budget and Rates

Approximately 73 percent of our operating costs in the General fund are for Personal Services. Changes in Personal Services can be due to changes in the pay rates, changes in benefits and cost of benefits, changes in number of employees, or any combination of these. The Personal Services within the General Fund increased by $0.2 million or an increase of 0.5 percent mainly due to an increase in the City's contribution

for Municipal Police and Fire Retirement System of Iowa from 19.9% to 24.8%. Non-Personal Services were increased by $3.9 million or 16.7 percent mainly due to increase in internal service charges for fleet and facilities maintenance.

Water, Sewer, and Solid Waste fees combined are expected to increase approximately 4.8 percent in FY2012 for the average residential customer. The amount of dollar increase on the average residential user (usage of 10 units of water per month) will be $40.08 annually. Even with these increases in rates, our combined water and sewer rates are still far below other large cities in Iowa that provide similar services.

The tax levy for bus operations and capital will remain at 82.438 cents/$1000 that will result in an increase of approximately $281,435 in revenues. The increase is due to valuation increase from FY2010. State law provides the City could levy up to $.95/1000 as a part of the transit levy.

The U.S. Cellular Center and Crowne Plaza are closed as the City is building a new convention center in downtown Cedar Rapids. The project will include a renovated arena, a renovated hotel, and a new convention center with an exhibit hall, ballrooms, and meeting rooms. As a result of this project, the department's capital improvement expenditures are increasing $47 million in FY2012.

Financial Information Contact

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability). If you have questions about the report or need additional financial information, please contact the Finance Department at 3851 River Ridge Drive NE, Cedar Rapids, Iowa, 52402.

CEDAR RAPIDS

City of Five Seasons®

City of Cedar Rapids, Iowa
Statement of Net Assets
June 30, 2011

	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	$ 148,021,511	$ 2,411,254	$ 150,432,765	$ 200	$ 19,945,189	$ -
Receivables:						
Taxes	87,314,159	4,623,722	91,937,881	-	-	-
Accounts and unbilled usage, net $888,820 of allowance for doubtful accounts	8,643,789	11,205,789	19,849,578	929,720	812,787	4,361,081
Special assessments	2,413,180	-	2,413,180	-	-	-
Interest	1,007,516	3,309	1,010,825	-	27,151	10,125
Internal balances, net	(59,634,175)	59,634,175	-	-	-	-
Due from primary government	-	-	-	31,973,409	-	-
Due from other governments	72,681,988	11,883,826	84,565,814	527,783	1,333,944	-
Inventories	2,232,840	773,137	3,005,977	-	-	-
Prepaid items	1,399,640	88,592	1,488,232	4,463	101,598	7,195
Restricted assets:						
Cash and investments	56,864,949	32,109,918	88,974,867	-	20,904,712	4,639,324
Total current assets	320,945,397	122,733,722	443,679,119	33,435,575	43,125,381	9,017,725
Noncurrent assets:						
Notes receivable	2,808,173	-	2,808,173	-	234,186	-
Due from other governments	-	-	-	-	1,000,000	
Deferred charges	1,046,234	1,850,234	2,896,468	6,074	-	-
Land	102,344,047	20,579,295	122,923,342	8,832,230	3,657,920	-
Buildings and structures	59,729,928	202,159,451	261,889,379	75,257,652	2,332,996	-
Improvements other than buildings	405,155,869	311,818,157	716,974,026	113,217,475	18,107,322	-
Machinery and equipment	57,457,373	39,405,957	96,863,330	6,469,419	7,316,836	10,232
Accumulated depreciation	(201,453,778)	(276,435,542)	(477,889,320)	(73,548,229)	(11,051,177)	(5,702)
Construction in progress	10,015,184	61,794,426	71,809,610	1,934,026	223,231	-
Total noncurrent assets	437,103,030	361,171,978	798,275,008	132,168,647	21,821,314	4,530
Total assets	758,048,427	483,905,700	1,241,954,127	165,604,222	64,946,695	9,022,255
LIABILITIES						
Current liabilities:						
Vouchers payable	22,543,500	7,244,354	29,787,854	1,336,180	595,731	11,272
Contracts payable	4,667,172	1,050,683	5,717,855	38,033	-	-
Claims and judgments payable	14,469,400	-	14,469,400	-	-	-
Accrued expenses	2,420,936	1,086,095	3,507,031	76,902	71,130	4,259
Revenues collected in advance	367,155	148,942	516,097	44,016	10,440	-
Unearned revenues	83,685,890	4,684,438	88,370,328	-	-	-
Due to component unit	31,973,409	-	31,973,409	-	-	-
Due to other governments	2,517,484	477,113	2,994,597	-	295,540	-
Due to general public	544,997	1,005	546,002	-	-	-
Security deposits	3,452	334,329	337,781	18,425	51,500	-
General obligation bonds payable, net	13,409,995	11,204,915	24,614,910	493,962	-	-
Revenue bonds payable, net	-	1,621,040	1,621,040	-	-	-
Interest payable	531,224	632,706	1,163,930	7,539	-	-
Closure/post closure landfill	-	-	-	-	359,975	-
Compensated absences	5,179,690	1,230,276	6,409,966	220,875	109,987	-
Note Payable	-	1,958,000	1,958,000	-	-	-
Total current liabilities	182,314,304	31,673,896	213,988,200	2,235,932	1,494,303	15,531
Noncurrent liabilities:						
General obligation bonds payable, net	150,393,632	104,294,812	254,688,444	1,474,780	-	-
Revenue bonds payable, net	-	41,274,020	41,274,020	-	-	-
Closure/post closure landfill	-	795,886	795,886	-	22,513,147	-
Note Payable	5,000,000	43,687,122	48,687,122	-	-	-
Accrued interest	103,065	-	103,065	-	-	-
Post-employment liabilities	4,250,965	-	4,250,965	-	-	-
Compensated absences	299,420	83,375	382,795	-	-	-
Total noncurrent liabilities	160,047,082	190,135,215	350,182,297	1,474,780	22,513,147	-
Total liabilities	342,361,386	221,809,111	564,170,497	3,710,712	24,007,450	15,531
NET ASSETS						
Invested in capital assets, net of related debt	401,632,078	186,833,485	588,465,563	130,193,831	20,587,128	4,530
Restricted for:						
Debt service	5,187,825	10,253,520	15,441,345	-	-	-
Donor restrictions - expendable	-	-	-	-	-	6,206,334
Donor restrictions - non-expendable	-	-	-	-	-	509,590
Corpus of principal	112,990	-	112,990	-	-	-
Tax increment financing projects	4,984,236	-	4,984,236	-	-	-
Community and economic development	1,149,445	-	1,149,445	-	-	-
General government	602,643	-	602,643	-	-	-
Employee benefits	3,104,641	-	3,104,641	-	-	-
Public safety	815,816	-	815,816	-	-	-
Culture and recreation	1,258,890	-	1,258,890	-	-	-
Public works	109,849	-	109,849	-	-	-
SSMID projects	47,291	-	47,291	-	-	-
Capital projects	48,322,076	-	48,322,076	-	-	-
Flood recovery	1,856,408	-	1,856,408	-	-	-
Unrestricted	(53,497,147)	65,009,584	11,512,437	31,699,679	20,352,117	2,286,270
	$ 415,687,041	$ 262,096,589	$ 677,783,630	$ 161,893,510	$ 40,939,245	$ 9,006,724

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, 2011

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Public safety	$ 73,568,130	$ 11,318,305	$ 3,003,469	$ 116,644
Public works	46,638,652	3,396,104	29,474,263	64,927,982
Culture and recreation	20,070,392	2,480,024	6,999,625	625,020
Community and economic development	116,005,506	1,625,977	64,449,258	884,461
General government	31,734,760	16,130,840	12,945,768	5,127,725
Interest on long-term debt	5,957,388	-	-	-
Total governmental activities	293,974,828	34,951,250	116,872,383	71,681,832
Business-type activities:				
Water	25,401,153	29,919,795	-	728,964
Water pollution control	27,676,541	31,444,246	-	1,885,020
Sanitary sewer	7,785,423	10,327,611	234,861	730,674
Ground transportation system	8,652,380	961,549	4,355,409	-
Parking system	2,701,165	2,320,222	-	-
Solid waste management	8,854,718	7,725,667	57,940	-
Golf	3,119,178	2,567,468	65,190	-
U.S. Cellular center	3,078,305	2,574,438	-	10,688,791
Paramount theatre	483,718	861	-	-
Ice arena	1,588,030	914,011	-	-
Total business-type activities	89,340,611	88,755,868	4,713,400	14,033,449
Total primary government	383,315,439	123,707,118	121,585,783	85,715,281
Component units:				
Airport	13,223,515	14,139,442	71,580	11,088,987
Cedar Rapids / Linn County Solid Waste Agency	11,306,065	19,477,529	96,087	-
Cedar Rapids Public Library Foundation	377,065	-	5,630,097	-
Total component units	24,906,645	33,616,971	5,797,764	11,088,987

General revenues:
Property taxes
Hotel-Motel taxes
Local option sales taxes
Franchise taxes
Investment income
Transfers
Total general revenues and transfers

Change in net assets
Net assets - beginning, as restated
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
$ (59,129,712)	$ -	$ (59,129,712)	$ -	$ -	$ -
51,159,697	-	51,159,697	-	-	-
(9,965,723)	-	(9,965,723)	-	-	-
(49,045,810)	-	(49,045,810)	-	-	-
2,469,573	-	2,469,573	-	-	-
(5,957,388)	-	(5,957,388)	-	-	-
(70,469,363)	-	(70,469,363)	-	-	-
-	5,247,606	5,247,606	-	-	-
-	5,652,725	5,652,725	-	-	-
-	3,507,723	3,507,723	-	-	-
-	(3,335,422)	(3,335,422)	-	-	-
-	(380,943)	(380,943)	-	-	-
-	(1,071,111)	(1,071,111)	-	-	-
-	(486,520)	(486,520)	-	-	-
-	10,184,924	10,184,924	-	-	-
-	(482,857)	(482,857)	-	-	-
-	(674,019)	(674,019)	-	-	-
-	18,162,106	18,162,106	-	-	-
(70,469,363)	18,162,106	(52,307,257)	-	-	-
-	-	-	12,076,494	-	-
-	-	-	-	8,267,551	-
-	-	-	-	-	5,253,032
-	-	-	12,076,494	8,267,551	5,253,032
82,470,156	4,296,415	86,766,571	-	-	-
2,753,315	-	2,753,315	-	-	-
19,554,638	-	19,554,638	-	-	-
3,747,200	-	3,747,200	-	-	-
2,856,104	477,703	3,333,807	51,436	2,488,348	95,416
(2,616,912)	2,616,912	-	-	-	-
108,764,501	7,391,030	116,155,531	51,436	2,488,348	95,416
38,295,138	25,553,136	63,848,274	12,127,930	10,755,899	5,348,448
377,391,903	236,543,453	592,343,066	149,765,580	30,183,346	3,658,276
$ 415,687,041	$ 262,096,589	$ 677,783,630	$ 161,893,510	$ 40,939,245	$ 9,006,724

City of Cedar Rapids, Iowa
Balance Sheet
Governmental Funds
June 30, 2011

	General	Infrastructure Construction	Flood	Other Governmental Funds	Total
ASSETS					
Cash and investments	$ 137,853,486	$ 25,413,326	$ 12,659,521	$ 20,562,915	$ 196,489,248
Receivables:					
Taxes	47,705,228	-	-	39,608,931	87,314,159
Accounts and unbilled usage,net $486,650 of allowance for doubtful accounts	5,576,707	77,056	454,523	287,828	6,396,114
Special assessments	190,635	2,222,545	-	-	2,413,180
Interest	1,000,503	-	-	5,039	1,005,542
Advance to other funds	88,000	-	-	-	88,000
Due from other funds	-	22,405,984	-	22,102,085	44,508,069
Due from other governments	158,796	4,475,422	63,611,073	4,396,796	72,642,087
Notes Receivable	-	-	-	2,808,173	2,808,173
Inventories	832,621	-	6,619	27,405	866,645
Prepaid items	373,641	-	8,856	442,962	825,459
Total assets	193,779,617	54,594,333	76,740,592	90,242,134	415,356,676
LIABILITIES AND FUND BALANCES (DEFICITS)					
Liabilities:					
Vouchers payable	3,643,360	3,641,799	11,131,259	2,093,693	20,510,111
Contracts payable	-	1,166,318	3,304,125	196,729	4,667,172
Accrued expenditures	2,208,657	-	(401)	39,318	2,247,574
Revenues collected in advance	77,462	160	261,296	22,632	361,550
Deferred revenues	47,212,633	5,793,996	40,662,531	37,826,583	131,495,743
Due to other funds	71,548,682	-	69,794,360	3,037,180	144,380,222
Advance from other funds	-	-	-	472,768	472,768
Due to component unit	31,973,409	-	-	-	31,973,409
Due to general public	10	-	-	544,987	544,997
Due to other governments	668,388	782,658	520,538	545,900	2,517,484
Security deposits	2,534	-	-	300	2,834
Total liabilities	157,335,135	11,384,931	125,673,708	44,780,090	339,173,864
Fund balances (deficits):					
Nonspendable	1,294,262	-	15,475	608,357	1,918,094
Restricted	1,943,591	25,413,106	-	40,082,424	67,439,121
Committed	-	-	-	4,642,858	4,642,858
Assigned	155,453	17,796,296	-	4,499,952	22,451,701
Unassigned	33,051,176	-	(48,948,591)	(4,371,547)	(20,268,962)
Total fund balances (deficits)	36,444,482	43,209,402	(48,933,116)	45,462,044	76,182,812
Total liabilities and fund balances (deficits)	$ 193,779,617	$ 54,594,333	$ 76,740,592	$ 90,242,134	$ 415,356,676

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, 2011

Fund balances-total governmental funds		$ 76,182,812
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.		416,138,535
Other long-term assets not available to pay for current-period expenditures and, therefore, are reported as deferred revenues in the funds		47,809,853
Internal service funds:		
Capital assets	17,110,088	
Other current assets	12,627,138	
Internal balances	43,571,907	
Other current liabilities	(16,375,598)	
Noncurrent liabilities	(4,853,730)	52,079,805
Internal service funds allocated to business-type activities		(2,949,161)
Long-term liabilities, including bonds payable, are not due and payable in current period and therefore are not reported in the funds:		
Compensated absences	(5,183,121)	
Bonds payable	(162,178,361)	
Notes payable	(5,000,000)	
Bond premium	(1,933,613)	
Bond discount	308,347	
Accrued interest on long-term debt	(634,289)	
Deferred charges	1,046,234	(173,574,803)
Net assets of governmental activities		$ 415,687,041

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, 2011

	General	Infrastructure Construction	Flood	Other Governmental Funds	Total
Revenues:					
Property taxes	$ 44,375,091	$ -	$ -	$ 38,095,065	$ 82,470,156
Hotel-Motel taxes	-	-	-	2,724,770	2,724,770
Local option sales taxes	-	-	-	19,554,638	19,554,638
Franchise taxes	3,747,200	-	-	-	3,747,200
Licenses and permits	2,462,050	-	-	13,700	2,475,750
Intergovernmental	584,583	10,140,848	155,709,412	25,174,503	191,609,346
Charges for services	16,101,861	170,280	231,160	79,757	16,583,058
Fines and forfeits	7,858,687	-	-	250	7,858,937
Use of money and property	459,456	338,309	(119,362)	2,002,984	2,681,387
Rents and royalties	369,977	11,201	-	296,588	677,766
Miscellaneous	221,569	1,479,923	186,805	1,213,587	3,101,884
Total revenues	76,180,474	12,140,561	156,008,015	89,155,842	333,484,892
Expenditures:					
Current:					
Public safety	51,529,961	-	20,568,079	629,288	72,727,328
Public works	20,104,741	51,961	14,710,769	130,376	34,997,847
Culture and recreation	12,149,850	-	2,556,486	1,458,136	16,164,472
Community and economic development	2,783,699	-	62,637,483	50,090,978	115,512,160
General government	13,744,344	-	11,999,788	2,468,740	28,212,872
Debt service:			-		
Principal	-	-	-	24,348,447	24,348,447
Interest	-	-	-	5,893,963	5,893,963
Bond issuance costs	-	47,495	20,260	532,778	600,533
Capital outlay	798,821	26,584,723	63,550,456	6,431,223	97,365,223
Total expenditures	101,111,416	26,684,179	176,043,321	91,983,929	395,822,845
Excess (deficiency) of revenues over (under) expenditures	(24,930,942)	(14,543,618)	(20,035,306)	(2,828,087)	(62,337,953)
Other Financing Sources (Uses):					
Long-term debt issued	-	12,993,940	4,773,342	20,134,014	37,901,296
Premium (Discount) on bonds issued	-	344,111	113,494	863,207	1,320,812
Sale of capital assets	199,105	-	250,000	1,762,288	2,211,393
Transfers in	30,424,756	2,083,601	7,038,428	9,332,030	48,878,815
Transfers (out)	(4,913,260)	(197,459)	(1,901,547)	(44,536,030)	(51,548,296)
Total other financing sources (uses)	25,710,601	15,224,193	10,273,717	(12,444,491)	38,764,020
Net change in fund balances	779,659	680,575	(9,761,589)	(15,272,578)	(23,573,933)
Fund balances - July 1, 2010, as restated	35,664,823	42,528,827	(39,171,527)	60,734,622	99,756,745
Fund balances - June 30, 2011	$ 36,444,482	$ 43,209,402	$ (48,933,116)	$ 45,462,044	$ 76,182,812

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, 2011

Net change in fund balances-total governmental funds			$ (23,573,933)
Amounts reported for governmental activites 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	97,363,010	
	Contributions of capital assets	6,655,141	
	Depreciation expense	(15,250,091)	88,768,060
Governmental funds reported proceeds from sale of capital assets			(2,211,393)
Loss on sale of capital assets			(2,524,641)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds			(10,336,060)
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	24,348,447	
	Premium on bond issued	(1,320,812)	
	Issuance of debt	(37,901,296)	
	Accrued interest	(129,896)	
	Bond issuance costs	600,533	
	Amortization	95,629	(14,307,395)
Expenses reported in the statement of activities, such as compensated absenses, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			(189,217)
Internal service funds net change reported in governmental activities			2,343,056
Change in internal service funds activites allocated to business-type activities			326,661
Change in net assets - governmental activities			$ 38,295,138

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

CEDAR RAPIDS

City of Five Seasons®

City of Cedar Rapids, Iowa
Statement of Net Assets
Proprietary Funds
June 30, 2011

	Business-type Activities - Enterprise Funds					
	Water	Water Pollution Control	Sanitary Sewer	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
ASSETS						
Current assets:						
Cash and investments	$ 862,017	$ 1,720	$ -	$ 1,547,517	$ 2,411,254	$ 8,397,212
Receivables:						
Taxes	-	-	-	4,623,722	4,623,722	-
Accounts and unbilled usage, net $264,454 of allowance for doubtful accounts	3,160,823	5,841,863	347,714	1,855,389	11,205,789	2,247,675
Interest	3,307	-	-	2	3,309	1,974
Due from other funds	14,356,631	26,017,448	14,522,085	12,494,759	67,390,923	44,117,343
Due from other governments	342	2,432,483	233,573	9,217,428	11,883,826	39,901
Inventories	585,553	41	5,096	182,447	773,137	1,366,195
Prepaid items	14,968	119	9,149	64,356	88,592	574,181
Restricted Assets:						
Cash and investments	11,050,308	11,731,617	806,262	8,521,731	32,109,918	-
Due from other funds	-	795,886	-	-	795,886	-
Total current assets	30,033,949	46,821,177	15,923,879	38,507,351	131,286,356	56,744,481
Noncurrent assets:						
Advance to other funds	-	-	-	401,400	401,400	656,987
Deferred charges	786,420	508,669	91,486	463,659	1,850,234	-
Land	513,906	1,358,868	514,994	18,191,527	20,579,295	1,016,663
Buildings and structures	55,189,706	88,843,323	-	58,126,422	202,159,451	6,103,213
Improvements other than buildings	120,664,680	69,062,590	108,234,158	13,856,729	311,818,157	1,876,747
Machinery and equipment	7,571,288	5,145,149	3,112,301	23,577,219	39,405,957	16,420,152
Accumulated depreciation	(68,657,744)	(106,036,399)	(41,000,575)	(60,740,824)	(276,435,542)	(10,396,847)
Construction in progress	43,805,680	6,271,064	-	11,717,682	61,794,426	2,090,160
Total noncurrent assets	159,873,936	65,153,264	70,952,364	65,593,814	361,573,378	17,767,075
Total assets	189,907,885	111,974,441	86,876,243	104,101,165	492,859,734	74,511,556
LIABILITIES						
Current liabilities:						
Vouchers payable	1,578,779	2,239,680	418,745	3,007,150	7,244,354	2,033,389
Claims and judgements payable	-	-	-	-	-	14,469,400
Contracts payable	563,623	162,169	138,922	185,969	1,050,683	-
Accrued expenses	226,271	190,086	59,519	610,219	1,086,095	173,362
Compensated absences	394,835	310,921	92,309	432,211	1,230,276	278,843
Revenues collected in advance	81,662	433	-	66,847	148,942	5,605
Unearned revenues	-	-	-	4,684,438	4,684,438	-
Due to other funds	-	-	-	11,815,195	11,815,195	616,804
Due to other governments	72,658	136,005	-	268,450	477,113	-
Due to general public	1,005	-	-	-	1,005	-
Security deposits	333,329	-	-	1,000	334,329	618
Notes payable	1,555,000	403,000	-	-	1,958,000	-
General obligation bonds payable, net	4,547,328	3,968,951	1,605,877	1,082,759	11,204,915	-
Revenue bonds payable, net	842,717	664,144	114,179	-	1,621,040	
Matured bonds interest payable	303,285	213,002	71,547	44,872	632,706	-
Total current liabilities	10,500,492	8,288,391	2,501,098	22,199,110	43,489,091	17,578,021
Noncurrent liabilities:						
General obligation bonds payable, net	38,500,376	34,844,448	17,052,821	13,897,167	104,294,812	-
Revenue bonds payable, net bond discount	21,592,966	16,785,431	2,895,623	-	41,274,020	
Notes payable	34,854,000	8,833,122	-	-	43,687,122	-
Post-employment liability	-	-	-	-	-	4,250,965
Closure/post closure landfill	-	795,886	-	-	795,886	-
Compensated absences	51,041	-	-	32,334	83,375	17,146
Advance from other funds	-	-	-	88,000	88,000	585,619
Total noncurrent liabilities	94,998,383	61,258,887	19,948,444	14,017,501	190,223,215	4,853,730
Total liabilities	105,498,875	69,547,278	22,449,542	36,216,611	233,712,306	22,431,751
NET ASSETS						
Invested in capital assets, net of related debt	69,070,534	10,877,116	49,998,640	56,887,195	186,833,485	17,110,088
Restricted for debt service	7,793,123	1,428,725	236,662	795,010	10,253,520	-
Unrestricted	7,545,353	30,121,322	14,191,399	10,202,349	62,060,423	34,969,717
	$ 84,409,010	$ 42,427,163	$ 64,426,701	$ 67,884,554	$ 259,147,428	$ 52,079,805

Total enterprise fund net assets	$ 259,147,428
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	2,949,161
	$ 262,096,589

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, 2011

	Business-type Activities - Enterprise Funds		
	Water	Water Pollution Control	Sanitary Sewer
Operating revenues:			
Charges for services	$ 29,443,591	$ 31,307,892	$ 10,264,755
Fines and forfeits	-	-	-
Use of money and property	363,928	123,307	59,838
Rents and royalties	31,164	12,287	-
Miscellaneous	81,112	760	3,018
Total operating revenues	29,919,795	31,444,246	10,327,611
Operating expenses:			
Personal services	8,166,092	6,935,202	2,042,195
Purchased services	5,910,659	7,648,734	1,911,838
Supplies and materials	2,955,524	3,888,900	441,798
Other	322,738	204,158	280,924
Depreciation	4,321,467	6,317,157	2,148,828
Total operating expenses	21,676,480	24,994,151	6,825,583
Operating income (loss)	8,243,315	6,450,095	3,502,028
Nonoperating revenues (expenses):			
Intergovernmental	4,283	1,876,835	234,861
Investment earnings	221,716	178,601	43,856
Property tax revenue	-	-	-
Gain (loss) on sale of capital assets	(26,027)	8,185	56
Contributions and donations	-	-	-
Interest expense	(3,637,001)	(2,600,932)	(932,146)
Total nonoperating revenue (expenses)	(3,437,029)	(537,311)	(653,373)
Income (loss) before transfers and capital contributions	4,806,286	5,912,784	2,848,655
Capital contributions	750,708	-	730,618
Transfers:			
Transfers in	347	294	-
Transfers out	-	-	-
Change in net assets	5,557,341	5,913,078	3,579,273
Total net assets, beginning, as restated	78,851,669	36,514,085	60,847,428
Total net assets, ending	$ 84,409,010	$ 42,427,163	$ 64,426,701
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 Enterprise Funds	Total	Governmental Activities - Internal Service Funds
$ 14,692,395	$ 85,708,633	$ 38,196,658
146,140	146,140	-
190,536	737,609	-
1,514,475	1,557,926	1,558,548
520,670	605,560	332,950
17,064,216	88,755,868	40,088,156
10,903,044	28,046,533	9,202,719
10,029,465	25,500,696	21,920,707
2,482,082	9,768,304	4,991,969
1,284,523	2,092,343	3,566,593
3,293,899	16,081,351	2,198,885
27,993,013	81,489,227	41,880,873
(10,928,797)	7,266,641	(1,792,717)
15,290,294	17,406,273	-
33,530	477,703	182,332
4,296,415	4,296,415	-
(165,516)	(183,302)	119,572
-	-	61,358
(333,038)	(7,503,117)	(29,158)
19,121,685	14,493,972	334,104
8,192,888	21,760,613	(1,458,613)
20,946	1,502,272	3,749,100
2,758,475	2,759,116	691,585
(142,204)	(142,204)	(639,016)
10,830,105	25,879,797	2,343,056
57,054,449	233,267,631	49,736,749
$ 67,884,554	$ 259,147,428	$ 52,079,805
	25,879,797	
	(326,661)	
	$ 25,553,136	

City of Cedar Rapids, Iowa
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Water Pollution Control	Sanitary Sewer	Other Enterprise Funds	Total	
Cash flows from operating activities:						
Cash received from users	$ 29,721,129	$ 29,896,120	$ 10,313,262	$ 17,141,622	$ 87,072,133	$ 39,029,825
Cash paid to employees	(8,166,944)	(6,909,479)	(2,024,400)	(10,759,975)	(27,860,798)	(8,718,277)
Cash paid to suppliers	(8,676,112)	(11,067,121)	(3,143,917)	(12,274,834)	(35,161,984)	(25,862,501)
Net cash flows provided by (used in) operating activities	12,878,073	11,919,520	5,144,945	(5,893,187)	24,049,351	4,449,047
Cash flows from non-capital financing activities:						
Borrowing from other funds	9,130,459	8,448,089	2,366,330	21,697,766	41,642,644	5,915,526
Loans to other funds	(14,098,625)	(10,949,788)	(2,578,495)	(5,109,735)	(32,736,643)	(9,783,487)
Contributions and donations	-	-	-	-	-	61,358
Closure/post-closure landfill costs	-	10,214	-	-	10,214	-
Intergovernmental	156,533	1,322	91,667	6,220,629	6,470,151	-
Transfers in	347	294	-	2,758,475	2,759,116	691,585
Transfers out	-	-	-	(142,204)	(142,204)	(639,016)
Property taxes	-	-	-	4,310,635	4,310,635	-
Net cash flows provided by (used in) non-capital financing activities	(4,811,286)	(2,489,869)	(120,498)	29,735,566	22,313,913	(3,754,034)
Cash flows from capital and related financing activities:						
Purchase of capital assets	(6,265,376)	(5,578,027)	(3,941,955)	(21,230,459)	(37,015,817)	(5,304,127)
Proceeds from disposition of capital assets	5,438	8,184	56	325,557	339,235	125,405
Capital contributions	-	-	-	20,946	20,946	3,749,100
Revenue bonds issued	6,435,000	-	-	-	6,435,000	-
State Revolving Fund loan	843,532	322,143	-	-	1,165,675	-
General obligation bonds issued	12,309,589	4,862,870	2,435,921	7,925,233	27,533,613	-
Premium (discount) on bonds	784,178	269,419	134,958	55,429	1,243,984	-
Principal paid	(19,760,808)	(10,653,765)	(4,181,817)	(2,049,048)	(36,645,438)	-
Issuance costs paid	(202,764)	(106,688)	(17,854)	(118,594)	(445,900)	-
Interest paid	(3,749,278)	(2,763,545)	(949,790)	(327,886)	(7,790,499)	-
Net cash flows provided by (used in) capital and related financing activities	(9,600,489)	(13,639,409)	(6,520,481)	(15,398,822)	(45,159,201)	(1,429,622)
Cash flows from investing activities:						
Interest on investments	221,139	178,601	43,856	33,531	477,127	153,393
Net cash flows provided by (used in) investing activities	221,139	178,601	43,856	33,531	477,127	153,393
Net increase (decrease) in cash and cash equivalents	(1,312,563)	(4,031,157)	(1,452,178)	8,477,088	1,681,190	(581,216)
Cash and cash equivalents, July 1, 2010	13,224,888	15,764,494	2,258,440	1,592,160	32,839,982	8,978,428
Cash and cash equivalents, June 30, 2011	$ 11,912,325	$ 11,733,337	$ 806,262	$ 10,069,248	$ 34,521,172	$ 8,397,212
Reconciliation of operating income (loss) to net cash flows provided by (used in) operating activities						
Operating income (loss)	$ 8,243,315	$ 6,450,095	$ 3,502,028	$ (10,928,797)	$ 7,266,641	$ (1,792,717)
Adjustments to reconcile operating income (loss) to net cash flows provided by (used in) operating activities:						
Depreciation expense	4,321,467	6,317,157	2,148,828	3,293,899	16,081,351	2,198,885
Change in assets and liabilities:						
(Increase) decrease in prepaid items	(1,583)	3,104	(9)	34,213	35,725	(107,949)
Increase (decrease) in vouchers payable	403,489	671,567	(509,348)	1,485,840	2,051,548	355,766
Increase in accrued expenses	21,961	18,926	12,356	122,941	176,184	5,048
Increase (decrease) in compensated absences	(22,813)	6,797	5,439	20,128	9,551	(24,520)
(Increase) in accounts receivable	(157,658)	(1,280,831)	(14,349)	(22,471)	(1,475,309)	(1,082,656)
(Increase) (decrease) in inventories	110,903	-	-	1,183	112,086	(149,749)
(Increase) decrease in due from other governments	-	(265,708)	-	-	(265,708)	24,325
Increase (decrease) in due to other governments	(78,635)	(1,680)	-	155,474	75,159	-
(Decrease) in due to general public	(1)	-	-	-	(1)	-
Increase in revenues collected in advance	110	93	-	1,725	1,928	-
Increase (decrease) in security deposit	37,518	-	-	(9,635)	27,883	-
(Decrease) in unearned revenue	-	-	-	(47,687)	(47,687)	-
Increase in post-employment liability	-	-	-	-	-	503,914
Increase in open claims payable	-	-	-	-	-	4,518,700
Net cash flows provided by (used in) operating activities	$ 12,878,073	$ 11,919,520	$ 5,144,945	$ (5,893,187)	$ 24,049,351	$ 4,449,047
Schedule of noncash capital and related financing activities:						
Acquisition of capital assets through contracts payable	$ (1,459,623)	$ (575,822)	$ (235,819)	$ 145,264	$ (2,126,000)	$ -
Acquisition of capital assets through private contributions	$ 750,708	$ -	$ 730,618	$ -	$ 1,481,326	$ -

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, 2011

	Agency Funds
ASSETS	
Accounts receivable	287
Due from other governments	704,153
Total assets	$ 704,440
LIABILITIES	
Vouchers payable	26,293
Due to other governments	190,152
Security deposits	487,995
Total liabilities	$ 704,440

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

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The City of Cedar Rapids, incorporated in 1849, operates under the council-manager form of government. The City provides a broad range of service to its citizens, including general government, public safety, street cleaning and maintenance, cultural, and park facilities. It also operates a parking system, a mass transportation system, water, sewer and other sanitation utilities, several recreational, convention and entertainment oriented facilities, and through its component units, an airport and solid waste disposal facilities.

The accompanying financial statements present the City and its component units. Component units, although legally separate entities, are, in substance, part of the City's operations. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City. Each entity has a June 30 year end. They are as follows:

1. The Eastern Iowa Airport and related parking is operated by the Cedar Rapids Airport Commission. The Commission has all the powers granted to the City except for the authority to sell the airport. The Mayor appoints the members of the Airport Commission with City Council approval. The City also approves its operating budget. The Eastern Iowa Airport does not publish its own annual financial report.

2. The Cedar Rapids/Linn County Solid Waste Agency (CRLCSWA) is the result of a 28E agreement as provided under the Code of Iowa. CRLCSWA disposes of solid wastes into the combined City/County landfills in an integrated manner for the public benefit. The City of Cedar Rapids has the authority to appoint the majority of CRLCSWA's board of directors, and is able to impose its will on CRLCSWA's operations. CRLCSWA publishes its own annual financial report, which is available at their office, 1954 County Home Road, Marion, Iowa 52302 upon request. Further reference regarding the City's on going financial interest as a result of this agreement can be found in Note 14 Closure and Postclosure Care Cost.

3. The Cedar Rapids Public Library Foundation is a nonprofit corporation organized under the laws of the State of Iowa for the purpose of providing resources to be used for the benefit of the Cedar Rapids Public Library. The Foundation publishes its own annual financial report, using the Financial Accounting Standards Board guidance reporting model, which is available at their office, 500 1st Street S.E., Cedar Rapids, IA 52401.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Likewise, the City is reported separately from component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are combined into a single column within the governmental and proprietary funds in the financial section of the basic financial statements and are detailed in the supplemental information.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available (susceptible to accrual). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due (matured).

Property taxes, when levied for, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

Substantially all shared revenues are recorded when the underlying exchange transaction has occurred. For governmental funds revenue from grant revenues is recorded as deferred revenue until they become available.

Revenue from federal awards is recognized when the City has done everything necessary to meet the eligibility requirements. For governmental funds, revenue from federal grants is recognized when they become both measurable and available. Licenses and permits, fines and forfeits, fees and refunds, charges for services, miscellaneous, and other revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

Special assessment receivables are recorded at the time of their levy. The related revenue is recognized at the time it is due in the governmental funds and when levied for government-wide statements.

The City of Cedar Rapids reports the following major governmental funds:

General Fund

The General Fund accounts for and reports all financial resources not accounted for and reported in another fund. The revenues of the General Fund are primarily derived from general property taxes, charges for services, fines and forfeitures, licenses and permits, and certain revenues from state and federal sources. The expenditures of the General Fund primarily relate to general administration, police and fire protection, streets and public buildings operation and maintenance, and parks and recreation oriented activities.

Infrastructure Construction Fund
The Infrastructure Construction Fund (a capital project fund) accounts for the construction or replacement of City infrastructure capital assets such as streets, bridges, dams, sidewalks, and storm sewers.

Flood
The Flood fund (a capital project fund) accounts for the emergency protective measures and recovery efforts from the 2008 flooding of the Cedar River.

The City reports the following major enterprise funds:

Water Fund
The Water Fund accounts for the operation and maintenance of the City's water system.

Water Pollution Control Fund
The Water Pollution Control Fund accounts for the operation and maintenance of the City's water pollution control facility. This facility also provides services to the cities of Hiawatha, Marion, and Robins, Iowa for fees based on usage.

Sanitary Sewer Fund
The Sanitary Sewer Fund accounts for the operation and maintenance of the City's sanitary sewer system.

Additionally, the City reports the following fund types:

Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. These include the risk management activities, joint communications, fleet, and facility maintenance services for the City.

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

The other construction fund (a capital project fund) accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets that are not related to proprietary activities of the City.

Fiduciary funds account for assets held by the City in a trustee or agency capacity for others and cannot be used to support the City's own programs. The City's fiduciary funds consist of:

Agency funds, which are custodial in nature, report on assets and liabilities and do not involve measurement of the results of operations. The City has the following agency funds: developers security deposits, regional planning, contractors permit deposits, and area ambulance.

Other enterprise funds account for operations and activities that are financed and operated in a manner similar to a private business enterprise, and where the costs of providing goods or services to the general public on a continuing basis are expected to be financed or recovered primarily through user charges, or where the City has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City has seven funds classified as other enterprise funds and they are as follows: Ground Transportation System, Parking System, Solid Waste Management, Golf, U.S. Cellular Center, Paramount Theatre, and Ice Arena.

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in the government-wide and enterprise fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their government wide and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Transactions among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions, which constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds' operating statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of proprietary funds are user fees and charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, claims, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, liabilities, and net assets or equity

Cash Management and Investments

The City maintains one primary demand deposit account through which the majority of the City's cash resources are processed.

Substantially all City investment activity is transacted by the City in an investment pool of the General Fund, except for those funds required to maintain their investments separately. The earnings on the pooled investments are allocated to the funds on a systematic basis. Investments are stated at fair value or amortized cost.

Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The City invests in the Iowa Public Agency Investment Trust, which is a 2a7 – like pool. The Iowa Public Agency Investment Trust is a common law trust established under Iowa code law and is administered by an appointed investment management company. The trust is reported at amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

For purposes of the Statement of Cash Flows, the City considers the pooled cash and investments to be cash equivalents as these pooled amounts have the same characteristics of demand deposits.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). This would include "due to/from other funds" resulting in the City's policies related to pooled cash. Pooled cash is reflected as cash in the General Fund with amounts of the other funds showing as a "due to/from other funds". All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

Property taxes receivable are recognized at the time an enforceable legal claim is established. This is determined to occur when the budget is certified. All City property taxes must be certified to the Linn County Auditor on or before the fifteenth day of March of each year for the upcoming fiscal year, which runs from July 1 to June 30. The county auditor is then required to place these City taxes upon the tax list. This levying of property taxes procedurally occurs during June prior to the fiscal year for which the taxes are to be collected. The property taxes actually become an enforceable lien against the property when the budget is certified.

Property taxes levied by the Linn County Auditor for the year ended June 30, 2011, were due by July 1, 2010, with the first half installment being delinquent after September 30, 2010, and the second half installment being delinquent after March 31, 2011. Any collections remitted to the City within sixty days subsequent to year-end are recorded as property tax revenue. The tax receivable represents the 2011 levy certified on March 15, 2011, based on 2010 assessed valuations. As the levy is intended for use in the 2012 fiscal year, the revenue has been recorded as unearned revenue in the Statement of Net Assets and deferred revenue in the Balance Sheet for governmental funds.

Inventories and prepaid items

Inventories are recognized only in those funds in which they are material to the extent of affecting operations. All inventories are carried at lower of cost or market (first-in, first-out). The consumption method of accounting is applied to the governmental fund type inventories.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted assets

Assets, which are restricted for specific uses by bonded debt requirements, grant provisions, or other requirements are classified as restricted assets.

Capital Assets

Capital assets, which include land, buildings and structures, improvements other than buildings, which includes infrastructure, construction in progress, and machinery and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements.

Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life of two years or more years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the year ended June 30, 2011, no interest expense was added to the cost of assets acquired in the business-type activities.

Buildings, improvements other than buildings, and machinery and equipment of the primary government, as well as component units, are depreciated using the straight line method over the following estimated useful lives:

Buildings and structures	20 to 50 years
Improvements other than buildings	5 to 100 years
Infrastructure	10 to 70 years
Machinery and equipment	3 to 20 years

Collections such as library books, are held for public exhibition, education, or research in the furtherance of public service rather than financial gain, protected, kept unencumbered, cared for, and preserved, and are subject to an organizational policy that requires the proceeds from sales of collections to be used to acquire other items for collections or access to the collections and therefore are not capitalized.

Compensated Absences

All full-time employees accumulate compensated absence and sick leave hours for subsequent use or for payment annually and/or upon termination, death, or retirement. Compensated absence benefits vest when earned. Sick leave accumulations consist of a vesting and non-vested portion.

The non-vested portion of sick leave benefits, which are not included within these financial statements, at June 30, 2011, are as follows:

Governmental	$ 13,693,510
Business-type	3,518,157
Subtotal	17,211,667
Component Units	363,287
Total	$ 17,574,954

For governmental funds, the current portion of unpaid compensated absences is the amount that is due. The amount of the liability not considered due is not reported in the fund financial statements. However, the entire compensated absence liability is reported on the government-wide financial statements.

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and principal payments are reported as debt service expenditures.

Deferred Revenue, Unearned Revenue and Revenues Collected in Advance

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes are deferred in the governmental funds and in the government-wide financial statements as revenue is recognized in the year budgeted. Governmental funds, proprietary funds, and the governmental activities defer revenue recognition in connection with resources that have been received, but not yet earned as revenues collected in advance.

Fund balance

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through ordinance or resolution approved prior to year end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned: Amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City Manager and Finance Director.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

The City's minimum fund balance policy is to maintain twenty-five (25) percent of next year's total general fund budgeted expenditures as minimum fund balance. This is set by City Council through resolution and can only be revoked by City Council through resolution.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, City's policy is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

The City had significant encumbrances of $155,453 in the General Fund.

Net assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt excludes unspent bond proceeds. There were unspent bond proceeds in the Sanitary Sewer fund of $806,262, Water fund of $11,050,308, Water Pollution

Control fund of $11,731,617, U.S. Cellular Center fund of $7,138,366 and $64,323,535 in governmental activities. Net assets are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Net assets restricted through enabling legislation included $5,187,825 for debt service, $4,984,236 for tax increment financing projects, $602,643 for general government, $4,466,647 for capital projects, $1,054,389 for community and economic development, $715,016 for public safety, $63,293 for culture and recreation, $3,104,641 for employee benefits, $1,808,133 for flood recovery, and $47,291 for Self-Supported municipal Improvement District (SSMID) projects.

Budgetary Control, Compliance, and Appropriation Data

As allowed by GASB Statement No. 41, Budgetary Comparison Schedules-Perspective Differences, the City presents budgetary comparison schedules as required supplementary information based on the program structure of functional areas as required by state statute for its legally adopted budget.

Note 2: Internal and Component Unit Balances, Receivables and Payables

Fund receivables and payables at June 30, 2011, were:

	Receivables	Payables
Due to/from other funds:		
Governmental:		
General Fund	$ -	$ 71,548,682
Infrastructure Construction Fund	22,405,984	-
Flood Fund	-	69,794,360
Nonmajor Funds	22,102,085	3,037,180
Internal Service Funds	44,117,343	616,804
Total Governmental	88,625,412	144,997,026
Business-type:		
Water	14,356,631	-
Water Pollution Control	26,813,334	-
Sanitary Sewer	14,522,085	-
Nonmajor Funds	12,494,759	11,815,195
Total Business-type	68,186,809	11,815,195
Total due to/from other funds	$ 156,812,221	$ 156,812,221

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, and (4) the cash and investment pool that is held in the General Fund.

	Advances to	Advances from
Governmental:		
General Fund	$ 88,000	$ -
Internal Service Funds	656,987	585,619
Nonmajor Funds	-	472,768
Business-type		
Nonmajor Funds	401,400	88,000
Total advance to/from other funds	$ 1,146,387	$ 1,146,387

These balances resulted from 1) advances from Risk Management to fund purchase of buildings in the Other Construction Fund and nonmajor governmental funds until subsequent funding is received, 2) cash flow advances from the General Fund to U.S. Cellular Center Fund until further revenue is generated, and 3) advance from Solid Waste Fund to fund purchases of fleet equipment until subsequent funding is received.

Primary government and component unit Receivables and Payables:

	Receivables	Payables
Governmental:		
General	$ -	$ 31,973,409
Component Unit:		
Airport - Unrestricted	31,973,409	-
Total primary government and component unit	$ 31,973,409	$ 31,973,409

These balances resulted primarily from the cash and investment pool policies.

Note 3: Fund Transfer Reconciliation

Transfers in and out for the year ended June 30, 2011, were:

	Transfer In	Transfer Out
Governmental:		
General Fund	$ 30,424,756	$ 4,913,260
Infrastructure Construction Fund	2,083,601	197,459
Flood Fund	7,038,428	1,901,547
Nonmajor Funds	9,332,030	44,536,030
Internal Service Funds	691,585	639,016
Total Governmental	49,570,400	52,187,312
Business-type:		
Water Fund	347	-
Water Pollution Control Fund	294	-
Sanitary Sewer Fund	-	-
Nonmajor Funds	2,758,475	142,204
Total Business-Type	2,759,116	142,204
Total	$ 52,329,516	$ 52,329,516

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use

unrestricted revenues collected in the general fund to finance various programs accounted for in other governmental or proprietary funds in accordance with budgetary authorizations.

Note 4: Self-Supported Municipal Improvement District

During the year ended June 30, 1988, the City established the Downtown Cedar Rapids Self-Supported Municipal Improvement District (SSMID) pursuant to the provisions of Chapter 386, Code of Iowa (the Act). By establishing SSMID, the City may certify taxes against the property within the district each year, in addition to all other taxes, commencing with the levy of taxes for collection in the fiscal year beginning July 1, 2009, and continuing for 7 additional years. The levy is for the purpose of paying expenses of the

District as are authorized by the Act, including, but not limited to, the administrative expenses of the District and part or all of the maintenance expenses of improvements or self-liquidating improvements, as defined in the Act, for a period of 8 years. Even though the boundaries of SSMID overlap the Tax Incremental Financing District, as amended, they are not co-terminus.

The amount of property taxes received for SSMID during the year ended June 30, 2011, between the district overlapping the Tax Incremental Financing District (TIF) and the district associated only to SSMID were as follows:

SSMID only	$	277,207
SSMID within TIF		74,940
	$	352,147

State law requires the City to receipt property taxes into the TIF special revenue fund when the SSMID and TIF boundaries overlap. The City then transfers the respective property taxes out of TIF into SSMID.

Note 5: Construction Commitments

The total outstanding construction commitments of the City at June 30, 2011 amount to $253,744,412. Of these commitments, $166,264,821 will be funded by federal and state grants. The total outstanding construction commitments of the Airport, a discretely presented component unit, at June 30, 2011 amount to $3,112,356. Of these commitments, $2,031,250 will be funded by federal and state grants.

Note 6: Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds, where the resources have been pooled in order to maximize investment opportunities. Investment income is allocated to the various funds based on a systematic allocation and in accordance with accounting principles generally accepted in the United States of America. In addition, some funds are required to maintain their investments separately and therefore are not included in the investment pool.

The calculation of realized gains and losses is independent of a calculation of the net change in the fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and sold in current year were included as a change in the fair value of investments reported in the prior year(s) and the current year.

Chapter 12B.10 of the Code of Iowa allows the City to invest in U.S. Treasury Bills, Notes, and Bonds; state and local government securities; collateralized prime bankers' acceptances; real estate and real estate mortgages; and collateralized commercial paper; perfected repurchase agreements; or in time deposits as provided by Chapter 12B.10. Common, preferred, or guaranteed stocks are an exception for public funds investment. However the City's investment policy additionally limits investments in commercial paper and other short-term corporate debt to obligations that mature within 270 days of purchase and is rated within

the two highest classifications, established by at least one of the standard rating services approved by the superintendent of banking rules adopted pursuant to Chapter 17A, provided that at the time of purchase no more than 10% of the investment portfolio shall be invested in commercial paper or debt, no more than 5% of the investment portfolio shall be invested in securities of a single issuer, and no more than 5% of all amounts invested in commercial paper shall be invested in paper and debt rated in the second highest classification. It also limits investments in prime bankers' acceptances to those that mature within 270 days and that are eligible for purchase by a federal reserve bank, provided that at the time of purchase no more than 10% of the investment portfolio shall be invested in prime bankers' acceptances, and no more than 5% of the investment portfolio shall be invested in the securities of a single issuer.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City's investment policy states that risks of market price volatility shall be controlled through maturity diversification so that aggregate price losses on instruments with maturities approaching one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.

As of June 30, 2011, the City had the following investments with the following maturities:

	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	More than 10 Years	Total
Investment Type:						
US Treasuries	$ 43,740,427	$ 43,740,427	$ -	$ -	$ -	$ 43,740,427
GNMA's	1,820,991	-	-	63,475	1,757,516	1,820,991
Mutual Funds	195,255	195,255	-	-	-	195,255
IPAIT	152,299,506	152,299,506	-	-	-	152,299,506
Total	$ 198,056,179	$ 196,235,188	$ -	$ 63,475	$ 1,757,516	$ 198,056,179

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

As of June 30, 2011 the City had the following ratings:

	Moody's	Standard & Poor's
Investment Type:		
U.S. Agencies	AAA	AAA

All other investments types are not rated or not required to be rated.

Concentration of Credit Risk: The City's investment policy seeks diversification to reduce overall portfolio risk. Where possible, it is the policy of the City to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific maturity sector. The City's investment policy limits holding of securities by single issuer to no more than 5% of the investment portfolio and commercial paper, other short-term corporate debt, or bankers' prime acceptances to no more than 10% of the total investment portfolio for each class as mentioned above. The City's investments are in accordance with these policies regarding diversification.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Chapter 12C of the Code of Iowa requires all City funds be deposited into an approved depository and be either insured or collateralized. As of June 30, 2011, the City's deposits were entirely insured by federal depository insurance or insured by the state through pooled collateral, state sinking funds, and by the state's ability to assess for lost funds. The City's investments are not exposed to custodial credit risk as of June 30, 2011as they are held in the name of the City.

The Cedar Rapids/Linn County Solid Waste Agency's cash and investments consist entirely of deposits, including certificates of deposit. As of June 30, 2011, the Agency's deposits were entirely insured by federal depository insurance or insured by the state through pooled collateral, state sinking funds, and by the state's ability to assess for lost funds.

The Cedar Rapids Public Library Foundation follows Financial Accounting Standards Board guidance, therefore, GASB Statements No. 3 and No. 40 are not applicable.

Note 7: Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 38,025,283	$ 66,026,364	$ (1,707,600)	$ 102,344,047
Construction in progress	7,861,522	7,804,768	(5,651,106)	10,015,184
Total capital assets, not being depreciated	45,886,805	73,831,132	(7,358,706)	112,359,231
Capital assets, being depreciated:				
Buildings and structures	63,070,043	4,512,554	(7,852,669)	59,729,928
Improvements other than buildings	373,737,178	31,451,030	(32,339)	405,155,869
Machinery and equipment	54,465,502	5,178,668	(2,186,797)	57,457,373
Total capital assets being depreciated	491,272,723	41,142,252	(10,071,805)	522,343,170
Less accumulated depreciation for:				
Buildings and structures	(28,980,725)	(1,309,028)	4,949,820	(25,339,933)
Improvements other than buildings	(132,128,169)	(12,097,347)	25,145	(144,200,371)
Machinery and equipment	(29,933,446)	(4,042,601)	2,062,573	(31,913,474)
Total accumulated depreciation	(191,042,340)	(17,448,976)	7,037,538	(201,453,778)
Total capital assets, being depreciated, net	300,230,383	23,693,276	(3,034,267)	320,889,392
Governmental activities capital assets, net	$ 346,117,188	$ 97,524,408	$(10,392,973)	$ 433,248,623

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Public safety	$ 827,985
Public works	11,947,626
Culture and recreation	1,547,441
Community and economic development	64,907
General government	862,132
Internal service funds	2,198,885
Total depreciation expense - governmental activities	$ 17,448,976

	Beginning Balance	Increase/ Transfers	Decreases/ Transfers	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Land	$ 12,406,579	$ 8,172,716	$ -	$ 20,579,295
Construction in progress	54,490,468	17,698,879	(10,394,921)	61,794,426
Total capital assets, not being depreciated	66,897,047	25,871,595	(10,394,921)	82,373,721
Capital assets, being depreciated:				
Buildings and structures	201,336,686	822,765	-	202,159,451
Improvements other than buildings	301,055,031	15,148,300	(4,385,174)	311,818,157
Machinery and equipment	36,772,086	4,923,407	(2,289,536)	39,405,957
Total capital assets being depreciated	539,163,803	20,894,472	(6,674,710)	553,383,565
Less accumulated depreciation for:				
Buildings and structures	(130,654,697)	(4,700,997)	-	(135,355,694)
Improvements other than buildings	(108,751,787)	(9,421,336)	4,157,338	(114,015,785)
Machinery and equipment	(27,099,877)	(1,959,018)	1,994,832	(27,064,063)
Total accumulated depreciation	(266,506,361)	(16,081,351)	6,152,170	(276,435,542)
Total capital assets, being depreciated, net	272,657,442	4,813,121	(522,540)	276,948,023
Business-type activities capital assets, net	$ 339,554,489	$ 30,684,716	$ (10,917,461)	$ 359,321,744

Business-type activities:	
Water	$ 4,321,467
Water Pollution Control	6,317,157
Sanitary Sewer	2,148,828
Other Business-Type Funds	3,293,899
Total depreciation expense - business-type activities	$ 16,081,351

Activity for the Airport for the year ended June 30, 2011, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit: Airport				
Capital assets, not being depreciated:				
Land	$ 8,832,230	$ -	$ -	$ 8,832,230
Construction in progress	29,546,135	1,770,538	(29,382,647)	1,934,026
Total capital assets, not being depreciated	38,378,365	1,770,538	(29,382,647)	10,766,256
Capital assets, being depreciated:				
Buildings and structures	73,100,160	2,157,492	-	75,257,652
Improvements other than buildings	69,580,872	43,636,603	-	113,217,475
Machinery and equipment	5,791,739	677,680	-	6,469,419
Total capital assets being depreciated	148,472,771	46,471,775	-	194,944,546
Less accumulated depreciation for:				
Buildings and structures	(26,425,565)	(1,894,390)	-	(28,319,955)
Improvements other than buildings	(36,928,135)	(4,262,176)	-	(41,190,311)
Machinery and equipment	(3,675,593)	(362,370)	-	(4,037,963)
Total accumulated depreciation	(67,029,293)	(6,518,936)	-	(73,548,229)
Total capital assets, being depreciated, net	81,443,478	39,952,839	-	121,396,317
Airport capital assets, net	$ 119,821,843	$ 41,723,377	$ (29,382,647)	$ 132,162,573

Activity for Cedar Rapids/Linn County Solid Waste Agency for the year ended June 30, 2011, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit: CRLCSWA				
Capital assets, not being depreciated:				
Land	$ 3,657,920	$ -	$ -	$ 3,657,920
Construction in progress	3,479,762	184,413	(3,440,944)	223,231
Total capital assets, not being depreciated	7,137,682	184,413	(3,440,944)	3,881,151
Capital assets, being depreciated:				
Buildings and structures	2,294,792	38,204	-	2,332,996
Improvements other than buildings	14,609,351	3,497,971	-	18,107,322
Machinery and equipment	7,043,224	350,245	(76,633)	7,316,836
Total capital assets being depreciated	23,947,367	3,886,420	(76,633)	27,757,154
Less accumulated depreciation for:				
Buildings and structures	(915,149)	(99,419)	-	(1,014,568)
Improvements other than buildings	(3,931,120)	(674,231)	-	(4,605,351)
Machinery and equipment	(4,916,340)	(591,551)	76,633	(5,431,258)
Total accumulated depreciation	(9,762,609)	(1,365,201)	76,633	(11,051,177)
Total capital assets, being depreciated, net	14,184,759	2,521,219	-	16,705,978
CRLCSWA capital assets, net	$ 21,322,440	$ 2,705,632	$ (3,440,944)	$ 20,587,128

Activity for Cedar Rapids Public Library Foundation for the year ended June 30, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit: Cedar Rapids Library Foundation				
Capital assets, being depreciated:				
Machinery and equipment	$ 8,804	$ 1,428	$ -	$ 10,232
Accumulated depreciation	(4,049)	(1,653)	-	(5,702)
Total capital assets, being depreciated, net	$ 4,755	$ (225)	$ -	$ 4,530

Note 8: Retirement Systems

The City contributes to the Iowa Public Employees Retirement System, and the Municipal Fire and Police Retirement System of Iowa, which are administered by the State of Iowa. All systems are contributory and all regular full-time and part-time employees must participate in one of the systems.

Iowa Public Employees Retirement System (IPERS)

The City contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits, which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa 50306-9117.

Plan members are required to contribute 4.50% of their annual covered salary and the City is required to contribute 6.95% of annual covered payroll except for airport safety employees, in which case the percentages are 6.64% and 9.95%, respectively. Contribution requirements are established by State statute.

The City contributions to IPERS for the years ended June 30, 2011, 2010, and 2009 were $3,475,341, $3,262,171, and $3,029,817, respectively, equal to the required contributions for each year.

Municipal Fire and Police Retirement System of Iowa (MFPRSI)

The City contributes to the Municipal Fire and Police Retirement System of Iowa (MFPRSI), which is a cost-sharing multiple-employer defined benefit public police and fire employees retirement system administered by a Board of Trustees. MFPRSI provides retirement and death benefits, which are established by State statute to plan members and beneficiaries. MFPRSI issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to MFPRSI, 2836 104th Street, Des Moines, Iowa 50322.

Plan members are required to contribute 9.40% of their annual covered salary and the City is required to contribute at an actuarially determined rate; the current rate is 19.90% of annual covered payroll. Contribution requirements are established by State statute. The City contributions to MFPRSI for the years ended June 30, 2011, 2010, and 2009 were $4,319,577, $3,681,466, and $3,851,397, respectively, equal to the required contributions for each year.

Note 9: Long-Term Debt

Bonded Debt

General Obligation Bonds

There was $277,045,000 of general obligation bonds outstanding as of June 30, 2011. Unmatured general obligation bonds to be paid by governmental funds totaled $162,178,361. General obligation bonds to be paid by enterprise revenue and therefore included as Enterprise Fund obligations total $112,907,014. General obligation bonds to be paid by Airport, a component unit, and therefore included in the Airport Fund obligations total $1,959,625. All the general obligation bonds bear interest rates ranging from 1.0% to 6.25% and mature in varying amounts ranging from $345,000 to $25,355,000 with the final payments due in the year ending June 30, 2041.

During the year ended June 30, 2011, the City issued $33,110,000 of general obligation bonds. These bonds were used to pay the cost of fleet, police and fire equipment; information technology upgrades and improvements; street, storm sewer, bridge, traffic, and parks improvements; flood remediation and control reconstruction, construction and improvements; miscellaneous construction projects; joint community projects; remediation, restoration, repair, cleanup, replacement, and improvement of property, buildings, equipment, and public facilities that have been damaged by a disaster, including the renovation of the U.S. Cellular Center; and to finance the 5-year and 10-year parking access and revenue control system (PARCS) software and parkade and skywalk repairs. The average life of the issues is 12.49 years for Series A, 12.88 years for Series B, and 4.14 years for Series C. These bonds bear interest at 1.0% to 5.2% and mature in varying amounts ranging from $100,000 to $1,415,000 with the final payment due in the year ending June 30, 2041.

On June 13, 2011, the City issued $32,415,000 refunding general obligation capital loan notes. The proceeds of the notes were used to currently refund, in advance of their maturity, the following bonds (collectively, the "Refunded Bonds"):

Original Issue	Refunded Maturities	Principal Amount to be Refunded
General Obligation Bonds, Series 2002A, dated September 1, 2002	2012-2022	$ 19,535,000
General Obligation Bonds, Series 2002B, dated September 1, 2002	2012-2022	1,615,000
General Obligation Refunding Bonds, Series 2003A, dated April 1, 2003	2012-2015	11,860,000
General Obligation TIF Bonds, Series 2003D, dated September 1, 2003	2012-2017	955,000
Total General Obligation Bonds Refunded		$ 33,965,000

The refunding was conducted to achieve interest savings. The proceeds of the notes were used to pay the principal of the Refunded Bonds at a price of par plus accrued interest. These bonds were currently refunded and are therefore no longer included in these financial statements. The refunding bonds bear interest at 3.0% to 4.0% and mature in varying amounts ranging from $1,700,000 to $5,490,000. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $3,639,000. The net present value benefit of this refunding, the economic gain, is $3,336,127.

Revenue Bonds

During the year ended June 30, 2011 the City issued $6,435,000 revenue bonds to fund various water construction projects. The bonds are due in serial installments of $235,000 to $485,000 through June 30, 2031 and bear interest at 2.0% to 4.5%.

Notes Payable

During FY2008, the City entered into an agreement with the Iowa State Revolving Fund for a line of credit up to $39.39 million dollars. During the year ended June 30, 2011, the City received $843,532. Total outstanding as of June 30, 2011 was $36,409,000. This line of credit was taken out to finance the ultra-violet disinfection system improvements by the Water Fund. The interest rate for this line of credit is 3.25%. Annual payments began in FY 2010, with the last payment in fiscal year 2029. The City has pledged future water customer revenues, net of specified operating expenses, to repay the note payable. The note payable is payable solely from water customer net revenues included in the Water Fund. Annual principal and interest payments on the note payable are expected to require less than 24% of net revenues. Total estimated interest and principal remaining to be paid is $47,657,310. Principal and interest paid for the current year and total customer net revenues were $2,637,437 and $12,564,782, respectively.

During FY2009, the City entered into an agreement with the Iowa State Revolving Fund for a line of credit up to $10.9 million dollars. Total outstanding as of June 30, 2011 was $8,913,979. This line of credit was taken out to finance the construction of certain wastewater treatment facilities. The interest rate for this line of credit is 3.25%. Annual payments began in FY 2010, with the last payment in fiscal year 2029. The City has pledged future waste water customer revenues, net of specified operating expenses, to repay the note payable. The note payable is payable solely from waste water customer net revenues included in the Water Pollution Control Fund. Annual principal and interest payments on the note payable are expected to require less than 24% of net revenues. Total estimated interest and principal remaining to be paid is $12,651,403. Principal and interest paid for the current year and total customer net revenues were $699,107 and $12,767,252, respectively.

During the year, the City entered into an agreement with the Iowa State Revolving Fund for a line of credit up to $5.767 million dollars. As of June 30, 2011, the City has received $322,143. This line of credit was taken out to finance the construction of certain wastewater treatment facilities. The interest rate for this line of credit is 3.0%. Annual payments will not begin until the project is completed in FY14, with the last payment in fiscal year 2033. The City has pledged future waste water customer revenues in the Water Pollution Control Fund, net of specified operating expenses, to repay the note payable. The note payable is payable solely from waste water customer net revenues included in the Water Pollution Control Fund. Annual principal and interest payments on the note payable are expected to require less than 24% of net revenues. Total estimated interest and principal remaining to be paid is $7,936,281. Interest paid for the current year and total customer net revenues were $0 and $12,767,252, respectively.

During FY2008, the City entered into an agreement with FEMA for a community disaster loan for an amount of $5,000,000. Total outstanding as of June 30, 2011 was $5,000,000 with accrued interest of $103,065. This note was taken out to assist the City with flood recovery projects from the 2008 flooding of the Cedar River. The interest rate for this note is 1.65%. Payment is due January 2014 for principal and interest.

During FY2010, the City entered into an agreement with the Iowa Department of Transportation for a loan in the amount of $86,417. This note was taken out to purchase two buses. There is no interest being charged for the debt. Principal in the amount of $86,417 was paid in August 2010.

Changes in long-term liabilities

Long-term debt activity for the year ended June 30, 2011, was as follows:

	Balance June 30, 2010	New Issues	Paid	Balance June 30, 2011
Primary government:				
Governmental:				
General obligation	$ 148,625,512	$ 37,901,296	$ 24,348,447	$ 162,178,361
Plus: unamortized premium	853,037	1,320,812	240,236	1,933,613
Less: unamortized discount	417,981	-	109,634	308,347
Total general obligation	149,060,568	39,222,108	24,479,049	163,803,627
Note payable	5,000,000	-	-	5,000,000
Business-type activities				
General obligation and notes payable:				
Water pollution control	52,107,400	5,185,013	9,993,765	47,298,648
Sanitary Sewer	20,055,748	2,435,921	4,066,817	18,424,852
Water	84,529,065	13,153,120	19,150,808	78,531,377
Other business-type funds	8,421,074	7,925,233	2,049,048	14,297,259
Revenue bonds:				
Water pollution control revenue	18,180,000	-	660,000	17,520,000
Water revenue	16,700,000	6,435,000	610,000	22,525,000
Sewer revenue	3,135,000	-	115,000	3,020,000
Plus: unamortized premiums	2,059,702	1,243,984	551,409	2,752,277
Less: unamortized discounts	397,406	-	67,902	329,504
Total business-type activities	204,790,583	36,378,271	37,128,945	204,039,909
Total primary government	358,851,151	75,600,379	61,607,994	372,843,536
Component unit:				
General obligation for Airport	2,460,065	90,092	590,532	1,959,625
Plus: unamortized premiums	23,259	4,991	3,668	24,582
Less: unamortized discounts	17,770	-	2,304	15,466
Total component unit	2,465,554	95,083	591,896	1,968,741
Total Long-Term Debt	$ 361,316,705	$ 75,695,462	$ 62,199,890	$ 374,812,277

	Due within one year
Primary government:	
Governmental	
General obligation	$ 13,205,085
Plus: unamortized premium	233,797
Less: unamortized discount	28,887
Total general obligation	$ 13,409,995
Business-type activities:	
Water pollution control	4,827,446
Sanitary Sewer	1,677,356
Water	6,704,010
Other business-type funds	1,052,548
Plus: unamortized premium	551,408
Less: unamortized discount	28,813
Total business-type funds	14,783,955
Total primary government	28,193,950
Component unit:	
General obligation for Airport	491,557
Plus: unamortized premium	3,668
Less: unamortized discount	1,263
Total general obligation for Airport	493,962
Total long-term debt current	$ 28,687,912

As explained in more detail in Note 1, payments on bonds that pertain to the City's governmental activities are made by the debt service fund.

At June 30, 2011, the general obligation debt issued by the City did not exceed its legal debt margin compiled as follows:

Total Estimated actual valuation - real property	$ 8,666,429,889
Debt limit - 5% of total valuation	$ 433,321,494
Debt applicable to debt limit:	
General obligation bonded debt outstanding	$ 282,045,000
Legal Debt Margin	$ 151,276,494

A summary of the bond principal and interest maturities by type of bond is as follows:

	Governmental General Obligation		Business-type activities General Obligation		General Obligation Totals	
Year Ending June 30:	Principal	Interest	Principal	Interest	Principal	Interest
2012	$ 13,205,085	$ 6,229,082	$ 10,668,360	$ 4,440,960	$ 23,873,445	$ 10,670,042
2013	13,453,786	5,830,803	11,754,178	4,089,429	25,207,964	9,920,232
2014	14,127,336	5,384,399	10,385,533	3,658,098	24,512,869	9,042,497
2015	13,141,537	4,918,668	10,449,561	3,271,485	23,591,098	8,190,153
2016	12,526,692	4,475,123	9,668,308	2,879,435	22,195,000	7,354,558
2017-2021	49,633,366	15,777,521	39,266,634	8,938,425	88,900,000	24,715,946
2022-2026	25,492,059	7,715,581	17,612,941	2,749,232	43,105,000	10,464,813
2027-2031	14,283,500	3,053,834	3,101,500	405,408	17,385,000	3,459,242
2032-2036	2,980,000	1,126,988	-	-	2,980,000	1,126,988
2037-2041	3,335,000	416,016	-	-	3,335,000	416,016
	$ 162,178,361	$ 54,928,015	$ 112,907,015	$ 30,432,472	$ 275,085,376	$ 85,360,487

	Revenue Bonds	
Year Ending June 30:	Principal	Interest
2012	$ 1,635,000	$ 1,760,130
2013	1,670,000	1,727,751
2014	1,710,000	1,688,461
2015	1,760,000	1,643,941
2016	1,810,000	1,589,764
2017-2021	10,150,000	6,911,581
2022-2026	12,605,000	4,604,259
2027-2031	11,725,000	1,365,048
	$ 43,065,000	$ 21,290,935

A summary of the component unit bond principal and interest maturities is as follows:

Year Ending June 30:	General Obligation Abated By Airport Principal	General Obligation Abated By Airport Interest
2012	$ 491,557	$ 90,398
2013	147,036	70,531
2014	147,130	64,422
2015	148,902	58,074
2016	125,000	51,537
2017-2021	625,000	165,563
2022-2026	275,000	21,372
	$ 1,959,625	$ 521,897

A summary of the business-type note payable principal and interest maturities is as follows:

Year Ending June 30:	Note Payable Principal	Note Payable Interest
2012	$ 1,958,000	$ 1,425,919
2013	2,018,000	1,323,390
2014	2,080,000	1,575,384
2015	2,143,000	1,200,450
2016	2,208,000	1,136,160
2017-2021	12,097,000	4,645,590
2022-2026	14,058,000	2,716,920
2027-2031	9,083,122	576,300
	$ 45,645,122	$ 14,600,113

Changes in other long-term liabilities:

Other long-term liability activity for the year ended June 30, 2011 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities:					
Claims and Judgments	$ 9,950,700	$ 25,421,283	$ 20,902,583	$ 14,469,400	$ 14,469,400
Compensated absences	5,314,413	4,539,314	4,374,617	5,479,110	5,179,690
Governmental activity Long-term liabilities	$ 15,265,113	$ 9,059,314	$ 4,375,917	$ 19,948,510	$ 19,649,090
Business-type activities:					
Compensated absences	$ 1,304,100	$ 1,159,294	$ 1,149,743	$ 1,313,651	$ 1,230,276
Closure/post closure landfill	785,672	10,214	-	795,886	-
Business-type activity Long-term liabilities	$ 2,089,772	$ 1,169,508	$ 1,149,743	$ 2,109,537	$ 1,230,276
Component Units:					
Airport					
Compensated absences	$ 209,799	$ 149,329	$ 138,253	$ 220,875	$ 220,875
CRLCSWA:					
Compensated absences	$ 123,214	$ 187,795	$ 201,022	$ 109,987	$ 109,987
Closure/post closure landfill	19,561,725	3,797,884	486,487	22,873,122	359,975
Long-term liabilities	$ 19,684,939	$ 3,985,679	$ 687,509	$ 22,983,109	$ 469,962

The compensated absences liability attributable to the governmental activities will be liquidated by several of the City's governmental and internal service funds. In the past, approximately 87.2% has been paid by the General Fund and the remainder by other governmental and internal service funds. The claims and judgement liability will generally be liquidated by the City's Risk Management Fund (See Note 12, also). The Risk Management Fund will finance the payment of those claims by charging the other funds based on management's assessment of the relative insurance risk that should be assumed by the individual funds. Currently, the General Fund bears approximately 65% of the claims and judgement costs; no other individual fund is charged more than 9% of the total amount.

Industrial Revenue Bonds

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2011, there were 74 series of Industrial Revenue Bonds outstanding issued prior to July 1, 1995. Of the 74 series, a total of 15 have been closed. The aggregate principal amount payable could not be determined, however; their original issue amounts totaled $85,889,500.

The aggregate principal balance as of June 30, 2011 due on bonds issued after July 1, 1995, is $111,270,000.

Note 10: Deficit Fund Equity

At June 30, 2011, individual funds with deficit fund balances were as follows:

Special Revenue:	
Flood	$ 48,933,116
Community Development Block Grants	$ 112,010

The Flood fund is funded by federal and state revenues that have not been received but expenditures were incurred. Non-exchange revenues for the Community Development Block Grants program are subject to deferral, thus causing a deficit fund balance for the year ended June 30, 2011. It is felt that these are temporary deficits and will be rectified in the next fiscal year.

Note 11: Deferred Compensation Plans

The City offers its employees several deferred compensation plans created in accordance with Internal Revenue Code Section 457. These plans, available to all City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency and participation in the plan is optional.

The City does not own or administer the amount deferred by employees and, therefore, the liability and corresponding investment are not reflected in the basic financial statements.

Note 12: Risk Management

The City's risk management program strives to protect the City's assets in a cost effective and responsible manner using a combination of the four recognized methods of treating risks: elimination, reduction, transfer, and retention. Safety and loss prevention programs help reduce the City's exposure to risks. Those risks that cannot be eliminated or reduced are either transferred or retained.

The Eastern Iowa Airport, one of the City’s component units, uses a combination of the four recognized methods as well. The major airport liability risk is transferred by purchasing an airport liability policy and errors and employment practice liability policy. The other component unit, Cedar Rapids Linn County Solid Waste Agency, transfers all of its risk by purchasing commercial insurance.

There has been no significant change in insurance coverage purchased in fiscal year 2011 compared to the prior year. For those exposures covered by insurance policies, settled claims have not exceeded the insurance coverage purchased for each of the past three fiscal years.

Torts and errors:
During fiscal year 2011, the City purchased liability insurance to cover its airport, 3 of its 4 underground fuel tank sites, four vehicles, lead paint hazard control program and liquor liability. The City self-insures without excess insurance, the rest of its general liability, errors and employment practices liability, police liability, auto liability, and bus liability exposures which are accounted for and financed under a separate subdivision of the Risk Management Fund. The City self-administers claims and utilizes an independent appraiser firm to write vehicle damage repair estimates and an adjuster firm to negotiate bodily injury and non-vehicle property damage claims. All City Departments and Enterprise Funds are charged a liability premium according to their loss exposure and past losses. The total premium charged for fiscal year 2011 was determined by an actuary at an 80% confidence level. A claims liability of $5,635,000 as of June 30, 2011, was calculated by an independent actuary at a 95% confidence level and includes claims reported but not settled and those incurred but not reported. The claims liabilities shown below are in accordance with the requirements of GASB Statement 10.

Changes in the Tort Liability Fund's claims liability amount since July 1, 1991 are as follows:

	Beginning Fiscal Year Liability	Claim Expenses	Claims Paid	Ending Fiscal Year Liability
7/91 - 6/92	$625,843	$441,403	($161,765)	$905,481
7/92 - 6/93	$905,481	$236,349	($244,080)	$897,750
7/93 - 6/94	$897,750	$830,630	($177,804)	$1,550,576
7/94 - 6/95	$1,550,576	($92,496)	($139,916)	$1,318,164
7/95 - 6/96	$1,318,164	$2,340,616	($209,293)	$3,449,487
7/96 - 6/97	$3,449,487	$609,019	($274,034)	$3,784,472
7/97 – 6/98	$3,784,472	$47,916	($1,216,679)	$2,615,709
7/98 – 6/99	$2,615,709	($945,872)	($324,767)	$1,345,070
7/99 – 6/00	$1,345,070	$2,010,967	($1,956,037)	$1,400,000
7/00 – 6/01	$1,400,000	$2,294,149	($564,149)	$3,130,000
7/01 – 6/02	$3,130,000	($798,744)	($621,256)	$1,710,000
7/02 – 6/03	$1,710,000	$290,252	($672,252)	$1,328,000
7/03 – 6/04	$1,328,000	$3,381,049	($1,985,049)	$2,724,000
7/04 – 6/05	$2,724,000	$1,155,306	($1,109,306)	$2,770,000
7/05 – 6/06	$2,770,000	$716,155	($2,450,355)	$1,035,800
7/06 – 6/07	$1,035,800	$2,099,743	($809,643)	$2,325,900
7/07 – 6/08	$2,325,900	$1,450,021	($953,321)	$2,822,600
7/08 – 6/09	$2,822,600	$40,422	($557,522)	$2,305,500
7/09 – 6/10	$2,305,500	$469,053	($328,553)	$2,446,000
7/10 – 6/11	$2,446,000	$3,487,763	($298,763)	$5,635,000

Theft of, damage to, or destruction of assets:
The City purchased property insurance with a $250,000 per occurrence deductible. City Departments and Enterprise Funds are charged a property insurance premium based on a percentage of the projected cost of full coverage. The difference between the premium charged departments and the premium paid to the insurer is used to pay losses that fall between the $2,000 departmental deductible and the $250,000 policy deductible. The City's infrastructure assets are not insured.

Job related injuries to employees:
Benefits due City employees under the Iowa Workers' Compensation Laws are accounted for and financed under a separate subdivision of the Risk Management Fund. Claims administration is performed by City staff. The City purchased excess stop loss insurance since it began retaining this risk in fiscal year 1987 thru fiscal year 2002. Effective July 1, 2002 the City discontinued purchasing stop loss insurance. All City Departments and Enterprise funds are charged a premium based on their share of past losses. The June 30, 2011 claims liability of $7,616,000 was calculated at a 95% confidence level by an independent actuary.

Changes in the Workers' Compensation Fund's claims liability amount since July 1, 1991 are as follows:

	Beginning Fiscal Year Liability	Claim Expenses	Claims Paid	Ending Fiscal Year Liability
7/91 – 6/92	$775,089	$463,735	($262,637)	$976,187
7/92 – 6/93	$976,187	$419,090	($629,060)	$766,217
7/93 – 6/94	$766,217	$1,510,326	($568,421)	$1,708,122
7/94 – 6/95	$1,708,122	$735,825	($574,389)	$1,869,558
7/95 – 6/96	$1,869,558	$918,252	($669,014)	$2,118,796
7/96 – 6/97	$2,118,796	$465,671	($605,530)	$1,978,937
7/97 – 6/98	$1,978,937	$57,267	($443,934)	$1,592,270
7/98 – 6/99	$1,592,270	$933,605	($569,150)	$1,956,725
7/99 – 6/00	$1,956,725	$238,860	($775,585)	$1,420,000
7/00 – 6/01	$1,420,000	$843,216	($783,216)	$1,480,000
7/01 – 6/02	$1,480,000	$1,352,243	($932,243)	$1,900,000
7/02 – 6/03	$1,900,000	$2,291,308	($1,185,308)	$3,006,000
7/03 – 6/04	$3,006,000	$1,108,627	($1,137,627)	$2,977,000
7/04 – 6/05	$2,977,000	$1,008,467	($1,131,467)	$2,854,000
7/05 – 6/06	$2,854,000	$1,091,442	($1,010,542)	$2,934,900
7/06 – 6/07	$2,934,900	$1,598,147	($775,147)	$3,757,900
7/07 – 6/08	$3,757,900	$1,803,554	($1,743,654)	$3,817,800
7/08 – 6/09	$3,817,800	$2,229,229	($1,694,529)	$4,352,500
7/09 – 6/10	$4,352,500	$4,060,053	($2,110,553)	$6,302,000
7/10 – 6/11	$6,302,000	$4,242,856	($2,928,856)	$7,616,000

Health care benefits for employees, retirees, and dependents:
The City has been accounting for and financing health care benefits under a separate subdivision of the Risk Management Fund since January 1, 1992. Claims administration is provided by a third party administrator. The City purchased excess stop loss insurance since it began retaining this risk in fiscal year 1992 thru fiscal year 2010. Effective July 1, 2010, the City discontinued purchasing stop loss insurance. All City Departments and Enterprise Funds are charged a premium based on the number of single and family plans in place each month. Retirees and COBRA participants pay 102% of the monthly plan premium. The total premium charged is the amount needed to pay expected claim and administrative costs. A $1,178,000 claims liability for incurred but unpaid medical bills as of June 30, 2011 was determined by an independent actuary and the City's auditors. Changes in the Health Fund's claims liability amount since January 1, 1992 are as follows:

	Beginning Fiscal Year Liability	Claim Expenses	Claims Paid	Ending Fiscal Year Liability
1/92 – 6/92	$0	$2,229,374	($1,869,088)	$360,286
7/92 – 6/93	$360,286	$5,157,419	($4,564,705)	$953,000
7/93 – 6/94	$953,000	$5,599,388	($5,162,388)	$1,390,000
7/94 – 6/95	$1,390,000	$4,549,217	($4,659,217)	$1,280,000
7/95 – 6/96	$1,280,000	$4,509,449	($4,839,449)	$950,000
7/96 – 6/97	$ 950,000	$5,236,036	($5,611,036)	$575,000
7/97 – 6/98	$575,000	$5,421,607	($5,366,607)	$630,000
7/98 – 6/99	$630,000	$6,289,703	($6,149,703)	$770,000
7/99 – 6/00	$770,000	$7,104,771	($7,034,771)	$840,000
7/00 – 6/01	$840,000	$7,946,000	($7,896,000)	$890,000
7/01 – 6/02	$890,000	$8,203,086	($8,288,086)	$805,000
7/02 – 6/03	$805,000	$8,573,153	($8,638,153)	$740,000
7/03 – 6/04	$740,000	$10,568,789	($10,463,789)	$845,000
7/04 – 6/05	$845,000	$11,156,688	($11,141,688)	$860,000
7/05 – 6/06	$860,000	$12,713,370	($12,452,370)	$1,121,000
7/06 – 6/07	$1,121,000	$14,939,875	($15,064,875)	$996,000
7/07 – 6/08	$996,000	$15,220,863	($15,416,863)	$800,000
7/08 – 6/09	$800,000	$15,115,347	($14,973,847)	$941,500
7/09 – 6/10	$941,500	$15,796,273	($15,576,773)	$1,161,000
7/10 – 6/11	$1,161,000	$16,830,047	($16,813,047)	$1,178,000

Dental Care benefits for employees and dependents:
Effective April 1, 1993, the City began to account for and finance dental care benefits under a separate subdivision of the Risk Management Fund. Claims administration is provided by a third party administrator. All City Departments and Enterprise Funds are charged a premium based on the number of plans in place each month. Employees pay the extra cost to purchase family plan coverage. COBRA participants pay 102% of the single or family plan monthly premium. The total premium charged is the estimated amount needed to pay expected claim and administrative costs. An independent actuary examined the claims payment records and determined the claims liability for incurred but unpaid dental bills as of June 30, 2011 to be $40,400. Changes in the Dental Fund's claims liability amount since April 1, 1993 are as follows:

	Beginning Fiscal Year Liability	Claim Expenses	Claims Paid	Ending Fiscal Year Liability
4/93 – 6/93	$0	$98,776	($75,801)	$22,975
7/93 – 6/94	$22,975	$394,188	($370,663)	$46,500
7/94 – 6/95	$46,500	$398,553	($397,053)	$48,000
7/95 – 6/96	$48,000	$456,220	($453,220)	$51,000
7/96 – 6/97	$51,000	$482,906	($488,906)	$45,000
7/97 – 6/98	$45,000	$569,900	($564,900)	$50,000
7/98 – 6/99	$50,000	$551,341	($566,541)	$34,800
7/99 – 6/00	$34,800	$652,097	($639,897)	$47,000
7/00 – 6/01	$47,000	$626,600	($629,600)	$44,000
7/01 – 6/02	$44,000	$722,902	($722,902)	$44,000
7/02 – 6/03	$44,000	$737,813	($740,813)	$41,000
7/03 – 6/04	$41,000	$791,097	($788,097)	$44,000
7/04 – 6/05	$44,000	$770,899	($780,899)	$34,000
7/05 – 6/06	$34,000	$782,716	($780,816)	$35,900
7/06 – 6/07	$35,900	$792,842	($789,742)	$39,000
7/07 – 6/08	$39,000	$762,930	($767,930)	$34,000
7/08 – 6/09	$34,000	$824,870	($818,070)	$40,800
7/09 – 6/10	$40,800	$888,451	($887,551)	$41,700
7/10 – 6/11	$41,700	$861,517	($861,917)	$40,400

Note 13: Contingent Liabilities

There are numerous lawsuits pending against the City for various reasons. The outcome and eventual liability of the City, if any, from these cases and from any unasserted claims is not known at this time. Lawsuits stemming from the operation of the City's airport, and aircraft, are covered by insurance purchased by the City. For other risks, which have not been transferred to an insurance company, the City accounts for and finances these lawsuits through the Risk Management Fund, an internal service fund. This fund includes an open and incurred but not reported claims liability determined by an independent actuary comprised of an estimate of the possibility of unfavorable outcomes involving these pending lawsuits, all open claims, and any possible unasserted claims unknown to the City. It is the joint opinion of management and counsel that there are no known lawsuits or open claims other than those recorded that will have a material adverse effect on the City's Risk Management Fund or the City's financial position.

Note 14: Closure and Postclosure Care Cost

State and federal laws and regulations require a final cover be placed on a landfill site when an entity stops accepting waste and requires an entity to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the liabilities of closure and postclosure care costs are to be expensed in each period based upon landfill capacity used as of each statement date.

On July 1, 1994, the City entered into an agreement with Linn County to form the Cedar Rapids/Linn County Solid Waste Agency. The City and Linn County's liability for closure and postclosure care costs as of July 1, 1994, were fixed as part of the agreement based on estimated care costs and the percentage of landfill capacity utilized for each of the two respective landfill sites. The City's liability for closure and postclosure costs as of July 1, 1994, was $6,553,050. As part of the agreement, the City transferred its landfill site and certain other assets with a fair value of $3,202,554 and an equal amount of closure and postclosure care liabilities to the agency. These liabilities as well as those transferred by Linn County, in connection with the transfer of its landfill site, are recognized as liabilities by the component unit. The remaining amount of the City's closure and postclosure care costs were fully recognized by the primary government as of June 30, 2011.

Cedar Rapids/Linn County Solid Waste Agency is liable for all closure and postclosure care costs at the two landfill sites except for the liabilities retained by the City and Linn County. Cedar Rapids/Linn County Solid Waste Agency's liability as of June 30, 2011, is summarized below.

These amounts are based on what it would cost to perform all closure and postclosure care costs as of June 30, 2011. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

	Former City Landfill	Former County Landfill	Total
Total care costs	$ 13,123,366	$ 11,113,367	$ 24,236,733
Care costs remaining to be recognized attributable to unutilized capacity	-	(1,363,610)	(1,363,610)
Care costs recognized attributable to utilized capacity	$ 13,123,366	$ 9,749,757	$ 22,873,122
Capacity utilized	100.00%	87.73%	
Estimated remaining life	0 years	2.2 years	

The City operates an ash sanitary landfill consisting of two lagoons at the City's Water Pollution Control facility. The purpose of the landfill is to hold the sandy material leftover from the incineration of solids created during treatment or settled out of the wastewater. Each lagoon will hold up to two to three years of waste. Once filled, the lagoon is permitted to rest for a year or two and then the ash is excavated and used as daily cover at the Cedar Rapids/Linn County Solid Waste Agency landfill. Once the lagoon is excavated, it will be ready to receive more ash. The estimated total current costs of the landfill closure and post-closure care costs as of June 30, 2011, was estimated by a professional engineer and is $795,886. This liability is accrued in the Water Pollution Control fund. The City is required by federal and state laws and regulations to provide some form of financial assurance to finance closure and post-closure care. The City will meet its financial assurance obligations through existing cash reserves.

Note 15: Operating Leases

Leasing operations of the Airport, a component unit, consist primarily of space rentals, car rentals, and landing fees, which are governed by written agreements. These agreements range from month-to-month leases to long-term leases with various specified terms. Some of these lease agreements contain cancelable conditions, which eliminate any future guaranteed rentals or are contingent upon the income produced by the lease.

The Airport also leases land and building space under various long-term leases, which expire between June 2011 and January 2050.

Guaranteed minimum future lease payments to be received under all operating lease agreements are as follows:

Fiscal Year	Amount
2012	$ 3,436,865
2013	2,773,246
2014	1,638,452
2015	1,632,123
2016	1,575,795
2017-2021	2,237,483
2022-2026	1,400,844
2027-2031	912,421
2032-2036	5,350
2037-2041	5,350
2042-2046	3,163
2047-2051	684
Total lease payments	$ 15,621,776

Note 16: Other Post Employment Benefits (OPEB)

Plan Description and Funding Policy

The City sponsors a single-employer health care plan that provides medical benefits to employees and retirees. Full-time fire fighters and police officers participate in MFPRSI and may retire after age 55 with 22 years of service or if disabled. All other full-time employees participate in the IPERS and may retire with health coverage after age 55 with 33 years of service, under the Rule of 88, at age 60 with 22 years of service or if disabled.

Employees pay a small (5% or less) share of the health insurance premium. The City pays the remainder of the health insurance premium for employees. Retirees may elect to stay on the City's group health plan until they reach age 65. Retirees pay 102% of the group rates calculated on the expected costs based on the entire group of actives, COBRA participants, and retirees. COBRA participants may elect to stay on the City's group health plan and dental plan by paying 102% of the group rates.

The current funding policy of the City is to pay health and dental claims as they occur through internal allocated funds. This arrangement does not qualify as OPEB plan assets under GASB for current GASB reporting. The City establishes and amends contribution requirements.

The required contribution is based on projected pay-as-you-go financing. For fiscal year 2011, the City contributed $550,620. Retiree and COBRA participants receiving benefits contributed $550,620 through their required contribution of:

Plan	Retiree	Retiree & Spouse	Family
Traditional	$606.00	$1,440.00	$1,440.00
Choice	575.00	1,150.00	1,555.00
Dental	23.46	-	70.38

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance to the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing

basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actuarially contributed to the plan, and changes in the City's annual OPEB obligation:

Annual required contribution	$ 742,279
Interest on net OPEB obligation	187,353
Adjustment to annual required contribution	124,902
Annual OPEB cost (expense)	$ 1,054,534
Contributions made	(550,620)
Increase in net OPEB obligation	$ 503,914
Net OPEB obligation – July 1, 2010	3,747,051
Net OPEB obligation – June 30, 2011	$ 4,250,965

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations are as follows:

Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/09	$1,819,931	39.3%	$3,289,798
6/30/10	$ 692,763	34.0%	$3,747,051
6/30/11	$1,054,534	52.2%	$4,250,965

Funded Status and Funding Progress

Post Employment Benefit Obligations under GASB 45 calculated as of July 1, 2009, the most recent actuarial valuation date:

Actuarial Accrued Liability	Total	Members
Future Retirees	$ 4,594,017	1,272
Retirees	982,730	55
Total Actuarial Accrued Liability (AAL)	5,576,747	
OPEB Plan Assets	-	
Unfunded Actuarial Accrued Liability (UAAL)	5,576,747	

The covered payroll (annual payroll of active employees covered by the plan) was $85,561,112 and the ratio of the UAAL to the covered payroll was 6.5%. There is not a separate, audited GAAP-basis postemployment benefit plan report for the City.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The actuarial calculations were performed in accordance with the Projected Unit Credit Actuarial Cost Method as allowed under GASB 45. The excess of the AAL over the actuarial value of plan assets is the Unfunded Actuarial Accrued Liability. The Unfunded Actuarial Accrued Liability is amortized over a maximum 30 years in level dollar amounts on an open period amortization basis. The sum of the Normal

Cost and the amortization of the Unfunded Actuarial Accrued Liability is the Annual Required Contribution, which with interest at the valuation rate, determines the Annual OPEB Cost. The investment rate of return is 4.5%.

Demographic Assumptions

Since benefits end at age 65, mortality is not a significant decrement. RP2000 Mortality Table with projection to 2010 was used. Retirement rates are based on an analysis of census information and retirements provided by the City. Disability rates are modified from the 1987 Commissioner's Group Disability Table with 12-month elimination period, male and female. The City assumes no recovery from disability. 32% of actives are assumed to have spousal health coverage at retirement. 100% of future retirees eligible to participate are expected to continue coverage until age 65.

Economic Cost Assumptions

The rate at which projected cash flows are to be discounted should reflect rates of return on high-quality fixed-income investments currently available and expected to be available during the period in which the benefits are expected to be paid. Fiscal 2011 per capita health care costs for retirees were determined based on an analysis of the retiree's claims experience provided by the City over the prior five fiscal years. Per capita costs are adjusted for age, and illustrative costs are shown below:

	Age	Male	Female
Traditional	<55	$ 7,019	$ 8,523
	55 – 59	$ 9,777	$ 9,526
	60 – 64	$12,534	$11,030

	Age	Male	Female
Choice	<55	$ 6,660	$ 8,087
	55 – 59	$ 9,277	$ 9,039
	60 – 64	$11,893	$10,466

These costs are expected to increase at the Health Care Cost Trend.

Retiree required monthly contributions are equal to the COBRA rates. The rate of contribution for FY2011 is shown below and is assumed to increase by the HCCT shown below.

Plan	Retiree	Retiree & Spouse	Family
Traditional	$606.00	$1,440.00	$1,440.00
Choice	575.00	1,150.00	1,555.00

Health care cost trend rates are used to anticipate increases in medical benefit costs expected to be experienced by the retiree health plan in each future year. The initial trend rate was based on the plan's actual experience. The subsequent year trend rates were selected based on a combination of employer history, national trend surveys, and professional judgment.

Fiscal Year Beginning Change Over Prior	Medical Trend
2011	10.0%
2012	9.5%
2013	9.0%
2014	8.5%
2015	8.0%
2016	7.5%
2017	7.0%
2018	6.5%
2019	6.0%
2020	5.5%
2021+	5.0%

Actuarial calculations reflect a long-term perspective that involves estimates of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Benefits are projected based on benefit levels and cost-sharing arrangements as of July 1, 2009 and do not explicitly reflect the potential effects of legal or contractual funding limitations. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Note 18: Accounting Change/Restatement

In fiscal year 2011, the City adopted GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types**.** The effect of fund type reclassifications is as follows**:**

			Aggregate Remaining Funds		Business-Type
	General	Flood	Governmental Funds	Enterprise Funds	Water Pollution Control
Balances June 30, 2010, as previously reported	35,526,098	(39,251,097)	64,269,345	53,748,965	36,503,141
Change in fund type classification per implementation of GASB Statement No. 54	138,725	79,570	(3,534,723)	3,305,484	10,944
Balances July 1, 2010 as restated	35,664,823	(39,171,527)	60,734,622	57,054,449	36,514,085

The details for the City's fund balance are the following.

	General	Infrastructure Construction	Flood	Other Government	Total
Fund Balances:					
Nonspendable:					
Advances	$ 88,000	$ -	$ -	$ -	$ 88,000
Corpus of principal	-	-	-	112,990	112,990
Inventories	832,621	-	6,619	27,405	866,645
Note receivable	-	-	-	25,000	25,000
Prepaid items	373,641	-	8,856	442,962	825,459
Total Nonspendable	1,294,262	-	15,475	608,357	1,918,094
Restricted:					
Capital Projects	1,167,806	25,413,106	-	27,741,164	48,322,076
Community and economic development	-	-	-	1,149,445	1,149,445
Culture and recreation	63,293	-	-	1,195,597	1,258,890
Debt service	-	-	-	5,187,825	5,187,825
Employee benefits	-	-	-	3,104,641	3,104,641
Flood recovery	-	-	-	1,856,408	1,856,408
General government	602,643	-	-	-	602,643
Public safety	-	-	-	815,816	815,816
Public works	109,849	-	-	-	109,849
SSMID	-	-	-	47,291	47,291
Tax incremental financing	-	-	-	4,984,236	4,984,236
Total Restrcited	1,943,591	25,413,106	-	40,082,423	67,439,120
Committed:					
Culture and recreation	-	-	-	747,849	747,849
Community and economic development	-	-	-	1,781,270	1,781,270
General government	-	-	-	1,756,087	1,756,087
Public safety	-	-	-	357,652	357,652
Total Committed	-	-	-	4,642,858	4,642,858
Assigned:					
Capital projects	-	17,796,296	-	4,454,514	22,250,810
Tax incremental financing	-	-	-	45,438	45,438
Encumbrances	155,453	-	-	-	155,453
Total Assigned	155,453	17,796,296	-	4,499,952	22,451,701
Unassigned:	33,051,176	-	(48,948,591)	(4,371,546)	(20,268,961)
Total Fund Balances	$ 36,444,482	$ 43,209,402	$ (48,933,116)	$ 45,462,044	$ 76,182,812

Note 19: New Pronouncements

During the year ended June 30, 2011, the City implemented the following GASB statements:

- GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement improves the usefulness of information provided to financial report users about fund balances by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. Fund balance information is among the most widely and frequently used information in state and local government financial reports. The GASB developed this standard to address the diversity of practice and the resulting lack of consistency that had evolved in fund balance reporting. To reduce confusion, the new standard establishes a hierarchy of fund balance classification based primarily on the extent to which a government is bound to observe spending constraints. As noted in Note 18, the City reclassified the fund balances for all governmental funds and restated the General Fund fund balance by $138,725, the Flood fund balance by $79,570, the Water Pollution Control fund by $10,944, and aggregate remaining funds by ($229,239) as a result of the implementation of this Statement.
- GASB Statement No. 59, *Financial Instruments Omnibus*. This Statement updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools. Specifically, this Statement provides financial reporting guidance by emphasizing the applicability of SEC requirements to certain external investment pools, addressing the applicability of GASB 53, *Accounting and Financial Reporting for Derivative Instruments*, and applying the reporting provisions for interest-earning investment contracts of GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. The required disclosures were made in the current year financial statements.

The GASB has issued several statements not yet implemented by the City. The statements which might impact the City are as follows:

- GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, an amendment of GASB Statement No. 43 and No. 45, issued January 2010, will be effective for the City beginning with its year ending June 30, 2012. This Statement addresses issues related to measurement of OPEB obligations by certain employers participating in agent multiple-employer OPEB plans.
- GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements, issued November 2010, will be effective for the City beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. Specifically, this Statement improves financial reporting by establishing recognition, measurement, and disclosure requirements SCAs for both transferors and governmental operators, requiring governments to account for and report SCAs in the same manner, which improves the comparability of financial statements. This Statement also improves the decision usefulness of financial reporting by requiring that specific relevant disclosures be made by transferors and governmental operators about SCAs.
- GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, issued November 2010, will be effective for the City beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The

amendments to the criteria for blending also improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic.

- GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, issued January 2011, will be effective for the City beginning with its year ending June 30, 2013. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports.

- GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, issued July 2011, will be effective for the City beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.*

- GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions* (an amendment of GASB Statement No. 53), issued July 2011, will be effective for the City beginning with its year ending June 30, 2012. This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. Those conditions are: (*a*) the collectibility of swap payments is considered to be probable, (*b*) the replacement of the counterparty or credit support provider meets the criteria of an assignment or in-substance assignment as described in the Statement, and (*c*) the counterparty or counterparty credit support provider (and not the government) has committed the act of default or termination event. When all of these conditions exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied.

CEDAR RAPIDS

City of Five Seasons®

City of Cedar Rapids, Iowa
Required Supplementary Information
Budgetary Comparison Schedule of Receipts,
Disbursements, and Changes in Balances -
Budget and Actual - All Governmental Funds and Proprietary Funds,
and Discretely Presented Component Units
Year ended June 30, 2011

	Governmental Fund Types Actual Budgetary Basis	Proprietary Fund Types Actual Budgetary Basis	Discretely Presented Component Units Actual Budgetary Basis
Revenues:			
Property taxes	$ 75,804,275	$ 4,296,415	$ -
TIF revenues	6,665,880	-	-
Other taxes	22,279,408	-	-
Licenses and permits	2,475,750	-	1,649
Use of money and property	18,518,999	7,604,138	12,954,716
Intergovernmental	191,609,346	17,456,542	11,254,735
Charges for services	20,330,256	99,368,101	21,339,019
Special assessments	1,261,306	-	31,044
Miscellaneous	1,309,354	25,271,933	1,830,328
Total revenues	340,254,574	153,997,129	47,411,491
Expenditures:			
Current:			
Public safety	52,505,466	-	-
Public works	20,436,533	-	-
Culture and recreation	13,077,679	-	-
Community and economic development	18,577,885	-	-
General government	47,931,202	-	-
Debt service	52,383,154	-	-
Capital projects	217,685,097	-	-
Business-type	-	146,189,575	35,395,843
Total expenditures	422,597,016	146,189,575	35,395,843
Excess (deficiency) of revenues over (under) expenditures	(82,342,442)	7,807,554	12,015,648
Other financing sources, net	46,978,203	7,938,690	(605,632)
Net change in fund balances, net assets	(35,364,239)	15,746,244	11,410,016
Fund balances, budgetary basis net assets - July 1, 2010	116,056,521	299,434,744	139,852,044
Fund balances, budgetary basis net assets - June 30, 2011	$ 80,692,282	$ 315,180,988	$ 151,262,060
Adjustments not budgeted:			
Other accrued liabilities	(455,927)	(172,573)	(2,579)
Sale of capital assets	-	528,371	-
Bond proceeds	(1,935,598)	(24,708,724)	-
Accrued bond interest	(2,117,945)	(827,872)	(500,864)
Capital outlay variance from depreciation	-	21,227,043	52,074,138
Fund balances, net assets - June 30, 2011 GAAP basis	$ 76,182,812	$ 311,227,233	$ 202,832,755

The notes to the required supplementary information are an integral part of this statement.

Net	Budgeted Amounts Original	Budgeted Amounts Final	Final to Actual Variance Positive (Negative)
$ 80,100,690	$ 75,977,352	$ 75,638,527	$ 4,462,163
6,665,880	6,565,688	6,565,688	100,192
22,279,408	27,558,184	26,755,188	(4,475,780)
2,477,399	2,657,207	2,500,503	(23,104)
39,077,853	17,525,306	15,643,817	23,434,036
220,320,623	295,478,957	292,389,965	(72,069,342)
141,037,376	112,350,707	133,335,581	7,701,795
1,292,350	1,227,750	1,224,050	68,300
28,411,615	32,697,610	49,909,821	(21,498,206)
541,663,194	572,038,761	603,963,140	(62,299,946)
52,505,466	47,765,525	53,600,838	1,095,372
20,436,533	19,010,528	20,919,662	483,129
13,077,679	12,550,778	14,019,879	942,200
18,577,885	17,441,319	20,222,121	1,644,236
47,931,202	14,541,655	74,339,157	26,407,955
52,383,154	18,098,566	52,775,267	392,113
217,685,097	303,208,262	301,015,008	83,329,911
181,585,418	201,597,198	223,150,247	41,564,829
604,182,434	634,213,831	760,042,179	155,859,745
(62,519,240)	(62,175,070)	(156,079,039)	93,559,799
54,311,261	44,972,045	76,647,878	(22,336,617)
(8,207,979)	(17,203,025)	(79,431,161)	71,223,182
555,343,309	468,664,102	468,664,102	86,679,207
$ 547,135,330	$ 451,461,077	$ 389,232,941	$ 157,902,389

Formal and legal budgetary control is based upon ten major classes of disbursements known as functions, not by fund or fund type. These ten functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, business-type and non-program. Function disbursements required to be budgeted include disbursements for the general fund, special revenue funds, debt service fund, capital projects funds, and permanent funds. The legal level of control is at the aggregated function level, not at the fund or fund type level. During the year, one budget amendment increased budget disbursements by $125,828,348. This budget amendment is reflected in the final budgeted amounts.

The operations of the Cedar Rapids Public Library Foundation discretely presented component unit are not included in the City's budget.

City of Cedar Rapids, Iowa
Required Supplementary Information
Schedule of Funding Progress
City of Cedar Rapids, Iowa Retiree Healthcare Plan

Actuarial Valuation Date	Fiscal Year	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded UAAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2008	6/30/2009	$ -	$11,817,096	$11,817,096	0.00%	$ 61,789,964	19.10%
7/1/2009	6/30/2010	$ -	$ 5,576,747	$ 5,576,747	0.00%	$ 85,561,112	6.50%
7/1/2009	6/30/2011	$ -	$ 5,576,747	$ 5,576,747	0.00%	$ 85,561,112	6.50%

The information presented in the required supplementary schedule was determined as part of the actuarial valuation as of July 1, 2009. Additional information follows:

a. The cost method used to determine the ARC is the Projected Unit Credit Actuarial Cost method.
b. There are no plan assets.
c. Economic assumptions are as follows: healthcare cost trend rates of 5.0-10.0%; discount rate of 5.0%
d. The amortization method is level dollar over thiry years based on an open group.

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2011

	Special Revenue Funds						
	Community Development Block Grants	H.O.M.E.	Hotel-Motel Tax	Local Option Sales Tax	Tax Incremental Financing	Road Use Tax	Leased Housing
ASSETS							
Cash and investments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Receivables:							
Taxes	-	-	-	2,636,533	3,417,775	-	-
Accounts and unbilled usage, net $251,363 of allowance for doubtful accounts	-	33,915	-	-	-	-	94,921
Interest	-	-	-	-	-	-	-
Due from other funds	-	-	1,558,933	-	-	2,214,656	238,249
Due from other governments	179,460	55,625	726,180	-	-	2,251,991	-
Notes receivable	-	-	-	-	2,783,173	-	-
Inventories	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	407,183
Total assets	179,460	89,540	2,285,113	2,636,533	6,200,948	4,466,647	740,353
LIABILITIES AND FUND BALANCES (DEFICITS)							
Liabilities:							
Vouchers payable	63,009	13,068	31,776	132,256	5,962	-	54,767
Contracts payable	-	-	-	-	-	-	-
Accrued expenditures	17,124	1,602	-	-	-	-	15,190
Revenues collected in advance	-	266	-	-	-	-	10,358
Deferred revenues	59,742	46,254	726,180	-	3,362,964	-	-
Advance from other funds	-	-	472,768	-	-	-	-
Due to other funds	151,595	4,554	-	696,144	1,991,238	-	-
Due to general public	-	-	-	-	-	-	212,236
Due to other governments	-	-	-	-	-	-	192
Security deposits	-	-	-	-	300	-	-
Total liabilities	291,470	65,744	1,230,724	828,400	5,360,464	-	292,743
Fund balances (deficits):							
Nonspendable	-	-	-	-	-	-	407,183
Restricted	-	23,796	1,054,389	1,808,133	4,984,236	4,466,647	40,427
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	45,438	-	-
Unassigned	(112,010)	-	-	-	(4,189,190)	-	-
Total fund balances (deficits)	(112,010)	23,796	1,054,389	1,808,133	840,484	4,466,647	447,610
Total liabilities and fund balances (deficits)	$ 179,460	$ 89,540	$ 2,285,113	$ 2,636,533	$ 6,200,948	$ 4,466,647	$ 740,353

SSMID	Employee Benefits	Fire Retirement	Police Retirement	Other	Total	Capital Projects Other Construction	Debt Service Debt Service	Total Nonmajor Governmental Funds
$ -	$ -	$ 424,481	$ 888,347	$ 457,984	$ 1,770,812	$ 17,280,977	$ 1,511,126	$ 20,562,915
278,530	14,634,046	1,399,551	2,863,402	224,349	25,454,186	-	14,154,745	39,608,931
-	-	-	-	130,104	258,940	28,888	-	287,828
-	-	927	3,973	139	5,039	-	-	5,039
76,440	3,664,628	66,465	-	5,655,638	13,475,009	5,018,699	3,608,377	22,102,085
-	-	-	-	600,301	3,813,557	583,239	-	4,396,796
-	-	-	-	25,000	2,808,173	-	-	2,808,173
-	-	-	-	1,093	1,093	26,312	-	27,405
-	-	-	-	35,779	442,962	-	-	442,962
354,970	18,298,674	1,891,424	3,755,722	7,130,387	48,029,771	22,938,115	19,274,248	90,242,134
29,285	182,551	511,200	13,885	333,778	1,371,537	625,871	96,285	2,093,693
-	-	-	-	-	-	196,729	-	196,729
-	-	-	-	5,402	39,318	-	-	39,318
-	243	-	-	6,038	16,905	5,727	-	22,632
278,394	14,465,531	1,380,224	2,833,172	329,539	23,482,000	354,445	13,990,138	37,826,583
-	-	-	-	-	472,768	-	-	472,768
-	-	-	193,649	-	3,037,180	-	-	3,037,180
-	-	-	-	332,751	544,987	-	-	544,987
-	545,708	-	-	-	545,900	-	-	545,900
-	-	-	-	-	300	-	-	300
307,679	15,194,033	1,891,424	3,040,706	1,007,508	29,510,895	1,182,772	14,086,423	44,780,090
-	-	-	-	174,862	582,045	26,312	-	608,357
47,291	3,104,641	-	715,016	1,375,506	17,620,082	17,274,517	5,187,825	40,082,424
-	-	-	-	4,642,858	4,642,858	-	-	4,642,858
-	-	-	-	-	45,438	4,454,514	-	4,499,952
-	-	-	-	(70,347)	(4,371,547)	-	-	(4,371,547)
47,291	3,104,641	-	715,016	6,122,879	18,518,876	21,755,343	5,187,825	45,462,044
$ 354,970	$ 18,298,674	$ 1,891,424	$ 3,755,722	$ 7,130,387	$ 48,029,771	$ 22,938,115	$ 19,274,248	$ 90,242,134

City of Cedar Rapids, Iowa
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Year Ended June 30, 2011

	Special Revenue Funds						
	Community Development Block Grants	H.O.M.E.	Hotel-Motel Tax	Local Option Sales Tax	Tax Incremental Financing	Road Use Tax	Leased Housing
Revenues:							
Property taxes	$ -	$ -	$ -	$ -	$ 6,665,880	$ -	$ -
Hotel-Motel taxes	-	-	2,724,770	-	-	-	-
Local option sales tax	-	-	-	19,554,638	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	1,458,839	1,068,706	-	-	-	11,562,027	5,591,281
Charges for services	20,429	-	-	-	-	-	16,309
Fines and forfeits	-	-	-	-	-	-	-
Use of money and property	-	-	26,575	9,506	117,857	20,841	10,409
Rents and royalties	-	-	-	-	-	-	-
Miscellaneous	62,230	32,366	7,625	-	-	-	327
Total revenues	1,541,498	1,101,072	2,758,970	19,564,144	6,783,737	11,582,868	5,618,326
Expenditures:							
Current:							
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Community and economic development	1,448,553	1,104,062	1,956,552	34,043,599	2,718,476	-	6,231,319
General government	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-
Capital outlay	-	-	-	1,800	(250)	-	-
Total expenditures	1,448,553	1,104,062	1,956,552	34,045,399	2,718,226	-	6,231,319
Excess (deficiency) of revenues over (under) expenditures	92,945	(2,990)	802,418	(14,481,255)	4,065,511	11,582,868	(612,993)
Other Financing Sources (Uses):							
Long-term debt issued	-	-	-	-	-	-	-
Premium (Discount) on debt issued	-	-	-	-	-	-	-
Settlement Reimbursement	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	63,859	-	-
Transfers in	-	-	100,000	-	-	-	-
Transfers (out)	(133,432)	-	(705,506)	(2,161,426)	(8,252,447)	(10,682,682)	-
Total other financing sources (uses)	(133,432)	-	(605,506)	(2,161,426)	(8,188,588)	(10,682,682)	-
Net change in fund balances	(40,487)	(2,990)	196,912	(16,642,681)	(4,123,077)	900,186	(612,993)
Fund balances (deficits) - July 1, 2010, as restated	(71,523)	26,786	857,477	18,450,814	4,963,561	3,566,461	1,060,603
Fund balances (deficits) - June 30, 2011	$ (112,010)	$ 23,796	$ 1,054,389	$ 1,808,133	$ 840,484	$ 4,466,647	$ 447,610

SSMID	Employee Benefits	Fire Retirement	Police Retirement	Other	Total	Capital Projects Other Construction	Debt Service Debt Service	Total Nonmajor Governmental Funds
$ 277,207	$ 13,556,269	$ 1,554,780	$ 2,431,834	$ 208,464	$ 24,694,434	$ -	$ 13,400,631	$ 38,095,065
- -	-	-	-	-	2,724,770	-	-	2,724,770
-	-	-	-	-	19,554,638	-	-	19,554,638
-	-	-	-	13,700	13,700	-	-	13,700
-	-	-	-	2,668,110	22,348,963	2,825,540	-	25,174,503
-	-	-	-	26,522	63,260	16,497	-	79,757
-	-	-	-	250	250	-	-	250
4,257	47,908	12,370	40,629	1,017,813	1,308,165	85,695	609,124	2,002,984
-	-	-	-	296,588	296,588	-	-	296,588
-	-	-	26,667	267,755	396,970	816,617	-	1,213,587
281,464	13,604,177	1,567,150	2,499,130	4,499,202	71,401,738	3,744,349	14,009,755	89,155,842
-	-	83,968	244,902	242,057	570,927	58,361	-	629,288
-	-	-	-	-	-	130,376	-	130,376
-	-	-	-	905,796	905,796	552,340	-	1,458,136
320,382	-	-	-	2,015,096	49,838,039	252,939	-	50,090,978
-	20,636	-	-	50,122	70,758	462,385	1,935,597	2,468,740
-	-	-	-	-	-	-	24,348,447	24,348,447
-	-	-	-	-	-	22,346	510,432	532,778
-	-	-	-	-	-	48,614	5,845,349	5,893,963
-	-	-	-	-	1,550	6,429,673	-	6,431,223
320,382	20,636	83,968	244,902	3,213,071	51,387,070	7,957,034	32,639,825	91,983,929
(38,918)	13,583,541	1,483,182	2,254,228	1,286,131	20,014,668	(4,212,685)	(18,630,070)	(2,828,087)
-	-	-	-	-	-	6,053,430	14,080,584	20,134,014
-	-	-	-	-	-	161,899	701,308	863,207
-	-	-	-	-	-	-	-	-
-	-	-	-	897,879	961,738	800,550	-	1,762,288
74,940	286	72,895	-	46,866	294,987	4,216,587	4,820,456	9,332,030
(102,804)	(13,629,701)	(1,683,350)	(2,680,611)	(453,431)	(40,485,390)	(3,483,517)	(567,123)	(44,536,030)
(27,864)	(13,629,415)	(1,610,455)	(2,680,611)	491,314	(39,228,665)	7,748,949	19,035,225	(12,444,491)
(66,782)	(45,874)	(127,273)	(426,383)	1,777,445	(19,213,997)	3,536,264	405,155	(15,272,578)
114,073	3,150,515	127,273	1,141,399	4,345,434	37,732,873	18,219,079	4,782,670	60,734,622
$ 47,291	$ 3,104,641	$ -	$ 715,016	$ 6,122,879	$ 18,518,876	$ 21,755,343	$ 5,187,825	$ 45,462,044

-

City of Cedar Rapids, Iowa
Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2011

	Business-type Activities - Other Enterprise Funds			
	Transit System	Parking System	Solid Waste Management	Golf
ASSETS				
Current assets:				
Cash and investments	$ 7,295	$ 789,069	$ -	$ 10,869
Receivables:				
Taxes	4,623,722	-	-	-
Accounts and unbilled usage, net				
$57,360 of allowance for doubtful accounts	128,759	199,794	1,136,546	35,844
Interest	-	2	-	-
Notes	-	-	401,400	-
Due from other funds	991,269	1,102,476	10,313,113	-
Due from other governments	2,478,244	-	-	1,712
Inventories	1,429	19	17,343	163,656
Prepaid items	750	-	6,729	44,616
Deferred charges	-	12,170	-	8,937
Restricted assets:				
Cash and investments	588,355	774,941	-	20,069
Total current assets	8,819,823	2,878,471	11,875,131	285,703
Noncurrent assets:				
Land	2,445,367	5,910,123	27,229	602,704
Buildings and structures	8,824,993	22,211,590	214,837	1,175,128
Improvements other than buildings	3,179,167	4,315,410	-	5,369,720
Machinery and equipment	14,129,757	504,374	4,219,486	1,232,161
Accumulated depreciation	(19,941,987)	(18,208,470)	(3,388,523)	(3,703,973)
Construction in progress	-	475,900	-	-
Total noncurrent assets	8,637,297	15,208,927	1,073,029	4,675,740
Total assets	17,457,120	18,087,398	12,948,160	4,961,443
LIABILITIES				
Current liabilities:				
Vouchers payable	395,498	494,573	352,205	210,988
Contracts payable	8	3,868	-	-
Accrued expenses	101,514	8,885	93,867	71,074
Compensated absences	161,030	25,344	141,929	103,908
Revenues collected in advance	14,290	12,353	125	5,120
Deferred revenues	4,570,315	-	-	-
Due to other funds	-	-	-	568,408
Due to other governments	925	-	-	28,438
Security deposits	1,000	-	-	-
Notes Payable	-	-	-	-
General obligation bonds payable, net	-	114,700	-	263,626
Matured bonds interest payable	-	1,161	-	8,490
Total current liabilities	5,244,580	660,884	588,126	1,260,052
Noncurrent liabilities:				
General obligation bonds payable, net	-	659,500	-	2,255,841
Compensated absences	21,632	8,217	2,485	-
Advance from other funds	-	-	-	-
Total noncurrent liabilities	21,632	667,717	2,485	2,255,841
Total liabilities	5,266,212	1,328,601	590,611	3,515,893
NET ASSETS				
Invested in capital assets, net of related debt	8,637,297	14,434,727	1,073,029	2,156,273
Restricted for debt service	-	774,941	-	20,069
Unrestricted (deficit)	3,553,611	1,549,129	11,284,520	(730,792)
	$ 12,190,908	$ 16,758,797	$ 12,357,549	$ 1,445,550

U.S. Cellular Center	Paramount Theatre	Ice Arena	Total
$ 551,450	$ -	$ 188,834	$ 1,547,517
-	-	-	4,623,722
247,859	-	106,587	1,855,389
-	-	-	2
-	-	-	401,400
-	-	87,901	12,494,759
6,652,827	84,645	-	9,217,428
-	-	-	182,447
8,067	-	4,194	64,356
419,344	4,421	18,787	463,659
7,138,366	-	-	8,521,731
15,017,913	89,066	406,303	39,372,410
8,897,573	308,531	-	18,191,527
10,985,435	4,921,813	9,792,626	58,126,422
709,948	29,950	252,534	13,856,729
1,291,931	275,897	1,923,613	23,577,219
(8,863,953)	(2,203,399)	(4,430,519)	(60,740,824)
11,241,782	-	-	11,717,682
24,262,716	3,332,792	7,538,254	64,728,755
39,280,629	3,421,858	7,944,557	104,101,165
1,519,076	36	34,774	3,007,150
182,093	-	-	185,969
304,047	-	30,832	610,219
-	-	-	432,211
34,959	-	-	66,847
20,196	-	93,927	4,684,438
10,104,739	1,142,048	-	11,815,195
237,743	-	1,344	268,450
-	-	-	1,000
-	-	-	-
56,091	241,412	406,930	1,082,759
21,190	2,511	11,520	44,872
12,480,134	1,386,007	579,327	22,199,110
6,885,543	659,700	3,436,583	13,897,167
-	-	-	32,334
88,000	-	-	88,000
6,973,543	659,700	3,436,583	14,017,501
19,453,677	2,045,707	4,015,910	36,216,611
24,459,448	2,431,680	3,694,741	56,887,195
-	-	-	795,010
(4,632,496)	(1,055,529)	233,906	10,202,349
$ 19,826,952	$ 1,376,151	$ 3,928,647	$ 67,884,554

City of Cedar Rapids, Iowa
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended June 30, 2011

	Business-type Activities - Other Enterprise Funds			
	Transit System	Parking System	Solid Waste Management	Golf
Operating revenues:				
Charges for services	$ 863,270	$ 2,077,985	$ 7,577,977	$ 1,767,247
Fines and forfeits	-	146,140	-	-
Use of money and property	432	21,384	147,381	5,494
Rents and royalties	86,990	-	-	571,335
Miscellaneous	10,857	74,713	309	223,392
Total operating revenues	961,549	2,320,222	7,725,667	2,567,468
Operating expenses:				
Personal services	3,803,632	482,330	3,878,361	1,337,709
Purchased services	1,869,489	1,483,744	3,511,993	830,670
Supplies and materials	755,187	56,880	852,432	565,141
Other	1,104,381	12,499	43,290	20,261
Depreciation	1,066,460	633,727	512,176	246,008
Total operating expenses	8,599,149	2,669,180	8,798,252	2,999,789
Operating income (loss)	(7,637,600)	(348,958)	(1,072,585)	(432,321)
Nonoperating revenues (expenses):				
Intergovernmental	4,781,845	-	56,683	-
Investment income	3,212	2,952	27,053	-
Property tax revenue	4,296,415	-	-	-
Gain (loss) on sale of capital assets	(447,382)	(21,606)	1,257	65,190
Interest expense	-	(1,161)	-	(108,467)
Total nonoperating revenue (expenses)	8,634,090	(19,815)	84,993	(43,277)
Income (loss) before transfers and capital contributions	996,490	(368,773)	(987,592)	(475,598)
Capital contributions	20,946	-	-	-
Transfers in	592,059	100,000	24,700	372,770
Transfers out	(21,067)	(35,951)	-	(594)
Change in net assets	1,588,428	(304,724)	(962,892)	(103,422)
Total net assets, beginning, as restated	10,602,480	17,063,521	13,320,441	1,548,972
Total net assets, ending	$ 12,190,908	$ 16,758,797	$ 12,357,549	$ 1,445,550

U.S. Cellular Center	Paramount Theatre	Ice Arena	Total
$ 1,795,310	$ -	$ 610,606	$ 14,692,395
-	-	-	146,140
12,913	861	2,071	190,536
560,669	-	295,481	1,514,475
205,546	-	5,853	520,670
2,574,438	861	914,011	17,064,216
832,932	202,052	366,028	10,903,044
1,650,584	85,827	597,158	10,029,465
212,937	-	39,505	2,482,082
94,118	6,784	3,190	1,284,523
264,699	138,836	431,993	3,293,899
3,055,270	433,499	1,437,874	27,993,013
(480,832)	(432,638)	(523,863)	(10,928,797)
10,451,766	-	-	15,290,294
-	-	313	33,530
-	-	-	4,296,415
237,025	-	-	(165,516)
(23,035)	(50,219)	(150,156)	(333,038)
10,665,756	(50,219)	(149,843)	19,121,685
10,184,924	(482,857)	(673,706)	8,192,888
-	-	-	20,946
840,425	287,773	540,748	2,758,475
(84,592)	-	-	(142,204)
10,940,757	(195,084)	(132,958)	10,830,105
8,886,195	1,571,235	4,061,605	57,054,449
$ 19,826,952	$ 1,376,151	$ 3,928,647	$ 67,884,554

City of Cedar Rapids, Iowa
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2011

	Business-type Activities -			
	Transit System	Parking System	Solid Waste Management	Golf
Cash flows from operating activities:				
Cash received from users	$ 934,589	$ 2,264,439	$ 7,716,068	$ 2,557,081
Cash paid to employees	(3,788,254)	(481,705)	(3,862,239)	(1,325,572)
Cash paid to suppliers	(3,510,184)	(1,217,844)	(4,279,521)	(1,454,518)
Net cash flows provided by (used in) operating activities	(6,363,849)	564,890	(425,692)	(223,009)
Cash flows from non-capital financing activities:				
Borrowing from other funds	3,945,289	591,854	815,105	686,031
Loans to other funds	(2,745,308)	(522,310)	(503,190)	(466,249)
Intergovernmental	2,362,317	-	59,373	-
Transfers in	592,059	100,000	24,700	372,770
Transfers out	(21,067)	(35,951)	-	(594)
Property taxes	4,310,635	-	-	-
Net cash flows provided by (used in) non-capital financing activities	8,443,925	133,593	395,988	591,958
Cash flows from capital and related financing activities:				
Purchase of capital assets	(1,452,969)	(472,031)	-	(66,026)
Proceeds from disposition of capital assets	20,691	-	2,651	65,190
Capital contributions	20,946	-	-	-
General obligation bonds issued	-	774,200	-	544,801
Notes payable	-	-	-	-
Premium on bonds	-	-	-	29,598
Principal paid	(86,417)	-	-	(801,852)
Issuance costs paid	-	(12,170)	-	-
Interest paid	-	-	-	(123,293)
Net cash flows provided by (used in) capital financing activities	(1,497,749)	289,999	2,651	(351,582)
Cash flows from investing activities:				
Interest on investments	3,212	2,953	27,053	-
Net cash flows provided by (used in) investing activities	3,212	2,953	27,053	-
Net decrease in cash and cash equivalents	585,539	991,435	-	17,367
Cash and cash equivalents, July 1, 2010	10,111	572,575	-	13,571
Cash and cash equivalents, June 30, 2011	$ 595,650	$ 1,564,010	$ -	$ 30,938
Reconciliation of operating income (loss) to net cash flows provided by (used in) operating activities				
Operating income (loss)	$ (7,637,600)	$ (348,958)	$ (1,072,585)	$ (432,321)
Adjustments to reconcile operating income (loss) to net cash flows provided by (used in) operating activities:				
Depreciation expense	1,066,460	633,727	512,176	246,008
Change in assets and liabilities:				
(Increase) decrease in prepaid items	-	300	1,268	(19,808)
Increase (decrease) in vouchers payable	218,873	334,979	127,005	(19,900)
(Increase) decrease in accrued expenses	15,158	(3,098)	7,050	5,024
Increase in compensated absences	220	3,723	9,072	7,113
(Increase) decrease in accounts receivable	(27,885)	(66,630)	(9,724)	(11,406)
(Increase) decrease in inventories	-	-	(79)	1,262
Increase due to other governments	925	-	-	907
Increase (decrease) in revenues collected in advance	-	10,847	125	112
(Decrease) in security deposit	-	-	-	-
(Decrease) in unearned revenue	-	-	-	-
Net cash flows provided by (used in) operating activities	$ (6,363,849)	$ 564,890	$ (425,692)	$ (223,009)
Schedule of noncash capital and related financing activities:				
Acquisition of capital assets through contracts payable	$ (364)	$ 3,868	$ -	$ -

Other Enterprise Funds			
U.S. Cellular Center	Paramount Theatre	Ice Arena	Total
$ 2,724,805	$ 861	$ 943,779	$ 17,141,622
(742,570)	(202,052)	(357,583)	(10,759,975)
(1,083,491)	(92,316)	(636,960)	(12,274,834)
898,744	(293,507)	(50,764)	(5,893,187)
15,071,330	321,981	266,176	21,697,766
(561,680)	(27,887)	(283,111)	(5,109,735)
3,798,939	-	-	6,220,629
840,425	287,773	540,748	2,758,475
(84,592)	-	-	(142,204)
-	-	-	4,310,635
19,064,422	581,867	523,813	29,735,566
(19,239,433)	-	-	(21,230,459)
237,025	-	-	325,557
-	-	-	20,946
6,140,000	466,232	-	7,925,233
-	-	-	-
-	25,831	-	55,429
(35,000)	(730,779)	(395,000)	(2,049,048)
(102,911)	(3,513)	-	(118,594)
(12,713)	(46,131)	(145,749)	(327,886)
(13,013,032)	(288,360)	(540,749)	(15,398,822)
-	-	313	33,531
-	-	313	33,531
6,950,134	-	(67,387)	8,477,088
739,682	-	256,221	1,592,160
$ 7,689,816	$ -	$ 188,834	$ 10,069,248
$ (480,832)	$ (432,638)	$ (523,863)	$ (10,928,797)
264,699	138,836	431,993	3,293,899
39,745	-	12,708	34,213
834,403	295	(9,815)	1,485,840
90,362	-	8,445	122,941
-	-	-	20,128
47,956	-	45,218	(22,471)
-	-	-	1,183
153,098	-	544	155,474
(9,359)	-	-	1,725
(9,635)	-	-	(9,635)
(31,693)		(15,994)	(47,687)
$ 898,744	$ (293,507)	$ (50,764)	$ (5,893,187)
$ 141,760	$ -	$ -	$ 145,264

City of Cedar Rapids, Iowa
Combining Statement of Net Assets
Internal Service Funds
June 30, 2011

	Facilities Maintenance	Fleet Services	Joint Communications	Risk Management	Total
ASSETS					
Current assets:					
Cash and investments	$ -	$ 2,007,516	$ 5,985,493	$ 404,203	$ 8,397,212
Receivables:					
Accounts and unbilled usage, net	35,926	1,082,949	1,045,151	83,649	2,247,675
Interest	-	-	-	1,974	1,974
Due from other funds	2,508,959	-	844,044	40,764,340	44,117,343
Due from other governments	16,010	23,891	-	-	39,901
Inventories	-	1,366,195	-	-	1,366,195
Prepaid items	-	2,730	45,632	525,819	574,181
Total current assets	2,560,895	4,483,281	7,920,320	41,779,985	56,744,481
Noncurrent assets:					
Advance to other funds	-	-	-	656,987	656,987
Land	1,016,663	-	-	-	1,016,663
Buildings and structures	6,082,507	-	20,706	-	6,103,213
Improvements other than buildings	1,843,172	33,575	-	-	1,876,747
Machinery and equipment	160,332	14,996,271	1,263,549	-	16,420,152
Accumulated depreciation	(5,820,643)	(3,831,880)	(744,324)	-	(10,396,847)
Construction in progress	-	-	2,090,160	-	2,090,160
Total noncurrent assets	3,282,031	11,197,966	2,630,091	656,987	17,767,075
Total assets	5,842,926	15,681,247	10,550,411	42,436,972	74,511,556
LIABILITIES					
Current liabilities:					
Vouchers payable	84,418	1,002,402	255,238	691,331	2,033,389
Claims and judgments payable	-	-	-	14,469,400	14,469,400
Accrued expenses	41,540	85,122	46,700	-	173,362
Revenues collected in advance	-	-	-	5,605	5,605
Compensated absences	78,833	118,535	81,475	-	278,843
Due to other funds	-	616,804	-	-	616,804
Security deposits	-	-	-	618	618
Total current liabilities	204,791	1,822,863	383,413	15,166,954	17,578,021
Noncurrent liabilities:					
Compensated absences	-	17,146	-	-	17,146
Post-employment liability	-	-	-	4,250,965	4,250,965
Advance from other funds	184,219	401,400	-	-	585,619
Total noncurrent liabilities	184,219	418,546	-	4,250,965	4,853,730
Total liabilities	389,010	2,241,409	383,413	19,417,919	22,431,751
NET ASSETS					
Invested in capital assets, net of related debt	3,282,031	11,197,966	2,630,091	-	17,110,088
Unrestricted	2,171,885	2,241,872	7,536,907	23,019,053	34,969,717
	$ 5,453,916	$ 13,439,838	$ 10,166,998	$ 23,019,053	$ 52,079,805

City of Cedar Rapids, Iowa
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended June 30, 2011

	Facilities Maintenance	Fleet Services	Joint Communications	Risk Management	Total
Operating revenues:					
Charges for services	$ 1,292,293	$ 9,630,850	$ 3,250,388	$ 24,023,127	$ 38,196,658
Rents and royalties	1,558,548	-	-	-	1,558,548
Miscellaneous	10,613	27,974	4,294	290,069	332,950
Total operating revenues	2,861,454	9,658,824	3,254,682	24,313,196	40,088,156
Operating expenses:					
Personal services	1,754,477	2,858,663	1,736,080	2,853,499	9,202,719
Purchased services	550,778	831,495	648,325	19,890,109	21,920,707
Supplies and materials	277,954	4,420,056	293,561	398	4,991,969
Other	3,265	16,362	28,375	3,518,591	3,566,593
Depreciation	235,665	1,863,636	99,584	-	2,198,885
Total operating expenses	2,822,139	9,990,212	2,805,925	26,262,597	41,880,873
Operating income (loss)	39,315	(331,388)	448,757	(1,949,401)	(1,792,717)
Nonoperating revenues (expenses):					
Investment earnings	3,918	-	10,996	167,418	182,332
Gain on sale of capital assets	-	119,572	-	-	119,572
Contributions & Donations	-	-	61,358	-	61,358
Interest expense	(10,403)	(18,755)	-	-	(29,158)
Total nonoperating revenue (expenses)	(6,485)	100,817	72,354	167,418	334,104
Income before transfers & capital contributions	32,830	(230,571)	521,111	(1,781,983)	(1,458,613)
Capital contributions	-	2,646,737	1,102,363	-	3,749,100
Transfers in	-	88,308	603,277	-	691,585
Transfers out	(50,547)	-	-	(588,469)	(639,016)
Change in net assets	(17,717)	2,504,474	2,226,751	(2,370,452)	2,343,056
Total net assets, beginning	5,471,633	10,935,364	7,940,247	25,389,505	49,736,749
Total net assets, ending	$ 5,453,916	$ 13,439,838	$ 10,166,998	$ 23,019,053	$ 52,079,805

City of Cedar Rapids, Iowa
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2011

	Facilities Maintenance	Fleet Services	Joint Communications	Risk Management	Total
Cash flows from operating activities:					
Cash received from users	$ 2,986,738	$ 9,505,661	$ 2,210,050	$ 24,327,376	$ 39,029,825
Cash paid to employees	(1,771,946)	(2,873,368)	(1,723,378)	(2,349,585)	(8,718,277)
Cash paid to suppliers	(512,829)	(5,572,384)	(880,322)	(18,896,966)	(25,862,501)
Net cash flows provided by (used in) operating activities	701,963	1,059,909	(393,650)	3,080,825	4,449,047
Cash flows from non-capital financing activities:					
Borrowing from other funds	269,831	2,925,829	2,190,359	529,507	5,915,526
Loans to other funds	(914,762)	(4,453,805)	(1,187,037)	(3,227,883)	(9,783,487)
Contributions and donations	-	-	61,358	-	61,358
Transfers in	-	88,308	603,277	-	691,585
Transfers out	(50,547)	-	-	(588,469)	(639,016)
Net cash flows provided by (used in) non-capital financing activities	(695,478)	(1,439,668)	1,667,957	(3,286,845)	(3,754,034)
Cash flows from capital and related financing activities:					
Purchase of capital assets	-	(2,910,436)	(2,393,691)	-	(5,304,127)
Proceeds from disposition of capital assets	-	125,405	-	-	125,405
Capital contributions	-	2,646,737	1,102,363	-	3,749,100
Issuance costs paid	-	-	-	-	-
Net cash flows provided by (used in) capital financing activities	-	(138,294)	(1,291,328)	-	(1,429,622)
Cash flows from investing activities:					
Interest on investments	(6,485)	(18,755)	10,996	167,637	153,393
Net cash flows provided by (used in) investing activities	(6,485)	(18,755)	10,996	167,637	153,393
Net decrease in cash and cash equivalents	-	(536,808)	(6,025)	(38,383)	(581,216)
Cash and cash equivalents, July 1, 2010	-	2,544,324	5,991,518	442,586	8,978,428
Cash and cash equivalents, June 30, 2011	$ -	$ 2,007,516	$ 5,985,493	$ 404,203	$ 8,397,212
Reconciliation of operating income (loss) to net cash flows provided by (used in) operating activities					
Operating income (loss)	$ 39,315	$ (331,388)	$ 448,757	$ (1,949,401)	$ (1,792,717)
Adjustments to reconcile operating income (loss) to net cash flows provided by (used in) operating activities					
Depreciation expense	235,665	1,863,636	99,584	-	2,198,885
Change in assets and liabilities:					
(Increase) in prepaid items	-	(2,614)	(45,632)	(59,703)	(107,949)
Increase (decrease) in vouchers payable	(12,042)	179,102	135,571	53,135	355,766
Increase (decrease) in accrued expenses	(3,472)	5,478	3,042	-	5,048
Increase (decrease) in compensated absences	(13,997)	(20,183)	9,660	-	(24,520)
(Increase) decrease in accounts receivable	125,284	(177,488)	(1,044,632)	14,180	(1,082,656)
(Increase) in inventories	331,210	(480,959)	-	-	(149,749)
Decrease in due from other governments	-	24,325	-	-	24,325
Increase post-employment liability	-	-	-	503,914	503,914
Increase in open claims payable	-	-	-	4,518,700	4,518,700
Net cash flows provided by (used in) operating activities	$ 701,963	$ 1,059,909	$ (393,650)	$ 3,080,825	$ 4,449,047

City of Cedar Rapids, Iowa
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2011

	Developers Security Deposit	Contractors Permit Deposit	Regional Planning	Total
ASSETS				
Receivables:				
Accounts receivable	$ -	$ 287	$ -	$ 287
Due from other governments	476,490	11,279	216,384	704,153
Total Assets	$ 476,490	$ 11,566	$ 216,384	$ 704,440
LIABILITIES				
Vouchers payable	$ -	$ 61	$ 26,232	$ 26,293
Due to other governments	-	-	190,152	190,152
Security deposits	476,490	11,505	-	487,995
Total liabilities	$ 476,490	$ 11,566	$ 216,384	$ 704,440

CITY OF CEDAR RAPIDS, IOWA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FISCAL YEAR ENDED June 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Developers Security Deposit				
Assets:				
Due from other governments	$ 457,892	$ 27,058	$ 8,460	$ 476,490
Liabilities:				
Security deposits	457,892	28,351	9,753	$ 476,490
Total liabilities	$ 457,892	$ 28,351	$ 9,753	$ 476,490
Contractors Permit Deposit				
Assets:				
Accounts receivable	$ 287	$ -	$ -	$ 287
Due from other governments	11,279	-	-	11,279
Total assets	$ 11,566	$ -	$ -	$ 11,566
Liabilities:				
Vouchers payable	$ 61	$ -	$ -	$ 61
Security deposits	11,505	-	-	11,505
Total liabilities	$ 11,566	$ -	$ -	$ 11,566
Regional Planning				
Assets:				
Due from other governments	$ 240,424	$ 216,384	$ 240,424	$ 216,384
Liabilities:				
Vouchers payable	$ 61,954	$ 132,749	$ 168,471	$ 26,232
Due to other governments	178,470	119,193	107,511	190,152
Total liabilities	$ 240,424	$ 251,942	$ 275,982	$ 216,384
Area Ambulance				
Assets:				
Due from other governments	$ 9,343	$ -	$ 9,343	$ -
Liabilities:				
Due to other governments	9,343	-	9,343	-
Total liabilities	$ 9,343	$ -	$ 9,343	$ -
Total				
Assets:				
Accounts receivable	$ 287	$ -	$ -	$ 287
Due from other governments	718,938	243,442	258,227	704,153
Total assets	$ 719,225	$ 243,442	$ 258,227	$ 704,440
Liabilities:				
Vouchers payable	$ 62,015	$ 132,749	$ 168,471	$ 26,293
Due to other governments	187,813	119,193	116,854	190,152
Security deposits	469,397	28,351	9,753	487,995
Total liabilities	$ 719,225	$ 280,293	$ 295,078	$ 704,440

City of Cedar Rapids, Iowa
Statements of Revenues, Expenses, and Changes in Fund Net Assets
Discretely Presented Component Units
For the Year Ended June 30, 2011

	Airport	Cedar Rapids/ Linn County Solid Waste Agency
Operating revenues:		
Charges for services	$ 3,751,926	$ 17,587,093
Licenses and permits	1,649	-
Use of money and property	275,868	28,823
Rents and royalties	10,081,040	29,200
Miscellaneous	28,959	1,832,413
Total operating revenues	14,139,442	19,477,529
Operating expenses:		
Personal services	2,855,421	2,512,808
Purchased services	2,649,493	2,240,438
Supplies and materials	1,000,617	1,220,230
Other	89,782	3,967,388
Depreciation	6,518,935	1,365,201
Total operating expenses	13,114,248	11,306,065
Operating income (loss)	1,025,194	8,171,464
Nonoperating revenues (expenses):		
Intergovernmental	71,580	96,087
Investment income (loss)	51,436	138,929
Gain on sale of assets	1,919	-
Gain on sale of investments	-	2,349,419
Interest expense	(109,267)	-
Total nonoperating revenue (expenses)	15,668	2,584,435
Capital contributions	11,087,068	-
Change in net assets	12,127,930	10,755,899
Total net assets, beginning	149,765,580	30,183,346
Total net assets, ending	$ 161,893,510	$ 40,939,245

City of Cedar Rapids, Iowa
Statements of Cash Flows
Discretely Presented Component Units
For the Year Ended June 30, 2011

	Airport	Cedar Rapids/ Linn County Solid Waste Agency
Cash flows from operating activities:		
Cash received from users	$ 20,118,601	$ 21,689,042
Cash paid to employees	(2,832,221)	(2,527,521)
Cash paid to suppliers	(9,896,587)	(4,866,766)
Net cash flows from operating activities	7,389,793	14,294,755
Cash flows from non-capital financing activities:		
Borrowing from other funds	12,575,253	-
Loans to other funds	(11,258,361)	-
Intergovernmentals	71,580	96,087
Net cash flows from non-capital financing activities	1,388,472	96,087
Cash flows from capital and related financing activities:		
Purchase of capital assets	(19,313,719)	(629,889)
Capital contributions	11,087,068	-
Proceeds from disposition of capital assets	1,919	-
General obligation bonds issued	90,092	-
Premium on bonds	4,991	-
Principal paid	(590,532)	-
Issuance costs on issue	(669)	-
Interest paid	(111,434)	-
Net cash flows from capital and related financing activities	(8,832,284)	(629,889)
Cash flows from investing activities:		
Interest on investments	51,436	126,035
Gain on sale of investments	-	2,349,419
Net cash flows from investing activities	51,436	2,475,454
Net (increase) decrease in cash and cash equivalents	(2,583)	16,236,407
Cash and cash equivalents, July 1, 2010	2,783	24,613,494
Cash and cash equivalents, June 30, 2011	$ 200	$ 40,849,901
Reconciliation of operating income to net cash flows from operating activities		
Operating income	$ 1,025,194	$ 8,171,464
Adjustments to reconcile operating income to net cash flows from operating activities:		
Depreciation expense	6,518,935	1,365,201
Change in assets and liabilities:		
Decrease in prepaid items	205	20,602
(Decrease) in vouchers payable	(6,156,900)	(770,709)
Increase (decrease) in compensated absences	11,076	(13,227)
Increase (decrease) in accrued expenses	12,124	(1,486)
(Increase) decrease in accounts receivable	(68,880)	2,209,274
(Increase) in notes receivable	-	(11,399)
(Increase) decrease in due from other governments	6,047,039	(61)
Increase in due to other governments	-	6,560
Increase in security deposits	1,000	5,000
Increase in revenues collected in advance	-	2,139
Increase in closure/postclosure payable	-	3,311,397
Net cash flows from operating activities	$ 7,389,793	$ 14,294,755

City of Cedar Rapids, Iowa
Capital Assets Used in the Operation of Governmental Funds
Schedule By Source
June 30, 2011

Governmental funds capital assets:		
Land	$	101,327,384
Building		53,626,715
Improvements other than Building		403,279,122
Machinery and equipment		41,037,221
Construction in progress		7,925,024
Total governmental funds capital assets	$	607,195,466

Investments in governmental funds capital assets by source:		
General fund	$	82,073,232
Special revenue funds		45,186,759
Capital projects funds		459,987,460
Donations		19,948,015
Total governmental funds capital assets	$	607,195,466

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of Cedar Rapids, Iowa
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
June 30, 2011

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Construction in Progress	Total
Public Safety:						
Police	$ 1,057,050	$ 10,509,024	$ 595,862	$ 4,036,002	$ 61,027	$ 16,258,965
Flood Control	-	-	10,616	-	-	10,616
Fire	459,523	4,956,543	117,654	7,462,302	28,982	13,025,004
Building Inspections	-	266,930	-	72,879	-	339,809
Animal Control	-	196,963	14,630	152,620	-	364,213
Total Public Safety	1,516,573	15,929,460	738,762	11,723,803	90,009	29,998,607
Public Works:						
Roads, Bridges, Sidewalks	16,626,690	-	317,906,201	472,367	9,263	335,014,521
Traffic Control and Safety	12,477	9,739	10,665,116	1,175,445	-	11,862,777
Street Cleaning	-	353,883	-	9,995,570	-	10,349,453
Flood Recovery	68,411,190	4,399,032	1,278,817	5,615,998	2,494,948	82,199,985
Other Public Works	1,014	-	39,538,313	114,658	9,877	39,663,862
Total Public Works	85,051,371	4,762,654	369,388,447	17,374,038	2,514,088	479,090,598
Culture & Recreation:						
Library Services	1,397,574	109,951	-	264,631	-	1,772,156
Museum, Band, Theater	-	-	-	13,010	-	13,010
Parks	5,287,524	4,067,500	14,648,561	2,992,628	555,144	27,551,357
Recreation	63,287	8,602,640	6,445,744	4,486,527	10,533	19,608,731
Other Culture and Recreation	-	-	-	-	-	-
Total Culture and Recreation	6,748,385	12,780,091	21,094,305	7,756,796	565,677	48,945,254
Community & Economic Development:						
Community Beautification	10,500	-	-	525,245	-	535,745
Economic Development	4,942,133	-	1,854,300	46,652	2,044,751	8,887,836
Housing and Urban Renewal	28,445	-	89,494	175,184	-	293,123
Other Community and Economic Development	1,771,725	-	-	137,754	-	1,909,479
Total Community and Economic Development	6,752,803	-	1,943,794	884,835	2,044,751	11,626,183
General Government:						
Mayor and Council	-	-	-	15,892	-	15,892
Clerk, Treasurer, Finance	-	-	1,370,769	881,174	-	2,251,943
City Attorney	-	-	-	19,270	-	19,270
City Hall and Other Buildings	85,100	17,635,753	3,704,328	204,987	7,911	21,638,079
Other General Government	1,173,152	2,518,757	5,038,717	2,176,426	2,702,588	13,609,640
Total General Government	1,258,252	20,154,510	10,113,814	3,297,749	2,710,499	37,534,824
Total governmental funds capital assets	$ 101,327,384	$ 53,626,715	$ 403,279,122	$ 41,037,221	$ 7,925,024	$ 607,195,466

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

City of Cedar Rapids, Iowa
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity
Year Ended June 30, 2011

Function and Activity	Governmental Funds Capital Assets July 1, 2010	Additions	Deletions	Governmental Funds Capital Assets June 30, 2011
Public Safety:				
Police	16,379,753	$ 222,012	$ (342,800)	$ 16,258,965
Flood Control	10,616	-	-	10,616
Fire	12,640,898	719,790	(335,684)	13,025,004
Building Inspections	356,298	-	(16,489)	339,809
Animal Control	364,213	-	-	364,213
Total Public Safety	29,751,778	941,802	(694,973)	29,998,607
Public Works:				
Roads, Bridges, Sidewalks	306,322,613	28,698,525	(6,617)	335,014,521
Traffic Control and Safety	11,862,777	-	-	11,862,777
Street Cleaning	10,282,909	518,478	(451,934)	10,349,453
Flood	13,899,476	71,778,916	(3,478,407)	82,199,985
Other Public Works	39,549,204	114,658	-	39,663,862
Total Public Works	381,916,979	101,110,577	(3,936,958)	479,090,598
Culture & Recreation:				
Library Services	9,961,516	227,078	(8,416,438)	1,772,156
Museum, Band, Theater	13,010	-	-	13,010
Parks	26,672,780	1,373,149	(494,572)	27,551,357
Recreation	19,157,005	451,726	-	19,608,731
Other Culture and Recreation	85,686	-	(85,686)	-
Total Culture and Recreation	55,889,997	2,051,953	(8,996,696)	48,945,254
Community & Economic Development:				
Community Beautification	535,745	-	-	535,745
Economic Development	8,432,959	3,102,389	(2,647,512)	8,887,836
Housing and Urban Renewal	293,123	-	-	293,123
Other Community and Economic Development	2,834,373	-	(924,894)	1,909,479
Total Community and Economic Development	12,096,200	3,102,389	(3,572,406)	11,626,183
General Government:				
Mayor and council	15,892	-	-	15,892
Clerk, Treasurer, Finance	2,251,943	-	-	2,251,943
City Attorney	19,270	-	-	19,270
City Hall and Other Buildings	21,469,786	385,901	(217,608)	21,638,079
Other General Government	11,534,374	2,102,912	(27,646)	13,609,640
Total General Government	35,291,265	2,488,813	(245,254)	37,534,824
Total governmental funds capital assets	$ 514,946,219	$ 109,695,534	$ (17,446,287)	$ 607,195,466

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

CEDAR RAPIDS

City of Five Seasons®

STATISTICAL SECTION

The statistical section of the City of Cedar Rapids' comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the City's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time.	99
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax (or sales tax).	112
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	121
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	128
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	131

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year. The City implemented GASB 34 in fiscal year 2003; schedules presenting government-wide information include information beginning that year.

City of Cedar Rapids, Iowa

Net Assets by Component
Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2003	2004	2005
Governmental activities:			
Invested in capital assets, net of related debt	$ 170,293,419	$ 180,212,606	$ 182,522,603
Restricted	-	-	22,186,515
Unrestricted	120,141,715	110,680,666	95,704,733
Total governmental activities net assets	290,435,134	290,893,272	300,413,851
Business-type activities:			
Invested in capital assets, net of related debt	155,123,651	163,871,381	163,821,373
Restricted	18,660,585	-	-
Unrestricted	68,725,552	72,525,516	70,100,125
Total business-type activites net assets	242,509,788	236,396,897	233,921,498
Primary government:			
Invested in capital assets, net of related debt	325,417,070	344,083,987	346,343,976
Restricted	18,660,585	-	-
Unrestricted	188,867,267	183,206,182	165,804,858
Total primary government assets net assets	$ 532,944,922	$ 527,290,169	$ 534,335,349

GASB Statement No. 34 Implemented in Fiscal Year 2003
GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* , implemented in fiscal year 2011

Fiscal Year					
2006	2007	2008	2009	2010	**2011**
$ 188,024,772	$ 166,859,345	$ 215,756,562	$ 202,547,673	$ 255,357,514	$ 401,632,078
22,186,515	53,058,213	46,336,187	34,927,581	21,925,801	67,552,110
103,526,477	109,830,961	80,101,208	131,561,029	103,425,016	(53,497,147)
313,737,764	329,748,519	342,193,957	369,036,283	380,708,331	415,687,041
171,583,350	189,931,481	156,641,036	151,831,976	162,423,211	186,833,485
-	-	211,003	39,979	3,575,519	10,253,520
65,769,024	54,103,299	62,908,340	71,434,828	67,228,295	65,009,584
237,352,374	244,034,780	219,760,379	223,306,783	233,227,025	262,096,589
359,608,122	356,790,826	372,397,598	354,379,649	417,780,725	588,465,563
-	-	211,003	39,979	3,575,519	77,805,630
169,295,501	163,934,260	143,009,548	202,995,857	170,653,311	11,512,437
$ 551,090,138	$ 573,783,299	$ 561,954,336	$ 592,343,066	$ 613,935,356	$ 677,783,630

City of Cedar Rapids, Iowa

Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses:					
Governmental activites:					
Public safety	$ 42,461,754	$ 40,513,052	$ 36,598,588	$ 39,604,205	$ 41,827,493
Public Works	22,539,198	24,546,647	23,476,595	24,486,391	25,633,415
Culture and recreation	11,984,656	15,340,165	14,448,265	14,403,753	14,150,160
Community and economic development	15,375,249	17,658,329	17,737,847	15,124,554	17,316,122
General government	7,800,987	7,837,144	9,620,708	8,470,505	10,671,203
Interest on long-term debt	5,253,908	5,523,401	4,736,327	5,051,146	4,965,549
Total governmental activities expenses	105,415,752	111,418,738	106,618,330	107,140,554	114,563,942
Business -type activites:					
Water	18,271,399	20,146,454	20,183,395	20,292,696	19,981,289
Water pollution control	20,786,914	21,474,470	21,155,005	23,457,134	25,013,567
Sanitary sewer	4,810,188	5,574,981	5,212,436	5,483,443	5,521,451
Ground transportation system	3,568,144	7,663,828	7,941,027	8,591,187	8,710,141
Parking system	7,599,819	3,565,956	4,028,604	3,542,614	3,614,899
Solid waste management	5,100,289	5,138,653	5,381,234	5,549,469	5,978,733
Golf	2,551,173	2,877,597	2,765,321	2,763,139	2,854,476
U.S. Cellular center	3,244,067	2,769,182	2,322,972	1,995,824	2,450,662
Paramount theatre	907,611	849,346	835,535	805,021	1,106,828
Ice arena	2,123,700	2,019,690	1,785,060	1,755,007	1,800,805
Total business-type activities expenses	68,963,304	72,080,157	71,610,589	74,235,534	77,032,851
Total primary government expenses	174,379,056	183,498,895	178,228,919	181,376,088	191,596,793
Program revenue:					
Governmental activities:					
Charges for services:					
Public safety	2,265,967	2,832,903	2,680,541	2,890,022	3,494,651
Public works	1,589,680	524,970	1,224,718	2,268,030	1,031,583
Culture and recreation	2,747,057	2,999,278	2,798,179	2,816,206	2,911,609
Community and economic development	617,896	815,056	905,983	922,365	1,934,766
General government	5,206,303	5,796,903	1,915,122	2,220,615	2,313,792
Operating grants and contributions:					
Public safety	203,508	392,858	809,715	1,061,761	669,139
Public works	329,782	180,961	10,417,038	10,030,359	11,296,337
Culture and recreation	1,082,402	699,075	796,327	767,141	813,981
Community development	8,686,198	10,964,745	10,606,097	5,759,726	9,402,242
General government	270,070	5,021	150,078	397,655	1,053,915
Capital grants and contributions					
Public safety	90,090	330,515	34,795	57,070	19,264
Public works	7,436,448	8,943,185	6,747,161	7,153,621	6,739,142
Culture and recreation	179,104	333,811	1,017,806	238,773	686,758
Community and economic development	-	32,500	10,987	303,597	106,404
General government	-	222,078	40,518	53,809	1,008,250
Total governmental activities program revenue	30,704,505	35,073,859	40,155,065	36,940,750	43,481,833
Business-type activities:					
Charges for services:					
Water	18,602,903	19,385,375	20,062,822	21,237,980	21,630,046
Water pollution control	15,901,594	16,221,332	17,614,839	20,692,758	22,131,342
Sanitary sewer	5,963,162	5,690,924	6,211,361	6,727,767	7,171,948
Ground transportation system	2,832,670	999,253	1,055,043	1,155,707	1,136,814
Parking system	917,935	2,913,465	2,989,577	2,935,889	2,992,440
Solid waste management	6,125,152	6,339,836	6,544,751	6,724,886	6,977,774
Golf	2,117,423	2,492,765	2,550,384	2,656,282	2,708,739
U.S. Cellular center	2,722,636	2,206,412	2,145,149	1,822,931	2,161,352
Paramount theatre	693,800	472,227	1,182,730	614,984	698,640
Ice arena	1,292,572	1,284,726	1,085,718	1,087,155	1,046,058

2008	2009	2010	**2011**
$ 45,079,704	$ 52,957,555	$ 59,391,790	$ 73,568,130
26,490,183	31,597,955	50,639,010	46,638,652
14,947,142	18,600,493	17,245,024	20,070,392
16,743,324	69,037,194	59,446,440	116,005,506
26,964,118	62,868,795	33,347,735	31,734,760
6,090,164	5,499,749	6,026,574	5,957,388
136,314,635	240,561,741	226,096,573	293,974,828
20,928,498	22,260,320	23,839,346	25,401,153
40,419,439	24,761,524	27,472,489	27,676,541
6,221,906	6,844,499	7,198,507	7,785,423
14,411,599	8,477,644	8,077,409	8,652,380
5,477,383	3,736,096	4,107,165	2,701,165
6,783,763	7,497,821	9,984,132	8,854,718
3,087,089	3,045,868	3,158,393	3,119,178
1,920,761	2,075,918	3,152,069	3,078,305
4,521,021	469,615	439,704	483,718
1,748,772	1,765,892	1,493,771	1,588,030
105,520,231	80,935,197	88,922,985	89,340,611
241,834,866	321,496,938	315,019,558	383,315,439
3,196,635	3,457,851	835,599	11,318,305
917,932	3,153,404	2,326,266	3,396,104
2,721,975	2,202,798	14,861,450	2,480,024
583,379	1,236,449	4,639,257	1,625,977
5,240,941	12,418,618	6,836,575	16,130,840
606,657	2,481,375	4,967,874	3,003,469
20,396,467	15,519,134	16,241,210	29,474,263
868,402	3,374,928	3,230,934	6,999,625
8,771,933	21,909,102	39,842,167	64,449,258
1,820,576	52,367,301	31,797,943	12,945,768
39,170	20,576	92,884	116,644
10,676,970	9,595,543	6,119,048	64,927,982
135,476	596,528	203,041	625,020
58,634	44,114,704	1,271,224	884,461
433,984	152,098	62,977	5,127,725
56,469,131	172,600,409	133,328,449	223,505,465
22,048,658	23,902,932	26,955,880	29,919,795
22,267,080	25,191,014	30,659,963	31,444,246
8,046,981	9,190,139	9,789,441	10,327,611
1,126,602	542,621	778,911	961,549
3,083,142	1,953,982	3,116,673	2,320,222
7,033,832	6,832,953	7,344,847	7,725,667
2,544,561	2,536,505	2,586,913	2,567,468
1,767,484	2,105,960	2,675,075	2,574,438
782,525	2,386	-	861
960,531	954,920	952,433	914,011

City of Cedar Rapids, Iowa

Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2003	2004	2005	2006	2007
Operating grants and contributions:					
Water	229,947	16,021	-	37,761	-
Water pollution control	8,033	-	-	-	-
Sanitary sewer	23,311	60	-	-	-
Ground transportation system	7,560	2,529,406	2,115,981	2,947,652	2,844,586
Parking system	2,759,884	3,021	-	-	-
Solid waste management	43,747	38,825	48,564	49,417	685
Golf	2,390	14,118	3,175	4,619	-
U.S. Cellular center	-	-	-	-	-
Paramount theatre	-	27,226	-	-	-
Ice arena	-	-	-	-	-
Capital grants and contributions					
Water	964,537	1,054,631	766,990	1,133,306	4,413,811
Water pollution control	402,939	-	2,628	7,011	5,202
Sanitary sewer	1,555,210	1,116,109	962,370	1,218,319	1,818,977
Ground transportation system	-	3,413	850,198	1,637,058	969,200
Parking system	-	4,142	12,613	457,750	676,759
Solid waste management	-	57,879	25,185	161,000	204,888
Golf	-	21,321	3,926	7,798	-
U.S. Cellular center	-	-	12,071	25	-
Paramount theatre	697,144	681,322	-	-	-
Ice arena	-	21,350	-	85	-
Total business-type activities program revenues	63,864,549	63,595,159	66,246,075	73,318,140	79,589,261
Total primary government program revenues	94,569,054	98,669,018	106,401,140	110,258,890	123,071,094
Net (expense) revenue					
Governmental activites	(74,711,247)	(76,344,879)	(66,463,265)	(70,199,804)	(71,082,109)
Business-type activities	(5,098,755)	(8,484,998)	(5,364,514)	(917,394)	2,556,410
Total primary government net expense	(79,810,002)	(84,829,877)	(71,827,779)	(71,117,198)	(68,525,699)
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property taxes	61,937,376	62,981,585	67,750,613	72,572,215	77,333,284
Franchise taxes	1,139,903	1,107,784	1,190,521	1,248,496	1,298,253
Hotel-Motel taxes	13,754,156	2,023,758	2,044,472	2,466,054	2,662,816
Local option sales taxes	-	-	-	-	-
Gain on sale of capital assets	9,824,910	10,230,803	366,958	240,860	491,285
Investment Earnings	272,088	113,855	2,881,115	5,124,109	6,220,908
Loss on Investments	4,571,055	1,086,954	-	-	(1,144,096)
Transfers	477,955	(763,538)	1,750,165	1,871,983	230,414
Total governmental activities	91,977,443	76,781,201	75,983,844	83,523,717	87,092,864
Business-type activities					
Taxes:					
Property taxes	2,889,721	2,995,517	2,960,123	2,964,142	3,008,087
Gain on sale of capital assets	123,486	-	-	-	-
Investment earnings	2,868,785	781,719	1,817,105	3,256,111	3,850,562
Retirement employee payouts	13,745,119	(2,168,667)	(137,948)	-	(1,981,523)
Loss on Investments	(8,879,964)	-	-	-	(520,716)
Transfers	(477,955)	763,538	(1,750,165)	(1,871,983)	(230,414)
Total business-type activities	10,269,192	2,372,107	2,889,115	4,348,270	4,125,996
Total primary government	102,246,635	79,153,308	78,872,959	87,871,987	91,218,860
Changes in net assets:					
Governmental activities	19,530,866	458,138	9,520,579	13,323,913	16,010,755
Business-type activities	5,170,437	(6,112,891)	(2,475,399)	3,430,876	6,682,406
Total primary government	$ 24,701,303	$ (5,654,753)	$ 7,045,180	$ 16,754,789	$ 22,693,161

2008	2009	2010	**2011**
-	-	-	-
-	-	-	-
-	461	86,659	234,861
3,214,133	3,380,960	3,759,714	4,355,409
-	-	-	-
10,707	926	59,547	57,940
4,862	-	-	65,190
-	-	-	-
-	-	-	-
-	-	-	-
920,951	892,198	1,260,882	728,964
214	1,017	294,410	1,885,020
696,432	665,071	150,086	730,674
398,045	184,491	707,768	-
77,802	1,094,279	-	-
48,000	23,641	-	-
39,691	9,287	12,448	-
-	-	-	10,688,791
-	-	-	-
-	-	-	-
75,072,233	79,465,743	91,191,650	107,502,717
131,541,364	252,066,152	224,520,099	331,008,182
(79,845,504)	(67,961,332)	(92,768,124)	(70,469,363)
(30,447,998)	(1,469,454)	2,268,665	18,162,106
(110,293,502)	(69,430,786)	(90,499,459)	(52,307,257)
78,166,150	82,304,313	83,235,371	82,470,156
2,645,817	1,422,897	3,323,638	3,747,200
1,375,315	2,922,240	2,378,503	2,753,315
-	4,254,513	16,428,594	19,554,638
425,323	26,159	84,916	-
7,564,677	2,958,322	1,870,320	2,856,104
-	-	-	-
2,113,660	915,214	(2,881,170)	(2,616,912)
92,290,942	94,803,658	104,440,172	108,764,501
2,988,927	3,724,950	3,891,767	4,296,415
-	-	-	-
5,315,604	2,206,122	878,640	477,703
(17,274)	-	-	-
-	-	-	-
(2,113,660)	(915,214)	2,881,170	2,616,912
6,173,597	5,015,858	7,651,577	7,391,030
98,464,539	99,819,516	112,091,749	116,155,531
12,445,438	26,842,326	11,672,048	38,295,138
(24,274,401)	3,546,404	9,920,242	25,553,136
$(11,828,963)	$ 30,388,730	$ 21,592,290	$ 63,848,274

City of Cedar Rapids, Iowa

Program Revenues by Function/Program
Last Nine Fiscal Years*
(accrual basis of accounting)
(Unaudited)

Function/Program	Fiscal Year 2003	2004	2005
Governmental activities:			
Public safety	$ 2,559,565	$ 3,556,276	$ 3,525,051
Public works	9,355,910	9,649,116	18,388,917
Culture and recreation	4,008,563	4,032,164	4,612,312
Community and economic development	9,304,094	11,812,301	11,523,067
General government	5,476,373	6,024,002	2,105,718
Total governmental activities	30,704,505	35,073,859	40,155,065
Business-type activities:			
Water	19,797,387	20,456,027	20,829,812
Water pollution control	16,312,566	16,221,332	17,617,467
Sanitary sewer	7,541,683	6,807,093	7,173,731
Ground transportation system	3,677,819	2,920,628	3,002,190
Parking system	2,840,230	3,532,072	4,021,222
Solid waste management	6,168,899	6,436,540	6,618,500
Golf	2,119,813	2,528,204	2,557,485
U.S. Cellular center	2,722,636	2,206,412	2,157,220
Paramount theatre	1,390,944	1,180,775	1,182,730
Ice arena	1,292,572	1,306,076	1,085,718
Total business-type activities	63,864,549	63,595,159	66,246,075
Total primary government	$ 94,569,054	$ 98,669,018	$ 106,401,140

GASB Statement No. 34 implemented in fiscal year 2003

Fiscal Year					
2006	2007	2008	2009	2010	**2011**
$ 4,008,853	$ 4,183,054	$ 3,842,462	$ 5,959,802	$ 5,896,357	$ 14,438,418
19,452,010	19,067,062	31,991,369	28,268,081	24,686,524	97,798,349
3,822,120	4,412,348	3,725,853	6,174,254	18,295,425	10,104,669
6,985,688	11,443,412	9,413,946	67,260,255	45,752,648	66,959,696
2,672,079	4,375,957	7,495,501	64,938,017	38,697,495	34,204,333
36,940,750	43,481,833	56,469,131	172,600,409	133,328,449	223,505,465
22,409,047	26,043,857	22,969,609	24,795,130	28,216,762	30,648,759
20,699,769	22,136,544	22,267,294	25,192,031	30,954,373	33,329,266
7,946,086	8,990,925	8,743,413	9,855,671	10,026,186	11,293,146
5,740,417	4,950,600	4,738,780	4,108,072	5,246,393	5,316,958
3,393,639	3,669,199	3,160,944	3,048,261	3,116,673	2,320,222
6,935,303	7,183,347	7,092,539	6,857,520	7,404,394	7,783,607
2,668,699	2,708,739	2,589,114	2,545,792	2,599,361	2,632,658
1,822,956	2,161,352	1,767,484	2,105,960	2,675,075	13,263,229
614,984	698,640	782,525	2,386	-	861
1,087,240	1,046,058	960,531	954,920	952,433	914,011
73,318,140	79,589,261	75,072,233	79,465,743	91,191,650	107,502,717
$ 110,258,890	$ 123,071,094	$ 131,541,364	$ 252,066,152	$ 224,520,099	$ 331,008,182

City of Cedar Rapids, Iowa

Fund Balances, Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2003	2004	2005	2006
General Fund:				
Nonspendable	$ -	$ -	$ -	$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	2,205,075	1,541,243	3,760,070	2,674,358
Unreserved	24,155,537	24,910,214	24,513,482	26,902,767
Total General Fund	26,360,612	26,451,457	28,273,552	29,577,125
All Other Government Funds:				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	76,762,071	26,321,516	26,949,343	22,998,514
Unreserved, reported in:				
Special revenue funds	12,642,715	13,346,265	14,021,295	15,712,776
Capital project funds	32,284,449	23,742,869	28,540,216	37,647,728
Total all other government funds	$ 121,689,235	$ 63,410,650	$ 69,510,854	$ 76,359,018

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* , implemented in fiscal year 2011

Fiscal Year				
2007	2008	2009	2010	**2011**
$ -	$ -	$ -	$ -	$ 1,294,262
-	-	-	-	1,943,591
-	-	-	-	-
-	-	-	-	155,453
-	-	-	-	33,051,176
2,781,430	2,561,898	2,895,040	28,837,889	-
29,958,128	35,616,422	32,141,757	6,688,209	-
32,739,558	38,178,320	35,036,797	35,526,098	36,444,482
-	-	-	-	623,832
-	-	-	-	65,495,530
-	-	-	-	4,642,858
-	-	-	-	22,296,248
-	-	-	-	(53,320,138)
44,699,944	36,589,659	34,309,127	118,567,457	-
				-
22,693,647	24,738,222	23,749,905	36,332,151	-
41,322,971	37,130,694	15,876,521	(87,352,533)	-
				-
$ 108,716,562	$ 98,458,575	$ 73,935,553	$ 67,547,075	$ 39,738,330

City of Cedar Rapids, Iowa

Changes in Fund Balances, Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2003	2004	2005	2006
Revenues:				
Taxes	$ 76,789,145	$ 66,049,790	$ 70,985,606	$ 76,122,186
License and permits	1,736,776	2,082,612	2,169,195	2,365,643
Intergovernmental	27,025,024	26,254,436	26,966,644	24,697,240
Charges for services	2,103,162	2,367,695	2,710,165	2,922,668
Fines and forfeitures	361,697	318,835	397,022	417,067
Use of money and property	3,507,728	904,832	2,269,737	4,206,254
Rents and royalties	608,421	744,593	834,707	808,291
Miscellaneous	5,465,462	3,650,211	3,353,405	3,298,838
Total revenues	117,597,415	102,373,004	109,686,481	114,838,187
Expenditures:				
Public safety	31,678,791	33,294,259	35,398,887	38,366,456
Public works	16,566,085	16,001,042	15,669,418	15,801,715
Culture and recreation	11,511,611	11,456,458	11,812,858	11,767,210
Community and economic development	15,454,478	16,913,202	17,617,700	15,019,244
General government	7,661,358	7,200,832	7,453,065	7,387,698
Capital outlay	26,306,908	21,112,653	18,232,349	18,239,807
Capital outlay not capitalized	-	-	-	-
Debt service:				
Principal	15,561,291	8,997,284	10,314,806	12,348,200
Bond issuance costs	50,741	25,217	36,019	37,096
Interest	4,933,212	4,759,713	4,870,749	5,028,580
Total expenditures	129,724,475	119,760,660	121,405,851	123,996,006
Excess of revenues (under) expenditures	(12,127,060)	(17,387,656)	(11,719,370)	(9,157,819)
Other financing sources (uses):				
Transfers in	45,476,325	31,775,714	36,651,734	42,680,001
Transfers out	(44,582,929)	(31,973,891)	(34,367,483)	(40,163,552)
Issuance of note payable	-	-	-	-
Issuance of long-term debt	28,465,850	9,914,474	17,055,000	14,665,000
Reimbursemnt of escrow	(16,101,147)	-	7,150	-
Investment earnings	-	-	-	-
Settlement reimbursement	-	-	246	4,046
Premium (discount) on long-term debt	159,293	(72,902)	(99,190)	(110,467)
Capital Contributions	-	-	-	-
Gain on impairment of capital assets	-	-	-	-
Proceeds from sale of capital assets	374,323	143,061	394,212	234,528
Total other financing sources (uses)	13,791,715	9,786,456	19,641,669	17,309,556
Special item:				
Loss on investments	-	-	-	-
Net changes in fund balance	$ 97,463,307	$ 89,862,107	$ 7,922,299	$ 8,151,737
Debt service as a percentage of noncapital expenditures	19.82%	13.95%	14.72%	16.43%

Fiscal Year				
2007	2008	2009	2010	**2011**
$ 81,285,286	$ 82,174,571	$ 90,959,554	$105,295,233	$108,496,764
2,052,323	2,323,474	2,222,569	2,322,014	2,475,750
26,540,359	30,511,179	116,555,474	88,902,120	191,609,346
3,056,939	3,406,968	12,626,117	16,523,469	16,583,058
351,677	324,418	288,825	1,220,897	7,858,937
6,228,971	6,378,084	2,524,692	869,756	2,681,387
960,772	918,647	477,758	559,952	677,766
3,556,045	3,427,594	2,283,553	1,594,674	3,101,884
124,032,372	129,464,935	227,938,542	217,288,115	333,484,892
40,572,027	40,864,289	51,910,586	39,428,051	72,727,328
16,460,295	16,731,938	21,257,996	15,523,557	34,997,847
12,198,173	11,167,542	16,566,695	59,402,503	16,164,472
17,225,206	16,168,651	68,962,927	36,932,894	115,512,160
8,289,145	19,999,186	62,210,093	58,468,119	28,212,872
17,075,013	18,047,072	41,892,960	21,732,340	97,363,010
4,493	-	-	-	2,213
9,358,600	18,319,213	21,654,817	23,230,021	24,348,447
77,004	30,750	96,321	120,370	600,533
4,951,750	6,046,541	5,383,144	6,119,089	5,893,963
126,211,706	147,375,182	289,935,539	260,956,944	395,822,845
(2,179,334)	(17,910,247)	(61,996,997)	(43,668,829)	(62,337,953)
40,951,729	44,836,345	50,882,684	54,472,194	48,878,815
(40,057,598)	(42,901,750)	(51,555,561)	(59,093,897)	(51,548,296)
650,000	-	-	5,000,000	-
35,742,000	9,679,655	34,612,492	33,250,000	37,901,296
-	-	-	-	-
-	-	-	412,012	-
21	1,580	465	3,503,923	-
578,632	36,280	27,414	76,404	1,320,812
136,769	-	-	-	-
-	1,000,000	-	-	-
608,280	438,912	364,958	149,016	2,211,393
38,609,833	13,091,022	34,332,452	37,769,652	38,764,020
(910,522)	-	-	-	-
$ 35,519,977	$ (4,819,225)	$(27,664,545)	$ (5,899,177)	$ (23,573,933)
13.11%	18.84%	10.90%	12.27%	10.13%

CEDAR RAPIDS

City of Five Seasons®

City of Cedar Rapids, Iowa

Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Fiscal Year	Property	Local Option Sales Tax	Utility Replacement Excise Tax	Other Tax	Total
2002	60,559,699	3,452,753	3,736,038	1,111,985	68,860,475
2003	60,373,351	11,675,380	3,600,511	1,139,903	76,789,145
2004	61,183,311	-	3,758,695	1,107,784	66,049,790
2005	64,514,591	-	3,236,022	3,234,993	70,985,606
2006	69,287,900	-	3,284,315	3,549,971	76,122,186
2007	73,821,833	-	3,502,383	3,961,070	81,285,286
2008	75,125,650	-	4,403,104	2,645,817	82,174,571
2009	77,738,578	4,254,513	4,565,736	2,977,830	89,536,657
2010	78,528,051	16,428,594	4,636,447	2,378,503	101,971,595
2011	78,171,178	19,554,638	4,298,978	2,724,770	104,749,564
Change 2002-2011	$ 17,611,479	$ 16,101,885	$ 562,940	$ 1,612,785	$ 35,889,089

City of Cedar Rapids, Iowa

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Utilities	Military Exemptions
2002	1,980,581,516	1,457,808,000	327,803,496	369,830,081	(16,202,352)
2003	2,127,382,035	1,600,823,093	329,822,614	362,351,883	(15,956,832)
2004	2,146,087,222	1,733,645,880	364,594,542	370,701,611	(15,673,469)
2005	2,144,983,089	1,842,749,212	382,154,448	320,981,972	(15,361,691)
2006	2,180,463,141	1,848,668,075	376,992,223	309,661,130	(15,036,757)
2007	2,259,717,789	1,800,958,547	366,993,719	310,853,137	(14,698,025)
2008	2,298,223,104	1,839,730,231	291,308,103	364,350,089	(14,365,036)
2009	2,401,189,312	1,861,300,332	299,862,706	371,367,099	(14,054,086)
2010	2,562,190,937	1,849,166,324	308,831,292	372,569,883	(13,760,822)
2011	2,653,167,342	1,888,668,264	349,974,941	346,577,736	(13,435,611)

Source: Linn County Auditor's Office

Note: There is no personal property tax (on cars or jewelry). The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year.

Total Taxable Assessed Value	Percent Growth	Total Direct Tax Rate	Estimated Actual Taxable Value	Value as a Percentage of Actual Value
4,119,820,741	4.55%	13.04	5,790,526,702	71.15%
4,404,422,793	6.91%	12.83	6,500,731,601	67.75%
4,599,355,786	4.43%	13.07	6,645,938,634	69.21%
4,675,507,030	1.66%	13.12	7,067,763,823	66.15%
4,700,747,812	0.54%	13.99	7,522,231,914	62.49%
4,723,825,167	0.49%	14.39	7,939,413,524	59.50%
4,779,246,491	1.17%	14.62	8,145,012,910	58.68%
4,919,665,363	2.94%	15.07	8,505,937,610	57.84%
5,078,997,614	3.24%	15.22	8,688,530,667	58.46%
5,224,952,672	2.87%	15.22	8,694,897,052	60.09%

City of Cedar Rapids, Iowa

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	City Direct Rates							
Tax Year Levied	General Levy	Tort	Band	Library Book Levy	Memorial Fund	FICA/ IPERS	Fire & Police Pension Fund	Other Benefits
2002	8.10000	0.00000	0.01615	0.04000	0.50897	0.70434	0.10261	1.18916
2003	8.10000	0.00000	0.01615	0.04000	0.41432	0.70434	0.14237	1.03475
2004	8.10000	0.00000	0.01569	0.04000	0.45278	0.72388	0.24237	1.12145
2005	8.10000	0.00000	0.01459	0.03999	0.44422	0.72545	0.34237	1.07386
2006	8.10000	0.00000	0.01459	0.03999	0.17988	0.85847	0.49237	1.62927
2007	8.10000	0.00000	0.01459	0.04000	0.17320	0.75820	0.64237	2.20445
2008	8.10000	0.00000	0.01459	0.04000	0.17320	0.75820	0.79237	2.20445
2009	8.10000	0.18685	0.01667	0.04000	0.20082	0.75820	0.86000	2.20445
2010	8.10000	0.18849	0.01667	0.04000	0.20082	0.75997	0.76000	2.08344
2011	8.10000	0.18849	0.01667	0.04000	0.20082	0.75997	0.76000	1.85634

Source: Linn County Auditor's Office

Note: Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners, although the County property tax rates apply to all City property owners.

City Direct Rates			Overlapping rates			
Debt Levy	Bus	Total Direct	C.R. Community School	College Community Schools	Linn Mar Community Schools	Marion Independent Schools
1.69079	0.65893	13.01095	12.94707	13.72416	16.52524	17.96868
1.73214	0.64563	12.82970	15.35946	14.39975	16.90663	17.93509
1.70746	0.66414	13.06777	15.36838	14.73088	16.89647	17.81127
1.74268	0.63481	13.11797	15.74784	15.11410	17.76825	16.82045
1.88100	0.63481	13.83038	15.25042	15.21947	17.99931	16.81459
1.81846	0.63481	14.38608	14.90212	17.33321	18.81657	16.80183
1.89848	0.63481	14.61610	14.37481	17.33382	19.39588	16.80516
1.95000	0.75377	15.07076	13.78107	16.84626	20.40133	15.31689
2.28224	0.78458	15.21621	13.91816	17.21168	20.22951	15.31673
2.46954	0.82438	15.21621	15.17046	17.20361	19.73839	16.30509

CEDAR RAPIDS

City of Five Seasons®

City of Cedar Rapids, Iowa

Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)

	2011			2002		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Estimated Actual Valuation	Taxable Assessed Value	Rank	Percentage of Total Estimated Actual Valuation
Alliant Industries	445,620,418	1	40.68%			
Florida Power and Light	146,528,429	2	13.38%			
ADM Corn Processing	114,464,724	3	10.45%	94,304,823	1	20.94%
Aegon USA	80,441,473	4	7.34%	49,386,484	5	10.97%
ITC Midwest LLC	76,625,354	5	7.00%			
Robert K. Miell	54,486,412	6	4.97%			
International Paper	49,149,869	7	4.49%			
Midamerican Energy	46,125,395	8	4.21%			
Qwest Communications	42,835,517	9	3.91%			
Rockwell International	39,124,318	10	3.57%	67,518,228	2	14.99%
SDG Macerich Properties (Lindale Mall)				40,415,248	6	8.97%
Hy-Vee Food Stores				20,609,664	8	4.58%
PMX Industries, Inc.				36,620,674	7	8.13%
HNW Associates (Westdale Mall)				50,385,542	3	11.19%
McLeodUSA Inc.				49,968,349	4	11.10%
General Mills				20,585,257	9	4.57%
Iowa Land and Building Company				20,551,944	10	4.56%
Total	$ 1,095,401,909		100.00%	$450,346,213		100.00%

Source: Linn County Auditor's Office

City of Cedar Rapids, Iowa

Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30	Tax Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2002	2001	60,486,677	60,358,411	99.79%
2003	2002	64,140,778	63,942,346	99.69%
2004	2003	66,627,836	64,146,360	96.28%
2005	2004	69,200,064	68,926,266	99.60%
2006	2005	76,325,964	74,595,380	97.73%
2007	2006	79,669,807	78,598,114	98.65%
2008	2007	82,125,293	80,915,930	98.53%
2009	2008	85,572,337	85,349,775	99.74%
2010	2009	89,523,688	86,730,554	96.88%
2011	2010	86,841,975	83,845,156	96.55%

Source: Linn County Auditor's Office

Note: There is no personal property tax (on cars or jewelry). The above information presents the information for each period for which it is levied. A tax levy provides taxes remitted in the following year. Collections in Subsequent Years are reported in the year collected and not in the year levied. The County collects the taxes and does not report the year the tax was levied to the City.

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
69,020	60,427,431	99.90%
917,240	64,859,586	101.12%
268,380	64,414,740	96.68%
591,134	69,517,400	100.46%
(81,784)	74,513,596	97.63%
107,286	78,705,400	98.79%
(199,793)	80,716,137	98.28%
781,696	86,131,471	100.65%
325,711	87,056,265	97.24%
231,454	84,076,610	96.82%

City of Cedar Rapids, Iowa

Ratios of Net General Bonded Debt Outstanding by Type
Last Ten Fiscal Years
(Unaudited)

	Governmental Activities				
Fiscal Year	General Obligation Bonds	Less Amount Available in Debt Service	Net General Bonded Debt	Percentage of Actual Property Value[1]	Debt Per Capita[2]
2002	98,931,919	9,675,819	89,256,100	1.54%	739
2003	96,778,390	3,296,032	93,482,358	1.44%	774
2004	97,605,580	3,017,892	94,587,688	1.42%	783
2005	104,255,774	2,674,063	101,581,711	1.44%	841
2006	106,482,574	2,864,262	103,618,312	1.38%	858
2007	132,865,974	29,354,194	103,511,780	1.30%	857
2008	124,047,916	20,418,788	103,629,128	1.27%	858
2009	138,605,532	13,028,667	125,576,865	1.48%	1,040
2010	148,625,511	4,782,670	143,842,841	1.66%	1,191
2011	162,178,361	5,187,825	156,990,536	1.81%	1,300

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

[2] Population data can be found in the Schedule of Demographic and Economic Statistics

Business-type Activites				
General Obligation Bonds	Revenue Bonds	Total Primary Government	Percentage of Per Capital	Per Capita
134,278,081	1,205,000	224,739,181	0.05%	120,758
143,126,010	820,000	237,428,368	0.05%	120,758
143,195,420	-	237,783,108	0.05%	120,758
144,581,176	-	246,162,887	0.05%	120,758
140,910,776	-	244,529,088	0.05%	120,758
181,212,276	-	284,724,056	0.04%	120,758
165,816,081	-	269,445,209	0.04%	120,758
142,470,271	-	268,047,136	0.05%	120,758
118,619,423	38,015,000	300,477,264	0.04%	120,758
112,907,013	43,065,000	312,962,549	0.04%	120,758

CEDAR RAPIDS

City of Five Seasons®

City of Cedar Rapids, Iowa

Direct and Overlapping Governmental Activities Debt
For the Year Ended June 30, 2011
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Cedar Rapids Community School District	28,490,000	68.73%	19,581,177
College Community School District	61,240,000	19.47%	11,923,428
Kirkwood Community College	12,585,000	27.95%	3,517,508
Linn Mar Community School District	48,440,000	11.38%	5,512,472
Linn County	14,230,000	61.59%	8,764,257
Marion Community School District	1,129,500	0.42%	4,744
Subtotal, overlapping debt	166,114,500		49,303,586
City Direct Debt	138,633,583	100.00%	138,633,583
Total direct and overlapping debt	$ 304,748,083		$ 187,937,169

Source: Linn County Auditor's Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Cedar Rapids. This process recognized that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

City of Cedar Rapids, Iowa

Legal Debt Margin Information (in millions)
Last Ten Fiscal Years
(dollars in thousands)
(Unaudited)

	2002	2003	2004	2005
Debt limit	300,079,662	338,393,048	343,152,268	367,235,948
Total net debt applicable to limit	244,525,000	249,510,000	250,985,000	257,235,000
Legal debt margin	55,554,662	88,883,048	92,167,268	110,000,948
Total net debt applicable to the limit as a percentage of debt limit	81.49%	73.73%	73.14%	70.05%

Legal Debt Margin Calculation for Fiscal Year 2011	
Assessed value	8,666,429,889
Debt limit (5% of assessed value)	433,321,494
Debt applicable to limit:	
General obligation bonds	282,045,000
Legal debt margin	$ 151,276,494

2006	2007	2008	2009	2010	**2011**
375,359,758	396,235,775	406,784,256	424,873,705	434,010,014	433,321,494
252,140,000	320,010,000	255,595,000	264,425,000	274,705,000	282,045,000
123,219,758	76,225,775	151,189,256	160,448,705	159,305,014	151,276,494
67.17%	80.76%	62.83%	62.24%	63.29%	65.09%

City of Cedar Rapids, Iowa

Pledged-Revenue Coverage
Last Ten Fiscal Years

(Unaudited)

	Revenue Bonds					
				Debt Service		
Fiscal Year	Utility Charges	Less Operating Expense	Net Available Revenue	Principal	Interest	Coverage
2002	3,018,627	3,313,717	(295,090)	370,000	80,484	(745,574)
2003	2,832,670	3,488,193	(655,523)	385,000	60,285	(1,100,808)
2004	2,913,465	3,510,880	(597,415)	820,000	20,711	(1,438,126)
2005	-	-	-	-	-	-
2006	-	-	-	-	-	-
2007	-	-	-	-	-	-
2008	-	-	-	-	-	-
2009	-	-	-	-	-	-
2010	67,405,284	51,460,279	15,945,005	38,015,000	19,733,802	(41,803,797)
2011	71,691,652	53,496,214	18,195,438	43,065,000	21,290,935	(46,160,497)

City of Cedar Rapids, Iowa

Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30	Population (1)	Per Household Income (2)	Per Capita Income (2)	Median Age (2)	School Enrollment (3) Public	School Enrollment (3) Private	Unemployment Rate (4)
2002	120,758	75,388	30,842	36.07	17,729	2,784	3.8
2003	120,758	76,386	31,367	36.27	17,247	2,810	4.0
2004	120,758	79,305	32,706	36.38	17,125	2,757	4.2
2005	120,758	81,221	33,657	36.54	17,051	2,905	4.9
2006	120,758	85,112	35,422	36.73	17,237	2,956	3.6
2007	120,758	89,392	37,367	36.76	17,263	3,197	3.4
2008	120,758	92,435	38,811	36.83	16,838	3,399	3.9
2009	120,758	91,085	38,430	36.94	16,386	2,568	6.0
2010	120,758	90,962	38,100	36.92	16,392	2,778	6.5
2011	126,326	94,884	39,780	36.92	16,397	2,262	5.9

Note: The deompgraphic statistic is being added to the report

Sources:
1. U.S. Department of Commerce, Bureau of Census
2. 2011 Woods and Poole Economics (Cedar Rapids MSA)
3. Iowa Department of Education
4. Data presented to Cedar Rapids Metropolitan Statistical Area (Linn County, Iowa) which encompasses geographic boundaries of reporting entity as reported by Workforce Development Area.

CEDAR RAPIDS

City of Five Seasons®

City of Cedar Rapids, Iowa

Principal Employers
Current Year and Nine Years Ago
(Unaudited)

	2011			2002		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Rockwell Collins Inc.	8700	1	4.95%	7162	1	4.48%
AEGON USA, Inc.	3872	2	2.20%	2300	6	1.44%
St. Luke's Hospital	3184	3	1.81%	2300	6	1.44%
Cedar Rapids Community Schools	2936	4	1.67%	2726	2	1.70%
Hy-Vee Food Stores	2599	5	1.48%	2406	4	1.50%
Mercy Medical Center	2312	6	1.31%	1950	9	1.22%
Whirlpool Corporation	2225	7	1.27%	2630	3	
Kirkwood Community College	1895	8	1.08%			
City of Cedar Rapids	1311	9	0.75%	1732	10	1.08%
Quaker Food & Snacks	1018	10	0.58%			
MCI Communications (Worldcom)				2000	8	1.25%
McLeod USA Inc.				2311	5	1.44%

Source: Cedar Rapids Area Chamber of Commerce and Woods and Poole Economics
Source: Priority One Cedar Rapids Largest Employers List
Note: Total employment encompasses the Cedar Rapids Metropolitan Statistical Area

City of Cedar Rapids, Iowa

Full-Time Equivalent City Government Employees by Functions/Programs
Last Ten Fiscal Years
(Unaudited)

	Full-Time Equivalent Employees as of June 30				
	2011	2010	2009	2008	2007
Functions/Program					
General Government:					
Animal Control	9.00	9.00	9.00	9.00	10.00
Attorney	6.00	6.00	6.00	6.00	6.00
Aviation	-	-	-	-	3.00
Code Enforcement	41.17	45.17	38.00	23.00	24.00
City Manager	10.00	8.00	7.00	6.00	5.00
Civil Rights	5.00	5.00	6.00	5.00	5.00
Clerk	6.00	6.00	6.00	6.00	6.00
Community Development	13.00	13.00	12.00	21.75	21.75
Council and Mayor	4.33	4.33	3.33	3.33	3.33
Public Works	162.00	157.00	149.00	182.36	183.36
Facilities Management	-	-	-	1.00	1.00
Finance	42.00	37.00	35.00	13.00	13.00
Fire Department	149.29	142.29	142.29	154.29	154.00
Human Resource	15.63	15.63	14.00	13.75	14.75
Information Technology	31.00	30.00	15.00	14.00	14.00
Library	47.36	50.54	53.30	52.19	57.19
Memorial	9.41	9.41	9.41	9.41	9.41
Parks & Recreation Department	113.04	113.61	120.41	123.59	125.41
Police Department	227.00	227.00	227.00	239.00	239.00
Purchasing Services	3.75	3.75	3.75	3.75	3.75
Riverfront	-	-	-	-	-
Treasurer	-	-	-	4.00	4.00
Ushers Ferry	-	-	-	4.19	4.81
Positions to Eliminate	-	-	-	(34.00)	-
Total General Fund	**894.98**	**882.73**	**856.49**	**860.61**	**907.76**
Enterprise Funds					
Eastern Iowa Airport	42.00	41.00	45.00	45.00	45.00
Golf	30.59	30.66	30.86	37.68	36.19
Five Seasons Parking	10.52	13.52	17.52	30.52	31.02
Sewer Maintenance	33.00	31.00	29.00	29.00	27.00
Solid Waste & Recycling	66.30	56.30	57.40	58.80	58.80
Transit	51.00	51.75	51.75	68.50	72.25
Water Department	105.50	106.50	104.50	115.50	117.50
Water Pollution Control	88.32	87.32	86.98	89.48	89.48
Total Enterprise Funds	**427.23**	**418.05**	**423.01**	**474.48**	**477.24**
Special Revenue Fund					
H.O.M.E./CD	6.00	6.00	6.00	6.00	6.00
Leased Housing	12.00	12.00	12.50	13.00	13.00
Library	5.12	5.12	5.12	5.12	5.12
SSMID	-	-	-	-	2.00
Real Estate Disposal	1.00	1.00	-	-	-
Total Special Revenue Funds	**24.12**	**24.12**	**23.62**	**24.12**	**26.12**
Internal Service Funds					
Joint Communications	27.00	27.00	22.00	23.00	22.00
Facilities Maintenance	29.00	29.00	29.00	10.25	10.25
Fleet Maintenance	42.00	42.00	42.00	-	-
Total Internal Service Funds	**98.00**	**98.00**	**93.00**	**33.25**	**32.25**
Total FTE's	**1,444.33**	**1,422.90**	**1,396.12**	**1,392.46**	**1,443.37**

Source: City's Finance Department P.68 Budget

Full-Time Equivalent Employees as of June 30				
2006	2005	2004	2003	2002
10.00	10.00	10.00	10.00	10.00
6.00	6.00	6.00	6.00	6.00
3.00	3.00	3.00	3.00	2.00
23.00	24.00	24.00	25.00	25.00
-	-	-	-	-
5.00	5.00	5.00	5.00	5.00
6.00	6.00	6.00	6.00	6.00
20.75	21.25	21.25	21.25	21.25
13.10	13.10	13.10	13.10	12.10
183.36	196.06	205.08	214.74	215.25
1.00	1.00	1.00	-	-
13.00	13.00	14.00	14.00	14.00
153.00	154.00	155.00	155.00	153.00
14.75	15.00	16.00	16.50	17.50
13.00	14.00	15.00	13.75	12.75
57.19	57.19	59.69	61.17	66.33
9.41	9.41	9.41	9.41	9.41
128.18	128.70	125.33	121.68	120.47
239.00	239.00	238.00	242.50	242.50
3.75	3.38	3.38	3.38	3.38
1.27	4.25	4.74	5.14	5.18
4.00	4.00	4.00	4.00	4.00
4.67	4.67	4.67	4.67	4.80
-	-	-	-	-
912.43	**932.01**	**943.65**	**955.29**	**955.92**
46.00	45.00	52.00	46.00	48.00
37.41	38.34	36.78	35.44	38.62
33.02	33.02	34.78	36.94	36.94
27.00	27.00	28.00	28.00	28.00
61.00	61.00	63.00	63.00	63.00
72.25	72.25	72.25	74.25	73.25
117.50	117.50	117.50	123.79	123.29
89.48	83.48	83.48	83.48	83.48
483.66	**477.59**	**487.79**	**490.90**	**494.58**
6.00	6.00	5.00	5.00	5.00
13.00	13.00	13.00	12.00	12.00
5.12	5.00	5.50	5.90	5.90
2.00	2.00	2.00	2.00	2.00
-	-	-	-	-
26.12	**26.00**	**25.50**	**24.90**	**24.90**
22.00	22.00	24.00	23.00	23.00
10.25	10.25	10.25	8.53	8.53
-	-	-	-	-
32.25	**32.25**	**34.25**	**31.53**	**31.53**
1,454.46	**1,467.85**	**1,491.19**	**1,502.62**	**1,506.93**

City of Cedar Rapids, Iowa

Operating Indicators by Function/Program
Last Ten Calendar Years
(Unaudited)

Function/Program	Calendar Year 2002	2003	2004	2005
Police:				
Calls for service	102,539	101,488	110,169	113,496
Adult arrest	8,742	7,838	8,919	8,932
Juvenile arrest	1,031	1,077	1,092	1,171
Speeding citations	7,406	7,069	7,570	7,922
Traffic citations	14,828	17,034	21,541	21,193
Fire:				
Total fire runs	7,028	3,852	3,720	3,691
Total rescue runs	675	3,769	3,923	4,410
Property loss	3,446,745	3,106,053	3,216,753	3,630,392
Building Safety:				
Total building permits	9,990	7,002	7,018	6,092
Total value all permits	176,772,362	130,535,821	153,813,966	173,012,680
Library, volumes in collection	298,178	301,545	292,951	304,212
Public Service:				
Garbage collected (ton)	19,454	19,898	19,957	19,870
Recycling collected (ton)	8,344	8,546	8,705	8,834
Yard Waste collected (ton)	9,586	13,287	13,316	12,993
Parks and Recreation:				
Recreation program attendance (2)	216,042	235,069	235,152	222,345
Aquatics program attendance (2)	225,177	221,716	273,749	230,504
Golf rounds played	149,492	154,550	155,654	162,542
Bever Park Zoo attendance	47,758	40,343	33,120	51,800
Street trees maintained	7,945	4,845	9,234	8,357

Source: Various City departments

Notes: (1) Jan - Sept 2007

Calendar Year						
2006	2007		2008	2009	2010	**2011**
89,459	86,973	(1)	128,802	124,090	118,547	124,416
6,662	6,583	(1)	8,142	8,548	8,379	8,786
1,075	1,205	(1)	1,454	1,303	1,124	1,175
7,763	3,233	(1)	3,917	3,296	3,268	1,679
23,285	17,539	(1)	16,464	15,420	12,163	11,809
3,572	3,192	(1)	4,035	3,377	8,591	4,386
4,858	3,988	(1)	5,068	5,024	5,166	5,376
2,757,297	2,862,367	(1)	1,274,613	2,828,217	6,523,396	3,602,446
5,694	4,275	(1)	5,092	12,690	5,887	6,372
191,227,753	238,236,142	(1)	295,815,305	289,212,117	197,580,294	243,569,602
290,524	297,680		294,291	88,407	105,676	103,182
19,920	20,050		20,144	19,416	19,701	19,201
9,045	9,174		9,405	8,534	8,669	8,059
12,864	13,876		15,674	14,380	14,709	14,326
252,507	237,954		115,147	88,950	100,181	109,050
302,291	264,749		232,984	245,990	241,955	247,856
138,171	113,732		101,337	107,120	107,725	107,264
17,787	40,082		36,547	44,517	36,656	35,027
4,710	4,845		8,679	9,925	4,500	4,316

City of Cedar Rapids, Iowa

Capital Asset Statistics by Function/Program
Last Ten Calendar Years
(Unaudited)

Function/Program	2002	2003	2004
Police:			
Stations	1	1	1
Fire, Fire Stations	9	9	9
Refuse Collections:			
Collection Trucks	45	48	48
Street (Miles)	590	700	631
Parks and Recreation:			
Acreage	4,040	4,040	4,040
Parks	95	95	95
Golf Courses	4	4	4
Swimming Pools	6	6	6
Baseball/Softball Diamonds	37	37	37
Soccer/Football Fields	32	32	32
Tennis Courts	22	22	22
Recreation Centers	2	2	2
Library:			
Facilities	2	2	2
Volumes	298,178	301,545	292,951
Water:			
Storage Capacity (MGPD)	25	25	25
Average Daily Consumption (MGPD)	36	34	37
Peak Consumption (MGPD)	47	50	50
Wastewater:			
Sanitary Sewers (miles)	613	623	632
Storm Sewers (miles)	277	278	280

Source: Various City departments

2005	2006	2007	2008	2009	2010	**2011**
1	1	1	1	1	1	1
9	9	9	9	9	9	9
48	49	42	43	51	55	59
631	631	650	650	618	622	626
4,040	4,040	4,040	4,042	4,042	4,042	4042
95	96	96	96	96	96	96
4	4	4	4	4	4	4
6	6	6	6	6	6	6
37	37	37	37	37	37	37
32	32	32	32	32	32	32
22	22	22	23	23	23	23
2	2	2	1	1	1	1
2	2	2	2	2	2	2
304,212	290,524	297,680	294,291	88,407	105,676	103,182
25	25	25	25	25	25	25
37	38	38	38	35	35	36
49	52	47	44	38	43	39
649	653	660	660	669	670	673
296	304	404	409	412	458	497

CEDAR RAPIDS

City of Five Seasons®

CITY OF CEDAR RAPIDS, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE, 30, 2011

Federal Grantor / Pass Though Grantor and Program Title	CFDA Number	Grant Number	Program or Award Amount	Program Expenditures
U.S. Department of Agriculture:				
Iowa Department of Public Health:				
WIC Grant	10.557	588-1P-I01	40,000	27,896
FSNE Grant	10.561	588-1P-I01	24,000	20,120
				48,016
Iowa Natural Resources Conservation Service:				
USDA/NRCS - Time Check Bank Stabilization	10.923	69-6114-9-58	940,000	458,319
Total U.S. Department of Agriculture				506,335
U.S. Department of Commerce:				
Direct:				
Economic Development Administration	11.307	05-79-04949	35,000,000	6,067,960
Total U.S. Department of Commerce				6,067,960
U.S. Department of Housing and Urban Development:				
Direct:				
Community Development Block Grant	14.218	B-09/10-MC-190001	2,703,287	1,240,456
ARRA - Community Development Block - Recovery	14.253	B-09-MY-19-0001	350,616	250,199
HOME	14.239	B-08/09/10-MC-19-0204	1,506,198	1,071,575
CDG - Neighborhood Stabilization	14.256	08-NSP-020	1,193,337	639,756
ARRA - Homeless Prevention and Rapid Re-Housing	14.257	S09-MY-19-0004	536,843	258,406
Fair Housing Assistance Program	14.401	FF207K107012	40,065	13,305
	14.401	FF207K117012	32,540	32,540
Leased Housing Authority Grant	14.871	IA024VO	5,554,027	5,554,027
Lead Based Paint Hazard Control/HUD	14.900	IALHB038808	2,431,876	993,613
				10,053,877
Iowa Department of Economic Development:				
Community Development Block Grant - Business Disaster Recovery	14.228	08-DRBSC-201	16,000,000	2,834,560
	14.228	08-DRB-001	135,500	135,494
	14.228	08-DRB-201	50,000,000	34,307,423
Community Development Block Grant - Housing Disaster Recovery	14.228	08-DRH-208	46,289,402	6,897,051
	14.228	08-DRH-008	52,411,498	10,226,147
Community Development Block Grant - Disaster Recovery Infrastructure	14.228	08-DRI-213CR	6,495,400	1,817,398
	14.228	08-DRI-216CR	8,922,700	441,094
	14.228	08-DRIEF-297	7,370,000	33,432
Community Development Block Grant	14.228	08-DRHB-229	166,865,594	56,015,108
	14.228	08-DRMH-263	1,727,879	1,727,879
				114,435,586
Total U.S. Department of Housing and Urban Development				124,489,463
U.S. Department of Justice:				
Direct:				
COPS Universal Hiring Award	16.710	2003UMWX0036	150,000	40,000
	16.710	2009CKWX0059	135,000	316
	16.710	2010UMWX0098	235,132	26,566
				66,882
Linn County, Iowa:				
EUDL	16.727	JB-F09-06	16,000	2,869
	16.727	JB-F09-06	16,000	9,424
Edward Byrne Justice Assistance Grant	16.738	2009-DJ-BX-1397	45,463	6,950
	16.738	2010-H5419-IA-DJ	45,463	45,463
ARRA - Edward Byrne Justice Assistance Grant	16.804	2009-SB-B9-3372	185,000	93,874
Weed and Seed Grant	16.595	2009-WS-QX-0026	24,758	17,158
				175,738
Total U.S. Department of Justice				242,620

(Continued)

CITY OF CEDAR RAPIDS, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FISCAL YEAR ENDED JUNE, 30, 2011

Federal Grantor / Pass Though Grantor and Program Title	CFDA Number	Grant Number	Program or Award Amount	Program Expenditures
U.S. Department of Transportation:				
Direct:				
Airport Improvement Program	20.106	3-19-0012-36	915,578	86,908
	20.106	3-19-0012-37	5,472,358	152,625
	20.106	3-19-0012-38	2,425,086	501,628
	20.106	3-19-0012-39	5,302,311	5,302,038
	20.106	3-19-0012-40	586,445	289,280
	20.106	3-19-0012-41	1,773,849	1,773,849
	20.106	3-19-0012-42	2,500,000	2,500,000
Bus Department Grants	20.500	IA-04-0113-118-10	121,180	102,266
	20.507	IA-90-X370-00	2,402,290	2,402,290
	20.513	IA-16-X001-118-10	81,740	81,740
ARRA - Bus Department Grants	20.507	96-X001-118-09	1,357,931	1,329,392
				14,522,016
Iowa Department of Transportation:				
Highway Planning and Construction	20.205	HDP-1187(711)--71-57	3,102,099	997,840
	20.205	STP-U-1187(703)--70-57	404,000	36,443
	20.205	STP-A-1187(677)--86-57	448,000	448,000
	20.205	STP-A-1187(750)--86-57	252,000	178,497
	20.205	STP-A-1187(713)--86-57	312,000	200,656
	20.205	STP-A-1187(754)--86-57	163,680	100,946
	20.205	BRM-1187(665)--8N-57	1,500,000	489,989
	20.205	HDP-1187(694)--71-57	2,093,961	18,327
	20.205	HDP-1187(692)--71-57	693,123	68,743
	20.205	BRM-1187(681)--8N-57	1,000,000	581,390
	20.205	TCSP-1187(662)--9S-57	4,792,562	31,643
	20.205	STP-ES-1187(698)--81-57	870,000	261,798
	20.205	SRTS-U-1187(745)-8U-57	145,791	83,537
	20.205	SRTS-U-1187(746)-8U-57	67,011	11,852
	20.205	ER-1187(720)--8R-57	75,565	75,565
	20.205	ER-1187(722)--8R-57	12,279	7,896
	20.205	ER-1187(724)--8R-57	9,511	6,703
	20.205	ER-1187(725)--8R-57	9,264	6,847
	20.205	ER-1187(732)--8R-57	8,399	7,889
	20.205	ER-1187(735)--8R-57	3,381	3,134
	20.205	ER-1187(738)--8R-57	46,284	46,284
	20.205	ER-1187(723)--8R-57	92,803	92,803
	20.205	ER-1187(726)--8R-57	48,500	45,221
	20.205	ER-1187(729)--8R-57	145,128	114,048
	20.205	ER-1187(730)--8R-57	126,276	126,276
	20.205	ER-1187(733)--8R-57	5,203	5,203
	20.205	ER-1187(737)--8R-57	264,411	264,411
	20.205	ER-1187(734)--8R-57	185,093	152,512
	20.205	ER-1187(721)--8R-57	51,305	1,429
	20.205	ER-1187(727)--8R-57	170,095	3,662
	20.205	ER-1187(736)--8R-57	8,216	104
	20.205	HDP-1187(689)--71-57	750,000	3,308
	20.205	STP-I-1187(705)--70-57	640,000	1,605
	20.205	SRTS-U-1187(706)--8U-57	111,940	2,560
	20.205	NHSX-100-1(59)--3H-57	4,289,477	1,204,790
ARRA - Highway Planning and Construction	20.205	ESP-100-1(61)--2S-57	2,832,566	1,030,213
Bus Department Grants	20.516	IA-37-X017-118-10	183,647	36,531
	20.516	IA-37-X017-118-11	202,822	164,193
	20.521	IA-57-X001-118-10	34,014	10,691
	20.521	IA-57-X001-118-11	56,232	33,573
				6,957,112
Iowa Department of Public Safety:				
Alcohol Incentive Grant	20.600	10-410, Task 10	28,900	10,633
	20.600	11-410, Task 12	46,250	25,695
				36,328
Total U.S. Department of Transportation				21,515,456

(Continued)

CITY OF CEDAR RAPIDS, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FISCAL YEAR ENDED JUNE, 30, 2011

Federal Grantor / Pass Though Grantor and Program Title	CFDA Number	Grant Number	Program or Award Amount	Program Expenditures
Institute of Museum and Library Services:				
Direct:				
National Leadership Grant	45.312	CL-00-10-0004-10	500,000	227,757
Total Institute of Museum and Library Services				227,757
U.S. Environmental Protection Agency:				
Direct:				
Brownfield Cleanup Grant	66.818	BF-98764201	200,000	48,906
	66.818	BF-98746901	200,000	20,036
	66.818	BF-98746801	200,000	3,885
				72,827
Total U.S. Environmental Protection Agency				72,827
U.S. Department of Energy:				
Direct:				
ARRA - Energy Efficiency Conservative Block Grant	81.128	DE-SC0002598	1,290,900	128,195
Office of Energy Independence				
ARRA - Energy Efficiency Conservative Block Grant	81.128	EECBG 10-3481	474,533	434,922
ARRA - State Energy Program	81.041	SEP 10-6935	84,615	82,026
				516,948
Total U.S. Department of Energy				645,143
U.S. Department of Education:				
Iowa Department of Transportation:				
ARRA-State Fiscal Stabilization Fund--Gov Services	84.397	S397A090016A	144,761	144,761
Total U.S. Department of Education				144,761
U.S. Department of Health and Human Services:				
Iowa Department of Public Health:				
Dental Grant	93.994	588-1P-I01	9,380	9,096
STD Grant	93.977	588-1P-I01	2,000	1,982
Disease Control & Prevention Grants	93.283	588-1P-I01	12,200	10,804
Drug Abuse Information Grant	93.959	588-1P-I01	281,773	269,717
Diabetes	93.988	588-1P-I01	2,000	187
				291,786
Division of Health Protection:				
Health Protection Grant/Immunization	93.268	588-1P-I01	60,000	32,528
Health Protection Grant/Immunization	93.940	588-1P-I01	4,750	4,626
				37,154
Total U.S. Department of Health and Human Services				328,940

(Continued)

CITY OF CEDAR RAPIDS, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

FISCAL YEAR ENDED JUNE, 30, 2011

Federal Grantor / Pass Though Grantor and Program Title	CFDA Number	Grant Number	Program or Award Amount	Program Expenditures
U.S. Department of Homeland Security:				
Direct:				
FEMA Firefighter Assistance	97.044	EMW02010-FO-09727	357,125	132,519
Law Enforcement Officer Reimbursement Agreement	97.090	HSTS0208HSLR053	40,822	40,822
				173,341
Iowa Homeland Security & Emergency Management:				
State Homeland Security Program	97.004	FY 2008	133,450	40,558
	97.004	FY 2009	222,500	94,249
				134,807
Iowa Department of Economic Development:				
FEMA	97.036	FEMA-IA-DR1763	344,689,851	24,849,186
Hazard Mitigation Grant Program	97.039	HMGP-DR-1763-0063-01	7,438,879	486,137
				25,335,323
Total U.S. Department of Homeland Security				25,643,471
Total Expenditures of Federal Awards				179,884,733

See Notes to Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Cedar Rapids, Iowa and the Eastern Iowa Airport discretely presented component unit for the year ended June 30, 2011. The accompanying schedule of expenditures of federal awards does not include the federal grant activity of the Cedar Rapids/Linn County Solid Waste Agency, a discretely presented component unit. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies expended during the year is included in the schedule. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Significant Accounting Policies

Revenue from federal awards is recognized when the City has done everything necessary to establish its right to the revenue under the modified accrual basis for governmental funds and accrual basis for proprietary funds. Expenditures of federal awards are recognized in the accounting period when the liability is incurred for expenditures/expenses funded through federal awards.

Note 3. Subrecipients

Of the federal expenditures presented in the schedule, the City of Cedar Rapids, Iowa provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Community Development Block Grants	14.218	$ 266,955
Community Development Block Grant	14.228	42,945,427
HOME	14.239	487,659
Lead Based Paint Abatement Program	14.900	438,631
Homeless Prevention Program - ARRA	14.257	254,385
Hazard Mitigation Grant Program	97.039	163,049
Energy Efficiency & Conservation Block Grant - ARRA	81.128	126,441

City of Cedar Rapids, Iowa

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2011

Number	Comment	Status	Other Explanation
Findings Related to Basic Financial Statements:			
Significant Deficiency:			
10-II-A	Inadequate segregation of duties over licenses and permit receipts.	Corrected	
Findings Related to Federal Awards:			
Significant Deficiency:			
10-III-A	Inadequate system to accurately capture all federal grant expenditures on the schedule of federal awards.	Corrected	
Instances of Noncompliance:			
10-III-B	An adequate system is not in place to ensure compliance with the Buy American Act.	Corrected	
10-III-C	The City did not have a policy in place to ensure compliance with the suspension & debarment requirements for the Jumpstart program.	Corrected	
10-III-D	The City was not in compliance with the subrecipient montioring requirement related to the subrecipients for the Jumpstart program.	Corrected	

McGladrey

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Mayor and
Members of the City Council
City of Cedar Rapids, Iowa
Cedar Rapids, Iowa

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cedar Rapids, Iowa (City) as of and for the year ended June 30, 2011, and have issued our report thereon dated December 16, 2011. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of Cedar Rapids Public Library Foundation, a discretely presented component unit, as described in our report on the City's financial statements. The financial statements of Cedar Rapids Public Library Foundation were not audited in accordance with *Government Auditing Standards*.

The City of Cedar Rapids, Iowa's basic financial statements include the Cedar Rapids/Linn County Solid Waste Agency, a discretely presented component unit. Our report below does not extend to the Cedar Rapids/Linn County Solid Waste Agency, a discretely presented component unit, because it is reported in a separately issued financial and compliance report of the Cedar Rapids/Linn County Solid Waste Agency, a discretely presented component unit.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal controls over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

McGladrey is the brand under which RSM McGladrey, Inc. and McGladrey & Pullen, LLP serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure.

Member of RSM International network, a network of independent accounting, tax and consulting firms.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain immaterial instances of noncompliance that are described in Part IV of the accompanying schedule of findings and questioned costs.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2011 are based exclusively on the knowledge obtained from procedures performed during our audit of the financial statements of the City. Since our audit was based upon tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretation of those statutes.

We noted certain matters that we reported to management of the City in a separate letter dated December 16, 2011.

This report is intended solely for the information and use of the Mayor and City Council, management, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Davenport, Iowa
December 16, 2011

McGladrey

Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

To the Honorable Mayor and
Members of the City Council
City of Cedar Rapids, Iowa
Cedar Rapids, Iowa

Compliance

We have audited the compliance of the City of Cedar Rapids, Iowa (City) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Cedar Rapids, Iowa's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of the City of Cedar Rapids, Iowa is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance, in accordance with OMB Circular A-133 but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

McGladrey is the brand under which RSM McGladrey, Inc. and McGladrey & Pullen, LLP serve clients' business needs.
The two firms operate as separate legal entities in an alternative practice structure.

Member of RSM International network, a network of independent accounting, tax and consulting firms.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of management, the Mayor and City Council, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Davenport, Iowa
December 16, 2011

City of Cedar Rapids, Iowa

Schedule of Findings and Questioned Costs
Year Ended June 30, 2011

I. Summary of the Independent Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☑ No
- Significant deficiencies identified? ☐ Yes ☑ None Reported
- Noncompliance material to financial statements noted? ☐ Yes ☑ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☑ No
- Significant deficiencies identified? ☐ Yes ☑ None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ☐ Yes ☑ No

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
20.205	ARRA - Highway Planning and Construction
20.205	Highway Planning and Construction
14.228	Community Development Block Grant
11.307	Economic Development Administration
97.036	FEMA Public Assistance Grant
	Federal Transit Cluster:
20.500	Federal Transit Administration Bus Department Grants
20.507	Federal Transit Administration Bus Department Grants
20.507	ARRA - Federal Transit Administration Bus Department Grants

Dollar threshold used to distinguish between type A and type B programs: $5,396,542

Auditee qualified as low-risk auditee? ☑ Yes ☐ No

(Continued)

II. Findings Related to the Basic Financial Statements

Internal Controls

None reported.

Instances of Noncompliance

None reported.

III. Findings and Questioned Costs for Federal Awards

Internal Controls

None reported.

Instances of Noncompliance

None reported.

IV. Other Findings Related to Required Statutory Reporting

11-IV-A: Certified Budget: Expenditures for the year ended June 30, 2011 did not exceed the amount budgeted in any of the City's functions.

11-IV-B: Questionable Expenditures: We noted no expenditures for parties, banquets or other entertainment for employees that we believe may constitute an unlawful expenditure from public funds as this is defined in the Attorney General's opinion dated April 25, 1979.

11-IV-C: Travel Expense: No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

11-IV-D: Business Transactions: Business transactions between the City and City officials or employees are detailed as follows:

Company	Employee	Transaction Description	Amount/Gross
CRL Lawn Care	Don Lacy	Contracted Services	$ 8,271

Chapter 362.5 of the Code of Iowa prohibits transactions with a City officer that has an interest, direct or indirect, in any contract or job of work or material or the profits thereof or services to be furnished or performed for the officer's or employee's city. A contract entered into in violation of this section is void. The provisions of this section do not apply if the purchases benefiting that officer or employee do not exceed a cumulative total purchase price of $1,500 in a fiscal year.

In accordance with Chapter 362.5 of the Code of Iowa, the transactions with CRL Lawn Care do not appear to represent a conflict of interest since it was entered into through competitive bidding in accordance with the Code.

11-IV-E: Bond Coverage: Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.

(Continued)

11-IV-F: Council Minutes: No transactions were found that we believe should have been approved in the Council minutes but were not.

11-IV-G: Deposits and Investments: We noted no instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the City's investment policy.

CEDAR RAPIDS

City of Five Seasons®