

**CITY OF CYPRESS**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the fiscal year ended June 30, 2011

	<b>Business-type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Funds</b>
	<b>Sewer Fund</b>	
	<u>          </u>	<u>          </u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from users	\$ 1,333,662	\$ 12,649,423
Cash payments to suppliers for goods and services	(89,422)	(10,908,674)
Cash payments to employees	(155,989)	(1,050,287)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>1,088,251</u>	<u>690,462</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers in	2,395,542	187,927
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>2,395,542</u>	<u>187,927</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of capital assets	(1,308,963)	(619,270)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,308,963)</u>	<u>(619,270)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on investments	32,493	140,355
Interest expense	(44,250)	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(11,757)</u>	<u>140,355</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,163,073	399,474
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>5,896,725</u>	<u>31,537,914</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,059,798</u>	<u>\$ 31,937,388</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income	\$ 1,030,496	\$ (258,532)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation	322,329	686,133
Changes in assets and liabilities:		
Accounts receivable decreased (increased)	(286,748)	30,383
Inventory decreased (increased)	-	4,848
Accounts payable and other accrued liabilities increased (decreased)	22,174	75,074
Insurance claims payable increased (decreased)	-	(19,793)
Accrued retirees health payable increased (decreased)	-	12,325
Accrued leave payable increased (decreased)	-	160,024
TOTAL ADJUSTMENTS	<u>57,755</u>	<u>948,994</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,088,251</u>	<u>\$ 690,462</u>

See Independent Auditors' Report and Notes to the Basic Financial Statements.