

CITY OF KNOXVILLE, TENNESSEE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended June 30, 2004
(in thousands)

	Business-type Activities			Governmental
	Knoxville Convention Center	Other Business Type Activities	Total	Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ 3,954	\$ 2,579	\$ 6,533	\$ -
Receipts from interfund services provided	-	-	-	30,350
Payments to suppliers	(12,469)	(1,378)	(13,847)	(7,429)
Payments of claims and insurance	-	-	-	(15,426)
Payments to employees	-	(1,773)	(1,773)	(2,697)
Payments for interfund services used	(39)	(464)	(503)	(408)
Net cash provided (used) by operating activities	<u>(8,554)</u>	<u>(1,036)</u>	<u>(9,590)</u>	<u>4,390</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	9,442	1,598	11,040	2,136
Transfers to other funds	-	-	-	(12)
Advances from other funds	933	133	1,066	939
Repayment of advances from other funds	-	(84)	(84)	(178)
Tax revenues	6,356	-	6,356	-
Net cash provided by noncapital financing activities	<u>16,731</u>	<u>1,647</u>	<u>18,378</u>	<u>2,885</u>
Cash flows from capital and related financing activities:				
Principal paid on general obligation bond maturities	(4,290)	(381)	(4,671)	-
Interest paid	(4,962)	(84)	(5,046)	-
Proceeds from sale of capital assets	-	-	-	582
Principal received from capital lease	-	17	17	-
Acquisition and construction of capital assets	-	(329)	(329)	(3,182)
Net cash used by capital and related financing activities	<u>(9,252)</u>	<u>(777)</u>	<u>(10,029)</u>	<u>(2,600)</u>
Investing activities:				
Purchase of investments	-	(411)	(411)	(9,177)
Proceeds from sales of investments	-	476	476	3,431
Investment earnings	10	51	61	301
Net cash provided (used) by investing activities	<u>10</u>	<u>116</u>	<u>126</u>	<u>(5,445)</u>
Net decrease in cash	(1,065)	(50)	(1,115)	(770)
Cash at beginning of the year	1,115	555	1,670	1,930
Cash at end of the year	<u>\$ 50</u>	<u>\$ 505</u>	<u>\$ 555</u>	<u>\$ 1,160</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating loss	\$ (9,857)	\$ (1,465)	\$ (11,322)	\$ (718)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation	4,507	692	5,199	5,317
Amortization of bond issuance costs	43	4	47	-
Other income	4	-	4	193
(Increase) decrease in assets:				
Receivables	(1,182)	(5)	(1,187)	(78)
Inventory	-	-	-	(653)
Prepayments	-	-	-	(173)
Increase (decrease) in liabilities:				
Accounts payable	(2,069)	(10)	(2,079)	(323)
Accrued expenses	-	(25)	(25)	(37)
Deferred revenue	-	(227)	(227)	-
Estimated liability for litigation and claims	-	-	-	862
Net cash provided (used) by operating activities	<u>\$ (8,554)</u>	<u>\$ (1,036)</u>	<u>\$ (9,590)</u>	<u>\$ 4,390</u>
Noncash investing, capital and financing transactions:				
Accounts payable for acquisition of capital assets	\$ -	\$ -	\$ -	\$ 84
Increase in fair value of investments	\$ -	\$ -	\$ -	\$ 13

The accompanying notes are an integral part of these financial statements.