

CITY OF BLOOMINGTON, MINNESOTA (...CONTINUED)  
2017 FINANCIAL STATEMENTS  
Statement of Fund Net Position  
Proprietary Funds  
December 31, 2017

|                                         | Business-type Activities - Enterprise Funds                                                                 |                        |                            |                                  | Governmental                                 |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|----------------------------------|----------------------------------------------|
|                                         | Water/Wastewater<br>Utility                                                                                 | Storm Water<br>Utility | Recreational<br>Facilities | Nonmajor<br>Proprietary<br>Funds | Activities -<br>Internal<br>Service<br>Funds |
| <b>ASSETS</b>                           |                                                                                                             |                        |                            |                                  |                                              |
| Current assets:                         |                                                                                                             |                        |                            |                                  |                                              |
| Cash and cash equivalents               | \$3,204,351                                                                                                 | \$6,992,877            | \$1,273,779                | \$1,616,316                      | \$13,087,323                                 |
| Accrued interest receivable             | 11,589                                                                                                      | 22,636                 | 4,485                      | 5,496                            | 44,206                                       |
| Taxes receivable                        | 271,156                                                                                                     | -                      | 1,727                      | 32,875                           | 305,758                                      |
| Accounts receivable                     | 5,217,954                                                                                                   | 1,480,790              | 206,296                    | 1,676,338                        | 8,581,378                                    |
| Prepaid items                           | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Due from other funds                    | 359,530                                                                                                     | -                      | -                          | -                                | 359,530                                      |
| Due from other governments              | -                                                                                                           | -                      | -                          | 128,036                          | 128,036                                      |
| Inventory                               | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Total current assets                    | 9,064,580                                                                                                   | 8,496,303              | 1,486,287                  | 3,459,061                        | 22,506,231                                   |
| Noncurrent assets:                      |                                                                                                             |                        |                            |                                  |                                              |
| Land                                    | 2,280,001                                                                                                   | 478,858                | 1,955,757                  | -                                | 4,714,616                                    |
| Buildings and structures                | 18,436,732                                                                                                  | 791,498                | 16,933,137                 | -                                | 36,161,367                                   |
| Machinery and equipment                 | 1,539,505                                                                                                   | 179,571                | 1,495,080                  | 24,229                           | 3,238,385                                    |
| Improvements                            | 2,133,283                                                                                                   | 1,850,326              | 2,675,741                  | -                                | 6,659,350                                    |
| Distribution system                     | 97,134,315                                                                                                  | 44,987,305             | -                          | -                                | 142,121,620                                  |
| Construction in progress                | 374,450                                                                                                     | -                      | -                          | -                                | 374,450                                      |
| Accumulated depreciation                | (75,150,519)                                                                                                | (17,478,691)           | (14,115,744)               | (24,229)                         | (106,769,183)                                |
| Total noncurrent assets                 | 46,747,767                                                                                                  | 30,808,867             | 8,943,971                  | -                                | 86,500,605                                   |
| <b>Total assets</b>                     | 55,812,347                                                                                                  | 39,305,170             | 10,430,258                 | 3,459,061                        | 109,006,836                                  |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>   |                                                                                                             |                        |                            |                                  |                                              |
| Deferred outflows - related to pensions | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Total deferred inflows of resources     | -                                                                                                           | -                      | -                          | -                                | -                                            |
| <b>LIABILITIES</b>                      |                                                                                                             |                        |                            |                                  |                                              |
| Current liabilities:                    |                                                                                                             |                        |                            |                                  |                                              |
| Accounts payable                        | 1,121,776                                                                                                   | 225,039                | 200,603                    | 973,581                          | 2,520,999                                    |
| Estimated claims payable                | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Benefits payable                        | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Due to other funds                      | -                                                                                                           | -                      | -                          | 145,000                          | 145,000                                      |
| Retainage payable                       | -                                                                                                           | 7,397                  | -                          | -                                | 7,397                                        |
| Unearned revenue                        | 89,143                                                                                                      | -                      | 27,037                     | -                                | 116,180                                      |
| Bonds payable                           | 110,000                                                                                                     | -                      | -                          | -                                | 110,000                                      |
| Accrued interest payable                | 23,746                                                                                                      | -                      | -                          | -                                | 23,746                                       |
| Deposits payable                        | 11,232                                                                                                      | -                      | -                          | 6,500                            | 17,732                                       |
| Total current liabilities               | 1,355,897                                                                                                   | 232,436                | 227,640                    | 1,125,081                        | 2,941,054                                    |
| Noncurrent liabilities:                 |                                                                                                             |                        |                            |                                  |                                              |
| Benefits payable                        | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Bonds payable                           | 1,060,000                                                                                                   | -                      | -                          | -                                | 1,060,000                                    |
| Estimated claims payable                | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Net pension liability                   | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Total noncurrent liabilities            | 1,060,000                                                                                                   | -                      | -                          | -                                | 1,060,000                                    |
| <b>Total liabilities</b>                | 2,415,897                                                                                                   | 232,436                | 227,640                    | 1,125,081                        | 4,001,054                                    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>    |                                                                                                             |                        |                            |                                  |                                              |
| Deferred inflows - related to pensions  | -                                                                                                           | -                      | -                          | -                                | -                                            |
| Total deferred inflows of resources     | -                                                                                                           | -                      | -                          | -                                | -                                            |
| <b>NET POSITION</b>                     |                                                                                                             |                        |                            |                                  |                                              |
| Net investment in capital assets        | 45,577,767                                                                                                  | 30,808,867             | 8,943,971                  | -                                | 85,330,605                                   |
| Unrestricted                            | 7,818,683                                                                                                   | 8,263,867              | 1,258,647                  | 2,333,980                        | 19,675,177                                   |
| <b>Total net position</b>               | \$53,396,450                                                                                                | \$39,072,734           | \$10,202,618               | \$2,333,980                      | 105,005,782                                  |
|                                         | Adjustment to reflect the consolidation of internal<br>service fund activities related to enterprise funds. |                        |                            |                                  | (4,756,008)                                  |
|                                         | Net position of business-type activities                                                                    |                        |                            |                                  | \$100,249,774                                |

Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
Year Ended December 31, 2017

|                                         | Business-type Activities - Enterprise Funds                                                                |                        |                            |                                  | Governmental                                 |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|----------------------------------|----------------------------------------------|
|                                         | Water/Wastewater<br>Utility                                                                                | Storm Water<br>Utility | Recreational<br>Facilities | Nonmajor<br>Proprietary<br>Funds | Activities -<br>Internal<br>Service<br>Funds |
| Operating revenues:                     |                                                                                                            |                        |                            |                                  |                                              |
| Charges for services                    | \$25,092,543                                                                                               | \$5,853,162            | \$3,620,743                | \$8,229,548                      | \$42,795,996                                 |
| Other                                   | 57,056                                                                                                     | 1,000                  | 75,000                     | 18,264                           | 151,320                                      |
| Total operating revenues                | 25,149,599                                                                                                 | 5,854,162              | 3,695,743                  | 8,247,812                        | 42,947,316                                   |
| Operating expenses:                     |                                                                                                            |                        |                            |                                  |                                              |
| Salaries and benefits                   | 5,417,878                                                                                                  | 1,349,925              | 2,446,273                  | 1,456,122                        | 10,670,198                                   |
| Materials, supplies and service         | 6,560,431                                                                                                  | 863,957                | 3,183,088                  | 6,952,725                        | 17,560,201                                   |
| Depreciation                            | 2,180,330                                                                                                  | 1,462,738              | 467,430                    | -                                | 4,110,498                                    |
| Water purchased                         | 3,592,884                                                                                                  | -                      | -                          | -                                | 3,592,884                                    |
| Wastewater disposal cost                | 7,210,121                                                                                                  | -                      | -                          | -                                | 7,210,121                                    |
| Total operating expenses                | 24,961,644                                                                                                 | 3,676,620              | 6,096,791                  | 8,408,847                        | 43,143,902                                   |
| Operating income (loss)                 | 187,955                                                                                                    | 2,177,542              | (2,401,048)                | (161,035)                        | (196,586)                                    |
| Nonoperating revenues (expenses):       |                                                                                                            |                        |                            |                                  |                                              |
| Taxes                                   | 203,652                                                                                                    | -                      | 2,033,232                  | 36,195                           | 2,273,079                                    |
| Fiscal disparities                      | -                                                                                                          | -                      | 79,353                     | -                                | 79,353                                       |
| Intergovernmental                       | -                                                                                                          | 109,746                | 30,337                     | 231,119                          | 371,202                                      |
| Interest income                         | 31,281                                                                                                     | 60,751                 | 7,474                      | 17,538                           | 117,044                                      |
| Net change in fair value of investments | (1,574)                                                                                                    | 6,831                  | 1,368                      | 11,501                           | 18,126                                       |
| Gain (loss) on sale of capital assets   | -                                                                                                          | -                      | -                          | -                                | -                                            |
| Other                                   | 66,535                                                                                                     | -                      | 12,113                     | -                                | 78,648                                       |
| Interest expense                        | (23,746)                                                                                                   | -                      | -                          | -                                | (23,746)                                     |
| Total nonoperating revenues (expenses)  | 276,148                                                                                                    | 177,328                | 2,163,877                  | 296,353                          | 2,913,706                                    |
| Income (loss) before transfers          | 464,103                                                                                                    | 2,354,870              | (237,171)                  | 135,318                          | 2,717,120                                    |
| Transfers from other funds              | 309,000                                                                                                    | -                      | 50,004                     | 99,996                           | 459,000                                      |
| Transfers to other funds                | -                                                                                                          | -                      | -                          | (437,064)                        | (437,064)                                    |
| Change in net position                  | 773,103                                                                                                    | 2,354,870              | (187,167)                  | (201,750)                        | 1,184,061                                    |
| Total net position - January 1          | 52,623,347                                                                                                 | 36,717,864             | 10,389,785                 | 2,535,730                        | 15,938,503                                   |
| Total net position - December 31        | \$53,396,450                                                                                               | \$39,072,734           | \$10,202,618               | \$2,333,980                      | \$14,754,442                                 |
|                                         | Adjustment to reflect the consolidation of internal<br>service fund activities related to enterprise funds |                        |                            |                                  | (200,559)                                    |
|                                         | Change in net position of business-type activities                                                         |                        |                            |                                  | \$2,538,497                                  |

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