

POLK COUNTY, IOWA

Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities - Enterprise Funds			
	Sanitary Treatment Works	Prairie Meadows Racetrack/ Casino	Iowa Events Center	Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Cash and pooled investments	\$ 5,781,749	\$ 16,284,731	\$ 4,797,222	\$ 2,851,233
Restricted assets - cash and pooled investments	-	-	892,818	-
Receivables (net):				
Accounts	167,709	-	4,498,840	1,199,520
Notes	578,174	-	-	130,032
Due from other funds	-	-	-	360
Due from other governments	46,974	285,456	-	336,520
Due from component units	-	-	290,025	-
Inventories	-	-	102,541	-
Prepaid items	-	-	176,831	-
Total current assets	6,574,606	16,570,187	10,758,277	4,517,665
Noncurrent assets:				
Receivables (net):				
Special assessments	19,422	-	-	5,461
Notes	16,046,626	-	3,770,909	4,082,580
Capital assets not being depreciated	738,418	3,129,000	13,914,413	3,895,115
Capital assets being depreciated, net	13,376,771	88,492,614	184,172,855	9,563,968
Total noncurrent assets	30,181,237	91,621,614	201,858,177	17,547,124
TOTAL ASSETS	36,755,843	108,191,801	212,616,454	22,064,789
DEFERRED OUTFLOW OF RESOURCES	-	-	422,969	177,734
LIABILITIES				
Current liabilities:				
Accounts payable	155,403	-	2,271,222	614,204
Wages payable	-	-	123,774	56,726
Payroll taxes payable	-	-	9,768	9,258
Interest payable	54,720	-	303,693	6,826
Estimated liability for claims and judgments	-	-	-	-
Due to other funds	-	574,432	-	634,264
Due to other governments	-	4,211,024	-	-
Advance deposits and ticket sales	-	-	664,239	-
Unearned revenues	-	-	657,918	-
General obligation bonds payable	-	-	10,881,206	305,494
Notes payable	862,000	-	-	-
Compensated absences payable	-	-	114,570	7,670
Total current liabilities	1,072,123	4,785,456	15,026,390	1,634,442
Noncurrent liabilities:				
General obligation bonds payable	-	-	86,074,314	3,148,956
Notes payable	25,495,000	-	-	-
Compensated absences payable	-	-	-	277,168
Post employment liability	-	-	-	-
Net pension liability	-	-	47,864	749,889
Total noncurrent liabilities	25,495,000	-	86,122,178	4,176,013
TOTAL LIABILITIES	26,567,123	4,785,456	101,148,568	5,810,455
DEFERRED INFLOWS OF RESOURCES	-	-	122,730	106,303
NET POSITION				
Net investment in capital assets	4,382,989	91,621,614	101,427,429	13,459,083
Restricted for capital improvements	-	-	892,818	-
Unrestricted	5,805,731	11,784,731	9,447,878	2,866,682
TOTAL NET POSITION	\$ 10,188,720	\$ 103,406,345	\$ 111,768,125	\$ 16,325,765

See Notes to Basic Financial Statements

Total	Governmental Activities- Internal Service Funds
\$ 29,714,935	\$ 12,116,249
892,818	-
5,866,069	154,128
708,206	-
360	-
668,950	-
290,025	-
102,541	-
176,831	-
<u>38,420,735</u>	<u>12,270,377</u>
24,883	-
23,900,115	-
21,676,946	-
<u>295,606,208</u>	<u>-</u>
<u>341,208,152</u>	<u>-</u>
379,628,887	12,270,377
<u>600,703</u>	<u>-</u>
3,040,829	220,028
180,500	-
19,026	-
365,239	-
-	1,478,700
1,208,696	-
4,211,024	-
664,239	-
657,918	-
11,186,700	-
862,000	-
122,240	-
<u>22,518,411</u>	<u>1,698,728</u>
89,223,270	-
25,495,000	-
277,168	-
-	6,329,000
797,753	-
<u>115,793,191</u>	<u>6,329,000</u>
<u>138,311,602</u>	<u>8,027,728</u>
<u>229,033</u>	<u>-</u>
210,891,115	-
892,818	-
<u>29,905,022</u>	<u>4,242,649</u>
<u>\$ 241,688,955</u>	<u>\$ 4,242,649</u>

POLK COUNTY, IOWA

Statement of Revenues, Expenses, and Changes in Fund Net Position
 Proprietary Funds
 For the Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds			
	Sanitary Treatment Works	Prairie Meadows Racetrack/ Casino	Iowa Events Center	Nonmajor Enterprise Funds
OPERATING REVENUES:				
Charges for goods and services:				
Charges for services	\$ 787,032	\$ 15,600,000	\$ 3,366,383	\$ 907,150
Intergovernmental revenues	-	-	-	2,592,193
Project income	-	9,129,652	780,000	-
Parking income	-	-	760,427	-
Concession sales	-	-	7,880,537	-
Commissions income	-	-	2,788,152	203,609
PFMS user fee on ticket sales	-	-	591,612	-
Miscellaneous	12,895	-	681,271	123,576
Total operating revenues	799,927	24,729,652	16,848,382	3,826,528
OPERATING EXPENSES:				
Cost of goods and services:				
Personal services	65,839	-	3,441,157	1,326,797
Supplies	-	-	474,708	118,329
Professional services	154,562	-	204,852	10,277
Other services/charges	141,016	4,500,000	4,916,553	1,770,265
Insurance	-	-	165,795	-
Direct event expense	-	-	1,979,361	-
Cost of goods sold - concession	-	-	4,882,522	-
Management expense	-	-	252,000	-
Miscellaneous	12,629	-	-	10,765
Amortization of discount (premium)	-	-	(486,403)	(2,872)
Depreciation	433,017	6,102,938	9,554,405	478,322
Total operating expenses	807,063	10,602,938	25,384,950	3,711,883
OPERATING INCOME (LOSS)	(7,136)	14,126,714	(8,536,568)	114,645
NONOPERATING REVENUES (EXPENSES):				
Interest revenue	542,485	44,678	5,390	45,074
Loss on disposal of capital assets	(4,932,729)	-	-	-
Debt issuance costs	-	-	(79,560)	-
Interest expense	(711,182)	-	(3,917,996)	(91,458)
Total nonoperating revenues (expenses)	(5,101,426)	44,678	(3,992,166)	(46,384)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(5,108,562)	14,171,392	(12,528,734)	68,261
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Capital contributions from others	-	-	128,250	1,516,094
Transfers in	669,782	-	6,696,553	-
Transfers out	-	(15,355,860)	-	(205,059)
Total capital contributions and transfers	669,782	(15,355,860)	6,824,803	1,311,035
CHANGE IN NET POSITION	(4,438,780)	(1,184,468)	(5,703,931)	1,379,296
NET POSITION - BEGINNING	14,627,500	104,590,813	117,472,056	14,946,469
NET POSITION - ENDING	\$ 10,188,720	\$ 103,406,345	\$ 111,768,125	\$ 16,325,765

See Notes to Basic Financial Statements

Total	Governmental Activities- Internal Service Funds
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\$ 20,660,565	\$ 18,188,133
2,592,193	-
9,909,652	-
760,427	-
7,880,537	-
2,991,761	-
591,612	-
817,742	3,464
<u>46,204,489</u>	<u>18,191,597</u>

4,833,793	-
593,037	-
369,691	-
11,327,834	73,316
165,795	20,182,253
1,979,361	-
4,882,522	-
252,000	-
23,394	-
(489,275)	-
16,568,682	-
<u>40,506,834</u>	<u>20,255,569</u>

<u>5,697,655</u>	<u>(2,063,972)</u>
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637,627	15,635
(4,932,729)	-
(79,560)	-
(4,720,636)	-
<u>(9,095,298)</u>	<u>15,635</u>

<u>(3,397,643)</u>	<u>(2,048,337)</u>
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1,644,344	-
7,366,335	3,526,445
<u>(15,560,919)</u>	<u>(3,546,445)</u>
<u>(6,550,240)</u>	<u>(20,000)</u>

(9,947,883)	(2,068,337)
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<u>251,636,838</u>	<u>6,310,986</u>
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\$ 241,688,955	\$ 4,242,649
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POLK COUNTY, IOWA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

	Business-type Activities-Enterprise Funds		
	Sanitary Treatment Works	Prairie Meadows Racetrack/ Casino	Iowa Events Center
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 822,219	\$ -	\$ 16,137,749
Cash received from operating grants	-	-	-
Cash received from racetrack/casino	-	24,505,716	-
Cash paid to suppliers for goods and services	(308,207)	(4,276,064)	(13,093,364)
Cash paid to employees	(65,839)	-	(3,331,683)
Net cash flows from operating activities	<u>448,173</u>	<u>20,229,652</u>	<u>(287,298)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Disbursements for a receivable from component unit	-	-	(290,025)
Transfers in	669,782	-	6,696,553
Transfers out	-	(15,355,860)	-
Net cash flows from noncapital financing activities	<u>669,782</u>	<u>(15,355,860)</u>	<u>6,406,528</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from general obligation debt	61,000	-	-
Issuance costs paid on long-term debt	-	-	(79,560)
Proceeds from debt issued for advance refunding	-	-	10,750,509
Payments to escrow agent for advance refunding debt	-	-	(10,195,440)
Principal paid on long-term debt	(834,825)	-	-
Interest paid on long-term debt	(713,058)	-	(3,856,049)
Capital grants received	-	-	-
Capital contributions from others	-	-	128,250
Repayments on capital note receivable	560,226	-	-
Disbursements for capital notes receivable	-	-	(3,574,228)
Purchase of capital assets	(355,867)	-	(2,103,664)
Net cash flows from capital and related financing activities	<u>(1,282,524)</u>	<u>-</u>	<u>(8,930,182)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	542,485	44,678	5,390
Net cash flows from investing activities	<u>542,485</u>	<u>44,678</u>	<u>5,390</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	377,916	4,918,470	(2,805,562)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,403,833	11,366,261	8,495,602
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 5,781,749	\$ 16,284,731	\$ 5,690,040

		Governmental Activities- Internal Service Funds	
Nonmajor Enterprise Funds	Total		
\$ 1,609,407	\$ 18,569,375	\$ 18,102,236	
922,156	922,156	-	
-	24,505,716	-	
(678,923)	(18,356,558)	(19,293,913)	
(1,364,393)	(4,761,915)	-	
488,247	20,878,774	(1,191,677)	
-	(290,025)	-	
-	7,366,335	3,526,445	
(205,059)	(15,560,919)	(3,546,445)	
(205,059)	(8,484,609)	(20,000)	
-	61,000	-	
-	(79,560)	-	
-	10,750,509	-	
-	(10,195,440)	-	
(301,176)	(1,136,001)	-	
(91,937)	(4,661,044)	-	
1,840,675	1,840,675	-	
-	128,250	-	
123,707	683,933	-	
-	(3,574,228)	-	
(1,915,571)	(4,375,102)	-	
(344,302)	(10,557,008)	-	
45,074	637,627	15,635	
45,074	637,627	15,635	
(16,040)	2,474,784	(1,196,042)	
2,867,273	28,132,969	13,312,291	
\$ 2,851,233	\$ 30,607,753	\$ 12,116,249	

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POLK COUNTY, IOWA

**Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016**

	Business-type Activities-Enterprise Funds		
	Sanitary Treatment Works	Prairie Meadows Racetrack/ Casino	Iowa Events Center
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET			
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ (7,136)	\$ 14,126,714	\$ (8,536,568)
Components of operating income (loss) not included in operating activities:			
Depreciation	433,017	6,102,938	9,554,405
Amortization	-	-	(486,403)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
(Increase) decrease in special assessments receivable	41,964	-	-
(Increase) decrease in accounts receivable	(17,915)	-	(638,081)
(Increase) decrease in due from other funds	-	-	-
(Increase) decrease in due from other governments	(1,757)	(223,936)	-
(Increase) decrease in inventories	-	-	14,785
(Increase) decrease in prepaid items	-	-	227,018
(Increase) decrease in deferred outflows of resources	-	-	(285)
Increase (decrease) in accounts payable	-	-	(459,376)
Increase (decrease) in wages payable	-	-	(37,735)
Increase (decrease) in payroll taxes payable	-	-	(2,828)
Increase (decrease) in due to other funds	-	(150)	-
Increase (decrease) in due to other governments	-	224,086	-
Increase (decrease) in advance deposits and ticket sales	-	-	(99,766)
Increase (decrease) in unearned revenue	-	-	27,214
Increase (decrease) in compensated absences payable	-	-	38,715
Increase (decrease) in estimated liability for claims and judgments	-	-	-
Increase (decrease) in post employment liability	-	-	-
(Increase) decrease in net pension liability	-	-	13,372
(Increase) decrease in deferred inflows of resources	-	-	98,235
Net cash flows from operating activities	<u>\$ 448,173</u>	<u>\$ 20,229,652</u>	<u>\$ (287,298)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:			
Disposal of fully depreciated capital assets	\$ -	\$ -	\$ -
Acquisition of capital assets through accounts payable	145,406	-	-
Disposal of capital assets	(7,376,489)	-	-
Acquisition of notes receivable through disposal of capital assets	2,506,422	-	-

See Notes to Basic Financial Statements

Nonmajor Enterprise Funds	Total	Governmental Activities- Internal Service Funds
\$ 114,645	\$ 5,697,655	\$ (2,063,972)
478,322	16,568,682	-
(2,872)	(489,275)	-
(935)	41,029	-
(1,139,630)	(1,795,626)	(89,361)
(360)	(360)	-
(154,040)	(379,733)	-
-	14,785	-
-	227,018	-
(4,468)	(4,753)	-
596,449	137,073	34,756
10,069	(27,666)	-
1,971	(857)	-
634,264	634,114	-
-	224,086	-
-	(99,766)	-
-	27,214	-
22,781	61,496	-
-	-	117,900
-	-	809,000
209,495	222,867	-
(277,444)	(179,209)	-
<u>\$ 488,247</u>	<u>\$ 20,878,774</u>	<u>\$ (1,191,677)</u>

\$ (67,409)	\$ (67,409)	\$ -
(22,216)	123,190	-
-	(7,376,489)	-
-	2,506,422	-

(concluded)