

CITY OF STAPLES

Summary Financial Report

The purpose of this report is to provide a summary of financial information concerning the City of Staples to interested citizens. The complete financial statements may be examined at the Staples City Hall 122 6th St NE. Questions about this report should be directed to the City Clerk at (218) 894-2550

Revenue and Expenditures for General Operations (Governmental Funds)

| | Total 2016 | Total 2015 | Percent Increase or (Decrease) |
|--|---------------------|---------------------|-----------------------------------|
| Revenues: | | | |
| Property Taxes | \$ 854,516 | \$ 803,141 | 6.40% |
| Special Assessments | 138,908 | 133,539 | 4.02% |
| Licenses and Permits | 132,519 | 61,990 | 113.77% |
| Intergovernmental Revenues | 1,446,057 | 1,408,889 | 2.64% |
| Charges for Services | 305,649 | 311,150 | -1.77% |
| Fines and Forfeits | 27,924 | 26,195 | 6.60% |
| Investment Earnings | 29,568 | 33,761 | -12.42% |
| Miscellaneous | 348,794 | 440,491 | -20.82% |
| Total Revenues | \$ 3,283,935 | \$ 3,219,156 | 2.01% |
| Per Capita | 1,119.27 | 1,092.35 | 2.46% |
| Expenditures: | | | |
| Current: | | | |
| General Government | \$ 417,199 | \$ 384,589 | 8.48% |
| Public Safety | 842,678 | 793,565 | 6.19% |
| Streets and Highways | 420,685 | 466,064 | -9.74% |
| Economic Development | 194,119 | 191,309 | 1.47% |
| Culture and Recreation | 83,600 | 74,895 | 11.62% |
| Airport | 62,728 | 68,506 | -8.43% |
| Debt Service: | | | |
| Principal | 478,723 | 457,069 | 4.74% |
| Interest and Other Charges | 303,987 | 352,051 | -13.65% |
| Capital Outlay | 437,007 | 215,112 | 103.15% |
| Total Expenditures | \$ 3,240,726 | \$ 3,003,160 | 7.91% |
| Per Capita | 1,104.54 | 1,019.06 | 8.39% |
| Total Long-term Indebtedness | \$ 9,818,946 | \$ 9,019,075 | 8.87% |
| Per Capita | 3,346.61 | 3,060.43 | 9.35% |
| General Fund & Special Revenue Funds Unrestricted | | | |
| Fund Balance - December 31 | \$ 2,070,656 | \$ 1,640,638 | 26.21% |
| Per Capita | 705.75 | 556.71 | 26.77% |

CITY OF STAPLES STATEMENT OF NET POSITION PROPRIETARY FUNDS December 31, 2016

| | Enterprise Funds | | | | |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|
| | Light | Water | Community Center | Sewer | Total |
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash and investments | \$ 849,590 | \$ 481,955 | \$ 381,041 | \$ 30,755 | \$ 1,743,341 |
| Restricted cash | 126,925 | 3,000 | | | 129,925 |
| Accounts receivable, net | 284,738 | 46,811 | 266 | 47,018 | 378,833 |
| Due from other funds | | 45,000 | | | 45,000 |
| Receivables from other governmental units | | | 35,338 | | 35,338 |
| Inventories | 125,936 | 21,021 | | | 146,957 |
| Total current assets | 1,387,189 | 597,787 | 416,645 | 77,773 | 2,479,394 |
| Net capital assets | 3,135,572 | 5,097,623 | 191,595 | 2,734,686 | 11,159,476 |
| Total assets | 4,522,761 | 5,695,410 | 608,240 | 2,812,459 | 13,638,870 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Pension plan deferrals - PERA | 207,502 | 72,001 | 53,275 | 65,242 | 398,020 |
| Total assets and deferred outflows of resources | \$ 4,730,263 | \$ 5,767,411 | \$ 661,515 | \$ 2,877,701 | \$ 14,036,890 |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | \$ 179,279 | \$ 5,442 | \$ 2,572 | \$ 19,178 | \$ 206,471 |
| Accrued interest payable | | 25,695 | | | 25,695 |
| Due to other funds | | | | 45,000 | 45,000 |
| Deposits | 126,925 | 3,000 | | | 129,925 |
| Current portion notes payable | 123,183 | 121,000 | | | 244,183 |
| Total current liabilities | 429,387 | 155,137 | 2,572 | 64,178 | 651,274 |
| Non-current liabilities: | | | | | |
| Severance/vacation payable | 103,861 | 26,596 | 20,599 | 19,860 | 170,916 |
| Net pension liability | 492,794 | 168,250 | 134,556 | 160,632 | 956,232 |
| Notes payable | 1,675,233 | 1,165,000 | | | 2,840,233 |
| Total non-current liabilities | 2,271,888 | 1,359,846 | 155,155 | 180,492 | 3,967,381 |
| Total liabilities | 2,701,275 | 1,514,983 | 157,727 | 244,670 | 4,618,655 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Pension plan deferrals - PERA | 74,650 | 25,517 | 20,299 | 24,271 | 144,737 |
| NET POSITION | | | | | |
| Net investment in capital assets | 1,337,156 | 3,811,623 | 191,595 | 2,734,686 | 8,075,060 |
| Restricted for debt service | 162,382 | | | | 162,382 |
| Unrestricted | 454,800 | 415,288 | 291,894 | (125,926) | 1,036,056 |
| Total net position | 1,954,338 | 4,226,911 | 483,489 | 2,608,760 | 9,273,498 |
| Total liabilities, deferred inflows of resources and net position | \$ 4,730,263 | \$ 5,767,411 | \$ 661,515 | \$ 2,877,701 | \$ 14,036,890 |

CITY OF STAPLES STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS For the Year Ended December 31, 2016

| | Enterprise Funds | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Light | Water | Community Center | Sewer | Total |
| REVENUES | | | | | |
| Charges for services | \$ 2,461,668 | \$ 501,360 | \$ 119,164 | \$ 485,314 | \$ 3,567,506 |
| Miscellaneous | 123,333 | 33,842 | | | 157,175 |
| Total operating revenues | 2,585,001 | 535,202 | 119,164 | 485,314 | 3,724,681 |
| OPERATING EXPENSES | | | | | |
| Personal services | 578,410 | 210,560 | 163,817 | 177,257 | 1,130,044 |
| Professional fees | 13,587 | 5,222 | 500 | 13,889 | 33,198 |
| Utilities | 11,456 | 31,612 | 40,151 | 65,748 | 148,967 |
| Rent | 11,379 | 177 | | | 11,556 |
| Purchase of energy | 1,429,716 | | | | 1,429,716 |
| Other services, supplies and repairs | 175,411 | 97,182 | 51,348 | 120,892 | 444,833 |
| Insurance | 6,277 | 2,956 | 3,163 | 4,310 | 16,706 |
| Franchise fee expense | 121,548 | | | | 121,548 |
| Depreciation | 122,862 | 154,690 | 51,695 | 115,323 | 444,570 |
| Total operating expenses | 2,470,646 | 502,399 | 310,674 | 497,419 | 3,781,138 |
| Operating income (loss) | 114,355 | 32,803 | (191,510) | (12,105) | (56,457) |
| NON OPERATING REVENUES (EXPENSES) | | | | | |
| Property taxes | | | 42,312 | | 42,312 |
| Intergovernmental revenue | | | 104,752 | | 104,752 |
| Interest and investment revenue | 6,263 | 3,285 | 2,837 | 186 | 12,571 |
| Miscellaneous revenue | | | 100 | | 100 |
| Operating grants and contributions | 1,939 | 676 | 488 | 603 | 3,706 |
| Interest expense | (42,551) | (37,944) | | | (80,495) |
| Total non operating revenues (expenses) | (34,349) | (33,983) | 150,489 | 789 | 82,946 |
| Change in net position before transfers and special items | 80,006 | (1,180) | (41,021) | (11,316) | 26,489 |
| Transfers out | (40,000) | (20,000) | | | (60,000) |
| Change in net position | 40,006 | (21,180) | (41,021) | (11,316) | (33,511) |
| Net position - beginning | 1,914,332 | 4,248,091 | 524,510 | 2,620,076 | 9,307,009 |
| Net position - ending | \$ 1,954,338 | \$ 4,226,911 | \$ 483,489 | \$ 2,608,760 | \$ 9,273,498 |

CITY OF STAPLES STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For the Year Ended December 31, 2016

| | Enterprise Funds | | | | |
|---|-------------------|-------------------|---------------------|------------------|---------------------|
| | Light | Water | Community Center | Sewer | Total |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Receipts from customers | \$ 2,544,372 | \$ 528,503 | \$ 86,756 | \$ 471,240 | \$ 3,630,871 |
| Payments to suppliers | (1,702,038) | (134,808) | (97,422) | (196,110) | (2,130,378) |
| Payments to employees | (544,000) | (197,215) | (155,373) | (167,655) | (1,064,243) |
| Net cash provided (used) by operating activities | 298,334 | 196,480 | (166,039) | 107,475 | 436,250 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | | |
| Property taxes and credits | | | 42,312 | | 42,312 |
| State aids | | | 104,752 | | 104,752 |
| Operating transfers (to) other funds | (40,000) | (20,000) | | | (60,000) |
| Net cash provided (used) by noncapital financing activities | (40,000) | (20,000) | 147,064 | 0 | 87,064 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | |
| Principal payments on revenue note | (120,445) | (119,000) | | | (239,445) |
| Miscellaneous non operating income | | | 100 | | 100 |
| Interest payments on revenue note | (42,551) | (39,070) | | | (81,621) |
| Proceeds from operating grants and contributions | 1,939 | 676 | 488 | 603 | 3,706 |
| Proceeds of interfund loan | | | | (41,165) | (41,165) |
| Acquisition and construction of capital assets | (82,285) | (24,050) | (8,150) | (36,344) | (150,829) |
| Net cash used by capital and related financing activities | (243,342) | (181,444) | (7,562) | (76,906) | (509,254) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Repayment from loan to other fund | | 41,165 | | | 41,165 |
| Interest received | 6,263 | 3,285 | 2,837 | 186 | 12,571 |
| Net cash provided by investing activities | 6,263 | 44,450 | 2,837 | 186 | 53,736 |
| Net increase (decrease) in cash | 21,255 | 39,486 | (23,700) | 30,755 | 67,796 |
| Cash and investments at beginning of year | 955,260 | 445,469 | 404,741 | 0 | 1,805,470 |
| Cash and investments at end of year | \$ 976,515 | \$ 484,955 | \$ 381,041 | \$ 30,755 | \$ 1,873,266 |
| Reconciliation of operating income to net cash provided by operating activities: | | | | | |
| Operating income (loss) | \$ 114,355 | \$ 32,803 | \$ (191,510) | \$ (12,105) | \$ (56,457) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | | |
| Depreciation | 122,862 | 154,690 | 51,695 | 115,323 | 444,570 |
| Pension related activity | 27,693 | 9,657 | 6,971 | 8,608 | 52,929 |