

POLK COUNTY, IOWA

Statement of Net Position  
Proprietary Funds  
June 30, 2019

	Business-type Activities - Enterprise Funds			
	Sanitary Sewer	Prairie Meadows Racetrack/ Casino	Iowa Events Center	Nonmajor Enterprise Funds
<b>ASSETS</b>				
Current assets:				
Cash and pooled investments	\$ 8,231,706	\$ 7,681,146	\$ 8,441,395	\$ 3,531,942
Restricted assets - cash and pooled investments	-	-	619,985	-
Receivables (net):				
Accounts	207,149	-	5,439,310	150,681
Notes	656,436	-	-	119,737
Accrued interest	-	15,873	3,059	-
Due from other governments	45,561	94,272	1,003,557	236,974
Due from component units	-	-	88,165	-
Inventories	-	-	117,639	-
Prepaid items	-	-	165,164	-
Total current assets	9,140,852	7,791,291	15,878,274	4,039,334
Noncurrent assets:				
Receivables (net):				
Special assessments	5,326	-	-	5,136
Notes	14,165,896	-	-	3,742,188
Advances to component units	-	27,750,000	-	-
Capital assets not being depreciated	2,598,254	3,129,000	13,914,413	3,895,115
Capital assets being depreciated, net	13,413,537	146,223,189	159,134,263	13,079,392
Total noncurrent assets	30,183,013	177,102,189	173,048,676	20,721,831
<b>TOTAL ASSETS</b>	39,323,865	184,893,480	188,926,950	24,761,165
<b>DEFERRED OUTFLOW OF RESOURCES</b>	-	-	29,970	415,294
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	39,885	-	4,327,088	37,328
Wages payable	-	-	200,724	22,790
Payroll taxes payable	-	-	15,355	3,800
Interest payable	46,114	-	215,368	8,660
Estimated liability for claims and judgments	-	-	-	-
Due to other funds	-	572,945	-	-
Due to other governments	-	4,021,327	-	-
Advance deposits and ticket sales	-	-	645,375	-
Unearned revenues	-	-	865,570	-
General obligation bonds payable	-	-	11,210,147	323,534
Notes payable	950,000	-	-	-
Advances from other funds	-	-	-	239,828
Compensated absences payable	-	-	88,472	15,890
Total current liabilities	1,035,999	4,594,272	17,568,099	651,830
Noncurrent liabilities:				
General obligation bonds payable	-	-	72,220,754	2,196,203
Notes payable	22,736,000	-	-	-
Advances from other funds	-	-	-	3,277,340
Compensated absences payable	-	-	-	213,910
Net pension liability	-	-	72,434	996,043
Total noncurrent liabilities	22,736,000	-	72,293,188	6,683,496
<b>TOTAL LIABILITIES</b>	23,771,999	4,594,272	89,861,287	7,335,326
<b>DEFERRED INFLOWS OF RESOURCES</b>	-	-	1,509,562	145,660
<b>NET POSITION</b>				
Net investment in capital assets	7,148,123	149,352,189	88,111,995	16,974,507
Restricted for capital improvements	-	-	619,985	-
Unrestricted	8,403,743	30,947,019	8,854,091	720,966
<b>TOTAL NET POSITION</b>	\$ 15,551,866	\$ 180,299,208	\$ 97,586,071	\$ 17,695,473

See Notes to Basic Financial Statements

Total	Governmental Activities- Internal Service Funds
\$ 27,886,189	\$ 16,643,630
619,985	-
5,797,140	808,444
776,173	-
18,932	8,385
1,380,364	8,640
88,165	-
117,639	-
165,164	9,292
<u>36,849,751</u>	<u>17,478,391</u>
10,462	-
17,908,084	-
27,750,000	-
23,536,782	-
331,850,381	-
<u>401,055,709</u>	<u>-</u>
437,905,460	17,478,391
<u>445,264</u>	<u>-</u>
4,404,301	164,831
223,514	-
19,155	-
270,142	-
-	3,227,100
572,945	-
4,021,327	-
645,375	-
865,570	-
11,533,681	-
950,000	-
239,828	-
104,362	-
<u>23,850,200</u>	<u>3,391,931</u>
74,416,957	-
22,736,000	-
3,277,340	-
213,910	-
1,068,477	-
<u>101,712,684</u>	<u>-</u>
125,562,884	3,391,931
<u>1,655,222</u>	<u>-</u>
261,586,814	-
619,985	-
<u>48,925,819</u>	<u>14,086,460</u>
<u>\$ 311,132,618</u>	<u>\$ 14,086,460</u>

POLK COUNTY, IOWA

Statement of Revenues, Expenses, and Changes in Fund Net Position  
 Proprietary Funds  
 For the Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds			
	Sanitary Sewer	Prairie Meadows Racetrack/ Casino	Iowa Events Center	Nonmajor Enterprise Funds
<b>OPERATING REVENUES:</b>				
Charges for goods and services:				
Charges for services	\$ 1,252,629	\$ 15,750,000	\$ 3,109,000	\$ 758,844
Intergovernmental revenues	-	-	103,557	897,082
Project income	-	10,327,019	790,000	-
Parking income	-	-	1,004,675	-
Concession sales	-	-	8,369,585	-
Commissions income	-	-	3,318,707	287,451
PFMS user fee on ticket sales	-	-	541,284	-
Miscellaneous	37,319	-	387,653	170,301
Total operating revenues	1,289,948	26,077,019	17,624,461	2,113,678
<b>OPERATING EXPENSES:</b>				
Cost of goods and services:				
Personal services	101,751	-	3,214,792	1,457,775
Supplies	-	-	542,952	76,522
Professional services	91,755	-	182,417	152,862
Other services/charges	388,150	4,500,000	3,964,275	251,555
Insurance	-	-	167,999	-
Direct event expense	-	-	2,568,532	-
Cost of goods sold - concession	-	-	5,161,332	-
Management expense	-	-	262,200	-
Miscellaneous	12,637	-	-	16,244
Amortization of discount (premium)	-	-	(595,147)	(48,534)
Depreciation	501,856	7,654,762	9,704,916	657,188
Total operating expenses	1,096,149	12,154,762	25,174,268	2,563,612
<b>OPERATING INCOME (LOSS)</b>	193,799	13,922,257	(7,549,807)	(449,934)
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Interest revenue	541,419	1,087,996	73,717	242,956
Interest expense	(616,374)	-	(2,867,003)	(138,365)
Total nonoperating revenues (expenses)	(74,955)	1,087,996	(2,793,286)	104,591
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	118,844	15,010,253	(10,343,093)	(345,343)
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>				
Capital contributions from others	-	77,591,213	128,250	-
Transfers in	3,186,310	-	11,936,186	1,686,752
Transfers out	-	(21,814,571)	-	(98,638)
Total capital contributions and transfers	3,186,310	55,776,642	12,064,436	1,588,114
<b>CHANGE IN NET POSITION</b>	3,305,154	70,786,895	1,721,343	1,242,771
<b>NET POSITION - BEGINNING</b>	12,246,712	109,512,313	95,864,728	16,452,702
<b>NET POSITION - ENDING</b>	\$ 15,551,866	\$ 180,299,208	\$ 97,586,071	\$ 17,695,473

See Notes to Basic Financial Statements

<b>Total</b>	<b>Governmental Activities- Internal Service Funds</b>
\$ 20,870,473	\$ 21,898,333
1,000,639	-
11,117,019	-
1,004,675	-
8,369,585	-
3,606,158	-
541,284	-
595,273	192,849
<u>47,105,106</u>	<u>22,091,182</u>
4,774,318	-
619,474	-
427,034	-
9,103,980	72,578
167,999	21,597,076
2,568,532	-
5,161,332	-
262,200	-
28,881	-
(643,681)	-
18,518,722	-
<u>40,988,791</u>	<u>21,669,654</u>
<u>6,116,315</u>	<u>421,528</u>
1,946,088	134,083
(3,621,742)	-
<u>(1,675,654)</u>	<u>134,083</u>
<u>4,440,661</u>	<u>555,611</u>
77,719,463	-
16,809,248	5,037,735
(21,913,209)	(4,457,735)
<u>72,615,502</u>	<u>580,000</u>
77,056,163	1,135,611
<u>234,076,455</u>	<u>12,950,849</u>
<u>\$ 311,132,618</u>	<u>\$ 14,086,460</u>

**POLK COUNTY, IOWA**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2019**

	<b>Business-type Activities-Enterprise Funds</b>		
	<b>Sanitary Sewer</b>	<b>Prairie Meadows Racetrack/ Casino</b>	<b>Iowa Events Center</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 1,237,076	\$ -	\$ 16,024,203
Cash received from operating grants	-	-	-
Cash received from racetrack/casino	-	26,194,461	-
Cash paid to suppliers for goods and services	(478,141)	(4,617,442)	(11,238,473)
Cash paid to employees	(101,751)	-	(3,321,996)
Net cash flows from operating activities	<u>657,184</u>	<u>21,577,019</u>	<u>1,463,734</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Negative cash balance implicitly financed	-	-	-
Disbursements for due to component unit	-	-	(54,092)
Proceeds from advance from other funds	-	-	-
Repayment on advance from other funds	-	-	-
Transfers in	3,186,310	-	11,936,186
Transfers out	-	(21,814,571)	-
Net cash flows from noncapital financing activities	<u>3,186,310</u>	<u>(21,814,571)</u>	<u>11,882,094</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Principal paid on long-term debt	(919,000)	-	(10,200,000)
Interest paid on long-term debt	(620,869)	-	(2,899,420)
Capital contributions from others	-	-	128,250
Purchase of capital assets	(2,027,049)	-	(1,051,498)
Repayments on capital note receivable	627,329	-	-
Net cash flows from capital and related financing activities	<u>(2,939,589)</u>	<u>-</u>	<u>(14,022,668)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	541,419	1,081,147	75,206
Net cash flows from investing activities	<u>541,419</u>	<u>1,081,147</u>	<u>75,206</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,445,324</b>	<b>843,595</b>	<b>(601,634)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>6,786,382</b>	<b>6,837,551</b>	<b>9,663,014</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 8,231,706</b>	<b>\$ 7,681,146</b>	<b>\$ 9,061,380</b>

Nonmajor Enterprise Funds	Total	Governmental Activities- Internal Service Funds
\$ 1,686,187	\$ 18,947,466	\$ 21,673,251
867,076	867,076	-
-	26,194,461	-
(656,211)	(16,990,267)	(20,008,585)
(1,533,695)	(4,957,442)	-
363,357	24,061,294	1,664,666
(2,714,995)	(2,714,995)	-
-	(54,092)	-
3,775,000	3,775,000	-
(257,832)	(257,832)	-
1,686,752	16,809,248	5,037,735
(98,638)	(21,913,209)	(4,457,735)
2,390,287	(4,355,880)	580,000
(265,000)	(11,384,000)	-
(139,418)	(3,659,707)	-
-	128,250	-
(877,564)	(3,956,111)	-
112,930	740,259	-
(1,169,052)	(18,131,309)	-
242,956	1,940,728	131,208
242,956	1,940,728	131,208
1,827,548	3,514,833	2,375,874
1,704,394	24,991,341	14,267,756
\$ 3,531,942	\$ 28,506,174	\$ 16,643,630

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**POLK COUNTY, IOWA**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2019**

	<b>Business-type Activities-Enterprise Funds</b>		
	<b>Sanitary Sewer</b>	<b>Prairie Meadows Racetrack/ Casino</b>	<b>Iowa Events Center</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ 193,799	\$ 13,922,257	\$ (7,549,807)
Components of operating income (loss) not included in operating activities:			
Depreciation	501,856	7,654,762	9,704,916
Amortization	-	-	(595,147)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
(Increase) decrease in special assessments receivable	6,444	-	-
(Increase) decrease in accounts receivable	(13,755)	-	(2,367,502)
(Increase) decrease in due from other funds	-	-	-
(Increase) decrease in due from other governments	(45,561)	117,442	397,891
(Increase) decrease in inventories	-	-	(10,069)
(Increase) decrease in prepaid items	-	-	(35,777)
(Increase) decrease in deferred outflows of resources	-	-	650
Increase (decrease) in accounts payable	14,401	-	1,657,080
Increase (decrease) in wages payable	-	-	101,584
Increase (decrease) in payroll taxes payable	-	-	7,638
Increase (decrease) in due to other funds	-	(2,146)	-
Increase (decrease) in due to other governments	-	(115,296)	-
Increase (decrease) in advance deposits and ticket sales	-	-	(122,211)
Increase (decrease) in unearned revenue	-	-	491,564
Increase (decrease) in compensated absences payable	-	-	2,804
Increase (decrease) in estimated liability for claims and judgments	-	-	-
Increase (decrease) in net pension liability	-	-	(1,665)
Increase (decrease) in deferred inflows of resources	-	-	(218,215)
Net cash flows from operating activities	<u>\$ 657,184</u>	<u>\$ 21,577,019</u>	<u>\$ 1,463,734</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Disposal of fully depreciated capital assets	\$ -	\$ -	\$ -
Acquisition of capital assets through accounts payable	-	-	-
Acquisition of notes receivable through disposal of capital assets	(627,329)	-	-
Acquisition of capital assets through leasehold improvements	-	77,591,213	-

See Notes to Basic Financial Statements

Nonmajor Enterprise Funds	Total	Governmental Activities- Internal Service Funds
\$ (449,934)	\$ 6,116,315	\$ 421,528
657,188	18,518,722	-
(48,534)	(643,681)	-
126	6,570	-
169,175	(2,212,082)	(409,291)
167,383	167,383	-
102,901	572,673	-
-	(10,069)	-
-	(35,777)	(426)
64,427	65,077	-
(159,028)	1,512,453	3,395
191	101,775	-
37	7,675	-
-	(2,146)	-
-	(115,296)	(8,640)
-	(122,211)	-
-	491,564	-
(78,365)	(75,561)	-
-	-	1,658,100
(164,857)	(166,522)	-
102,647	(115,568)	-
<u>\$ 363,357</u>	<u>\$ 24,061,294</u>	<u>\$ 1,664,666</u>

\$ (16,771)	\$ (16,771)	\$ -
(747,256)	(747,256)	-
-	(627,329)	-
-	77,591,213	-

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