

**City of Osseo**  
**Statement of Net Position - Proprietary Funds**  
**December 31, 2018**

	Water (601)	Sewer (602)	Storm Water (604)	Total
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 740,912	\$ 1,022,090	\$ 455,014	\$ 2,218,016
Special assessments receivable				
Delinquent	17,711	19,610	5,168	42,489
Accounts receivable	137,523	147,177	54,926	339,626
Due from other funds	550,812	-	-	550,812
Prepaid items	644	15,502	-	16,146
Total current assets	<u>1,447,602</u>	<u>1,204,379</u>	<u>515,108</u>	<u>3,167,089</u>
Noncurrent assets				
Capital assets				
Land	46,035	-	-	46,035
Infrastructure	946,254	2,044,559	595,051	3,585,864
Machinery and equipment	246,069	-	-	246,069
Total capital assets	<u>1,238,358</u>	<u>2,044,559</u>	<u>595,051</u>	<u>3,877,968</u>
Less accumulated depreciation	(663,656)	(1,213,964)	(55,567)	(1,933,187)
Net capital assets	<u>574,702</u>	<u>830,595</u>	<u>539,484</u>	<u>1,944,781</u>
Total assets	<u>2,022,304</u>	<u>2,034,974</u>	<u>1,054,592</u>	<u>5,111,870</u>
<b>Deferred Outflows of Resources</b>				
Deferred outflows of resources related to pensions	19,258	19,613	5,128	43,999
Deferred outflows of resources related to post employment benefits	481	481	128	1,090
	<u>19,739</u>	<u>20,094</u>	<u>5,256</u>	<u>45,089</u>
Total assets and deferred outflows of resources	<u>\$ 2,042,043</u>	<u>\$ 2,055,068</u>	<u>\$ 1,059,848</u>	<u>\$ 5,156,959</u>
<b>Liabilities and Net Position</b>				
Current liabilities				
Accounts payable	\$ 1,592	\$ 925	\$ 351	\$ 2,868
Salaries and benefits payable	4,203	4,203	1,037	9,443
Interest payable	-	-	2,028	2,028
Due to other governments	14,556	-	-	14,556
Bonds payable, due within one year	-	-	10,000	10,000
Compensated absences payable	8,823	8,823	408	18,054
Total current liabilities	<u>29,174</u>	<u>13,951</u>	<u>13,824</u>	<u>56,949</u>
Noncurrent liabilities				
Bonds payable	-	-	205,000	205,000
Compensated absences	8,823	8,823	408	18,054
Net opeb payable	9,873	9,873	2,629	22,375
Net pension liability	67,677	68,927	18,022	154,626
Less amount due within one year	(8,823)	(8,823)	(10,408)	(28,054)
Total noncurrent liabilities	<u>77,550</u>	<u>78,800</u>	<u>215,651</u>	<u>372,001</u>
Total liabilities	<u>106,724</u>	<u>92,751</u>	<u>229,475</u>	<u>428,950</u>
Deferred inflows of resources				
Deferred inflows of resources related to pensions	16,165	16,464	4,305	36,934
<b>Net Position</b>				
Net investment in capital assets	574,702	830,595	334,484	1,739,781
Unrestricted	1,344,452	1,115,258	491,584	2,951,294
Total net position	<u>1,919,154</u>	<u>1,945,853</u>	<u>826,068</u>	<u>4,691,075</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 2,042,043</u>	<u>\$ 2,055,068</u>	<u>\$ 1,059,848</u>	<u>\$ 5,156,959</u>

**City of Osseo**  
**Statement of Revenues, Expenses, and Changes**  
**in Fund Net Position - Proprietary Funds**  
**Year Ended December 31, 2018**

	Water (601)	Sewer (602)	Storm Water (604)	Total
Operating revenues				
Charges for services	\$ 446,501	\$ 538,525	\$ 183,708	\$ 1,168,734
Permits, hookup fees, and penalties	14,847	7,794	3,609	26,250
Total operating revenues	<u>461,348</u>	<u>546,444</u>	<u>187,317</u>	<u>1,195,109</u>
Operating expenses				
Wages and salaries	88,338	88,338	23,521	200,197
Employee benefits	16,720	17,953	2,845	37,518
Materials and supplies	9,076	6,248	2,376	17,700
Repairs and maintenance	3,057	5,413	3,841	12,311
Professional services	22,336	20,717	15,030	58,083
Insurance	2,309	4,192	931	7,432
Utilities	2,472	9,886	1,031	13,389
Depreciation	27,352	40,624	14,054	82,030
Other	4,106	3,416	8,019	15,541
Service charges	183,820	152,557	-	336,377
Total operating expenses	<u>359,586</u>	<u>349,344</u>	<u>71,648</u>	<u>780,578</u>
Operating income	101,762	197,100	115,669	414,531
Nonoperating revenues/(expenses)				
Investment income	22,858	3,181	1,314	27,353
Interest expense	-	-	(7,374)	(7,374)
Other income	71,570	-	-	71,570
Total nonoperating revenues	<u>94,428</u>	<u>3,181</u>	<u>(6,060)</u>	<u>91,549</u>
Income before capital Contributions and transfers	196,190	200,281	109,609	506,080
Transfers out	<u>(101,684)</u>	<u>(58,776)</u>	<u>(83,773)</u>	<u>(244,233)</u>
Change in net position	94,506	141,505	25,836	261,847
Net position				
Beginning of year	1,833,520	1,813,220	802,594	4,449,334
Change in accounting principle (Note 12)	<u>(8,872)</u>	<u>(8,872)</u>	<u>(2,362)</u>	<u>(20,106)</u>
Beginning of year as restated	<u>1,824,648</u>	<u>1,804,348</u>	<u>800,232</u>	<u>4,429,228</u>
End of year	<u>\$ 1,919,154</u>	<u>\$ 1,945,853</u>	<u>\$ 826,068</u>	<u>\$ 4,691,075</u>

**City of Osseo**  
**Statement of Cash Flows - Proprietary Funds**  
**Year Ended December 31, 2018**

	Water (601)	Sewer (602)	Storm Water (604)	Total
<b>Cash Flows - Operating Activities</b>				
Receipts from customers and users	\$ 458,362	\$ 545,113	\$ 187,713	\$ 1,191,188
Payments to suppliers	(230,440)	(205,909)	(32,252)	(468,601)
Payments to employees	(110,024)	(110,063)	(29,226)	(249,313)
Miscellaneous revenue	71,570	-	-	71,570
Net cash flows - operating activities	<u>189,468</u>	<u>229,141</u>	<u>126,235</u>	<u>544,844</u>
<b>Cash Flows - Noncapital</b>				
<b>Financing Activities</b>				
Payments to/from other funds	(40,379)	-	-	(40,379)
Transfer to other funds	(101,684)	(58,776)	(83,773)	(244,233)
Net cash flows - noncapital financing activities	<u>(142,063)</u>	<u>(58,776)</u>	<u>(83,773)</u>	<u>(284,612)</u>
<b>Cash Flows - Capital and Related</b>				
<b>Financing Activities</b>				
Interest paid on debt	-	-	(5,346)	(5,346)
Long-term debt proceeds	-	-	205,000	205,000
Acquisition of capital assets	(14,000)	(17,516)	(140,421)	(171,937)
Net cash flows - capital and related financing activities	<u>(14,000)</u>	<u>(17,516)</u>	<u>59,233</u>	<u>27,717</u>
<b>Cash Flows - Investing Activities</b>				
Interest and dividends received	<u>22,858</u>	<u>3,181</u>	<u>1,314</u>	<u>27,353</u>
Net change in cash and cash equivalents	56,263	156,030	103,009	315,302
<b>Cash and Cash Equivalents</b>				
January 1	<u>684,649</u>	<u>866,060</u>	<u>352,005</u>	<u>1,902,714</u>
December 31	<u>\$ 740,912</u>	<u>\$ 1,022,090</u>	<u>\$ 455,014</u>	<u>\$ 2,218,016</u>
<b>Reconciliation of Operating</b>				
<b>Income to Net Cash</b>				
<b>Flows - Operating Activities</b>				
Operating income	\$ 101,762	\$ 197,100	\$ 115,669	\$ 414,531
Adjustments to reconcile operating income				
To net cash flows - operating activities				
Miscellaneous revenue	71,570	-	-	71,570
Depreciation expense	27,352	40,624	14,054	82,030
Accounts receivable	(3,980)	(2,090)	(869)	(6,939)
Prepaid items	(97)	(666)	-	(763)
Special assessments receivable	994	759	1,265	3,018
Accounts payable	(3,834)	(329)	(1,024)	(5,187)
Due to other governmental units	667	(2,485)	-	(1,818)
Salaries payable	1,156	1,156	273	2,585
Net pension expense	(2,566)	(1,372)	(715)	(4,653)
Compensated absences payable	(4,076)	(4,076)	(2,557)	(10,709)
Net opeb payable	520	520	139	1,179
Total adjustments	<u>87,706</u>	<u>32,041</u>	<u>10,566</u>	<u>130,313</u>
Net cash flows - operating activities	<u>\$ 189,468</u>	<u>\$ 229,141</u>	<u>\$ 126,235</u>	<u>\$ 544,844</u>
<b>Noncash Activities</b>				
Contribution of capital assets from governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>