

## Attachments







**CERTIFICATION OF CITY OF BROOKINGS MUNICIPAL TELEPHONE DEPARTMENT**

**Reporting Period January 1 – December 31, 2016**

**Sec. 54.313(a)(5) and 47 C.F.R. 54.222(b)(3) Service Quality Standards and Consumer Protection Rules Compliance**

Pursuant to § 54.313(a)(5) for High-cost Recipients, Carrier hereby certifies that it is in compliance with applicable service quality standards and consumer protection rules. Carrier follows Customer Proprietary Network Information (CPNI) rules and also files the annual CPNI certification with the FCC pursuant to the FCC's current CPNI rules and regulations. Attached is the annual notice to customers on matters related to customer privacy which is printed in customer bill notices and in the Telephone Directory. Carrier has also implemented an Identity Theft Prevention Program in accordance with the federal Red Flags Rule.

Broadband Service - Pursuant to 47 C.F.R. §54.313(a)(5) and/ or 47 C.F.R. §54.222(b)(3), Carrier is in compliance with appropriate FCC Service Quality Standards and Consumer Protection Rules.

Carrier complies with Part 8 of the FCC's rules. Carrier has placed on its website its Broadband Internet Access Services Network Management Practices, Performance Characteristics, and Commercial Terms and Conditions. Carrier also complies with CPNI and Red Flag rules through established operating procedures. A description of Carrier's CPNI procedures is filed annually with the FCC, and is also available on its website.

I verify that the foregoing is true and correct. Executed on June 26, 2017.

/s/ Steve Meyer

Steve Meyer, Executive Vice President & General Manager

City of Brookings Municipal Telephone Department

**BROOKINGS SD 57006-3932**

Previous Balance	\$
Aug 30 Online Payment	
Sep 15 Online Payment	
Sep 21 Online Payment	
Sep 21 Online Payment	
Balance Forward	\$

**Service Summary**

	Recurring Charges	One Time Charges	Long Distance	Taxes and Surcharges	Total
Fiber Trio (605)692-2307					
<b>Subtotal</b>	\$	\$	\$	\$	\$

**Charge Detail**

**Bundled Services**

Description	Quantity	Amount
<b>Recurring Charges Sep 21 to Oct 20</b>		
Fiber Trio - Main Attraction HD (605)		\$
Caller ID - Call Waiting		
Caller ID Name/Number		
Call Forwarding		
Call Waiting		
Fiber Res Line Access		
Per Call Block		
Three Way Calling		
SwiftelNet 30/5 MBPS		
DVR Service		
Expanded Basic Video		
HD Access		
Video Stream Equip		
Video Stream Equip+		
* Video Stream Equip++		
<b>Taxes and Surcharges</b>		
Federal Tax		\$
South Dakota State Tax		\$
Brookings City Tax		\$
Enhanced 911		\$
SD Communication Impaired Fund		\$
Video Franchise Surcharge		\$
<b>Total Taxes and Surcharges</b>		<b>\$1</b>
<b>SUBTOTAL FOR Fiber Trio - Main Attraction HD</b>		<b>\$</b>

**(605) 692-**

Description	Quantity	Amount
<b>Taxes and Surcharges</b>		
Federal Tax		\$
South Dakota State Tax		\$
Brookings City Tax		\$
Federal USF Charge		\$
End User Residential		\$
Access Recovery Charge - Residential		\$
<b>Total Taxes and Surcharges</b>		<b>\$</b>

**LONG DISTANCE PROVIDER**

Intralata Pic: Swiftel Long Distance  
Interlata Pic: Swiftel Long Distance

**SUBTOTAL FOR (605) 692-2307** \$

**PRIVACY OF YOUR INFORMATION**

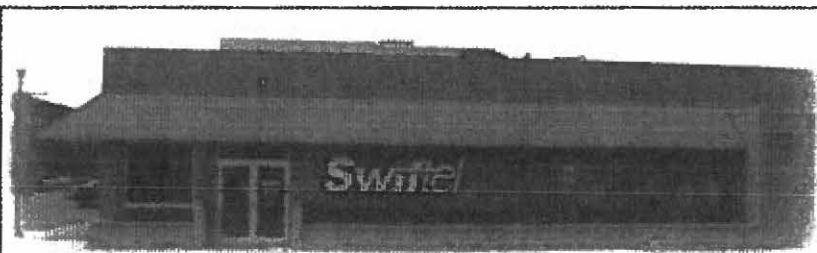
Following Federal Rules, all Customer Proprietary Network Information (CPNI) contained in our records is kept private.

We are required to keep this personal information confidential. This includes information such as addresses of unpublished phone numbers, services provided to a customer, Social Security or Driver's License number, phone numbers called long distance, and many other pieces of information.

We do this by requesting customers establish a password for their account and answer security questions. When Swiftel is contacted about your account, the password or security questions is confirmed.

Swiftel also uses software that records when customer accounts are accessed, and when certain changes are made to your account.

If you don't know, or haven't set up a password yet, please call our Customer Service staff at 605-692-6211, option 1.



**Swiftel** 605-692-6211  
1-800-561-6211  
VOICE • VIDEO • DATA • SPRINT

415 4th Street • Brookings, SD 57006  
swiftel.net

Open: Monday - Friday 8am - 6pm • Saturday 9am - 3pm

**Steve Meyer, Executive Vice President & General Manager**

*Swiftel Communications is regulated by the Brookings Municipal Utility Board. Meetings are held the 2nd Monday of each month in the BMU Board Room at 1:00 p.m. and the 4th Monday of each month via teleconference at 11:45 a.m. A copy of the tariff governing Swiftel Communications is available for review at either the telephone office or the utility office.*



**Swiftel/DIRECTORY**  
Print-Mobile-Online

To advertise call 697-8270  
[www.swifteldirectory.com](http://www.swifteldirectory.com)

**WHAT IS CPNI?** In short, that means all information about any customer that is contained on their account in a telephone company's records. CPNI is the information that Swiftel gathers about its customer that relates to the customer's usage of Swiftel's telecommunications services.

**WE'RE COMMITTED.** Swiftel and its affiliates are committed to protecting the confidentiality of CPNI. Very often, the information on an account is personal and should remain confidential. This could include the address of an unpublished phone number, a customer's Social Security or Driver's License number, the phone numbers they call long distance, and various other pieces of information.

**HOW DOES SWIFTEL KEEP IT CONFIDENTIAL?** Swiftel has requested all customers to provide a password for their account and answer three security questions. When you contact Swiftel about your account, the password or security questions are confirmed before releasing any information.

**KEEPING INFORMATION SECURE.** Swiftel has added a software feature that records every access to every customer's account. This will track which employee accessed an account, the information that was viewed and the date/time of the access. In addition, Swiftel will send a letter to you if any of the following actions were recorded on your account: name or mailing address change, password change, security questions or answers change, authorized user change, or if the access to the account required the answer of a security question.

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*Thank you  
to photographer Zeke Hanson  
for allowing us to use his  
photos on the cover of the  
new 2016 Swiftel Directory.*

**CERTIFICATION OF CITY OF BROOKINGS MUNICIPAL TELEPHONE DEPARTMENT**

**Reporting Period January 1 – December 31, 2016**

**Sec. 54.313(a)(6) Ability to Function in an Emergency Situation**

Pursuant to § 54.313(a)(6) for High-cost Recipients, Carrier hereby certifies that, for both voice and broadband services, it is able to function in emergency situations as set forth in § 54.202(a)(2). Carrier is able to remain functional in an emergency situation through the use of back-up power to ensure functionality without an external power source. Carrier has four (4) hours of backup battery reserve in its central office, supported by an on-site generator which enables it to provide service for a reasonable period of time if external power is lost. Carrier's network is engineered to handle reasonable excess traffic in the event of traffic spikes resulting from emergency situations. Carrier has redundancy in its network for use in re-rerouting traffic when facilities are damaged.

I verify that the foregoing is true and correct. Executed on June 26, 2017.

/s/ Steve Meyer

Steve Meyer, Executive Vice President & General Manager

City of Brookings Municipal Telephone Department



**CITY OF BROOKINGS MUNICIPAL TELEPHONE DEPARTMENT**

**Reporting Period January 1 – December 31, 2016**

**Line 1010**

**47 CFR 54.313(a)(10) - Voice Services Rate Comparability**

Pursuant to 47 CFR 54.313(a)(10) for High-cost Recipients, Carrier hereby certifies that the pricing of Carrier's voice services is no more than two standard deviations above the applicable national average urban rate for voice service, as specified in the most recent public notice issued by the Wireline Competition Bureau and Wireless Telecommunications Bureau.

The WCB announced that the average local end-user rate plus state regulated fees of the surveyed incumbent LECs in urban areas is \$49.51. This was published in the FCC's Public Notice, WC Docket No. 10-90, released February 14, 2017. Carrier's voice service rates as listed on Line 703 of this Form 481, are less than the FCC's benchmark rate for voice services.

**CITY OF BROOKINGS MUNICIPAL TELEPHONE DEPARTMENT**

**Reporting Period January 1 – December 31, 2016**

**Line 1030**

**47 CFR 54.313(a)(12) – Broadband Services Rate Comparability**

Pursuant to 47 CFR 54.313(a)(12) for High-cost Recipients, Carrier hereby certifies that the pricing of Carrier's broadband services is no more than two standard deviations above the applicable national average urban rates for broadband service, as specified in the most recent public notice issued by the Wireline Competition Bureau and Wireless Telecommunications Bureau.

The following table was published in the FCC's Public Notice, WC Docket No. 10-90, released February 14, 2017. The table provides the 2017 benchmark for a number of different broadband service offerings.

Download Speed (Mbps)	Upload Speed (Mbps)	Usage Allowance (GB)	Benchmark
10	1	100	\$76.47
10	1	150	\$76.97
10	1	250	\$77.37
10	1	Unlimited	\$77.98
25	3	250	\$89.92
25	3	Unlimited	\$90.53
25	5	250	\$90.16
25	5	Unlimited	\$90.76

Carrier's rates for broadband services as listed on Line 711 of this Form 481, are less than the FCC's fixed broadband services benchmarks, based on the supported service's download and upload bandwidths and usage allowance.

**CERTIFICATION OF CITY OF BROOKINGS MUNICIPAL TELEPHONE DEPARTMENT**

**Reporting Period January 1 – December 31, 2016**

**Sec. 54.313(f)(1)(i) Milestone Certification**

Pursuant to § 54.313 f)(1)(i) for Rate-of-Return Carriers, Carrier hereby certifies it is taking reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas as determined in an annual survey, and that requests for such service are met within a reasonable amount of time.

I verify that the foregoing is true and correct. Executed on June 26, 2017.

/s/ Steve Meyer

Steve Meyer, Executive Vice President & General Manager

City of Brookings Municipal Telephone Department

SAC: 391650

File Name: 391650SD3026



Financial Statements  
December 31, 2016

# City of Brookings Municipal Utilities



CPAs & BUSINESS ADVISORS

## Independent Auditor's Report

Municipal Utilities Board  
City of Brookings Municipal Utilities  
Brookings, South Dakota

### Report on the Financial Statements

We have audited the accompanying financial statements of the Electric Fund, Telephone Fund, Water Fund and Wastewater Fund of Brookings Municipal Utilities, enterprise funds of the City of Brookings, South Dakota, as of December 31, 2016, and the related notes to the financial statements, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Electric Fund, Telephone Fund, Water Fund and Wastewater Fund of Brookings Municipal Utilities, enterprise funds of the City of Brookings, South Dakota, as of December 31, 2016, and the changes in their financial position, and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Fund Financial Statements**

As discussed in Note 1, the financial statements present only the Electric Fund, Telephone Fund, Water Fund and Wastewater Fund of Brookings Municipal Utilities, enterprise funds of the City of Brookings, South Dakota, and do not purport to, and do not, present fairly the financial position of the City of Brookings, South Dakota, as of December 31, 2016, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress for postemployment health plan, schedule of pension contributions, and schedule of proportionate share of net pension liability (asset) on pages 3 through 9 and 43 through 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 24, 2017 on our consideration of the Electric Fund, Telephone Fund, Water Fund and Wastewater Fund of Brookings Municipal Utilities' internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Electric Fund, Telephone Fund, Water Fund and Wastewater Fund of Brookings Municipal Utilities' internal control over financial reporting and compliance.

*Eide Sallee LLP*

Sioux Falls, South Dakota  
April 24, 2017

City of Brookings Municipal Utilities  
Statement of Net Position  
December 31, 2016

Assets and Deferred Outflows of Resources	<u>Electric</u>	<u>Telephone</u>	<u>Water</u>	<u>Wastewater</u>	<u>Combined</u>
<b>Current Assets</b>					
Cash and cash equivalents	\$ 4,067,787	\$ 9,679,058	\$ 2,229,133	\$ 2,595,396	\$ 18,571,374
Certificates of deposit	3,600,000	9,600,000	8,000,000	4,800,000	26,000,000
Receivables, net of allowances for uncollectibles:					
Accounts	2,179,663	2,342,348	446,768	507,302	5,476,081
Unbilled accounts	1,168,627	412,489	223,496	265,659	2,070,271
Interest	1,505	3,315	3,523	2,712	11,055
Due from other funds	145,106	160,394	24,778	4,556	334,834
Current portion of advances to other funds	1,351,795	-	-	54,311	1,406,106
Inventories:					
Supplies	1,063,026	339,142	223,102	36,790	1,662,060
Stores	-	1,183,405	-	-	1,183,405
Prepaid expenses	67,653	858,257	21,546	19,759	967,215
<b>Total current assets</b>	<u>13,645,162</u>	<u>24,578,408</u>	<u>11,172,346</u>	<u>8,286,485</u>	<u>57,682,401</u>
<b>Noncurrent Assets</b>					
Restricted cash and cash equivalents	579,421	6	-	132,445	711,872
Certificates of deposit	1,000,000	1,000,000	2,500,000	3,000,000	7,500,000
Advances to other funds	2,676,990	-	-	464,314	3,141,304
Other assets	-	605,866	806	9,739	616,411
<b>Total noncurrent assets</b>	<u>4,256,411</u>	<u>1,605,872</u>	<u>2,500,806</u>	<u>3,606,498</u>	<u>11,969,587</u>
<b>Capital Assets</b>					
Land	74,983	331,267	203,013	73,604	682,867
Buildings and other improvements	48,557,129	75,923,385	15,761,798	52,558,627	192,800,939
Machinery and equipment	2,445,581	4,647,552	559,655	988,886	8,641,674
Construction in progress	1,933,678	1,479,765	168,619	-	3,582,062
Less accumulated depreciation	(19,048,996)	(58,311,261)	(6,934,002)	(11,609,136)	(95,903,395)
<b>Total capital assets</b>	<u>33,962,375</u>	<u>24,070,708</u>	<u>9,759,083</u>	<u>42,011,981</u>	<u>109,804,147</u>
<b>Total assets</b>	<u>51,863,948</u>	<u>50,254,988</u>	<u>23,432,235</u>	<u>53,904,964</u>	<u>179,456,135</u>
<b>Deferred Outflows of Resources</b>					
Pension related deferred outflows	883,943	2,248,742	418,682	388,666	3,940,033
<b>Total assets and deferred outflows of resources</b>	<u>\$ 52,747,891</u>	<u>\$ 52,503,730</u>	<u>\$ 23,850,917</u>	<u>\$ 54,293,630</u>	<u>\$ 183,396,168</u>

See Notes to Financial Statements

City of Brookings Municipal Utilities  
Statement of Net Position  
December 31, 2016

Liabilities, Deferred Inflows of Resources, and Net Position	Electric	Telephone	Water	Wastewater	Combined
<b>Current Liabilities</b>					
Accounts payable	\$ 1,950,494	\$ 3,843,673	\$ 86,020	\$ 410,271	\$ 6,290,458
Due to other funds	7,159	153,630	13,162	31,791	205,742
Accrued interest payable	21,863	9,738	1,344	197,378	230,323
Accrued wages payable	4,241	63,499	2,075	433	70,248
Accrued taxes payable	123,730	185,550	169	97	309,546
Accrued leave liability	63,088	160,837	20,065	14,722	258,712
Customer deposits	67,626	53,645	-	-	121,271
Current portion of advances from other funds	-	1,406,106	-	-	1,406,106
Current portion of revenue bonds payable	319,865	-	-	-	319,865
Current portion of state revolving fund loans payable	-	-	-	647,729	647,729
Current portion of capital lease obligations	148,125	197,500	27,255	22,120	395,000
Total current liabilities	<u>2,706,191</u>	<u>6,074,178</u>	<u>150,090</u>	<u>1,324,541</u>	<u>10,255,000</u>
<b>Noncurrent Liabilities</b>					
Post-employment health care benefit liability	102,235	288,810	50,867	44,665	486,577
Net pension liability	386,636	984,970	183,295	169,190	1,724,091
Advances from other funds	-	3,141,304	-	-	3,141,304
Revenue bonds payable	5,865,471	-	-	-	5,865,471
State revolving fund loans payable	-	-	-	28,495,805	28,495,805
Capital lease obligations	1,696,875	2,262,500	312,225	253,400	4,525,000
Total long-term liabilities	<u>8,051,217</u>	<u>6,677,584</u>	<u>546,387</u>	<u>28,963,060</u>	<u>44,238,248</u>
Total liabilities	<u>10,757,408</u>	<u>12,751,762</u>	<u>696,477</u>	<u>30,287,601</u>	<u>54,493,248</u>
<b>Deferred Inflows of Resources</b>					
Proceeds from the sale of future revenues	-	598,255	4,776	-	603,031
Total deferred inflows of resources	<u>-</u>	<u>598,255</u>	<u>4,776</u>	<u>-</u>	<u>603,031</u>
<b>Net Position</b>					
Net investment in capital assets	25,932,039	21,610,708	9,419,603	12,592,927	69,555,277
Restricted for debt service	579,421	6	-	132,445	711,872
Restricted for SDRS pension	497,307	1,263,772	235,387	219,476	2,215,942
Unrestricted	14,981,716	16,279,227	13,494,674	11,061,181	55,816,798
Total net position	<u>41,990,483</u>	<u>39,153,713</u>	<u>23,149,664</u>	<u>24,006,029</u>	<u>128,299,889</u>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<u>\$ 52,747,891</u>	<u>\$ 52,503,730</u>	<u>\$ 23,850,917</u>	<u>\$ 54,293,630</u>	<u>\$ 183,396,168</u>

See Notes to Financial Statements



City of Brookings Municipal Utilities  
Statement of Revenues, Expenses and Changes in Net Position  
Year Ended December 31, 2016

	Electric	Telephone	Water	Wastewater	Combined
Operating Revenues					
Charges for goods and services	\$ 26,879,604	\$ 29,258,569	\$ 4,950,413	\$ 4,801,376	\$ 65,889,962
Miscellaneous	899,510	3,053,295	200,688	162,268	4,315,761
Total operating revenues	<u>27,779,114</u>	<u>32,311,864</u>	<u>5,151,101</u>	<u>4,963,644</u>	<u>70,205,723</u>
Operating Expenses					
Personal services	2,518,169	7,248,926	1,440,792	1,298,213	12,506,100
Other current expenses	20,133,814	15,778,700	1,140,894	996,691	38,050,099
Cost of goods sold	-	4,070,567	-	-	4,070,567
Amortization	9,560	95,161	3,718	3,718	112,157
Depreciation	1,533,472	3,289,779	351,575	1,127,084	6,301,910
Total operating expenses	<u>24,195,015</u>	<u>30,483,133</u>	<u>2,936,979</u>	<u>3,425,706</u>	<u>61,040,833</u>
Operating Income	<u>3,584,099</u>	<u>1,828,731</u>	<u>2,214,122</u>	<u>1,537,938</u>	<u>9,164,890</u>
Nonoperating Revenues (Expenses)					
Interest and dividend income	42,871	214,916	22,750	41,654	322,191
Miscellaneous income	26,577	6,486	82,051	494,060	609,174
Gain (loss) on disposition of capital assets	(298)	(89,465)	(509)	9,771	(80,501)
Interest expense	(336,480)	(271,541)	(18,470)	(551,068)	(1,177,559)
Total nonoperating (expenses) revenues	<u>(267,330)</u>	<u>(139,604)</u>	<u>85,822</u>	<u>(5,583)</u>	<u>(326,695)</u>
Income Before Contributions and Transfers	3,316,769	1,689,127	2,299,944	1,532,355	8,838,195
Capital Contributions	-	-	547,798	613,821	1,161,619
Transfers to General Fund	<u>(2,005,000)</u>	<u>(200,000)</u>	-	-	<u>(2,205,000)</u>
Change in Net Position	1,311,769	1,489,127	2,847,742	2,146,176	7,794,814
Net Position, at Beginning of Year	<u>40,678,714</u>	<u>37,664,586</u>	<u>20,301,922</u>	<u>21,859,853</u>	<u>120,505,075</u>
Net Position, at End of Year	<u>\$ 41,990,483</u>	<u>\$ 39,153,713</u>	<u>\$ 23,149,664</u>	<u>\$ 24,006,029</u>	<u>\$ 128,299,889</u>

City of Brookings Municipal Utilities  
Statement of Cash Flows  
Year Ended December 31, 2016

	Electric	Telephone	Water	Wastewater	Combined
<b>Operating Activities</b>					
Cash received from customers	\$ 26,835,121	\$ 33,372,386	\$ 5,050,628	\$ 3,242,865	\$ 68,501,000
Cash received from customers pledged for debt retirement	961,168	-	-	2,142,756	3,103,924
Cash received from other funds for services	1,514,644	1,444,235	168,271	106,207	3,233,357
Cash payments to suppliers for goods and services	(21,595,660)	(20,191,502)	(1,136,410)	(1,052,535)	(43,976,107)
Cash payments to employees for services	(2,363,058)	(6,862,135)	(1,368,918)	(1,221,502)	(11,815,613)
<b>Net Cash provided by Operating Activities</b>	<u>5,352,215</u>	<u>7,762,984</u>	<u>2,713,571</u>	<u>3,217,791</u>	<u>19,046,561</u>
<b>Non-Capital Financing Activities</b>					
Operating transfers to General Fund	(2,005,000)	(200,000)	-	-	(2,205,000)
Interfund loan from Electric to Telephone	(5,500,000)	5,500,000	-	-	-
Principal payments received (paid) on interfund advances	1,471,215	(1,522,940)	-	51,725	-
Interest received (paid) on interfund advances	20,625	(49,143)	-	28,518	-
<b>Net Cash (used in) provided by Non-Capital Financing Activities</b>	<u>(6,013,160)</u>	<u>3,727,917</u>	<u>-</u>	<u>80,243</u>	<u>(2,205,000)</u>
<b>Capital and Related Financing Activities</b>					
Acquisition and construction of capital assets	(1,920,057)	(5,344,857)	(683,919)	(1,492,307)	(9,441,140)
Proceeds from sale of assets	37,486	1,038	118	10,398	49,040
Proceeds from long-term debt	-	-	-	5,587,640	5,587,640
Principal payments on long-term debt	(1,132,015)	(9,840,435)	(167,746)	(774,803)	(11,914,999)
Interest paid on long-term debt	(339,872)	(271,694)	(19,174)	(801,030)	(1,431,770)
<b>Net Cash (used in) provided by Capital and Related Financing Activities</b>	<u>(3,354,458)</u>	<u>(15,455,948)</u>	<u>(870,721)</u>	<u>2,529,898</u>	<u>(17,151,229)</u>
<b>Investing Activities</b>					
Sales and maturities of certificates of deposit	109,716	-	-	-	109,716
Purchases and renewals of certificates of deposit	(4,704,075)	(10,600,000)	(10,500,000)	(7,800,000)	(33,604,075)
Interest received on cash investments	14,647	29,641	19,226	10,209	73,723
Dividends received	-	181,864	-	-	181,864
<b>Net Cash used in Investing Activities</b>	<u>(4,579,712)</u>	<u>(10,388,495)</u>	<u>(10,480,774)</u>	<u>(7,789,791)</u>	<u>(33,238,772)</u>
<b>Net Change in Cash and Cash Equivalents</b>	(8,595,115)	(14,353,542)	(8,637,924)	(1,961,859)	(33,548,440)
<b>Cash and Cash Equivalents, Beginning of Year</b>	13,242,323	24,032,606	10,867,057	4,689,700	52,831,686
<b>Cash and Cash Equivalents, at End of Year</b>	<u>\$ 4,647,208</u>	<u>\$ 9,679,064</u>	<u>\$ 2,229,133</u>	<u>\$ 2,727,841</u>	<u>\$ 19,283,246</u>

See Notes to Financial Statements

City of Brookings Municipal Utilities  
Statement of Cash Flows  
Year Ended December 31, 2016

	<u>Electric</u>	<u>Telephone</u>	<u>Water</u>	<u>Wastewater</u>	<u>Combined</u>
<b>Reconciliation of Cash and Cash Equivalents to the Balance Sheets</b>					
Cash and cash equivalents in current assets	\$ 4,067,787	\$ 9,679,058	\$ 2,229,133	\$ 2,595,396	\$ 18,571,374
Restricted cash in noncurrent assets	579,421	6	-	132,445	711,872
<b>Total cash and cash equivalents</b>	<b>\$ 4,647,208</b>	<b>\$ 9,679,064</b>	<b>\$ 2,229,133</b>	<b>\$ 2,727,841</b>	<b>\$ 19,283,246</b>
<b>Reconciliation of Operating Income to Net Cash provided by Operating Activities</b>					
Operating income	\$ 3,584,099	\$ 1,828,731	\$ 2,214,122	\$ 1,537,938	\$ 9,164,890
Miscellaneous income	26,577	19,688	82,051	494,060	622,376
<b>Adjustments to reconcile operating income to net cash provided by operating activities</b>					
Depreciation	1,533,472	3,289,779	351,575	1,127,084	6,301,910
Amortization	9,560	95,161	3,718	3,718	112,157
<b>Change in operating assets and liabilities</b>					
Receivables	(252,633)	259,613	(62,482)	(74,727)	(130,229)
Inventories	1,798	224,523	10,291	(9,818)	226,794
Prepaid expenses	(183)	(237,060)	870	593	(235,780)
Net pension asset	496,313	1,245,549	233,033	228,318	2,203,213
Pension related deferred outflows	(1,957)	(35,306)	(4,563)	17,074	(24,752)
Accounts and other payables	292,032	1,848,544	41,336	62,232	2,244,144
Accrued wages payable	(231)	24,338	(501)	(867)	22,739
Accrued leave liabilities	(1,287)	2,683	684	(3,595)	(1,515)
Post-employment health care benefit liability	7,956	20,264	3,771	3,479	35,470
Net pension liability	386,636	984,970	183,295	169,190	1,724,091
Other liabilities	2,382	8,567	-	-	10,949
Pension related deferred inflows	(732,319)	(1,837,831)	(343,845)	(336,888)	(3,250,883)
Other deferred inflows	-	20,771	216	-	20,987
<b>Net Cash provided by Operating Activities</b>	<b>\$ 5,352,215</b>	<b>\$ 7,762,984</b>	<b>\$ 2,713,571</b>	<b>\$ 3,217,791</b>	<b>\$ 19,046,561</b>
<b>Supplemental Schedule of Non-Cash Financing and Investing Activities</b>					
Accounts payable incurred for acquisition of property and equipment	\$ 19,048	\$ 74,752	\$ 11,823	\$ 110,700	\$ 216,323
Plant additions from contributed capital	\$ -	\$ -	\$ 547,798	\$ 613,821	\$ 1,161,619

See Notes to Financial Statements