

**CITY OF MOBRIDGE**  
**AUDITED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2017**

**CITY OF MOBRIDGE**  
**CITY OFFICIALS**  
**DECEMBER 31, 2017**

Mayor:

Jamie Dietterle

Governing Board:

Gene Cox, President  
Jeffery Laundreaux  
Jackie Quaschnick  
Tom O'Connell  
Tony Yellowboy  
Randy Carlson, Vice President

City Administrator:

Christine Goldsmith

Financial Officer:

Heather Beck

Attorney:

Rick Cain

# CITY OF MOBRIDGE

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**KOHLMAN, BIERSCHBACH & ANDERSON, LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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WITH OFFICE IN  
MILLER, SOUTH DAKOTA

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

City Council  
City of Mobridge  
Mobridge, South Dakota

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Mobridge, South Dakota (City), as of and for the year ended December 31, 2017, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 4, 2019, which was adverse because of financial statement deficiencies. Our report includes a reference to other auditors who audited the financial statements of Mobridge Housing and Redevelopment Commission, as described in our report on the City of Mobridge's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Current Audit Findings that we consider to be material weaknesses. These are listed as items 2017-001 through 2017-005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under Government Auditing

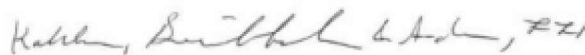
Standards and which is described in the accompanying Schedule of Current Audit Findings as item 2017-004.

City's Responses to Findings

The City's responses to the findings identified in our audit are described in the accompanying Schedule of Current Audit Findings. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. As required by South Dakota Codified Law 4-11-11, this report is a matter of public record and its distribution is not limited.



January 4, 2019

**CITY OF MOBRIDGE**  
**SCHEDULE OF PRIOR AUDIT FINDINGS**  
**DECEMBER 31, 2017**

PRIOR AUDIT FINDINGS:

2016-001

A material weakness was reported for lack of segregation of duties for cash, revenues, receivables, inventories, payables, indebtedness, capital assets, equity, expenditures, and payroll which could result in errors not being found in a timely manner.

Status:

This finding has not been corrected and is restated as current audit finding 2017-001.

2016-002

During the course of our engagement, we proposed material audit adjustments that would not have been identified as a result of the City's existing internal controls, and therefore could have resulted in a material misstatement of the City's financial statements.

Status:

This finding has not been corrected and is restated as current audit finding 2017-002.

2016-003

The City does not have an internal control system designed to provide for the preparation of the annual financial statements being audited, including required footnotes and disclosures, in accordance with generally accepted accounting principles. As auditors, we were requested to draft the financial statements.

Status:

This finding has not been corrected and is restated as current audit finding 2017-003.

2016-004

A material weakness was reported for a lack of proper general capital asset records to support the amounts reported for general capital assets, enterprise capital assets, and depreciation expense; therefore, the City is not in compliance with SDCL 5-24-4.

Status:

This finding has not been corrected and is restated as current audit finding 2017-004.

2016-005

A material weakness was reported for not maintaining sufficient inventory records for the governmental activities, business-type activities and each major fund. The City is not in compliance with SDCL 5-24-1 or SDCL 5-24-2.

Status:

This finding has been resolved.

**CITY OF MOBRIDGE**  
**SCHEDULE OF PRIOR AUDIT FINDINGS**  
**DECEMBER 31, 2017**  
**(Continued)**

2016-006

The City does not have controls in place to restrict access of the Mayor's signature stamp.

Status:

This finding has not been corrected and is restated as current audit finding 2017-005.

2016-007

The City overspent the annual appropriations ordinance for the Operating Transfer's Out function in the General Fund by \$660,662, a material amount, without adopting a supplemental appropriations ordinance.

Status:

This finding has been resolved.



**CITY OF MOBRIDGE**  
**SCHEDULE OF CURRENT AUDIT FINDINGS**  
**DECEMBER 31, 2017**

CURRENT AUDIT FINDINGS:

Internal Control-Related Findings - Material Weaknesses:

2017-001

Criteria

Internal control can help the City achieve its performance targets and prevent loss of resources. It can help ensure reliable financial reporting and it can help ensure that the City complies with laws and regulations.

Condition Found

A material weakness was reported for lack of segregations of duties for cash and investments, revenues and receivables, inventories, capital assets, equity, debt, expenditures, and payroll.

Cause

The City of Mobridge has a limited number of employees who prepare all records for cash and investments, revenues and receivables, inventories, capital assets, equity, debt, expenditures, and payroll.

Effect

This is undesirable from an internal control viewpoint and could result in a loss of control over accounting transactions and errors not being found in a timely manner.

Recommendation

We recommend the City Council take a more active role in their oversight of cash and investments, revenues and receivables, inventories, capital assets, equity, debt, expenditures, and payroll.

Identification as a repeat finding

Yes, this is a restatement of 2016-001.

Management's Response

See the City's corrective action plan on pages 9 - 10.

2017-002

Criteria

An organization's internal control structure should provide for the recording of all necessary material adjustments in order to ensure that accounting records are in accordance with generally accepted accounting principles.

Condition Found

During the course of our engagement, we proposed material audit adjustments that would not have been identified as a result of the City's existing internal controls, and therefore could have resulted in a material misstatement of the City's financial statements.

**CITY OF MOBRIDGE**  
**SCHEDULE OF CURRENT AUDIT FINDINGS**  
**DECEMBER 31, 2017**  
**(Continued)**

Cause

The City of Mobridge does not have sufficient staff to ensure all adjustments are recorded.

Effect

This condition may affect the City's ability to record, process, summarize, and report financial statement data consistent with the assertions of management in the financial statements.

Recommendation

This circumstance is not unusual in an organization of your size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Identification as a repeat finding

Yes, this is a restatement of 2016-002.

Management's Response

See the City's corrective action plan on pages 9 - 10.

2017-003

Criteria

An organization's internal control structure should provide for the preparation of financial statements in accordance with generally accepted accounting principles (GAAP).

Condition Found

The City does not have an internal control system designed to provide for the preparation of the annual financial statements being audited, including required footnotes and disclosures, in accordance with the generally accepted accounting principles. As auditors, we were requested to draft the financial statements.

Cause

The City does not have sufficient staff to ensure the preparation of the financial statements in accordance with generally accepted accounting principles (GAAP).

Effect

This condition may affect the City's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Recommendation

This circumstance is not unusual in an organization of your size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

**CITY OF MOBRIDGE**  
**SCHEDULE OF CURRENT AUDIT FINDINGS**  
**DECEMBER 31, 2017**  
**(Continued)**

Identification as a repeat finding

Yes, this is a restatement of 2016-003.

Management's Response

See the City's corrective action plan on pages 9 - 10.

2017-004

Criteria

The City is responsible for maintaining proper general capital assets, enterprise capital assets, and depreciation records.

Condition Found

A material weakness was reported for not maintaining proper capital asset records to support the amounts reported for general capital assets, enterprise capital assets, and depreciation expense; therefore, the City is not in compliance with SDCL 5-24-4.

Cause

The City does not have complete records of capital assets on file.

Effect

This has resulted in diminished controls over capital assets and can result in misleading information being presented to the users of the financial statements.

Recommendation

We recommend the City Council conduct a comprehensive physical inventory of all capital assets and update the subsidiary records accordingly. Cost (or estimated cost) of the assets should be properly documented.

Identification as a repeat finding

Yes, this is a restatement of 2016-004.

Management's Response

See the City's corrective action plan on pages 9 - 10.

2017-005

Criteria

The City's internal control structure should be designed to prevent unauthorized use of the Mayor's signature stamp.

Condition Found

The City does not have controls in place to restrict access of the Mayor's signature stamp.

**CITY OF MOBRIDGE**  
**SCHEDULE OF CURRENT AUDIT FINDINGS**  
**DECEMBER 31, 2017**  
**(Continued)**

Cause

The City's Finance Officer has access to the Mayor's signature stamp without restriction.

Effect

This condition may allow for unauthorized use of the signature stamp to issue checks without proper approval or review from the City Council.

Recommendation

The City should have controls in place that restrict the use and access of this stamp to the Mayor.

Identification as a repeat finding

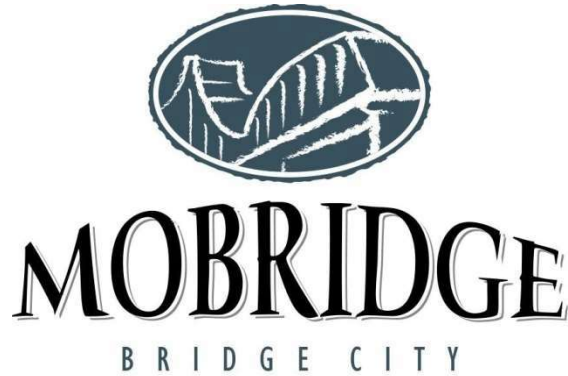
Yes, this is a restatement of 2016-006.

Management's Response

See the City's corrective action plan on pages 9 - 10.

Closing Conference

The contents of this report were discussed with Heather Beck, Finance Officer; Christine Goldsmith, City Administrator; and Curtis Reichert, Council Member on August 22, 2018.



**Corrective Action Plan (Unaudited)**

City of Mobridge submits the following corrective action plan for the year ended December 31, 2017:

Current Audit Findings:

2017-001

*Condition:* A material weakness was reported for a lack of segregation of duties for cash, revenues, grants and receivables, inventories, payables, capital assets, equity, debt, expenditures, and payroll.

*Views of responsible officials and planned corrective actions:* Heather Beck, Finance Officer  
Although the City is unable to afford more office staff, we will continue to review policies and procedures to come up with ways to account for lack of segregation of duties. For example, we have a summer college intern that could review various reports.

2017-002

*Condition:* During the course of our engagement, we proposed material audit adjustments that would not have been identified as a result of the City's existing internal controls, and therefore could have resulted in a material misstatement of the City's financial statements.

*Views of responsible officials and planned corrective actions:* Heather Beck, Finance Officer – same as above

2017-003

*Condition:* The City does not have an internal control system designed to provide for the preparation of the annual financial statements being audited, including required footnotes and disclosures, in accordance with the generally accepted accounting principles. As auditors, we are requested to draft the financial statements.

*Views of responsible officials and planned corrective actions:* Heather Beck, Finance Officer – Beck will review the process with auditors to start preparing the annual financial statements.

2017-004

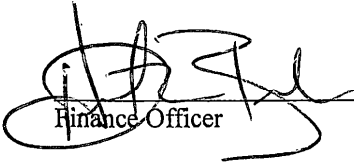
*Condition:* A material weakness was reported for not maintaining proper capital asset records to support the amounts reported for general capital assets, enterprise capital assets, and depreciation expense; therefore, the City is not in compliance with SDCL 5-24-4.

*Views of responsible officials and planned corrective actions:* Heather Beck, Finance Officer  
The City continues to work on adequate fixed asset records.

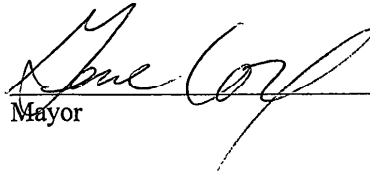
2017-005

*Condition:* The City does not have controls in place to restrict access of the Mayor's signature stamp.

*View of responsible officials and planned corrective actions:* Gene Cox, Mayor  
Mayor Cox will work on putting controls in place to restrict access of his signature stamp.



Finance Officer



Mayor

**KOHLMAN, BIERSCHBACH & ANDERSON, LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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WITH OFFICE IN  
MILLER, SOUTH DAKOTA

INDEPENDENT AUDITORS' REPORT

City Council  
City of Mobridge  
Mobridge, South Dakota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Mobridge, South Dakota (City), as of and for the year ended December 31, 2017, which collectively comprise the City's basic financial statements as listed in the Table of Contents. Management has elected to omit the related notes to the financial statements; therefore, we did not audit the related notes.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Mobridge Housing and Redevelopment Commission, which represent 100 percent of the assets, net position, and revenues of the aggregate discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Mobridge Housing and Redevelopment Commission, is based solely on the report of the other auditors. 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 auditors' 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 City'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 City'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 financial statement presentation.

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

Basis for Adverse Opinion

Management has not recorded certain capital assets in the governmental and business-type activities and, accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those capital assets be capitalized and depreciated, which would increase the assets, net position, and expenses of the governmental activities and business-type activities. The amount by which this departure would affect the assets, net position, and expenses of the governmental and business-type activities has not been determined.

The City has not prepared notes to the financial statements. As a result, numerous disclosures required by U.S. generally accepted accounting principles are not made a part of these financial statements. The amount by which this departure would affect these financial statements is not reasonably determinable.

#### Adverse Opinion

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion" paragraphs, the financial statements referred to previously do not present fairly the financial position of the reporting entity of the City of Mobridge as of December 31, 2017, or the changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Other Matters*

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Pension Schedules on pages 22 through 23 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, 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.

The City has omitted the Management's Discussion and Analysis (MD&A) and the Budgetary Comparison Schedules that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

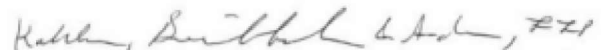
#### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements, however, for reasons stated in the "Basis for Adverse Opinion" paragraphs, the financial statements referred to above do not present fairly in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities and the changes in financial position. Therefore, we do not express an opinion on the accompanying combining nonmajor fund financial statements.

#### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 4, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's 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 City's internal control over financial reporting and compliance.

January 4, 2019





**CITY OF MOBRIDGE**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	Primary Government			Component Unit
	Govern- mental Activities	Business- Type Activities	Total	
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 1,341,670	\$ 912,061	\$2,253,731	\$ 92,314
Investments	1,819,492	1,218,289	3,037,781	11,495
Accounts receivable, net	434,243	6,974	441,217	12,829
Internal balances	48,252	-	48,252	-
Inventories of supplies	-	118,096	118,096	-
Prepaid expenses	21,176	-	21,176	3,929
Restricted cash and cash equivalents	52,053	23,492	75,545	16,541
Restricted investments	-	-	-	22,958
Net pension asset	5,305	1,150	6,455	-
Capital Assets:				
Land, improvements and construction in progress	167,758	189,893	357,651	23,696
Other capital assets, net of depreciation	1,664,704	4,503,854	6,168,558	888,289
				-
<b>TOTAL ASSETS</b>	<b>5,554,653</b>	<b>6,973,809</b>	<b>12,528,462</b>	<b>1,072,051</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>				
Pension related deferred outflows	530,388	127,628	658,016	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>530,388</b>	<b>127,628</b>	<b>658,016</b>	<b>-</b>
<b>LIABILITIES :</b>				
Accounts payable	101,942	45,066	147,008	1,759
Other current liabilities	13,205	48,252	61,457	46,796
Noncurrent Liabilities:				
Due within one year	263,299	112,594	375,893	35,783
Due in more than one year	3,504,521	3,609,615	7,114,136	1,083,112
<b>TOTAL LIABILITIES</b>	<b>3,882,967</b>	<b>3,815,527</b>	<b>7,698,494</b>	<b>1,167,450</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Pension related deferred inflows	106,576	23,319	129,895	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>106,576</b>	<b>23,319</b>	<b>129,895</b>	<b>-</b>
<b>NET POSITION:</b>				
Net investment in capital assets	-	979,457	979,457	-
Restricted for:				
Capital projects purposes	36,153	-	36,153	-
Debt service purposes	33,053	20,921	53,974	-
SDRS pension purposes	429,117	105,459	534,576	-
Permanently restricted purposes	-	-	-	-
Other purposes	735,073	2,571	737,644	-
Unrestricted (Deficit)	862,102	2,154,181	3,016,283	(95,399)
<b>TOTAL NET POSITION</b>	<b>\$ 2,095,498</b>	<b>\$ 3,262,589</b>	<b>\$ 5,358,087</b>	<b>\$ (95,399)</b>

**CITY OF MOBRIDGE**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2017**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
				Governmental Activities	Business-Type Activities	Total	
<b>Primary Government:</b>							
Governmental Activities:							
General government	\$ 292,735	\$ -	\$ 36,883	\$ (218,189)	\$	\$ (218,189)	
Public safety	1,129,064	338,608	1,270	(763,453)		(763,453)	
Public works	1,261,268	144,252	559,020	(237,116)		(237,116)	
Health and welfare	58,617	-	-	(58,617)		(58,617)	
Culture and recreation	530,194	-	18,948	(436,812)		(436,812)	
Conservation and development	135,956	-	-	(135,956)		(135,956)	
Miscellaneous	107	-	-	(107)		(107)	
*Interest on long-term debt	134,635	-	-	(134,635)		(134,635)	
<b>Total Governmental Activities</b>	<b>3,542,576</b>	<b>482,860</b>	<b>616,121</b>	<b>(1,984,885)</b>		<b>(1,984,885)</b>	
<b>Business-Type Activities:</b>							
Water	620,969	-	-	\$ 247,189	\$	247,189	
Sewer	2,046,734	-	300,126	(1,198,784)		(1,198,784)	
Airport	259,942	-	-	(314)		(314)	
Cemetery	21,342	-	-	(1,542)		(1,542)	
Water and sewer main	-	-	-	10,507		10,507	
<b>Total Business-Type Activities</b>	<b>2,948,987</b>	<b>-</b>	<b>300,126</b>	<b>(942,944)</b>		<b>(942,944)</b>	
<b>Total Primary Government</b>	<b>\$ 6,491,563</b>	<b>\$ 482,860</b>	<b>\$ 916,247</b>	<b>(1,984,885)</b>		<b>(2,927,829)</b>	
<b>Component Units:</b>							
Housing and Redevelopment Commission	\$ 867,133	\$ 715,873	\$ -				\$ (29,910)
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property taxes				651,102		651,102	-
Sales taxes				1,716,931		1,716,931	-
State shared revenues				42,085		42,085	-
Unrestricted investment earnings				6,093	2,533	8,626	80
Miscellaneous revenue				55,317	58,983	114,300	6,916
<b>Total General Revenues</b>				<b>2,471,528</b>	<b>61,516</b>	<b>2,533,044</b>	<b>6,996</b>
<b>Change in Net Position</b>				<b>486,643</b>	<b>(881,428)</b>	<b>(394,785)</b>	<b>(22,914)</b>
<b>Net Position - Beginning</b>				<b>1,608,854</b>	<b>4,144,017</b>	<b>5,752,871</b>	<b>(72,485)</b>
<b>Net Position - Ending</b>				<b>\$ 2,095,497</b>	<b>\$ 3,262,589</b>	<b>\$ 5,358,086</b>	<b>\$ (95,399)</b>

\* The City does not have interest expense related to the functions presented above. This amount includes indirect interest expense on general long-term debt.

**CITY OF MOBRIDGE**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2017**

	General Fund	PSAP Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 1,028,877	\$ 222,714	\$ 90,079	\$ 1,341,670
Investments	1,435,750	290,020	93,722	1,819,492
Taxes receivable - delinquent	38,079	-	-	38,079
Accounts receivable, net	2,080	37,691	302	40,073
Special assessments receivable - delinquent	68,776	-	39,134	107,910
Notes receivable	42,194	-	-	42,194
Due from airport fund	48,252	-	-	48,252
Due from debt service funds	43,262	-	-	43,262
Due from state government	192,746	2,992	10,249	205,987
Prepaid expenses	21,176	-	-	21,176
Restricted cash and cash equivalents	52,053	-	-	52,053
<b>TOTAL ASSETS</b>	<b>\$ 2,973,245</b>	<b>\$ 553,417</b>	<b>\$ 233,486</b>	<b>\$ 3,760,148</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 90,172	\$ 1,360	\$ 10,410	\$ 101,942
Due to the General Fund	-	-	43,262	43,262
Accrued taxes payable	10,530	-	-	10,530
Customer deposits	2,675	-	-	2,675
<b>TOTAL LIABILITIES</b>	<b>103,377</b>	<b>1,360</b>	<b>53,672</b>	<b>158,409</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue - property taxes	31,918	-	-	31,918
Unavailable revenue - special assessments	68,347	-	37,454	105,801
Other deferred inflows of resources	44,943	-	2,108	47,051
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>145,208</b>	<b>-</b>	<b>39,562</b>	<b>184,770</b>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Prepays	21,176	-	-	21,176
<b>Restricted:</b>				
Debt services	33,053	-	-	33,053
Capital project purposes	-	-	36,153	36,153
Facilities and promoting the City	-	-	16,660	16,660
K9	19,000	-	-	19,000
Park purposes	-	-	2,559	2,559
911 service purposes	-	552,057	-	552,057
24/7 sobriety purposes	-	-	108,363	108,363
Other	-	-	26,618	26,618
<b>Assigned:</b>				
Subsequent year's budget	324,611	-	-	324,611
Capital outlay accumulations	731,353	-	-	731,353
Unassigned	1,595,467	-	(50,101)	1,545,366
<b>TOTAL FUND BALANCES</b>	<b>2,724,660</b>	<b>552,057</b>	<b>140,252</b>	<b>3,416,969</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 2,973,245</b>	<b>\$ 553,417</b>	<b>\$ 233,486</b>	<b>\$ 3,760,148</b>

**CITY OF MOBRIDGE**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

Total Fund Balances - Governmental Funds \$ 3,416,969

Amounts reported for governmental activities in the statement of net position are different because:

Net pension asset reported in governmental activities is not an available financial resource and therefore is not reported in the funds. 5,305

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 1,832,462

Pension related deferred outflows are components of pension liability (asset) and therefore are not reported in the funds. 530,388

Long-term liabilities, including bonds payable and accrued leave payable, are not due and payable in the current period and therefore are not reported in the funds.

Revenue bonds	\$ 3,478,687	
Accrued leave	63,727	
Other long-term debt	225,406	(3,767,820)

Assets, such as taxes receivable (delinquent) and special assessment receivables (current, delinquent, and deferred), are not available to pay for current period expenditures and therefore are deferred in the funds.

Property taxes	\$ 31,918	
Special assessments	105,801	
Other deferred inflows	47,051	184,770

Pension related deferred inflows are components of pension liability (asset) and therefore are not reported in the funds. (106,576)

Net Position - Governmental Activities \$ 2,095,498

**CITY OF MOBRIDGE**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**

	General Fund	PSAP Fund	Other Govern- mental Funds	Total Govern- mental Funds
<b>REVENUES:</b>				
Taxes:				
General property taxes	\$ 647,114	\$ -	\$ -	\$ 647,114
Airflight property tax	3,162	-	-	3,162
General sales and use taxes	1,625,945	-	114,854	1,740,799
Gross receipts business taxes	4,767	-	-	4,767
Amusement taxes	36	-	-	36
Penalties and interest on delinquent taxes	5,267	-	-	5,267
Licenses and Permits	19,069	-	-	19,069
Intergovernmental Revenue:				
Federal grants	22,808	-	-	22,808
State grants	231,913	-	-	231,913
State shared revenue:				
Bank franchise tax	20,574	-	-	20,574
Prorate license fees	5,046	-	-	5,046
Liquor tax reversion	21,511	-	-	21,511
Motor vehicle licenses (25%)	31,301	-	-	31,301
Local government highway and bridge fund	89,320	-	-	89,320
911 remittances	-	315,800	-	315,800
County shared revenue:				
County road and bridge tax (25%)	29	-	-	29
County wheel tax	11,489	-	-	11,489
Other intergovernmental revenues	3,020	-	-	3,020
Charges for Goods and Services:				
General government	3,617	-	-	3,617
Public safety	18,753	-	6,980	25,733
Highways and streets	32,077	-	-	32,077
Sanitation	288,803	-	-	288,803
Culture and recreation	67,419	-	-	67,419
Fines and Forfeits:				
Library	7,015	-	-	7,015
Miscellaneous Revenue:				
Investment earnings	5,246	806	41	6,093
Rentals	14,977	-	-	14,977
Special assessments	59,188	-	181,413	240,601
Contributions and donations from private sources	57,101	-	-	57,101
Other	48,299	273	1,873	50,445
<b>TOTAL REVENUE</b>	<b>3,344,866</b>	<b>316,879</b>	<b>305,161</b>	<b>3,966,906</b>
<b>EXPENDITURES:</b>				
General Government:				
Legislative	38,926	-	-	38,926
Executive	97,950	-	-	97,950
Elections	17	-	-	17
Financial administration	123,590	-	-	123,590
Other	50,523	-	-	50,523
Public Safety:				
Police	1,054,909	101,551	8,786	1,165,246
Fire	81,774	-	-	81,774
Other protection	290	-	-	290

	General Fund	PSAP Fund	Other Govern- mental Funds	Total Govern- mental Funds
Public Works:				
Highways and streets	1,064,171	-	-	1,064,171
Sanitation	218,726	-	-	218,726
Health and Welfare:				
Health	59,869	-	-	59,869
Hospitals, nursing homes and rest homes	2,500	-	-	2,500
Culture and Recreation:				
Recreation	120,571	-	1,500	122,071
Parks	201,391	-	-	201,391
Libraries	165,733	-	-	165,733
Auditorium	49,469	-	-	49,469
Museums	6,000	-	-	6,000
Conservation and Development:				
Economic development and assistance	8,846	-	127,110	135,956
Debt Service	135,100	-	309,549	444,649
Miscellaneous:				
Liquor operating agreements	107	-	-	107
<b>TOTAL EXPENDITURES</b>	<b>3,480,462</b>	<b>101,551</b>	<b>446,945</b>	<b>4,028,958</b>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(135,596)</b>	<b>215,328</b>	<b>(141,784)</b>	<b>(62,052)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	206,773	-	119,714	326,487
Sale of municipal property	1,852	-	-	1,852
Transfers out	(119,714)	(206,773)	-	(326,487)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>88,911</b>	<b>(206,773)</b>	<b>119,714</b>	<b>1,852</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(46,685)</b>	<b>8,555</b>	<b>(22,070)</b>	<b>(60,200)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>2,771,345</b>	<b>543,502</b>	<b>162,322</b>	<b>3,477,169</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 2,724,660</b>	<b>\$ 552,057</b>	<b>\$ 140,252</b>	<b>\$ 3,416,969</b>

**CITY OF MOBRIDGE**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN THE FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2017**

Net Change in Fund Balances - Total Governmental Funds \$ (60,200)

Amounts reported for governmental activities in the statement of activities are different because:

Payment of principal on long-term debt is an expenditure in the governmental funds but the payment reduces long-term liabilities in the statement of net position.

Revenue bonds	\$ 210,014	
Accrued leave	<u>100,000</u>	310,014

The fund financial statement governmental fund property tax accruals differ from the government-wide statement property tax accruals in that the fund financial statements require the amounts to be "available". (6,082)

The fund financial statement governmental fund sales and use tax accruals differ from the government-wide statement sales and use tax accruals in that the fund financial statements require the amounts be "available". (23,868)

Governmental funds report special assessments as revenue when "available", but the statement of activities includes the full amount of special assessments as revenue upon completion of the project at the point when an enforceable legal claim arises. 90,411

Governmental funds recognize expenditures for amounts of compensated absences actually paid to employees with current financial resources during the fiscal year. Amounts of compensated absences earned by employees are not recognized in the funds. In the statement of activities, expenses for these benefits are recognized when the employees earn leave credits. (12,498)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 5,234

Changes in the pension related deferred outflows/inflows are direct components of pension liability (asset) and are not reflected in the governmental funds. 183,632

Change in Net Position of Governmental Activities \$ 486,643

**CITY OF MOBRIDGE**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2017**

	Enterprise Funds				Totals
	Major			Nonmajor	
	Water Fund	Sewer Fund	Airport Fund		
<b>ASSETS:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 450,656	\$ 438,248	\$ -	\$ 23,157	\$ 912,061
Investments	614,094	570,692	-	33,503	1,218,289
Accounts receivable, net	829	-	6,144	-	6,973
Inventory of supplies	77,036	5,985	35,074	-	118,095
<b>Total Current Assets</b>	<b>1,142,615</b>	<b>1,014,925</b>	<b>41,218</b>	<b>56,660</b>	<b>2,255,418</b>
<b>Noncurrent Assets:</b>					
Restricted cash and cash equivalents	20,921	-	-	2,571	23,492
Net pension asset	754	396	-	-	1,150
<b>Capital Assets:</b>					
Land	104,394	34	84,900	565	189,893
Buildings	4,619,438	3,816,429	-	-	8,435,867
Improvements other than buildings	1,136,091	-	-	-	1,136,091
Machinery and equipment	151,782	206,163	-	18,789	376,734
Less: accumulated depreciation	(2,779,084)	(2,647,733)	-	(18,019)	(5,444,836)
<b>Total Noncurrent Assets</b>	<b>3,254,296</b>	<b>1,375,289</b>	<b>84,900</b>	<b>3,906</b>	<b>4,718,391</b>
<b>TOTAL ASSETS</b>	<b>4,396,911</b>	<b>2,390,214</b>	<b>126,118</b>	<b>60,566</b>	<b>6,973,809</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Pension related deferred outflows	86,929	40,699	-	-	127,628
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>86,929</b>	<b>40,699</b>	<b>-</b>	<b>-</b>	<b>127,628</b>
<b>LIABILITIES:</b>					
<b>Current Liabilities:</b>					
Accounts payable	13,401	27,880	1,323	2,462	45,066
Due to General Fund	-	-	48,252	-	48,252
Compensated absences payable - current	1,261	228	-	-	1,489
Bonds payable - current	58,416	52,689	-	-	111,105
<b>Total Current Liabilities</b>	<b>73,078</b>	<b>80,797</b>	<b>49,575</b>	<b>2,462</b>	<b>205,912</b>
<b>Noncurrent Liabilities:</b>					
Bonds Payable:					
Revenue	2,196,082	1,400,128	-	-	3,596,210
Compensated absences payable - noncurrent	11,351	2,054	-	-	13,405
<b>Total Noncurrent Liabilities</b>	<b>2,207,433</b>	<b>1,402,182</b>	<b>-</b>	<b>-</b>	<b>3,609,615</b>
<b>TOTAL LIABILITIES</b>	<b>2,280,511</b>	<b>1,482,979</b>	<b>49,575</b>	<b>2,462</b>	<b>3,815,527</b>



	Enterprise Funds				Totals
	Major			Nonmajor	
	Water Fund	Sewer Fund	Airport Fund		
DEFERRED INFLOWS OF RESOURCES:					
Pension related deferred inflows	15,302	8,017	-	-	23,319
TOTAL DEFERRED INFLOWS OF RESOURCES	15,302	8,017	-	-	23,319
NET POSITION:					
Net investment in capital assets	978,123	-	-	1,335	979,458
Restricted for:					
Revenue bond debt service	20,921	-	-	-	20,921
SDRS pension purposes	72,381	33,078	-	-	105,459
Other purposes	-	-	-	2,571	2,571
Unrestricted	1,116,601	906,838	76,543	54,198	2,154,180
TOTAL NET POSITION	\$2,188,026	\$ 939,916	\$ 76,543	\$ 58,104	\$ 3,262,589

**CITY OF MOBRIDGE**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**

	Enterprise Funds				Totals
	Major			Nonmajor	
	Water Fund	Sewer Fund	Airport Fund		
OPERATING REVENUE:					
Charges for goods and services	\$ 868,158	\$ 547,824	\$ 259,628	\$ 30,307	\$ 1,705,917
Miscellaneous	32,594	24,389	-	-	56,983
<b>TOTAL OPERATING REVENUE</b>	<b>900,752</b>	<b>572,213</b>	<b>259,628</b>	<b>30,307</b>	<b>1,762,900</b>
OPERATING EXPENSES:					
Personal services	245,506	155,678	-	-	401,184
Other current expense	317,783	1,871,718	105,978	21,342	2,316,821
Materials (cost of goods sold)	-	-	153,964	-	153,964
<b>TOTAL OPERATING EXPENSES</b>	<b>563,289</b>	<b>2,027,396</b>	<b>259,942</b>	<b>21,342</b>	<b>2,871,969</b>
<b>OPERATING INCOME (LOSS)</b>	<b>337,463</b>	<b>(1,455,183)</b>	<b>(314)</b>	<b>8,965</b>	<b>(1,109,069)</b>
NONOPERATING REVENUE (EXPENSE):					
Capital grants	-	300,126	-	-	300,126
Investment earnings	1,197	1,267	-	69	2,533
Rental revenue	1,000	1,000	-	-	2,000
Interest expense	(57,680)	(19,338)	-	-	(77,018)
<b>TOTAL NONOPERATING REVENUE (EXPENSE)</b>	<b>(55,483)</b>	<b>283,055</b>	<b>-</b>	<b>69</b>	<b>227,641</b>
<b>CHANGE IN NET POSITION</b>	<b>281,980</b>	<b>(1,172,128)</b>	<b>(314)</b>	<b>9,034</b>	<b>(881,428)</b>
<b>NET POSITION - BEGINNING</b>	<b>1,906,046</b>	<b>2,112,044</b>	<b>76,857</b>	<b>49,070</b>	<b>4,144,017</b>
<b>NET POSITION - ENDING</b>	<b>\$ 2,188,026</b>	<b>\$ 939,916</b>	<b>\$ 76,543</b>	<b>\$ 58,104</b>	<b>\$ 3,262,589</b>

**CITY OF MOBRIDGE**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**

	Enterprise Funds				Totals
	Major			Nonmajor	
	Water Fund	Sewer Fund	Airport Fund		
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash receipts from customers	\$ 940,661	\$ 577,322	\$ 259,457	\$ 34,938	\$ 1,812,378
Other operating cash receipts	-	-	-	-	-
Cash payments to employees for services	(277,092)	(170,646)	-	-	(447,738)
Cash payments to suppliers of goods and services	(332,150)	(1,645,331)	(226,881)	(22,664)	(2,227,026)
Net cash provided (used) by operating activities	331,419	(1,238,655)	32,576	12,274	(862,386)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	-	-	-	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Capital grants received	(55,994)	1,246,320	(84,900)	-	1,105,426
Interest paid on capital debt	(57,680)	(19,338)	-	-	(77,018)
Net cash provided (used) by capital and related financing activities	(113,674)	1,226,982	(84,900)	-	1,028,408
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Cash received for interest	1,197	1,267	-	69	2,533
Net cash provided by investing activities	1,197	1,267	-	69	2,533
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	218,942	(10,406)	(52,324)	12,343	168,555
<b>BALANCES - BEGINNING</b>	866,729	1,019,346	52,324	46,888	1,985,287
<b>BALANCES - ENDING</b>	<u>\$ 1,085,671</u>	<u>\$ 1,008,940</u>	<u>\$ -</u>	<u>\$ 59,231</u>	<u>\$ 2,153,842</u>

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:**

Operating income (loss)	\$ 337,463	\$ (1,455,183)	\$ (314)	\$ 8,965	\$ (1,109,069)
Changes in assets and liabilities:					
Net pension asset	(754)	(396)	-	-	(1,150)
Pension related deferred outflows	(12,011)	(6,443)	-	-	(18,454)
Accounts receivable	39,909	5,109	(171)	4,631	49,478
Due from other governments	-	310,594	-	-	310,594
Inventories	37,036	25,153	(11,970)	-	50,219
Accounts payable	(51,403)	(109,360)	(3,221)	(1,322)	(165,306)
Net pension liability	(32,114)	(16,093)	48,252	-	45
Accrued leave payable	(920)	492	-	-	(428)
Pension related deferred inflows	14,213	7,472	-	-	21,685
Net cash provided (used) by operating activities	<u>\$ 331,419</u>	<u>\$ (1,238,655)</u>	<u>\$ 32,576</u>	<u>\$ 12,274</u>	<u>\$ (862,386)</u>

**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A**

**CITY OF MOBRIDGE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)**  
**LAST 3 FISCAL YEARS\***

	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability (asset)	0.0711366%	0.0716432%	0.0694303%
City's proportionate share of the net pension liability (asset)	\$ (6,455)	\$ 242,004	\$ (294,474)
City's covered-employee payroll	\$ 1,315,458	\$ 1,235,567	\$ 1,166,769
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.49%	20%	25%
Plan fiduciary net position as a percentage of the total pension liability (asset)	100%	97%	104%

\*The amounts presented for each fiscal year were determined as the measurement date of the collective net pension liability (asset) which is 6/30. Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

**CITY OF MOBRIDGE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CITY CONTRIBUTIONS**  
**LAST 10 YEARS**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually required contribution	\$ 88,575	\$ 83,230	\$ 76,477	\$ 75,895	\$ 75,590	\$ 77,519	\$ 73,104	\$ 68,683	\$ 68,120	\$ 66,069
Contributions in relation to the contractually required contributions	88,575	83,230	76,477	75,895	75,590	77,519	73,104	68,683	68,120	66,069
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 1,353,947	\$ 1,268,362	\$ 1,201,877	\$ 1,175,149	\$ 1,165,222	\$ 1,200,558	\$ 1,126,043	\$ 1,052,564	\$ 1,033,930	\$ 1,013,556
Contributions as a percentage of covered-employee payroll	6.54%	6.56%	6.36%	6.46%	6.49%	6.46%	6.49%	6.53%	6.59%	6.52%

**SUPPLEMENTARY INFORMATION**

**CITY OF MOBRIDGE**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2017**

	Third Penny Sales Tax Fund	Special Park Gift Project Fund	Storm Sewer Maintenance Fund	Storm Sewer Debt Service Fund	Storm Sewer Debt Service Fund	Pool Project Debt Service Fund	Storm Sewer Project Fund	Bike Path Project Fund	Riverfront Project Fund	Total Other Governmental Funds
<b>ASSETS:</b>										
Cash and cash equivalents	\$ 4,466	\$ 1,112	\$ 11,562	\$ -	\$ -	\$ -	\$ -	\$ 14,835	\$ 869	\$ 90,079
Investments	5,816	1,447	15,056	-	50,954	-	-	19,318	1,131	93,722
Accounts receivable, net	-	-	-	-	302	-	-	-	-	302
Special assessments receivable - delinquent	-	-	-	-	-	7,372	-	-	-	39,134
Due from state government	10,249	-	-	-	31,762	-	-	-	-	10,249
<b>TOTAL ASSETS</b>	<b>\$ 20,531</b>	<b>\$ 2,559</b>	<b>\$ 26,618</b>	<b>\$ 31,762</b>	<b>\$ 108,491</b>	<b>\$ 7,372</b>	<b>\$ -</b>	<b>\$ 34,153</b>	<b>\$ 2,000</b>	<b>\$ 233,486</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>										
<b>LIABILITIES:</b>										
Accounts payable	\$ 10,282	\$ -	\$ -	\$ 128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,410
Due to General Fund	-	-	-	-	30,710	12,552	-	-	-	43,262
<b>TOTAL LIABILITIES</b>	<b>10,282</b>	<b>-</b>	<b>-</b>	<b>128</b>	<b>30,710</b>	<b>12,552</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,672</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>										
Unavailable revenue - special assessments	-	-	-	31,571	-	5,883	-	-	-	37,454
Other deferred inflows of resources	2,108	-	-	-	-	-	-	-	-	2,108
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>2,108</b>	<b>-</b>	<b>-</b>	<b>31,571</b>	<b>-</b>	<b>5,883</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,562</b>
<b>FUND BALANCES:</b>										
Restricted:										
Capital project purposes	-	-	-	-	-	-	-	34,153	2,000	36,153
Facilities and promoting the City	16,660	-	-	-	-	-	-	-	-	16,660
Park purposes	-	2,559	-	-	-	-	-	-	-	2,559
24/7 sobriety purposes	-	-	-	108,363	-	-	-	-	-	108,363
Other	-	-	26,618	-	-	-	-	-	-	26,618
Unassigned	(8,519)	-	-	(30,519)	-	(11,063)	-	-	-	(50,101)
<b>TOTAL FUND BALANCES</b>	<b>8,141</b>	<b>2,559</b>	<b>26,618</b>	<b>108,363</b>	<b>(30,519)</b>	<b>(11,063)</b>	<b>-</b>	<b>34,153</b>	<b>2,000</b>	<b>140,252</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 20,531</b>	<b>\$ 2,559</b>	<b>\$ 26,618</b>	<b>\$ 108,491</b>	<b>\$ 31,762</b>	<b>\$ 7,372</b>	<b>\$ -</b>	<b>\$ 34,153</b>	<b>\$ 2,000</b>	<b>\$ 233,486</b>



**CITY OF MOBRIDGE**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**

	Third Penny Sales Tax Fund	Special Park Gift Project Fund	Storm Sewer Maintenance Fund	24/7 Sobriety Fund	Storm Sewer Debt Service Fund	Pool Project Debt Service Fund	Storm Sewer Project Fund	Bike Path Project Fund	Riverfront Project Fund	Total Other Governmental Funds
<b>REVENUES:</b>										
Taxes:										
General sales and use taxes	\$ 114,854	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,854
Charges for Goods and Services:										
Public safety	-	-	-	6,980	-	-	-	-	-	6,980
Miscellaneous Revenue:										
Investment earnings	-	4	37	-	-	-	-	-	-	41
Special assessments	-	-	-	-	29,065	152,348	-	-	-	181,413
Other	-	-	-	1,873	-	-	-	-	-	1,873
<b>TOTAL REVENUE</b>	<b>114,854</b>	<b>4</b>	<b>37</b>	<b>8,853</b>	<b>29,065</b>	<b>152,348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>305,161</b>
<b>EXPENDITURES:</b>										
Public Safety:										
Police	-	-	-	8,786	-	-	-	-	-	8,786
Culture and Recreation:										
Recreation	-	-	-	-	-	1,500	-	-	-	1,500
Conservation and Development:										
Economic development and assistance	127,110	-	-	-	-	-	-	-	-	127,110
Debt Service	-	-	-	-	106,899	202,650	-	-	-	309,549
<b>TOTAL EXPENDITURES</b>	<b>127,110</b>	<b>-</b>	<b>-</b>	<b>8,786</b>	<b>106,899</b>	<b>204,150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>446,945</b>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(12,256)</b>	<b>4</b>	<b>37</b>	<b>67</b>	<b>(77,834)</b>	<b>(51,802)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(141,784)</b>
<b>OTHER FINANCING SOURCES:</b>										
Transfers In	-	-	-	-	60,000	50,000	9,714	-	-	119,714
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,000</b>	<b>50,000</b>	<b>9,714</b>	<b>-</b>	<b>-</b>	<b>119,714</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(12,256)</b>	<b>4</b>	<b>37</b>	<b>67</b>	<b>(17,834)</b>	<b>(1,802)</b>	<b>9,714</b>	<b>-</b>	<b>-</b>	<b>(22,070)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>20,397</b>	<b>2,555</b>	<b>26,581</b>	<b>108,296</b>	<b>(12,685)</b>	<b>(9,261)</b>	<b>(9,714)</b>	<b>34,153</b>	<b>2,000</b>	<b>162,322</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 8,141</b>	<b>\$ 2,559</b>	<b>\$ 26,618</b>	<b>\$ 108,363</b>	<b>\$ (30,519)</b>	<b>\$ (11,063)</b>	<b>\$ -</b>	<b>\$ 34,153</b>	<b>\$ 2,000</b>	<b>\$ 140,252</b>

**CITY OF MOBRIDGE**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR PROPRIETARY FUNDS**  
**DECEMBER 31, 2017**

	Cemetery Fund	Water and Sewer Main Fund	Totals
<b>ASSETS:</b>			
Current Assets:			
Cash and cash equivalents	\$ 4,316	\$ 18,841	\$ 23,157
Investments	8,968	24,535	33,503
	<u>13,284</u>	<u>43,376</u>	<u>56,660</u>
Total Current Assets			
Noncurrent Assets:			
Restricted cash and cash equivalents	2,571	-	2,571
Capital Assets:			
Land	565	-	565
Machinery and equipment	18,789	-	18,789
Less: accumulated depreciation	(18,019)	-	(18,019)
	<u>3,906</u>	<u>-</u>	<u>3,906</u>
Total Noncurrent Assets			
<b>TOTAL ASSETS</b>	<u>17,190</u>	<u>43,376</u>	<u>60,566</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts payable	2,462	-	2,462
	<u>2,462</u>	<u>-</u>	<u>2,462</u>
Total Current Liabilities			
<b>NET POSITION:</b>			
Net investment in capital assets	1,335	-	1,335
Restricted for:			
Other purposes	2,571	-	2,571
Unrestricted	10,822	43,376	54,198
	<u>14,728</u>	<u>43,376</u>	<u>58,104</u>
<b>TOTAL NET POSITION</b>	<u>\$ 14,728</u>	<u>\$ 43,376</u>	<u>\$ 58,104</u>

**CITY OF MOBRIDGE**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**NONMAJOR PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**

	Cemetery Fund	Water and Sewer Main Fund	Totals
OPERATING REVENUE:			
Charges for goods and services	\$ 19,800	\$ 10,507	\$ 30,307
TOTAL OPERATING REVENUE	<u>19,800</u>	<u>10,507</u>	<u>30,307</u>
OPERATING EXPENSES:			
Other current expense	21,342	-	21,342
TOTAL OPERATING EXPENSES	<u>21,342</u>	<u>-</u>	<u>21,342</u>
OPERATING INCOME (LOSS)	<u>(1,542)</u>	<u>10,507</u>	<u>8,965</u>
NONOPERATING REVENUE:			
Investment earnings	18	51	69
TOTAL NONOPERATING REVENUE	<u>18</u>	<u>51</u>	<u>69</u>
CHANGE IN NET POSITION	(1,524)	10,558	9,034
NET POSITION - BEGINNING	<u>16,252</u>	<u>32,818</u>	<u>49,070</u>
NET POSITION - ENDING	<u>\$ 14,728</u>	<u>\$ 43,376</u>	<u>\$ 58,104</u>

**CITY OF MOBRIDGE**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2017**

	Cemetery Fund	Water and Sewer Main Fund	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers	\$ 24,324	\$ 10,614	\$ 34,938
Cash payments to suppliers of goods and services	(22,664)	-	(22,664)
Net cash provided by operating activities	<u>1,660</u>	<u>10,614</u>	<u>12,274</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Cash received for interest	<u>18</u>	<u>51</u>	<u>69</u>
Net cash provided by investing activities	<u>18</u>	<u>51</u>	<u>69</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,678	10,665	12,343
BALANCES - BEGINNING	<u>14,177</u>	<u>32,711</u>	<u>46,888</u>
BALANCES - ENDING	<u><u>\$ 15,855</u></u>	<u><u>\$ 43,376</u></u>	<u><u>\$ 59,231</u></u>

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES:**

Operating income (loss)	\$ (1,542)	\$ 10,507	\$ 8,965
Changes in assets and liabilities:			
Accounts receivable	4,524	107	4,631
Accounts payable	(1,322)	-	(1,322)
Net cash used by operating activities	<u><u>\$ 1,660</u></u>	<u><u>\$ 10,614</u></u>	<u><u>\$ 12,274</u></u>