

CITY OF MOBRIDGE
AUDITED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

CITY OF MOBRIDGE
CITY OFFICIALS
DECEMBER 31, 2016

Mayor:

Jamie Dietterle

Governing Board:

Gene Cox, President
Amy Cerney, Vice President
Jackie Quashnick
Tom O'Connell
Tony Yellowboy
Randy Carlson

City Administrator:

Christine Goldsmith

Finance Officer:

Heather Beck

Attorney:

Rick Cain

CITY OF MOBRIDGE
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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 December 31, 2016, and for the year then ended, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 8, 2017, 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 2016-001 through 2016-007.

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 instances of noncompliance or other matters that are required to be reported under Government Auditing

Standards and which are described in the accompanying Schedule of Current Audit Findings as items 2016-004, 2016-005, and 2016-007.

City's Responses to Findings

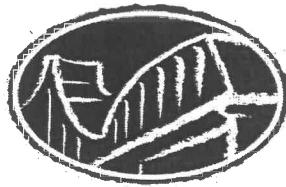
The City's responses to the findings identified in our audit are described in the accompanying Schedule of Current Audit Findings. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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.

Kahn, Smith & Adams, LLP

December 8, 2017



MOBRIDGE

BRIDGE CITY

SCHEDULE OF PRIOR AUDIT FINDINGS

2015-001

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. This finding initially occurred in 2008. This comment has not been corrected and is restated as current audit finding 2016-004. The reason for the recurrence is a lack of financial resources available to do a proper initial asset listing.

2015-002

A material weakness was reported for a lack of segregation of duties for cash, revenues, receivables, inventories, payables, capital assets, equity, expenditures, and payroll. This finding initially occurred in 2008. This comment has not been corrected and is restated as current audit finding 2016-001. The reason for the recurrence is a lack of financial resources available to have the additional staff needed to adequately segregate duties.

2015-003

A material weakness was reported for not maintaining sufficient inventory records for the governmental activities, business-type activities and each major fund. This finding initially occurred in 2008. The City is not in compliance with SDCL 5-24-1 or SDCL 5-24-2. This comment has not been corrected and is restated as current audit finding 2016-005. The reason for the recurrence is the City required additional time to implement an inventory process due to a change in City staffing.

2015-004

No internal control structure to provide for the recording of all necessary material adjustments. This finding initially occurred in 2008. This comment has not been corrected and is restated as current audit finding 2016-002. The reason for the recurrence is the lack of financial resources available to provide an internal control structure to record all necessary material adjustments.

2015-005

No internal control system designed to provide for the preparation of the financial statements in accordance with generally accepted accounting principles (GAAP). This finding initially occurred in 2008. This comment has not been corrected and is restated as current audit finding 2016-003. The reason for the recurrence is the lack of financial resources available to provide an internal control structure to prepare the financial statements.

2015-006

The City does not have controls in place to restrict access of the Mayor's signature stamp. This finding initially occurred in 2010. This finding has not been corrected and has been restated as current audit finding 2016-006. The reason for the recurrence is the City accepts the risk involved.

2015-007

The City overspent the annual appropriations ordinance without making the necessary supplemental appropriation. This finding initially occurred in 2014. This finding has not been corrected and has been restated as current audit finding 2016-007. The reason for the recurrence was error by City management in determining the necessary supplemental budget requirements.

2015-008

The City failed to publish appropriations ordinances or supplemental appropriations ordinances for the Mural Restoration Project Fund. This finding initially occurred in 2015. This finding has been corrected.

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2016

CURRENT AUDIT FINDINGS:

Internal Control-Related Findings - Material Weaknesses:

2016-001

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

A material weakness was reported for a lack of segregation of duties for cash, revenues, receivables, inventories, payables, capital assets, equity, indebtedness, 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.

Cause

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

Recommendation

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

Views of Responsible Officials and Planned Corrective Actions

See the unaudited corrective action plan on pages 10 - 11.

2016-002

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

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.

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.

Cause

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

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2016
(Continued)

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.

Views of Responsible Officials and Planned Corrective Actions

See the unaudited corrective action plan on pages 10 - 11.

2016-003

Criteria

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

Condition

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.

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.

Cause

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

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.

Views of Responsible Officials and Planned Corrective Actions

See the unaudited corrective action plan on pages 10 - 11.

2016-004

Criteria

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

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.

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2016
(Continued)

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.

Cause

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

Recommendation

The City should 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.

Views of Responsible Officials and Planned Corrective Actions

See the unaudited corrective action plan on pages 10 - 11.

2016-005

Criteria

SDCL 5-24-1 states that municipal officers or employees, having in their custody any public personal property, requiring inventory as defined in rules issued by the commissioner of the Bureau of Administration shall annually on the thirty-first day of December, within ten days thereafter, make in duplicate an inventory of all the public personal property. SDCL 5-24-2 states that inventories required by §§ 5-24-1 and 5-24-1.1 shall show the actual cost for each item, or the estimated cost at the time of acquisition, if the actual cost cannot be ascertained. In the case of gifts, the estimated fair market value at the time of acquisition shall be used. The officer or employee shall retain one copy of the inventory in the officer's or employee's office. The others shall be filed as provided in §§ 5-24-1.1 and 5-24-3. In case of gifts, the estimated fair market value at the time of the acquisition shall be used. The City is responsible for maintaining accurate records for amounts reported as inventories for governmental activities, business-type activities and each major fund.

Condition

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.

Effect

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

Cause

The City did not maintain sufficient inventory records.

Recommendation

We recommend the City Council prepare an inventory listing, counted within 10 days of the end of the year as per SDCL 5-24-1, and value using the actual costs or estimated cost at the time of acquisition as per SDCL 5-24-2. We also recommend more controls be implemented at the airport. An inventory count should be performed by management and reconciled by the Finance Officer on at least a quarterly basis.

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2016
(Continued)

Views of Responsible Officials and Planned Corrective Actions

See the unaudited corrective action plan on pages 10 - 11.

2016-006

Criteria

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

Condition

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

Effect

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

Cause

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

Recommendation

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

Views of Responsible Officials and Planned Corrective Actions

See the unaudited corrective action plan on pages 10 - 11.

2016-007

Criteria

SDCL 9-21-9 states neither the governing body nor any department or officer of the municipality shall add to the municipal expenditures in any fiscal year any sum in excess of the amount provided for in the annual appropriation ordinance except as otherwise specially provided. Nor shall the amount spent for any purpose or any department exceed the total amount appropriated for such purpose or for such department in the annual appropriation ordinance for such year, except as otherwise specially provided.

Condition

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.

Effect

The City is not in compliance with SDCL 9-21-9.

Cause

The City did not make a Supplemental Budget when closing out the pool project fund with an approved operating transfer out of the general fund.

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2016
(Continued)

Recommendation

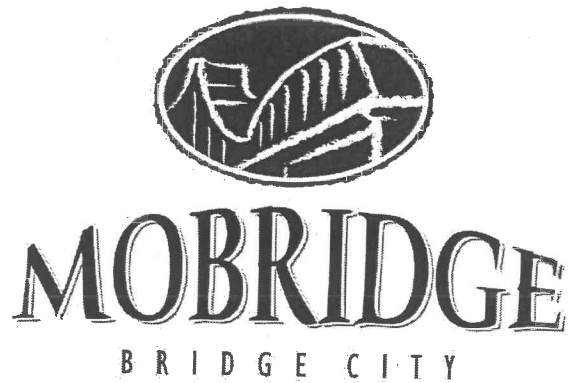
We recommend the City Council and the Financial Officer monitor compliance more closely.

Views of Responsible Officials and Planned Corrective Actions

See the unaudited corrective action plan on pages 10 - 11.

Closing Conference

The contents of this report were discussed with Heather Beck, Finance Officer; Christine Goldsmith, City Administrator; Jamie Dietterle, Mayor; and Jackie Quashnick, Council Member, on October 12, 2017.



Corrective Action Plan (Unaudited)

City of Moberidge submits the following corrective action plan for the year ended December 31, 2016:

Current Other Audit Findings:

2016-001

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

Responsible official: Heather Beck, Finance Officer

Planned corrective actions: Again due to limited funds, the City is unable to afford to hire an additional office staff. We will continue to cross check reports and incorporate the City Administrator to review various items when time allows.

Anticipated completion date: Ongoing

2016-002

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.

Responsible official: Heather Beck, Finance Officer

Planned corrective actions: Same as above

Anticipated completion date: Ongoing

2016-003

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.

Responsible official: Heather Beck, Finance Officer

Planned corrective actions: Beck will start preparing the annual financial statements.

Anticipated completion date: December 31, 2018

2016-004

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.

Responsible official: Heather Beck, Finance Officer

Planned corrective actions: The City continues to work on adequate capital asset records.

Anticipated completion date: December 31, 2020

2016-005

Condition: 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.

Responsible official: Heather Beck, Finance Officer

Planned corrective actions: We are preparing spreadsheets for inventory records. At the year end, the finance officer and city administrator will verify department counts.

Anticipated completion date: December 31, 2017

2016-006

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: Jamie Dietterly, Mayor
Mayor Dietterle will work on putting controls in place to restrict access of his signature stamp.

Anticipated completion date: December 31, 2017

2016-007

Condition: 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.

Responsible official: Heather Beck, Finance Officer

Planned corrective actions: This was an error by the Finance Officer. She will, in the future, add any transfer outs that were not budgeted for in the supplemental appropriations ordinance.

Anticipated completion date: December 31, 2017

KOHLMAN, BIERSCHBACH & ANDERSON, LLP
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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 December 31, 2016, and for the year then ended, 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, in so far as it relates to the amounts included for the City of Mobridge, 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.

Management has not maintained proper inventory records in the governmental activities, business-type activities, and each major fund. Accounting principles generally accepted in the United States of America require that inventory be properly recorded, which would affect assets, net assets, and expenses of the governmental activities, business-type activities and each major fund. The amount by which this departure would affect the assets, net assets and expenses of the governmental activities, business-type activities and each major fund 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, 2016, 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 24 through 25 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 December 8, 2017, 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 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 City's internal control over financial reporting and compliance.

Kahler, Smith & Anderson, LLP

December 8, 2017

CITY OF MOBRIDGE
STATEMENT OF NET POSITION
DECEMBER 31, 2016

	PRIMARY GOVERNMENT			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS:				
Cash and cash equivalents	\$ 1,544,210	\$ 958,232	\$ 2,502,442	\$ 93,205
Investments	1,665,299	1,020,699	2,685,998	23,494
Accounts receivable, net	437,839	367,046	804,885	34,285
Inventory of supplies	-	168,314	168,314	-
Prepaid expenses	-	-	-	3,969
Restricted cash and cash equivalents	29,543	6,356	35,899	25,607
Restricted investments	-	-	-	21,414
Capital Assets:				
Land, improvements and construction in progress	167,758	104,994	272,752	23,696
Other capital assets, net of depreciation	1,664,704	4,503,856	6,168,560	928,334
TOTAL ASSETS	<u>5,509,353</u>	<u>7,129,497</u>	<u>12,638,850</u>	<u>1,154,004</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Pension related deferred outflows	440,618	109,174	549,792	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>440,618</u>	<u>109,174</u>	<u>549,792</u>	<u>-</u>
LIABILITIES:				
Accounts payable	50,347	210,373	260,720	1,128
Other current liabilities	25,065	-	25,065	73,568
Noncurrent liabilities				
Due within one year	255,236	64,604	319,840	34,183
Due in more than one year	4,003,897	2,818,043	6,821,940	1,117,610
TOTAL LIABILITIES	<u>4,334,545</u>	<u>3,093,020</u>	<u>7,427,565</u>	<u>1,226,489</u>
DEFERRED INFLOWS OF RESOURCES:				
Pension related deferred inflows	6,572	1,634	8,206	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>6,572</u>	<u>1,634</u>	<u>8,206</u>	<u>-</u>
NET POSITION:				
Net investment in capital assets	-	1,789,730	1,789,730	-
Restricted for:				
Capital project purposes	36,153	-	36,153	-
Debt service purposes	29,543	18,065	47,608	-
SDRS pension purposes	240,251	59,332	299,583	-
Other purposes	704,072	2,571	706,643	-
Unrestricted	598,835	2,274,319	2,873,154	(72,485)
TOTAL NET POSITION	<u>\$ 1,608,854</u>	<u>\$ 4,144,017</u>	<u>\$ 5,752,871</u>	<u>\$ (72,485)</u>

CITY OF MOBRIDGE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			12/31/2016 Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 295,914	\$ 36,404	\$ -	\$ -	\$ (259,510)		\$ (259,510)	
Public safety	1,196,433	50,359	406,784	9,153	(730,137)		(730,137)	
Public works	795,294	305,499	153,812	149,722	(186,261)		(186,261)	
Health and welfare	47,777	-	-	-	(47,777)		(47,777)	
Culture and recreation	839,031	85,677	-	41,030	(712,324)		(712,324)	
Conservation and development	129,214	-	-	-	(129,214)		(129,214)	
Miscellaneous	74	-	-	-	(74)		(74)	
* Interest on long-term debt	138,344	-	-	-	(138,344)		(138,344)	
Total Governmental Activities	3,442,081	477,939	560,596	199,905	(2,203,641)		(2,203,641)	
Business-Type Activities:								
Water	771,650	833,405	-	-	\$ 61,755	61,755		
Sewer	1,269,336	548,178	-	210,374	(510,784)	(510,784)		
Airport	290,631	276,781	-	-	(13,850)	(13,850)		
Cemetery	23,830	25,572	200	-	1,942	1,942		
Water and sewer main	66,820	10,495	-	-	(56,325)	(56,325)		
Total Business-Type Activities	2,422,267	1,694,431	200	210,374	(517,262)	(517,262)		
Total Primary Government	5,864,348	2,172,370	560,796	410,279	(2,203,641)	(517,262)	(2,720,903)	
Component Unit:								
Housing and Redevelopment Commission	\$ 901,935	\$ 117,289	\$ 764,736	\$ -				\$ (19,910)
* The City does not have interest expense related to the functions presented above. This amount includes indirect interest expense on general long-term debt.								
General Revenues:								
Taxes:								
Property taxes				637,298	-	637,298		-
Sales taxes				1,770,684	-	1,770,684		-
State shared revenues				40,403	-	40,403		-
Unrestricted investment earnings				4,059	2,581	6,640		144
Miscellaneous revenue				53,424	4,619	58,043		7,323
Transfers				10,607	(10,607)	-		-
Total General Revenues and Transfers				2,516,475	(3,407)	2,513,068		7,467
Change in Net Position				312,834	(520,669)	(207,835)		(12,443)
Net Position - Beginning				1,296,020	4,664,686	5,960,706		(60,042)
Net Position - Ending				\$1,608,854	\$ 4,144,017	\$ 5,752,871		\$ (72,485)

CITY OF MOBRIDGE
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	General Fund	PSAP Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash and cash equivalents	\$ 1,214,767	\$ 249,407	\$ 80,036	\$ 1,544,210
Investments	1,316,692	263,915	84,692	1,665,299
Taxes receivable - delinquent	41,417	-	-	41,417
Accounts receivable, net	17,500	32,201	299	50,000
Special assessments receivable - delinquent	8,080	-	8,719	16,799
Notes receivable	50,633	-	-	50,633
Due from capital projects funds	9,714	-	-	9,714
Due from state government	244,058	2,992	31,940	278,990
Due from debt service funds	22,957	-	-	22,957
Restricted cash and cash equivalents	29,543	-	-	29,543
TOTAL ASSETS	<u>\$ 2,955,361</u>	<u>\$ 548,515</u>	<u>\$ 205,686</u>	<u>\$ 3,709,562</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:				
LIABILITIES:				
Accounts payable	\$ 45,091	\$ 5,013	\$ 244	\$ 50,348
Due to the General Fund	-	-	32,671	32,671
Accrued taxes payable	23,515	-	-	23,515
Customer deposits	1,550	-	-	1,550
TOTAL LIABILITIES	<u>70,156</u>	<u>5,013</u>	<u>32,915</u>	<u>108,084</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue - property taxes	38,000	-	-	38,000
Unavailable revenue - Special assessments	7,682	-	7,708	15,390
Other deferred inflows of resources	68,178	-	2,741	70,919
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>113,860</u>	<u>-</u>	<u>10,449</u>	<u>124,309</u>
FUND BALANCES:				
Restricted:				
Debt service	29,543	-	-	29,543
Capital project purposes	-	-	36,153	36,153
Facilities and promoting the City	-	-	20,397	20,397
Park purposes	-	-	2,555	2,555
911 service purposes	-	543,502	-	543,502
24/7 sobriety purposes	-	-	108,296	108,296
Other	-	-	26,581	26,581
Assigned:				
Subsequent year's budget	448,018	-	-	448,018
Capital outlay accumulations	555,953	-	-	555,953
Unassigned	1,737,831	-	(31,660)	1,706,171
TOTAL FUND BALANCES	<u>2,771,345</u>	<u>543,502</u>	<u>162,322</u>	<u>3,477,169</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,955,361</u>	<u>\$ 548,515</u>	<u>\$ 205,686</u>	<u>\$ 3,709,562</u>

CITY OF MOBRIDGE
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2016

Total Fund Balances - Governmental Funds \$ 3,477,169

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

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. 440,618

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	\$	3,688,701	
Accrued leave		51,229	
Net pension liability		193,797	
Other long-term debt		<u>325,406</u>	(4,259,133)

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

Property taxes	\$	38,000	
Special assessments		15,391	
Other deferred inflows		<u>70,919</u>	124,310

Pension related deferred inflows are components of pension liability (asset) and therefore are not reported in the funds. (6,572)

Net Position - Governmental Activities \$ 1,608,854

	General Fund	PSAP Fund	Other Governmental Funds	Total Governmental Funds
Public Safety:				
Police	988,133	103,740	8,533	1,100,406
Fire	38,764	-	-	38,764
Other protection	271	-	-	271
Public Works:				
Highways and streets	567,476	-	-	567,476
Sanitation	219,195	-	-	219,195
Health and Welfare:				
Health	43,973	-	-	43,973
Hospitals and nursing homes	2,000	-	-	2,000
Culture and Recreation:				
Recreation	120,279	-	327,706	447,985
Parks	191,538	-	-	191,538
Libraries	139,290	-	-	139,290
Auditorium	49,596	-	-	49,596
Museums	6,000	-	-	6,000
Conservation and Development:				
Economic development and assistance (industrial development)	24,377	-	104,837	129,214
Debt Service	135,100	-	310,660	445,760
Miscellaneous:				
Liquor operating agreements	74	-	-	74
TOTAL EXPENDITURES	<u>2,816,038</u>	<u>103,740</u>	<u>751,736</u>	<u>3,671,514</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>343,290</u>	<u>215,293</u>	<u>(413,564)</u>	<u>145,019</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	206,773	-	878,369	1,085,142
Transfers out	<u>(867,762)</u>	<u>(206,773)</u>	<u>-</u>	<u>(1,074,535)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(660,989)</u>	<u>(206,773)</u>	<u>878,369</u>	<u>10,607</u>
NET CHANGE IN FUND BALANCES	(317,699)	8,520	464,805	155,626
FUND BALANCE - BEGINNING	<u>3,089,044</u>	<u>534,982</u>	<u>(302,483)</u>	<u>3,321,543</u>
FUND BALANCE - ENDING	<u>\$ 2,771,345</u>	<u>\$ 543,502</u>	<u>\$ 162,322</u>	<u>\$ 3,477,169</u>

CITY OF MOBRIDGE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2016

Net Change in Fund Balances - Total Governmental Funds	\$ 155,626
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>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.</p>	
Revenue bonds	\$ 207,416
Other long-term debt	<u>100,000</u>
	307,416
<p>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".</p>	
	(2,113)
<p>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 to be "available".</p>	
	21,009
<p>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.</p>	
	(91,122)
<p>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 with the employees earn leave credits.</p>	
	(7,854)
<p>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.</p>	
	1,260
<p>Changes in the pension related deferred outflows/inflows are direct components of pension liability (asset) and are not reflected in the government funds.</p>	
	<u>(71,388)</u>
Change in Net Position of Governmental Activities	<u>\$ 312,834</u>

	Enterprise Funds				Totals
	Major			Nonmajor	
	Water Fund	Sewer Fund	Airport Fund		
DEFERRED OUTFLOWS OF RESOURCES:					
Pension related deferred outflows	<u>1,089</u>	<u>545</u>	<u>-</u>	<u>-</u>	<u>1,634</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,089</u>	<u>545</u>	<u>-</u>	<u>-</u>	<u>1,634</u>
NET POSITION:					
Net investment in capital assets	921,127	867,268	-	1,335	1,789,730
Restricted for:					
Revenue bond debt services	18,065	-	-	-	18,065
SDRS pension purposes	41,715	17,617	-	-	59,332
Other purposes	-	-	-	2,571	2,571
Unrestricted	<u>925,139</u>	<u>1,227,159</u>	<u>76,857</u>	<u>45,164</u>	<u>2,274,319</u>
TOTAL NET POSITION	<u>\$ 1,906,046</u>	<u>\$ 2,112,044</u>	<u>\$ 76,857</u>	<u>\$ 49,070</u>	<u>\$ 4,144,017</u>

CITY OF MOBRIDGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2016

	Enterprise Funds				Totals
	Major			Nonmajor	
	Water Fund	Sewer Fund	Airport Fund		
OPERATING REVENUE:					
Charges for goods and services	833,405	548,178	276,781	36,067	1,694,431
Contributions and donations	-	-	-	200	200
Miscellaneous	2,259	8,955	-	-	11,214
TOTAL OPERATING REVENUE	<u>835,664</u>	<u>557,133</u>	<u>276,781</u>	<u>36,267</u>	<u>1,705,845</u>
OPERATING EXPENSES:					
Personal services	269,395	171,347	1,051	-	441,793
Other current expense	446,373	1,104,584	124,414	90,650	1,766,021
Materials (cost of goods sold)	-	-	165,166	-	165,166
TOTAL OPERATING EXPENSES	<u>715,768</u>	<u>1,275,931</u>	<u>290,631</u>	<u>90,650</u>	<u>2,372,980</u>
OPERATING INCOME (LOSS)	<u>119,896</u>	<u>(718,798)</u>	<u>(13,850)</u>	<u>(54,383)</u>	<u>(667,135)</u>
NONOPERATING REVENUE (EXPENSE):					
Capital grants	-	210,374	-	-	210,374
Investment earnings	754	1,561	-	266	2,581
Investment expense	(56,468)	-	-	-	(56,468)
Gain on disposition of assets	586	-	-	-	586
TOTAL NONOPERATING REVENUE (EXPENSE)	<u>(55,128)</u>	<u>211,935</u>	<u>-</u>	<u>266</u>	<u>157,073</u>
INCOME (LOSS) BEFORE TRANSFERS	64,768	(506,863)	(13,850)	(54,117)	(510,062)
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>(10,607)</u>	<u>-</u>	<u>(10,607)</u>
CHANGE IN NET POSITION	64,768	(506,863)	(24,457)	(54,117)	(520,669)
NET POSITION - BEGINNING	<u>1,841,278</u>	<u>2,618,907</u>	<u>101,314</u>	<u>103,187</u>	<u>4,664,686</u>
NET POSITION - ENDING	<u>\$ 1,906,046</u>	<u>\$ 2,112,044</u>	<u>\$ 76,857</u>	<u>\$ 49,070</u>	<u>\$ 4,144,017</u>

CITY OF MOBRIDGE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2016

	Enterprise Funds				Totals
	Major				
	Water Fund	Sewer Fund	Airport Fund	Nonmajor	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 877,340	\$ 553,289	\$ 283,766	\$ 32,778	\$ 1,747,173
Other operating cash receipts	-	-	-	200	200
Cash payments to employees for services	(255,538)	(157,870)	113	-	(413,295)
Cash payments to suppliers of goods and services	(387,624)	(1,297,911)	(282,387)	(90,270)	(2,058,192)
Net cash provided (used) by operating activities	<u>234,178</u>	<u>(902,492)</u>	<u>1,492</u>	<u>(57,292)</u>	<u>(724,114)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers out	-	-	(10,607)	-	(10,607)
Net cash used by noncapital financing activities	<u>-</u>	<u>-</u>	<u>(10,607)</u>	<u>-</u>	<u>(10,607)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Proceeds from capital debt	107,573	507,624	-	-	615,197
Capital grants received	-	210,374	-	-	210,374
Proceeds from sale of capital assets	586	-	-	-	586
Principal paid on capital debt	(51,097)	-	-	-	(51,097)
Interest paid on capital debt	(56,468)	-	-	-	(56,468)
Net cash provided by capital and related financing activities	<u>594</u>	<u>717,998</u>	<u>-</u>	<u>-</u>	<u>718,592</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Cash received for interest	754	1,561	-	266	2,581
Net cash provided by investing activities	<u>754</u>	<u>1,561</u>	<u>-</u>	<u>266</u>	<u>2,581</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	235,526	(182,933)	(9,115)	(57,026)	(13,548)
BALANCES - BEGINNING	631,203	1,202,279	61,439	103,914	1,998,835
BALANCES - ENDING	<u>\$ 866,729</u>	<u>\$ 1,019,346</u>	<u>\$ 52,324</u>	<u>\$ 46,888</u>	<u>\$ 1,985,287</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 119,896	\$ (718,798)	\$ (13,850)	\$ (54,383)	\$ (667,135)
Changes in assets and liabilities:					
Net pension asset	40,137	18,140	883	-	59,160
Pension related deferred outflows	(2,892)	(1,704)	1,585	-	(3,011)
Accounts receivable	41,676	2,751	6,984	(3,289)	48,122
Due from other governments	-	(310,594)	-	-	(310,594)
Inventories	-	-	5,268	-	5,268
Accounts payable	58,749	117,267	1,926	380	178,322
Net pension liability	32,114	16,093	-	-	48,207
Accrued leave payable	2,632	573	-	-	3,205
Pension related deferred inflows	(58,134)	(26,220)	(1,304)	-	(85,658)
Net cash provided (used) by operating activities	<u>\$ 234,178</u>	<u>\$ (902,492)</u>	<u>\$ 1,492</u>	<u>\$ (57,292)</u>	<u>\$ (724,114)</u>

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

CITY OF MOBRIDGE
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
LAST 2 FISCAL YEARS*

	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability (asset)	0.0716432%	0.0694303%
City's proportionate share of the net pension liability (asset)	\$ 242,004	\$ (294,474)
City's covered-employee payroll	\$ 1,268,362	\$ 1,201,877
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	24%	25%
Plan fiduciary net position as a percentage of the total pension liability (asset)	97%	104%

* The amounts presented for each fiscal year were determined as of the measurement date of the collective net pension liability (asset) which is 6/30.

CITY OF MOBRIDGE
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
LAST 10 FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Contractually required contribution	\$ 83,230	\$ 76,477	\$ 75,895	\$ 75,590	\$ 77,519	\$ 73,104	\$ 68,683	\$ 68,120	\$ 66,069	\$ 63,085
Contributions in relation to the contractually required contribution	83,230	76,477	75,895	75,590	77,519	73,104	68,683	68,120	66,069	63,085
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 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	\$ 973,376
Contributions as a percentage of covered-employee payroll	6.56%	6.36%	6.46%	6.49%	6.46%	6.49%	6.53%	6.59%	6.52%	6.48%

SUPPLEMENTARY INFORMATION

CITY OF MOBRIDGE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	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 Nonmajor Governmental Funds
ASSETS:										
Cash and cash equivalents	\$ 4,521	\$ 1,241	\$ 12,915	\$ 43,793	\$ -	\$ -	\$ -	\$ 16,594	\$ 972	\$ 80,036
Investments	4,784	1,314	13,666	46,341	-	-	-	17,559	1,028	84,692
Accounts receivable, net	-	-	-	299	-	-	-	-	-	299
Special assessments receivable - delinquent	-	-	-	-	2,454	-	-	-	-	8,719
Due from state government	13,833	-	-	18,107	-	-	-	-	-	31,940
TOTAL ASSETS	\$ 23,138	\$ 2,555	\$ 26,581	\$ 108,540	\$ 2,454	\$ 6,265	\$ 9,714	\$ 34,153	\$ 2,000	\$ 205,686
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:										
LIABILITIES:										
Accounts payable	\$ -	\$ -	\$ -	\$ 244	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 244
Due to General Fund	-	-	-	-	12,867	10,090	9,714	-	-	32,671
TOTAL LIABILITIES	-	-	-	244	12,867	10,090	9,714	-	-	32,915
DEFERRED INFLOWS OF RESOURCES:										
Unavailable revenue - special assessments	-	-	-	-	2,272	5,436	-	-	-	7,708
Other deferred inflows of resources	2,741	-	-	-	-	-	-	-	-	2,741
TOTAL DEFERRED INFLOWS OF RESOURCES	2,741	-	-	-	2,272	5,436	-	-	-	10,449
FUND BALANCES:										
Restricted:										
Capital project purposes	-	-	-	-	-	-	-	34,153	2,000	36,153
Facilities and promoting the City	20,397	-	-	-	-	-	-	-	-	20,397
Park purposes	-	2,555	-	-	-	-	-	-	-	2,555
24/7 sobriety purposes	-	-	-	108,296	-	-	-	-	-	108,296
Other	-	-	26,581	-	-	-	-	-	-	26,581
Unassigned	-	-	-	-	(12,685)	(9,261)	(9,714)	-	-	(31,660)
TOTAL FUND BALANCES	20,397	2,555	26,581	108,296	(12,685)	(9,261)	(9,714)	34,153	2,000	162,322
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 23,138	\$ 2,555	\$ 26,581	\$ 108,540	\$ 2,454	\$ 6,265	\$ -	\$ 34,153	\$ 2,000	\$ 205,686

CITY OF MOBRIDGE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2016

	Third Penny Sales Tax Fund	Special Park Gift Project Fund	Storm Sewer Maintenance Fund	Storm Sewer 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	Airport Project Fund	Pool Project Fund	Total Govern- mental Funds
REVENUES:												
Taxes:												
General sales and use taxes	\$ 114,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,512
Intergovernmental Revenue:												
State grants	-	-	-	36,214	-	-	-	-	-	-	-	36,214
Charges for Goods and Services:												
Public safety	-	-	-	6,121	-	-	-	-	-	-	-	6,121
Miscellaneous Revenue:												
Investment earnings	-	3	35	-	-	-	-	-	-	-	-	38
Special assessments	-	-	-	-	28,737	151,253	-	-	-	-	-	179,990
Other	-	-	-	1,297	-	-	-	-	-	-	-	1,297
TOTAL REVENUE	114,512	3	35	43,632	28,737	151,253	-	-	-	-	-	338,172
EXPENDITURES:												
Public Safety:												
Police	-	-	-	8,533	-	-	-	-	-	-	-	8,533
Culture and Recreation:												
Recreation	-	-	-	-	-	1,500	-	-	-	-	326,206	327,706
Conservation and Development:												
Economic development and assistance (industrial development)	104,837	-	-	-	-	-	-	-	-	-	-	104,837
Debt Service	-	-	-	-	106,899	203,761	-	-	-	-	-	310,660
TOTAL EXPENDITURES	104,837	-	-	8,533	106,899	205,261	-	-	-	-	326,206	751,736
EXCESS OF REVENUE OVER (UNDER)												
EXPENDITURES	9,675	3	35	35,099	(78,162)	(54,008)	-	-	-	-	(326,206)	(413,564)
OTHER FINANCING SOURCES:												
Transfer in	-	-	-	-	60,000	50,000	-	-	-	10,607	757,762	878,369
TOTAL OTHER FINANCING SOURCES	-	-	-	-	60,000	50,000	-	-	-	10,607	757,762	878,369
NET CHANGE IN FUND BALANCES	9,675	3	35	35,099	(18,162)	(4,008)	-	-	-	10,607	431,556	464,805
FUND BALANCE - BEGINNING	10,722	2,552	26,546	73,197	5,477	(5,253)	(9,714)	34,153	2,000	(10,607)	(431,556)	(302,483)
FUND BALANCE - ENDING	\$ 20,397	\$ 2,555	\$ 26,581	\$ 108,296	\$ (12,685)	\$ (9,261)	\$ (9,714)	\$ 34,153	\$ 2,000	\$ -	\$ -	\$ 162,322

CITY OF MOBRIDGE
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2016

	<u>Cemetery Fund</u>	<u>Water and Sewer Main Fund</u>	<u>Totals</u>
ASSETS:			
Current Assets:			
Cash and cash equivalents	\$ 4,317	\$ 15,893	\$ 20,210
Investments	7,289	16,818	24,107
Accounts receivable, net	4,525	107	4,632
Total Current Assets	<u>16,131</u>	<u>32,818</u>	<u>48,949</u>
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	<u>(18,019)</u>	<u>-</u>	<u>(18,019)</u>
Total Noncurrent Assets	<u>3,906</u>	<u>-</u>	<u>3,906</u>
TOTAL ASSETS	<u>20,037</u>	<u>32,818</u>	<u>52,855</u>
LIABILITIES:			
Current Liabilities:			
Accounts payable	3,785	-	3,785
Total Current Liabilities	<u>3,785</u>	<u>-</u>	<u>3,785</u>
NET POSITION:			
Net investment in capital assets	1,335	-	1,335
Restricted for:			
Other purposes	2,571	-	2,571
Unrestricted	<u>12,346</u>	<u>32,818</u>	<u>45,164</u>
TOTAL NET POSITION	<u>\$ 16,252</u>	<u>\$ 32,818</u>	<u>\$ 49,070</u>

CITY OF MOBRIDGE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2016

	Cemetery Fund	Water and Sewer Main Fund	Totals
OPERATING REVENUE:			
Charges for goods and services	\$ 25,572	\$ 10,495	\$ 36,067
Contribution and donations	200	-	200
TOTAL OPERATING REVENUE	<u>25,772</u>	<u>10,495</u>	<u>36,267</u>
OPERATING EXPENSES:			
Other current expense	<u>23,830</u>	<u>66,820</u>	<u>90,650</u>
TOTAL OPERATING EXPENSES	<u>23,830</u>	<u>66,820</u>	<u>90,650</u>
OPERATING INCOME (LOSS)	<u>1,942</u>	<u>(56,325)</u>	<u>(54,383)</u>
NONOPERATING REVENUE:			
Investment earnings	<u>148</u>	<u>118</u>	<u>266</u>
TOTAL NONOPERATING REVENUE	<u>148</u>	<u>118</u>	<u>266</u>
CHANGE IN NET POSITION	2,090	(56,207)	(54,117)
NET POSITION - BEGINNING	<u>14,162</u>	<u>89,025</u>	<u>103,187</u>
NET POSITION - ENDING	<u>\$ 16,252</u>	<u>\$ 32,818</u>	<u>\$ 49,070</u>

CITY OF MOBRIDGE
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2016

	<u>Cemetery Fund</u>	<u>Water and Sewer Main Fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 22,248	\$ 10,530	\$ 32,778
Other operating cash receipts	200	-	200
Cash payments to suppliers of goods and services	<u>(22,470)</u>	<u>(67,800)</u>	<u>(90,270)</u>
Net cash used by operating activities	<u>(22)</u>	<u>(57,270)</u>	<u>(57,292)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash received for interest	<u>148</u>	<u>118</u>	<u>266</u>
Net cash provided by investing activities	<u>148</u>	<u>118</u>	<u>266</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>126</u>	<u>(57,152)</u>	<u>(57,026)</u>
BALANCES - BEGINNING	<u>14,051</u>	<u>89,863</u>	<u>103,914</u>
BALANCES - ENDING	<u>\$ 14,177</u>	<u>\$ 32,711</u>	<u>\$ 46,888</u>

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

Operating income (loss)	\$ 1,942	\$ (56,325)	\$ (54,383)
Changes in assets and liabilities:			
Accounts receivable	(3,324)	35	(3,289)
Accounts payable	<u>1,360</u>	<u>(980)</u>	<u>380</u>
Net cash used by operating activities	<u>\$ (22)</u>	<u>\$ (57,270)</u>	<u>\$ (57,292)</u>