

CITY OF MOBRIDGE
AUDITED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

CITY OF MOBRIDGE
CITY OFFICIALS
DECEMBER 31, 2015

Mayor:

Jamie Dietterle

Governing Board:

Gene Cox, President
Amy Cerney, Vice President
Rose Henderson
Tom O'Connell
Tony Yellowboy
Randy Carlson

City Administrator:

Christine Goldsmith

Finance Officer:

Heather Beck

Attorney:

Rick Cain

CITY OF MOBRIDGE

TABLE OF CONTENTS

	<u>Page</u>
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 <u>Government Auditing Standards</u>	1 - 2
Schedule of Prior Audit Findings and Questioned Costs	3
Schedule of Current Audit Findings	4 - 8
Independent Auditors' Report	9 - 11
Basic Financial Statements:	
Government-Wide Financial Statements:	
As of December 31, 2015:	
Statement of Net Position	12
Year Ended December 31, 2015:	
Statement of Activities	13
Fund Financial Statements:	
Governmental Funds:	
As of December 31, 2015:	
Balance Sheet	14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	15
Year Ended December 31, 2015:	
Statement of Revenues, Expenditures and Changes in Fund Balances	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	17
Proprietary Funds:	
As of December 31, 2015:	
Statement of Net Position	18

CITY OF MOBRIDGE

TABLE OF CONTENTS (Continued)

	<u>Page</u>
Year Ended December 31, 2015:	
Statement of Revenues, Expenses and Changes in Fund Net Position	19
Statement of Cash Flows	20
Required Supplementary Information other than MD&A:	
Schedule of the City's Proportionate Share of Net Pension Asset	21
Schedule of Pension Contributions	22
Supplementary Information:	
Combining Financial Statements:	
Combining Balance Sheet - Nonmajor Governmental Funds	23
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	24
Combining Statement of Net Position - Nonmajor Proprietary Funds	25
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Proprietary Funds	26
Combining Statement of Cash Flows - Nonmajor Proprietary Funds	27

KOHLMAN, BIERSCHBACH & ANDERSON, LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

WILLIAM J BACHMEIER, CPA
ROY R FAUTH, CPA

PROFESSIONAL BUILDING
210 EAST GRAND CROSSING • PO Box 460
MOBRIDGE, SOUTH DAKOTA 57601
605-845-3658 • 605-845-3754(FAX)
Email: kba@westriv.com

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 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, each major fund, the aggregate discretely presented component unit, and the aggregate remaining fund information of the City of Mobridge, South Dakota (City), as of December 31, 2015, and for the year then ended, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 23, 2016, 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying Schedule of Current Audit Findings, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Current Audit Findings as items 2015-001 through 2015-008 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 2015-001, 2015-003, 2015-007, and 2015-008.

City's Response 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 entity'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.

November 23, 2016

Kohlen, Bernhardt & Anderson, LLP

CITY OF MOBRIDGE
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2015

PRIOR OTHER AUDIT FINDINGS:

2014-001

A material weakness was reported for not maintaining proper fixed asset records to support the amounts reported for general fixed assets, enterprise fixed assets, and depreciation expense; therefore, the City is not in compliance with SDCL 5-24-4. This comment has not been corrected and is restated as current audit finding 2015-001.

2014-002

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 comment has not been corrected and is restated as current audit finding 2015-002.

2014-003

Sufficient records do not exist to verify the amounts reported as inventories. This comment has not been corrected and is restated as current audit finding 2015-003.

2014-004

No internal control structure to provide for the recording of all necessary material adjustments. This comment has not been corrected and is restated as current audit finding 2015-004.

2014-005

No internal control system designed to provide for the preparation of the financial statements in accordance with generally accepted accounting principles (GAAP). This comment has not been corrected and is restated as current audit finding 2015-005.

2014-006

The City does not have controls in place to restrict access of the Mayor's signature stamp. This finding has not been corrected and has been restated as current audit finding 2015-006.

2014-007

The City overspent the annual appropriations ordinance for the Pool function in the Pool Capital Project Fund by \$171,325.90. This finding has not been corrected and has been restated as current audit finding 2015-007.

2014-008

The City failed to publish appropriations ordinances or supplemental appropriations ordinances for the Storm Sewer Capital Project and Pool Capital Project Funds. This finding has not been corrected and has been restated as current audit finding 2015-008.

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2015

CURRENT AUDIT FINDINGS:

Internal Control-Related Findings - Material Weaknesses:

2015-001

Criteria

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

Condition Found

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

Effect

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

Recommendation

The City should conduct a comprehensive physical inventory of all fixed assets and update the subsidiary records accordingly. Costs (or estimated costs) of the assets should be properly documented.

Corrective Action Plan

The City agrees with the finding and will work on updating their records as soon as feasible. The contact person for this finding is Jamie Dietterle, Mayor.

2015-002

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 a lack of segregation of duties for cash, revenues, receivables, inventories, payables, capital assets, equity, expenditures, and payroll.

Effect

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

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2015
(Continued)

Corrective Action Plan

The City has determined that it is not cost beneficial to employ additional personnel just to be able to adequately segregate duties for cash, revenues, receivables, inventories, payables, capital assets, equity, expenditures, and payroll and accepts the risks involved. The Council is aware of the problem and will attempt to provide compensating controls wherever and whenever possible and practical. Some of the compensating controls that have been implemented include the board president reviewing vouchers and monthly reports given to board members. The Finance Officer, Heather Beck, is responsible for the corrective action plan for this finding.

2015-003

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, or within ten days thereafter, make in duplicate an inventory of all the public personal property. SDCL 5-24-2 states inventories required by §5-24-1 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 City is responsible for maintaining accurate records for amounts reported as inventories for governmental activities, business-type activities and each major fund.

Condition Found

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 users of the financial statements.

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 valued using the actual cost or the 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.

Corrective Action Plan

The City will attempt to complete an accurate inventory listing in the future. The contact person for this finding is Jamie Dietterle, Mayor. The City is working on this finding and it has not been resolved.

2015-004

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.

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2015
(Continued)

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.

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.

Corrective Action Plan

The City accepts the risks associated with this deficiency. The Council is aware of the problem and will attempt to provide compensating controls wherever and whenever possible and practical. The contact person for this finding is Jamie Dietterle, Mayor.

2015-005

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 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.

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.

Corrective Action Plan

Both management and the City Council have been informed of this condition and are confident that the information is accurate and are willing to accept this risk. The Finance Officer, Heather Beck, is responsible for the corrective action plan for this finding.

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2015
(Continued)

2015-006

Criteria

The City's Finance Officer has access to the Mayor's signature stamp without restriction. The City's internal control structure should be designed to prevent unauthorized use.

Condition Found

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

Effect

This condition may allow for the 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.

Corrective Action Plan

Management accepts the risk associated with lack of controls over the signature stamp of the Mayor. The City Council will continue to provide oversight and review of financial transactions to mitigate the risk associated with this condition as much as possible. Jamie Dietterle, Mayor, is the person responsible for the corrective action plan for this finding.

2015-007

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 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 Found

The City overspent the annual appropriations ordinance for the Pool function in the Pool Capital Project Fund and the Debt Service function in the Storm Sewer Debt Service Fund by material amounts without adopting a supplemental appropriations ordinance. The Pool function in the Pool Capital Project Fund was overspent by \$69,331.60 and the Debt Service function in the Storm Sewer Debt Service Fund was overspent by \$16,999.36.

Effect

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

Recommendation

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

CITY OF MOBRIDGE
SCHEDULE OF CURRENT AUDIT FINDINGS
DECEMBER 31, 2015
(Continued)

Corrective Action Plan

The City Council and the Finance Officer will monitor the budget to actual statements more closely in the future. The contact person for this finding is Jamie Dietterle, Mayor.

2015-008

Criteria

SDCL 9-21-2 states that the governing body of each municipality shall, no later than its first regular meeting in September of each year or within ten days thereafter, introduce the annual appropriation ordinance for the ensuing fiscal year, in which it shall appropriate the sums of money necessary to meet all lawful expenses and liabilities of the municipality. It is not necessary to appropriate revenue to be expended from an enterprise or trust and agency fund if the fund is not supported or subsidized by revenue derived from the annual appropriated tax levy. However, an annual budget for these funds shall be developed and published no later than December thirty-first of each year.

Condition Found

The City failed to publish appropriations ordinances or supplemental appropriations ordinances for the Mural Restoration Project Fund.

Effect

The City is not in compliance with SDCL 9-21-2.

Recommendation

We recommend the City comply with SDCL 9-21-2 by publishing appropriation ordinances for all funds.

Corrective Action Plan

The City Council will monitor compliance more closely. The contact person for this finding is Jamie Dietterle, Mayor.

Closing Conference

The contents of this report were discussed with Heather Beck, Finance Officer; Christine Goldsmith, City Administrator; Jamie Dietterle, Mayor; and Amy Cerney, Council Member, on August 23, 2016.

KOHLMAN, BIERSCHBACH & ANDERSON, LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

WILLIAM J BACHMEIER, CPA
ROY R FAUTH, CPA

PROFESSIONAL BUILDING
210 EAST GRAND CROSSING • PO Box 460
MOBRIDGE, SOUTH DAKOTA 57601
605-845-3658 • 605-845-3754(FAX)
Email: kba@westriv.com

WITH OFFICE IN
MILLER, SOUTH DAKOTA

INDEPENDENT AUDITORS' REPORT

City Council
City of Mobridge
Mobridge, South Dakota

Report on the Financial Statements

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, 2015, 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 of 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 activities reporting entity of the City of Mobridge as of December 31, 2015, 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.

Emphasis of Matter

Adoption of New Accounting Standard

As shown on the statement of activities and the statement of revenues, expenses and changes in fund net position, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. As shown on the statement of activities and the statement of revenues, expenses and changes in fund net position, the City has retroactively restated the previously reported Net Position in accordance with this statement. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Pension Schedules on pages 21 through 22 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.

Other Matters

Required Supplementary Information

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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 November 23, 2016, on our consideration of the City's internal control over financial reporting and 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, Samlaska & Anderson, LLP

November 23, 2016

CITY OF MOBRIDGE
STATEMENT OF NET POSITION
DECEMBER 31, 2015

	PRIMARY GOVERNMENT			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS:				
Cash and cash equivalents	\$ 1,306,833	\$ 825,394	\$ 2,132,227	\$ 125,792
Investments	1,514,638	1,167,085	2,681,723	-
Accounts receivable, net	499,872	104,573	604,445	2,018
Inventory of supplies	-	173,582	173,582	-
Prepaid expenses	19,330	-	19,330	4,064
Restricted cash and cash equivalents	242,276	6,356	248,632	46,005
Net pension asset	235,314	59,160	294,474	-
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	969,069
TOTAL ASSETS	<u>5,650,725</u>	<u>6,945,000</u>	<u>12,595,725</u>	<u>1,170,644</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Pension related deferred outflows	422,275	106,163	528,438	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>422,275</u>	<u>106,163</u>	<u>528,438</u>	<u>-</u>
LIABILITIES:				
Accounts payable	54,006	32,050	86,056	8,729
Other current liabilities	10,865	-	10,865	36,107
Noncurrent Liabilities:				
Due within one year	251,823	52,048	303,871	32,657
Due in more than one year	4,113,076	2,215,087	6,328,163	1,153,194
TOTAL LIABILITIES	<u>4,429,770</u>	<u>2,299,185</u>	<u>6,728,955</u>	<u>1,230,687</u>
DEFERRED INFLOWS OF RESOURCES:				
Pension related deferred inflows	347,210	87,292	434,502	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>347,210</u>	<u>87,292</u>	<u>434,502</u>	<u>-</u>
NET POSITION:				
Net investment in capital assets	-	2,353,832	2,353,832	(191,043)
Restricted for:				
Capital project purposes	36,153	-	36,153	-
Debt service purposes	31,510	15,209	46,719	-
SDRS pension purposes	310,379	78,031	388,410	-
Other purposes	866,754	2,571	869,325	8,708
Unrestricted	51,224	2,215,043	2,266,267	122,293
TOTAL NET POSITION	<u>\$ 1,296,020</u>	<u>\$ 4,664,686</u>	<u>\$ 5,960,706</u>	<u>\$ (60,042)</u>

CITY OF MOBRIDGE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Government Activities	Business- Type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 300,457	\$ 27,940	\$ -	\$ 10,000	\$ (262,517)		\$ (262,517)	
Public safety	1,132,994	24,758	341,824	38,635	(727,777)		(727,777)	
Public works	842,766	289,281	157,871	424,843	29,229		29,229	
Health and welfare	22,691	-	-	-	(22,691)		(22,691)	
Culture and recreation	3,406,982	8,939	2,580	27,025	(3,368,438)		(3,368,438)	
Conservation and development	145,837	-	-	-	(145,837)		(145,837)	
Miscellaneous	101	-	-	-	(101)		(101)	
*Interest on long-term debt	177,977	-	-	-	(177,977)		(177,977)	
Total Governmental Activities	6,029,805	350,918	502,275	500,503	(4,676,109)		(4,676,109)	
Business-Type Activities:								
Water	889,860	853,565	-	-		\$ (36,295)	(36,295)	
Sewer	472,652	545,677	-	-		73,025	73,025	
Airport	280,340	297,664	-	-		17,324	17,324	
Cemetery	47,229	22,925	2,000	-		(22,304)	(22,304)	
Water and sewer main	980	10,338	-	-		9,358	9,358	
Total Business-Type Activities	1,691,061	1,730,169	2,000	-		41,108	41,108	
Total Primary Government	\$7,720,866	\$2,081,087	\$ 743,870	\$ 500,503	(4,676,109)	41,108	(4,635,001)	
Component Unit:								
Housing and Redevelopment								
Commission	\$ 880,086	\$ 132,673	\$ 743,870	\$ -				\$ (3,543)
General Revenues:								
Taxes:								
Property taxes					623,261	-	623,261	-
Sales taxes					1,825,826	-	1,825,826	-
State shared revenues					37,370	-	37,370	-
Unrestricted investment earnings					4,633	654	5,287	62
Miscellaneous revenue					119,516	19,977	139,493	-
Transfers					(85,000)	85,000	-	-
Total General Revenues and Transfers					2,525,606	105,631	2,631,237	62
Change in Net Position					(2,150,503)	146,739	(2,003,764)	(3,481)
Net Position - Beginning					3,167,710	4,447,852	7,615,562	(56,561)
Adjustments:								
Prior period adjustment resulting from the adoption of GASB 68					278,813	70,095	348,908	-
Adjusted Net Position - Beginning					3,446,523	4,517,947	7,964,470	(56,561)
Net Position - Ending					\$ 1,296,020	\$ 4,664,686	\$ 5,960,706	\$ (60,042)

*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, 2015**

	General Fund	PSAP Fund	Pool Project Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and cash equivalents	\$ 689,836	\$ 499,720	\$ 84	\$ 117,193	\$ 1,306,833
Investments	1,495,598	-	-	19,040	1,514,638
Taxes receivable - delinquent	47,595	-	-	-	47,595
Accounts receivable, net	4,134	36,852	-	445	41,431
Special assessments receivable - delinquent	71,845	-	-	37,066	108,911
Notes receivable	59,072	-	-	-	59,072
Due from capital projects funds	442,162	-	-	-	442,162
Due from state government	229,886	-	-	12,977	242,863
Prepaid expenses	19,330	-	-	-	19,330
Restricted cash and cash equivalents	242,276	-	-	-	242,276
TOTAL ASSETS	<u>\$3,301,734</u>	<u>\$ 536,572</u>	<u>\$ 84</u>	<u>\$ 186,721</u>	<u>\$ 4,025,111</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable	\$ 42,707	\$ 1,590	\$ 85	\$ 9,624	\$ 54,006
Due to the General Fund	-	-	431,555	10,607	442,162
Accrued taxes payable	9,233	-	-	-	9,233
Customer deposits	1,632	-	-	-	1,632
TOTAL LIABILITIES	<u>53,572</u>	<u>1,590</u>	<u>431,640</u>	<u>20,231</u>	<u>507,033</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue - property taxes	40,113	-	-	-	40,113
Unavailable revenue - special assessments	71,351	-	-	35,161	106,512
Other deferred inflows of resources	47,654	-	-	2,256	49,910
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>159,118</u>	<u>-</u>	<u>-</u>	<u>37,417</u>	<u>196,535</u>
FUND BALANCES:					
Nonspendable:					
Prepays	15,993	-	-	-	15,993
Restricted:					
Debt service	26,033	-	-	5,477	31,510
Capital project purposes	-	-	-	36,153	36,153
Facilities and promoting the City	-	-	-	10,722	10,722
Park purposes	-	-	-	2,552	2,552
911 service purposes	-	534,982	-	-	534,982
24/7 sobriety purposes	-	-	-	73,197	73,197
Other	216,243	-	-	26,546	242,789
Assigned:					
Subsequent year's budget	366,421	-	-	-	366,421
Capital outlay accumulations	850,755	-	-	-	850,755
Unassigned	1,613,599	-	(431,556)	(25,574)	1,156,469
TOTAL FUND BALANCES	<u>3,089,044</u>	<u>534,982</u>	<u>(431,556)</u>	<u>129,073</u>	<u>3,321,543</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$3,301,734</u>	<u>\$ 536,572</u>	<u>\$ 84</u>	<u>\$ 186,721</u>	<u>\$ 4,025,111</u>

CITY OF MOBRIDGE
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2015

Total Fund Balances - Governmental Funds \$ 3,321,543

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. 235,314

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. 422,275

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	\$	3,896,117	
Accrued leave		43,375	
Other long-term debt		<u>425,406</u>	(4,364,898)

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	\$	40,113	
Special assessments		106,511	
Other deferred inflows		<u>49,910</u>	196,534

Pension related deferred inflows are components of pension liability (asset) and therefore are not reported in the funds. (347,210)

Net Position - Governmental Activities \$ 1,296,020

	General Fund	PSAP Fund	Pool Project Fund	Other Governmental Funds	Total Governmental Funds
Culture and Recreation:					
Recreation	651	-	3,033,332	-	3,033,983
Parks	144,754	-	-	-	144,754
Libraries	133,923	-	-	-	133,923
Auditorium	86,936	-	-	61	86,997
Museums	6,000	-	-	-	6,000
Conservation and Development:					
Economic development and assistance (industrial development)	24,943	-	-	120,894	145,837
Debt Service	135,100	-	-	313,692	448,792
Miscellaneous:					
Liquor operating agreements	101	-	-	-	101
TOTAL EXPENDITURES	<u>2,641,457</u>	<u>181,135</u>	<u>3,033,332</u>	<u>453,621</u>	<u>6,309,545</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>388,395</u>	<u>168,011</u>	<u>(3,030,230)</u>	<u>(36,320)</u>	<u>(2,510,144)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	206,773	-	-	53,242	260,015
Sale of municipal property	43,816	-	-	-	43,816
Long-term debt issued	6,351	-	2,770,000	-	2,776,351
Transfers out	<u>(138,242)</u>	<u>(206,773)</u>	<u>-</u>	<u>-</u>	<u>(345,015)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>118,698</u>	<u>(206,773)</u>	<u>2,770,000</u>	<u>53,242</u>	<u>2,735,167</u>
NET CHANGE IN FUND BALANCES	507,093	(38,762)	(260,230)	16,922	225,023
FUND BALANCE - BEGINNING	<u>2,581,951</u>	<u>573,744</u>	<u>(171,326)</u>	<u>112,151</u>	<u>3,096,520</u>
FUND BALANCE - ENDING	<u>\$ 3,089,044</u>	<u>\$ 534,982</u>	<u>\$ (431,556)</u>	<u>\$ 129,073</u>	<u>\$ 3,321,543</u>

CITY OF MOBRIDGE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015

Net Change in Fund Balances - Total Governmental Funds \$ 225,023

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

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

Revenue bonds	\$ 170,815	
Other long-term debt	100,000	270,815

The issuance of long-term debt is an other financing source in the fund statements, but an increase in long-term liabilities on the government-wide statements.

Revenue bonds	\$ 2,770,000	
Other long-term debt	\$ 6,351	(2,776,351)

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". (4,824)

The fund financial statement governmental fund sales tax accruals differ from the government-wide statement sales tax accruals in that the fund financial statements require the amounts to be "available". 861

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. 93,817

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. 8,590

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 31,230

Changes in the pension related deferred outflows/inflows are direct components of pension liability (asset) and are not reflected in the governmental funds. 336

Change in Net Position of Governmental Activities \$ (2,150,503)

CITY OF MOBRIDGE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015

	Enterprise Funds				Totals
	Major				
	Water Fund	Sewer Fund	Airport Fund	Nonmajor	
ASSETS:					
Current Assets:					
Cash and cash equivalents	\$ 233,205	\$ 482,505	\$ 61,439	\$ 48,245	\$ 825,394
Investments	394,213	719,774	-	53,098	1,167,085
Accounts receivable, net	82,414	7,860	12,957	1,342	104,573
Inventory of supplies	114,072	31,138	28,372	-	173,582
Total Current Assets	<u>823,904</u>	<u>1,241,277</u>	<u>102,768</u>	<u>102,685</u>	<u>2,270,634</u>
Noncurrent Assets:					
Restricted cash and cash equivalents	3,785	-	-	2,571	6,356
Net pension asset	40,137	18,140	883	-	59,160
Capital Assets:					
Land	104,395	34	-	565	104,994
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)
Total Noncurrent Assets	<u>3,276,544</u>	<u>1,393,033</u>	<u>883</u>	<u>3,906</u>	<u>4,674,366</u>
TOTAL ASSETS	<u>4,100,448</u>	<u>2,634,310</u>	<u>103,651</u>	<u>106,591</u>	<u>6,945,000</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Pension related deferred outflows	72,026	32,552	1,585	-	106,163
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>72,026</u>	<u>32,552</u>	<u>1,585</u>	<u>-</u>	<u>106,163</u>
LIABILITIES:					
Current Liabilities:					
Accounts payable	6,055	19,973	2,618	3,404	32,050
Bonds payable - current	50,836	-	-	-	50,836
Compensated absences payable - current	1,090	122	-	-	1,212
Total Current Liabilities	<u>57,981</u>	<u>20,095</u>	<u>2,618</u>	<u>3,404</u>	<u>84,098</u>
Noncurrent Liabilities:					
Bonds payable:					
Revenue	2,204,181	-	-	-	2,204,181
Compensated absences payable - noncurrent	9,811	1,095	-	-	10,906
Total Noncurrent Liabilities	<u>2,213,992</u>	<u>1,095</u>	<u>-</u>	<u>-</u>	<u>2,215,087</u>
TOTAL LIABILITIES	<u>2,271,973</u>	<u>21,190</u>	<u>2,618</u>	<u>3,404</u>	<u>2,299,185</u>
DEFERRED INFLOWS OF RESOURCES:					
Pension related deferred inflows	59,223	26,765	1,304	-	87,292
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>59,223</u>	<u>26,765</u>	<u>1,304</u>	<u>-</u>	<u>87,292</u>
NET POSITION:					
Net investment in capital assets	977,605	1,374,892	-	1,335	2,353,832
Restricted for:					
Revenue bond debt service	15,209	-	-	-	15,209
SDRS pension purposes	52,940	23,926	1,165	-	78,031
Other purposes	-	-	-	2,571	2,571
Unrestricted	795,524	1,220,089	100,149	99,281	2,215,043
TOTAL NET POSITION	<u>\$ 1,841,278</u>	<u>\$ 2,618,907</u>	<u>\$ 101,314</u>	<u>\$ 103,187</u>	<u>\$ 4,664,686</u>

CITY OF MOBRIDGE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2015

	Enterprise Funds				Totals
	Major			Nonmajor	
	Water Fund	Sewer Fund	Airport Fund		
OPERATING REVENUE:					
Charges for goods and services	\$ 853,565	\$ 545,677	\$ 297,664	\$ 33,263	\$ 1,730,169
Contributions and Donations	-	-	-	2,000	2,000
Miscellaneous	6,833	11,038	117	-	17,988
TOTAL OPERATING REVENUE	<u>860,398</u>	<u>556,715</u>	<u>297,781</u>	<u>35,263</u>	<u>1,750,157</u>
OPERATING EXPENSES:					
Personal services	249,631	148,484	3,359	-	401,474
Other current expense	585,525	324,168	107,960	48,209	1,065,862
Materials (cost of goods sold)	-	-	169,021	-	169,021
TOTAL OPERATING EXPENSES	<u>835,156</u>	<u>472,652</u>	<u>280,340</u>	<u>48,209</u>	<u>1,636,357</u>
OPERATING INCOME (LOSS)	<u>25,242</u>	<u>84,063</u>	<u>17,441</u>	<u>(12,946)</u>	<u>113,800</u>
NONOPERATING REVENUE (EXPENSE):					
Investment earnings	233	390	-	31	654
Interest expense	(54,704)	-	-	-	(54,704)
Gain on disposition of assets	1,989	-	-	-	1,989
TOTAL NONOPERATING REVENUE (EXPENSE)	<u>(52,482)</u>	<u>390</u>	<u>-</u>	<u>31</u>	<u>(52,061)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(27,240)</u>	<u>84,453</u>	<u>17,441</u>	<u>(12,915)</u>	<u>61,739</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>65,000</u>	<u>20,000</u>	<u>85,000</u>
CHANGE IN NET POSITION	<u>(27,240)</u>	<u>84,453</u>	<u>82,441</u>	<u>7,085</u>	<u>146,739</u>
NET POSITION - BEGINNING	1,820,962	2,512,961	17,827	96,102	4,447,852
ADJUSTMENTS:					
Prior period adjustment resulting from the adoption of GASB 68	47,556	21,493	1,046	-	70,095
ADJUSTED NET POSITION - BEGINNING	<u>1,868,518</u>	<u>2,534,454</u>	<u>18,873</u>	<u>96,102</u>	<u>4,517,947</u>
NET POSITION - ENDING	<u>\$ 1,841,278</u>	<u>\$ 2,618,907</u>	<u>\$ 101,314</u>	<u>\$ 103,187</u>	<u>\$ 4,664,686</u>

CITY OF MOBRIDGE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2015

	Enterprise Funds				Totals
	Major			Nonmajor	
	Water Fund	Sewer Fund	Airport		
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash receipts from customers	\$ 849,219	\$ 551,928	\$ 285,108	\$ 32,056	\$ 1,718,311
Other operating cash receipts	-	-	-	2,000	2,000
Cash payments to employees for services	(249,200)	(148,537)	(5,174)	-	(402,911)
Cash payments to suppliers of goods and services	(637,869)	(309,057)	(290,070)	(46,652)	(1,283,648)
Net cash provided (used) by operating activities	<u>(37,850)</u>	<u>94,334</u>	<u>(10,136)</u>	<u>(12,596)</u>	<u>33,752</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in	-	-	65,000	20,000	85,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>65,000</u>	<u>20,000</u>	<u>85,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Proceeds from capital debt	218,253	-	-	-	218,253
Proceeds from sale of capital assets	1,989	-	-	-	1,989
Principal paid on capital debt	(37,293)	-	-	-	(37,293)
Interest paid on capital debt	(54,704)	-	-	-	(54,704)
Other receipts	313,582	-	-	-	313,582
Net cash provided by capital and related financing activities	<u>441,827</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>441,827</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Cash received for interest	638	1,129	-	85	1,852
Net cash provided by investing activities	<u>638</u>	<u>1,129</u>	<u>-</u>	<u>85</u>	<u>1,852</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>404,615</u>	<u>95,463</u>	<u>54,864</u>	<u>7,489</u>	<u>562,431</u>
BALANCES - BEGINNING	<u>226,588</u>	<u>1,106,816</u>	<u>6,575</u>	<u>96,425</u>	<u>1,436,404</u>
BALANCES - ENDING	<u>\$ 631,203</u>	<u>\$ 1,202,279</u>	<u>\$ 61,439</u>	<u>\$ 103,914</u>	<u>\$ 1,998,835</u>

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

Operating income (loss)	\$ 25,242	\$ 84,063	\$ 17,441	\$ (12,946)	\$ 113,800
Change in assets and liabilities:					
Net pension asset	33,099	14,959	729	-	48,787
Pension related deferred outflows	(12,885)	(5,824)	(283)	-	(18,992)
Accounts receivable	(5,852)	(2,380)	(12,556)	(1,207)	(21,995)
Inventories	7,797	4,486	(2,730)	-	9,553
Accounts payable	(60,141)	10,625	(10,359)	1,557	(58,318)
Accrued leave payable	486	(26)	(1,814)	-	(1,354)
Pension related deferred inflows	(25,596)	(11,569)	(564)	-	(37,729)
Net cash provided (used) by operating activities	<u>\$ (37,850)</u>	<u>\$ 94,334</u>	<u>\$ (10,136)</u>	<u>\$ (12,596)</u>	<u>\$ 33,752</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 ASSET
YEAR ENDED DECEMBER 31, 2015

	Last 1 Fiscal Year*
	2015
City's proportion of the net pension asset	0.069430%
City's proportionate share of net pension asset	\$ 294,474
City's covered-employee payroll	\$ 1,201,877
City's proportionate share of the net pension asset as a percentage of its covered-employee payroll	24.50%
Plan fiduciary net position as a percentage of the total pension asset	104%

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

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 76,477	\$ 75,895	\$ 75,590	\$ 77,519	\$ 73,104	\$ 68,683	\$ 68,120	\$ 66,069	\$ 63,085	\$ 60,323
Contributions in relation to the contractually required contribution	76,477	75,895	75,590	77,519	73,104	68,683	68,120	66,069	63,085	60,323
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 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	\$ 935,169
Contributions as a percentage of covered-employee payroll	6.36%	6.46%	6.49%	6.46%	6.49%	6.53%	6.59%	6.52%	6.48%	6.45%

SUPPLEMENTARY INFORMATION

CITY OF MOBRIDGE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	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	Airport Project Fund	Bike Path Trail Fund	Riverfront Development Fund	Total Nonmajor Governmental Funds
ASSETS:											
Cash and cash equivalents	\$ 9,007	\$ 943	\$ 9,115	\$ 73,370	\$ 5,317	\$ (6,998)	\$ (9,714)	\$ -	\$ 34,153	\$ 2,000	\$ 117,193
Investments	-	1,609	17,431	-	-	-	-	-	-	-	19,040
Accounts receivable, net	-	-	-	445	-	-	-	-	-	-	445
Special assessments receivable - delinquent	-	-	-	-	31,189	5,877	-	-	-	-	37,066
Due from state government	12,977	-	-	-	-	-	-	-	-	-	12,977
TOTAL ASSETS	<u>\$ 21,984</u>	<u>\$ 2,552</u>	<u>\$ 26,546</u>	<u>\$ 73,815</u>	<u>\$ 36,506</u>	<u>\$ (1,121)</u>	<u>\$ (9,714)</u>	<u>\$ -</u>	<u>\$ 34,153</u>	<u>\$ 2,000</u>	<u>\$ 186,721</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:											
LIABILITIES:											
Accounts payable	\$ 9,006	\$ -	\$ -	\$ 618	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,624
Due to the General Fund	-	-	-	-	-	-	-	10,607	-	-	10,607
TOTAL LIABILITIES	<u>9,006</u>	<u>-</u>	<u>-</u>	<u>618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,607</u>	<u>-</u>	<u>-</u>	<u>20,231</u>
DEFERRED INFLOWS OF RESOURCES:											
Unavailable revenue - special assessments	-	-	-	-	31,029	4,132	-	-	-	-	35,161
Other deferred inflows of resources	2,256	-	-	-	-	-	-	-	-	-	2,256
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,029</u>	<u>4,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,417</u>
FUND BALANCES:											
Restricted:											
Debt service	-	-	-	-	5,477	-	-	-	-	-	5,477
Capital project purposes	-	-	-	-	-	-	-	-	-	2,000	36,153
Facilities and promoting the City	10,722	-	-	-	-	-	-	-	34,153	-	10,722
Park purposes	-	2,552	-	-	-	-	-	-	-	-	2,552
24/7 sobriety purposes	-	-	-	73,197	-	-	-	-	-	-	73,197
Other	-	-	26,546	-	-	-	-	-	-	-	26,546
Unassigned	-	-	-	-	-	(5,253)	(9,714)	(10,607)	-	-	(25,574)
TOTAL FUND BALANCES	<u>10,722</u>	<u>2,552</u>	<u>26,546</u>	<u>73,197</u>	<u>5,477</u>	<u>(5,253)</u>	<u>(9,714)</u>	<u>(10,607)</u>	<u>34,153</u>	<u>2,000</u>	<u>129,073</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 21,984</u>	<u>\$ 2,552</u>	<u>\$ 26,546</u>	<u>\$ 73,815</u>	<u>\$ 36,506</u>	<u>\$ (1,121)</u>	<u>\$ (9,714)</u>	<u>\$ -</u>	<u>\$ 34,153</u>	<u>\$ 2,000</u>	<u>\$ 186,721</u>

CITY OF MOBRIDGE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2015

	Third Penny Sales Tax Fund	Special Park Project Fund	Storm Sewer Maintenance Fund	24/7 Sobriety Fund	Storm Sewer Debt Service Fund	Pool Project Debt Service Fund	Storm Sewer Project Fund	Airport Project Fund	Mural Restoration Project Fund	Bike Path Trail Fund	Riverfront Development Fund	Total Nonmajor Governmental Funds
REVENUES:												
Taxes:												
General sales and use taxes	\$123,491	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$123,491
Intergovernmental Revenue:												
Federal grants	-	-	-	5,000	-	-	-	81,960	-	-	-	86,960
State grants	-	-	-	-	-	-	-	4,553	-	-	-	4,553
Charges for Goods and Services:												
Public safety	-	-	-	10,089	-	-	-	-	-	-	-	10,089
Miscellaneous Revenue:												
Investment earnings	-	2	10	-	-	-	-	-	-	-	-	12
Special assessments	-	-	-	-	28,710	151,540	-	-	-	-	-	180,250
Contributions and donations from private sources	-	-	-	-	-	-	-	-	8,501	-	-	8,501
Other	-	-	-	3,445	-	-	-	-	-	-	-	3,445
TOTAL REVENUE	123,491	2	10	18,534	28,710	151,540	-	86,513	8,501	-	-	417,301
EXPENDITURES:												
Public Safety:												
Police	-	-	-	8,974	-	-	-	-	-	-	-	8,974
Public Works:												
Highways and streets	-	-	-	-	-	-	10,000	-	-	-	-	10,000
Culture and Recreation:												
Auditorium	-	-	-	-	-	-	-	-	61	-	-	61
Conservation and Development:												
Economic development and assistance (industrial development)	120,894	-	-	-	-	-	-	-	-	-	-	120,894
Debt Service	-	-	-	-	106,899	206,793	-	-	-	-	-	313,692
TOTAL EXPENDITURES	120,894	-	-	8,974	106,899	206,793	10,000	-	61	-	-	453,621
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,597	2	10	9,560	(78,189)	(55,253)	(10,000)	86,513	8,440	-	-	(36,320)
OTHER FINANCING SOURCES:												
Transfers in	-	-	-	-	-	50,000	-	-	3,242	-	-	53,242
TOTAL OTHER FINANCING SOURCES	-	-	-	-	-	50,000	-	-	3,242	-	-	53,242
NET CHANGE IN FUND BALANCES	2,597	2	10	9,560	(78,189)	(5,253)	(10,000)	86,513	11,682	-	-	16,922
FUND BALANCE - BEGINNING	8,125	2,550	26,536	63,637	83,666	-	286	(97,120)	(11,682)	34,153	2,000	112,151
FUND BALANCE - ENDING	\$ 10,722	\$ 2,552	\$ 26,546	\$ 73,197	\$ 5,477	\$ (5,253)	\$ (9,714)	\$ (10,607)	\$ -	\$ 34,153	\$ 2,000	\$ 129,073

CITY OF MOBRIDGE
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2015

	Cemetery Fund	Water and Sewer Main Fund	Totals
ASSETS:			
Current Assets:			
Cash and cash equivalents	\$ 3,971	\$ 44,274	\$ 48,245
Investments	7,509	45,589	53,098
Accounts receivable, net	1,200	142	1,342
	<u>12,680</u>	<u>90,005</u>	<u>102,685</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			
TOTAL ASSETS	<u>16,586</u>	<u>90,005</u>	<u>106,591</u>
LIABILITIES:			
Current Liabilities:			
Accounts payable	2,424	980	3,404
	<u>2,424</u>	<u>980</u>	<u>3,404</u>
Total Current Liabilities			
NET POSITION:			
Net investment in capital assets	1,335	-	1,335
Restricted for:			
Other purposes	2,571	-	2,571
Unrestricted	10,256	89,025	99,281
	<u>14,162</u>	<u>89,025</u>	<u>103,187</u>
TOTAL NET POSITION	<u>\$ 14,162</u>	<u>\$ 89,025</u>	<u>\$ 103,187</u>

CITY OF MOBRIDGE
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2015

	Cemetery Fund	Water and Sewer Main Fund	Totals
OPERATING REVENUE:			
Charges for goods and services	\$ 22,925	\$ 10,338	\$ 33,263
Contribution and donations	2,000	-	2,000
TOTAL OPERATING REVENUE	<u>24,925</u>	<u>10,338</u>	<u>35,263</u>
OPERATING EXPENSES:			
Other current expense	47,229	980	48,209
TOTAL OPERATING EXPENSES	<u>47,229</u>	<u>980</u>	<u>48,209</u>
OPERATING INCOME (LOSS)	<u>(22,304)</u>	<u>9,358</u>	<u>(12,946)</u>
NONOPERATING REVENUE:			
Investment earnings	3	28	31
TOTAL NONOPERATING REVENUE	<u>3</u>	<u>28</u>	<u>31</u>
INCOME (LOSS) BEFORE TRANSFERS	(22,301)	9,386	(12,915)
TRANSFERS IN	<u>20,000</u>	<u>-</u>	<u>20,000</u>
CHANGE IN NET POSITION	(2,301)	9,386	7,085
NET POSITION - BEGINNING	<u>16,463</u>	<u>79,639</u>	<u>96,102</u>
NET POSITION - ENDING	<u>\$ 14,162</u>	<u>\$ 89,025</u>	<u>\$ 103,187</u>

CITY OF MOBRIDGE
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2015

	Cemetery Fund	Water and Sewer Main Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from customers	\$ 21,725	\$ 10,331	\$ 32,056
Other operating cash receipts	\$ 2,000	\$ -	\$ 2,000
Cash payments to suppliers of goods and services	<u>(46,652)</u>	<u>-</u>	<u>(46,652)</u>
Net cash provided (used) by operating activities	<u>(22,927)</u>	<u>10,331</u>	<u>(12,596)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Net cash provided by noncapital financing activities	<u>20,000</u>	<u>-</u>	<u>20,000</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>10</u>	<u>75</u>	<u>85</u>
Net cash provided by investing activities	<u>10</u>	<u>75</u>	<u>85</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,917)	10,406	7,489
BALANCES - BEGINNING	<u>16,968</u>	<u>79,457</u>	<u>96,425</u>
BALANCES - ENDING	<u>\$ 14,051</u>	<u>\$ 89,863</u>	<u>\$ 103,914</u>

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

Operating income (loss)	\$ (22,304)	\$ 9,358	\$ (12,946)
Change in assets and liabilities:			
Accounts receivable	(1,200)	(7)	(1,207)
Accounts payable	<u>577</u>	<u>980</u>	<u>1,557</u>
Net cash provided (used) by operating activities	<u>\$ (22,927)</u>	<u>\$ 10,331</u>	<u>\$ (12,596)</u>