

**MUNICIPALITY OF PLATTE
PLATTE, SOUTH DAKOTA**

AUDIT REPORT

**FOR THE YEAR JANUARY 1, 2013 TO DECEMBER 31, 2013
AND
FOR THE YEAR JANUARY 1, 2014 TO DECEMBER 31, 2014**

Schoenfish & Co., Inc.

CERTIFIED PUBLIC ACCOUNTANTS
P.O. Box 247

105 EAST MAIN, PARKSTON, SOUTH DAKOTA 57366

MUNICIPALITY OF PLATTE

MUNICIPAL OFFICIALS
DECEMBER 31, 2014

MAYOR:

Rick Gustad

GOVERNING BOARD:

Rich Hoppe, President
Joel Foxley, Vice-President
Mitch Antonsen
Tom Boltjes
Jarrod Lang
Jerry Overweg

FINANCE OFFICER:

Shauna Meyerink

ATTORNEY:

Tim Whalen

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INDEPENDENT AUDITOR'S 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

Governing Board
Municipality of Platte
Platte, 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, and the aggregate remaining fund information of the Municipality of Platte, South Dakota (Municipality), as of December 31, 2014 and for each of the years in the biennial period then ended, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements and have issued our report thereon dated August 13, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Municipality'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 Municipality's internal control. Accordingly, we do not express an opinion on the effectiveness of the Municipality'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 and Questioned Costs, 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 Municipality'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 and Questioned Costs as item 2014-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Municipality'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

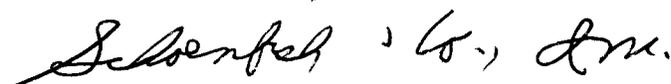
material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Municipality's Response to Findings

The Municipality's response to the finding identified in our audit is described in the accompanying Schedule of Current Audit Findings and Questioned Costs. The Municipality's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Municipality'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.



Schoenfish & Co., Inc.
Certified Public Accountants
August 13, 2015

Schoenfish & Co., Inc.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Governing Board
Municipality of Platte
Platte, South Dakota

Report on Compliance for Each Major Federal Program

We have audited the Municipality of Platte, South Dakota (Municipality) compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Municipality's major federal programs for the biennial period ended December 31, 2014. The Municipality's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Current Audit Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Municipality's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Municipality's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the Municipality's compliance.

Opinion on Each Major Federal Program

In our opinion, the Municipality of Platte complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the biennial period ended December 31, 2014.

Report on Internal Control Over Compliance

Management of the Municipality is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Municipality's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Municipality's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Current Audit Findings and Questioned Costs as item 2014-001 to be a material weakness.

The Municipality's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Current Audit Findings and Questioned Costs. The Municipality's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purposes. As required by South Dakota Codified Law 4-11-11, this report and our report on compliance for each major federal program are matters of public record and their distribution is not limited.



Schoenfish & Co., Inc.
 Certified Public Accountants
 August 13, 2015

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SCHEDULE OF PRIOR AUDIT FINDINGS

PRIOR AUDIT FINDINGS:

Finding Number 2012-001:

A material weakness in internal controls was noted due to a lack of proper segregation of duties for revenues. This comment has not been corrected and is restated as current audit finding number 2014-001.

Finding Number 2012-002:

No budget was made for the Swimming Pool Fund. This comment has been corrected.

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SCHEDULE OF CURRENT AUDIT FINDINGS
AND QUESTIONED COST
(Continued)

Criteria:

Proper segregation of duties results in increased reliability of reported financial data and decreased potential for the loss of public assets.

Condition:

The Finance Officer and Assistant Finance Officer process all revenue transactions from beginning to end. The Finance Officer also receives money, issues receipts, records receipts, posts receipts in the accounting records, prepares bank deposits, reconciles bank statements, and prepares financial statements.

Effect:

As a result, there is an increased likelihood that errors could occur and not be detected in a timely manner by employees in the ordinary course of performing their duties.

Recommendation:

1. We recommend that the Municipality of Platte officials be cognizant of this lack of segregation of duties for revenues and attempt to provide compensating internal controls whenever, and wherever, possible and practical.

Corrective Action Plan:

The Municipality of Platte Mayor, Steve Christensen, is the contact person responsible for the corrective action plan for this comment. This comment is due to the size of the Municipality of Platte, which precludes staffing at a level sufficient to provide an ideal environment for internal controls. We are aware of this problem and are attempting to provide compensating controls.

CURRENT OTHER AUDIT FINDINGS:

There are no current other audit findings to report except for the lack of segregation of duties for revenues stated in current findings number 2014-001.

CLOSING CONFERENCE

The audit findings were discussed with the officials during the course of the audit and with the Mayor, Finance Officer, and Assistant Finance Officer on August 18, 2015.

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Municipality of Platte
Platte, South Dakota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Municipality of Platte, South Dakota, (Municipality) as of December 31, 2014 and for each of the years in the biennial period then ended, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

The Municipality's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Municipality'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 Municipality's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Municipality of Platte as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for each of the years in the biennial period 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 Management's Discussion and Analysis (MD&A) and the Budgetary Comparison Schedules on pages 11 through 21, and 59 through 62 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 Municipality has omitted the Budgetary Comparison Schedule for the Swimming Pool Fund 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 Municipality's financial statements. The Schedule of Expenditures of Federal Awards, which is required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations* and the combining non-major 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 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other

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additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 13, 2015 on our consideration of the Municipality'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 Municipality's internal control over financial reporting and compliance.



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August 13, 2015

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**MUNICIPALITY OF PLATTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2014**

This section of the Municipality of Platte's financial report presents our discussion and analysis of the Municipality's financial performance during the two fiscal years ended on December 31, 2014. Please read it in conjunction with the Municipality's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

2014

- During the year, the Municipality's revenues generated from charges for services, taxes, contributions and other revenues of the governmental programs were \$1,252,598; \$386,405 more than the \$866,193 in governmental expenditures. The Municipality again made significant investments in its Public Works Department and in its Recreation Department. A \$250,000 transfer from General Fund to the Swim Pool Building Fund was budgeted and processed. Land adjacent to other city-owned property was purchased from general fund at a cost of \$98,166.
- In the Municipality's business-type activities, revenues were eight percent higher than last year while expenses increased by five percent. Operating revenues increased from \$508,641 last year to \$547,166 in 2014 while expenses increased slightly from \$474,168 to \$496,987 in the same time frame.
- The general fund reported a \$19,620 increase in cash balances, ending the year with \$917,273.

2013

- During the year, the Municipality's revenues generated from charges for services, taxes, contributions and other revenues of the governmental programs were \$2,196,896, \$1,254,984 more than the \$941,912 governmental expenditures. The Municipality again made significant investments in its Public Works Department and in its Recreation Department. The Airport Improvement Project was completed and grant moneys received for this year's and prior year's expenses on the Airport Apron and Taxiway. A \$250,000 transfer from General Fund to the Swim Pool Building Fund was budgeted and processed.
- In the Municipality's business-type activities, revenues were seven percent lower than last year while expenses increased two percent. Revenue decreased from \$544,591 last year to \$508,641 in 2013 while expenses increased slightly from \$465,192 in 2012 to \$474,168 this year.
- The general fund reported a \$654,491 increase in cash balances, offsetting the \$584,410 decrease in cash balances last year, as much of the Federal grant moneys to reimburse the Airport Improvement Projects was not received until 2013.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, including related notes, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Municipality:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Municipality's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Municipality government, reporting the Municipality's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services like public safety were financed in the short-term as well as what remains for future spending.
 - Proprietary fund statements offer short- and long-term financial information about the activities that the Municipality operates like businesses. The Municipality has two proprietary funds – the Water Fund and the Sewer Fund.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to the

required elements, we have included a section with combining statements that provide details about our non-major governmental funds, each of which are added together and presented in a single column in the basic financial statements.

Figure A-1 summarizes the major features of the Municipality's financial statements, including the portion of the Municipality government they cover and the types of information they contain. The remainder of the overview section of the management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-1

Major Features of Municipality of Platte's Government-wide and Fund Financial Statements				
	Government-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire municipal government (except fiduciary funds)	The activities of the municipality that are not proprietary or fiduciary, such as finance office, police, fire, and parks	Activities the municipality operates similar to private businesses, the water and sewer systems	Instances in which the municipality is the trustee or agent for someone else's resources
Required Financial Statements	*Statement of Net Position *Statement of Activities	*Balance Sheet *Statement of Revenues, Expenditures and Changes in Fund Balances	*Balance Sheet *Statement of Revenues, Expenses and Changes in Net Position *Statement of Cash Flows	*Statement of Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the municipality's funds do not currently contain capital assets although they can
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the Municipality as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Municipality's net position and how they have changed. Net position – the difference between the Municipality's assets and liabilities – is one way to measure the Municipality's financial health or position.

- Increases or decreases in the Municipality's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Municipality you need to consider additional nonfinancial factors such as changes in the Municipality's property tax base and changes in the sales tax revenue base.

The government-wide financial statements of the Municipality are reported in two categories:

- **Governmental Activities** -- This category includes the most of the Municipality's basic services, such as police, fire, public works, parks department and general administration. Property taxes, sales taxes, charges for services, state and federal grants and interest earnings finance most of these activities.
- **Business-type Activities** -- The Municipality charges a fee to customers to help cover the costs of certain services it provides. The Municipality's water and sewer funds are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the Municipality's most significant funds – not the Municipality as a whole. Funds are accounting devices that the Municipality uses to keep track of specific sources of funding and spending for particular purposes.

- State Law requires some of the funds.
- The Municipality Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The Municipality has three kinds of funds:

- **Governmental Funds** – Most of the Municipality's basic services are included in the governmental funds, which focus on (1) how cash and other financial assets that can readily converted to cash flow in and out and (2) the balances left at the year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Municipality's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.
- **Proprietary Funds** – Services for which the Municipality charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both short- and long-term financial information. The Municipality's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- **Fiduciary Funds** – The Municipality is the trustee, or fiduciary, for various external and internal parties. The Municipality is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Municipality's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the Municipality's government-wide financial statements because the Municipality cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE MUNICIPALITY AS A WHOLE

Net Position

The Municipality's combined net position increased by 20.14 percent between fiscal year 2012 and 2013 -- increasing by \$1,289,457. The Municipality's combined net position increased by 5.68 percent between fiscal year 2013 and 2014 increasing by \$436,584. (See Table A-1)

Table A-1
MUNICIPALITY OF PLATTE
Statement of Net Position

	Governmental Activities			Business-Type Activities			Totals		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Current and Other Assets	973,048	1,949,763	2,259,212	225,195	262,728	300,572	1,198,243	2,212,491	2,559,784
Capital Assets, Net of Depr.	2,892,630	3,183,032	3,247,159	2,942,710	2,863,229	2,787,117	5,835,340	6,046,261	6,034,276
Total Assets	<u>3,865,678</u>	<u>5,132,795</u>	<u>5,506,371</u>	<u>3,167,905</u>	<u>3,125,957</u>	<u>3,087,689</u>	<u>7,033,583</u>	<u>8,258,752</u>	<u>8,594,060</u>
Long-Term Debt Outstanding	2,197	2,255	3,529	614,198	531,299	442,979	616,395	533,554	446,508
Other Liabilities	2,028	14,103		13,045	19,523	19,396	15,073	33,626	19,396
Total Liabilities	<u>4,225</u>	<u>16,358</u>	<u>3,529</u>	<u>627,243</u>	<u>550,822</u>	<u>462,375</u>	<u>631,468</u>	<u>567,180</u>	<u>465,904</u>
Net Investment in Capital Assets	2,892,630	3,183,032	3,247,159	2,331,096	2,335,743	2,347,176	5,223,726	5,518,775	5,594,335
Restricted	701,472	1,048,932	1,338,993	70,000	70,000	85,000	771,472	1,118,932	1,423,993
Unrestricted	267,351	884,473	916,690	139,566	169,392	193,138	406,917	1,053,865	1,109,828
Total Net Position	<u>3,861,453</u>	<u>5,116,437</u>	<u>5,502,842</u>	<u>2,540,662</u>	<u>2,575,135</u>	<u>2,625,314</u>	<u>6,402,115</u>	<u>7,691,572</u>	<u>8,128,156</u>
Beginning Net Position	<u>3,513,087</u>	<u>3,861,453</u>	<u>5,116,437</u>	<u>2,461,263</u>	<u>2,540,662</u>	<u>2,575,135</u>	<u>5,974,350</u>	<u>6,402,115</u>	<u>7,691,572</u>
Increase (Decrease) in Net Position	<u>348,366</u>	<u>1,254,984</u>	<u>386,405</u>	<u>79,399</u>	<u>34,473</u>	<u>50,179</u>	<u>427,765</u>	<u>1,289,457</u>	<u>436,584</u>
Percentage of Change in Net Position	<u>9.92%</u>	<u>32.50%</u>	<u>7.55%</u>	<u>3.23%</u>	<u>1.36%</u>	<u>1.95%</u>	<u>7.16%</u>	<u>20.14%</u>	<u>5.68%</u>

The Statement of Net Position reports all financial and capital resources. The statement presents the assets and liabilities in order of relative liquidity. The liabilities with average maturities greater than one year are reported in two components – the amount due within one year and the amount due in more than one year. The long-term liabilities of the Municipality, consisting of compensated absences payable, and water and sewer revenue loans payable, have been reported in this manner on the Statement of Net Position. The difference between the Municipality's assets and liabilities is its net position.

The Municipality's net position reflect its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The Municipality uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

At the end of the current year (2014), the Municipality is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior year.

Changes in Net Position

2014

The Municipality's total revenues totaled \$1,799,764. Eighty-eight percent of the Municipality's revenue comes from charges for services and taxes, with 35 cents of every dollar raised coming from charges for services (primarily water and sewer operations) and 53 cents of every dollar raised comes from some type of tax. Ten percent came from federal grants and private donations to various city funds.

The total cost of all programs and services increased four percent over last year. The Municipality's expenses cover a range of services, with more than half related to public work services (road maintenance, water system services and sewer system services).

2013

The Municipality's total revenues totaled \$2,705,537. Fifty-eight percent of the Municipality's revenue comes from charges for services and taxes, with 23 cents of every dollar raised coming from charges for services (primarily water and sewer operations) and 35 cents of every dollar raised comes from some type of tax. Forty percent came from capital grants and private donations to various city funds. The rest came from operating grants, state-shared revenues and interest earnings. Federal grant money for airport improvements was the majority of the grants and contributions total.

The total cost of all programs and services increased five percent over 2012. The Municipality's expenses cover a range of services, with more than half related to public work services (road maintenance, water system services and sewer system services).

Figure A-2, Sources of Revenue for Fiscal Year 2014

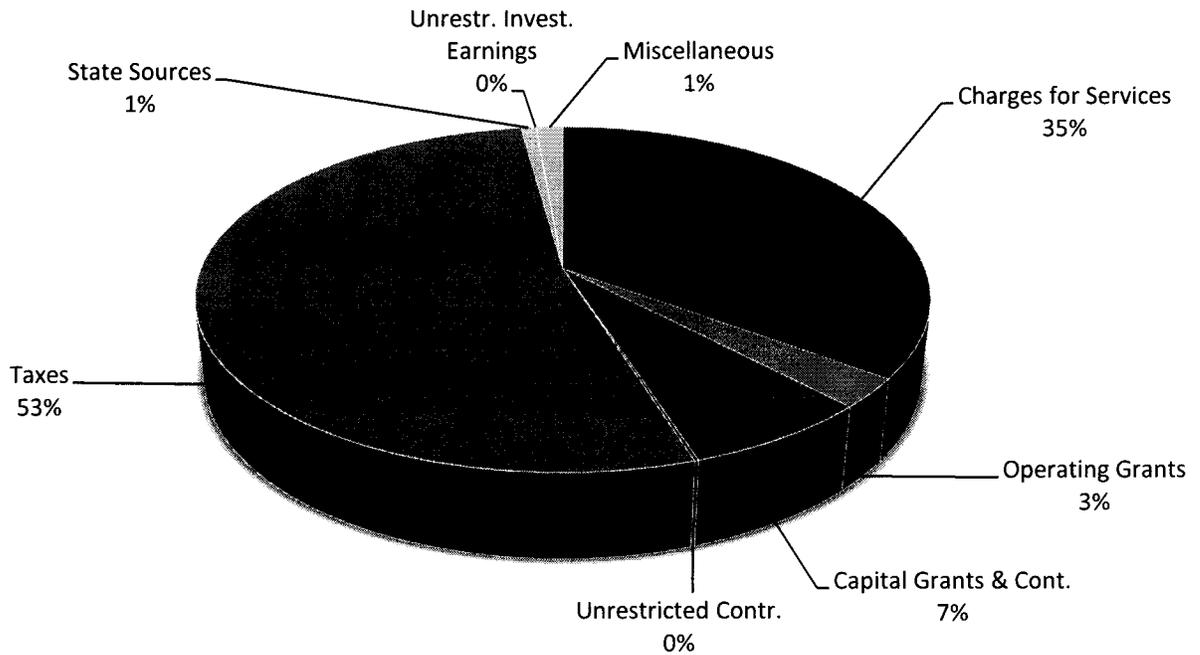


Figure A-3, Functional Expenses for Fiscal Year 2014

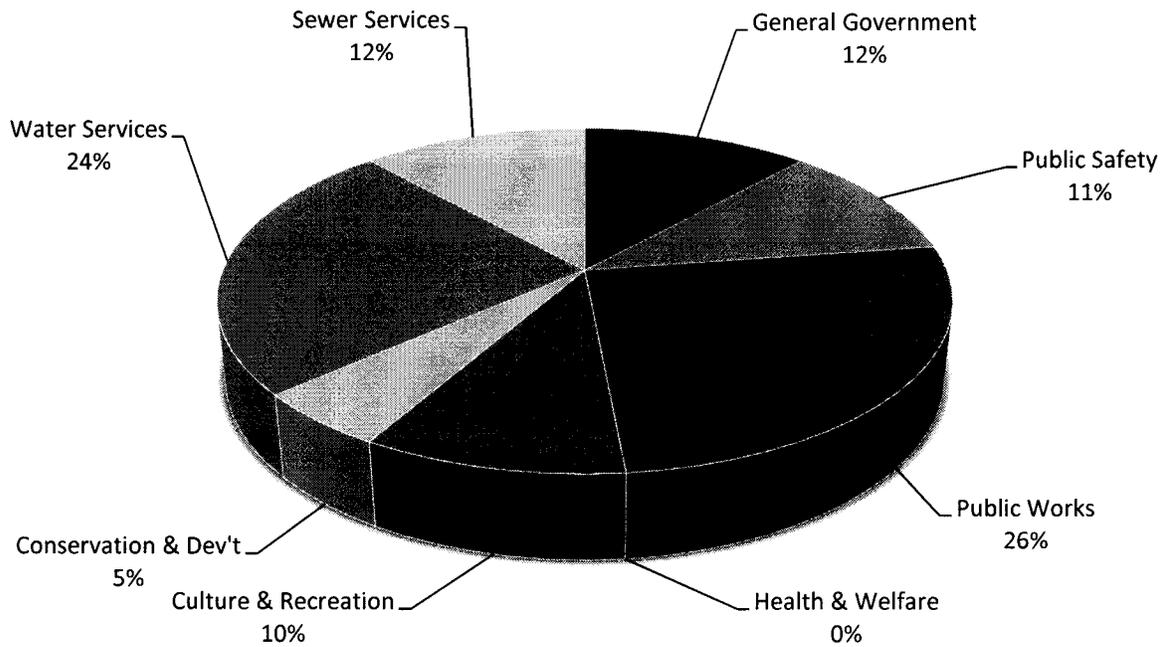


Figure A-4, Sources of Revenue for Fiscal Year 2013

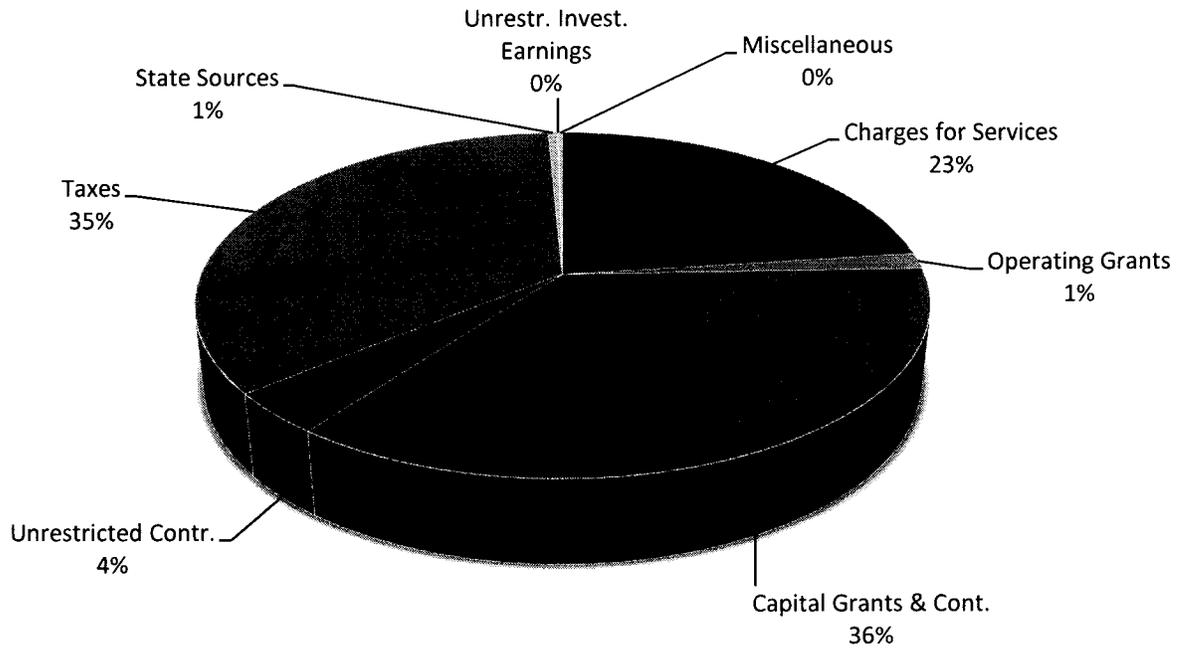
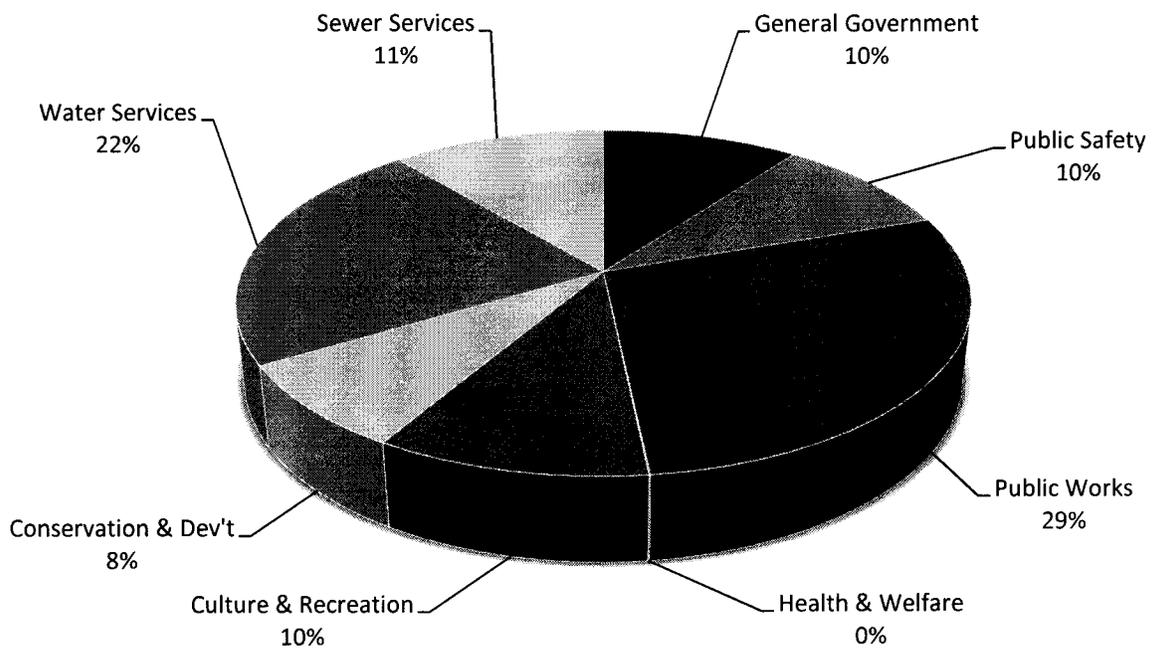


Figure A-5, Functional Expenses for Fiscal Year 2013



Governmental Activities

Table A-2 and the narrative that follows considers the operations of the governmental activities.

Table A-2
MUNICIPALITY OF PLATTE
Changes in Net Position

	Governmental Activities			Business-Type Activities			Total		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
Revenues									
Program Revenues:									
Charges for Services	90,196	117,242	85,208	544,550	505,937	547,091	634,746	623,179	632,299
Operating Grants	40,740	38,682	49,497				40,740	38,682	49,497
Capital Grants & Contributions	216,508	968,613	127,375				216,508	968,613	127,375
Unrestricted Contributions	12,872	104,679	2,645				12,872	104,679	2,645
General Revenues:									
Taxes	852,606	950,686	948,694				852,606	950,686	948,694
State Sources	11,912	12,694	13,368				11,912	12,694	13,368
Unrestricted Investment Earnings	1,972	1,676	1,110	41	56	75	2,013	1,732	1,185
Miscellaneous	2,239	2,624	24,701		2,648		2,239	5,272	24,701
Total Revenue	<u>1,229,045</u>	<u>2,196,896</u>	<u>1,252,598</u>	<u>544,591</u>	<u>508,641</u>	<u>547,166</u>	<u>1,773,636</u>	<u>2,705,537</u>	<u>1,799,764</u>
Expenses									
General Government	137,828	145,419	160,801				137,828	145,419	160,801
Public Safety	125,495	135,117	148,793				125,495	135,117	148,793
Public Works	371,694	403,321	351,353				371,694	403,321	351,353
Health & Welfare	680	717					680	717	-
Culture & Recreation	175,262	144,940	134,227				175,262	144,940	134,227
Conservation & Development	69,720	112,398	71,019				69,720	112,398	71,019
Debt Service							-	-	-
Water Services				321,301	316,695	337,069	321,301	316,695	337,069
Sewer Services				143,891	157,473	159,918	143,891	157,473	159,918
Total Expenses	<u>880,679</u>	<u>941,912</u>	<u>866,193</u>	<u>465,192</u>	<u>474,168</u>	<u>496,987</u>	<u>1,345,871</u>	<u>1,416,080</u>	<u>1,363,180</u>
Increase (Decrease) in Net Position	<u>348,366</u>	<u>1,254,984</u>	<u>386,405</u>	<u>79,399</u>	<u>34,473</u>	<u>50,179</u>	<u>427,765</u>	<u>1,289,457</u>	<u>436,584</u>
Net Position - Ending	<u><u>3,861,453</u></u>	<u><u>5,116,437</u></u>	<u><u>5,502,842</u></u>	<u><u>2,540,662</u></u>	<u><u>2,575,135</u></u>	<u><u>2,625,314</u></u>	<u><u>6,402,115</u></u>	<u><u>7,691,572</u></u>	<u><u>8,128,156</u></u>

For 2014, total governmental revenues for the Municipality decreased 43 percent, while expenses decreased eight percent compared to the previous year.

For 2013, total governmental revenues for the Municipality increased 79 percent, while expenses were seven percent higher than the previous year. Grant money was received to offset some costs of Airport Improvement Plans.

Business-type Activities

For 2014, revenues of the Municipality's Business-Type activities were eight percent more than last year while expenses increased five percent. No significant construction projects were part of the 2014 activity in the business-type funds.

For 2013, revenues of the Municipality's business-type activities were seven percent lower than last year while expenses increased two percent. No significant construction projects were part of 2013 activity.

FINANCIAL ANALYSIS OF THE MUNICIPALITY'S FUNDS

The financial analysis of the Municipality's funds mirror those highlighted in the analysis of governmental and business-type activities that have been presented. The Municipality maintains five governmental funds - General, Liquor, Lodging and Dining Sales Tax Fund, Swimming Pool Building Fund, South Park Capital Projects Fund, and Firehall Expansion Capital Project Funds. The Municipality also maintains two business type funds – Water and Sewer Funds.

General Fund Budgetary Highlights

Over the course of the year 2014, the Municipal Council revised the Municipality's budget several times. These amendments fall into two categories:

- Supplemental appropriations and contingency transfers approved for unanticipated, yet necessary, expenses to provide for items necessary for health and welfare of its citizens.
- Increases in appropriations.

These were significant budget changes during the year, increasing the General Fund from \$890,670 to \$988,170.

Over the course of the year 2013, the Municipal Council revised the Municipality's budget several times. These amendments fall into two categories:

- Supplemental appropriations and contingency transfers approved for unanticipated, yet necessary, expenses to provide for items necessary for health and welfare of its citizens.
- Increases in appropriations, primarily by contingency transfer, to prevent budget overruns.

These were significant budget changes during the year 2013, increasing the General Fund budget from \$1,677,511 to \$1,684,068.

CAPITAL ASSET ADMINISTRATION

By the end of 2014, the Municipality had invested \$6,034,274 in a broad range of capital assets, including land, buildings, various machinery and equipment. (See Table A-3.)

Table A-3
Municipality of Platte - Capital Assets
(net of depreciation)

	Governmental Activities			Business-type Activities		
	2012	2013	2014	2012	2013	2014
Land	329,341	329,341	410,170	54,623	54,623	54,623
Construction Work in Progress	427,045	16,351	6,221			
Buildings	1,259,824	1,229,245	1,198,667	99,614	96,905	94,197
Improvements Other Than Buildings	650,355	1,403,480	1,374,083	2,673,443	2,611,617	2,526,297
Machinery and Equipment	226,064	204,614	258,017	115,030	100,084	111,999
Total Capital Assets (Net)	2,892,629	3,183,031	3,247,158	2,942,710	2,863,229	2,787,116

For the year 2014, the major capital asset additions included:

- Governmental-type major additions were land, equipment, South Park Improvements and Cool Bridge rebuilding.

For the year 2013, the major capital asset additions included:

- Governmental-type major additions were Airport Apron and Taxiway, County Road 18 pavement, and bleachers at the sport complex. South Park improvements and Cool Bridge rebuilding comprise the Construction Work in Progress.

LONG-TERM DEBT

At the 2014 year-end the Municipality had \$446,508 in Water Revenue Bonds, Sewer Revenue Bonds, and other long-term obligations. (See Table A-4)

Table A-4
Municipality of Platte - Outstanding Debt and Obligations

	Governmental Activities			Business-type Activities		
	2012	2013	2014	2012	2013	2014
Compensated Absences	\$ 2,196	\$ 2,255	\$ 3,529	\$ 2,584	\$ 3,813	\$ 3,039
Water Revenue Loan				103,389	72,464	40,759
Sewer Revenue Loan				508,225	455,022	399,181
Total Outstanding Debt and Obligations	2,196	2,255	3,529	614,198	531,299	442,979

The Municipality is liable for the accrued vacation leave payable to all full-time employees who have been employed for more than one year.

The Municipality has outstanding Water Revenue Loan funds. The loan is secured and paid for from the Water Fund. The Municipality does not anticipate the use of any tax dollars to pay for this loan. This loan was used to replace the Municipality's remaining cast iron water mains with PVC mains, and will be fully paid off on January 15, 2016.

The Municipality has outstanding Sewer Revenue Loan funds. The loan is secured and paid for from the Sewer Fund. The Municipality does not anticipate the use of any tax dollars to pay for this loan. This loan was used to replace the majority of the sewer mains throughout the Municipality, and will be fully paid off on January 1, 2021.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Municipality's current economic position is optimistic as it proceeds with major enhancements to the Municipality for the public benefit, including Airport Improvement projects and fundraising for Swimming Pool Building Fund.

One of the primary sources of revenue to the Municipality's General Fund is Property Tax. Under the state mandated property tax freeze, property taxes from one year to the next may increase three percent or an amount based on the Consumer Price Index (CPI), whichever is lower. This year the CPI was three percent, therefore property tax levy requests could increase by three percent plus the percentage representing new construction within the Municipality. The property tax levied for 2014 payable in 2015 was \$241,545 up from the previous year amount of \$245,801.

One of the other primary sources of revenue to the Municipality is sales tax, based on taxable retail sales in the community. The Municipality has conservatively budgeted \$625,000 in sales tax revenue for the year 2015.

CONTACTING THE MUNICIPALITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Municipality's finances and to demonstrate the Municipality's accountability for the money it receives. If you have questions about this report or need additional information, contact the Platte Municipality Finance Office, 310 S Main Street, PO Box 236, Platte, SD 57369.

MUNICIPALITY OF PLATTE
STATEMENT OF NET POSITION
December 31, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	2,256,266.00	296,142.41	2,552,408.41
Accounts Receivable, Net	2,946.47	4,429.87	7,376.34
Capital Assets:			
Land and Construction Work in Progress	416,391.52	54,622.50	471,014.02
Other Capital Assets, Net of Depreciation	2,830,767.24	2,732,493.68	5,563,260.92
TOTAL ASSETS	5,506,371.23	3,087,688.46	8,594,059.69
LIABILITIES :			
Customer Deposits		19,475.00	19,475.00
Unearned Revenue		(79.40)	(79.40)
Noncurrent Liabilities:			
Due Within One Year	1,500.00	92,122.70	93,622.70
Due in More than One Year	2,028.90	350,856.16	352,885.06
TOTAL LIABILITIES	3,528.90	462,374.46	465,903.36
NET POSITION:			
Net Investment in Capital Assets	3,247,158.78	2,347,175.96	5,594,334.74
Restricted for:			
Equipment Repair and/or Replacement		85,000.00	85,000.00
Capital Projects	43,331.55		43,331.55
City Promotion	96,898.00		96,898.00
Swimming Pool Building Fund	1,198,763.90		1,198,763.90
Unrestricted (Deficit)	916,690.10	193,138.04	1,109,828.14
TOTAL NET POSITION	5,502,842.33	2,625,314.00	8,128,156.33

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	160,800.96	8,223.90			(152,577.06)		(152,577.06)
Public Safety	148,792.50	959.05			(147,833.45)		(147,833.45)
Public Works	351,353.50	20,369.44	49,496.94	98,657.34	(182,829.78)		(182,829.78)
Culture and Recreation	134,226.77	30,353.82		28,717.38	(75,155.57)		(75,155.57)
Conservation and Development	71,018.86				(71,018.86)		(71,018.86)
Miscellaneous Expenditures		25,302.08			25,302.08		25,302.08
Total Governmental Activities	866,192.59	85,208.29	49,496.94	127,374.72	(604,112.64)		(604,112.64)
Business-type Activities:							
Water	337,069.10	365,927.65				28,858.55	28,858.55
Sewer	159,918.32	181,163.79				21,245.47	21,245.47
Total Business-type Activities	496,987.42	547,091.44	0.00	0.00		50,104.02	50,104.02
Total Primary Government	1,363,180.01	632,299.73	49,496.94	127,374.72	(604,112.64)	50,104.02	(554,008.62)
General Revenues:							
Taxes:							
Property Taxes					241,905.18		241,905.18
Sales Taxes					706,787.77		706,787.77
State Shared Revenues					13,368.27		13,368.27
Grants and Contributions not Restricted to Specific Programs					2,645.47		2,645.47
Unrestricted Investment Earnings					1,109.67	74.64	1,184.31
Miscellaneous Revenue					24,701.42		24,701.42
Total General Revenues					990,517.78	74.64	990,592.42
Change in Net Position					386,405.14	50,178.66	436,583.80
Net Position - Beginning					5,116,437.19	2,575,135.34	7,691,572.53
NET POSITION - ENDING					5,502,842.33	2,625,314.00	8,128,156.33

The notes to the financial statements are an integral part of this statement.

**MUNICIPALITY OF PLATTE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014**

	<u>General Fund</u>	<u>Swimming Pool Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:				
Cash and Cash Equivalents	917,272.55	1,198,763.90	140,229.55	2,256,266.00
Taxes Receivable--Delinquent	<u>2,946.47</u>			<u>2,946.47</u>
TOTAL ASSETS	<u>920,219.02</u>	<u>1,198,763.90</u>	<u>140,229.55</u>	<u>2,259,212.47</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:				
Deferred Inflows of Resources:				
Unavailable Revenue - Property Taxes	2,946.47			2,946.47
Total Deferred Inflows of Resources	<u>2,946.47</u>	<u>0.00</u>	<u>0.00</u>	<u>2,946.47</u>
Fund Balances:				
Restricted for Pool Building Fund		1,198,763.90		1,198,763.90
Restricted for City Promotion			96,898.00	96,898.00
Restricted for Capital Projects			43,331.55	43,331.55
Assigned for Capital Outlay Accumulations	5,174.76			5,174.76
Assigned for Capital Replacements	253,000.00			253,000.00
Unassigned	659,097.79			659,097.79
Total Fund Balances	<u>917,272.55</u>	<u>1,198,763.90</u>	<u>140,229.55</u>	<u>2,256,266.00</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>920,219.02</u>	<u>1,198,763.90</u>	<u>140,229.55</u>	<u>2,259,212.47</u>

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2014

Total Fund Balances - Governmental Funds	<u>2,256,266.00</u>
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.	<u>3,247,158.76</u>
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.	<u>(3,528.90)</u>
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.	<u>2,946.47</u>
Net Position - Governmental Activities	<u><u>5,502,842.33</u></u>

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	General Fund	Swimming Pool Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
General Property Taxes	241,597.47			241,597.47
General Sales and Use Taxes	665,383.35		41,404.42	706,787.77
Amusement Taxes	72.00			72.00
Penalties and Interest on Delinquent Taxes	467.10			467.10
Licenses and Permits	7,635.55			7,635.55
Intergovernmental Revenue:				
Federal Grants	91,758.80			91,758.80
State Grants	14,886.54			14,886.54
State Shared Revenue:				
Bank Franchise Tax	3,918.65			3,918.65
Motor Vehicle Commercial Prorate	2,759.17			2,759.17
Liquor Tax Reversion	9,449.62			9,449.62
Motor Vehicle Licenses	16,605.36			16,605.36
Local Government Highway and Bridge Fund	15,894.88			15,894.88
County Shared Revenue:				
County Road Tax	6,866.66			6,866.66
County Wheel Tax	7,370.87			7,370.87
Charges for Goods and Services:				
General Government	588.35			588.35
Public Safety	768.05			768.05
Highways and Streets	8,312.43			8,312.43
Sanitation	12,057.01			12,057.01
Culture and Recreation	28,143.82			28,143.82
Fines and Forfeits:				
Court Fines and Costs	191.00			191.00
Miscellaneous Revenue:				
Investment Earnings	970.53		139.14	1,109.67
Rentals	2,210.00			2,210.00
Contributions and Donations from Private Sources	2,645.47	20,729.38		23,374.85
Liquor Operating Agreement Income	25,302.08			25,302.08
Other	2,355.01			2,355.01
Total Revenue	1,168,209.77	20,729.38	41,543.56	1,230,482.71
Expenditures:				
General Government:				
Legislative	26,780.41			26,780.41
Elections	533.44			533.44
Financial Administration	89,077.12			89,077.12
Other	9,072.99			9,072.99
Total General Government	125,463.96	0.00	0.00	125,463.96

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	General Fund	Swimming Pool Building Fund	Other Governmental Funds	Total Governmental Funds
Expenditures (Continued):				
Public Safety:				
Police	124,881.38			124,881.38
Fire	1,177.52			1,177.52
Total Public Safety	126,058.90	0.00	0.00	126,058.90
Public Works:				
Highways and Streets	239,632.66			239,632.66
Sanitation	18,450.90			18,450.90
Airport	12,556.95			12,556.95
Total Public Works	270,640.51	0.00	0.00	270,640.51
Culture and Recreation:				
Recreation	42,193.12	315.00		42,508.12
Parks	12,272.22		327.64	12,599.86
Libraries	16,537.76			16,537.76
Auditorium	32,660.35		6,650.26	39,310.61
Total Culture and Recreation	103,663.45	315.00	6,977.90	110,956.35
Conservation and Development:				
Economic Development and Assistance (Industrial Development)	44,100.00		26,918.86	71,018.86
Total Conservation and Development	44,100.00	0.00	26,918.86	71,018.86
Capital Outlay	224,906.68	0.00	0.00	224,906.68
Total Expenditures	894,833.50	315.00	33,896.76	929,045.26
Excess of Revenue Over (Under) Expenditures	273,376.27	20,414.38	7,646.80	301,437.45
Other Financing Sources (Uses):				
Sale of Municipal Property	10,346.41	12,000.00		22,346.41
Transfers Out	(250,000.00)	250,000.00		0.00
Total Other Financing Sources (Uses)	(239,653.59)	262,000.00	0.00	22,346.41
Net Change in Fund Balances	33,722.68	282,414.38	7,646.80	323,783.86
Fund Balance - Beginning	883,549.87	916,349.52	132,582.75	1,932,482.14
FUND BALANCE - ENDING	917,272.55	1,198,763.90	140,229.55	2,256,266.00

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances to the Government-Wide Statement of Activities
For the Year Ended December 31, 2014

Net Change in Fund Balances - Total Governmental Funds	<u>323,783.86</u>
Amounts reported for governmental activities in the statement of activities are different because:	
This amount represents capital asset purchases which are reported as expenditures on the fund financial statements but increase assets on the government-wide statements.	<u>224,906.68</u>
This amount represents the current year depreciation expense reported in the statement of activities which is not reported on the fund financial statements because it does not require the use of current financial resources.	<u>(139,437.65)</u>
In the statement of activities, the gains and losses on disposal of capital assets are reported, whereas, in the governmental funds, the proceeds, if any, from the disposal of capital assets are reflected, regardless of whether a gain or loss is realized.	<u>(21,342.00)</u>
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".	<u>(231.39)</u>
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.	<u>(1,274.36)</u>
Change in Net Position of Governmental Activities	<u><u>386,405.14</u></u>

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

	Enterprise Funds		Totals
	Water Fund	Sewer Fund	
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	144,798.67	151,343.74	296,142.41
Accounts Receivable, Net	2,881.11	1,548.76	4,429.87
Total Current Assets	<u>147,679.78</u>	<u>152,892.50</u>	<u>300,572.28</u>
Noncurrent Assets:			
Capital Assets:			
Land	1,702.50	52,920.00	54,622.50
Buildings	138,198.38		138,198.38
Improvements Other Than Buildings	1,977,560.53	2,077,275.84	4,054,836.37
Machinery and Equipment	162,702.55	106,355.02	269,057.57
Less: Accumulated Depreciation	(876,380.05)	(853,218.59)	(1,729,598.64)
Total Noncurrent Assets	<u>1,403,783.91</u>	<u>1,383,332.27</u>	<u>2,787,116.18</u>
TOTAL ASSETS	<u>1,551,463.69</u>	<u>1,536,224.77</u>	<u>3,087,688.46</u>
LIABILITIES:			
Current Liabilities:			
Customer Deposits	19,475.00		19,475.00
Unearned Revenue	(79.40)		(79.40)
Bonds Payable Current:			
General Obligation	32,505.30	58,617.40	91,122.70
Total Current Liabilities	<u>51,900.90</u>	<u>58,617.40</u>	<u>110,518.30</u>
Noncurrent Liabilities:			
Accrued Leave Payable	1,881.68	1,156.96	3,038.64
Other Long-Term Liabilities	8,253.75	340,563.77	348,817.52
Total Noncurrent Liabilities	<u>10,135.43</u>	<u>341,720.73</u>	<u>351,856.16</u>
TOTAL LIABILITIES	<u>62,036.33</u>	<u>400,338.13</u>	<u>462,374.46</u>
NET POSTION:			
Net Investment in Capital Assets	1,363,024.86	984,151.10	2,347,175.96
Restricted for:			
Equipment Repair and/or Replacement	40,000.00	45,000.00	85,000.00
Unrestricted Net Position	86,402.50	106,735.54	193,138.04
TOTAL NET POSITION	<u><u>1,489,427.36</u></u>	<u><u>1,135,886.64</u></u>	<u><u>2,625,314.00</u></u>

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2014

	Enterprise Funds		Totals
	Water Fund	Sewer Fund	
Operating Revenue:			
Charges for Goods and Services	365,927.65	181,163.79	547,091.44
Total Operating Revenue	365,927.65	181,163.79	547,091.44
Operating Expenses:			
Personal Services	78,989.67	40,738.44	119,728.11
Other Current Expense	33,327.26	43,149.48	76,476.74
Materials (Cost of Goods Sold)	169,586.40		169,586.40
Depreciation	53,649.86	54,790.88	108,440.74
Total Operating Expenses	335,553.19	138,678.80	474,231.99
Operating Income (Loss)	30,374.46	42,484.99	72,859.45
Nonoperating Revenue (Expense):			
Investment Earnings	59.63	15.01	74.64
Interest Expense	(1,515.91)	(21,239.52)	(22,755.43)
Total Nonoperating Revenue (Expense)	(1,456.28)	(21,224.51)	(22,680.79)
Change in Net Position	28,918.18	21,260.48	50,178.66
Net Position - Beginning	1,460,509.18	1,114,626.16	2,575,135.34
NET POSITION - ENDING	1,489,427.36	1,135,886.64	2,625,314.00

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Enterprise Funds		Totals
	Water Fund	Sewer Fund	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Receipts from Customers	369,474.09	180,663.08	550,137.17
Cash Payments to Employees for Services	(80,599.64)	(40,838.56)	(121,438.20)
Cash Payments to Suppliers of Goods and Services	(204,845.42)	(43,508.78)	(248,354.20)
Net Cash Provided (Used) by Operating Activities	<u>84,029.03</u>	<u>96,315.74</u>	<u>180,344.77</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of Capital Assets	(32,327.55)		(32,327.55)
Principal Paid on Capital Debt	(31,705.21)	(55,840.48)	(87,545.69)
Interest Paid on Capital Debt	(1,515.91)	(21,239.52)	(22,755.43)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(65,548.67)</u>	<u>(77,080.00)</u>	<u>(142,628.67)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash Received for Interest	59.63	15.01	74.64
Net Cash Provided (Used) by Investing Activities	<u>59.63</u>	<u>15.01</u>	<u>74.64</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>18,539.99</u>	<u>19,250.75</u>	<u>37,790.74</u>
Balances - Beginning	126,258.68	132,092.99	258,351.67
Balances - Ending	<u>144,798.67</u>	<u>151,343.74</u>	<u>296,142.41</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss)	30,374.46	42,484.99	72,859.45
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	53,649.86	54,790.88	108,440.74
Change in Assets and Liabilities:			
Receivables	447.06	(500.71)	(53.65)
Accounts and Other Payables	(2,530.14)	(697.06)	(3,227.20)
Accrued Leave Payable	(1,011.59)	237.64	(773.95)
Customer Deposits	3,125.00		3,125.00
Unearned Revenue	(25.62)		(25.62)
Net Cash Provided (Used) by Operating Activities	<u>84,029.03</u>	<u>96,315.74</u>	<u>180,344.77</u>

The notes to the financial statements are an integral part of this statement.

**MUNICIPALITY OF PLATTE
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2014**

	Agency Funds
ASSETS:	
Cash and Cash Equivalents	4,062.73
Other Assets	2,718.76
TOTAL ASSETS	6,781.49
 LIABILITIES:	
Amounts Held for Others	6,781.49
TOTAL LIABILITIES	6,781.49

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF NET POSITION
December 31, 2013

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS:			
Cash and Cash Equivalents	1,946,584.79	258,351.67	2,204,936.46
Accounts Receivable, Net	3,177.86	4,376.22	7,554.08
Capital Assets:			
Land and Construction Work in Progress	345,692.41	54,622.50	400,314.91
Other Capital Assets, Net of Depreciation	2,837,339.32	2,808,606.87	5,645,946.19
TOTAL ASSETS	5,132,794.38	3,125,957.26	8,258,751.64
LIABILITIES :			
Accounts Payable	14,102.65	3,227.20	17,329.85
Customer Deposits		16,350.00	16,350.00
Unearned Revenue		(53.78)	(53.78)
Noncurrent Liabilities:			
Due Within One Year	1,500.00	88,973.21	90,473.21
Due in More than One Year	754.54	442,325.29	443,079.83
TOTAL LIABILITIES	16,357.19	550,821.92	567,179.11
NET POSITION:			
Net Investment in Capital Assets	3,183,031.73	2,335,743.46	5,518,775.19
Restricted for:			
Equipment Repair and/or Replacement		70,000.00	70,000.00
Capital Projects	43,659.19		43,659.19
City Promotion	88,923.56		88,923.56
Swimming Pool Building Fund	916,349.52		916,349.52
Unrestricted (Deficit)	884,473.19	169,391.88	1,053,865.07
TOTAL NET POSITION	5,116,437.19	2,575,135.34	7,691,572.53

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	145,419.33	7,722.28			(137,697.05)		(137,697.05)
Public Safety	135,117.47	1,886.05	549.99		(132,681.43)		(132,681.43)
Public Works	403,321.12	53,837.95	38,131.80	968,612.98	657,261.61		657,261.61
Health and Welfare	716.62				(716.62)		(716.62)
Culture and Recreation	144,940.39	28,944.21			(115,996.18)		(115,996.18)
Conservation and Development	112,397.49				(112,397.49)		(112,397.49)
Miscellaneous Expenditures		24,851.84			24,851.84		24,851.84
Total Governmental Activities	941,912.42	117,242.33	38,681.79	968,612.98	182,624.68		182,624.68
Business-type Activities:							
Water	316,695.11	340,282.83				23,587.72	23,587.72
Sewer	157,472.55	165,653.98				8,181.43	8,181.43
Total Business-type Activities	474,167.66	505,936.81	0.00	0.00		31,769.15	31,769.15
Total Primary Government	1,416,080.08	623,179.14	38,681.79	968,612.98	182,624.68	31,769.15	214,393.83
General Revenues:							
Taxes:							
Property Taxes					232,799.28		232,799.28
Sales Taxes					717,886.63		717,886.63
State Shared Revenues					12,694.36		12,694.36
Grants and Contributions not Restricted to Specific Programs					104,679.07		104,679.07
Unrestricted Investment Earnings					1,676.40	56.13	1,732.53
Miscellaneous Revenue					2,624.21	2,648.74	5,272.95
Total General Revenues					1,072,359.95	2,704.87	1,075,064.82
Change in Net Position					1,254,984.63	34,474.02	1,289,458.65
Net Position - Beginning					3,861,452.56	2,540,661.32	6,402,113.88
NET POSITION - ENDING					5,116,437.19	2,575,135.34	7,691,572.53

The notes to the financial statements are an integral part of this statement.

**MUNICIPALITY OF PLATTE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2013**

	<u>General Fund</u>	<u>Swimming Pool Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:				
Cash and Cash Equivalents	897,652.52	916,349.52	132,582.75	1,946,584.79
Taxes Receivable--Delinquent	3,177.86			3,177.86
TOTAL ASSETS	<u>900,830.38</u>	<u>916,349.52</u>	<u>132,582.75</u>	<u>1,949,762.65</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	14,102.65			14,102.65
Total Liabilities	<u>14,102.65</u>	<u>0.00</u>	<u>0.00</u>	<u>14,102.65</u>
Deferred Inflows of Resources:				
Unavailable Revenue - Property Taxes	3,177.86			3,177.86
Total Deferred Inflows of Resources	<u>3,177.86</u>	<u>0.00</u>	<u>0.00</u>	<u>3,177.86</u>
Fund Balances:				
Restricted for Pool Building Fund		916,349.52		916,349.52
Restricted for City Promotion			88,923.56	88,923.56
Restricted for Capital Projects			43,659.19	43,659.19
Assigned for Capital Outlay Accumulations	5,174.76			5,174.76
Assigned for Capital Replacements	178,000.00			178,000.00
Unassigned	700,375.11			700,375.11
Total Fund Balances	<u>883,549.87</u>	<u>916,349.52</u>	<u>132,582.75</u>	<u>1,932,482.14</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>900,830.38</u>	<u>916,349.52</u>	<u>132,582.75</u>	<u>1,949,762.65</u>

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2013

Total Fund Balances - Governmental Funds	<u>1,932,482.14</u>
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.	<u>3,183,031.73</u>
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.	<u>(2,254.54)</u>
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.	<u>3,177.86</u>
Net Position - Governmental Activities	<u><u>5,116,437.19</u></u>

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	General Fund	Swimming Pool Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
General Property Taxes	232,423.89			232,423.89
General Sales and Use Taxes	676,551.31		41,335.32	717,886.63
Amusement Taxes	84.00			84.00
Penalties and Interest on Delinquent Taxes	18.69			18.69
Licenses and Permits	6,422.00			6,422.00
Intergovernmental Revenue:				
Federal Grants	901,481.69			901,481.69
State Grants	67,681.28			67,681.28
State Shared Revenue:				
Bank Franchise Tax	3,895.73			3,895.73
Motor Vehicle Commercial Prorate	4,171.32			4,171.32
Liquor Tax Reversion	8,798.63			8,798.63
Motor Vehicle Licenses	14,235.18			14,235.18
Local Government Highway and Bridge Fund	13,975.33			13,975.33
County Shared Revenue:				
County Wheel Tax	5,749.97			5,749.97
Charges for Goods and Services:				
General Government	1,300.28			1,300.28
Public Safety	1,836.05			1,836.05
Highways and Streets	41,727.59			41,727.59
Sanitation	12,110.36			12,110.36
Culture and Recreation	26,646.81			26,646.81
Fines and Forfeits:				
Court Fines and Costs	50.00			50.00
Miscellaneous Revenue:				
Investment Earnings	1,641.69		34.71	1,676.40
Rentals	2,297.40			2,297.40
Contributions and Donations from Private Sources	10,725.68	87,203.39	6,750.00	104,679.07
Liquor Operating Agreement Income	24,851.84			24,851.84
Other	2,559.19			2,559.19
Total Revenue	2,061,235.91	87,203.39	48,120.03	2,196,559.33
Expenditures:				
General Government:				
Legislative	26,307.64			26,307.64
Elections	438.90			438.90
Financial Administration	93,667.56			93,667.56
Other	7,005.23			7,005.23
Total General Government	127,419.33	0.00	0.00	127,419.33

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	General Fund	Swimming Pool Building Fund	Other Governmental Funds	Total Governmental Funds
Expenditures (Continued):				
Public Safety:				
Police	118,282.67			118,282.67
Fire	1,006.30			1,006.30
Total Public Safety	119,288.97	0.00	0.00	119,288.97
Public Works:				
Highways and Streets	261,615.33			261,615.33
Sanitation	17,983.48			17,983.48
Airport	50,509.19			50,509.19
Total Public Works	330,108.00	0.00	0.00	330,108.00
Health and Welfare:				
Health	716.62			716.62
Total Health and Welfare	716.62	0.00	0.00	716.62
Culture and Recreation:				
Recreation	42,497.77	910.87		43,408.64
Parks	30,166.60		7,270.46	37,437.06
Libraries	15,371.50			15,371.50
Auditorium	27,229.97			27,229.97
Total Culture and Recreation	115,265.84	910.87	7,270.46	123,447.17
Conservation and Development:				
Economic Development and Assistance (Industrial Development)	82,715.00		29,682.49	112,397.49
Total Conservation and Development	82,715.00	0.00	29,682.49	112,397.49
Capital Outlay	418,879.45	0.00	0.00	418,879.45
Total Expenditures	1,194,393.21	910.87	36,952.95	1,232,257.03
Excess of Revenue Over (Under) Expenditures	866,842.70	86,292.52	11,167.08	964,302.30
Other Financing Sources (Uses):				
Compensation for Loss or Damage to Capital Assets	65.02			65.02
Transfers Out	(250,000.00)	250,000.00		0.00
Total Other Financing Sources (Uses)	(249,934.98)	250,000.00	0.00	65.02
Net Change in Fund Balances	616,907.72	336,292.52	11,167.08	964,367.32
Fund Balance - Beginning	266,642.15	580,057.00	121,415.67	968,114.82
FUND BALANCE - ENDING	883,549.87	916,349.52	132,582.75	1,932,482.14

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances to the Government-Wide Statement of Activities
For the Year Ended December 31, 2013

Net Change in Fund Balances - Total Governmental Funds	<u>964,367.32</u>
Amounts reported for governmental activities in the statement of activities are different because:	
This amount represents capital asset purchases which are reported as expenditures on the fund financial statements but increase assets on the government-wide statements.	<u>418,879.45</u>
This amount represents the current year depreciation expense reported in the statement of activities which is not reported on the fund financial statements because it does not require the use of current financial resources.	<u>(128,477.26)</u>
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".	<u>272.70</u>
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.	<u>(57.58)</u>
Change in Net Position of Governmental Activities	<u><u>1,254,984.63</u></u>

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2013

	Enterprise Funds		Totals
	Water Fund	Sewer Fund	
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	126,258.68	132,092.99	258,351.67
Accounts Receivable, Net	3,328.17	1,048.05	4,376.22
Total Current Assets	129,586.85	133,141.04	262,727.89
Noncurrent Assets:			
Capital Assets:			
Land	1,702.50	52,920.00	54,622.50
Buildings	138,198.38		138,198.38
Improvements Other Than Buildings	1,977,560.53	2,077,275.84	4,054,836.37
Machinery and Equipment	130,375.00	106,355.02	236,730.02
Less: Accumulated Depreciation	(822,730.19)	(798,427.71)	(1,621,157.90)
Total Noncurrent Assets	1,425,106.22	1,438,123.15	2,863,229.37
TOTAL ASSETS	1,554,693.07	1,571,264.19	3,125,957.26
LIABILITIES:			
Current Liabilities:			
Accounts Payable	2,530.14	697.06	3,227.20
Customer Deposits	16,350.00		16,350.00
Unearned Revenue	(53.78)		(53.78)
Bonds Payable Current:			
General Obligation	31,705.21	55,768.00	87,473.21
Total Current Liabilities	50,531.57	56,465.06	106,996.63
Noncurrent Liabilities:			
Accrued Leave Payable	2,893.27	919.32	3,812.59
Other Long-Term Liabilities	40,759.05	399,253.65	440,012.70
Total Noncurrent Liabilities	43,652.32	400,172.97	443,825.29
TOTAL LIABILITIES	94,183.89	456,638.03	550,821.92
NET POSITION:			
Net Investment in Capital Assets	1,352,641.96	983,101.50	2,335,743.46
Restricted for:			
Equipment Repair and/or Replacement	35,000.00	35,000.00	70,000.00
Unrestricted Net Position	72,867.22	96,524.66	169,391.88
TOTAL NET POSITION	1,460,509.18	1,114,626.16	2,575,135.34

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2013

	Enterprise Funds		Totals
	Water Fund	Sewer Fund	
Operating Revenue:			
Charges for Goods and Services	340,166.63	165,653.98	505,820.61
Miscellaneous		2,648.74	2,648.74
Total Operating Revenue	340,166.63	168,302.72	508,469.35
Operating Expenses:			
Personal Services	83,352.47	45,143.77	128,496.24
Other Current Expense	27,059.08	33,661.57	60,720.65
Materials (Cost of Goods Sold)	155,483.90		155,483.90
Depreciation	48,387.15	54,790.89	103,178.04
Total Operating Expenses	314,282.60	133,596.23	447,878.83
Operating Income (Loss)	25,884.03	34,706.49	60,590.52
Nonoperating Revenue (Expense):			
Investment Earnings	14.88	41.25	56.13
Interest Expense	(2,296.31)	(23,876.32)	(26,172.63)
Total Nonoperating Revenue (Expense)	(2,281.43)	(23,835.07)	(26,116.50)
Change in Net Position	23,602.60	10,871.42	34,474.02
Net Position - Beginning	1,436,906.58	1,103,754.74	2,540,661.32
NET POSITION - ENDING	1,460,509.18	1,114,626.16	2,575,135.34

The notes to the financial statements are an integral part of this statement.

MUNICIPALITY OF PLATTE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2013

	Enterprise Funds		Totals
	Water Fund	Sewer Fund	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Receipts from Customers	340,806.58	167,759.78	508,566.36
Cash Payments to Employees for Services	(81,798.52)	(44,532.59)	(126,331.11)
Cash Payments to Suppliers of Goods and Services	(180,611.22)	(33,302.27)	(213,913.49)
Net Cash Provided (Used) by Operating Activities	<u>78,396.84</u>	<u>89,924.92</u>	<u>168,321.76</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of Capital Assets	(23,697.50)		(23,697.50)
Principal Paid on Capital Debt	(30,924.81)	(53,203.68)	(84,128.49)
Interest Paid on Capital Debt	(2,296.31)	(23,876.32)	(26,172.63)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(56,918.62)</u>	<u>(77,080.00)</u>	<u>(133,998.62)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash Received for Interest	14.88	41.25	56.13
Net Cash Provided (Used) by Investing Activities	<u>14.88</u>	<u>41.25</u>	<u>56.13</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>21,493.10</u>	<u>12,886.17</u>	<u>34,379.27</u>
Balances - Beginning	104,765.58	119,206.82	223,972.40
Balances - Ending	<u>126,258.68</u>	<u>132,092.99</u>	<u>258,351.67</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss)	25,884.03	34,706.49	60,590.52
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	48,387.15	54,790.89	103,178.04
Change in Assets and Liabilities:			
Receivables	(2,610.95)	(542.94)	(3,153.89)
Accounts and Other Payables	2,530.14	697.06	3,227.20
Accrued Leave Payable	955.57	273.42	1,228.99
Customer Deposits	2,700.00		2,700.00
Unearned Revenue	550.90		550.90
Net Cash Provided (Used) by Operating Activities	<u>78,396.84</u>	<u>89,924.92</u>	<u>168,321.76</u>

The notes to the financial statements are an integral part of this statement.

**MUNICIPALITY OF PLATTE
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2013**

	Agency Funds
ASSETS:	
Cash and Cash Equivalents	<u>3,874.27</u>
Other Assets	<u>2,718.76</u>
TOTAL ASSETS	6,593.03
LIABILITIES :	
Amounts Held for Others	<u>6,593.03</u>
TOTAL LIABILITIES	<u>6,593.03</u>

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Financial Reporting Entity:

The reporting entity of the Municipality of Platte (Municipality) consists of the primary government (which includes all of the funds, organizations, institutions, agencies, departments, and offices that make up the legal entity, plus those funds for which the primary government has a fiduciary responsibility, even though those fiduciary funds may represent organizations that do not meet the criteria for inclusion in the financial reporting entity); those organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete.

b. Basis of Presentation:

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting entity as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Municipality and for each function of the Municipality's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods and services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Municipality or it meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined, or
3. Management has elected to classify one or more governmental or enterprise funds as major for consistency in reporting from year to year, or because of public interest in the fund's operations.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

The funds of the Municipality financial reporting entity are described below:

Governmental Funds:

General Fund – the General Fund is the general operating fund of the Municipality. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is always a major fund.

Special Revenue Funds – special revenue funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditures for specified purposes.

Liquor, Lodging and Dining Sales Tax Fund – to account for the collection of a one percent tax on the gross receipts of lodgings, alcoholic beverages, prepared food and admissions which tax shall be used for the purpose of land acquisition, architectural fees, construction costs, payments for civic center, auditorium or athletic facility buildings, including the promotion of advertising of the city. (SDCL 10-52-8) This is not a major fund.

Swimming Pool Fund – to account for financing of a new swimming pool through private donations. This is a major fund.

Capital Project Funds – capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or trust funds for individuals, private organizations, or other governments).

Fire Hall Expansion Capital Project Fund – to account for financial resources to be used for the expansion of the fire hall. This is not a major fund.

Park Capital Projects Fund – to account for financial resources for a new park. This is not a major fund.

Proprietary Funds:

Enterprise Funds – Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. Activities are required to be reported as enterprise funds if any one of the following criteria is met. Governments should apply each of these criteria in the context of the activity's principal revenue sources.

- a. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity. Debt that is secured by a pledge of net revenues from fees and charges and the full faith and credit of a related primary government or component unit—even if that government is not expected to make any payments—is not payable solely from fees and charges of the activity. (Some debt may be secured, in part, by a portion of its own proceeds but should be considered as payable "solely" from the revenues of the activity.)
- b. Laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues.
- c. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

See Independent Auditor's Report.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Water Fund – financed primarily by user charges, this fund accounts for the construction and operation of the municipal waterworks system and related facilities. (SDCL 9-47-1) This is a major fund.

Sewer Fund – financed primarily by user charges, this fund accounts for the construction and operation of the municipal sanitary sewer system and related facilities. (SDCL 9-48-2) This is a major fund.

Fiduciary Funds:

Fiduciary funds consist of the following sub-category and are never considered to be major funds:

Agency Funds – Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds maintained by the Municipality are the Flex Fund and the Special Assessment bond fund.

c. Measurement Focus and Basis of Accounting:

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus.

Measurement Focus:

Government-wide Financial Statements:

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, applied on the accrual basis of accounting.

Fund Financial Statements:

In the fund financial statements, the "current financial resources" measurement focus and the modified accrual basis of accounting are applied to governmental fund types, while the "economic resources" measurement focus and the accrual basis of accounting are applied to the proprietary and fiduciary fund types.

Basis of Accounting:

Government-wide Financial Statements:

In the government-wide Statement of Net Position and Statement of Activities, governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues and related assets are recorded when earned (usually when the right to receive cash vests); and, expenses and related liabilities are recorded when an obligation is incurred (usually when the obligation to pay cash in the future vests).

Fund Financial Statements:

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues, including property taxes, are recognized when they become measurable and available. "Available" means resources are collected or to be collected soon enough after the end of the fiscal year that they can be used

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

to pay the bills of the current period. The accrual period does not exceed one bill-paying cycle, and for the Municipality of Platte, the length of that cycle is 30 days.

Under the modified accrual basis of accounting, receivables may be measurable but not available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Reported deferred revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

Expenditures are generally recognized when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which are recognized when due.

All proprietary funds and fiduciary fund types are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

d. Deposits and Investments:

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with a term to maturity at date of acquisition of three months or less. Investments in open-end mutual fund shares, or similar investments in external investment pools, are also considered to be cash equivalents.

Investments classified in the financial statements consist entirely of certificates of deposit whose term to maturity at date of acquisition exceeds three months, and/or those types of investment authorized by South Dakota Codified Laws (SDCL) 4-5-6.

e. Capital Assets:

Capital assets include land, buildings, machinery and equipment, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for significantly greater number of years than most capital assets.

The accounting treatment over capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

Capital assets are recorded at historical cost, or estimated cost where actual cost could not be determined. Donated capital assets are valued at their estimated fair value on the date donated. Reported cost values include ancillary charges necessary to place the asset into its intended location and condition for use. Subsequent to initial capitalization, improvements or betterments that are significant and which extend the useful life of a capital asset are also capitalized.

The total December 31, 2014 balance of governmental activities capital assets includes approximately zero percent for which the costs were determined by estimates of the original costs. The total December 31, 2014 balance of business-type capital assets includes approximately two percent for which the costs were determined by estimations of the original costs. These estimated original costs were established by reviewing applicable historical costs of similar items and basing the estimations thereon.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Infrastructure assets used in general government operations, consisting of certain improvements other than buildings, including roads, bridges, sidewalks, drainage systems, and lighting systems, acquired prior to January 1, 2004, were not required to be capitalized by the Municipality. Infrastructure assets acquired since January 1, 2004 are recorded at cost, and classified as "Improvements Other than Buildings."

For governmental activities Capital Assets, construction-period interest is not capitalized, in accordance with USGAAP, while for capital assets used in business-type activities/proprietary fund's operations, construction period interest is capitalized in accordance with USGAAP.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the government-wide Statement of Activities, except for that portion related to common use assets for which allocation would be unduly complex, and which is reported as Unallocated Depreciation, with net capital assets reflected in the Statement of Net Position. Accumulated depreciation is reported on the government-wide Statement of Net Position and on each proprietary fund's Statement of Net Position/Balance Sheet.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land and land rights	\$ -	-- N/A --	-- N/A --
Improvements other than buildings	\$ 10,000.00	Straight-line	33-50 yrs.
Buildings	\$ 50,000.00	Straight-line	15-50 yrs.
Machinery & Equipment	\$ 5,000.00	Straight-line	4-20 yrs.
Infrastructure	\$ 10,000.00	Straight-line	33-50 yrs.
Utility property and improvements	\$ 10,000.00	Straight-line	33-50 yrs.

Land is an inexhaustible capital asset and is not depreciated.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as Capital Outlay expenditures of the appropriate governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for on the accrual basis, the same as in the government-wide statements.

f. Long-Term Liabilities:

The accounting treatment of long-term liabilities depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term liabilities to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term liabilities primarily consist of revenue notes payable, revenue bonds payable, and compensated absences.

In the fund financial statements, debt proceeds are reported as revenues (other financing sources), while payments of principal and interest are reported as expenditures when they become due. The accounting for

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

proprietary fund long-term debt is on the accrual basis, the same in the fund statements as in the government-wide statements.

g. Program Revenues:

Program revenues derive directly from the program itself or from parties other than the Municipality's taxpayers or citizenry, as a whole. Program revenues are classified into three categories, as follows:

1. Charges for services – These arise from charges to customers, applicants, or others who purchase, use, or directly benefit from the goods, services, or privileges provided, or are otherwise directly affected by the services.
2. Program-specific operating grants and contributions – These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program.
3. Program-specific capital grants and contributions – These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for the acquisition of capital assets for use in a particular program.

h. Proprietary Funds Revenue and Expense Classifications:

In the proprietary fund's Statement of Revenues, Expenses and Changes in Fund Net Position, revenues and expenses are classified in a manner consistent with how they are classified in the Statement of Cash Flows. That is, transactions for which related cash flows are reported as capital and related financing activities, noncapital financing activities, or investing activities are not reported as components of operating revenues and expenses.

i. Cash and Cash Equivalents:

The Municipality pools the cash resources of its funds for cash management purposes. The proprietary funds essentially have access to the entire amount of their cash resources on demand. Accordingly, each proprietary fund's equity in the cash management pool is considered to be cash and cash equivalents for the purpose of the Statement of Cash Flows.

j. Equity Classifications:

Government-wide Statements:

Equity is classified as net position and is displayed in three components.

1. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation (if applicable) and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – Consists of net position with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) law through constitutional provisions or enabling legislation.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

3. Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Financial Statements:

Governmental fund equity is classified as fund balance, and may distinguish between "Nonspendable", Restricted", "Committed", "Assigned" and "Unassigned" components. Proprietary fund equity is classified the same as in the government-wide financial statements. Agency Funds have no fund equity. The Net Position is reported as Net Position Held in Agency Capacity.

k. Application of Net Position:

It is the Municipality's policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

l. Fund Balance Classification Policies and Procedures:

In accordance with Government Accounting Standards Board (GASB) No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Municipality classifies governmental fund balances as follows:

- Nonspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Finance Officer.
- Unassigned – includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The Municipality uses restricted/committed amounts first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Municipality would first use committed, then assigned, and lastly unassigned amounts for unrestricted fund balance when expenditures are made.

The Municipality does not have a formal minimum fund balance policy.

The purpose of each major special revenue fund and revenue source is listed below:

<u>Major Special Revenue Fund</u>	<u>Revenue Source</u>
Swimming Pool Building Fund	Donations from Private Sources and Transfers from the General Fund

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

2. VIOLATIONS OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

The Municipality is prohibited by statute from spending in excess of appropriated amounts at the department level. The following represents the significant overdrafts of the expenditures compared to appropriations:

General Fund:	<u>Year Ended</u> <u>12/31/2014</u>
<u>Activity</u>	
Police	\$ 60.88

The Municipality plans to take the following actions to address these violations: Supplemental budgets will be passed when legal spending authority exists.

3. DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK

The Municipality follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized below:

Deposits – The Municipality's cash deposits are made in qualified public depositories as defined by SDCL 4-6A-1, 9-22-6, 9-22-6.1 and 9-22-6.2, and may be in the form of demand or time deposits. Qualified depositories are required by SDCL 4-6A-3 to maintain at all times, segregated from their other assets, eligible collateral having a value equal to at least 100 percent of the public deposit accounts which exceed deposit insurance such as the FDIC and NCUA. In lieu of pledging eligible securities, a qualified public depository may furnish irrevocable standby letters of credit issued by federal home loan banks accompanied by written evidence of that bank's public debt rating which may not be less than "AA" or a qualified public depository may furnish a corporate surety bond of a corporation authorized to do business in South Dakota.

Investments – In general, SDCL 4-5-6 permits municipal funds to be invested only in (a) securities of the United States and securities guaranteed by the United States Government either directly or indirectly; or (b) repurchase agreements fully collateralized by securities described in (a) above; or in shares of an open-end, no-load fund administered by an investment company whose investments are in securities described in (a) above and repurchase agreements described in (b) above. Also, SDCL 4-5-9 requires investments to be in the physical custody of the political subdivision or may be deposited in a safekeeping account with any bank or trust company designated by the political subdivision as its fiscal agent.

Credit Risk – State law limits eligible investments for the Municipality, as discussed above. The Municipality has no investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Municipality places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk – The Municipality does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

Assignment of Investment Income – State law allows income from deposits and investments to be credited to either the General Fund or the fund making the investment. The Municipality's policy is to credit all income from deposits and investments to the fund making the investment.

4. RESTRICTED CASH AND INVESTMENTS

Assets restricted to use for a specific purpose through segregation of balances in separate accounts are as follows:

<u>12/31/13</u> <u>Amount</u>	<u>12/31/14</u> <u>Amount</u>	<u>Purpose:</u>
\$ 70,000.00	\$ 85,000.00	For Capital Asset construction (includes balances with trustees)

5. RECEIVABLES AND PAYABLES

Receivables and payables are not aggregated in these financial statements. The Municipality expects all receivables to be collected within one year.

6. INVENTORY

Inventory in the General Fund and special revenue funds consist of expendable supplies held for consumption. Supply inventories are recorded at cost. No material supplies inventories were on hand at December 31, 2013 or 2014.

Government-wide Financial Statements:

In the government-wide financial statements, inventory is recorded as an asset at the time of purchase, and charged to expense as it is consumed.

Fund Financial Statements:

In the fund financial statements, purchases of supply inventory items are recorded as an expenditure at the time individual inventory items are purchased in the governmental funds while the cost is recorded at the time individual items are consumed in the proprietary funds. Reported inventories are equally offset by a nonspendable fund balance which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

7. PROPERTY TAXES

Property taxes are levied on or before October 1 of the year preceding the start of the fiscal year. They attach as an enforceable lien on property, and become due and payable as of the following January 1, the first day of the fiscal year. Taxes are payable in two installments on or before April 30 and October 31 of the fiscal year.

The Municipality is permitted by several state statutes to levy varying amounts of taxes per \$1,000 of taxable valuation on taxable property in the Municipality.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

8. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets for the two years ended December 31, 2014, is as follows:

	Balance 01/01/2013	Increases	Decreases	Balance 12/31/2014
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	329,341.27	98,165.95	(17,337.00)	410,170.22
Construction Work in Progress	427,045.48	389,112.94	(809,937.12)	6,221.30
Total, not being Depreciated	<u>756,386.75</u>	<u>487,278.89</u>	<u>(827,274.12)</u>	<u>416,391.52</u>
Capital Assets, being Depreciated:				
Buildings	1,604,972.59			1,604,972.59
Improvements Other Than Buildings	1,288,432.38	878,181.86		2,166,614.24
Machinery and Equipment	466,804.81	88,262.50	(18,664.00)	536,403.31
Total, being Depreciated	<u>3,360,209.78</u>	<u>966,444.36</u>	<u>(18,664.00)</u>	<u>4,307,990.14</u>
Less Accumulated Depreciation for:				
Buildings	(345,149.01)	(61,157.07)		(406,306.08)
Improvements Other Than Buildings	(638,077.43)	(154,453.51)		(792,530.94)
Machinery and Equipment	(240,740.55)	(52,304.33)	14,659.00	(278,385.88)
Total Accumulated Depreciation	<u>(1,223,966.99)</u>	<u>(267,914.91)</u>	<u>14,659.00</u>	<u>(1,477,222.90)</u>
Total Governmental Activities Capital Assets, being Depreciated, Net	<u>2,136,242.79</u>	<u>698,529.45</u>	<u>(4,005.00)</u>	<u>2,830,767.24</u>
Governmental Activity Capital Assets, Net	<u>2,892,629.54</u>	<u>1,185,808.34</u>	<u>(831,279.12)</u>	<u>3,247,158.76</u>

Depreciation expense was charged to functions as follows:

	2013	2014
Governmental Activities:		
General Government	\$ 18,000.00	\$ 18,000.00
Public Safety	15,828.50	22,733.60
Public Works	73,155.54	76,379.63
Culture and Recreation	21,493.22	22,324.42
Total Depreciation Expense - Governmental Activities	<u>\$ 128,477.26</u>	<u>\$ 139,437.65</u>

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

	Balance 01/01/2013	Increases	Decreases	Balance 12/31/2014
Business-Type Activities:				
Capital Assets, not being Depreciated:				
Land	54,622.50			54,622.50
Total, not being Depreciated	<u>54,622.50</u>	<u>0.00</u>	<u>0.00</u>	<u>54,622.50</u>
Capital Assets, being Depreciated:				
Buildings	138,198.38			138,198.38
Improvements Other Than Buildings	4,031,138.87	23,697.50		4,054,836.37
Machinery and Equipment	236,730.02	32,327.55		269,057.57
Total, being Depreciated	<u>4,406,067.27</u>	<u>56,025.05</u>	<u>0.00</u>	<u>4,462,092.32</u>
Less Accumulated Depreciation for:				
Buildings	(38,584.17)	(5,417.38)		(44,001.55)
Improvements Other Than Buildings	(1,357,696.13)	(170,842.59)		(1,528,538.72)
Machinery and Equipment	(121,699.56)	(35,358.81)		(157,058.37)
Total Accumulated Depreciation	<u>(1,517,979.86)</u>	<u>(211,618.78)</u>	<u>0.00</u>	<u>(1,729,598.64)</u>
Total Business-Type Activities Capital Assets, being Depreciated, Net	<u>2,888,087.41</u>	<u>(155,593.73)</u>	<u>0.00</u>	<u>2,732,493.68</u>
Business-Type Activity Capital Assets, Net	<u>2,942,709.91</u>	<u>(155,593.73)</u>	<u>0.00</u>	<u>2,787,116.18</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities:	2013	2014
Water	48,387.15	53,649.86
Sewer	54,790.89	54,790.88
Total Depreciation Expense - Business-Type Activities	<u>103,178.04</u>	<u>108,440.74</u>

Construction Work in Progress at December 31, 2014 is composed of the following:

Project Name	Project Authorization	Expended thru 12/31/2014	Committed	Required Future Financing
Airport Runway	2,800,000.00	6,221.30	0.00	2,793,778.70
TOTAL	<u>2,800,000.00</u>	<u>6,221.30</u>	<u>0.00</u>	<u>2,793,778.70</u>

See Independent Auditor's Report.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

9. LONG-TERM LIABILITIES

A summary of changes in long-term liabilities follows:

	Beginning Balance 01/01/13	Additions	Deletions	Ending Balance 12/31/2014	Due Within One Year
Primary Government:					
Governmental Activities:					
Accrued Compensated Absences- Governmental Funds	2,196.96	3,974.72	2,642.78	3,528.90	1,500.00
Total Governmental Activities	<u>2,196.96</u>	<u>3,974.72</u>	<u>2,642.78</u>	<u>3,528.90</u>	<u>1,500.00</u>
Business-Type Activities:					
Bonds Payable:					
Revenue - SRF # 1	103,389.07		62,630.02	40,759.05	32,505.30
Sewer Revenue Note Payable	508,225.33		109,044.16	399,181.17	58,617.40
Total Debt	<u>611,614.40</u>	<u>0.00</u>	<u>171,674.18</u>	<u>439,940.22</u>	<u>91,122.70</u>
Accrued Compensated Absences - Business-Type Funds	2,583.60	2,415.04	1,960.00	3,038.64	1,000.00
Total Business-Type Activities	<u>614,198.00</u>	<u>2,415.04</u>	<u>173,634.18</u>	<u>442,978.86</u>	<u>92,122.70</u>
TOTAL PRIMARY GOVERNMENT	<u><u>616,394.96</u></u>	<u><u>6,389.76</u></u>	<u><u>176,276.96</u></u>	<u><u>446,507.76</u></u>	<u><u>93,622.70</u></u>

Debt payable at December 31, 2014 is comprised of the following:

Revenue Notes Payable:

Bank of the West Note Number 7750054837 at 4.8% Interest,
Maturity Date January 1, 2021, Payable from the
Sewer Fund \$ 399,181.17

SRF Loan – Drinking Water #1:

SRF Loan at 2.50% Interest, Maturity Date January 15, 2016,
Payable from the Water Fund \$ 40,759.05

Compensated Absences:

Accrued Leave Balances of Municipal Employees
Payable From: General Fund \$ 3,528.90
 Water Fund \$ 1,881.68
 Sewer Fund \$ 1,156.96

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

The annual requirements to amortize all debt outstanding as of December 31, 2014, except for compensated absences, are as follows:

Annual Requirements to Maturity for Long-Term Debt
December 31, 2014

Year Ending December 31,	SRF Loan - Drinking Water #1		Sewer Revenue Note Payable		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	32,505.30	715.82	58,617.40	18,462.60	91,122.70	19,178.42
2016	8,253.75	51.53	61,477.86	15,602.14	69,731.61	15,653.67
2017			64,569.56	12,510.44	64,569.56	12,510.44
2018			67,769.76	9,310.24	67,769.76	9,310.24
2019			71,128.57	5,951.43	71,128.57	5,951.43
2020-2024			75,618.02	2,470.13	75,618.02	2,470.13
Totals	40,759.05	767.35	399,181.17	64,306.98	439,940.22	65,074.33

10. LONG-TERM COMMITMENT

The Municipality of Platte entered into a forty-year commitment with Randall Community Water District to provide water to the Municipality. A monthly service charge in the amount of \$3,650.00 is paid by the Municipality to Randall Community Water District along with a charge of \$.0019 per gallon of water consumed. The monthly service charge represents a contribution by the Municipality to aid Randall Community Water District in the construction of the facilities necessary to provide the Municipality with water. The Municipality will not acquire ownership of any of these water facilities through these payments. Payments are made from the Municipality's Water Fund. The following are the minimum payments on this commitment.

2015	\$ 43,800.00	2025-2029	\$ 219,000.00
2016	\$ 43,800.00	2030-2034	\$ 219,000.00
2017	\$ 43,800.00	2035-2039	\$ 219,000.00
2018	\$ 43,800.00	2040-2041	\$ 87,600.00
2019	\$ 43,800.00		
2020-2024	\$ 219,000.00		

11. RESTRICTED NET POSITION

Restricted net position for the years ended December 31, 2013 and 2014 were as follows:

	<u>2013</u>	<u>2014</u>
Other Purposes:		
Capital Projects	\$ 43,659.19	\$ 43,331.55
Swimming Pool Building	\$ 916,349.52	\$ 1,198,763.90
Equipment Repair/Replacement	\$ 70,000.00	\$ 85,000.00
City Promotion Fund	\$ 88,923.56	\$ 96,898.00

These balances are restricted due to federal grant, statutory requirements, and donor restrictions.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

12. INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2013 were as follows:

<u>Transfers From:</u>	<u>Transfers to:</u>
	Swimming Pool Fund
General Fund	<u>\$ 250,000.00</u>
Total	<u><u>\$ 250,000.00</u></u>

Interfund transfers for the year ended December 31, 2014 were as follows:

<u>Transfers From:</u>	<u>Transfers to:</u>
	Swimming Pool Fund
General Fund	<u>\$ 250,000.00</u>
Total	<u><u>\$ 250,000.00</u></u>

The Municipality typically budgets transfers to conduct the indispensable functions of the Municipality.

13. RETIREMENT PLAN

All employees, except for part-time employees, participate in the South Dakota Retirement System (SDRS), a cost-sharing, multiple employer public employee retirement system established to provide retirement benefits for employees of the State of South Dakota and its political subdivisions. The SDRS provides retirement, disability and survivors benefits. The right to receive retirement benefits vests after three years of credited service. Authority for establishing, administering and amending plan provisions are found in South Dakota Codified Law 3-12. The SDRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the SDRS, P. O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731.

General employees are required by state statute to contribute 6 percent of their salary to the plan, while public safety and judicial employees contribute at 8 percent and 9 percent, respectively. State statute also requires the employer to contribute an amount equal to the employee's contribution. State statute also requires the employer to make an additional contribution in the amount of 6.2 percent for any compensation exceeding the maximum taxable amount for social security for general employees only. The Municipality's share of contributions to the SDRS for the fiscal years ended December 31, 2014, 2013, and 2012 were \$18,069.27, \$17,965.00, and \$16,613.41, respectively, equal to the required contributions each year.

14. SIGNIFICANT CONTINGENCIES - LITIGATION

At December 31, 2014, the Municipality was not involved in any significant litigation.

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

15. RISK MANAGEMENT

The Municipality is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the period ended December 31, 2014, the Municipality managed its risks as follows:

Employee Health Insurance:

The Municipality purchases health insurance for its employees from a commercial insurance carrier.

Liability Insurance:

The Municipality purchases liability insurance for risks related to torts; theft or damage to property; and errors and omissions of public officials from a commercial insurance carrier.

Worker's Compensation:

The Municipality purchases liability insurance for worker's compensation from a commercial carrier.

Unemployment Benefits:

The Municipality provides coverage for unemployment benefits by paying into the Unemployment Compensation Fund established by state law and managed by the State of South Dakota.

REQUIRED SUPPLEMENTARY INFORMATION
MUNICIPALITY OF PLATTE
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
General Property Taxes	241,729.00	241,729.00	241,597.47	(131.53)
General Sales and Use Taxes	575,000.00	575,000.00	665,383.35	90,383.35
Amusement Taxes	100.00	100.00	72.00	(28.00)
Penalties and Interest on Delinquent Taxes	250.00	250.00	467.10	217.10
Licenses and Permits	5,850.00	5,850.00	7,635.55	1,785.55
Intergovernmental Revenue:				
Federal Grants	0.00	0.00	91,758.80	91,758.80
State Grants	0.00	0.00	14,886.54	14,886.54
State Shared Revenue:				
Bank Franchise Tax	3,600.00	3,600.00	3,918.65	318.65
Motor Vehicle Commercial Prorate	3,500.00	3,500.00	2,759.17	(740.83)
Liquor Tax Reversion	5,500.00	5,500.00	9,449.62	3,949.62
Motor Vehicle Licenses	9,000.00	9,000.00	16,605.36	7,605.36
Local Government Highway and Bridge Fund	10,000.00	10,000.00	15,894.88	5,894.88
County Shared Revenue:				
County Road Tax	3,400.00	3,400.00	6,866.66	3,466.66
County Wheel Tax	5,500.00	5,500.00	7,370.87	1,870.87
Charges for Goods and Services:				
General Government	300.00	300.00	588.35	288.35
Public Safety	600.00	600.00	768.05	168.05
Highways and Streets	30,300.00	30,300.00	8,312.43	(21,987.57)
Sanitation	10,000.00	10,000.00	12,057.01	2,057.01
Culture and Recreation	20,500.00	20,500.00	28,143.82	7,643.82
Fines and Forfeits:				
Court Fines and Costs	250.00	250.00	191.00	(59.00)
Miscellaneous Revenue:				
Investment Earnings	1,500.00	1,500.00	970.53	(529.47)
Rentals	2,000.00	2,000.00	2,210.00	210.00
Contributions and Donations from Private Sources	0.00	0.00	2,645.47	2,645.47
Liquor Operating Agreement Income	19,000.00	19,000.00	25,302.08	6,302.08
Other	2,250.00	2,250.00	2,355.01	105.01
Total Revenue	950,129.00	950,129.00	1,168,209.77	218,080.77

REQUIRED SUPPLEMENTARY INFORMATION
MUNICIPALITY OF PLATTE
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
General Government:				
Legislative	29,850.00	29,850.00	26,780.41	3,069.59
Contingency	30,000.00	30,000.00		
Amount Transferred		(11,491.01)		18,508.99
Elections	850.00	850.00	533.44	316.56
Financial Administration	98,238.00	98,238.00	89,077.12	9,160.88
Other	11,650.00	109,150.00	107,238.94	1,911.06
Total General Government	<u>170,588.00</u>	<u>256,596.99</u>	<u>223,629.91</u>	<u>32,967.08</u>
Public Safety:				
Police	159,171.00	159,346.00	159,406.88	(60.88)
Fire	950.00	1,177.52	1,177.52	0.00
Total Public Safety	<u>160,121.00</u>	<u>160,523.52</u>	<u>160,584.40</u>	<u>(60.88)</u>
Public Works:				
Highways and Streets	325,791.00	325,791.00	309,405.66	16,385.34
Sanitation	21,592.00	21,592.00	18,450.90	3,141.10
Airport	31,725.00	31,725.00	18,778.25	12,946.75
Total Public Works	<u>379,108.00</u>	<u>379,108.00</u>	<u>346,634.81</u>	<u>32,473.19</u>
Health and Welfare:				
Health	1,500.00	1,500.00	0.00	1,500.00
Total Health and Welfare	<u>1,500.00</u>	<u>1,500.00</u>	<u>0.00</u>	<u>1,500.00</u>
Culture and Recreation:				
Recreation	47,000.00	47,220.49	42,193.12	5,027.37
Parks	26,810.00	37,678.00	28,493.15	9,184.85
Libraries	21,918.00	21,918.00	16,537.76	5,380.24
Auditorium	39,525.00	39,525.00	32,660.35	6,864.65
Total Culture and Recreation	<u>135,253.00</u>	<u>146,341.49</u>	<u>119,884.38</u>	<u>26,457.11</u>
Conservation and Development:				
Economic Development and Assistance (Industrial Development)	44,100.00	44,100.00	44,100.00	0.00
Total Conservation and Development	<u>44,100.00</u>	<u>44,100.00</u>	<u>44,100.00</u>	<u>0.00</u>
Total Expenditures	<u>890,670.00</u>	<u>988,170.00</u>	<u>894,833.50</u>	<u>93,336.50</u>
Excess of Revenue Over (Under) Expenditures	<u>59,459.00</u>	<u>(38,041.00)</u>	<u>273,376.27</u>	<u>311,417.27</u>
Other Financing Sources (Uses):				
Sale of Municipal Property	0.00	0.00	10,346.41	10,346.41
Transfers Out	(250,000.00)	(250,000.00)	(250,000.00)	0.00
Total Other Financing Sources (Uses)	<u>(250,000.00)</u>	<u>(250,000.00)</u>	<u>(239,653.59)</u>	<u>10,346.41</u>
Net Change in Fund Balances	<u>(190,541.00)</u>	<u>(288,041.00)</u>	<u>33,722.68</u>	<u>321,763.68</u>
Fund Balance - Beginning	<u>883,549.87</u>	<u>883,549.87</u>	<u>883,549.87</u>	<u>0.00</u>
FUND BALANCE - ENDING	<u>693,008.87</u>	<u>595,508.87</u>	<u>917,272.55</u>	<u>321,763.68</u>

REQUIRED SUPPLEMENTARY INFORMATION
MUNICIPALITY OF PLATTE
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
General Property Taxes	222,915.00	222,915.00	232,423.89	9,508.89
General Sales and Use Taxes	550,000.00	550,000.00	676,551.31	126,551.31
Amusement Taxes	150.00	150.00	84.00	(66.00)
Penalties and Interest on Delinquent Taxes	200.00	200.00	18.69	(181.31)
Licenses and Permits	5,500.00	5,500.00	6,422.00	922.00
Intergovernmental Revenue:				
Federal Grants	818,300.00	818,300.00	901,481.69	83,181.69
State Grants	0.00	0.00	67,681.28	67,681.28
State Shared Revenue:				
Bank Franchise Tax	3,500.00	3,500.00	3,895.73	395.73
Motor Vehicle Commercial Prorate	3,200.00	3,200.00	4,171.32	971.32
Liquor Tax Reversion	5,500.00	5,500.00	8,798.63	3,298.63
Motor Vehicle Licenses	8,000.00	8,000.00	14,235.18	6,235.18
Local Government Highway and Bridge Fund	9,000.00	9,000.00	13,975.33	4,975.33
County Shared Revenue:				
County Road Tax	3,400.00	3,400.00	0.00	(3,400.00)
County Wheel Tax	5,500.00	5,500.00	5,749.97	249.97
Charges for Goods and Services:				
General Government	200.00	200.00	1,300.28	1,100.28
Public Safety	300.00	300.00	1,836.05	1,536.05
Highways and Streets	12,200.00	12,200.00	41,727.59	29,527.59
Sanitation	10,000.00	10,000.00	12,110.36	2,110.36
Culture and Recreation	22,750.00	22,750.00	26,646.81	3,896.81
Fines and Forfeits:				
Court Fines and Costs	250.00	250.00	50.00	(200.00)
Miscellaneous Revenue:				
Investment Earnings	2,500.00	2,500.00	1,641.69	(858.31)
Rentals	2,500.00	2,500.00	2,297.40	(202.60)
Contributions and Donations from Private Sources	0.00	0.00	10,725.68	10,725.68
Liquor Operating Agreement Income	17,500.00	17,500.00	24,851.84	7,351.84
Other	2,000.00	2,000.00	2,559.19	559.19
Total Revenue	1,705,365.00	1,705,365.00	2,061,235.91	355,870.91

REQUIRED SUPPLEMENTARY INFORMATION
MUNICIPALITY OF PLATTE
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
General Government:				
Legislative	29,850.00	29,850.00	26,307.64	3,542.36
Contingency	25,000.00	25,000.00		
Amount Transferred		(25,000.00)		0.00
Elections	850.00	850.00	438.90	411.10
Financial Administration	96,283.00	99,483.00	93,667.56	5,815.44
Other	4,000.00	7,500.00	7,005.23	494.77
Total General Government	155,983.00	137,683.00	127,419.33	10,263.67
Public Safety:				
Police	132,315.00	132,315.00	118,282.67	14,032.33
Fire	950.00	1,007.00	1,006.30	0.70
Total Public Safety	133,265.00	133,322.00	119,288.97	14,033.03
Public Works:				
Highways and Streets	301,289.00	301,289.00	294,806.54	6,482.46
Sanitation	22,320.00	22,320.00	17,983.48	4,336.52
Airport	856,475.00	856,475.00	420,722.81	435,752.19
Total Public Works	1,180,084.00	1,180,084.00	733,512.83	446,571.17
Health and Welfare:				
Health	1,500.00	1,500.00	716.62	783.38
Total Health and Welfare	1,500.00	1,500.00	716.62	783.38
Culture and Recreation:				
Recreation	55,800.00	55,800.00	47,809.97	7,990.03
Parks	21,180.00	41,980.00	40,329.02	1,650.98
Libraries	17,884.00	17,884.00	15,371.50	2,512.50
Auditorium	33,100.00	33,100.00	27,229.97	5,870.03
Total Culture and Recreation	127,964.00	148,764.00	130,740.46	18,023.54
Conservation and Development:				
Economic Development and Assistance (Industrial Development)	78,715.00	82,715.00	82,715.00	0.00
Total Conservation and Development	78,715.00	82,715.00	82,715.00	0.00
Total Expenditures	1,677,511.00	1,684,068.00	1,194,393.21	489,674.79
Excess of Revenue Over (Under) Expenditures	27,854.00	21,297.00	866,842.70	845,545.70
Other Financing Sources (Uses):				
Transfers Out	(250,000.00)	(250,000.00)	(250,000.00)	0.00
Compensation for Loss or Damage to Capital Assets	0.00	0.00	65.02	65.02
Total Other Financing Sources (Uses)	(250,000.00)	(250,000.00)	(249,934.98)	65.02
Net Change in Fund Balances	(222,146.00)	(228,703.00)	616,907.72	845,610.72
Fund Balance - Beginning	266,642.15	266,642.15	266,642.15	0.00
FUND BALANCE - ENDING	44,496.15	37,939.15	883,549.87	845,610.72

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Schedules of Budgetary Comparisons for the General Fund
and for each major Special Revenue Fund with a legally required budget.

NOTE 1. Budgets and Budgetary Accounting

The Municipality followed these procedures in establishing the budgetary data reflected in the financial statements:

1. At the first regular board meeting in September of each year or within ten days thereafter, the Governing Board introduces the annual appropriation ordinance for the ensuing fiscal year.
2. After adoption by the Governing Board, the operating budget is legally binding and actual expenditures for each purpose cannot exceed the amounts budgeted, except as indicated in number 4.
3. A line item for contingencies may be included in the annual budget. Such a line item may not exceed 5 percent of the total municipal budget and may be transferred by resolution of the Governing Board to any other budget category that is deemed insufficient during the year.
4. If it is determined during the year that sufficient amounts have not been budgeted, state statute allows the adoption of supplemental budgets.
5. Unexpected appropriations lapse at year end unless encumbered by resolution of the Governing Board.
6. Formal budgetary integration is employed as a management control device during the year for the General Fund and special revenue funds.
7. Budgets for the General Fund and special revenue funds are adopted on a basis consistent with the accounting principles generally accepted in the United States (USGAAP).

NOTE 2. GAAP/Budgetary Accounting Basis Differences

The financial statements prepared in conformity with USGAAP present capital outlay expenditure information in a separate category of expenditures. Under the budgetary basis of accounting, capital outlay expenditures are reported within the function to which they relate. For example, the purchase of a new fire truck would be reported as a capital outlay expenditure on the Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balances, however, in the Budgetary RSI Schedule, the purchase of a fire truck would be reported as an expenditure of the Public Safety/Fire Department function of government, along with all other current Fire Department related expenditures.

MUNICIPALITY OF PLATTE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Two Years Ended December 31, 2014

<u>Federal Grantor/Pass-Through Grantor Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures 2013</u>	<u>Expenditures 2014</u>
Department of Transportation:			
Indirect Federal Funding:			
SD Department of Transportation:			
Airport Improvement Program (Note 2)	20.106	900,931.70	91,758.80
Total Department of Transportation		<u>900,931.70</u>	<u>91,758.80</u>
US Department of Justice:			
Direct Federal Funding:			
Bulletproof Vest Partnership Program	16.607	549.99	
Total US Department of Justice		<u>549.99</u>	<u>0.00</u>
General Services Administration:			
Indirect Federal Funding:			
SD Federal Property Agency:			
Donation of Federal Surplus Personal Property (Note 3)	39.003	205.58	332.18
Total General Services Administration		<u>205.58</u>	<u>332.18</u>
GRAND TOTAL		<u>901,687.27</u>	<u>92,090.98</u>

Note 1: This accompanying schedule of expenditures of federal awards includes the federal grant activity of the municipality and is presented on the modified cash basis of accounting unless otherwise noted. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2: This represents a Major Federal Financial Assistance Program.

Note 3: The amount reported represents 23.3% of the original acquisition cost of the federal surplus property received by the municipality.

**MUNICIPALITY OF PLATTE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2014**

	Liquor, Lodging & Dining Sales Tax Fund	Fire Hall Expansion Capital Project Fund	Park Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS:				
Cash and Cash Equivalents	96,898.00	12,436.30	30,895.25	140,229.55
TOTAL ASSETS	<u>96,898.00</u>	<u>12,436.30</u>	<u>30,895.25</u>	<u>140,229.55</u>
LIABILITIES AND FUND BALANCES:				
Total Liabilities	0.00	0.00	0.00	0.00
Fund Balances:				
Restricted for City Promotion	96,898.00			96,898.00
Restricted for Capital Projects		12,436.30	30,895.25	43,331.55
Total Fund Balances	<u>96,898.00</u>	<u>12,436.30</u>	<u>30,895.25</u>	<u>140,229.55</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>96,898.00</u>	<u>12,436.30</u>	<u>30,895.25</u>	<u>140,229.55</u>

MUNICIPALITY OF PLATTE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Liquor, Lodging & Dining Sales Tax Fund	Fire Hall Expansion Capital Project Fund	Park Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes:				
General Sales and Use Taxes	41,404.42			41,404.42
Miscellaneous Revenue:				
Investment Earnings	139.14			139.14
Total Revenue	41,543.56	0.00	0.00	41,543.56
Expenditures:				
Culture and Recreation:				
Parks			327.64	327.64
Auditorium	6,650.26			6,650.26
Total Culture and Recreation	6,650.26	0.00	327.64	6,977.90
Conservation and Development:				
Economic Development and Assistance (Industrial Development)	26,918.86			26,918.86
Total Conservation and Development	26,918.86	0.00	0.00	26,918.86
Total Expenditures	33,569.12	0.00	327.64	33,896.76
Net Change in Fund Balances	7,974.44	0.00	(327.64)	7,646.80
Fund Balance - Beginning	88,923.56	12,436.30	31,222.89	132,582.75
FUND BALANCE - ENDING	96,898.00	12,436.30	30,895.25	140,229.55

**MUNICIPALITY OF PLATTE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013**

	Liquor, Lodging & Dining Sales Tax Fund	Fire Hall Expansion Capital Project Fund	Park Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS:				
Cash and Cash Equivalents	88,923.56	12,436.30	31,222.89	132,582.75
TOTAL ASSETS	<u>88,923.56</u>	<u>12,436.30</u>	<u>31,222.89</u>	<u>132,582.75</u>
LIABILITIES AND FUND BALANCES:				
Total Liabilities	0.00	0.00	0.00	0.00
Fund Balances:				
Restricted for City Promotion	88,923.56			88,923.56
Restricted for Capital Projects		12,436.30	31,222.89	43,659.19
Total Fund Balances	88,923.56	12,436.30	31,222.89	132,582.75
TOTAL LIABILITIES AND FUND BALANCES	<u>88,923.56</u>	<u>12,436.30</u>	<u>31,222.89</u>	<u>132,582.75</u>

MUNICIPALITY OF PLATTE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	<u>Liquor, Lodging & Dining Sales Tax Fund</u>	<u>Fire Hall Expansion Capital Project Fund</u>	<u>Park Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:				
Taxes:				
General Sales and Use Taxes	41,335.32			41,335.32
Miscellaneous Revenue:				
Investment Earnings	34.71			34.71
Contributions and Donations from Private Sources			6,750.00	6,750.00
Total Revenue	<u>41,370.03</u>	<u>0.00</u>	<u>6,750.00</u>	<u>48,120.03</u>
Expenditures:				
Culture and Recreation:				
Parks			7,270.46	7,270.46
Total Culture and Recreation	<u>0.00</u>	<u>0.00</u>	<u>7,270.46</u>	<u>7,270.46</u>
Conservation and Development:				
Economic Development and Assistance (Industrial Development)	29,682.49			29,682.49
Total Conservation and Development	<u>29,682.49</u>	<u>0.00</u>	<u>0.00</u>	<u>29,682.49</u>
Total Expenditures	<u>29,682.49</u>	<u>0.00</u>	<u>7,270.46</u>	<u>36,952.95</u>
Net Change in Fund Balances	<u>11,687.54</u>	<u>0.00</u>	<u>(520.46)</u>	<u>11,167.08</u>
Fund Balance - Beginning	77,236.02	12,436.30	31,743.35	121,415.67
FUND BALANCE - ENDING	<u>88,923.56</u>	<u>12,436.30</u>	<u>31,222.89</u>	<u>132,582.75</u>