

CAMPBELL COUNTY

AUDIT REPORT

For the Two Years Ended December 31, 2014

CAMPBELL COUNTY
COUNTY OFFICIALS
December 31, 2014

Board of Commissioners:

Morrell Fuehrer
Alvin Fjeldheim
Richard Quaschnick
Scott Rau
Aldine Mittleider

Auditor:
Lisa Schaeffbauer

Treasurer:
Renee Rieker

State's Attorney:
Mark Kroontje

Register of Deeds:
Amanda Horner

Sheriff:
Lacey Perman

CAMPBELL COUNTY
TABLE OF CONTENTS

Page

| | |
|---|----|
| 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 <i>Government Auditing Standards</i> | 1 |
| Schedule of Prior Audit Findings..... | 3 |
| Schedule of Current Audit Findings..... | 3 |
| Independent Auditor's Report..... | 4 |
| <i>Basic Financial Statements</i> | |
| <u>Government-wide Financial Statements:</u> | |
| As of December 31, 2014: | |
| Statement of Net Position--Modified Cash Basis | 6 |
| For the Year Ended December 31, 2014: | |
| Statement of Activities--Modified Cash Basis | 7 |
| For the Year Ended December 31, 2013: | |
| Statement of Activities--Modified Cash Basis | 8 |
| <u>Fund Financial Statements:</u> | |
| <u>Governmental Funds</u> | |
| As of December 31, 2014: | |
| Balance Sheet--Modified Cash Basis | 9 |
| For the Year Ended December 31, 2014: | |
| Statement of Revenues, Expenditures and Changes in Fund Balances--Modified Cash Basis..... | 10 |
| For the Year Ended December 31, 2013: | |
| Statement of Revenues, Expenditures and Changes in Fund Balances--Modified Cash Basis..... | 14 |
| <u>Fiduciary Funds</u> | |
| As of December 31, 2014: | |
| Statement of Fiduciary Net Position--Modified Cash Basis | 18 |
| Notes to the Modified Cash Basis Financial Statements..... | 19 |

Supplementary Information:

For the Year Ended December 31, 2014:

| | |
|---|----|
| Budgetary Comparison Schedule--Modified Cash Basis--General Fund..... | 32 |
| Budgetary Comparison Schedule--Modified Cash Basis--Road and Bridge Fund..... | 34 |

For the Year Ended December 31, 2013:

| | |
|---|----|
| Budgetary Comparison Schedule--Modified Cash Basis--General Fund..... | 35 |
| Budgetary Comparison Schedule--Modified Cash Basis--Road and Bridge Fund..... | 37 |

| | |
|--|----|
| Notes to the Supplementary Information – Budgetary Comparison Schedules..... | 38 |
|--|----|

| | |
|--|----|
| Schedule of Changes in Long-Term Debt..... | 39 |
|--|----|



427 SOUTH CHAPELLE
C/O 500 EAST CAPITOL
PIERRE SD 57501-5070
(605) 773-3595
FAX (605) 773-6454

MARTIN L. GUINDON, CPA
AUDITOR GENERAL

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

County Commission
Campbell County
Mound City, 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 modified cash basis of accounting financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Campbell County, South Dakota (County), 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 County's basic financial statements and have issued our report thereon dated February 2, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County'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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, 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*.

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 County'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.



Martin L. Guindon, CPA
Auditor General

February 2, 2016

CAMPBELL COUNTY
SCHEDULE OF PRIOR AND CURRENT AUDIT FINDINGS

SCHEDULE OF PRIOR AUDIT FINDINGS

Prior Audit Findings:

The prior audit report contained no written audit findings.

SCHEDULE OF CURRENT AUDIT FINDINGS

Current Audit Findings:

There are no written current audit findings to report.



427 SOUTH CHAPELLE
C/O 500 EAST CAPITOL
PIERRE SD 57501-5070
(605) 773-3595
FAX (605) 773-6454

MARTIN L. GUINDON, CPA
AUDITOR GENERAL

INDEPENDENT AUDITOR'S REPORT

County Commission
Campbell County
Mound City, South Dakota

Report on the Financial Statements

We have audited the accompanying modified cash basis of accounting financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Campbell County, South Dakota (County), 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 County's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

The County's management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1.c.; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is responsible for 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 County'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 County'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position on a modified cash basis of accounting of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Campbell County as of December 31, 2014, and the respective changes in financial position thereof for each of the years in the biennial period then ended in accordance with the modified cash basis of accounting described in Note 1.c. to the financial statements.

Basis of Accounting

We draw attention to Note 1.c. of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the modified cash basis of accounting financial statements that collectively comprise the County's basic financial statements. The Budgetary Comparison Schedules and the Schedule of Changes in Long-Term Debt 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 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 February 2, 2016, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 County's internal control over financial reporting and compliance.



Martin L. Guindon, CPA
Auditor General

February 2, 2016

CAMPBELL COUNTY
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
December 31, 2014

| | Primary Government Governmental Activities |
|------------------------------|---|
| ASSETS: | |
| Cash and Cash Equivalents | \$ 325,052.64 |
| Investments | 1,800,000.00 |
| TOTAL ASSETS | \$ 2,125,052.64 |
| NET POSITION: | |
| Restricted For: (See Note 4) | |
| Road and Bridge Purposes | \$ 32,950.61 |
| Other Purposes | 99,720.53 |
| Unrestricted | 1,992,381.50 |
| TOTAL NET POSITION | \$ 2,125,052.64 |

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

CAMPBELL COUNTY
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
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 | Primary Governmental Activities | Component Unit |
| Primary Government: | | | | | |
| Governmental Activities: | | | | | |
| General Government | \$ 623,157.14 | \$ 41,244.34 | \$ 665.95 | \$ (581,246.85) | \$ |
| Public Safety | 219,139.08 | 42,170.71 | 55,755.20 | (121,213.17) | |
| Public Works | 1,156,925.32 | 1,494.06 | 676,521.09 | (478,910.17) | |
| Health and Welfare | 33,627.08 | 19,849.16 | | (13,777.92) | |
| Culture and Recreation | 6,436.84 | | | (6,436.84) | |
| Conservation of Natural Resources | 70,657.85 | 26,874.91 | 5,591.39 | (38,191.55) | |
| Urban and Economic Development | 38,865.19 | | | (38,865.19) | |
| Total Primary Government | <u>\$ 2,148,808.50</u> | <u>\$ 131,633.18</u> | <u>\$ 738,533.63</u> | <u>(1,278,641.69)</u> | |
| Component Unit: | | | | | |
| Campbell County Economic Development Corporation | <u>\$ 11,386.16</u> | <u>\$</u> | <u>\$ 11,386.16</u> | | <u>0.00</u> |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property Taxes | | | | 1,243,168.48 | |
| State Shared Revenues | | | | 26,787.06 | |
| Grants and Contributions not Restricted to Specific Programs | | | | 48,356.27 | |
| Unrestricted Investment Earnings | | | | 7,392.11 | |
| Miscellaneous Revenue | | | | 20,591.33 | |
| Total General Revenues | | | | <u>1,346,295.25</u> | <u>0.00</u> |
| Change in Net Position | | | | 67,653.56 | 0.00 |
| Net Position - Beginning | | | | <u>2,057,399.08</u> | <u>0.00</u> |
| NET POSITION - ENDING | | | | <u>\$ 2,125,052.64</u> | <u>\$ 0.00</u> |

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

CAMPBELL COUNTY
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
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 | Primary Government Governmental Activities | Component Unit |
| Primary Government: | | | | | |
| Governmental Activities: | | | | | |
| General Government | \$ 607,658.61 | \$ 44,582.95 | \$ 685.38 | \$ (562,390.28) | \$ |
| Public Safety | 250,879.55 | 43,004.59 | 51,649.48 | (156,225.48) | |
| Public Works | 1,069,997.71 | 2,369.49 | 616,241.70 | (451,386.52) | |
| Health and Welfare | 28,877.37 | 39,256.93 | | 10,379.56 | |
| Culture and Recreation | 4,929.24 | | | (4,929.24) | |
| Conservation of Natural Resources | 63,698.28 | 35,722.68 | 1,449.43 | (26,526.17) | |
| Urban and Economic Development | 26,660.17 | | | (26,660.17) | |
| Total Primary Government | <u>\$ 2,052,700.93</u> | <u>\$ 164,936.64</u> | <u>\$ 670,025.99</u> | <u>(1,217,738.30)</u> | |
| Component Unit: | | | | | |
| Campbell County Economic Development Corporation | <u>\$ 20,531.53</u> | <u>\$</u> | <u>\$ 20,531.53</u> | | <u>0.00</u> |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property Taxes | | | | 1,205,171.03 | |
| State Shared Revenues | | | | 26,907.35 | |
| Grants and Contributions not Restricted to Specific Programs | | | | 46,026.00 | |
| Unrestricted Investment Earnings | | | | 9,194.50 | |
| Miscellaneous Revenue | | | | 128,243.85 | |
| Total General Revenues | | | | <u>1,415,542.73</u> | <u>0.00</u> |
| Change in Net Position | | | | 197,804.43 | 0.00 |
| Net Position - Beginning | | | | <u>1,859,594.65</u> | <u>0.00</u> |
| NET POSITION - ENDING | | | | <u>\$ 2,057,399.08</u> | <u>\$ 0.00</u> |

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

**CAMPBELL COUNTY
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
December 31, 2014**

| | General Fund | Road and Bridge Fund | Other Governmental Funds | Total Governmental Funds |
|---------------------------------------|-------------------------|---------------------------------|---|---|
| ASSETS: | | | | |
| Cash and Cash Equivalents | \$ 144,279.39 | \$ 81,052.72 | \$ 99,720.53 | \$ 325,052.64 |
| Investments | 1,350,000.00 | 450,000.00 | | 1,800,000.00 |
| TOTAL ASSETS | \$ 1,494,279.39 | \$ 531,052.72 | \$ 99,720.53 | \$ 2,125,052.64 |
| FUND BALANCES: (See Note 1.j.) | | | | |
| Restricted | \$ | \$ 32,950.61 | \$ 99,720.53 | \$ 132,671.14 |
| Assigned | 869,213.00 | 498,102.11 | | 1,367,315.11 |
| Unassigned | 625,066.39 | | | 625,066.39 |
| TOTAL FUND BALANCES | \$ 1,494,279.39 | \$ 531,052.72 | \$ 99,720.53 | \$ 2,125,052.64 |

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

CAMPBELL COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

| | <u>General Fund</u> | <u>Road and Bridge Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|---------------------------------|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| General Property Taxes--Current | \$ 1,190,800.75 | \$ 42,790.99 | \$ | \$ 1,233,591.74 |
| General Property Taxes--Delinquent | 5,514.94 | 176.39 | | 5,691.33 |
| Penalties and Interest | 3,048.30 | 110.72 | | 3,159.02 |
| Telephone Tax (Outside) | 0.34 | | | 0.34 |
| Mobile Home Tax | 589.80 | 11.25 | | 601.05 |
| Tax Deed Revenue | 125.00 | | | 125.00 |
| Licenses and Permits | 1,312.00 | | 300.00 | 1,612.00 |
| Intergovernmental Revenue: | | | | |
| Federal Grants | | | 29,625.00 | 29,625.00 |
| Federal Shared Revenue | 893.00 | 34.27 | | 927.27 |
| Federal Payments in Lieu of Taxes | 47,429.00 | | | 47,429.00 |
| State Grants | 7,843.39 | 99,718.02 | | 107,561.41 |
| State Shared Revenue: | | | | |
| Bank Franchise | 17,605.95 | 1,233.71 | | 18,839.66 |
| Motor Vehicle Licenses | | 427,793.79 | | 427,793.79 |
| State Highway Fund (former 10% game) | | 12,972.70 | | 12,972.70 |
| Court Appointed Attorney/Public Defender | 510.88 | | | 510.88 |
| Prorate License Fees | | 27,703.07 | | 27,703.07 |
| Secondary Road Motor Vehicle Remittances | | 105,346.69 | | 105,346.69 |
| Telecommunications Gross Receipts Tax | 7,947.40 | | | 7,947.40 |
| Motor Vehicle 1/4% | 155.07 | | | 155.07 |
| Motor Fuel Tax | | 2,986.82 | | 2,986.82 |
| 911 Remittances | | | 23,878.20 | 23,878.20 |
| Charges for Goods and Services: | | | | |
| General Government: | | | | |
| Treasurer's Fees | 4,047.99 | | | 4,047.99 |

| | | | | |
|-------------------------------------|---------------------|-------------------|------------------|---------------------|
| Register of Deeds' Fees | 25,596.75 | | 6,119.86 | 31,716.61 |
| Driver's License Exam | 410.00 | | | 410.00 |
| Legal Services | 25.00 | | 25.00 | 50.00 |
| Clerk of Courts Fees | 2,198.00 | | | 2,198.00 |
| Director of Equalization Fees | 604.24 | | | 604.24 |
| Public Safety: | | | | |
| Law Enforcement | 42,170.71 | | | 42,170.71 |
| Public Works: | | | | |
| Road Maintenance Contract Charges | | 1,494.06 | | 1,494.06 |
| Health and Welfare: | | | | |
| Health Assistance: | | | | |
| Ambulance | 19,849.16 | | | 19,849.16 |
| Conservation of Natural Resources | 26,874.91 | | | 26,874.91 |
| Miscellaneous Revenue: | | | | |
| Investment Earnings | 5,606.08 | 1,629.51 | 156.52 | 7,392.11 |
| Rent | 605.50 | | | 605.50 |
| Refund of Prior Year's Expenditures | 3,816.29 | | | 3,816.29 |
| Other | 24.00 | 387.51 | | 411.51 |
| Total Revenues | <u>1,415,604.45</u> | <u>724,389.50</u> | <u>60,104.58</u> | <u>2,200,098.53</u> |

Expenditures:

General Government:

Legislative:

| | | | | |
|-------------------------------|-----------|--|--|-----------|
| Board of County Commissioners | 95,846.34 | | | 95,846.34 |
| Elections | 15,733.41 | | | 15,733.41 |
| Judicial System | 272.70 | | | 272.70 |

Financial Administration:

| | | | | |
|-----------|-----------|--|--|-----------|
| Auditor | 91,714.93 | | | 91,714.93 |
| Treasurer | 91,670.83 | | | 91,670.83 |

Legal Services:

| | | | | |
|--------------------------|-----------|--|--|-----------|
| State's Attorney | 72,220.58 | | | 72,220.58 |
| Court Appointed Attorney | 9,543.80 | | | 9,543.80 |

Other Administration:

| | | | | |
|-----------------------------|-----------|--|--|-----------|
| General Government Building | 45,657.48 | | | 45,657.48 |
| Director of Equalization | 99,803.35 | | | 99,803.35 |
| Register of Deeds | 89,326.41 | | | 89,326.41 |
| Veterans Service Officer | 8,874.35 | | | 8,874.35 |
| Predatory Animal | 2,492.96 | | | 2,492.96 |

CAMPBELL COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014
(Continued)

| | General Fund | Road and Bridge Fund | Other Governmental Funds | Total Governmental Funds |
|------------------------------------|-----------------|-------------------------|--------------------------------|--------------------------------|
| Public Safety: | | | | |
| Law Enforcement: | | | | |
| Sheriff | 157,458.76 | | | 157,458.76 |
| County Jail | 10,923.53 | | | 10,923.53 |
| Coroner | 141.10 | | | 141.10 |
| Protective and Emergency Services: | | | | |
| Emergency and Disaster Services | 12,116.78 | | 14,625.00 | 26,741.78 |
| Communication Center | | | 23,873.91 | 23,873.91 |
| Public Works: | | | | |
| Highways and Bridges: | | | | |
| Highways, Roads and Bridges | | 978,776.23 | | 978,776.23 |
| Transportation: | | | | |
| Community Transit | 600.00 | | | 600.00 |
| Health and Welfare: | | | | |
| Economic Assistance: | | | | |
| Support of Poor | 615.00 | | | 615.00 |
| Other | 500.00 | | | 500.00 |
| Health Assistance: | | | | |
| Ambulance | 22,538.08 | | | 22,538.08 |
| Other - Community Health | 1,969.00 | | | 1,969.00 |
| Social Services: | | | | |
| Care of Aged | 3,000.00 | | | 3,000.00 |
| Domestic Abuse | | | 265.00 | 265.00 |
| Mental Health Services: | | | | |
| Drug Abuse | 300.00 | | | 300.00 |
| Mental Illness Board | 4,440.00 | | | 4,440.00 |
| Culture and Recreation: | | | | |
| Recreation: | | | | |
| Recreational Programs | 3,168.00 | | | 3,168.00 |

| | | | | |
|---|------------------------|----------------------|---------------------|------------------------|
| Parks | 3,268.84 | | | 3,268.84 |
| Conservation of Natural Resources: | | | | |
| Soil Conservation: | | | | |
| County Extension | 14,347.77 | | | 14,347.77 |
| Rodent Control | 762.50 | | | 762.50 |
| Weed and Pest Control | 55,547.58 | | | 55,547.58 |
| Urban and Economic Development: | | | | |
| Urban Development: | | | | |
| Planning and Zoning | 6,328.06 | | | 6,328.06 |
| Economic Development: | | | | |
| Tourism, Industrial or Recreational Development | 32,537.13 | | | 32,537.13 |
| Debt Service | | 177,549.09 | | 177,549.09 |
| Total Expenditures | <u>953,719.27</u> | <u>1,156,325.32</u> | <u>38,763.91</u> | <u>2,148,808.50</u> |
| Excess of Revenues Over (Under) Expenditures | <u>461,885.18</u> | <u>(431,935.82)</u> | <u>21,340.67</u> | <u>51,290.03</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 1,770.33 | 350,000.00 | | 351,770.33 |
| Transfers Out | (350,000.00) | (1,629.51) | (140.82) | (351,770.33) |
| Insurance Proceeds | 3,117.17 | | | 3,117.17 |
| Sale of County Property | 392.75 | 12,853.61 | | 13,246.36 |
| Total Other Financing Sources (Uses) | <u>(344,719.75)</u> | <u>361,224.10</u> | <u>(140.82)</u> | <u>16,363.53</u> |
| Net Change in Fund Balance | 117,165.43 | (70,711.72) | 21,199.85 | 67,653.56 |
| Fund Balance - Beginning | <u>1,377,113.96</u> | <u>601,764.44</u> | <u>78,520.68</u> | <u>2,057,399.08</u> |
| FUND BALANCE - ENDING | <u>\$ 1,494,279.39</u> | <u>\$ 531,052.72</u> | <u>\$ 99,720.53</u> | <u>\$ 2,125,052.64</u> |

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

CAMPBELL COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

| | <u>General Fund</u> | <u>Road and Bridge Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|---------------------------------|---|---|
| Revenues: | | | | |
| Taxes: | | | | |
| General Property Taxes--Current | \$ 1,151,634.20 | \$ 42,054.15 | \$ | \$ 1,193,688.35 |
| General Property Taxes--Delinquent | 7,328.73 | 170.08 | 7.45 | 7,506.26 |
| Penalties and Interest | 3,198.15 | 91.79 | 3.62 | 3,293.56 |
| Mobile Home Tax | 670.45 | 12.41 | | 682.86 |
| Licenses and Permits | 1,131.00 | | 180.00 | 1,311.00 |
| Intergovernmental Revenue: | | | | |
| Federal Grants | 2,340.00 | | 19,859.66 | 22,199.66 |
| Federal Shared Revenue | 1,715.00 | | | 1,715.00 |
| Federal Payments in Lieu of Taxes | 44,311.00 | | | 44,311.00 |
| State Grants | 1,533.42 | 99,638.31 | | 101,171.73 |
| State Shared Revenue: | | | | |
| Bank Franchise | 16,601.34 | 1,163.32 | | 17,764.66 |
| Motor Vehicle Licenses | 3,808.81 | 372,914.84 | | 376,723.65 |
| State Highway Fund (former 10% game) | | 12,972.70 | | 12,972.70 |
| Court Appointed Attorney/Public Defender | 685.38 | | | 685.38 |
| Prorate License Fees | | 26,042.98 | | 26,042.98 |
| 63 3/4% Mobile Home | | 3,483.00 | | 3,483.00 |
| Secondary Road Motor Vehicle Remittances | | 94,334.58 | | 94,334.58 |
| Telecommunications Gross Receipts Tax | 9,142.69 | | | 9,142.69 |
| Motor Fuel Tax | | 3,046.48 | | 3,046.48 |
| 911 Remittances | | | 23,846.76 | 23,846.76 |
| Other Intergovernmental Revenue | | | 3,250.00 | 3,250.00 |
| Charges for Goods and Services: | | | | |
| General Government: | | | | |
| Treasurer's Fees | 3,872.50 | | | 3,872.50 |

| | | | | |
|-------------------------------------|---------------------|-------------------|------------------|---------------------|
| Register of Deeds' Fees | 26,360.60 | | 7,233.42 | 33,594.02 |
| Driver's License Exam | 405.00 | | | 405.00 |
| Legal Services | 50.00 | | 50.00 | 100.00 |
| Clerk of Courts Fees | 1,956.18 | | | 1,956.18 |
| Director of Equalization Fees | 3,175.00 | | | 3,175.00 |
| Public Safety: | | | | |
| Law Enforcement | 43,004.59 | | | 43,004.59 |
| Public Works: | | | | |
| Road Maintenance Contract Charges | | 2,369.49 | | 2,369.49 |
| Health and Welfare: | | | | |
| Health Assistance: | | | | |
| Ambulance | 39,256.93 | | | 39,256.93 |
| Conservation of Natural Resources | 35,722.68 | | | 35,722.68 |
| Miscellaneous Revenue: | | | | |
| Investment Earnings | 7,086.63 | 1,847.70 | 260.17 | 9,194.50 |
| Rent | 169.25 | | | 169.25 |
| Refund of Prior Year's Expenditures | 3,304.19 | 273.00 | | 3,577.19 |
| Other | 61.72 | 514.03 | | 575.75 |
| Total Revenues | <u>1,408,525.44</u> | <u>660,928.86</u> | <u>54,691.08</u> | <u>2,124,145.38</u> |

Expenditures:

General Government:

Legislative:

| | | | | |
|-------------------------------|------------|--|--|------------|
| Board of County Commissioners | 102,185.47 | | | 102,185.47 |
| Elections | 1,593.57 | | | 1,593.57 |
| Judicial System | 180.32 | | | 180.32 |

Financial Administration:

| | | | | |
|-----------|-----------|--|--|-----------|
| Auditor | 87,474.07 | | | 87,474.07 |
| Treasurer | 88,410.00 | | | 88,410.00 |

Legal Services:

| | | | | |
|--------------------------|-----------|--|--|-----------|
| State's Attorney | 70,509.40 | | | 70,509.40 |
| Court Appointed Attorney | 9,436.06 | | | 9,436.06 |

Other Administration:

| | | | | |
|-----------------------------|-----------|--|-----------|-----------|
| General Government Building | 45,207.45 | | 15,000.00 | 60,207.45 |
| Director of Equalization | 92,461.62 | | | 92,461.62 |
| Register of Deeds | 83,569.73 | | 773.67 | 84,343.40 |
| Veterans Service Officer | 8,364.29 | | | 8,364.29 |
| Predatory Animal | 2,492.96 | | | 2,492.96 |

CAMPBELL COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013
(Continued)

| | <u>General Fund</u> | <u>Road and Bridge Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|------------------------------------|-------------------------|---------------------------------|---|---|
| Public Safety: | | | | |
| Law Enforcement: | | | | |
| Sheriff | 186,549.02 | | | 186,549.02 |
| County Jail | 3,828.35 | | | 3,828.35 |
| Coroner | 2,533.24 | | | 2,533.24 |
| Protective and Emergency Services: | | | | |
| Emergency and Disaster Services | 11,553.23 | | 20,275.04 | 31,828.27 |
| Communication Center | | | 23,871.60 | 23,871.60 |
| Public Works: | | | | |
| Highways and Bridges: | | | | |
| Highways, Roads and Bridges | | 931,754.74 | | 931,754.74 |
| Transportation: | | | | |
| Community Transit | 600.00 | | | 600.00 |
| Health and Welfare: | | | | |
| Economic Assistance: | | | | |
| Support of Poor | 483.00 | | | 483.00 |
| Other | 500.00 | | | 500.00 |
| Health Assistance: | | | | |
| Ambulance | 21,157.37 | | | 21,157.37 |
| Other - Community Health | 1,912.00 | | | 1,912.00 |
| Social Services: | | | | |
| Care of Aged | 3,000.00 | | | 3,000.00 |
| Domestic Abuse | | | 325.00 | 325.00 |
| Mental Health Services: | | | | |
| Mental Illness Board | 1,500.00 | | | 1,500.00 |
| Culture and Recreation: | | | | |
| Recreation: | | | | |
| Recreational Programs | 3,168.00 | | | 3,168.00 |
| Parks | 1,761.24 | | | 1,761.24 |

| | | | | |
|---|------------------------|----------------------|---------------------|------------------------|
| Conservation of Natural Resources: | | | | |
| Soil Conservation: | | | | |
| County Extension | 12,576.31 | | | 12,576.31 |
| Soil Conservation Districts | 1,000.00 | | | 1,000.00 |
| Weed and Pest Control | 50,121.97 | | | 50,121.97 |
| Urban and Economic Development: | | | | |
| Urban Development: | | | | |
| Planning and Zoning | 6,067.94 | | | 6,067.94 |
| Economic Development: | | | | |
| Tourism, Industrial or Recreational Development | 20,592.23 | | | 20,592.23 |
| Debt Service | | 137,642.97 | | 137,642.97 |
| Total Expenditures | <u>920,788.84</u> | <u>1,069,397.71</u> | <u>60,245.31</u> | <u>2,050,431.86</u> |
| Excess of Revenues Over (Under) Expenditures | <u>487,736.60</u> | <u>(408,468.85)</u> | <u>(5,554.23)</u> | <u>73,713.52</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 2,089.13 | 450,000.00 | | 452,089.13 |
| Transfers Out | (450,000.00) | (1,847.70) | (241.43) | (452,089.13) |
| Sale of County Property | 861.50 | 123,229.41 | | 124,090.91 |
| Total Other Financing Sources (Uses) | <u>(447,049.37)</u> | <u>571,381.71</u> | <u>(241.43)</u> | <u>124,090.91</u> |
| Net Change in Fund Balance | 40,687.23 | 162,912.86 | (5,795.66) | 197,804.43 |
| Fund Balance - Beginning | <u>1,336,426.73</u> | <u>438,851.58</u> | <u>84,316.34</u> | <u>1,859,594.65</u> |
| FUND BALANCE - ENDING | <u>\$ 1,377,113.96</u> | <u>\$ 601,764.44</u> | <u>\$ 78,520.68</u> | <u>\$ 2,057,399.08</u> |

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

CAMPBELL COUNTY
STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUNDS
December 31, 2014

| | <u>Agency Funds</u> |
|--------------------------------------|-------------------------|
| ASSETS: | |
| Cash and Cash Equivalents | \$ 57,072.04 |
| TOTAL ASSETS | <u>\$ 57,072.04</u> |
| NET POSITION: | |
| Net Position Held in Agency Capacity | \$ 57,072.04 |
| TOTAL NET POSITION | <u>\$ 57,072.04</u> |

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

CAMPBELL COUNTY
NOTES TO THE MODIFIED CASH BASIS FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 1.c., these financial statements are presented on a modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

a. Financial Reporting Entity:

The reporting entity of Campbell County (County), 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); 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.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The County is financially accountable if its County Commission appoints a voting majority of another organization's governing body and it has the ability to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to, or impose specific financial burdens on, the County (primary government). The County may also be financially accountable for another organization if that organization is fiscally dependent on the County.

The Campbell County Economic Development Corporation of Campbell County, South Dakota (Corporation) is a governmental fund-type, discretely presented component unit. The five members of the Corporation are appointed by the County Commission's Chairperson with the approval of the Board of County Commissioners for five-year, staggered terms. Financial records for the Corporation are maintained by the Campbell County Auditor. The amount reported on the government-wide Statement of Activities represents grant funds received by the Corporation.

The County has created a Housing and Redevelopment Commission under the authority of South Dakota Codified Law (SDCL) 11-7-7 solely for abdicating its authority over the non-municipal housing projects within the County to the Mobridge Housing Commission organized by the Municipality of Mobridge. Therefore, this component unit's financial activity will not be included on the County's annual report. The financial activity of this component unit is to be included as a component unit on the Municipality of Mobridge's annual report.

The County participates in three cooperative units. See detailed note entitled "Joint Ventures" for specific disclosures. Joint ventures do not meet the criteria for inclusion in the financial reporting entity as a component unit, but are discussed in these notes because of the nature of their relationship with the County.

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 discretely presented

component units. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Discretely presented component units are legally separate organizations that meet certain criteria, as described in note 1.a., above and may be classified as either governmental or business-type activities. See the discussion of individual component units in Note 1.a., above.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County'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 two major categories: governmental and fiduciary. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the County 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.

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

Governmental Funds:

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

Road and Bridge Fund – to account for funds credited to the road and bridge fund pursuant to SDCL 32-11-4.2 to be used by the board of county commissioners for grading, constructing, planing, dragging, and maintaining county highways and also for dragging, maintaining and grading secondary roads. Proper equipment for dragging, grading, and maintaining highways, such as graders, tractors, drags, maintainers, and planers may be purchased from the road and bridge fund. (SDCL 32-11-2 and 32-11-4.2) This is a major fund.

The remaining Special Revenue funds are not considered major funds: 911 Service, Emergency Management, Domestic Abuse, Courthouse Building, and Modernization and Preservation Relief. These funds are reported on the fund financial statements as "Other Governmental Funds".

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. Agency funds are used to account for the accumulation and distribution of property tax revenues and various pass-through funds.

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.

The County's basis of accounting is the modified cash basis, which is a basis of accounting other than USGAAP. Under USGAAP, transactions are recorded in the accounts when revenues are earned and liabilities are incurred. Under the modified cash basis, transactions are recorded when cash is received or disbursed.

Measurement Focus:

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus, applied within the limitations of the modified cash basis of accounting as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used, applied within the limitations of the modified cash basis of accounting.

Basis of Accounting:

In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental and component unit activities are presented using a modified cash basis of accounting.

The modified cash basis of accounting involves the measurement of cash and cash equivalents and changes in cash and cash equivalents resulting from cash receipt and disbursement transactions. Under the modified cash basis of accounting, the statement of financial position reports only cash and cash equivalents (those investments with terms to maturity of 90 days (three months) or less at the date of acquisition). Under the modified cash basis of accounting, transactions are recorded in the accounts when cash and/or cash equivalents are received or disbursed and assets and liabilities are recognized to the extent that cash has been received or disbursed. The acceptable modification to the cash basis of accounting implemented by the County in these financial statements is:

Recording long-term investments in marketable securities (those with maturities more than 90-days (three months) from the date of acquisition) acquired with cash assets at cost.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the County applied USGAAP, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

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 Law (SDCL) 4-5-6. Under the modified cash basis of accounting, investments are carried at cost.

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.

As discussed in Note 1.c. above, the government-wide Statement of Net Position and Statement of Activities and the fund financial statements are presented using a modified cash basis of accounting. The County has not elected to modify their cash basis presentation by recording capital assets arising from cash transactions and depreciating those assets where appropriate so any capital assets owned by the County and the related depreciation are not reported on the financial statements of the County.

f. Long-Term Liabilities:

Long-term liabilities include, but are not limited to, General Obligation Bonds, Revenue Bonds, Certificates of Participation, Financing (Capital Acquisition) Leases, and Compensated Absences.

As discussed in Note 1.c. above, the government-wide Statement of Net Position and Statement of Activities and the fund financial statements are presented using a modified cash basis of accounting. The County has not elected to modify their cash basis presentation by recording long-term debt arising from cash transactions so any outstanding indebtedness is not reported on the financial statements of the County. The County does report the principal and interest payments on long-term debt as Debt Service expenditures on the Statement of Revenues, Expenditures and Changes in Fund Balances. On the Statement of Activities the principal and interest portion of these Debt Service payments are reported within the appropriate expense function.

The County has presented as Supplementary Information a Schedule of Changes in Long-Term Debt along with related notes that include details of any outstanding Long-Term Debt.

g. Program Revenues:

Program revenues derive directly from the program itself or from parties other than the County'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. Equity Classifications:

Government-wide Financial Statements:

Equity is classified as Net Position and is displayed in two components:

1. 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.
2. 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. Agency Funds have no fund equity. The Net Position is reported as Net Position Held in Agency Capacity.

i. Application of Net Position:

It is the County'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.

j. 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 County 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 County Commissioners.
- 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 County 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 Government would first use *committed, then assigned, and lastly unassigned amounts* of unrestricted fund balance when expenditures are made.

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

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

Major Special Revenue Fund

Road and Bridge Fund

Revenue Source

Motor Vehicle Licenses, State Grants, and Secondary Road Tax

A schedule of fund balances is provided as follows:

**CAMPBELL COUNTY
DISCLOSURE OF FUND BALANCES REPORTED ON BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014**

| | <u>General Fund</u> | <u>Road and Bridge Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|-------------------------------------|---|---|
| Fund Balances: | | | | |
| Restricted For: | | | | |
| Road and Bridge Purposes | \$ | \$ 32,950.61 | \$ | \$ 32,950.61 |
| Courthouse Building Purposes | | | 46,967.28 | 46,967.28 |
| 911 Service Purposes | | | 20,909.90 | 20,909.90 |
| Domestic Abuse Purposes | | | 150.00 | 150.00 |
| Emergency Management Purposes | | | 18,546.74 | 18,546.74 |
| Modernization and Preservation Relief Purposes | | | 13,146.61 | 13,146.61 |
| Assigned To: | | | | |
| Applied to Next Year's Budget | 499,213.00 | | | 499,213.00 |
| Ambulance Purposes | 120,000.00 | | | 120,000.00 |
| Road and Bridge Purposes | 250,000.00 | 498,102.11 | | 748,102.11 |
| Unassigned | 625,066.39 | | | 625,066.39 |
| Total Fund Balances | <u>\$ 1,494,279.39</u> | <u>\$ 531,052.72</u> | <u>\$ 99,720.53</u> | <u>\$ 2,125,052.64</u> |

2. DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISKS AND INTEREST RATE RISK

The County 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 County's cash deposits are made in qualified public depositories as defined by SDCL 4-6A-1, 7-20-1, 7-20-1.1 and 7-20-1.2, 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 County 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 County, as discussed above. The County has no investment policy that would further limit its investment choices.

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

Interest Rate Risk – The County 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.

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 County's policy is to credit all income from deposits and investments to the General Fund, except the 911 Service Fund which retains its investment income. USGAAP, on the other hand, requires income from deposits and investments to be reported in the fund whose assets generated that income. Where the governing board has discretion to credit investment income to a fund other than the fund that provided the resources for investment, a transfer to the designated fund is reported. Accordingly, in the fund financial statements, interfund transfers of investment earnings are reported, while in the government-wide financial statements, they have been eliminated.

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

4. RESTRICTED NET POSITION

Restricted Net Position for the year ended December 31, 2014 was as follows:

Major Purposes:

| | |
|--------------------------|---------------------|
| Road and Bridge Purposes | <u>\$ 32,950.61</u> |
|--------------------------|---------------------|

Other Purposes:

| | |
|--|------------------|
| Courthouse Building Purposes | 46,967.28 |
| 911 Service Purposes | 20,909.90 |
| Domestic Abuse Purposes | 150.00 |
| Emergency Management Purposes | 18,546.74 |
| Modernization and Preservation Relief Purposes | <u>13,146.61</u> |

| | |
|----------------------|------------------|
| Total Other Purposes | <u>99,720.53</u> |
|----------------------|------------------|

| | |
|--------------------------------------|-----------------------------|
| Total Restricted Net Position | <u>\$ 132,671.14</u> |
|--------------------------------------|-----------------------------|

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

5. INTERFUND TRANSFERS

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

| <u>Transfers From:</u> | <u>Transfers To:</u> | | <u>Total</u> |
|-------------------------------|-----------------------------|-----------------------------|----------------------|
| | <u>General Fund</u> | <u>Road and Bridge Fund</u> | |
| Major Funds: | | | |
| General Fund | \$ | \$ 350,000.00 | \$ 350,000.00 |
| Road and Bridge Fund | 1,629.51 | | 1,629.51 |
| Other Governmental Funds: | | | |
| Courthouse Building Fund | <u>140.82</u> | | <u>140.82</u> |
| Total | <u>\$ 1,770.33</u> | <u>\$ 350,000.00</u> | <u>\$ 351,770.33</u> |

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

| <u>Transfers From:</u> | <u>Transfers To:</u> | | <u>Total</u> |
|-------------------------------|-----------------------------|-----------------------------|----------------------|
| | <u>General Fund</u> | <u>Road and Bridge Fund</u> | |
| Major Funds: | | | |
| General Fund | \$ | \$ 450,000.00 | \$ 450,000.00 |
| Road and Bridge Fund | 1,847.70 | | 1,847.70 |
| Other Governmental Funds: | | | |
| Courthouse Building Fund | <u>241.43</u> | | <u>241.43</u> |
| Total | <u>\$ 2,089.13</u> | <u>\$ 450,000.00</u> | <u>\$ 452,089.13</u> |

The County typically budgets transfers to the Road and Bridge Fund to conduct the indispensable functions of the County. The County also transfers earnings on deposits and investments from various governmental funds to the General Fund.

6. RETIREMENT PLAN

All employees, except for part-time employees, working less than 20 hours a week, 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 survivor 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 County's share of contributions to the SDRS for the fiscal years ended December 31, 2014, 2013, and 2012 were \$43,393.66, \$41,871.48, and \$41,882.67, respectively, equal to the required contributions each year.

7. JOINT VENTURES

The County participates in three joint ventures to provide services to the regional areas encompassing each of the joint ventures. These are:

Five County TV Translator District
War Hawk Emergency Management District
North Central Regional E911 District

Five County Television Translator District:

The members of the joint venture are as follows:

| | | | |
|------------------|-----|-----------------|-----|
| Campbell County | 9% | Potter County | 15% |
| Edmunds County | 26% | Walworth County | 34% |
| McPherson County | 16% | | |

The joint powers agreement is formulated in accordance with South Dakota Codified Laws (SDCL) 1-24 and 49-32A. The governing board consists of five representatives, one appointed by each of the five participating counties.

Pursuant to SDCL 49-32A-14, the operations and activities of the television district shall be financed by appropriations from the participating counties from the county general funds in the same proportion that the population of each county is to the total district population.

The County retains no equity interest in the Net Position of the joint venture, but does have a responsibility to fund its proportionate share of deficits of the joint venture. The proportionate share varies in percentage based upon the respective populations of the five counties.

Separate financial statements for these joint ventures are available from Walworth County.

At December 31, 2014, this joint venture had total cash fund balance of \$116,908.29 and no long-term debt.

War Hawk Emergency Management District:

The members of the joint venture are as follows:

- Campbell County
- Corson County
- Dewey County
- Walworth County
- Ziebach County
- Cheyenne Indian Agency Tribal Council
- Standing Rock Tribal Council

The agreement is formulated in accordance with South Dakota Codified Law (SDCL) 33-15 for the purpose of providing Emergency and Disaster Services to the participating entities. The joint venture's advisory board is composed of twelve representatives. It consists of one board member and civil defense director from each county and one representative for each of the Indian Tribal Councils.

The board is responsible for appointing a director for the district, for approving the budget for setting the district's policies, and to hold regular meetings to review the progress of the Emergency Management organizations and to make further recommendations. Dewey County is the recording agency for the district. Members of the joint venture share an equal percentage of participation and upon dissolution would share equally in distribution of assets.

Separate financial statements for this joint venture are available from Dewey County.

At December 31, 2014, this joint venture had total cash fund balance of \$33,146.82 and no long-term debt.

North Central Regional E911 Center:

The members of the joint venture are as follow:

- | <u>Original Members</u> | <u>Contracting Members</u> |
|-------------------------|----------------------------|
| Corson County | Campbell County |
| Edmunds County | McPherson County |
| Perkins County | Sioux County, North Dakota |
| Walworth County | Harding County |
| | Potter County |

The joint powers agreement is formulated in accordance with South Dakota Codified Law (SDCL) 34-45. The governing board consists of two members from each governmental entity entering the joint agreement. The War Hawk Civil Defense Coordinator, as well as a responder from the Standing Rock Emergency Services are permanent nonvoting board members.

The operations and activities of the center are financed by the telephone surcharge, less the state coordinator fee per phone of the participating government entity. As of July 1, 2012 the surcharge changed to \$1.25 per line. The surcharge collected by the phone companies are directly remitted to the state of South Dakota. The money that Campbell County receives back from the State of South Dakota is forwarded to the North Central Regional E911 Center.

The County retains no equity interest in the net assets of the joint venture but does have a responsibility to fund its proportionate share of deficits of the joint venture. The County's proportionate share varies based upon its cumulative contributions.

Separate financial statements for this joint venture are available from Municipality of Mobridge.

At December 31, 2014, this joint venture had a total cash fund balance of \$516,912.97 and no long-term debt.

8. SIGNIFICANT CONTINGENCIES – LITIGATION

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

9. RISK MANAGEMENT

The County 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 County managed its risks as follows:

Employee Health Insurance:

The County purchases health insurance for its employees from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Liability Insurance:

The County 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.

The County carries a \$500 deductible for the property coverage and \$1,000 deductible for the liability coverage.

The County does not carry additional insurance to cover claims in excess of the upper limit. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Worker's Compensation:

The County joined the South Dakota Municipal League Worker's Compensation Fund (Fund), a public entity risk pool currently operating as a common risk management and insurance program for South Dakota local government entities. The objective of the Fund is to formulate, develop, and administer, on behalf of the member organizations, a program of worker's compensation coverage, to obtain lower costs for that coverage, and to develop a comprehensive loss control program. The County's responsibility is to initiate and maintain a safety program to give its employees safe and sanitary working conditions and to promptly report to and cooperate with the Fund to resolve any worker's compensation claims. The County pays an annual premium, to provide worker's compensation coverage for its employees, under a self-funded program and the premiums are accrued based on the ultimate cost of the experience to date of the Fund members. Coverage limits are set by state statute. The pool pays the first \$650,000 of any claim per individual. The pool has reinsurance which covers up to statutory limits in addition to a separate combined employer liability limit of \$2,000,000 per incident.

The County does not carry additional insurance to cover claims in excess of the upper limit. Settled claims resulting from these risks have not exceeded the liability coverage over the past three years.

Unemployment Benefits:

The County has elected to be self-insured and retain all risk for liabilities resulting from claims for unemployment benefits. The County pays for claims as they come due out the General Fund or Highway and Bridge Fund, as applicable.

During the two years ended December 31, 2014 no claims for unemployment benefits were paid. At December 31, 2014 no claims had been filed for unemployment benefits and none are anticipated in the next fiscal year.

SUPPLEMENTARY INFORMATION
CAMPBELL COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
For the Year Ended December 31, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with |
|--|---------------------|---------------------|---------------------|---------------------|
| | Original | Final | | Final Budget |
| | | | | Positive (Negative) |
| Revenues: | | | | |
| Taxes: | | | | |
| General Property Taxes--Current | \$ 1,200,130.00 | \$ 1,200,130.00 | \$ 1,190,800.75 | \$ (9,329.25) |
| General Property Taxes--Delinquent | 2,500.00 | 2,500.00 | 5,514.94 | 3,014.94 |
| Penalties and Interest | 1,000.00 | 1,000.00 | 3,048.30 | 2,048.30 |
| Telephone Tax (Outside) | 0.00 | 0.00 | 0.34 | 0.34 |
| Mobile Home Tax | 500.00 | 500.00 | 589.80 | 89.80 |
| Tax Deed Revenue | 0.00 | 0.00 | 125.00 | 125.00 |
| Licenses and Permits | 1,050.00 | 1,050.00 | 1,312.00 | 262.00 |
| Intergovernmental Revenue: | | | | |
| Federal Shared Revenue | 0.00 | 0.00 | 893.00 | 893.00 |
| Federal Payments in Lieu of Taxes | 44,000.00 | 44,000.00 | 47,429.00 | 3,429.00 |
| State Grants | 10,000.00 | 10,000.00 | 7,843.39 | (2,156.61) |
| State Shared Revenue: | | | | |
| Bank Franchise | 16,000.00 | 16,000.00 | 17,605.95 | 1,605.95 |
| Court Appointed Attorney/Public Defender | 100.00 | 100.00 | 510.88 | 410.88 |
| Telecommunications Gross Receipts Tax | 0.00 | 0.00 | 7,947.40 | 7,947.40 |
| Motor Vehicle 1/4% | 9,000.00 | 9,000.00 | 155.07 | (8,844.93) |
| Charges for Goods and Services: | | | | |
| General Government: | | | | |
| Treasurer's Fees | 2,900.00 | 2,900.00 | 4,047.99 | 1,147.99 |
| Register of Deeds' Fees | 22,000.00 | 22,000.00 | 25,596.75 | 3,596.75 |
| Driver's License Exam | 500.00 | 500.00 | 410.00 | (90.00) |
| Legal Services | 75.00 | 75.00 | 25.00 | (50.00) |
| Clerk of Courts Fees | 2,500.00 | 2,500.00 | 2,198.00 | (302.00) |
| Director of Equalization Fees | 1,500.00 | 1,500.00 | 604.24 | (895.76) |
| Public Safety: | | | | |
| Law Enforcement | 40,500.00 | 40,500.00 | 42,170.71 | 1,670.71 |
| Health and Welfare: | | | | |
| Health Assistance: | | | | |
| Ambulance | 20,000.00 | 20,000.00 | 19,849.16 | (150.84) |
| Conservation of Natural Resources | 20,100.00 | 20,100.00 | 26,874.91 | 6,774.91 |
| Miscellaneous Revenue: | | | | |
| Investment Earnings | 4,200.00 | 4,200.00 | 5,606.08 | 1,406.08 |
| Rent | 150.00 | 150.00 | 605.50 | 455.50 |
| Refund of Prior Year's Expenditures | 2,000.00 | 2,000.00 | 3,816.29 | 1,816.29 |
| Other | 100.00 | 100.00 | 24.00 | (76.00) |
| Total Revenues | 1,400,805.00 | 1,400,805.00 | 1,415,604.45 | 14,799.45 |
| Expenditures: | | | | |
| General Government: | | | | |
| Legislative: | | | | |
| Board of County Commissioners | 106,035.00 | 106,035.00 | 95,846.34 | 10,188.66 |
| Contingency | 60,000.00 | 60,000.00 | | |
| Amount Transferred | | (2,868.34) | | 57,131.66 |
| Elections | 16,700.00 | 16,700.00 | 15,733.41 | 966.59 |
| Judicial System | 4,000.00 | 4,000.00 | 272.70 | 3,727.30 |
| Financial Administration: | | | | |
| Auditor | 95,098.00 | 95,098.00 | 91,714.93 | 3,383.07 |
| Treasurer | 98,874.00 | 98,874.00 | 91,670.83 | 7,203.17 |
| Legal Services: | | | | |
| State's Attorney | 74,844.00 | 74,844.00 | 72,220.58 | 2,623.42 |
| Court Appointed Attorney | 12,000.00 | 12,000.00 | 9,543.80 | 2,456.20 |
| Other Administration: | | | | |
| General Government Building | 52,349.00 | 52,349.00 | 45,657.48 | 6,691.52 |
| Director of Equalization | 102,714.00 | 102,714.00 | 99,803.35 | 2,910.65 |
| Register of Deeds | 92,413.00 | 92,413.00 | 89,326.41 | 3,086.59 |
| Veterans Service Officer | 8,996.00 | 8,996.00 | 8,874.35 | 121.65 |
| Predatory Animal | 2,700.00 | 2,700.00 | 2,492.96 | 207.04 |
| Public Safety: | | | | |
| Law Enforcement: | | | | |
| Sheriff | 183,814.00 | 183,814.00 | 157,458.76 | 26,355.24 |
| County Jail | 15,000.00 | 15,000.00 | 10,923.53 | 4,076.47 |
| Coroner | 3,200.00 | 3,200.00 | 141.10 | 3,058.90 |

SUPPLEMENTARY INFORMATION
CAMPBELL COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
For the Year Ended December 31, 2014
(Continued)

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------------|------------------------|------------------------|--|
| | Original | Final | | |
| Protective and Emergency Services: | | | | |
| Emergency and Disaster Services | 13,318.00 | 13,318.00 | 12,116.78 | 1,201.22 |
| Public Works: | | | | |
| Transportation: | | | | |
| Community Transit | 1,250.00 | 1,250.00 | 600.00 | 650.00 |
| Health and Welfare: | | | | |
| Economic Assistance: | | | | |
| Support of Poor | 23,200.00 | 23,200.00 | 615.00 | 22,585.00 |
| Other | 500.00 | 500.00 | 500.00 | 0.00 |
| Health Assistance: | | | | |
| Ambulance | 40,974.00 | 40,974.00 | 22,538.08 | 18,435.92 |
| Board of Health | 500.00 | 500.00 | 0.00 | 500.00 |
| Other - Community Health | 1,969.00 | 1,969.00 | 1,969.00 | 0.00 |
| Social Services: | | | | |
| Care of Aged | 3,500.00 | 3,500.00 | 3,000.00 | 500.00 |
| Mental Health Services: | | | | |
| Mentally Ill | 720.00 | 720.00 | 0.00 | 720.00 |
| Drug Abuse | 600.00 | 600.00 | 300.00 | 300.00 |
| Mental Illness Board | 4,940.00 | 4,940.00 | 4,440.00 | 500.00 |
| Culture and Recreation: | | | | |
| Culture: | | | | |
| Other Cemetery | 250.00 | 250.00 | 0.00 | 250.00 |
| Recreation: | | | | |
| Recreational Programs | 3,200.00 | 3,200.00 | 3,168.00 | 32.00 |
| Parks | 3,010.00 | 3,268.84 | 3,268.84 | 0.00 |
| Conservation of Natural Resources: | | | | |
| Soil Conservation: | | | | |
| County Extension | 22,828.00 | 22,828.00 | 14,347.77 | 8,480.23 |
| Soil Conservation Districts | 1,000.00 | 1,000.00 | 0.00 | 1,000.00 |
| Rodent Control | 650.00 | 762.50 | 762.50 | 0.00 |
| Weed and Pest Control | 81,786.00 | 81,786.00 | 55,547.58 | 26,238.42 |
| Urban and Economic Development: | | | | |
| Urban Development: | | | | |
| Planning and Zoning | 6,450.00 | 6,450.00 | 6,328.06 | 121.94 |
| Economic Development: | | | | |
| Tourism, Industrial or Recreational Development | 46,998.00 | 46,998.00 | 32,537.13 | 14,460.87 |
| Total Expenditures | <u>1,186,380.00</u> | <u>1,183,883.00</u> | <u>953,719.27</u> | <u>230,163.73</u> |
| Excess of Revenues Over (Under) Expenditures | <u>214,425.00</u> | <u>216,922.00</u> | <u>461,885.18</u> | <u>244,963.18</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 1,750.00 | 1,750.00 | 1,770.33 | 20.33 |
| Transfers Out | (575,000.00) | (575,000.00) | (350,000.00) | 225,000.00 |
| Insurance Proceeds | 0.00 | 0.00 | 3,117.17 | 3,117.17 |
| Sale of County Property | 0.00 | 0.00 | 392.75 | 392.75 |
| Total Other Financing Sources (Uses) | <u>(573,250.00)</u> | <u>(573,250.00)</u> | <u>(344,719.75)</u> | <u>228,530.25</u> |
| Net Change in Fund Balance | (358,825.00) | (356,328.00) | 117,165.43 | 473,493.43 |
| Fund Balance - Beginning | <u>1,377,113.96</u> | <u>1,377,113.96</u> | <u>1,377,113.96</u> | <u>0.00</u> |
| FUND BALANCE - ENDING | <u>\$ 1,018,288.96</u> | <u>\$ 1,020,785.96</u> | <u>\$ 1,494,279.39</u> | <u>\$ 473,493.43</u> |

SUPPLEMENTARY INFORMATION
CAMPBELL COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2014

| | Budgeted Amounts | | Actual Amounts | Variance with |
|---|----------------------|----------------------|----------------------|----------------------|
| | Original | Final | | Final Budget |
| | | | | Positive (Negative) |
| Revenues: | | | | |
| Taxes: | | | | |
| General Property Taxes--Current | \$ 43,069.00 | \$ 43,069.00 | \$ 42,790.99 | \$ (278.01) |
| General Property Taxes--Delinquent | 100.00 | 100.00 | 176.39 | 76.39 |
| Penalties and Interest | 50.00 | 50.00 | 110.72 | 60.72 |
| Mobile Home Tax | 10.00 | 10.00 | 11.25 | 1.25 |
| Intergovernmental Revenue: | | | | |
| Federal Shared Revenue | 0.00 | 0.00 | 34.27 | 34.27 |
| State Grants | 0.00 | 0.00 | 99,718.02 | 99,718.02 |
| State Shared Revenue: | | | | |
| Bank Franchise | 1,000.00 | 1,000.00 | 1,233.71 | 233.71 |
| Motor Vehicle Licenses | 335,000.00 | 335,000.00 | 427,793.79 | 92,793.79 |
| State Highway Fund (former 10% game) | 13,000.00 | 13,000.00 | 12,972.70 | (27.30) |
| Prorate License Fees | 30,000.00 | 30,000.00 | 27,703.07 | (2,296.93) |
| 63 3/4% Mobile Home | 3,000.00 | 3,000.00 | 0.00 | (3,000.00) |
| Secondary Road Motor Vehicle Remittances | 77,000.00 | 77,000.00 | 105,346.69 | 28,346.69 |
| Motor Fuel Tax | 0.00 | 0.00 | 2,986.82 | 2,986.82 |
| Charges for Goods and Services: | | | | |
| Public Works: | | | | |
| Road Maintenance Contract Charges | 1,000.00 | 1,000.00 | 1,494.06 | 494.06 |
| Miscellaneous Revenue: | | | | |
| Investment Earnings | 1,450.00 | 1,450.00 | 1,629.51 | 179.51 |
| Refund of Prior Year's Expenditures | 200.00 | 200.00 | 0.00 | (200.00) |
| Other | 350.00 | 350.00 | 387.51 | 37.51 |
| Total Revenues | 505,229.00 | 505,229.00 | 724,389.50 | 219,160.50 |
| Expenditures: | | | | |
| Public Works: | | | | |
| Highways and Bridges: | | | | |
| Highways, Roads and Bridges | 1,252,986.91 | 1,252,986.91 | 978,776.23 | 274,210.68 |
| Debt Service | 177,549.09 | 177,549.09 | 177,549.09 | 0.00 |
| Total Expenditures | 1,430,536.00 | 1,430,536.00 | 1,156,325.32 | 274,210.68 |
| Excess of Revenues Over (Under) Expenditures | (925,307.00) | (925,307.00) | (431,935.82) | 493,371.18 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 575,000.00 | 575,000.00 | 350,000.00 | (225,000.00) |
| Transfers Out | (1,450.00) | (1,450.00) | (1,629.51) | (179.51) |
| Sale of County Property | 0.00 | 0.00 | 12,853.61 | 12,853.61 |
| Total Other Financing Sources (Uses) | 573,550.00 | 573,550.00 | 361,224.10 | (212,325.90) |
| Net Change in Fund Balance | (351,757.00) | (351,757.00) | (70,711.72) | 281,045.28 |
| Fund Balance - Beginning | 601,764.44 | 601,764.44 | 601,764.44 | 0.00 |
| FUND BALANCE - ENDING | \$ 250,007.44 | \$ 250,007.44 | \$ 531,052.72 | \$ 281,045.28 |

SUPPLEMENTARY INFORMATION
CAMPBELL COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with |
|--|---------------------|---------------------|---------------------|---------------------|
| | Original | Final | | Final Budget |
| | | | | Positive (Negative) |
| Revenues: | | | | |
| Taxes: | | | | |
| General Property Taxes--Current | \$ 1,156,159.00 | \$ 1,156,159.00 | \$ 1,151,634.20 | \$ (4,524.80) |
| General Property Taxes--Delinquent | 2,500.00 | 2,500.00 | 7,328.73 | 4,828.73 |
| Penalties and Interest | 1,000.00 | 1,000.00 | 3,198.15 | 2,198.15 |
| Mobile Home Tax | 500.00 | 500.00 | 670.45 | 170.45 |
| Licenses and Permits | 1,000.00 | 1,000.00 | 1,131.00 | 131.00 |
| Intergovernmental Revenue: | | | | |
| Federal Grants | 0.00 | 0.00 | 2,340.00 | 2,340.00 |
| Federal Shared Revenue | 500.00 | 500.00 | 1,715.00 | 1,215.00 |
| Federal Payments in Lieu of Taxes | 44,000.00 | 44,000.00 | 44,311.00 | 311.00 |
| State Grants | 10,000.00 | 10,000.00 | 1,533.42 | (8,466.58) |
| State Shared Revenue: | | | | |
| Bank Franchise | 15,000.00 | 15,000.00 | 16,601.34 | 1,601.34 |
| Motor Vehicle Licenses | 0.00 | 0.00 | 3,808.81 | 3,808.81 |
| Court Appointed Attorney/Public Defender | 0.00 | 0.00 | 685.38 | 685.38 |
| Telecommunications Gross Receipts Tax | 12,000.00 | 12,000.00 | 9,142.69 | (2,857.31) |
| Charges for Goods and Services: | | | | |
| General Government: | | | | |
| Treasurer's Fees | 2,600.00 | 2,600.00 | 3,872.50 | 1,272.50 |
| Register of Deeds' Fees | 18,000.00 | 18,000.00 | 26,360.60 | 8,360.60 |
| Driver's License Exam | 500.00 | 500.00 | 405.00 | (95.00) |
| Legal Services | 50.00 | 50.00 | 50.00 | 0.00 |
| Clerk of Courts Fees | 3,000.00 | 3,000.00 | 1,956.18 | (1,043.82) |
| Director of Equalization Fees | 1,000.00 | 1,000.00 | 3,175.00 | 2,175.00 |
| Public Safety: | | | | |
| Law Enforcement | 39,500.00 | 39,500.00 | 43,004.59 | 3,504.59 |
| Health and Welfare: | | | | |
| Health Assistance: | | | | |
| Ambulance | 10,000.00 | 10,000.00 | 39,256.93 | 29,256.93 |
| Conservation of Natural Resources | 20,100.00 | 20,100.00 | 35,722.68 | 15,622.68 |
| Miscellaneous Revenue: | | | | |
| Investment Earnings | 12,750.00 | 12,750.00 | 7,086.63 | (5,663.37) |
| Rent | 150.00 | 150.00 | 169.25 | 19.25 |
| Contributions and Donations | 150.00 | 150.00 | 0.00 | (150.00) |
| Refund of Prior Year's Expenditures | 1,500.00 | 1,500.00 | 3,304.19 | 1,804.19 |
| Other | 250.00 | 250.00 | 61.72 | (188.28) |
| Total Revenues | 1,352,209.00 | 1,352,209.00 | 1,408,525.44 | 56,316.44 |
| Expenditures: | | | | |
| General Government: | | | | |
| Legislative: | | | | |
| Board of County Commissioners | 111,635.00 | 111,635.00 | 102,185.47 | 9,449.53 |
| Contingency | 60,000.00 | 60,000.00 | | |
| Amount Transferred | | (21,478.19) | | 38,521.81 |
| Elections | 3,400.00 | 3,400.00 | 1,593.57 | 1,806.43 |
| Judicial System | 4,000.00 | 4,000.00 | 180.32 | 3,819.68 |
| Financial Administration: | | | | |
| Auditor | 90,037.00 | 90,037.00 | 87,474.07 | 2,562.93 |
| Treasurer | 91,302.00 | 91,302.00 | 88,410.00 | 2,892.00 |
| Legal Services: | | | | |
| State's Attorney | 71,389.00 | 71,389.00 | 70,509.40 | 879.60 |
| Court Appointed Attorney | 10,000.00 | 10,000.00 | 9,436.06 | 563.94 |
| Other Administration: | | | | |
| General Government Building | 50,307.00 | 50,307.00 | 45,207.45 | 5,099.55 |
| Director of Equalization | 91,441.00 | 92,461.62 | 92,461.62 | 0.00 |
| Register of Deeds | 87,055.00 | 87,055.00 | 83,569.73 | 3,485.27 |
| Veterans Service Officer | 8,315.00 | 8,364.29 | 8,364.29 | 0.00 |
| Predatory Animal | 2,700.00 | 2,700.00 | 2,492.96 | 207.04 |
| Public Safety: | | | | |
| Law Enforcement: | | | | |
| Sheriff | 201,515.00 | 201,515.00 | 186,549.02 | 14,965.98 |
| County Jail | 15,000.00 | 15,000.00 | 3,828.35 | 11,171.65 |
| Coroner | 2,400.00 | 2,533.24 | 2,533.24 | 0.00 |

SUPPLEMENTARY INFORMATION
CAMPBELL COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
For the Year Ended December 31, 2013
(Continued)

| | Budgeted Amounts | | Actual Amounts | Variance with |
|---|----------------------|------------------------|------------------------|----------------------|
| | Original | Final | | Final Budget |
| | | | | Positive (Negative) |
| Protective and Emergency Services: | | | | |
| Emergency and Disaster Services | 13,060.00 | 13,060.00 | 11,553.23 | 1,506.77 |
| Public Works: | | | | |
| Transportation: | | | | |
| Community Transit | 1,400.00 | 1,400.00 | 600.00 | 800.00 |
| Health and Welfare: | | | | |
| Economic Assistance: | | | | |
| Support of Poor | 23,200.00 | 23,200.00 | 483.00 | 22,717.00 |
| Other | 500.00 | 500.00 | 500.00 | 0.00 |
| Health Assistance: | | | | |
| Ambulance | 38,136.00 | 38,136.00 | 21,157.37 | 16,978.63 |
| Board of Health | 500.00 | 500.00 | 0.00 | 500.00 |
| Other - Community Health | 1,912.00 | 1,912.00 | 1,912.00 | 0.00 |
| Social Services: | | | | |
| Care of Aged | 3,500.00 | 3,500.00 | 3,000.00 | 500.00 |
| Mental Health Services: | | | | |
| Mentally Ill | 720.00 | 720.00 | 0.00 | 720.00 |
| Drug Abuse | 600.00 | 600.00 | 0.00 | 600.00 |
| Mental Illness Board | 3,440.00 | 3,440.00 | 1,500.00 | 1,940.00 |
| Culture and Recreation: | | | | |
| Culture: | | | | |
| Other Cemetery | 250.00 | 250.00 | 0.00 | 250.00 |
| Recreation: | | | | |
| Recreational Programs | 3,200.00 | 3,200.00 | 3,168.00 | 32.00 |
| Parks | 2,985.00 | 2,985.00 | 1,761.24 | 1,223.76 |
| Conservation of Natural Resources: | | | | |
| Soil Conservation: | | | | |
| County Extension | 26,010.00 | 26,010.00 | 12,576.31 | 13,433.69 |
| Soil Conservation Districts | 1,000.00 | 1,000.00 | 1,000.00 | 0.00 |
| Rodent Control | 650.00 | 650.00 | 0.00 | 650.00 |
| Weed and Pest Control | 81,786.00 | 81,786.00 | 50,121.97 | 31,664.03 |
| Urban and Economic Development: | | | | |
| Urban Development: | | | | |
| Planning and Zoning | 6,350.00 | 6,350.00 | 6,067.94 | 282.06 |
| Economic Development: | | | | |
| Tourism, Industrial or Recreational Development | 44,894.00 | 44,894.00 | 20,592.23 | 24,301.77 |
| Total Expenditures | <u>1,154,589.00</u> | <u>1,134,313.96</u> | <u>920,788.84</u> | <u>213,525.12</u> |
| Excess of Revenues Over (Under) Expenditures | <u>197,620.00</u> | <u>217,895.04</u> | <u>487,736.60</u> | <u>269,841.56</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 3,050.00 | 3,050.00 | 2,089.13 | (960.87) |
| Transfers Out | (550,000.00) | (550,000.00) | (450,000.00) | 100,000.00 |
| Sale of County Property | 0.00 | 0.00 | 861.50 | 861.50 |
| Total Other Financing Sources (Uses) | <u>(546,950.00)</u> | <u>(546,950.00)</u> | <u>(447,049.37)</u> | <u>99,900.63</u> |
| Net Change in Fund Balance | (349,330.00) | (329,054.96) | 40,687.23 | 369,742.19 |
| Fund Balance - Beginning | 1,336,426.73 | 1,336,426.73 | 1,336,426.73 | 0.00 |
| FUND BALANCE - ENDING | <u>\$ 987,096.73</u> | <u>\$ 1,007,371.77</u> | <u>\$ 1,377,113.96</u> | <u>\$ 369,742.19</u> |

SUPPLEMENTARY INFORMATION
CAMPBELL COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2013

| | Budgeted Amounts | | Actual Amounts | Variance with |
|---|----------------------|----------------------|----------------------|----------------------|
| | Original | Final | | Final Budget |
| | | | | Positive (Negative) |
| Revenues: | | | | |
| Taxes: | | | | |
| General Property Taxes--Current | \$ 42,259.00 | \$ 42,259.00 | \$ 42,054.15 | \$ (204.85) |
| General Property Taxes--Delinquent | 100.00 | 100.00 | 170.08 | 70.08 |
| Penalties and Interest | 50.00 | 50.00 | 91.79 | 41.79 |
| Mobile Home Tax | 20.00 | 20.00 | 12.41 | (7.59) |
| Intergovernmental Revenue: | | | | |
| Federal Shared Revenue | 20.00 | 20.00 | 0.00 | (20.00) |
| State Grants | 0.00 | 0.00 | 99,638.31 | 99,638.31 |
| State Shared Revenue: | | | | |
| Bank Franchise | 1,000.00 | 1,000.00 | 1,163.32 | 163.32 |
| Motor Vehicle Licenses | 295,000.00 | 295,000.00 | 372,914.84 | 77,914.84 |
| State Highway Fund (former 10% game) | 13,000.00 | 13,000.00 | 12,972.70 | (27.30) |
| Prorate License Fees | 43,000.00 | 43,000.00 | 26,042.98 | (16,957.02) |
| 63 3/4% Mobile Home | 3,000.00 | 3,000.00 | 3,483.00 | 483.00 |
| Secondary Road Motor Vehicle Remittances | 48,000.00 | 48,000.00 | 94,334.58 | 46,334.58 |
| Motor Fuel Tax | 0.00 | 0.00 | 3,046.48 | 3,046.48 |
| Charges for Goods and Services: | | | | |
| Public Works: | | | | |
| Road Maintenance Contract Charges | 1,000.00 | 1,000.00 | 2,369.49 | 1,369.49 |
| Miscellaneous Revenue: | | | | |
| Investment Earnings | 2,550.00 | 2,550.00 | 1,847.70 | (702.30) |
| Refund of Prior Year's Expenditures | 200.00 | 200.00 | 273.00 | 73.00 |
| Other | 350.00 | 350.00 | 514.03 | 164.03 |
| Total Revenues | 449,549.00 | 449,549.00 | 660,928.86 | 211,379.86 |
| Expenditures: | | | | |
| Public Works: | | | | |
| Highways and Bridges: | | | | |
| Highways, Roads and Bridges | 1,075,511.03 | 1,075,511.03 | 931,754.74 | 143,756.29 |
| Debt Service | 137,642.97 | 137,642.97 | 137,642.97 | 0.00 |
| Total Expenditures | 1,213,154.00 | 1,213,154.00 | 1,069,397.71 | 143,756.29 |
| Excess of Revenues Over (Under) Expenditures | (763,605.00) | (763,605.00) | (408,468.85) | 355,136.15 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 550,000.00 | 550,000.00 | 450,000.00 | (100,000.00) |
| Transfers Out | (2,550.00) | (2,550.00) | (1,847.70) | 702.30 |
| Sale of County Property | 0.00 | 0.00 | 123,229.41 | 123,229.41 |
| Total Other Financing Sources (Uses) | 547,450.00 | 547,450.00 | 571,381.71 | 23,931.71 |
| Net Change in Fund Balance | (216,155.00) | (216,155.00) | 162,912.86 | 379,067.86 |
| Fund Balance - Beginning | 438,851.58 | 438,851.58 | 438,851.58 | 0.00 |
| FUND BALANCE - ENDING | \$ 222,696.58 | \$ 222,696.58 | \$ 601,764.44 | \$ 379,067.86 |

CAMPBELL COUNTY
NOTES TO THE 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 County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Between the fifteenth and thirtieth days of July in each year the Board of County Commissioners prepares and files with the County Auditor a provisional budget for the following year, containing a detailed estimate of cash balances, revenues, and expenditures.
2. Prior to the first Tuesday in September in each year a notice of budget hearing is published once each week for two successive weeks, and the text of the provisional budget is published with the first publication.
3. The Board of County Commissioners holds a meeting for the purpose of considering the provisional budget on or prior to the first Tuesday in September in each year. Such hearings must be concluded by October first. Changes made to the provisional budget are entered at length in the minutes of the Board of County Commissioners.
4. Before October first of each year the Board of County Commissioners adopts an annual budget for the ensuing year. The adopted budget is filed in the office of the County Auditor.
5. After adoption by the Board of County Commissioners, the operating budget is legally binding and actual expenditures for each purpose cannot exceed the amounts budgeted, except as indicated in number 7.
6. A line item for contingencies may be included in the annual budget. Such a line item may not exceed 5 percent of the total county budget.
7. If it is determined during the year that sufficient amounts have not been budgeted, state statute allows the adoption of supplemental budgets.
8. Unexpended appropriations lapse at year end unless encumbered by resolution of the Board of County Commissioners.
9. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue funds.

**SUPPLEMENTARY INFORMATION
CAMPBELL COUNTY
SCHEDULE OF CHANGES IN LONG-TERM DEBT
For the Two Years Ended December 31, 2014**

| <u>Indebtedness</u> | <u>Long-Term Debt January 1, 2013</u> | <u>Add New Debt</u> | <u>Less Debt Retired</u> | <u>Long-Term Debt December 31, 2014</u> |
|---|---|-----------------------------|----------------------------------|---|
| Governmental Long-Term Debt: | | | | |
| Financing (Capital Acquisition) Leases: | | | | |
| 2012 CAT 140M2 Motorgrader | \$ 209,473.77 | \$ | \$ 209,473.77 | \$ 0.00 |
| 2013 CAT 140M2 Motorgrader | | 258,240.00 | 86,178.08 | 172,061.92 |
| Total | <u>\$ 209,473.77</u> | <u>\$ 258,240.00</u> | <u>\$ 295,651.85</u> | <u>\$ 172,061.92</u> |

39

Note 1 - Long-Term Debt:

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

Financing (Capital Acquisition) Leases:

One (1) Motorgrader, Maturity Date - May 1, 2018, Interest Rate - 2.65%,
Paid for from the Road and Bridge Fund

\$ 172,061.92