

CITY OF CENTERVILLE  
CENTERVILLE, SOUTH DAKOTA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDING DECEMBER 31, 2017  
WITH ACCOUNTANT'S COMPILATION REPORT

**INDEPENDENT AUDIT SERVICES, P.C.**

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**INDEPENDENT AUDIT SERVICES, PC**

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Governing Board  
City of Centerville  
Centerville, South Dakota

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Management is responsible for the accompanying modified cash basis financial statements of the City of Centerville, Turner County, South Dakota, which comprise the financial statements of governmental activities, business-type activities, each major fund and a discretely presented component unit as of and for the year ending December 31, 2017 in accordance with a modified cash basis of accounting. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review these modified cash basis financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these modified cash basis financial statements.

I draw attention to the fact that these financial statements are prepared on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

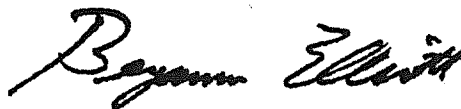
Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the modified cash basis financial statements, they might influence the user's conclusions about the City's financial position, results of operations, and cash flows. Accordingly, these modified cash basis financial statements are not designed for those who are not informed about such matters.

Management has omitted Management's Discussion and Analysis. Such missing information, although not a required 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 by placing the basic financial statements in an appropriate operational, economic, or historical context.

The budgetary comparison schedules (page 9 to 11), the schedule of the City's proportional share of net pension liabilities (assets) (page 12), the schedule of the City's pension contributions (page 12), and the schedule of changes in long-term debt (page 13) are presented for purposes of additional analysis and are not a required part of the basic financial statements. This supplementary information (page 9 to 13) has been compiled from information that is the responsibility of management. I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on this supplementary information.

Independent Audit Services, PC  
Benjamin Elliott, CPA  
Madison, South Dakota

February 24, 2018



CITY OF CENTERVILLE  
ANNUAL REPORT  
STATEMENT OF ACTIVITIES  
MODIFIED CASH BASIS  
FOR THE YEAR ENDING DECEMBER 31, 2017

Functions/Programs:	Program Receipts				Net Receipts (Disbursements) and Changes in Net Position			Unaudited Component Units
	Disbursements	Charges for Services and Reimbursements	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals	
<b>Primary government:</b>								
<b>Governmental activities:</b>								
General government	88,914	13,234			(75,680)		(75,680)	
Public safety	121,134				(121,134)		(121,134)	
Public works	225,833	2,035		7,521	(216,277)		(216,277)	
Health and welfare	199				(199)		(199)	
Culture and recreation	159,361	9,099			(150,262)		(150,262)	
Economic development	124,338				(124,338)		(124,338)	
<b>Total governmental activities</b>	<b>719,779</b>	<b>24,368</b>	<b>0</b>	<b>7,521</b>	<b>(687,890)</b>	<b>0</b>	<b>(687,890)</b>	<b>0</b>
<b>Business-type activities:</b>								
Water	188,041	173,804				(14,237)	(14,237)	
Sewer	180,616	196,394				15,778	15,778	
<b>Total business-type activities</b>	<b>368,657</b>	<b>370,198</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,541</b>	<b>1,541</b>	<b>0</b>
<b>Total primary government</b>	<b>1,088,436</b>	<b>394,566</b>	<b>0</b>	<b>7,521</b>	<b>(687,890)</b>	<b>1,541</b>	<b>(686,349)</b>	<b>0</b>
<b>Component unit activity:</b>								
Centerville Development Corporation								0
Centerville Housing & Redev Commission								0
<b>General receipts:</b>								
<b>Taxes:</b>								
Property taxes					357,284		357,284	
Sales taxes					167,439		167,439	
Amusement taxes					132		132	
State shared receipts					40,263		40,263	
County shared receipts					3,505		3,505	
Interest received					2,264	6,911	9,175	
Rents and franchise fees					32,293		32,293	
Donations					2,650		2,650	
Miscellaneous					610	3,182	3,792	
Special assessments					5,688		5,688	
<b>Total general receipts</b>					<b>612,128</b>	<b>10,093</b>	<b>622,221</b>	<b>0</b>
<b>Change in net position</b>					<b>(75,762)</b>	<b>11,634</b>	<b>(64,128)</b>	<b>0</b>
<b>Net position:</b>								
January 1, 2017					627,128	577,748	1,204,876	38,406
December 31, 2017					551,366	589,382	1,140,748	38,406

See accountant's compilation report.

CITY OF CENTERVILLE

ANNUAL REPORT

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND  
BALANCES -- MODIFIED CASH BASIS -- ALL GOVERNMENTAL FUNDS  
FOR THE YEAR ENDING DECEMBER 31, 2017

	General Fund	Revolving Loan Fund	3rd Cent Fund	Pascale Permanent Senior Citizen Fund	Pascale Permanent Ballfield Fund	Total	
<b>Receipts:</b>							
<b>Local sources:</b>							
<b>Taxes:</b>							
311.00	Ad valorem taxes	357,284				357,284	
313.00	General sales and use tax	161,100	6,339			167,439	
315.00	Amusement taxes	132				132	
320.00	Licenses and permits:	12,800				12,800	
<b>Intergovernmental:</b>							
<b>State shared receipts:</b>							
334.99	Grants	7,521				7,521	
335.01	Bank franchise tax	1,102				1,102	
335.03	Liquor tax reversion	5,476				5,476	
335.04	Motor vehicle licenses (5	14,131				14,131	
335.08	Highway and bridge	19,554				19,554	
338.02	County shared receipts: roa	3,505				3,505	
<b>Charges for goods and services:</b>							
343.00	Public works	2,035				2,035	
346.02	Swimming pool	8,384				8,384	
346.99	Other recreation	715				715	
350.00	Fines and forfeits	434				434	
<b>Miscellaneous:</b>							
361.00	Interest received	2,067	73	41	34	49	2,264
369.01	Rents and franchise fees	22,993	9,300				32,293
363.00	Special assessments	5,688					5,688
367.00	Donations	500	2,150				2,650
369.99	Other	610					610
	<b>Total receipts</b>	<b>626,031</b>	<b>9,373</b>	<b>8,530</b>	<b>34</b>	<b>49</b>	<b>644,017</b>
<b>Disbursements:</b>							
<b>Current:</b>							
<b>General government:</b>							
411.00	Mayor and Council	24,529					24,529
413.00	Elections	516					516
414.00	Financial administration	51,348					51,348
419.00	Other	12,521					12,521
<b>Public safety:</b>							
421.00	Police	80,806					80,806
422.00	Fire	22,357					22,357
<b>Public works:</b>							
431.00	Highways and streets	158,809					158,809
432.00	Sanitation - compost site	1,165					1,165
<b>Health and welfare:</b>							
446.00	Ambulance	199					199
<b>Culture and recreation:</b>							
451.00	Recreation	3,651					3,651
451.20	Swimming pool	29,092					29,092
452.00	Parks	51,882					51,882
455.00	Library	54,518					54,518
<b>Conservation and development:</b>							
465.00	Economic development	98,232	18,933	7,173			124,338
	Capital outlay	104,048					104,048
	<b>Total disbursements</b>	<b>693,673</b>	<b>18,933</b>	<b>7,173</b>	<b>0</b>	<b>0</b>	<b>719,779</b>
	Excess of receipts over (under) disbursements	(67,642)	(9,560)	1,357	34	49	(75,762)
<b>Other financing sources (uses):</b>							
	None						0
	<b>Net change in fund balance</b>	<b>(67,642)</b>	<b>(9,560)</b>	<b>1,357</b>	<b>34</b>	<b>49</b>	<b>(75,762) *</b>
262.00	<b>Fund balance:</b>						
	January 1, 2017	508,274	67,573	26,421	12,416	12,444	627,128
	December 31, 2017	440,632	58,013	27,778	12,450	12,493	551,366

\* Equals change in net position on  
statement of activities

See accountant's compilation report.

CITY OF CENTERVILLE

ANNUAL REPORT

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES  
 IN NET POSITION -- MODIFIED CASH BASIS  
 ENTERPRISE FUNDS  
 FOR THE YEAR ENDING DECEMBER 31, 2017

	Water Fund -----	Sewer Fund -----	Total -----	
Operating receipts:				
381.00	Charges for goods and services	173,804	196,394	370,198
	Total operating receipts	173,804	196,394	370,198
Operating disbursements:				
411.00	Personal services	60,625	60,625	121,250
420.00	Other current services	35,442	23,806	59,248
426.29	Cost of goods sold	46,453		46,453
430.00	Capital assets - equipment		14,800	14,800
	Total operating disbursements	142,520	99,231	241,751
	Excess operating receipts (disbursements)	31,284	97,163	128,447
Nonoperating receipts (disbursements):				
361.00	Interest received	3,633	3,278	6,911
362.00	Rents - farm, net		3,182	3,182
441.00	Debt service - principal	(25,215)	(45,631)	(70,846)
442.00	Debt service - interest	(20,306)	(35,754)	(56,060)
	Total nonoperating receipts (disbursements)	(41,888)	(74,925)	(116,813)
	Excess receipts (disbursements) before other financing sources and (uses):	(10,604)	22,238	11,634
	Other financing sources (uses):			
	None			0
	Change in net position	(10,604)	22,238	11,634
253.00	Net position:			
	January 1, 2017	339,644	238,104	577,748
	December 31, 2017	<u>329,040</u>	<u>260,342</u>	<u>589,382</u>

See accountant's compilation report.

CITY OF CENTERVILLE

ANNUAL REPORT  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 FOR THE YEAR ENDING DECEMBER 31, 2017

GENERAL FUND	Budgeted Amounts			Actual (Modified Cash Basis)	Variance Positive (Negative)	
	Original	Contingency Transfers	Supplemental: Final			
<b>Receipts:</b>						
Receipts from local sources:						
Taxes:						
Ad valorem taxes	369,689		369,689	357,284	(12,405)	
Sales and use tax	165,000		165,000	161,100	(3,900)	
Amusement tax	230		230	132	(98)	
Licenses and permits:	5,700		5,700	12,800	7,100	
Intergovernmental receipts:	112,500		112,500	51,289	(61,211)	
Charges for goods and services	13,100		13,100	11,134	(1,966)	
Fines and forfeits	2,000		2,000	434	(1,566)	
Miscellaneous receipts:	52,000		52,000	31,858	(20,142)	
<b>Total receipts</b>	<b>720,219</b>	<b>0</b>	<b>0</b>	<b>720,219</b>	<b>626,031</b>	<b>(94,188)</b>
<b>Disbursements:</b>						
General government:						
Mayor and Council	40,770		3,000	43,770	24,529	19,241
Contingency				0		0
Amount transferred				0		0
Elections	800			800	516	284
Financial administration	54,496		800	55,296	51,348	3,948
Other	12,500		1,600	14,100	12,521	1,579
Public safety:						
Police	106,013		9,200	115,213	86,492	28,721
Fire	35,050		4,200	39,250	34,642	4,608
Public works:						
Highways and streets	214,685		31,000	245,685	224,668	21,017
Sanitation	1,361		2	1,363	1,165	198
Health and welfare:						
Ambulance	925			925	199	726
Culture and recreation:						
Recreation	3,500		151	3,651	3,651	0
Swimming pool	45,095		3,200	48,295	31,722	16,573
Parks	66,011		26,000	92,011	61,215	30,796
Library	63,922		704	64,626	62,773	1,853
Conservation and development:						
Economic development	91,401		4,707	96,108	98,232	(2,124)
<b>Total disbursements</b>	<b>736,529</b>	<b>0</b>	<b>84,564</b>	<b>821,093</b>	<b>693,673</b>	<b>127,420</b>
<b>Excess of receipts over (under) disbursements</b>	<b>(16,310)</b>	<b>0</b>	<b>(84,564)</b>	<b>(100,874)</b>	<b>(67,642)</b>	<b>33,232</b>
Other financing sources (uses):						
None				0		0
<b>Net change in fund balance</b>	<b>(16,310)</b>	<b>0</b>	<b>(84,564)</b>	<b>(100,874)</b>	<b>(67,642)</b>	<b>33,232</b>
Fund balance:						
January 1, 2017	508,274			508,274	508,274	0
December 31, 2017	491,964	0	(84,564)	407,400	440,632	33,232

CITY OF CENTERVILLE

ANNUAL REPORT  
 SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
 FOR THE YEAR ENDING DECEMBER 31, 2017

3RD CENT SALES TAX FUND

	Budgeted Amounts			Actual (Modified Cash Basis)	Variance Positive (Negative)
	Original	Supplemental:	Final		
Receipts:					
Receipts from local sources:					
Taxes:					
Sales and use tax	8,000		8,000	6,339	(1,661)
Miscellaneous:					
Inrerest received	25		25	41	16
Donations	1,400		1,400	2,150	750
<b>Total receipts</b>	<b>9,425</b>	<b>0</b>	<b>9,425</b>	<b>8,530</b>	<b>(895)</b>
Disbursements:					
Economic development	9,000		9,000	7,173	1,827
<b>Total disbursements</b>	<b>9,000</b>	<b>0</b>	<b>9,000</b>	<b>7,173</b>	<b>1,827</b>
Excess of receipts over (under) disbursements	425	0	425	1,357	932
Other financing sources (uses):					
None	0		0		0
<b>Net change in fund balance</b>	<b>425</b>	<b>0</b>	<b>425</b>	<b>1,357</b>	<b>932</b>
Fund balance:					
January 1, 2017	26,421		26,421	26,421	0
December 31, 2017	26,846	0	26,846	27,778	932

CITY OF CENTERVILLE

ANNUAL REPORT  
 SCHEDULE OF CHANGES IN LONG-TERM DEBT  
 FOR THE YEAR ENDING DECEMBER 31, 2017

For: Department of Legislative Audit

	Beginning 12-31-16	Additions	(Deletions)	Governmental Ending 12-31-17	Business-Type Ending 12-31-17
	-----	-----	-----	-----	-----
<b>GOVERNMENTAL LONG-TERM DEBT</b>					
231.01 General Obligation Bonds					
231.02 Revenue Bonds					
231.03 Special Assessment Bonds					
236.00 Advance from Other Funds					
237.00 Other Long-Term Liabilities					
233.00 Leave liability					
<b>ENTERPRISE LONG-TERM DEBT</b>					
231.01 General Obligation Bonds					
231.02 Revenue Bonds	1,619,738		(70,846)		1,548,892
231.03 Special Assessment Bonds					
235.00 Accrued Landfill Closure and post closure care costs					
236.00 Advance from Other Funds					
237.00 Other Long-Term Liabilities					
233.00 Leave liability					
<b>Totals</b>	<u>1,619,738</u>	<u>0</u>	<u>(70,846)</u>	<u>0</u>	<u>1,548,892</u>



ANNUAL REPORT FOR THE CITY OF CENTERVILLE  
AS OF AND FOR THE YEAR ENDED  
DECEMBER 31, 2017

ENTERPRISE FUNDS - MODIFIED CASH BASIS
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	Water Fund	Sewer Fund	Total Enterprise Funds
	-----	-----	-----
Beginning Balance	339,644	238,104	577,748
Revenue	177,437	202,854	380,291
Expenses	(188,041)	(180,616)	(368,657)
Ending Balance	329,040	260,342	589,382
	=====	=====	=====
Enterprise long-term debt			1,548,892
			=====

For questions regarding this financial information  
please contact the City's finance officer at 563-2302.

City money is deposited as follows:

One American Bank:	
Checking and savings	848,054
Certificates of Depo	292,569
Petty Cash	125
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	1,140,748
	=====