

CITY OF RAPID CITY, SOUTH DAKOTA
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (Continued)

Fiscal Year	Expense Rate
2013	8.5%
2014	7.2%
2015	6.7%
2016	6.6%
2017	6.3%
2018	6.0%
2019	5.8%
2020-2030	5.7%
After 2031	4.7-6.7%

The unfunded accrued liability is being amortized as a level dollar amount on an open basis over a period of 30 years.

NOTE 13. DEFICIT FUND BALANCES/NET POSITION OF INDIVIDUAL NONMAJOR FUNDS:

As of December 31, 2013, the following individual nonmajor funds had deficit fund balance/net position in the amounts shown: TID 56 (\$1,020,385), TID 39 (\$1,020,810), and TID 42 (\$2,794,366), all of which will be funded through property tax revenues received on the respective tax increment district. In addition, there was a deficit fund balance in the Workers Compensation Fund of (\$21,711) which will be funded through charges to the various departments.

NOTE 14. VIOLATIONS OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS:

The City is prohibited by statute from spending in excess of appropriated amounts at the department level. The following represents the significant overdrafts of the expenditures compared to appropriations as of December 31, 2013:

General Fund – Capital Outlay	\$1,838,081
General Fund – Debt Service	121,552
General Fund – Health and Welfare	37,239
General Fund – Culture and Recreation	12,454
General Fund – General Government	31,280
Vision Fund – Transfers Out	845,072
Consolidated Construction Fund – Capital Outlay	1,237,798
Consolidated Construction Fund – Transfers Out	115,055
TID 65 – Debt Service	223,444
TID 69 – Debt Service	247,700
TID 39 – Debt Service	14,845

To prevent overdrafts of future expenditures compared to appropriations, the City will evaluate its budget compliance prior to year-end and make amendments as necessary.

NOTE 15. RISK MANAGEMENT

The City 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, 2013, the City carried commercial insurance for insurable risks of loss except for worker’s compensation, liability insurance, employee health insurance, employee dental insurance, and unemployment benefits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past fiscal year. The City has established self-insurance internal service funds to pay for medical, workers’ compensation, unemployment compensation and dental claims of City employees and their covered dependents as well as the deductible portion of liability claims.

CITY OF RAPID CITY
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2013

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (Budgetary Basis)	VARIANCE
Revenues:				
310 Taxes:				
311 General Property Taxes	\$ 14,024,649	\$ 14,024,649	\$ 14,253,529	228,880
313 General Sales and Use Taxes	22,142,618	22,142,618	23,091,269	948,651
314 Gross Receipts Business Taxes	670,000.0	670,000	674,281	4,281
320 Licenses and Permits	1,913,000	1,913,000	2,334,561	421,561
330 Intergovernmental Revenue:				
331 Federal Grants	1,826,267	1,826,267	4,286,847	2,460,580
334 State Grants	-	831,767	183,597	(648,170)
335 State Shared Revenue:				
335.01 Bank Franchise Tax	10,000	10,000	116,558	106,558
335.03 Liquor Tax Reversion	300,000	300,000	417,004	117,004
335.04 Motor Vehicle Licenses (5%)	325,000	325,000	49,959	(275,041)
335.06 Fire Insurance Reversion	180,000	180,000	189,050	9,050
335.08 Local Government Highway and Bridge Fund	500,000	500,000	699,125	199,125
338 County Shared Revenue:				
338.01 County Road Tax (25%)	315,000	315,000	389,142	74,142
340 Charges for Goods and Services:				
341 General Government	305,000	305,000	474,483	169,483
342 Public Safety	200,000	200,000	672,458	472,458
343 Public Works	145,760	145,760	110,085	(35,675)
345 Health & Welfare	400,000	400,000	417,556	17,556
346 Culture and Recreation	1,271,665	1,271,665	1,564,580	292,915
350 Fines and Forfeits:				
351 Court Fines and Costs	20,000	20,000	7,487	(12,513)
360 Miscellaneous Revenue:				
361 Interest Earnings	297,000	297,000	(15,588)	(312,588)
362 Rentals	10,000	10,000	156,876	146,876
369 Other	300,000	300,000	235,006	(64,994)
Total Revenue	45,155,959	45,987,726	50,307,865	4,320,139
Expenditures:				
410 General Government:				
412 Executive-Mayor & Council	613,064	597,637	471,346	126,291
414 Financial - Community Resources	989,628	1,016,099	959,664	56,434
414 Financial - Finance	754,408	771,777	647,469	124,307
414 Financial - Attorney	145,178	170,127	201,407	(31,280)
414 Financial - COMPASS	198,000	198,785	166,199	32,586
419 Other - Government Bldgs	862,779	963,279	854,791	108,488
420 Public Safety:				
421 Police	11,847,299	11,953,901	11,510,771	443,130
422 Fire	9,408,750	9,805,215	9,376,866	428,349
429 Other Protection-Corrections	2,500	2,500	2,000	500
429 Other Protection-Code Enforcement	187,671	188,282	154,173	34,109
429 Other Protection-Comm Dev - Nongrant	50,751	50,823	49,177	1,645
430 Other Protection-Re-entry Program	82,071	82,250	58,997	23,253
429 Other Protection-Emergency Mgt	91,606	3,131,560	2,799,337	332,223
430 Public Works:				
431 Highways and Streets	6,509,515	7,580,028	5,409,516	2,170,511
43x Administration	645,679	711,561	473,713	237,848
440 Health and Welfare:				
441 Health	442,000	442,000	410,774	31,226
444 Humane Society	278,318	278,318	278,318	-
449 Other - Public Transit	1,861,274	1,926,274	1,963,513	(37,239)
449 Other - Air Quality	57,498	59,810	50,035	9,776
450 Culture and Recreation:				
451 Recreation	307,726	308,548	303,369	5,179
451 Swimming Pools	1,440,360	1,442,610	1,428,265	14,345
451 Ice Arena	566,213	567,363	579,817	(12,454)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (Budgetary Basis)	VARIANCE
452 Parks	2,439,933	2,447,945	2,226,303	221,642
455 Libraries	2,684,408	3,132,467	2,978,671	153,796
457 Historic Preservation	24,410	44,372	17,939	26,433
459 Other - Parks & Recreation Admin	594,759	603,055	578,046	25,009
459 Other - Subsidies	200,000	216,942	200,012	16,930
460 Conservation and Development:				
465 Economic Development	358,000	410,091	364,250	45,841
465 Community Development	1,624,013	1,711,741	1,492,037	219,703
465 Transportation Planning	426,516	834,533	416,889	417,644
465 GIS Information System	137,174	126,502	118,096	8,406
470 Debt Service	-	-	121,552	(121,552)
485 Capital Outlay	-	2,326,520	4,164,601	(1,838,081)
490 Miscellaneous:				
492 Other Expenditures	-	-	9,769	(9,769)
Total Expenditures	45,831,501	54,102,913	50,837,684	3,265,229
Excess of Revenue Over (Under) Expenditures	(675,542)	(8,115,186)	(529,818)	7,585,368
Other Financing Sources (Uses):				
391.01 Transfers In	119,677	205,541	205,541	-
511 Transfers Out	(550,000)	(1,390,503)	(1,390,503)	-
391.03 Sale of Municipal Property	-	-	71,258	71,258
391.27 Capital Leases	-	306,830	719,718	412,888
Total Other Financing Sources (Uses)	(430,323)	(878,132)	(393,986)	484,146
Net Change in Fund Balances	(1,105,865)	(8,993,318)	(923,804)	8,069,514
Fund Balance - Beginning	21,750,490	21,750,490	21,750,490	-
FUND BALANCE- ENDING	\$20,644,625	\$12,757,172	\$20,826,686	8,069,514

The notes to the required supplementary information are an integral part of this statement.

**CITY OF RAPID CITY
BUDGETARY COMPARISON SCHEDULE
VISION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (Budgetary Basis)	VARIANCE
Revenues:				
310 Taxes:				
313 General Sales and Use Taxes	\$ 10,080,237	\$ 10,180,237	\$ 11,545,659	1,365,422
360 Miscellaneous Revenue:				
361 Interest Earnings	-	-	(173,472)	(173,472)
Total Revenue	<u>10,080,237</u>	<u>10,180,237</u>	<u>11,372,187</u>	<u>1,191,950</u>
Expenditures:				
430 Public Works:				
43x Administration	276,924	835,236	344,571	490,665
460 Conservation & Development				
465 Economic Development	600,000	600,000	525,762	74,238
470 Debt Service	4,279,313	5,479,313	4,276,792	1,202,521
485 Capital Outlay	4,924,000	7,612,415	3,479,637	4,132,778
Total Expenditures	<u>10,080,237</u>	<u>14,526,964</u>	<u>8,626,762</u>	<u>5,900,202</u>
Excess of Revenue Over (Under)				
Expenditures	-	(4,346,727)	2,745,425	7,092,152
Other Financing Sources (Uses):				
511 Transfers Out	-	-	(845,072)	(845,072)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(845,072)</u>	<u>(845,072)</u>
Net Change in Fund Balances	-	(4,346,727)	1,900,353	6,247,080
Fund Balance - Beginning	13,977,086	13,977,086	13,977,086	-
FUND BALANCE- ENDING	<u>\$ 13,977,086</u>	<u>\$ 9,630,359</u>	<u>\$ 15,877,439</u>	<u>6,247,080</u>

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**CITY OF RAPID CITY
BUDGETARY COMPARISON SCHEDULE
CONSOLIDATED CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (Budgetary Basis)	VARIANCE
Revenues:				
310 Taxes:				
313 General Sales and Use Taxes	\$ 10,946,309	\$ 10,946,309	\$ 11,545,659	(599,350)
330 Intergovernmental Revenue:				
331 Federal Grants	-	-	9,544	(9,544)
334 State Grants	-	664,181	-	664,181
360 Miscellaneous Revenue:				
361 Interest Earnings	-	-	(18,630)	18,630
369 Other	-	163,057	15,281	147,776
Total Revenue	<u>10,946,309</u>	<u>11,773,547</u>	<u>11,551,854</u>	<u>221,693</u>
Expenditures:				
410 General Government:				
414 Financial - Community Resources	90,000	90,000	90,000	-
419 Other - Government Bldgs	129,156	129,156	129,156	-
430 Public Works:				
43x Administration	968,232	968,232	968,232	-
450 Culture & Recreations				
459 Other - Parks & Rec Administration	147,552	147,552	108,172	39,380
470 Debt Service	378,323	938,523	920,674	17,849
485 Capital Outlay	10,663,737	14,606,532	15,844,330	(1,237,798)
490 Miscellaneous				
492 Other Expenditures	16,976	16,976	14,496	2,480
Total Expenditures	<u>12,393,976</u>	<u>16,896,971</u>	<u>18,075,060</u>	<u>(1,178,089)</u>
Excess of Revenue Over (Under) Expenditures	<u>(1,447,667)</u>	<u>(5,123,424)</u>	<u>(6,523,206)</u>	<u>(1,399,782)</u>
Other Financing Sources (Uses):				
391.01 Transfers In	500,000	2,310,000	2,377,054	67,054
511 Transfers Out	-	(15,000)	(130,055)	(115,055)
391.27 Capital Leases (Note 7)	-	-	4,772,000	4,772,000
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>2,295,000</u>	<u>7,018,999</u>	<u>4,723,999</u>
Net Change in Fund Balances	(947,667)	(2,828,424)	495,793	3,324,217
Fund Balance - Beginning	19,863,509	19,863,509	19,863,509	-
FUND BALANCE- ENDING	<u>\$ 18,915,842</u>	<u>17,035,084</u>	<u>\$ 20,359,302</u>	<u>3,324,218</u>

The notes to the required supplementary information are an integral part of this statement.

**CITY OF RAPID CITY
BUDGETARY COMPARISON SCHEDULE
UTILITY FACILITIES FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (Budgetary Basis)	VARIANCE
Revenues:				
310 Taxes:				
313 General Sales and Use Taxes	\$ 1,867,630	\$ 1,867,630	\$ 4,012,954	2,145,324
360 Miscellaneous Revenue:				
361 Interest Earnings	-	-	100,993	100,993
369 Other	-	-	-	-
Total Revenue	<u>1,867,630</u>	<u>1,867,630</u>	<u>4,113,947</u>	<u>2,246,317</u>
Expenditures:				
431 Administration	-	-	-	-
470 Debt Service	1,862,630	8,182,630	7,918,545	264,085
490 Other Expenditures	5,000	5,000	1,650	3,350
Total Expenditures	<u>1,867,630</u>	<u>8,187,630</u>	<u>7,920,195</u>	<u>267,435</u>
Excess of Revenue Over (Under) Expenditures	-	(6,320,000)	(3,806,248)	2,513,752
Other Financing Sources (Uses):				
511 Transfers Out	-	(7,850,741)	(7,850,741)	-
391.02 Long-term debt issued	-	200,000	23,792,788	23,592,788
Total Other Financing Sources (Uses)	-	<u>(7,650,741)</u>	<u>15,942,047</u>	<u>23,592,788</u>
Net Change in Fund Balances	-	(13,970,741)	12,135,799	26,106,540
Fund Balance - Beginning	14,176,897	14,176,897	14,176,897	-
FUND BALANCE- ENDING	<u>\$ 14,176,897</u>	<u>\$ 206,156</u>	<u>\$ 26,312,696</u>	<u>26,106,540</u>

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