DAY COUNTY

AUDIT REPORT

For the Two Years Ended December 31, 2024

DAY COUNTY
COUNTY OFFICIALS
December 31, 2024

Board of Commissioners:
Roy Aldrich
Daniel Kjos,
Sara McGregor-Okroi
Derek Sinner
Blake Torrence

Auditor:
Kelsey Kading

Treasurer:
Rhonda Zubke

State's Attorney:
John Knight

Register of Deeds:
Jodi Berger

Sheriff:
Jerred Schreur

DAY COUNTY
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427 SOUTH CHAPELLE
C/O 500 EAST CAPITOL
PIERRE, SD 57501-5070
(605) 773-3595

RUSSELL A. OLSON
AUDITOR GENERAL

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*

Independent Auditor's Report

County Commission
Day County
Webster, 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, each major fund, and the aggregate remaining fund information of Day County, South Dakota (County), as of December 31, 2024, 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 July 14, 2026.

Report on 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) as a basis for designing 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* as item No. 2024-001.

County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit. The County did not wish to respond to the finding identified in our audit as described in the accompanying Schedule of Current Audit Findings.

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.

Russell A. Olson
Auditor General

July 14, 2026

DAY COUNTY
SCHEDULE OF PRIOR AND CURRENT AUDIT FINDINGS

SCHEDULE OF PRIOR AUDIT FINDINGS

Prior Federal Audit Findings:

The prior audit report contained no written audit findings.

SCHEDULE OF CURRENT AUDIT FINDINGS

Compliance and Other Matters:

Finding No. 2024-001:

Criteria:

South Dakota Codified Law (SDCL) 7-21-18.1 states: "The total unassigned fund balance of the general fund may not exceed forty percent of the total amount of all general fund appropriations contained in the budget for the next fiscal year."

Condition:

The unassigned fund balance of the General Fund exceeded the maximum allowed by SDCL 7-21-18.1 by approximately $606,000 as of December 31, 2024.

Cause-Context:

Our analysis of the County General Fund indicated an excessive unassigned fund balance existed at December 31, 2024 as follows:

Total Unassigned Fund Balance at December 31, 2024		$ 2,825,036.06
Less:		
2025 General Fund Appropriations	5,546,551.00	
Percentage of Allowable Retainage	40%	
Allowable Fund Balance Retainage		(2,218,620.40)
Unassigned Surplus Fund Balance at December 31, 2024 in Excess of (Less Than) the Amount Allowed by SDCL 7-21-18.1		$ 606,415.66

The Board of County Commissioners has not committed or assigned fund balances for county purposes or reduced taxes to comply with SDCL 7-21-18.1.

Effect or Potential Effect:

The County is in not in compliance with SDCL 7-21-18.1.

Recommendation:

We recommend that the County comply with SDCL 7-21-18.1.

Views of responsible officials and planned corrective actions:

Management chose not to respond to this finding.

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RUSSELL A. OLSON
AUDITOR GENERAL

Independent Auditor's Report

County Commission
Day County
Webster, South Dakota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis of accounting financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Day County, South Dakota (County), as of December 31, 2024, 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.

In our opinion, the accompanying modified cash basis of accounting financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information Day County as of December 31, 2024, and the respective changes in financial position 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 for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in 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.

As discussed in Note 2 to the financial statements, in 2023, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology

Arrangements; however, this implementation did not result in a restatement of the net position as of January 1, 2024. Our opinions are not modified with respect to this matter.

As discussed in Note 2 to the financial statements, in 2024, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 100, Accounting Changes and Error Corrections; however, this implementation did not result in a restatement of the net position as of January 1, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the modified cash basis of accounting financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

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 the County's Proportionate Share of the Net Pension Liability (Asset) 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedules and the Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) are 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 July 14, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is solely 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 effectiveness of the County's 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 County's internal control over financial reporting and compliance.

Russell A. Olson
Auditor General

July 14, 2026

DAY COUNTY
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
December 31, 2024

	Primary Government Governmental Activities
ASSETS:	
Cash and Cash Equivalents	$ 7,263,130.01
Investments	1,850,000.00
TOTAL ASSETS	$ 9,113,130.01
NET POSITION:	
Restricted For: (See Note 5)	
Rural Access Infrastructure Purposes	$ 156,147.92
Other Purposes	134,651.08
Unrestricted	8,822,331.01
TOTAL NET POSITION	$ 9,113,130.01

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

DAY COUNTY
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 1,507,588.15	$ 194,145.00	$ 192,567.45	$ 113,540.17	$ (1,007,335.53)
Public Safety	1,179,387.10	232,222.92	67,748.82		(879,415.36)
Public Works	4,400,914.10	36,734.35	2,192,868.67		(2,171,311.08)
Health and Welfare	474,716.50	379,734.80	34,337.39		(60,644.31)
Culture and Recreation	19,750.00				(19,750.00)
Conservation of Natural Resources	168,139.69	5,700.00			(162,439.69)
Urban and Economic Development	53,336.18				(53,336.18)
Intergovernmental	20,000.00				(20,000.00)
Total Primary Government	$ 7,823,831.72	$ 848,537.07	$ 2,487,522.33	$ 113,540.17	(4,374,232.15)
General Revenues:					
Taxes:					
Property Taxes					4,827,469.99
Wheel Tax					189,630.88
State Shared Revenues					234,466.32
Grants and Contributions not Restricted to Specific Programs					36,743.00
Unrestricted Investment Earnings					225,698.84
Miscellaneous Revenue					111,895.94
Total General Revenues					5,625,904.97
Change in Net Position					1,251,672.82
Net Position - beginning, as previously reported					7,861,457.19
NET POSITION - ENDING					$ 9,113,130.01

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

DAY COUNTY
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 1,542,928.77	$ 183,941.39	$ 91,298.19	$ 12,925.53	$ (1,254,763.66)
Public Safety	1,051,319.71	210,187.36	56,385.30		(784,747.05)
Public Works	5,554,397.62	21,823.73	2,988,200.85		(2,544,373.04)
Health and Welfare	353,884.38	261,798.94	13,621.92		(78,463.52)
Culture and Recreation	24,750.00				(24,750.00)
Conservation of Natural Resources	165,655.85	5,100.00			(160,555.85)
Urban and Economic Development	49,975.41				(49,975.41)
Intergovernmental	20,000.00				(20,000.00)
Total Primary Government	$ 8,762,911.74	$ 682,851.42	$ 3,149,506.26	$ 12,925.53	(4,917,628.53)
General Revenues:					
Taxes:					
Property Taxes					4,665,477.94
Wheel Tax					186,200.41
State Shared Revenues					206,803.61
Grants and Contributions not Restricted to Specific Programs					83,412.93
Unrestricted Investment Earnings					150,712.88
Miscellaneous Revenue					72,298.93
Total General Revenues					5,364,906.70
Change in Net Position					447,278.17
Net Position - beginning, as previously reported					7,414,179.02
NET POSITION - ENDING					$ 7,861,457.19

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

DAY COUNTY
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
December 31, 2024

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash and Cash Equivalents	$ 2,954,305.10	$ 4,030,903.48	$ 277,921.43	$ 7,263,130.01
Investments	1,850,000.00			1,850,000.00
TOTAL ASSETS	$ 4,804,305.10	$ 4,030,903.48	$ 277,921.43	$ 9,113,130.01
FUND BALANCES: (See Note 1.j.)				
Restricted	$ 28,769.03	$	$ 262,029.97	$ 290,799.00
Assigned	1,950,500.01	4,030,903.48	15,891.46	5,997,294.95
Unassigned	2,825,036.06			2,825,036.06
TOTAL FUND BALANCES	$ 4,804,305.10	$ 4,030,903.48	$ 277,921.43	$ 9,113,130.01

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

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DAY COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
General Property Taxes--Current	$ 3,524,397.99	$ 1,238,257.63	$	$ 4,762,655.62
General Property Taxes--Delinquent	17,280.82	5,582.74		22,863.56
Penalties and Interest	11,198.10	3,306.07		14,504.17
Telephone Tax (Outside)	24.59			24.59
Mobile Home Tax	16,434.74	5,487.31		21,922.05
Wheel Tax		189,630.88		189,630.88
Tax Deed Revenue	5,403.89	96.11		5,500.00
Licenses and Permits	16,087.00	1,225.00	750.00	18,062.00
Intergovernmental Revenue:				
Federal Grants	159,664.00		18,302.45	177,966.45
Federal Payments in Lieu of Taxes	19,243.00			19,243.00
State Grants	29,787.85	710,821.92	1,014.94	741,624.71
State Shared Revenue:				
Bank Franchise	53,740.40			53,740.40
Motor Vehicle Licenses		1,326,392.25		1,326,392.25
Prorate License Fees		68,848.17		68,848.17
Secondary Road Remittances		6,651.90		6,651.90
Telecommunications Gross Receipts Tax	8,596.53			8,596.53
Motor Vehicle 1/4%	3,135.60			3,135.60
Renewable Facility Tax	122,281.94			122,281.94
Motor Fuel Tax		5,999.32		5,999.32
911 Remittances			67,748.82	67,748.82
Liquor Tax Reversion (25%)	37,009.79			37,009.79
Other State Shared Revenue	11,615.87		74,155.11	85,770.98
Other Payments in Lieu of Taxes	896.34	325.45		1,221.79
Other Intergovernmental Revenue	17,500.00			17,500.00
Charges for Goods and Services:				
General Government:				
Treasurer's Fees	27,092.10			27,092.10

Register of Deeds' Fees	99,354.90			99,354.90
Driver's License Exam			7,583.49	7,583.49
Legal Services	24,012.64		275.00	24,287.64
Clerk of Courts Fees	5,840.00			5,840.00
Other Fees	241.12			241.12
Public Safety:				
Law Enforcement	48,771.67			48,771.67
Prisoner Care	152,466.31			152,466.31
Sobriety Testing			6,596.00	6,596.00
Public Works:				
Road Maintenance Contract Charges		25,617.75	9,891.60	35,509.35
Health and Welfare:				
Economic Assistance:				
Poor Lien Recoveries	2,163.22			2,163.22
Veterans Service Officer	3,093.75			3,093.75
Health Assistance:				
Ambulance	373,386.94			373,386.94
Women, Infants and Children	4,184.64			4,184.64
Conservation of Natural Resources	5,700.00			5,700.00
Other Charges	40.00			40.00
Fines and Forfeits:				
Costs	11,432.44			11,432.44
Forfeits	12,206.50			12,206.50
Miscellaneous Revenue:				
Investment Earnings	111,117.44	106,281.48	8,299.92	225,698.84
Rent	10,525.00			10,525.00
Contributions and Donations			15,000.00	15,000.00
Other	19,202.28	9,176.47	455.94	28,834.69
Total Revenues	4,965,129.40	3,703,700.45	210,073.27	8,878,903.12
Expenditures:				
General Government:				
Legislative:				
Board of County Commissioners	132,572.33			132,572.33
Elections	42,186.16			42,186.16
Judicial System	18,708.86			18,708.86
Financial Administration:				
Auditor	219,550.86			219,550.86
Treasurer	206,022.25			206,022.25

DAY COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024
(Continued)

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Legal Services:				
State's Attorney	141,038.46			141,038.46
Court Appointed Attorney	105,660.35			105,660.35
Other General Government:				
General Government Building	163,158.29			163,158.29
Director of Equalization	148,600.49			148,600.49
Register of Deeds	190,668.37		6,366.18	197,034.55
Veterans Service Officer	71,041.91			71,041.91
Predatory Animal	2,447.38			2,447.38
Information Technology	59,566.26			59,566.26
Public Safety:				
Law Enforcement:				
Sheriff	532,470.56			532,470.56
County Jail	476,213.09		3,800.84	480,013.93
Coroner	3,662.49			3,662.49
Protective and Emergency Services:				
Emergency and Disaster Services			83,778.72	83,778.72
Communication Center			79,461.40	79,461.40
Public Works:				
Highways and Bridges:				
Highways, Roads and Bridges		4,337,040.90	63,873.20	4,400,914.10
Health and Welfare:				
Economic Assistance:				
Support of Poor	43,250.40			43,250.40
Other	5,000.00			5,000.00
Health Assistance:				
County Nurse	32,604.56			32,604.56
Ambulance	368,592.70			368,592.70
Social Services:				
Care of Aged	5,000.00			5,000.00
Domestic Abuse	500.00		1,050.00	1,550.00

Other	4,500.00			4,500.00
Mental Health Services:				
Mentally Ill	4,898.84			4,898.84
Developmentally Disabled	4,320.00			4,320.00
Mental Health Centers	5,000.00			5,000.00
Culture and Recreation:				
Recreation:				
County Fair	15,000.00			15,000.00
Senior Center	4,750.00			4,750.00
Conservation of Natural Resources:				
Soil Conservation:				
County Extension	71,770.98			71,770.98
Soil Conservation Districts	10,000.00			10,000.00
Weed Control	71,648.98			71,648.98
Water Conservation:				
Drainage Commissions	14,719.73			14,719.73
Urban and Economic Development:				
Urban Development:				
Planning and Zoning	33,210.18			33,210.18
Economic Development:				
Tourism, Industrial or Recreational Development	20,126.00			20,126.00
Intergovernmental Expenditures		20,000.00		20,000.00
Total Expenditures	3,228,460.48	4,357,040.90	238,330.34	7,823,831.72
Excess of Revenues Over (Under) Expenditures	1,736,668.92	(653,340.45)	(28,257.07)	1,055,071.40
Other Financing Sources (Uses):				
Transfers In	114,329.42	1,228,160.00	55,000.00	1,397,489.42
Transfers Out	(1,283,160.00)	(106,281.48)	(8,047.94)	(1,397,489.42)
Insurance Proceeds	113,540.17			113,540.17
Sale of County Property	3,358.00	79,703.25		83,061.25
Total Other Financing Sources (Uses)	(1,051,932.41)	1,201,581.77	46,952.06	196,601.42
Net Change in Fund Balance	684,736.51	548,241.32	18,694.99	1,251,672.82
Fund Balance - beginning, as previously reported	4,119,568.59	3,482,662.16	259,226.44	7,861,457.19
FUND BALANCE - ENDING	$ 4,804,305.10	$ 4,030,903.48	$ 277,921.43	$ 9,113,130.01

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

DAY COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2023

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
General Property Taxes--Current	$ 3,419,317.41	$ 1,209,466.61	$	$ 4,628,784.02
General Property Taxes--Delinquent	1,196.10	376.43		1,572.53
Penalties and Interest	9,839.80	2,975.65		12,815.45
Telephone Tax (Outside)	24.59			24.59
Mobile Home Tax	13,413.90	4,466.06		17,879.96
Wheel Tax		186,200.41		186,200.41
Tax Deed Revenue	3,333.25	1,068.14		4,401.39
Licenses and Permits	14,239.00	1,675.00	900.00	16,814.00
Intergovernmental Revenue:				
Federal Grants			12,061.52	12,061.52
Federal Shared Revenue	55,554.93	2,011.31		57,566.24
Federal Payments in Lieu of Taxes	658.00			658.00
State Grants	88,261.83	1,526,985.94	1,560.40	1,616,808.17
State Shared Revenue:				
Bank Franchise	34,633.05			34,633.05
Motor Vehicle Licenses		1,302,940.96		1,302,940.96
Prorate License Fees		69,198.05		69,198.05
Secondary Road Remittances		9,703.90		9,703.90
Telecommunications Gross Receipts Tax	9,690.11			9,690.11
Motor Vehicle 1/4%	3,036.36			3,036.36
Renewable Facility Tax	124,160.19			124,160.19
Motor Fuel Tax		5,959.94		5,959.94
911 Remittances			56,385.30	56,385.30
Liquor Tax Reversion (25%)	37,191.58			37,191.58
Other State Shared Revenue			71,400.75	71,400.75
Other Payments in Lieu of Taxes	828.64	300.04		1,128.68
Other Intergovernmental Revenue	27,200.00			27,200.00

Charges for Goods and Services:				
General Government:				
Treasurer's Fees	30,463.00			30,463.00
Register of Deeds' Fees	89,685.45		8,242.62	97,928.07
Legal Services	21,627.12		175.00	21,802.12
Clerk of Courts Fees	6,196.70			6,196.70
Public Safety:				
Law Enforcement	34,553.82			34,553.82
Prisoner Care	155,377.20			155,377.20
Sobriety Testing			6,160.00	6,160.00
Public Works:				
Road Maintenance Contract Charges		9,751.89	10,396.84	20,148.73
Health and Welfare:				
Economic Assistance:				
Poor Lien Recoveries	3,675.43			3,675.43
Veterans Service Officer	2,812.50			2,812.50
Health Assistance:				
Ambulance	251,720.63			251,720.63
Women, Infants and Children	6,402.88			6,402.88
Conservation of Natural Resources	5,100.00			5,100.00
Fines and Forfeits:				
Fines	5,000.00			5,000.00
Costs	8,196.34			8,196.34
Miscellaneous Revenue:				
Investment Earnings	74,447.64	71,372.82	4,892.42	150,712.88
Rent	10,500.00			10,500.00
Other	21,952.37	1,158.64		23,111.01
Total Revenues	4,570,289.82	4,405,611.79	172,174.85	9,148,076.46
Expenditures:				
General Government:				
Legislative:				
Board of County Commissioners	110,823.86			110,823.86
Elections	6,876.91			6,876.91
Judicial System	17,934.93			17,934.93
Financial Administration:				
Auditor	219,352.16			219,352.16
Treasurer	221,510.94			221,510.94
Legal Services:				
State's Attorney	143,037.28			143,037.28

DAY COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2023
(Continued)

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Court Appointed Attorney	107,568.14			107,568.14
Other General Government:				
General Government Building	268,000.90			268,000.90
Director of Equalization	182,495.57			182,495.57
Register of Deeds	198,455.17		3,999.91	202,455.08
Veterans Service Officer	60,425.62			60,425.62
Predatory Animal	2,447.38			2,447.38
Public Safety:				
Law Enforcement:				
Sheriff	496,643.25			496,643.25
County Jail	432,483.40		1,180.00	433,663.40
Coroner	6,592.19			6,592.19
Protective and Emergency Services:				
Emergency and Disaster Services			47,156.95	47,156.95
Communication Center			67,263.92	67,263.92
Public Works:				
Highways and Bridges:				
Highways, Roads and Bridges		5,471,973.20	82,424.42	5,554,397.62
Health and Welfare:				
Economic Assistance:				
Support of Poor	25,225.99			25,225.99
Other	5,000.00			5,000.00
Health Assistance:				
County Nurse	11,477.32			11,477.32
Ambulance	280,872.87			280,872.87
Women, Infants and Children	8,114.83			8,114.83
Social Services:				
Care of Aged	5,000.00			5,000.00
Domestic Abuse	500.00		905.00	1,405.00
Other	4,500.00			4,500.00

Mental Health Services:				
Mentally Ill	5,009.75			5,009.75
Developmentally Disabled	5,760.00			5,760.00
Mental Illness Board	1,518.62			1,518.62
Culture and Recreation:				
Recreation:				
County Fair	20,000.00			20,000.00
Senior Center	4,750.00			4,750.00
Conservation of Natural Resources:				
Soil Conservation:				
County Extension	69,510.61			69,510.61
Soil Conservation Districts	8,000.00			8,000.00
Weed Control	75,437.73			75,437.73
Water Conservation:				
Drainage Commissions	12,707.51			12,707.51
Urban and Economic Development:				
Urban Development:				
Planning and Zoning	29,849.41			29,849.41
Economic Development:				
Tourism, Industrial or Recreational Development	20,126.00			20,126.00
Intergovernmental Expenditures		20,000.00		20,000.00
Total Expenditures	3,068,008.34	5,491,973.20	202,930.20	8,762,911.74
Excess of Revenues Over (Under) Expenditures	1,502,281.48	(1,086,361.41)	(30,755.35)	385,164.72
Other Financing Sources (Uses):				
Transfers In	76,188.29	1,228,160.00	29,000.00	1,333,348.29
Transfers Out	(1,257,160.00)	(71,372.82)	(4,815.47)	(1,333,348.29)
Insurance Proceeds	12,925.53			12,925.53
Sale of County Property	20,425.00	28,762.92		49,187.92
Total Other Financing Sources (Uses)	(1,147,621.18)	1,185,550.10	24,184.53	62,113.45
Net Change in Fund Balance	354,660.30	99,188.69	(6,570.82)	447,278.17
Fund Balance - beginning, as previously reported	3,764,908.29	3,383,473.47	265,797.26	7,414,179.02
FUND BALANCE - ENDING	$ 4,119,568.59	$ 3,482,662.16	$ 259,226.44	$ 7,861,457.19

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

DAY COUNTY
STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUNDS
December 31, 2024

	Custodial Funds
ASSETS:	
Cash and Cash Equivalents	$ 289,389.84
TOTAL ASSETS	$ 289,389.84
NET POSITION:	
Restricted For:	
Individuals, Organizations, and Other Governments	$ 289,389.84
TOTAL NET POSITION	$ 289,389.84

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

DAY COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUNDS
For the Year Ended December 31, 2024

	Custodial Funds
ADDITIONS:	
Property Tax Collections for Other Governments	$ 11,133,907.16
State Shared Revenue Collections for Other Governments	2,721,332.66
Other Additions	105,247.65
Total Additions	13,960,487.47
DEDUCTIONS:	
Payments of Property Tax to Other Governments	11,090,044.30
Payments of State Shared Revenue to Other Governments	2,720,043.82
Other Deductions	108,819.71
Total Deductions	13,918,907.83
Change in Net Position	41,579.64
Net Position - beginning, as previously reported	247,810.20
NET POSITION - ENDING	$ 289,389.84

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

DAY COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUNDS
For the Year Ended December 31, 2023

	Custodial Funds
ADDITIONS:	
Property Tax Collections for Other Governments	$ 10,409,755.24
State Shared Revenue Collections for Other Governments	2,531,787.48
Other Additions	78,409.07
Total Additions	13,019,951.79
DEDUCTIONS:	
Payments of Property Tax to Other Governments	10,413,546.25
Payments of State Shared Revenue to Other Governments	2,492,461.50
Other Deductions	79,925.05
Total Deductions	12,985,932.80
Change in Net Position	34,018.99
Net Position - beginning, as previously reported	213,791.21
NET POSITION - ENDING	$ 247,810.20

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

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 Day 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 County has created a Housing and Redevelopment Commission under the authority of South Dakota Codified Law 11-7-7 solely for abdicating its authority over the non-municipal housing projects within Day County to the Webster Housing Commission organized by the Municipality of Webster and then subsequently to the Aberdeen Housing Commission organized by the Municipality of Aberdeen. Therefore, this component unit's financial activity was not 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 Aberdeen's annual report.

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. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

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, 24/7 Sobriety, Modernization and Preservation Relief, and Rural Access Infrastructure. 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:

Custodial Funds – Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial 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 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, improvements other than buildings, furnishings and equipment, construction/development in progress, infrastructure, intangible lease assets, 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, Lease Liabilities, Subscription Liabilities, and Other Long-Term Liabilities.

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 or long-term liabilities arising from cash transactions, so any outstanding long-term debt or long-term liabilities are 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 portion of these Debt Service payments are reported within the appropriate expense function while the interest portion is reported as Interest on Long-Term Debt.

The County has no Long-Term Debt as of December 31, 2024.

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 Net Position.

Fund Financial Statements:

Governmental fund equity is classified as fund balance, and is distinguished between Nonspendable, Restricted, Committed, Assigned, or Unassigned components. Fiduciary fund equity is reported as restricted net position.

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 nor 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 County

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

The County 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	**Revenue Source**
Road and Bridge Fund	Property Taxes, Wheel Tax, and Motor Vehicle Licenses

A schedule of fund balances is provided as follows:

DAY COUNTY
DISCLOSURE OF FUND BALANCES REPORTED ON BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
Fund Balances:				
Restricted For:				
Ambulance Donation Purposes	$ 8,860.03	$	$	$ 8,860.03
Disabled American Veteran Van Purposes	19,909.00			19,909.00
Domestic Abuse Purposes			414.00	414.00
24/7 Sobriety Purposes			42,940.08	42,940.08
Modernization and Preservation Relief Purposes			62,527.97	62,527.97
Rural Access Infrastructure Purposes			156,147.92	156,147.92
Assigned To:				
Applied to Next Year's Budget	1,325,045.00			1,325,045.00
County Road #1 Purposes	417,150.00			417,150.00
Capital Outlay Accumulations Jail Purposes	151,305.01			151,305.01
Capital Outlay Accumulations Broiler Purposes	50,000.00			50,000.00
Ambulance Vehicle Purposes	7,000.00			7,000.00
Road and Bridge Purposes		4,030,903.48		4,030,903.48
911 Service Purposes			4,560.24	4,560.24
Emergency Management Purposes			10,331.22	10,331.22
24/7 Sobriety Purposes			1,000.00	1,000.00
Unassigned	2,825,036.06			2,825,036.06
Total Fund Balances	$ 4,804,305.10	$ 4,030,903.48	$ 277,921.43	$ 9,113,130.01

2. IMPLEMENTATION OF NEW ACCOUNTING STANDARD

In 2024, the County implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, Accounting Changes and Error Corrections. This statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to work within the financial reporting entity and describes the transactions or other events that constitute those changes. There was no effect on beginning net position due to the implementation of this standard.

In 2023, the County implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). This statement improves accounting and financial reporting for SBITAs; enhances the comparability of financial statements between governments; and also enhances the understandability, reliability, relevance, and consistency of information about SBITAs. The County prepared and presented the financial statements in accordance with the modified cash basis of accounting described in Note 1.c.; therefore, the implementation of this standard did not affect beginning net position or beginning fund balances.

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

As of December 31, 2024, the investments reported in the financial statements consist of only certificates of deposit.

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.

Custodial Credit Risk – Deposits – The risk that, in the event of a depository failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2024, the County's deposits in financial institutions were not exposed to custodial credit risk.

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 investments to the fund making the investment. 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.

4. 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.

5. RESTRICTED NET POSITION

Restricted Net Position for the year ended December 31, 2024, was as follows:

Major Purposes:		
Rural Access Infrastructure Purposes	$ 156,147.92	
Other Purposes:		
Modernization and Preservation Relief Purposes	62,527.97	
24/7 Sobriety Purposes	42,940.08	
Disable American Veteran Van Purposes	19,909.00	
Ambulance Donation Purposes	8,860.03	
Domestic Abuse Purposes	414.00	
Total Other Purposes	134,651.08	
Total Restricted Net Position		**$ 290,799.00**

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

6. INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2024, were as follows:

	Transfers To:			
Transfers From:	General Fund	Road and Bridge Fund	Other Governmental Funds	Total
Major Funds:				
General Fund	$	$ 1,228,160.00	$ 55,000.00	$ 1,283,160.00
Road and Bridge Fund	106,281.48			106,281.48
Other Governmental Funds:				
Emergency and Disaster Service Fund	1,679.58			1,679.58
Domestic Abuse Fund	6.14			6.14
24/7 Sobriety Fund	1,070.09			1,070.09
M&P Fund	1,495.07			1,495.07
Rural Access Infrastructure Fund	3,797.06			3,797.06
Total	$ 114,329.42	$ 1,228,160.00	$ 55,000.00	$ 1,397,489.42

Interfund transfers for the year ended December 31, 2023, were as follows:

	Transfers To:			
Transfers From:	General Fund	Road and Bridge Fund	Other Governmental Funds	Total
Major Funds:				
General Fund	$	$ 1,228,160.00	$ 29,000.00	$ 1,257,160.00
Road and Bridge Fund	71,372.82			71,372.82
Other Governmental Funds:				
Emergency and Disaster Service Fund	441.70			441.70
Domestic Abuse Fund	4.42			4.42
24/7 Sobriety Fund	694.81			694.81
M&P Fund	1,072.07			1,072.07
Rural Access Infrastructure Fund	2,602.47			2,602.47
Total	$ 76,188.29	$ 1,228,160.00	$ 29,000.00	$ 1,333,348.29

The County typically budgets transfers to the Road and Bridge Fund and the Emergency Management Fund (Other Governmental Funds) to conduct the indispensable functions of the County. The transfers from the Road and Bridge Fund and the Other Governmental Funds to the General Fund were interest earnings transferred in accordance with County Investment Policy.

7. PENSION PLAN

Plan Information:
All employees, working more than 20 hours per week during the year, participate in the South Dakota Retirement System (SDRS). SDRS is a hybrid defined benefit plan designed with several defined contribution plan type provisions and administered by SDRS to provide retirement benefits for employees of the State of South Dakota and its political subdivisions. The SDRS provides retirement, disability, and survivor benefits. Authority for establishing, administering, and amending plan provisions are found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at http://sdrs.sd.gov/publications.aspx or by writing to the SDRS, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731.

Benefits Provided:
SDRS has four classes of members: Class A general members, Class B public safety and judicial members, Class C Cement Plant Retirement Fund members, and Class D Department of Labor and Regulation members.

Members that were hired before July 1, 2017, are Foundation members. Class A Foundation members and Class B Foundation members who retire after age 65 with three years of contributory service are entitled to an unreduced annual retirement benefit. An unreduced annual retirement benefit is also available after age 55 for Class A Foundation members where the sum of age and credited service is equal to or greater than 85 or after age 55 for Class B Foundation judicial members where the sum of age and credited service is equal to or greater than 80. Class B Foundation public safety members can retire with an unreduced annual retirement benefit after age 55 with three years of contributory service. An unreduced annual retirement benefit is also available after age 45 for Class B Foundation public safety members where the sum of age and credited service is equal to or greater than 75. All Foundation retirements that do not meet the above criteria may be payable at a reduced level. Class A and B eligible spouses of Foundation members will receive a 60 percent joint survivor benefit when the member dies.

Members that were hired on/after July 1, 2017, are Generational members. Class A Generational members and Class B Generational judicial members who retire after age 67 with three years of contributory service are entitled to an unreduced annual retirement benefit. Class B Generational public safety members can retire with an unreduced annual retirement benefit after age 57 with three years of contributory service. At retirement, married Generational members may elect a single-life benefit, a 60 percent joint and survivor benefit, or a 100 percent joint and survivor benefit. All Generational retirement benefits that do not meet the above criteria may be payable at a reduced level. Generational members will also have a variable retirement account (VRA) established, in which they will receive up to 1.5 percent of compensation funded by part of the employer contribution. VRAs will receive investment earnings based on investment returns.

Legislation enacted in 2017 established the current COLA process. At each valuation date:

- Baseline actuarial accrued liabilities will be calculated assuming the COLA is equal to long-term inflation assumption of 2.25%.
- If the fair value of assets is greater or equal to the baseline actuarial accrued liabilities, the COLA will be:
    - The increase in the 3rd quarter CPI-W, no less than 0.5% and no greater than 3.5%.
- If the fair value of assets is less than the baseline actuarial accrued liabilities, the COLA will be:
    - The increase in the 3rd quarter CPI-W, no less than 0.5% and no greater than a restricted maximum such that, that if the restricted maximum is assumed for future COLAs, the fair value of assets will be greater or equal to the accrued liabilities.

Legislation enacted in 2021 reduced the minimum COLA from 0.5 percent to 0.0 percent.

All benefits except those depending on the Member's Accumulated Contributions are annually increased by the Cost-of-Living Adjustment.

Contributions:
Per SDCL 3-12, contribution requirements of the active employees and the participating employers are established and may be amended by the SDRS Board. Covered employees are required by state statute to contribute the following percentages of their salary to the plan; Class A Members, 6.0% of salary; Class B Judicial Members, 9.0% of salary; and Class B Public Safety Members, 8.0% of salary. State statute also requires the employer to contribute an amount equal to the employee's contribution. The County's share of contributions to the SDRS for the calendar years ended December 31, 2024, 2023, and 2022, equal to the required contributions each year, were as follows:

Year	Amount
2024	$ 122,120.76
2023	$ 116,877.68
2022	$ 115,149.34

Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions:
At June 30, 2024, SDRS is 100.0% funded and accordingly has a net pension asset. The proportionate share of the components of the net pension asset of South Dakota Retirement System, for the County as of this measurement period ending June 30, 2024, are as follows:

Proportionate share of total pension liability	$ 10,528,712.24
Less proportionate share of net position restricted for pension benefits	10,531,569.14
Proportionate share of net pension asset	$ (2,856.90)

The net pension asset was measured as of June 30, 2024, and the total pension liability used to calculate the net pension asset was based on a projection of the County's share of contributions to the pension plan relative to the contributions of all participating entities. At June 30, 2024, the County's proportion was 0.070576%, which is a decrease of 0.005672% from its proportion measured as of June 30, 2023.

Actuarial Assumptions:
The total pension asset in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	Graded by years of service, from 7.66% at entry to 3.15% after 25 years of service
Discount Rate	6.50% net of plan investment expense. This is composed of an average inflation rate of 2.50% and real returns of 4.00%.
Future COLAs	1.71%

Mortality Rates:

All mortality rates based on Pub-2010 amount-weighted mortality tables, projected generationally with improvement scale MP-2021

Active and Terminated Vested Members:
- Teachers, Certified Regents, and Judicial: PubT-2010
- Other Class A Members: PubG-2010
- Public Safety Members: PubS-2010

Retired Members:
- Teachers, Certified Regents, and Judicial Retirees: PubT-2010, 108% of rates above age 65
- Other Class A Retirees: PubG-2010, 93% of rates through age 74, increasing by 2% per year until 111% of rates at age 83 and above
- Public Safety Retirees: PubS-2010, 102% of rates at all ages

Beneficiaries:
- PubG-2010 contingent survivor mortality table

Disabled Members:
- Public Safety: PubS-2010 disabled member mortality table
- Others: PubG-2010 disabled member mortality table

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period of July 1, 2016 to June 30, 2021.

Investment portfolio management is the statutory responsibility of the South Dakota Investment Council (SDIC), which may utilize the services of external money managers for management of a portion of the portfolio. SDIC is governed by the Prudent Man Rule (i.e., the council should use the same degree of care as a prudent man). Current SDIC investment policies dictate limits on the percentage of assets invested in various types of vehicles (equities, fixed income securities, real estate, cash, private equity, etc.). The long-term expected rate of return on pension plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 (see the discussion of the pension plan's investment policy) are summarized in the following table using geometric means:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	56.3%	3.6%
Investment Grade Debt	22.8%	2.3%
High Yield Debt	7.0%	2.8%
Real Estate	12.0%	4.0%
Cash	1.9%	0.8%
Total	100%	

Discount Rate:

The discount rate used to measure the total pension asset was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that matching employer contributions will be made at rates equal to the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore,

the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

Sensitivity of Liability (Asset) to Changes in the Discount Rate:
The following presents the County's proportionate share of net pension asset calculated using the discount rate of 6.50%, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's proportionate share of the net pension liability (asset)	$ 1,451,721.39	$ (2,856.90)	$ (1,193,155.03)

Pension Plan Fiduciary Net Position:
Detailed information about the plan's fiduciary net position is available in the separately issued SDRS financial report.

8. SIGNIFICANT CONTINGENCIES – LITIGATION

At December 31, 2024, 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, 2024, 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 joined the South Dakota Public Assurance Alliance (SDPAA), 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 SDPAA is to administer and provide risk management services and risk sharing facilities to the members and to defend and protect the members against liability, to advise members on loss control guidelines and procedures, and provide them with risk management services, loss control and risk reduction information and to obtain lower costs for that coverage. The County's responsibility is to promptly report to and cooperate with the SDPAA to resolve any incident which could result in a claim being made by or against the County. The County pays a Members' Annual Operating Contribution, to provide liability coverage detailed below, under an occurrence-made policy and the premiums are accrued based on the ultimate cost of the experience to date of the SDPAA member, based on their exposure or type of coverage. The County pays an annual premium to the pool to provide coverage for:

a. general liability;
b. automobile liability;
c. law enforcement liability;
d. officials liability;

e. building and property coverage;
f. automobile physical damage;
g. miscellaneous property and computer hardware and software; and
h. boiler and machinery coverage

The County has no deductible for the general and automobile liability coverage and $2,000 deductible for law enforcement operations, $1,000 deductible for officials liability coverage, $500 deductible for buildings and contents, $100 comprehensive, $1,000 collision deductible for the automobile physical damage coverage, $250 deductible for miscellaneous property and computer hardware and software, and a $1,000 deductible for boiler and machinery 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.

During the year two years ended December 31, 2024, one claim for unemployment benefits was paid. At December 31, 2024, no claims had been filed for unemployment benefits and none are anticipated in the next fiscal year.

SUPPLEMENTARY INFORMATION
DAY COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Revenues:				
Taxes:				
General Property Taxes--Current	$ 3,575,674.00	$ 3,575,674.00	$ 3,524,397.99	$ (51,276.01)
General Property Taxes--Delinquent	12,000.00	12,000.00	17,280.82	5,280.82
Penalties and Interest	10,000.00	10,000.00	11,198.10	1,198.10
Telephone Tax (Outside)	0.00	0.00	24.59	24.59
Mobile Home Tax	12,000.00	12,000.00	16,434.74	4,434.74
Tax Deed Revenue	0.00	0.00	5,403.89	5,403.89
Licenses and Permits	11,200.00	11,200.00	16,087.00	4,887.00
Intergovernmental Revenue:				
Federal Grants	0.00	0.00	159,664.00	159,664.00
Federal Shared Revenue	5,000.00	5,000.00	0.00	(5,000.00)
Federal Payments in Lieu of Taxes	500.00	500.00	19,243.00	18,743.00
State Grants	20,000.00	20,000.00	29,787.85	9,787.85
State Shared Revenue:				
Bank Franchise	30,000.00	30,000.00	53,740.40	23,740.40
Telecommunications Gross Receipts Tax	15,000.00	15,000.00	8,596.53	(6,403.47)
Motor Vehicle 1/4%	2,700.00	2,700.00	3,135.60	435.60
Renewable Facility Tax	120,000.00	120,000.00	122,281.94	2,281.94
Liquor Tax Reversion (25%)	30,000.00	30,000.00	37,009.79	7,009.79
Other State Shared Revenue	0.00	0.00	11,615.87	11,615.87
Other Payments in Lieu of Taxes	500.00	500.00	896.34	396.34
Other Intergovernmental Revenue	25,000.00	25,000.00	17,500.00	(7,500.00)
Charges for Goods and Services:				
General Government:				
Treasurer's Fees	24,600.00	24,600.00	27,092.10	2,492.10
Register of Deeds' Fees	75,200.00	75,200.00	99,354.90	24,154.90
Legal Services	0.00	0.00	24,012.64	24,012.64
Clerk of Courts Fees	7,000.00	7,000.00	5,840.00	(1,160.00)
Other Fees	18,200.00	18,200.00	241.12	(17,958.88)
Public Safety:				
Law Enforcement	20,050.00	20,050.00	48,771.67	28,721.67
Prisoner Care	110,000.00	110,000.00	152,466.31	42,466.31
Health and Welfare:				
Economic Assistance:				
Poor Lien Recoveries	10,000.00	10,000.00	2,163.22	(7,836.78)
Veterans Service Officer	2,800.00	2,800.00	3,093.75	293.75
Health Assistance:				
Ambulance	175,000.00	175,000.00	373,386.94	198,386.94
Women, Infants and Children	5,000.00	5,000.00	4,184.64	(815.36)
Conservation of Natural Resources	4,000.00	4,000.00	5,700.00	1,700.00
Other Charges	0.00	0.00	40.00	40.00
Fines and Forfeits:				
Costs	8,000.00	8,000.00	11,432.44	3,432.44
Forfeits	0.00	0.00	12,206.50	12,206.50
Miscellaneous Revenue:				
Investment Earnings	6,000.00	6,000.00	111,117.44	105,117.44
Rent	10,500.00	10,500.00	10,525.00	25.00
Other	10,000.00	10,000.00	19,202.28	9,202.28
Total Revenues	4,355,924.00	4,355,924.00	4,965,129.40	609,205.40
Expenditures:				
General Government:				
Legislative:				
Board of County Commissioners	144,300.00	144,300.00	132,572.33	11,727.67
Contingency	260,000.00	260,000.00		
Amount Transferred		(61,575.00)		198,425.00
Elections	51,200.00	51,200.00	42,186.16	9,013.84
Judicial System	37,600.00	37,600.00	18,708.86	18,891.14
Financial Administration:				
Auditor	225,720.00	225,720.00	219,550.86	6,169.14
Treasurer	214,572.00	214,572.00	206,022.25	8,549.75
Legal Services:				
State's Attorney	155,451.00	155,451.00	141,038.46	14,412.54
Court Appointed Attorney	150,000.00	150,000.00	105,660.35	44,339.65

SUPPLEMENTARY INFORMATION
DAY COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
General Fund
For the Year Ended December 31, 2024
(Continued)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Other General Government:				
General Government Building	246,679.00	246,679.00	163,158.29	83,520.71
Director of Equalization	168,789.00	168,789.00	148,600.49	20,188.51
Register of Deeds	200,692.00	200,692.00	190,668.37	10,023.63
Veterans Service Officer	74,131.00	74,131.00	71,041.91	3,089.09
Predatory Animal	2,500.00	2,500.00	2,447.38	52.62
Information Technology	95,000.00	95,000.00	59,566.26	35,433.74
Public Safety:				
Law Enforcement:				
Sheriff	588,510.00	588,510.00	532,470.56	56,039.44
County Jail	565,422.00	603,422.00	476,213.09	127,208.91
Coroner	7,000.00	7,000.00	3,662.49	3,337.51
Health and Welfare:				
Economic Assistance:				
Support of Poor	54,204.00	54,204.00	43,250.40	10,953.60
Other	5,000.00	5,000.00	5,000.00	0.00
Health Assistance:				
County Nurse	23,547.00	33,217.00	32,604.56	612.44
Ambulance	476,751.00	476,751.00	368,592.70	108,158.30
Women, Infants and Children	14,637.00	14,637.00	0.00	14,637.00
Social Services:				
Care of Aged	5,000.00	5,000.00	5,000.00	0.00
Domestic Abuse	500.00	500.00	500.00	0.00
Other	4,500.00	4,500.00	4,500.00	0.00
Mental Health Services:				
Mentally Ill	12,000.00	12,000.00	4,898.84	7,101.16
Developmentally Disabled	4,320.00	4,320.00	4,320.00	0.00
Mental Health Centers	5,000.00	5,000.00	5,000.00	0.00
Mental Illness Board	4,000.00	4,000.00	0.00	4,000.00
Culture and Recreation:				
Recreation:				
County Fair	15,000.00	15,000.00	15,000.00	0.00
Senior Center	4,750.00	4,750.00	4,750.00	0.00
Conservation of Natural Resources:				
Soil Conservation:				
County Extension	75,657.00	75,657.00	71,770.98	3,886.02
Soil Conservation Districts	10,000.00	10,000.00	10,000.00	0.00
Weed Control	87,729.00	87,729.00	71,648.98	16,080.02
Water Conservation:				
Drainage Commissions	13,931.00	15,031.00	14,719.73	311.27
Urban and Economic Development:				
Urban Development:				
Planning and Zoning	36,786.00	36,786.00	33,210.18	3,575.82
Economic Development:				
Tourism, Industrial or Recreational Development	20,126.00	20,126.00	20,126.00	0.00
Total Expenditures	4,061,004.00	4,048,199.00	3,228,460.48	819,738.52
Excess of Revenues Over (Under) Expenditures	294,920.00	307,725.00	1,736,668.92	1,428,943.92
Other Financing Sources (Uses):				
Transfers In	0.00	0.00	114,329.42	114,329.42
Transfers Out	(1,283,160.00)	(1,283,160.00)	(1,283,160.00)	0.00
Insurance Proceeds	0.00	0.00	113,540.17	113,540.17
Sale of County Property	0.00	0.00	3,358.00	3,358.00
Total Other Financing Sources (Uses)	(1,283,160.00)	(1,283,160.00)	(1,051,932.41)	231,227.59
Net Change in Fund Balance	(988,240.00)	(975,435.00)	684,736.51	1,660,171.51
Fund Balance - beginning, as previously reported	4,119,568.59	4,119,568.59	4,119,568.59	0.00
FUND BALANCE - ENDING	$ 3,131,328.59	$ 3,144,133.59	$ 4,804,305.10	$ 1,660,171.51

SUPPLEMENTARY INFORMATION
DAY COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Revenues:				
Taxes:				
General Property Taxes--Current	$ 1,294,628.00	$ 1,294,628.00	$ 1,238,257.63	$ (56,370.37)
General Property Taxes--Delinquent	2,000.00	2,000.00	5,582.74	3,582.74
Penalties and Interest	1,000.00	1,000.00	3,306.07	2,306.07
Mobile Home Tax	1,000.00	1,000.00	5,487.31	4,487.31
Wheel Tax	170,000.00	170,000.00	189,630.88	19,630.88
Tax Deed Revenue	0.00	0.00	96.11	96.11
Licenses and Permits	1,000.00	1,000.00	1,225.00	225.00
Intergovernmental Revenue:				
Federal Shared Revenue	1,000.00	1,000.00	0.00	(1,000.00)
State Grants	400,000.00	400,000.00	710,821.92	310,821.92
State Shared Revenue:				
Motor Vehicle Licenses	1,160,000.00	1,160,000.00	1,326,392.25	166,392.25
Prorate License Fees	0.00	0.00	68,848.17	68,848.17
Secondary Road Remittances	4,000.00	4,000.00	6,651.90	2,651.90
Motor Fuel Tax	6,000.00	6,000.00	5,999.32	(0.68)
Other Payments in Lieu of Taxes	200.00	200.00	325.45	125.45
Charges for Goods and Services:				
Public Works:				
Road Maintenance Contract Charges	10,000.00	10,000.00	25,617.75	15,617.75
Miscellaneous Revenue:				
Investment Earnings	2,000.00	2,000.00	106,281.48	104,281.48
Other	0.00	0.00	9,176.47	9,176.47
Total Revenues	3,052,828.00	3,052,828.00	3,703,700.45	650,872.45
Expenditures:				
Public Works:				
Highways and Bridges:				
Highways, Roads and Bridges	4,788,586.00	4,788,586.00	4,337,040.90	451,545.10
Intergovernmental Expenditures	20,000.00	20,000.00	20,000.00	0.00
Total Expenditures	4,808,586.00	4,808,586.00	4,357,040.90	451,545.10
Excess of Revenues Over (Under) Expenditures	(1,755,758.00)	(1,755,758.00)	(653,340.45)	1,102,417.55
Other Financing Sources (Uses):				
Transfers In	1,228,160.00	1,228,160.00	1,228,160.00	0.00
Transfers Out	0.00	0.00	(106,281.48)	(106,281.48)
Sale of County Property	0.00	0.00	79,703.25	79,703.25
Total Other Financing Sources (Uses)	1,228,160.00	1,228,160.00	1,201,581.77	(26,578.23)
Net Change in Fund Balance	(527,598.00)	(527,598.00)	548,241.32	1,075,839.32
Fund Balance - beginning, as previously reported	3,482,662.16	3,482,662.16	3,482,662.16	0.00
FUND BALANCE - ENDING	$ 2,955,064.16	$ 2,955,064.16	$ 4,030,903.48	$ 1,075,839.32

SUPPLEMENTARY INFORMATION
DAY COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Revenues:				
Taxes:				
General Property Taxes--Current	$ 3,452,396.00	$ 3,452,396.00	$ 3,419,317.41	$ (33,078.59)
General Property Taxes--Delinquent	12,000.00	12,000.00	1,196.10	(10,803.90)
Penalties and Interest	10,000.00	10,000.00	9,839.80	(160.20)
Telephone Tax (Outside)	0.00	0.00	24.59	24.59
Mobile Home Tax	12,000.00	12,000.00	13,413.90	1,413.90
Tax Deed Revenue	0.00	0.00	3,333.25	3,333.25
Licenses and Permits	11,200.00	11,200.00	14,239.00	3,039.00
Intergovernmental Revenue:				
Federal Grants	100,000.00	100,000.00	0.00	(100,000.00)
Federal Shared Revenue	5,000.00	55,000.00	55,554.93	554.93
Federal Payments in Lieu of Taxes	500.00	500.00	658.00	158.00
State Grants	300.00	300.00	88,261.83	87,961.83
State Shared Revenue:				
Bank Franchise	30,000.00	30,000.00	34,633.05	4,633.05
Telecommunications Gross Receipts Tax	15,000.00	15,000.00	9,690.11	(5,309.89)
Motor Vehicle 1/4%	2,700.00	2,700.00	3,036.36	336.36
Renewable Facility Tax	120,000.00	120,000.00	124,160.19	4,160.19
Liquor Tax Reversion (25%)	30,000.00	30,000.00	37,191.58	7,191.58
Other Payments in Lieu of Taxes	500.00	500.00	828.64	328.64
Other Intergovernmental Revenue	25,000.00	25,000.00	27,200.00	2,200.00
Charges for Goods and Services:				
General Government:				
Treasurer's Fees	24,100.00	24,100.00	30,463.00	6,363.00
Register of Deeds' Fees	67,200.00	67,200.00	89,685.45	22,485.45
Legal Services	0.00	0.00	21,627.12	21,627.12
Clerk of Courts Fees	7,000.00	7,000.00	6,196.70	(803.30)
Other Fees	18,200.00	18,200.00	0.00	(18,200.00)
Public Safety:				
Law Enforcement	20,050.00	20,050.00	34,553.82	14,503.82
Prisoner Care	60,000.00	60,000.00	155,377.20	95,377.20
Health and Welfare:				
Economic Assistance:				
Poor Lien Recoveries	3,000.00	3,000.00	3,675.43	675.43
Veterans Service Officer	2,800.00	2,800.00	2,812.50	12.50
Health Assistance:				
Ambulance	175,000.00	175,000.00	251,720.63	76,720.63
Women, Infants and Children	7,000.00	7,000.00	6,402.88	(597.12)
Conservation of Natural Resources	4,500.00	4,500.00	5,100.00	600.00
Fines and Forfeits:				
Fines	0.00	0.00	5,000.00	5,000.00
Costs	8,000.00	8,000.00	8,196.34	196.34
Miscellaneous Revenue:				
Investment Earnings	4,000.00	4,000.00	74,447.64	70,447.64
Rent	8,300.00	8,300.00	10,500.00	2,200.00
Other	8,000.00	8,000.00	21,952.37	13,952.37
Total Revenues	4,243,746.00	4,293,746.00	4,570,289.82	276,543.82
Expenditures:				
General Government:				
Legislative:				
Board of County Commissioners	141,300.00	141,300.00	110,823.86	30,476.14
Contingency	260,000.00	260,000.00		
Amount Transferred		(7,019.00)		252,981.00
Elections	6,800.00	6,880.00	6,876.91	3.09
Judicial System	45,600.00	45,600.00	17,934.93	27,665.07
Financial Administration:				
Auditor	239,551.00	239,551.00	219,352.16	20,198.84
Treasurer	224,928.00	224,928.00	221,510.94	3,417.06

SUPPLEMENTARY INFORMATION
DAY COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
For the Year Ended December 31, 2023
(Continued)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Legal Services:				
State's Attorney	154,111.00	154,111.00	143,037.28	11,073.72
Court Appointed Attorney	129,000.00	129,000.00	107,568.14	21,431.86
Other General Government:				
General Government Building	221,251.00	271,251.00	268,000.90	3,250.10
Director of Equalization	235,484.00	235,484.00	182,495.57	52,988.43
Register of Deeds	204,729.00	204,729.00	198,455.17	6,273.83
Veterans Service Officer	72,719.00	72,719.00	60,425.62	12,293.38
Predatory Animal	2,500.00	2,500.00	2,447.38	52.62
Public Safety:				
Law Enforcement:				
Sheriff	545,469.00	545,469.00	496,643.25	48,825.75
County Jail	501,401.00	501,401.00	432,483.40	68,917.60
Coroner	5,000.00	6,595.00	6,592.19	2.81
Health and Welfare:				
Economic Assistance:				
Support of Poor	53,916.00	53,916.00	25,225.99	28,690.01
Other	5,000.00	5,000.00	5,000.00	0.00
Health Assistance:				
County Nurse	23,209.00	23,209.00	11,477.32	11,731.68
Ambulance	421,180.00	421,180.00	280,872.87	140,307.13
Women, Infants and Children	14,316.00	14,316.00	8,114.83	6,201.17
Social Services:				
Care of Aged	5,000.00	5,000.00	5,000.00	0.00
Domestic Abuse	500.00	500.00	500.00	0.00
Other	4,500.00	4,500.00	4,500.00	0.00
Mental Health Services:				
Mentally Ill	12,000.00	12,000.00	5,009.75	6,990.25
Developmentally Disabled	5,760.00	5,760.00	5,760.00	0.00
Mental Illness Board	4,000.00	4,000.00	1,518.62	2,481.38
Culture and Recreation:				
Recreation:				
County Fair	20,000.00	20,000.00	20,000.00	0.00
Senior Center	4,750.00	4,750.00	4,750.00	0.00
Conservation of Natural Resources:				
Soil Conservation:				
County Extension	74,181.00	74,181.00	69,510.61	4,670.39
Soil Conservation Districts	8,000.00	8,000.00	8,000.00	0.00
Weed Control	93,905.00	93,905.00	75,437.73	18,467.27
Water Conservation:				
Drainage Commissions	8,092.00	13,092.00	12,707.51	384.49
Urban and Economic Development:				
Urban Development:				
Planning and Zoning	29,748.00	29,850.00	29,849.41	0.59
Economic Development:				
Tourism, Industrial or Recreational Development	20,126.00	20,126.00	20,126.00	0.00
Total Expenditures	3,798,026.00	3,847,784.00	3,068,008.34	779,775.66
Excess of Revenues Over (Under) Expenditures	445,720.00	445,962.00	1,502,281.48	1,056,319.48
Other Financing Sources (Uses):				
Transfers In	0.00	0.00	76,188.29	76,188.29
Transfers Out	(1,257,160.00)	(1,257,160.00)	(1,257,160.00)	0.00
Insurance Proceeds	0.00	0.00	12,925.53	12,925.53
Sale of County Property	0.00	0.00	20,425.00	20,425.00
Total Other Financing Sources (Uses)	(1,257,160.00)	(1,257,160.00)	(1,147,621.18)	109,538.82
Net Change in Fund Balance	(811,440.00)	(811,198.00)	354,660.30	1,165,858.30
Fund Balance - beginning, as previously reported	3,764,908.29	3,764,908.29	3,764,908.29	0.00
FUND BALANCE - ENDING	$ 2,953,468.29	$ 2,953,710.29	$ 4,119,568.59	$ 1,165,858.30

SUPPLEMENTARY INFORMATION
DAY COUNTY
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Revenues:				
Taxes:				
General Property Taxes--Current	$ 1,250,845.00	$ 1,250,845.00	$ 1,209,466.61	$ (41,378.39)
General Property Taxes--Delinquent	2,000.00	2,000.00	376.43	(1,623.57)
Penalties and Interest	1,000.00	1,000.00	2,975.65	1,975.65
Mobile Home Tax	1,000.00	1,000.00	4,466.06	3,466.06
Wheel Tax	170,000.00	170,000.00	186,200.41	16,200.41
Tax Deed Revenue	0.00	0.00	1,068.14	1,068.14
Licenses and Permits	1,000.00	1,000.00	1,675.00	675.00
Intergovernmental Revenue:				
Federal Shared Revenue	1,000.00	1,000.00	2,011.31	1,011.31
State Grants	1,040,000.00	1,140,000.00	1,526,985.94	386,985.94
State Shared Revenue:				
Motor Vehicle Licenses	1,152,000.00	1,152,000.00	1,302,940.96	150,940.96
Prorate License Fees	0.00	0.00	69,198.05	69,198.05
Secondary Road Remittances	4,000.00	4,000.00	9,703.90	5,703.90
Motor Fuel Tax	6,000.00	6,000.00	5,959.94	(40.06)
Other Payments in Lieu of Taxes	200.00	200.00	300.04	100.04
Charges for Goods and Services:				
Public Works:				
Road Maintenance Contract Charges	10,000.00	10,000.00	9,751.89	(248.11)
Miscellaneous Revenue:				
Investment Earnings	2,000.00	2,000.00	71,372.82	69,372.82
Other	0.00	0.00	1,158.64	1,158.64
Total Revenues	3,641,045.00	3,741,045.00	4,405,611.79	664,566.79
Expenditures:				
Public Works:				
Highways and Bridges:				
Highways, Roads and Bridges	5,372,000.00	5,472,000.00	5,471,973.20	26.80
Intergovernmental Expenditures	20,000.00	20,000.00	20,000.00	0.00
Total Expenditures	5,392,000.00	5,492,000.00	5,491,973.20	26.80
Excess of Revenues Over (Under) Expenditures	(1,750,955.00)	(1,750,955.00)	(1,086,361.41)	664,593.59
Other Financing Sources (Uses):				
Transfers In	1,228,160.00	1,228,160.00	1,228,160.00	0.00
Transfers Out	0.00	0.00	(71,372.82)	(71,372.82)
Sale of County Property	0.00	0.00	28,762.92	28,762.92
Total Other Financing Sources (Uses)	1,228,160.00	1,228,160.00	1,185,550.10	(42,609.90)
Net Change in Fund Balance	(522,795.00)	(522,795.00)	99,188.69	621,983.69
Fund Balance - beginning, as previously reported	3,383,473.47	3,383,473.47	3,383,473.47	0.00
FUND BALANCE - ENDING	$ 2,860,678.47	$ 2,860,678.47	$ 3,482,662.16	$ 621,983.69

DAY 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
DAY COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
South Dakota Retirement System

*Last 10 Years

Calendar Year	County's Proportion of the Net Pension Liability/Asset	County's Proportionate Share of the Net Pension Liability/Asset	County's Covered Payroll	County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
2024	0.070576%	$ (2,856.90)	$ 1,899,020.07	0.15%	100.00%
2023	0.076248%	$ (7,442.15)	$ 1,895,627.19	0.39%	100.10%
2022	0.077646%	$ (7,338.03)	$ 1,788,957.58	0.41%	100.10%
2021	0.073388%	$ (562,026.48)	$ 1,597,878.68	35.17%	105.52%
2020	0.068386%	$ (2,970.00)	$ 1,438,597.76	0.21%	100.04%
2019	0.063859%	$ (6,767.27)	$ 1,306,876.53	0.52%	100.09%
2018	0.059361%	$ (1,384.43)	$ 1,166,840.33	0.12%	100.02%
2017	0.055880%	$ (5,071.17)	$ 1,092,484.71	0.46%	100.10%
2016	0.055128%	$ 186,216.63	$ 1,015,320.93	18.34%	96.89%
2015	0.058903%	$ (249,824.03)	$ 1,036,764.14	24.10%	104.10%

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

Changes from Prior Valuation

The June 30, 2024, Actuarial Valuation reflects no changes to the plan provisions or actuarial methods and one change to the actuarial assumptions from the June 30, 2023, Actuarial Valuation.

The details of the changes since the last valuation are as follows.

Benefit Provision Changes

During the 2024 Legislative Session no significant SDRS benefit changes were made.

Actuarial Method Changes

No changes in actuarial methods were made since the prior valuation.

Actuarial Assumption Changes

The SDRS COLA equals the percentage increase in the most recent third calendar quarter CPI-W over the prior year, no less than 0% and no greater than 3.5%. However, if the FVFR assuming the long-term COLA is equal to the baseline COLA assumption (currently 2.25%) is less than 100%, the maximum COLA payable will be limited to the increase that if assumed on a long-term basis, results in a FVFR equal to or exceeding 100%.

As of June 30, 2023, the FVFR assuming the long-term COLA is equal to the baseline COLA assumption (2.25%) was less than 100% and the July 2024 SDRS COLA was limited to a restricted maximum of 1.91%. For the June 30, 2023, Actuarial Valuation, future COLAs were assumed to equal the restricted maximum COLA assumption of 1.91%.

As of June 30, 2024, the FVFR assuming future COLAs equal to the baseline COLA assumption of 2.25% is again less than 100% and the July 2025 SDRS COLA is limited to a restricted maximum of 1.71%. The July 2025 SDRS COLA will equal inflation, between 0% and 1.71%. For this June 30, 2024, Actuarial Valuation, future COLAs were assumed to equal the restricted maximum COLA of 1.71%.

Actuarial assumptions are reviewed for reasonability annually and reviewed in depth periodically, with the next experience analysis anticipated before the June 30, 2027, Actuarial Valuation and any recommended changes approved by the Board of Trustees are anticipated to be first implemented in the June 30, 2027 Actuarial Valuation.