

SOUTH DAKOTA
ECONOMIC DEVELOPMENT FINANCE AUTHORITY

FINANCIAL REPORT

(Compiled)

December 31, 2015

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Accountant's Compilation Report

To the Board of Directors
South Dakota Economic Development Finance Authority
Pierre, South Dakota

We have compiled the accompanying financial statements of South Dakota Economic Development Finance Authority (a Non-Major Component Unit of the State of South Dakota) as of December 31, 2015 and for the two quarters then ended, which collectively comprise the Entity's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Entity's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to South Dakota Economic Development Finance Authority.

Clausen & Rice, LLP

Pierre, South Dakota
January 20, 2016

**South Dakota
Economic Development Finance Authority
Statement of Net Position
December 31, 2015
See Accountant's Compilation Report**

ASSETS

Cash and investments	10,287,693.16
Loans receivable - net of allowance of \$283,367	15,279,605.05
Loan interest receivable	66,415.26
Investment income receivable	20,102.04
Accounts Receivable	2,350.00
Deferred Charges	0.00
	<u>0.00</u>
TOTAL ASSETS	25,656,165.51
	<u>25,656,165.51</u>

LIABILITIES

Accounts payable	16,764.00
Accrued interest payable	201,695.63
Due to other governments	389,172.88
Bonds payable	15,290,000.00
Long term loan escrow payable	848,125.97
Amounts held in custody for others	0.00
	<u>0.00</u>
TOTAL LIABILITIES	16,745,758.48
	<u>16,745,758.48</u>

NET POSITION

Restricted for Debt Service	5,000,000.00
Unrestricted	3,910,407.03
	<u>3,910,407.03</u>
TOTAL NET POSITION	8,910,407.03
	<u>8,910,407.03</u>

TOTAL LIABILITIES AND NET POSITION	25,656,165.51
	<u>25,656,165.51</u>

South Dakota
Economic Development Finance Authority
Statement of Revenues, Expenses, & Changes in Net Position
For the Period Ending December 31, 2015
See Accountant's Compilation Report

	Current Period Oct to Dec	Year to Date
OPERATING REVENUE		
Interest income on loans	181,605.53	420,852.97
LESS OPERATING EXPENSES		
Administrative expenses	30,341.05	48,166.65
Interest expense	201,695.63	402,506.29
Refund to Institution	-	-
Payments to Loan Recipients	-	-
	(50,431.15)	(29,819.97)
NET INCOME (LOSS) FROM OPERATIONS		
NONOPERATING REVENUE		
Investment Income	17,675.16	34,188.54
NET INCOME (LOSS)	(32,755.99)	4,368.57
NET POSITION, BEGINNING	8,943,163.02	8,906,038.46
	8,910,407.03	8,910,407.03
NET POSITION, ENDING	8,910,407.03	8,910,407.03

South Dakota
Economic Development Finance Authority
Statement of Cash Flows
For the Period Ending December 31, 2015
See Accountant's Compilation Report

	Current Period Oct to Dec	Year to Date
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	(32,755.99)	4,368.57
Adjustments to Reconcile Net Income to		
Net Cash provided from (used in) Operating Activities:		
(Increase) Decrease in Loans Receivable	419,262.30	730,468.40
(Increase) Decrease in Loan Interest Receivable	-	-
(Increase) Decrease in Investment Income Receivable	(3,369.54)	(4,051.29)
Increase (Decrease) in Accounts Payable	-	-
Increase (Decrease) in Accrued Interest Payable	(201,695.63)	(884.97)
Increase (Decrease) in Due to State General Fund	-	-
Increase (Decrease) in Due to Other Governments	-	-
Increase (Decrease) in Bonds Payable	-	-
Increase (Decrease) in Long Term Escrow Payable	2,164.21	3,083.90
Increase (Decrease) in Amounts Held in the Custody for Others	-	-
	183,605.35	732,984.61
NET INCREASE IN CASH AND INVESTMENTS		
CASH AND INVESTMENTS - BEGINNING	10,104,087.81	9,554,708.55
CASH AND INVESTMENTS - ENDING	10,287,693.16	10,287,693.16