

SOUTH DAKOTA
ECONOMIC DEVELOPMENT FINANCE AUTHORITY

FINANCIAL REPORT
(Compiled)
March 31, 2016

CONTENTS

	<u>Page</u>
ACCOUNTANT'S COMPILATION REPORT ON THE FINANCIAL STATEMENTS	1
FINANCIAL STATEMENTS	
Statement of Net Assets	2
Statement of Revenues, Expenses and Changes in Fund Net Assets	3
Statement of Cash Flows	4

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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 March 31, 2016 and for the three 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
April 27, 2016

South Dakota
Economic Development Finance Authority
Statement of Net Position
March 31, 2016
See Accountant's Compilation Report

ASSETS	
Cash and investments	10,760,133.78
Loans receivable - net of allowance of \$283,367	15,061,456.57
Loan interest receivable	66,415.26
Investment income receivable	18,680.73
Accounts Receivable	2,350.00
Deferred Charges	<u>0.00</u>
TOTAL ASSETS	<u>25,909,036.34</u>
LIABILITIES	
Accounts payable	16,764.00
Accrued Interest payable	403,391.26
Due to other governments	389,172.88
Bonds payable	15,290,000.00
Long term loan escrow payable	850,308.22
Amounts held in custody for others	<u>0.00</u>
TOTAL LIABILITIES	<u>16,949,636.36</u>
NET POSITION	
Restricted for Debt Service	5,000,000.00
Unrestricted	<u>3,959,399.98</u>
TOTAL NET POSITION	<u>8,959,399.98</u>
TOTAL LIABILITIES AND NET POSITION	<u>25,909,036.34</u>

South Dakota
Economic Development Finance Authority
Statement of Revenues, Expenses, & Changes in Net Position
For the Period Ending March 31, 2016
See Accountant's Compilation Report

	<u>Current Period Jan to Mar</u>	<u>Year to Date</u>
OPERATING REVENUE		
Interest income on loans	233,969.89	654,822.86
LESS OPERATING EXPENSES		
Administrative expenses	1,647.99	49,814.64
Interest expense	201,695.63	604,201.92
Refund to Institution	-	-
Payments to Loan Recipients	-	-
NET INCOME (LOSS) FROM OPERATIONS	30,626.27	806.30
NONOPERATING REVENUE		
Investment income	18,366.68	52,555.22
NET INCOME (LOSS)	48,992.95	53,361.52
NET POSITION, BEGINNING	8,910,407.03	8,906,038.46
NET POSITION, ENDING	<u>8,959,399.98</u>	<u>8,959,399.98</u>

South Dakota
Economic Development Finance Authority
Statement of Cash Flows
For the Period Ending March 31, 2016
See Accountant's Compilation Report

	Current Period Jan to Mar	Year to Date
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	48,992.95	53,361.52
Adjustments to Reconcile Net Income to Net Cash provided from (used in) Operating Activities:		
(Increase) Decrease in Loans Receivable	218,148.48	948,616.88
(Increase) Decrease in Loan Interest Receivable	-	-
(Increase) Decrease in Investment Income Receivable	1,421.31	(2,629.98)
Increase (Decrease) in Accounts Payable	-	-
Increase (Decrease) in Accrued Interest Payable	201,695.63	200,810.66
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	2,182.25	5,266.15
Increase (Decrease) in Amounts Held in the Custody for Others	-	-
 NET INCREASE IN CASH AND INVESTMENTS	472,440.62	1,205,425.23
 CASH AND INVESTMENTS - BEGINNING	10,287,693.16	9,554,708.55
 CASH AND INVESTMENTS - ENDING	10,760,133.78	10,760,133.78