

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, JUNE 13, 2017, 9:30 A.M. CT**

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**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, JUNE 13, 2017, 9:30 A.M. CT**

Board Members:

Jeff Erickson

Dale Clement

Tony Klein

Sharon Casey

John Calvin

Michael Luken

Greg Heineman

Ted Husted

Don Kettering

Pat Prostrullo

Tom Jones

Norbert Sebade

Reed Kessler

Non-Voting

Spencer Hawley

Billie Sutton

Lee Qualm

Blake Curd

**Motion Sheet
(STAFF RECOMMENDATIONS)**

Agenda

Motion to approve the agenda as presented.

Motion made by _____ and seconded by _____.

Minutes

Motion to approve the minutes of the meetings held May 9, 2017, June 1, 2017 and June 2, 2017, as presented.

Motion made by _____ and seconded by _____.

Conflicts of Interest Disclosures

Commissioners Comments

Executive Session

Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion made by _____ and seconded by _____.

Chairman: Declare board out of executive session. [a.m.]. Chairman: The BED entered into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

Motion to approve the chairman's report from executive session.

Motion made by _____ and seconded by _____.

Loan Review Summary

Intrinsic Materials, Corp., Marmen Energy Co., MDS Manufacturing, Inc., R & R Holdings, LLC and Sioux Falls Development Foundation

Motion to approve the loan reviews and recommendations as presented.

Motion made by _____ and seconded by _____.

Please note times: Call To Order: _____ Executive Session _____ Regular Session _____ Adjournment _____

Grant Reviews

Economic Development Partnership Program (Brookings Economic Development Corporation, Mitchell Area Development Corporation, Glacial Lakes Area Development (RLF) and Arlington Community Development Corporation (RLF)) and Local Infrastructure Improvement Program (Faulkton Area Economic Development Corporation)

Motion to approve the grant reviews as recommend by staff and Grant Committee.

Motion made by _____ and seconded by _____.

Old Business

City of Valley Springs

Motion to approve extending the grant agreement date to December 31, 2017 as recommended by staff and Grant Committee.

Motion made by _____ and seconded by _____.

New Business

Omega Liner Company, Inc.

Motion to approve the loan request from Omega Liner Company, Inc in the amount of \$508,750. Secured by a shared first mortgage on real estate and the personal guarantees of a principals with 10% or more ownership.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

Motion made by _____ and seconded by _____.

Tower Properties, LLC

Motion to approve the waiver for a loan over \$1,000,000.

Motion made by _____ and seconded by _____.

Tower Properties, LLC

Motion to approve the loan request from Tower Properties, LLC in the amount of \$1,537,500. Secured by a shared first position on the financed assets, the personal guarantees of a principals with 10% or more ownership and a corporate guaranty.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

Motion made by _____ and seconded by _____.

Economic Development Partnership Program

South Eastern Development Foundation (RLF) and First District Association of Local Governments (RLF)

Motion to approve as recommended by staff and Grant Committee.

South Eastern Development Foundation (RLF)

- Approve an Economic Development Partnership grant award to the South Eastern Development Foundation (RLF) in the amount of \$125,000, to be granted in accordance with the board's Economic Development Partnership Award Policy for Revolving Loan Funds.

First District Association of Local Governments (RLF)

- Approve an Economic Development Partnership grant award to the First District Association of Local Governments (RLF) in the amount of \$250,000, to be granted in accordance with the board's Economic Development Partnership Award Policy for Revolving Loan Funds.

Motion made by _____ and seconded by _____.

City of Chamberlain (RLF), City of Freeman and Lake Preston Development Corporation

Motion to deny as recommended by staff and Grant Committee.

Motion made by _____ and seconded by _____.

Local Infrastructure Improvement Program

Town of Dimock, Sioux Falls Development Foundation, City of Elk Point, City of Volga and Four Bands Community Fund

Grant Committee recommended to the Board approving as recommended by staff.

Town of Dimock

- Approve a Local Infrastructure Improvement grant award to Four Bands Community Fund in the amount of \$23,350, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Sioux Falls Development Foundation

- Approve a Local Infrastructure Improvement grant award to the Sioux Falls Development Foundation in the amount of \$200,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

City of Elk Point

- Approve a Local Infrastructure Improvement grant award to the City of Elk Point in the amount of \$200,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

City of Volga

- Approve a Local Infrastructure Improvement grant award to the City of Volga in the amount of \$500,000, upon documentation acceptable to staff that the supported project is proceeding, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Four Bands Community Fund

- Approve a Local Infrastructure Improvement grant award to Four Bands Community Fund in the amount of \$170,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy for Tribal Government Organizations.

Motion made by _____ and seconded by _____.

Reinvestment Payment Program

Win Chill, LLC

Motion to approve the Reinvestment Payment application of Win Chill, LLC as recommended by staff in the board packet.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$360,000, but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Win Chill, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion made by _____ and seconded by _____.

Adjourn

Motion made by _____ and seconded by _____.

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, SD
TUESDAY, JUNE 13, 2017, 9:30 A.M. CT**

REGULAR SESSION AGENDA

- 9:30 A.M. Call To Order, Chairman Jeff Erickson
- 9:35 A.M. **Agenda**
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.
- Minutes**
RECOMMENDED ACTION: Motion to approve the minutes of May 9, 2017, June 1, 2017 and June 2, 2017, as presented.
- Conflicts of Interest Disclosures**
- Monthly Financials**
RECOMMENDED ACTION: No action taken.
- 9:45 A.M. Commissioner's Comments
- 9:55 A.M. **Executive Session**
RECOMMENDED ACTION: Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance applicants.
- 10:45 A.M. **Report from Executive Session**
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.
- Other Motions**
- Loan Review Summary
 - Grant Reviews
 - IEDC Basic Training
 - City of Valley Springs
 - Omega Liner Company, Inc.
 - Tower Properties, LLC
 - Economic Development Partnership Program
 - City of Freeman
 - Lake Preston Development Corporation
 - South Eastern Development Foundation (RLF)
 - First District Association of Local Governments (RLF)
 - City of Chamberlain (RLF)
 - Local Infrastructure Improvement Program
 - Town of Dimock
 - Sioux Falls Development Foundation
 - City of Elk Point
 - City of Volga
 - Four Bands Community Fund
 - Reinvestment Payment Program
 - Win Chill, LLC

Notice is further given to persons with disabilities that this meeting is being held in a physically accessible place. Please notify the above mentioned office within 48 hours of the public hearing if you have special needs for which this agency will make the necessary arrangements.

Participation in the meeting can be at GOED at 711 E Wells Ave, Pierre, South Dakota, or the GOED office at the Zeal Center for Entrepreneurship at 2329 N. Career Avenue, Sioux Falls, South Dakota.

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, MAY 9, 2017, 9:30 A.M. CT**

Members Present

Chairman Jeff Erickson, Dale Clement, Tony Klein, Sharon Casey, John Calvin, Mike Luken, Ted Hustead, Don Kettering, Pat Prostrollo, Tom Jones, Reed Kessler and Billie Sutton

Staff Present

Commissioner Scott Stern, Deputy Commissioner Aaron Scheibe, Cassie Stoesser, Ashley Moore, Katelyn Hump, Cassidy Kulesa, Joe Fiala, Natalie Likness and Dale Knapp

Other Staff Present

Sam Helma - BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 9:35 a.m.

Agenda

A motion was made by Pat Prostrollo and seconded by Tony Klein to approve the agenda as presented.

Motion passed by a roll call vote.

Minutes

A motion was made by Don Kettering and seconded by Dale Clement to approve the minutes of the meetings held April 11, 2017 and May 1, 2017, as presented.

Motion passed by a roll call vote.

Conflicts Disclosure

Chairman Erickson opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. The Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from board members and no objection to proceeding with the agenda.

Executive Session

A motion was made by John Calvin and seconded by Sharon Casey to enter into executive session at 9:52 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the board out of executive session at 10:30 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Mike Luken and seconded by Pat Prostrollo to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Loan Review Summary

Harbor Group Investments, LLC and Watertown Development Company/Nutting

A motion was made by Don Kettering and seconded by Sharon Casey to approve the loan reviews and recommendations as presented.

Motion passed by a roll call vote.

Old Business

Heart of the Hills Development Corporation

A motion was made by Dale Clement and seconded by Ted Husted to deny an exemption waiver for the 2017 GOED Annual Conference.

Motion passed by a roll call vote

Moffatt Products, Inc.

A motion was made by Pat Prostrollo and seconded by Mike Luken to approve the assumption request and ass an additional corporate guarantor.

Motion passed by a roll call vote.

Sioux Falls Development Foundation

A motion was made by Pat Prostrollo and seconded by Don Kettering to approve the collateral release as presented.

Motion passed by a roll call vote.

New Business

Natural Dakota Soy, LLC

A motion was made by Mike Luken and seconded by John Calvin to approve the loan request from Natural Dakota Soy, LLC in the amount of \$495,000. Secured by a shared first position on the financed assets, the limited personal guarantees of a principals with 10% or more ownership and a limited corporate guaranty.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

Reinvestment Payment Program

SD Sun, LLC and SD Sun II, LLC

A motion was made by Pat Prostrollo and seconded by Ted Husted to approve the Reinvestment Payment application to SD Sun, LLC and SD Sun II, LLC as recommended by staff in the board packet.

SD Sun, LLC

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$742,797, but not to exceed seventy percent of State Sales/Use Tax paid on eligible project costs, is approved for SD Sun, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

SD Sun II, LLC

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$742,797, but not to exceed seventy percent of State Sales/Use Tax paid on eligible project costs, is approved for SD Sun II, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion passed by a roll call vote.

Bills

A motion was made by Don Kettering and seconded by Sharon Casey to approve the bill payable to May, Adam, Gerdes & Thompson LLP in the amount of \$4,277.50.

Motion passed by a roll call vote.

Adjourn

A motion was made by Tony Klein and seconded by Dale Clement to adjourn the meeting at 10:38 a.m.

Motion passed by a roll call vote.

Dale Clement, Secretary or
Tony Klein, Treasurer

**CREDIT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
THURSDAY, JUNE 1, 2017, 9:30 A.M. CT**

Members Present

Chairman Jeff Erickson, Dale Clement, Don Kettering, Pat Prostrollo, Nobert Sebade and Reed Kessler

Staff Present

Commissioner Scott Stern, Deputy Commissioner Aaron Scheibe, Cassie Stoesser, Ashley Moore and Cassidy Kulesa

Other Staff Present

Sam Helma and Mike Bietz- BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 9:35 a.m.

Agenda

A motion was made by Don Kettering and seconded by Pat Prostrollo to approve the agenda as presented.

Motion passed by a roll call vote.

Conflicts Disclosure – Chairman Erickson opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. There were none from committee members and no objection to proceeding with the agenda.

Executive Session

A motion was made by Dale Clement and seconded by Reed Kessler to enter into executive session at 9:36 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the Credit Committee out of executive session at 10:12 a.m. The Chairman reported that the Board of Economic Development Credit Committee entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Don Kettering and seconded by Pat Prostrollo to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Loan Reviews

Intrinsic Materials, Corp., Marmen Energy Co., MDS Manufacturing, Inc., R & R Holdings, LLC and Sioux Falls Development Foundation

Credit Committee recommends to the Board approving the loan reviews and recommendations as presented.

Motion was made by Dale Clement and seconded by Don Kettering.

Motion passed by a roll call vote.

New Business

Omega Liner Company, Inc.

Credit Committee recommends to the Board approving the application as presented.

Motion was made by Pat Prostrollo and seconded by Norbert Sebade.

Motion passed by a roll call vote.

Tower Properties, LLC

Credit Committee recommends to the Board approving the application as presented.

Motion was made by Dale Clement and seconded by Don Kettering.

Motion passed by a roll call vote.

Adjourn

A motion was made by Pat Prostrollo and seconded by Dale Clement to adjourn the meeting at 10:15 a.m.

Motion passed by a roll call vote

Dale Clement, Secretary or
Tony Klein, Treasurer

**GRANT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
FRIDAY, JUNE 2, 2017, 9:00 A.M. CT**

Members Present

Chairman Pat Prostrollo, Sharon Casey, Mike Luken and Greg Heineman

Staff Present

Commissioner Scott Stern, Deputy Commissioner Aaron Scheibe, Cassie Stoesser, Katelyn Hump, Cassidy Kulesa and Joe Fiala

Call to Order

Chairman Prostrollo called the meeting to order at 9:02 a.m.

Agenda

A motion was made by Greg Heineman and seconded by Mike Luken to approve the agenda as presented.

Motion passed by a roll call vote.

Conflicts Disclosure – Chairman Prostrollo opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. Sharon Casey declared a potential conflict on City of Chamberlain as she serves on the Lake Francis Development Corporation Board and City Housing Commission and announced she would abstain from the matter. The Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from committee members and no objection to proceeding with the agenda.

Executive Session

A motion was made by Greg Heineman and seconded by Sharon Casey to enter into executive session at 9:07 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the Grant Committee out of executive session at 9:45 a.m. The Chairman reported that the Board of Economic Development Grant Committee entered into Executive Session to discuss commercial and financial information relating to loan and other assistance to applicants. No action taken.

A motion was made by Mike Luken and seconded by Sharon Casey to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Grant Reviews

Economic Development Partnership Program (Brookings Economic Development Corporation, Mitchell Area Development Corporation, Glacial Lakes Area Development (RLF) and Arlington Community Development Corporation (RLF)) and Local Infrastructure Improvement Program (Faulkton Area Economic Development Corporation)

Grant Committee recommends to the Board approving the grant reviews as presented.

A motion was made by Greg Heineman and seconded by Mike Luken.

Motion passed by a roll call vote.

Old Business

City of Valley Springs

Grant Committee recommends to the Board extending the grant agreement date to December 31, 2017.

A motion was made by Mike Luken and seconded by Greg Heineman.

Motion passed by a roll call vote

New Business

Economic Development Partnership Program

South Eastern Development Foundation (RLF) and First District Association of Local Governments (RLF)

Grant Committee recommends to the Board approving as recommended by staff.

South Eastern Development Foundation (RLF)

Approve an Economic Development Partnership grant award to the South Eastern Development Foundation (RLF) in the amount of \$125,000, to be granted in accordance with the board's Economic Development Partnership Award Policy for Revolving Loan Funds.

First District Association of Local Governments (RLF)

Approve an Economic Development Partnership grant award to the First District Association of Local Governments (RLF) in the amount of \$250,000, to be granted in accordance with the board's Economic Development Partnership Award Policy for Revolving Loan Funds.

A motion was made by Mike Luken and seconded by Greg Heineman.

Motion passed by a roll call vote.

City of Freeman and Lake Preston Development Corporation

Grant Committee recommends to the Board denying as recommended by staff.

A motion was made by Greg Heineman and seconded by Mike Luken.

Motion passed by a roll call vote.

City of Chamberlain (RLF)

Grant Committee recommends to the Board denying as recommended by staff.

A motion was made by Mike Luken and seconded by Greg Heineman.

Motion passed by a roll call vote with Sharon Casey abstaining.

Local Infrastructure Improvement Program

Sioux Falls Development Foundation, City of Elk Point, City of Volga, Four Bands Community Fund and Town of Dimock

Grant Committee recommended to the Board approving as recommended by staff.

Sioux Falls Development Foundation

Approve a Local Infrastructure Improvement grant award to the Sioux Falls Development Foundation in the amount of \$200,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

City of Elk Point

Approve a Local Infrastructure Improvement grant award to the City of Elk Point in the amount of \$200,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

City of Volga

Approve a Local Infrastructure Improvement grant award to the City of Volga in the amount of \$500,000, upon documentation acceptable to staff that the supported project is proceeding, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Four Bands Community Fund

Approve a Local Infrastructure Improvement grant award to Four Bands Community Fund in the amount of \$170,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Town of Dimock

Approve a Local Infrastructure Improvement grant award to the Town of Dimock in the amount of \$23,350, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

A motion was made by Greg Heineman and seconded by Mike Luken.

Motion passed by a roll call vote.

Adjourn

A motion was made by Sharon Casey and seconded by Mike Luken to adjourn the meeting at 9:52 a.m.

Motion passed by a roll call vote.

Dale Clement, Secretary or
Tony Klein, Treasurer

**SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND
FINANCIAL REPORT
(Compiled)
April 30, 2017**

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Clausen & Rice, LLP

Certified Public Accountants and Business Consultants

John E. Clausen, CPA

johnclausen.cpa@midconetwork.com

Daniel T. Rice, CPA

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Accountant's Compilation Report

To the Board of Directors
South Dakota Revolving Economic Development and Initiative Fund
Pierre, South Dakota

Management is responsible for the accompanying financial statements of South Dakota Revolving Economic Development and Initiative Fund (an Enterprise Fund of the State of South Dakota) as of April 30, 2017, and the related statements of revenues, expenses and changes in net assets and cash flows for the ten months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these 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, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained on pages 5 through 7 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to South Dakota Revolving Economic Development and Initiative Fund.

Clausen & Rice, LLP

Pierre, South Dakota
May 26, 2017

**SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND
STATEMENT OF NET ASSETS**

April 30, 2017

See Accountant's Compilation Report

ASSETS

Cash and Investments-Unrestricted	\$66,443,937
Cash and Investments-Designated for Approved REDI Loans	5,230,256
Cash-SD Jobs	<u>1,964,443</u>
Total Cash and Investments	\$73,638,636
Accounts Receivable-Bankwest	67,934
Loans Receivable - REDI, net of allowance of \$1,006,074	39,636,636
Loan Interest Receivable	68,270
Net Pension Asset	78,246
Equipment	0
Due From Other Funds	0
Investment Income Receivable	<u>1,515,091</u>

TOTAL ASSETS

\$115,004,813

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows of Resources Related to Pensions	143,558
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>143,558</u>

LIABILITIES

Accounts Payable	\$11,802
Wages and Benefits Payable	\$28,033
Accrued Leave Payable	\$22,224
Due To Other Funds	<u>\$7,926</u>

TOTAL LIABILITIES

\$69,985

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows of Resources Related to Pensions	143,558
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>143,558</u>

NET POSITION

Investment in Capital Assets	0
Unrestricted	<u>114,934,828</u>

TOTAL NET POSITION

\$114,934,828

TOTAL LIABILITIES AND NET POSITION

\$115,148,371

SOUTH DAKOTA REVOLVING

ECONOMIC DEVELOPMENT AND INITIATIVE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

For the Month Ending April 30, 2017

See Accountant's Compilation Report

	<u>Current Period</u>	<u>Year to Date</u>
OPERATING REVENUE		
Interest Income on Loans - REDI	\$58,555	\$589,496
Ethanol Income - REDI	0	0
Other Income - REDI	0	20,080
Building South Dakota Income	0	68,174
LESS OPERATING EXPENSES		
Administrative Expenses	30,956	580,051
Bad Debt Expense	31,318	130,134
Other Expenses	2,584	12,703
Building South Dakota Grants	<u>0</u>	<u>0</u>
NET INCOME (LOSS) FROM OPERATIONS	(\$6,303)	(\$45,138)
NONOPERATING REVENUE		
Investment Income	<u>154,569</u>	<u>1,515,091</u>
CHANGE IN NET POSITION	\$148,266	\$1,469,953
NET POSITION, BEGINNING	114,786,562	113,463,295
Prior period Adjustment	<u>0</u>	<u>1,580</u>
NET POSITION, ENDING	<u><u>\$114,934,828</u></u>	<u><u>\$114,934,828</u></u>

SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND

STATEMENT OF CASH FLOWS

For the Month Ending April 30, 2017

See Accountant's Compilation Report

	<u>Current Period</u>	<u>Year to Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Position	\$148,266	\$1,469,953
Adjustments to Reconcile Net Income to		
Net Cash provided from (used in) Operating Activities:		
(Increase) Decrease in Accounts Receivable - Bankwest	0	0
(Increase) Decrease in Loans Receivable - REDI	(2,497,962)	20,437
(Increase) Decrease in Loan		
Interest Receivable	(14,615)	(37,832)
(Increase) Decrease in Loans Receivable - VASF	0	0
(Increase) Decrease in Equipment	0	0
(Increase) Decrease in VASF Fuel Tax		
Revenues Receivable	0	0
(Increase) Decrease in Investment		
Income Receivable	(154,569)	(510,671)
(Increase) Decrease in Due From Other Funds	0	500,000
(Increase) Decrease in Other Assets	0	0
Increase (Decrease) in Accounts Payable	0	0
Increase (Decrease) in Wages Payable	0	0
Increase (Decrease) in Accrued Leave Payable	0	0
Increase (Decrease) in Grants Payable	0	0
Increase (Decrease) in Due To Other Funds	0	0
	<hr/>	<hr/>
Net Cash provided from (used in) Operating Activities	(\$2,518,880)	\$1,441,887
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Prior Period Adjustment	0	1,580
	<hr/>	<hr/>
NET INCREASE IN CASH AND INVESTMENTS	(\$2,518,880)	\$1,443,467
CASH AND INVESTMENTS - BEGINNING	76,157,516	72,195,169
	<hr/>	<hr/>
CASH AND INVESTMENTS - ENDING	<u>\$73,638,636</u>	<u>\$73,638,636</u>

**SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND**

ADDITIONAL LOAN INFORMATION - REDI

For the Month Ending April 30, 2017

See Accountant's Compilation Report

REDI LOANS APPROVED, NOT ADVANCED

<u>Company Name</u>	<u>Approval Date</u>	<u>Loan Amount</u>
Harbor Group Investments, LLC	5/10/2016	\$ 1,613,000
Weisser Properties, LLC	11/22/2016	\$ 180,000
Red's All Natural, LLC	01/10/2017 & 02/14/2017	\$ 2,133,276
Applied Engineering, Inc.	3/14/2017	\$ 415,230
Omega Liner Company, Inc.	3/14/2017	\$ 888,750
Total		<u>\$ 5,230,256</u>

See Accountant's Compilation Report

REDI LOANS ADVANCED, DURING	April	Advanced Date	Loan Amount
<u>Company Name</u>		<u> </u>	<u> </u>
Vermillion Area Chamber of Commerce & Development Company		4/24/2017	\$2,730,087

REDI LOANS PAID OFF, DURING	April	Pay-off Date	Original Loan Amount
<u>Company Name</u>		<u> </u>	<u> </u>
None			

REDI LOANS WROTE OFF, DURING	April	Wrote-off Date	Amount Wrote-off
<u>Company Name</u>		<u> </u>	<u> </u>
None			

REDI LOANS WITHDRAWN, DURING	April	Withdrawal Date	Withdrawn Amount
<u>Company Name</u>		<u> </u>	<u> </u>
None			

**SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND
ADDITIONAL LOAN INFORMATION - SDJP
For the Month Ending April 30, 2017
See Accountant's Compilation Report**

SOUTH DAKOTA JOBS PROGRAM CASH & INVESTMENTS BALANCE

Dedicated SDJP Fund Cash and Investments Balance	3/31/2017	\$1,964,443
Plus: Investment Council Interest		0
South Dakota Jobs		0
		0
Less:		0
		0
		0
Dedicated SDJP Fund Cash and Investments Balance	4/30/2017	<u>\$1,964,443</u>

SOUTH DAKOTA JOBS PROGRAM CASH & INVESTMENTS BALANCE APPROVED, NOT ADVANCED

RESTRICTED

<u>Company Name</u>	<u>Approval Date</u>	<u>Amount Remaining</u>	
Sapa Extrusions, Inc.	9/9/2014	24,280	\$24,280 Authorized
			\$0 Disbursed
Applied Engineering, Inc.	3/14/2017	39,801	\$39,801 Authorized
			\$0 Disbursed
Omega Liner Company, Inc.	3/14/2017	90,000	\$90,000 Authorized
			\$0 Disbursed
		<u>\$154,081</u>	

UNRESTRICTED

Total South Dakota Jobs Program Cash and Investments	\$1,964,443
Less Cash and Investments-Restricted for Approved Loans/Grants	\$154,081
Total Unrestricted South Dakota Jobs Program Cash and Investments	<u>\$1,810,362</u>