

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, OCTOBER 24, 2017, 9:30 A.M. CT**

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**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, OCTOBER 24, 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
Prostrollo*

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 September 12, 2017 and October 16, 2017, as presented.

Motion made by _____ and seconded by _____.

Conflicts of Interest Disclosures

Annual Report/Audit Report

Motion to approve the 2017 Annual Report/Audit Report as presented.

Motion made by _____ and seconded by _____.

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

Bel Brands USA, Inc, RTI Holdings, LLC/RTI, LLC and NEVCO, LLC/RTI, LLC

Motion to approve the loan review and recommendation as presented.

Motion made by _____ and seconded by _____.

Old Business

Faulkton Area Economic Development Corporation

Motion to approve extending the grant agreement date to December 31, 2017, retroactive to August 10, 2017.

Motion made by _____ and seconded by _____.

Please note times:

Call To Order: _____

Executive Session _____

Regular Session _____

Adjournment _____

Otter Tail Power Company

Motion to approve extending the construction commencement date to April 2019.

Motion made by _____ and seconded by _____.

Rosebud Economic Development Corporation

Motion to approve extending the grant agreement date to April 11, 2018, retroactive to October 11, 2017.

Motion made by _____ and seconded by _____.

New Business

Fiedler Holdings, LLC

Motion to approve the waiver for a loan over \$1,000,000 and approve the loan request from Fiedler Holdings, LLC in the amount of \$1,152,338. Secured by a sole first collateral position on real estate and the personal guarantees of 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 _____.

South Dakota Jobs Program

Century Custom Molding, Inc.

Motion to approve the South Dakota Jobs grant application of Century Custom Molding, Inc. as recommended by staff in the board packet.

Having considered the applicable factors and the likelihood the project would not occur in South Dakota without a grant, a South Dakota Jobs grant in the amount of \$76,500, but not to exceed 100% of the State Sales and Use Tax paid on eligible equipment costs, is approved for Century Custom Molding, Inc. The project as completed must be substantially similar to the project described in the application and must comply with the applicable deadlines and requirements set forth in statute and administrative rule.

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, OCTOBER 24, 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 September 12, 2017 and October 16, 2017, as presented.

Conflicts of Interest Disclosures

Approve Annual Report/Audit Report
RECOMMENDED ACTION: Motion to approve the 2017 Annual Report/Audit Report as presented.

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
Faulkton Area Economic Development Corporation
Otter Tail Power Company
Rosebud Economic Development Corporation
Fiedler Holdings, LLC
South Dakota Jobs Program
Century Custom Molding, Inc.

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, SEPTEMBER 12, 2017, 9:30 A.M. CT**

Members Present

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

Staff Present

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

Other Staff Present

Sam Helma - BankWest, Inc.

Others Present

Bob Mercer

Call to Order

Chairman Erickson called the meeting to order at 9:31 a.m.

Agenda

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

Motion passed by a roll call vote.

Minutes

A motion was made by John Calvin and seconded by Don Kettering to approve the minutes of the meetings held August 8, 2017, August 29, 2017 and September 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. Don Kettering declared a potential conflict on Doyle Family Land Company, LLC application due to his service at First Dakota National Bank and Yankton Area Progressive Growth as he is an investor and serves on the Board of Directors and announced he would abstain from the matter and Sharon Casey declared a potential conflict on City of Chamberlain (RLF) 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 Don Kettering and seconded by Ted Husted to enter into executive session at 9:43 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 Ted Husted and seconded by John Calvin to approve the Chairman's report from executive session.

Motion passed by a roll call vote.

Loan Review Summary

PEDCO/Eagle Creek and PEDCO/South Dakota Pulse Processors

A motion was made by Dale Clement and seconded by Don Kettering to approve the loan review and recommendation as presented.

Motion passed by a roll call vote.

Grant Reviews

Economic Development Partnership Program (Belle Fourche Development Corporation, City of Wall, Zeal Center For Entrepreneurship, Brookings Economic Development Corporation (RLF) and Burke Business Promotion Corporation (RLF)) and Reinvestment Payment Program (Novita Aurora, LLC)

A motion was made by Don Kettering and seconded by Mike Luken to approve the grant reviews as recommended by staff and Grant Committee.

Motion passed by a roll call vote.

New Business

Doyle Family Land Company, LLC

A motion was made by Sharon Casey and seconded by Reed Kessler to approve the waiver for a loan over \$1,000,000 and approve the loan request from Doyle Family Land Company, LLC in the amount of \$1,755,000. Secured by a shared first collateral position on real estate, the personal guarantees of 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 passed by a roll call vote with Don Kettering abstaining.

JMo Holdings, LLC

A motion was made by Dale Clement and seconded by Norbert Sebade to approve the waiver for a loan over \$1,000,000 and approve the loan request from JMo Holdings, LLC in the amount of \$3,600,000. Secured by a shared first collateral position on real estate, the personal guarantees of 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 passed by a roll call vote.

R & R Holdings, LLC

A motion was made by Mike Luken and seconded by Ted Husted to approve the loan request from R & R Holdings, LLC in the amount of \$900,000. Secured by a shared first collateral position on real estate, cross collateralized with the current mortgage, assignment of lease and the personal guarantees of 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 passed by a roll call vote.

Vermillion Area Chamber of Commerce & Development Company/Innovative Proteins USA

A motion was made by Dale Clement and seconded by Don Kettering to approve the waiver for a loan over \$1,000,000, a waiver of equity less than 10% and approve the loan request from Vermillion Area Chamber of Commerce & Development Company/Innovative Proteins USA in the amount of \$1,696,500. Secured by a shared first position on the land and building and assignment of leases for the property.

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 passed by a roll call vote.

Economic Development Partnership Program

City of Box Elder, Sisseton Economic Development Corporation, City of Chamberlain (RLF) and Areawide Business Council, Inc. (RLF)

A motion was made by Mike Luken and seconded by John Calvin to deny as recommended by staff and Grant Committee.
Motion passed by a roll call vote with Sharon Casey abstaining.

Local Infrastructure Improvement Program

City of Box Elder and Yankton Area Progressive Growth

A motion was made by Norbert Sebade and seconded by Ted Husted to approve as recommended by staff and Grant Committee.

City of Box Elder

Approve a Local Infrastructure Improvement grant award to the City of Box Elder in the amount of \$379,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Yankton Area Progressive Growth

Approve a Local Infrastructure Improvement grant award to Yankton Area Progressive Growth in the amount of \$88,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Motion passed by a roll call vote with Don Kettering abstaining.

South Dakota Jobs Program
VRC Metal Systems, LLC

A motion was made by Mike Luken and seconded by John Calvin to approve the South Dakota Jobs grant application of VRC Metal Systems, LLC as recommended by staff in the board packet.

Having considered the applicable factors and the likelihood the project would not occur in South Dakota without a grant, a South Dakota Jobs grant in the amount of \$45,000, but not to exceed 50% of the State Sales and Use Tax paid on eligible equipment costs, is approved for VRC Metal Systems, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the applicable deadlines and requirements set forth in statute and administrative rule. Motion passed by a roll call vote.

Adjourn

A motion was made by Dale Clement and seconded by Tony Klein to adjourn the meeting at 10:41 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
MONDAY, OCTOBER 16, 2017, 1:00 P.M. CT**

Members Present

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

Staff Present

Deputy Commissioner Aaron Scheibe, Cassie Stoesser and Ashley Moore

Other Staff Present

Sam Helma and Mike Bietz- BankWest, Inc.

Call to Order

Chairman Erickson called the meeting to order at 1:01 p.m.

Agenda

A motion was made by Pat Prostrollo and seconded by Dale Clement 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. Jeff Erickson declared a potential conflict on Roto Mold, LLC due to his service at American Bank and Trust and announced he would abstain from the matter. Don Kettering declared a potential conflict on Fiedler Holdings, LLC as he is an investor and serves on the Board of Directors of Yankton Area Progressive Growth and announced he 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 Don Kettering and seconded by Norbert Sebade to enter into executive session at 1:03 p.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 1:57 p.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 Norbert Sebade and seconded by Don Kettering to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Loan Reviews

Aberdeen Development Corporation was discussed but no action was taken

Bel Brands USA, Inc., RTI Holdings, LLC/RTI, LLC and NEVCO, LLC/RTI, LLC
Credit Committee recommends to the Board approving the loan reviews and recommendations as presented.

Motion was made by Pat Prostrollo and seconded by Don Kettering.
Motion passed by a roll call vote.

New Business

Fiedler Holdings, LLC

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

Motion was made by Dale Clement and seconded by Pat Prostrollo.
Motion passed by a roll call vote with Don Kettering abstaining.

Roto Mold, LLC was discussed but no action was taken.

Adjourn

A motion was made by Dale Clement and seconded by Pat Prostrollo to adjourn the meeting at 2:00 p.m.

Motion passed by a roll call vote

Dale Clement, Secretary or
Tony Klein, Treasurer

SOUTH DAKOTA

REDI FUND

REVOLVING ECONOMIC DEVELOPMENT & INITIATIVE FUND

JUNE 30, 2017 • ANNUAL FINANCIAL REPORT

Board of Economic Development Members

Jeff Erickson, Chairman, currently serves as the Vice Chairman of American Bank & Trust and serves on the Board of Directors of Schwan Food Company. In addition to serving as the Chair of the Governor's Office Board of Economic Development (BED), he is currently the Chairman of the South Dakota Banking Commission and serves as a board member for the Economic Development Finance Authority. He was previously the President and Chief Executive Officer of Great Western Bank. Previously, he was the Chairman of Governor Dennis Daugaard's Transition Team in 2010, and has also served as Vice Chairman of the South Dakota Ellsworth Development Authority, Chairman of Focus Watertown and the Watertown Development Company and also has served as the President of the Watertown Area Chamber of Commerce and as a Board Member of the Sioux Falls Development Foundation. A graduate of Northern State University in Aberdeen, South Dakota, he was named "Distinguished Alumni of 2008". In addition, Mr. Erickson is a graduate of the Pacific Coast Banking School at the University of Washington in Seattle, Washington; and is a graduate of the University of Iowa Executive Development Program in Iowa City, Iowa. Mr. Erickson has worked in the financial services industry for over 30 years. He has been married to his wife, Linda, for 39 years and has four children; Kim, Beth, Scott and Jamie. He also has ten grandchildren. In addition to enjoying time spent with his family, he enjoys sharing sporting events with friends, either as a spectator or participant. He and his family believe in giving back to the communities they live in by volunteering both time and money to worthwhile causes.

Pat Prostrollo, Vice-Chairman, was born and raised in Madison, SD and graduated from USD in 1975. After college he moved to Couer d' Alene, Idaho and worked for a year and a half. In 1976 he joined his father, Jerry Prostrollo in the automobile business in Madison, SD. In 1982 he purchased the Chevrolet/Buick dealership in Huron SD and 10 years later he moved back to Madison and became a partner with his father in their GM-Chrysler-Ford dealerships. In 1995 Mr. Prostrollo purchased the GM-Ford-Chrysler dealerships from his father and still owns them today. He and his wife Deb and have 2 grown children and 5 grandchildren.

Dr. Dale Clement, Secretary, graduated from Tarkio College in Missouri in 1954. He then served in the Army from 1955-1957. Dr. Clement earned a Masters of Arts degree in Finance from the University of Nebraska in 1958, followed by a PhD from the University of Nebraska-Lincoln in Finance in 1965. He was a professor of Finance at the University of South Dakota from 1963-1989 and was Dean of the Business School from 1968-1989. Dr. Clement served as Chief Financial Officer of Black Hills Corporation from 1989-1997. He was the Founding Director of the J T Vucurevich Foundation, where he has served as President from 1990 to present. Dr. Clement was awarded an Honorary Doctorate from Tarkio College in Missouri. The Dean's 1-wing of the School of Business at USD was named in his honor for 26 years of service. He was named to the Board of Economic Development the day Governor Mickelson died. Dr. Clement and his wife Barbara have two children.

Tony Klein, Treasurer, is an original member of the Board of Economic Development. Mr. Klein started Klein's Office Equipment in 1963 in Pierre and operated it until 1994. He also owned and managed numerous commercial real estate properties and was self-employed as a real estate appraiser for over 17 years. Mr. Klein has served as a Hughes County commissioner for 7 years and has served on the boards of numerous charitable foundations. Mr. Klein has also served as a local Jaycee president and State Vice President, along with serving on the Pierre Chamber of Commerce as a board member & past president.

Sharon Casey is an original member of the Board of Economic Development, appointed by Governor Mickelson. She is a businesswoman, formerly co-owner of Casey Drug and Jewelry and serves as a board member for the Economic Development Finance Authority. Sharon remains active in her local community, including as a board member of the Lake Francis Case Development, a council member and a building committee member of the St. James Catholic Church, and a member of the Kiwanis Club. She also has served on the board of the South Dakota Art Museum, Employer Support for the Guard Reserve (ESGR), and is a past President of the Chamberlain Chamber of Commerce. Sharon placed foreign exchange students and teachers with Youth for Understanding from 1971 to 1980. During that time they hosted exchange students from Brazil, Yugoslavia, Norway, Philippines, Holland and France. Sharon attended South Dakota State University. Sharon

and her husband now enjoy catching up on the activities of their four children, 12 grandchildren and 3 great grandchildren and taking in frequent travels.

D. Greg Heineman is CEO and Chairman of the Board of Williams Insurance. He began his insurance career while a senior economics major at SDSU. Mr. Heineman has served as the President of the Sioux Falls Life Underwriters Association, and in 1977 he was awarded the Art B. Mitchell award as the South Dakota Outstanding Young Life Underwriter. He has won numerous production awards and served on many advisory boards for insurance companies throughout his career. Mr. Heineman has served as President of the Make-A-Wish foundation of SD as well as a member of the Sioux Falls Area Foundation, Catholic Diocese Foundation for Eastern SD and Sioux Falls Catholic Schools Foundation. He has also been active in fundraising at his community Catholic Church, and Sioux Falls Catholic Schools. In addition to Williams Insurance, Mr. Heineman and his son Mike own the Sioux Falls Skyforce of the NBA Development League. He and his son Nick own Look's Market. Greg's oldest son Robb is the CEO and part of the ownership group for Sporting Kansas City of Major League Soccer. His wife Phyllis was a South Dakota State Senator and served in the Legislature for 15 years. In addition to three sons, the Heinemans, who have been married 46 years, have three daughters-in-law and eight grandchildren.

Mike Luken is a native of Watertown, South Dakota. He has been involved in farming in Northeast South Dakota, custom combining, and reconditioning the former Memorial Hospital to develop affordable housing in the community. He has also started numerous businesses that include a tanning salon, Glacial Lakes Bottling and Marketing, and Express Photo with locations in both Watertown and Sioux Falls. Mr. Luken was also part of the Discount Farm Center and later was hired by ABT to manage the operation. Currently Mr. Luken sells real estate for Hoftiezer Real Estate in Watertown. He is a past chairman of the Board for the Watertown Area Chamber of Commerce and was appointed to the Watertown Municipal Utilities Board by Mayor Gary Williams and is a past president. Current Mayor Steve Thorson also re-appointed Mr. Luken to serve another 5 year term to the Watertown Municipal Utilities Board. Mr. Luken is also involved in many other civic and private organizations. He has one daughter, Jennifer, and a son-in-law, Chris Loiseau, and a 13 year old granddaughter.

John Calvin is currently the CEO and sole owner of J. Scott Industries, an operating company in Watertown that makes significant investments in and helps small businesses. Before starting J. Scott Industries, Mr. Calvin owned Angus Palm Industries in Watertown, which he later sold to the employees. Angus Industries was approved for the first REDI Fund loan in 1987. This company manufactures quality roll-over protective systems, cabs and custom steel fabrications. Mr. Calvin held many Senior Executive positions in the Lockheed Martin Corporation, along with positions in other publicly traded companies. Throughout his career, he has been involved in countless other business ventures. He received high Masonic honors in both Scottish Rite and York Rite. Mr. Calvin served as the cabinet secretary of the Office of Tourism and State Development from April 2003 to December 2003. Currently, he is a member of the Board of Directors of Prairie Lakes Healthcare System. Mr. Calvin is a graduate of the University of Michigan with a degree in pre-law studies; he also completed graduate seminars at Columbia and Rutgers Universities.

Don Kettering is a South Dakota born, farm-raised, Brentford High School, Northern State College (BA) and South Dakota State University (MA) graduate. He trained in the United States Army and has worked in agricultural banking for the past 39 years. Mr. Kettering and his wife have two children and five grandchildren. He has lived and worked in the Yankton community for almost forty years. Mr. Kettering currently serves as a board member for the Economic Development Finance Authority and as Chairman of the Yankton County Commission and has been actively involved in economic development, infrastructure improvements and planning and zoning. He enjoys hunting, fishing, golf, gardening, and woodworking as pastime activities. Working with community and State organizations that promote growth and opportunities for others has been very gratifying for him.

Ted Husted is the former President of Wall Drug Store. He graduated from the University of North Dakota in 1980 with a BA Degree in Political Science and Economics. He also successfully completed the 3 year OPM Program at Harvard Business School. Mr. Husted also serves on the Governor's Tourism Board and enjoys

being involved in South Dakota politics. He is a former board member of the South Dakota Hall of Fame. Mr. Husted is married to his wife Karen and they have two children Willie and Lane, and lives in Wall, South Dakota. He believes that, "South Dakota is a great place to raise a family, be in business, and retire."

Tom Jones is currently owner of Jones' Food Center in Viborg, which he has owned since 1979. He was previous owner of Jones' Food Centers in Lake Andes, Alcester, Springfield, Parker, Vermillion and Missouri Valley, IA. Mr. Jones graduated from Huron College in December 1962 with a degree in Bachelor of Arts and in May of 1969 from South Dakota State University with a Master's Degree in Education Administration. Mr. Jones also was previous owner of Sunny Side Plaza in Hartford, Southeastern Overhead Door, Ltd in Mitchell and Beresford and Dakota Ace Hardware in Viborg. Tom currently serves as a board member for the Economic Development Finance Authority and has previously served as a Viborg City Council Member, Chairman of the Viborg Economic Development Board, 4-H Turner County Horse Leader, Chairman of the South Dakota 4-H Horse Board, Active Money Raiser for Make-A-Wish, South Dakota Sports Hall of Fame Advisory Board, South Dakota Hall of Fame Board Member, South Dakota Rodeo Association Board, United State Team Penning Association Board, National Cutting Horse Association, Masonic Member of Joppa Lodge, El Riad Shrine Member, South Dakota House of Representatives from 2011-2012 and the South Dakota Senate from 2012-13. He also has served as a head and assistant basketball coach at the college and high school level. Mr. Jones has also been named Business Man of the Year, is in the Huron College Hall of Fame, was an All American College Football player, and was Coach of the Year at the college and high school levels. He and his wife Linda have 2 daughters and 5 grandchildren.

Norbert Sebade graduated from BHSU with a degree in Business Administration. He spent 43 years in banking and retired in 2010 as Regional President of First Interstate Bank. Mr. Sebade has served on the Children's Home Foundation and is the Chairman of the South Dakota Health & Education Authority and also serves on the South Dakota Community Foundation and the First Interstate Greater Wall Foundation. He and his wife Jane have two children and two grandchildren.

Reed Kessler is owner, EVP, and COO of Kessler's Inc. in Aberdeen, SD. He was not only born and raised in Aberdeen, SD, but also brought up in the family business of retail. After graduating from Roncalli High School, he attended Saint John's University in Minnesota. While at Saint John's, he studied Economics, Entrepreneurship, and Classical Guitar. He was also able to spend time living and studying business in China. Mr. Kessler graduated Magna Cum Laude with a Bachelor of Arts Degree. While living in Minnesota, he spent a number of years working with Coborn's Inc., Northwestern Mutual, and Associated BankCorp. In late 2008, he and his wife, Kristina, returned to South Dakota, and he dove head first back into the family business. Under his leadership, Kessler's Inc. has grown to include new investments in fuel, pharmacy, and real estate around the state. Reed currently is a board member with the National Grocers Association and Board President of the Aberdeen YMCA. He and Kristina are raising a family of their own which includes three beautiful children.

Non-Voting Legislative Members

Spencer Hawley is the owner of Hawley Insurance Services in Brookings, SD and has been in the insurance business for 40 years. He is a graduate from South Dakota State University. Mr. Hawley is retired from the military after serving 30 years with the South Dakota Army National Guard, and attaining the rank of Colonel. He was appointed to the SD Game, Fish and Parks Commission from 2003 to 2010 and served as chair. Mr. Hawley's many civic affiliations include Past President of the Brookings Chamber of Commerce committee; Past President of the SD Parks and Wildlife Foundation and Past President of the Brookings Economic Development Corporation. He is also a member and past State President of the Independent Insurance Agents of South Dakota. Colonel (RET) Hawley is past President of the National Guard Association of South Dakota. He currently is a regional representative for the South Dakota ESGR committee (Employer Support for the Guards and Reserves). He was elected to the SD House of Representatives in 2010 and currently is in his 4th term. Representative Hawley is the House Minority leader and is on the House State Affairs and House Commerce and Energy Committees and SD Legislative Executive board. He and his wife, Barbara Ann, have four children and 5 grandchildren.

Billie H. Sutton a fifth generation South Dakotan, grew up on his family's ranch northeast of Burke, SD. He was valedictorian of his Burke High School graduating class and attended the University of Wyoming in Laramie on a full-ride rodeo scholarship and earned his bachelor's degree in Business Finance. Billie went on to rodeo professionally and was in the top 30 in the world in the professional rodeo ranks. Billie's rodeo career was cut short when he was paralyzed in a rodeo accident while competing at the Circuit Finals Rodeo. Billie resides in his hometown of Burke, SD. He still rides horses and has a cattle operation with his family. Billie previously served as manager of the South Central South Dakota Hay Association and now works for First Fidelity Bank as an Investment Executive. Billie was elected to the State Senate in 2010 and is now in his fourth term representing District 21. Billie has also served three years as the Senate Minority Leader. Billie is married to Kelsea Kenzy Sutton, an attorney with First Fidelity Bank and County Commissioner in Gregory County. Billie and Kelsea also have a young son named Liam.

Lee Qualm, who was born and raised west of Platte, SD is serving in the SD House of Representatives and is the House Majority Leader. Lee serves on the Ag Land Task Force, the Executive Board, State Affairs Committee and Chairman of the Non-meandering Waters Task Force. He is a 4th generation farmer and continues to manage and operate the family owned farm in a cash grain business. Lee and his wife Trudy have 4 married children and 10 grandchildren. Lee and Trudy built, owned and managed Gramps Lodge west of Platte. Lee was a Founding Board Member of the SD Corn Growers serving as President in '91-'92. He has served on the local Co-op and Farm Bureau boards in the past. He served as President of his church during a fund raising and building project which was completed in 2000. Lee has in the past been a church youth group leader plus has coached baseball and softball.

Dr. R. Blake Curd, MD, is a board certified Orthopedic surgeon specializing in hand, upper extremity and microvascular surgery. Dr. Curd graduated from University of Missouri at Kansas City School of Medicine, performed his residency at the Orthopedic Surgery Wilford Hall Medical Center and completed a fellowship in hand, upper extremity and microvascular surgery at the Indiana Hand Center. In addition to his work as a physician at the Orthopedic Institute of Sioux Falls, Dr. Curd is the associate team physician for the Sioux Falls Stampede and Sioux Falls Canaries. He also serves as the president elect of Physician Hospitals of America, is Chairman of the Board for the Surgical Management Professionals and is a Board Member of Medical Facilities Corporation. Dr. Curd is currently a South Dakota State Senator and serves as the Majority Leader.

Loan Portfolio

Board of Economic Development Activity
Loans Approved Fiscal Year 2017

COMPANY	PROJECTED JOBS	REDI FUND LOAN AMOUNT	TOTAL PROJECT AMOUNT	COMMUNITY
Applied Engineering, Inc. *	6	\$1,122,600.00	\$2,494,670.00	Yankton
Intrinsic Materials Corp.	229	\$594,000.00	\$1,481,228.00	Rapid City
Natural Dakota Soy, LLC	10	\$495,000.00	\$1,100,000.00	Aberdeen
Omega Liner Company, Inc.	18	\$888,750.00	\$1,975,000.00	Canton
Omega Liner Company, Inc.	see above	\$508,750.00	\$2,035,000.00	Canton
Red's All Natural, LLC	40.5	\$2,133,276.00	\$4,740,613.00	North Sioux City
Tower Properties, LLC	65	\$1,537,500.00	\$4,000,000.00	Sioux Falls
Weisser Properties, LLC	10	\$180,000.00	\$400,000.00	Tea
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FY 2017 Total: 8 loans	378.5	\$7,459,876.00	\$18,226,511.00	

*Approved for \$415,230 in March, then amount increased subsequent to Fiscal Year End 2017

**REDI Fund Company Activity
September 1987 through June 2017**

<u>Company</u> <u>(County in Bold)</u>	Total Loan Amount	Total Project Amount	Projected FTE Jobs
AURORA			
B&H Holding Company	\$108,000	\$243,000	24.00
Pure Pulp Products, Inc.	\$1,375,000	\$5,972,000	166.00
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	\$1,483,000	\$6,215,000	190.00
BEADLE			
American Foods Group, Inc. I	\$500,000	\$7,790,000	116.00
American Foods Group, Inc. II/Huron	\$279,400	\$1,220,000	57.00
American Foods Group, Inc. III/Huron	\$500,000	\$1,750,000	146.00
Dakota Turkey Growers, LLC	\$3,000,000	\$58,450,000	387.00
Dak-Lan, LLC	\$194,527	\$1,029,241	7.00
Horizontal Machining & Mfg	\$700,000	\$2,268,430	35.00
Huron Manufacturing Company	\$65,000	\$200,000	12.00
Industrial Manufacturing of SD, Inc. I	\$275,000	\$700,000	35.00
Industrial Manufacturing of SD, Inc. II	\$420,413	\$973,761	54.00
Industrial Manufacturing of SD, Inc. III	\$650,000	\$2,030,000	60.00
Midcom, Inc.	\$600,000	\$2,155,000	167.50
Overbuilt, Inc.	\$750,000	\$3,341,908	72.00
Prairie Trends, Inc.	\$50,000	\$300,000	17.00
Protective Coating Specialists, Inc.	\$100,000	\$240,000	30.00
Raven Industries, Inc. II/Huron	\$245,000	\$1,855,000	50.00
Riverside Manufacturing LLC	\$300,000	\$950,000	60.00
Shallbetter, Inc.	\$144,000	\$320,955	63.00
Trussbilt, Inc. I	\$700,000	\$3,223,000	151.00
Trussbilt, Inc. II	\$315,000	\$1,450,000	54.00
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	\$9,788,340	\$90,247,295	1,573.50
BON HOMME			
Broin Enterprises, Inc.	\$112,000	\$312,000	14.00
Rush Company	\$750,000	\$2,014,250	36.00
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	\$862,000	\$2,326,250	50.00
BROOKINGS			
Bel Brands USA, Inc. (2 loans)	\$8,000,000	\$166,920,000	365.00
Biogenetics Services, Inc.	\$131,988	\$560,000	14.50
Brookings Economic Dev. Corp	\$550,000	\$3,465,000	11.00
Counterpart, Inc.	\$175,000	\$1,480,000	35.00
Counterpart, Inc. #3	\$558,775	\$2,205,745	60.00
Dakota Services, LLC I	\$150,000	\$535,000	29.00
Dakota Services, LLC II	\$200,000	\$787,000	39.00
Daktronics, Inc. I	\$112,500	\$250,000	33.50
Daktronics, Inc. II	\$400,000	\$900,000	96.00
Falcon Plastics, Inc III	\$348,000	\$3,620,000	50.00
Larson Manufacturing, Inc. I	\$750,000	\$3,056,901	92.00
Larson Manufacturing, Inc. II	\$750,000	\$2,350,000	87.00
Larson Manufacturing, Inc. III	\$1,500,000	\$6,270,000	191.00
Larson Manufacturing, Inc. IV	\$1,500,000	\$4,300,000	300.00
Lomar Development Company, LLP	\$1,023,750	\$2,600,000	50.00
Maize Properties, Inc. I	\$50,000	\$340,786	16.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity			Projected
Company	Total Loan	Total Project	FTE
(County in Bold)	Amount	Amount	Jobs
BROOKINGS(Con't.)			
Maize Properties, Inc. II	\$126,450	\$281,000	24.00
Maize Properties, Inc. III	\$208,000	\$603,441	19.00
Measurement Technologies	\$100,000	\$800,000	16.00
Metalworks, LLC	\$500,000	\$1,600,000	25.00
Prince Manufacturing Corp.	\$400,000	\$2,750,000	50.00
Rainbow Play Systems, Inc.	\$400,000	\$2,954,500	83.00
Rainbow Play Systems, Inc. II	\$1,500,000	\$6,500,000	100.00
RTI, LLC/NEVCO, LLC	\$250,000	\$570,000	7.50
RTI, LLC/RTI Holdings, LLC	\$825,000	\$3,300,000	11.50
Sitel Corporation	\$157,500	\$349,500	104.50
South Dakota Soybean Processors	\$1,050,000	\$37,700,000	68.00
TCF Industries, Inc.	\$200,000	\$937,500	61.50
TCF & Blower II	\$850,000	\$3,700,000	170.00
Twin City Fan Companies, LTD #2	\$233,564	\$519,032	25.00
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	\$23,000,527	\$262,205,405	2,234.00
BROWN			
Aberdeen Development Corporation/Four Star Plastics (I)	\$75,000	\$250,000	27.50
Aberdeen Development Corporation/Four Star Plastics (II)	\$1,350,000	\$3,200,000	N/A
Aberdeen Development Corporation/Verifications	\$1,000,000	\$3,000,000	200.00
Aberdeen Development Corporation/Progressive Financials (I)	\$300,000	\$730,000	100.00
Aberdeen Development Corporation/Coventry Health	\$1,600,000	\$3,600,000	200.00
Aberdeen Development Corporation/MFG	\$4,500,000	\$21,218,869	708.00
Aberdeen Development Corporation/Progressive Financials (II)	\$100,000	\$300,000	40.00
Aberdeen Development Corporation/Magnum Trucking	\$350,000	\$1,450,000	15.00
Cabinets Dakotah	\$25,000	\$60,000	6.00
Colorworks, LLC	\$50,000	\$410,000	18.00
FMC Corporation	\$200,000	\$410,000	18.00
Glacial Lakes Energy, LLC	\$1,215,000	\$2,750,000	N/A
Midcom, Inc. II	\$1,000,000	\$410,000	18.00
Midstates Printing, Inc.	\$100,000	\$410,000	18.00
Midstates Printing, Inc. #3	\$1,000,000	\$3,350,000	129.00
Mutual of Omaha Insurance Co.	\$675,000	\$410,000	18.00
Natural Dakota Soy, LLC**	\$495,000	\$1,100,000	10.00
NE Venture, Inc. I	\$166,667	\$1,200,000	106.00
NE Venture, Inc. II	\$233,333	\$600,000	41.00
NECOG-DC (RRLF)	\$500,000	\$410,000	18.00
Sheldahl, Inc.	\$1,000,000	\$2,850,000	50.00
TCF Aerovent, Inc.	\$500,000	\$8,735,000	186.00
Tempus Nutritionals, Inc.	\$210,000	\$545,000	30.00
Western Printing	\$100,000	\$555,000	65.00
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	\$16,745,000	\$57,953,869	2,021.50
BRULE			
Lake Francis Case Dev. Co./A Square	\$300,000	\$675,072	24.00
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	\$300,000	\$675,072	24.00
CHARLES MIX			
Aristo Industries, Inc.	\$41,000	\$91,500	20.00
Boyd's Gunstock Industries, Inc. I	\$35,000	\$155,000	15.50
Boyd's Gunstock Industries, Inc. II	\$40,000	\$88,900	17.00
Dakotah, Inc. III	\$300,000	\$3,070,000	60.00
Filters Co., Inc.	\$200,000	\$600,000	50.00
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	\$616,000	\$4,005,400	162.50

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity

<u>Company</u> <u>(County in Bold)</u>	Total Loan Amount	Total Project Amount	Projected FTE Jobs
CLAY			
Performance Engineering and Manufacturing, Inc. I	\$125,000	\$800,000	30.00
Performance Engineering and Manufacturing, Inc. II	\$180,000	\$2,340,083	40.00
JH Investments, LLC	\$1,250,000	\$4,095,000	25.00
JH Investments, LLC II	\$1,200,000	\$3,250,000	50.00
Vermillion Area Chamber & Development Company	\$2,764,428	\$4,760,131	50.00
	\$5,519,428	\$15,245,214	195.00
CODINGTON			
Angus-Palm Industries, Inc. I	\$465,000	\$1,998,000	170.00
Angus-Palm Industries, Inc. II	\$465,000	\$1,850,000	69.00
Angus-Palm Industries, Inc. III	\$289,000	\$1,026,520	55.00
Angus-Palm Industries, Inc. IV	\$975,000	\$3,080,000	324.00
Benchmark Foam, Inc.	\$1,500,000	\$4,602,628	12.00
BVH, LLC	\$110,000	\$367,500	18.00
CMW Industrial Properties, LLC	\$900,000	\$5,900,000	30.00
CurMar, LLC	\$778,257	\$2,269,221	50.00
DBI Holdings, LLC	\$500,000	\$1,930,000	45.00
DBI Holdings, LLC	\$2,178,500	\$4,696,175	115.00
Dakota Bodies, Inc.	\$78,000	\$177,709	19.00
Dakota Finishing Co.	\$55,000	\$125,000	12.00
Dakota Tube, Inc. I	\$137,106	\$357,680	27.00
Dakota Tube, Inc. II	\$350,000	\$770,000	60.00
Dakota Tube, Inc. III	\$200,000	\$650,000	41.00
Dakota Tube, Inc. IV	\$250,000	\$575,000	50.00
DC Machining, Inc.	\$51,795	\$115,100	18.00
Duralite, Inc.	\$75,000	\$325,000	16.50
Dynamic Engineering	\$220,568	\$505,235	45.00
ESCO Mfg., Inc.	\$158,000	\$383,700	34.00
First District Dev. Corp.	\$500,000	500,000	N/A
Global Technologies, Inc.	\$186,975	\$415,500	23.00
Hesco, Inc./Specialty Mills	\$87,000	\$389,000	15.50
Integrity Tool and Die, Inc.	\$125,000	\$300,000	30.00
McFleeg of South Dakota	\$300,000	\$3,981,025	10.00
MidAmerica Mutual Life Insurance Co.	\$500,000	\$2,068,500	125.00
Moffatt Products, Inc.	\$579,900	\$1,822,700	7.00
OEM	\$650,000	\$3,050,000	123.50
OEM II	\$1,500,000	\$7,530,000	102.00
Persona, Inc.	\$281,700	\$736,600	82.00
PREMIER Bankcard, Inc.	\$1,175,000	\$4,516,000	398.50
R & R Holdings, LLC	\$606,000	\$1,515,000	30.00
Superior Homes, LLC	\$500,000	\$2,600,000	30.00
Terex-Telelect, Inc.	\$500,000	\$16,400,000	100.00
Tower Systems, Inc. I	\$135,000	\$550,000	32.50
Tower Systems, Inc. II	\$90,000	\$200,000	18.00
Twin City Die Castings Co.	\$500,000	\$1,145,000	125.00
Watertown Development Corp. I	\$1,250,000	\$2,500,000	112.00
Watertown Development Corp. II	\$75,000	\$332,000	35.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity			
<u>Company</u>	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
			Jobs
CODINGTON(Con't.)			
Watertown Development Corp. III	\$295,000	\$883,713	54.00
Watertown Development Corp. IV	\$1,910,000	\$14,545,340	157.00
Watertown Development Corp. V	\$1,550,000	\$4,686,035	30.00
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	\$23,032,801	\$102,370,881	2,850.50
CUSTER			
Pacer Corporation #2	\$450,000	\$1,113,000	19.00
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	\$450,000	\$1,113,000	19.00
DAVISON			
American Foods Group, Inc. II/Mitchell	\$220,600	\$1,220,000	45.00
American Foods Group, Inc. III/Mitchell	\$250,000	\$850,000	62.00
Boyd's Gunstock Industries, Inc. III	\$125,000	\$325,200	25.00
Boyd's Gunstock Industries, Inc. IV	\$135,000	\$449,400	28.00
Boyd's Gunstock Industries, Inc. V	\$250,000	\$919,615	50.00
Dealer's Livestock Eqp. Center, Inc.	\$220,000	\$600,000	33.00
EMI, LLC	\$750,000	\$3,080,000	30.00
Mitchell Area Dev. Corp./Verifications	\$700,000	\$2,240,000	150.00
TCF Industries, Inc./Axial Division	\$558,800	\$3,279,800	85.00
TCF & Blower Co., LTD	\$300,000	\$3,300,000	60.00
Thermoset Products, Inc.	\$1,100,000	\$3,400,000	50.00
Trail King Industries, Inc.	\$125,000	\$2,251,900	165.00
Trail King Industries, Inc. II	\$250,000	\$633,560	113.50
Vantage Point Solutions	\$1,000,000	\$4,000,000	46.00
Yelroc Neuro, Inc./eyeBrain Medical, Inc.	\$181,102	\$465,529	11.00
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	\$6,165,502	\$27,015,004	953.50
DAY			
Dakota Fiberglass, Inc.	\$150,000	\$376,000	19.50
Dakotah, Inc. I	\$54,000	\$120,000	39.00
Dakotah, Inc. IV	\$730,000	\$1,967,250	146.00
ESCO Manufacturing, Inc. II	\$127,000	\$982,912	30.50
Steelworks, Inc.	\$90,000	\$235,000	19.00
Webster Area Development Corp. I	\$300,000	\$600,000	38.00
Webster Area Development Corp. II	\$322,000	\$600,000	55.00
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	\$1,773,000	\$4,881,162	347.00
DEUEL			
Midwest Converter Supply, Inc.	\$120,000	\$334,689	23.00
SFI Machine Products, Inc.	\$123,000	\$423,500	19.00
TTJ Properties, LLC	\$300,000	\$912,705	16.00
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	\$543,000	\$1,670,894	58.00
DEWEY			
Lakota Archery, LLC	\$100,000	\$265,075	16.00
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	\$100,000	\$265,075	16.00
DOUGLAS			
Prairie States Equipment/Petro-Steel, Inc.	\$156,000	\$352,000	23.00
Werkmeister Welding	\$300,000	\$800,000	28.00
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	\$456,000	\$1,152,000	51.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
			Jobs
FALL RIVER			
Art Advantage, Inc.	\$275,000	\$656,000	35.00
Dakota Cinch, Inc.	\$150,000	\$610,000	64.00
Mineral Technology Corporation	\$120,000	\$985,000	15.00
Westrom	\$208,250	\$595,000	17.00
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	\$753,250	\$2,846,000	131.00
GRANT			
BER Communications Corp. / Midwest Card Services	\$185,000	\$428,000	110.50
Dakota Granite	\$350,000	\$2,153,522	60.00
Dakotah, Inc. II	\$100,000	\$350,000	80.00
Medware of SD/Mikros USA, Inc.	\$250,000	\$804,000	75.00
Montage, Inc. I	\$70,000	\$225,000	14.00
Montage, Inc. II	\$240,000	\$511,505	30.00
Sleepy Hollow Millwork	\$196,000	\$600,000	60.00
United Hardware Distributing Co. I	\$2,250,000	\$23,000,000	188.00
United Hardware Distributing Co. II	\$60,000	\$250,000	12.00
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	\$3,701,000	\$28,322,027	629.50
GREGORY			
Parker Enterprises, Inc.	\$100,000	\$366,000	50.00
Ranchers Welding	\$500,000	\$1,533,000	30.00
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	\$600,000	\$1,899,000	80.00
HAAKON			
Midland Telemarketing	\$30,000	\$70,000	13.50
Scotchman Industries, Inc.	\$125,000	\$845,000	17.00
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	\$155,000	\$915,000	30.50
HAMLIN			
Davis Family South Dakota Inc.	\$5,000,000	10,000,000	184.00
Davisco International, Inc.	\$300,000	\$1,233,000	21.00
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	\$5,300,000	\$11,233,000	205.00
HANSEN			
SD Industries, Inc. (2 loans)	\$639,637	\$1,421,415	17.00
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	\$639,637	\$1,421,415	17.00
HUGHES			
Global Harvest Birdseed of SD, LLC	\$450,000	\$1,150,000	37.00
JR&R Partnership	\$180,000	\$527,000	16.00
MW Properties, LLC	\$700,000	\$2,913,308	17.00
Pierre Economic Development Corp.	\$440,000	\$1,100,000	100.00
Pierre Economic Dev. Corp./Eagle Creek	\$2,000,000	\$5,259,300	157.00
Pierre Economic Dev. Corp./SD Pulse Processors	\$360,000	\$850,000	18.00
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	\$4,130,000	\$11,799,608	345.00
HUTCHINSON			
MDS Manufacturing Company, Inc.	\$300,000	\$1,274,213	48.00
MDS Manufacturing Company, Inc. II	\$600,000	\$2,323,851	40.00
Reliance Parts Corp.	\$99,000	\$220,000	24.00
Wildcat Manufacturing Co., Inc.	\$100,000	\$332,500	23.00
Wildcat Mfg./Freeman Supply	\$184,500	\$1,016,750	38.00
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	\$1,283,500	\$5,167,314	173.00
HYDE			
Highmore Cattle Auction	\$100,000	\$535,000	29.00
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	\$100,000	\$535,000	29.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity

Company (County in Bold)	Total Loan Amount	Total Project Amount	Projected FTE Jobs
JERAULD			
LSI, Inc.	\$800,000	\$2,130,000	100.00
LSI, Inc. II	\$750,000	\$3,800,000	40.00
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	\$1,550,000	\$5,930,000	140.00
KINGSBURY			
Alvord-Polk, Inc.	\$130,000	\$1,060,000	28.00
Arlington Development Corp.	\$163,000	\$388,800	23.00
CMI Architectural Products, Inc.	\$100,000	\$1,100,000	20.50
GeoFurnace Manufacturing, Inc.	\$182,480	\$597,180	24.00
Lyle Signs, Inc.	\$110,000	\$275,000	15.00
Shinamerica, Inc.	\$250,000	\$1,400,000	45.00
Shinamerica, Inc.	\$446,850	\$998,880	20.00
D.T. Holding Company, Inc.	\$380,000	\$2,372,875	38.00
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	\$1,762,330	\$8,192,735	213.50
LAKE			
Baron Investments, LLC	\$100,000	\$1,062,000	20.00
Custom Touch Homes, LLC	\$720,000	\$2,489,000	48.00
Falcon Plastics, Inc. I	\$400,000	\$1,350,000	55.50
Falcon Plastics, Inc. II	\$125,000	\$636,541	25.00
Gehl Company	\$255,000	\$2,504,831	51.00
Integra Plastics, Inc. I	\$140,000	\$625,000	28.00
Integra Plastics, Inc. II	\$75,000	\$175,000	15.00
Integra Plastics, Inc III	\$181,000	\$753,840	20.00
Integra Plastics, Inc. IV	\$1,000,000	\$9,581,700	26.00
Lake Area Improvement Corp I	\$262,500	\$625,000	70.00
Lake Area Improvement Corp II	\$265,000	\$1,165,000	30.00
Lake Area Improvement Corp III	\$247,500	\$550,000	25.00
Lasercut	\$90,000	\$200,000	20.00
May & Scofield, Inc.	\$140,000	\$580,000	30.00
New Custom Touch Homes, Inc. I	\$125,000	\$280,000	25.00
New Custom Touch Homes, Inc. II	\$75,000	\$280,000	15.00
Paragon Custom Homes, Inc.	\$168,000	\$567,125	30.00
Persona, Inc. II	\$450,000	\$2,253,000	90.00
PPD USA, INC. II	\$50,000	\$645,600	10.00
PPD USA, INC. (UHMW)	\$100,000	\$1,153,100	12.50
Raven Industries, Inc.	\$400,000	\$3,155,000	90.00
Rosco Manufacturing Company	\$200,000	\$950,000	40.00
Rosebud Manufacturing Co., Inc. II	\$234,500	\$1,119,000	17.00
Streff Properties, LLC	\$234,000	\$520,000	11.50
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	\$6,037,500	\$33,220,737	804.50
LAWRENCE			
Deadwood Central RR Co.	\$80,000	\$235,000	13.00
F.L. Thorpe & Co., Inc.	\$256,500	\$713,000	70.00
Gems By Jim, Inc.	\$100,000	\$460,000	20.00
Lehman Trikes, USA	\$1,150,000	\$3,903,000	52.00
M&D Investment Group, LLC	\$201,330	\$948,700	14.00
NIP Manufacturing, Inc.	\$75,000	\$388,500	10.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
			Jobs
LAWRENCE(Con't.)			
OEM Worldwide II	\$1,250,000	\$11,195,170	310.00
Paramount Technical Products	\$130,000	\$742,163	31.00
PG Technology	\$500,000	\$2,500,000	50.00
Precision Blending of Idaho	\$405,000	\$850,000	15.00
RAMVAC Corporation	\$100,000	\$550,000	12.00
Spearfish Economic Development Corp.	\$1,000,000	\$3,025,374	277.00
Tri-State, LTD.	\$208,000	\$620,000	35.00
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	\$5,455,830	\$26,130,907	909.00
LINCOLN			
Adams Holding, LLC	\$1,206,067	\$2,680,149	33.00
Agile Manufacturing, LLC	\$684,968	\$3,955,500	25.00
Canton Economic Development Corp.	\$1,250,000	\$6,200,000	150.00
Canton Economic Development Corp. II	\$995,000	\$5,852,000	70.00
Canton Economic Development Corp. III	\$1,575,000	\$4,775,000	89.00
Canton Economic Development Corp. IV	\$1,600,000	\$3,600,000	146.00
CMI Terex Corporation	\$2,205,000	\$4,860,000	6.00
DeGeest Manufacturing Co.	\$50,000	\$210,000	12.00
K-Products, Inc.	\$500,000	\$3,450,000	100.00
Kerry K Engle Separate Property Trust	\$607,500	\$1,350,000	40.00
Lennox Area Dev. Corp. (WARE Mfg.) (Parkview)	\$750,000	\$4,650,000	100.00
Omega Liner Company, Inc.*	\$888,750	\$1,975,000	10.00
Omega Liner Company, Inc. (II) *	\$508,750	\$2,035,000	see above
Showplace Wood Products, Inc. (I)	\$500,000	\$2,482,900	99.00
Showplace Wood Products, Inc. (II)	\$464,801	\$1,401,779	65.00
Showplace Wood Products, Inc. (III)	\$320,500	\$1,627,529	308.00
Showplace Wood Products, Inc. (IV)	\$500,000	\$2,731,794	173.00
Showplace Wood Products, Inc. (V)	\$500,000	\$2,388,722	163.00
Showplace Wood Products, Inc. (VI)	\$278,100	\$618,000	168.00
Tea Industries, Inc.	\$150,000	\$333,000	80.00
Weisser Properties, LLC	\$945,000	\$2,100,000	20.00
Weisser Properties, LLC (II)**	\$180,000	\$400,000	10.00
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	\$16,659,436	\$59,276,373	1,867.00
MARSHALL			
Sheldahl, Inc.	\$750,000	\$2,850,000	150.00
Truss-Pros, Inc.	\$171,000	\$575,000	13.75
Veblen Cheese Factory, Inc.	\$292,500	\$650,000	33.00
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	\$1,213,500	\$4,075,000	196.75
MCCOOK			
Bridgewater Quality Meats	\$250,000	\$965,000	50.00
Buhler Industries, Inc.	\$1,300,000	\$3,000,000	47.00
Feterl Acquisition Corporation	\$600,000	\$3,174,000	83.00
Rosebud Manufacturing Company, Inc.	\$100,000	\$371,750	19.50
	<hr/>	<hr/>	<hr/>
	\$2,250,000	\$7,510,750	199.5
MCPHERSON			
Day Break, Inc.	\$25,000	\$50,000	17.50
Eureka Development Corporation I	\$290,000	\$390,000	71.00
Eureka Development Corporation II	\$125,000	\$473,000	160.00
	<hr/>	<hr/>	<hr/>
	\$440,000	\$913,000	248.5
MEADE			
Cor-Bon Bullets, Inc.	\$60,000	\$455,000	36.00
Glenwood/Loan Tree	\$13,500	\$30,000	6.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity**Company****(County in Bold)****MEADE(Con't)**

Sturgis Industrial Dev. Corp. I
 Sturgis Industrial Dev. Corp. II
 Sturgis Industrial Dev. Corp. III
 Tower Stools

**Total Loan
Amount****Total Project
Amount****Projected
FTE
Jobs**

\$175,000	\$362,500	25.00
\$300,250	\$709,300	98.00
\$110,000	\$308,000	12.00
\$25,000	\$100,000	11.00
<hr/>	<hr/>	<hr/>
\$683,750	\$1,964,800	188.00

MINER

Jan's Frozen Foods
 WrapIt Corporation
 Miner Co. Revitalization
 WM3D SD Properties, LLC

\$325,000	\$1,630,000	67.00
\$100,000	\$2,811,160	90.50
\$725,000	\$1,647,296	46.00
\$468,750	\$800,000	63.00
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\$1,618,750	\$6,888,456	266.50

MINNEHAHA

American Western Corporation
 AmeriPharm Inc.
 Bell Paper Box, Inc.
 Bellmark Properties, Inc.
 Carl V. Carlson
 Central States Fire Apparatus, LLC
 Component Manufacturing Company
 Crimson Fire, Inc.
 Del's Cabinets, Inc.
 Design Tanks, Inc.
 Dressen Custom Trailers, Inc.
 Electronic Systems, Inc. I
 Electronic Systems, Inc. II
 Elston Equipment, Inc.
 Forever New (Neoverures), Inc.
 Gateway, Inc. IV
 Graco, Inc.
 Harbor Group Investments, LLC
 Harbor Group Investments, LLC (II)**
 Hematech, LLC I
 Hematech, LLC II
 High Performance Engineering
 Hutchinson Technology, Inc. I
 Hutchinson Technology, Inc. II
 InterActive, Inc.
 Labelcrafters of South Dakota, Inc. I
 Labelcrafters of South Dakota, Inc. II
 LodgeNet Entertainment Corp.
 Lou-Rich, Inc.
 Lumber Exchange, LLC
 Luverne Truck Equipment Inc.
 Maguire Tank, Inc.
 Marmen Energy Company
 Midwest Precision Tool & Die, Inc.
 Mitographers, Inc.
 Nordic Advantage, Inc.
 Omnitech, Inc
 Raven Industries, Inc. II

\$450,000	\$1,000,000	90.00
\$1,000,000	\$4,750,000	201.00
\$200,000	\$750,000	66.00
\$778,000	\$1,731,000	95.00
\$1,420,000	\$4,696,175	30.00
\$400,000	\$1,183,000	45.00
\$240,000	\$600,000	37.00
\$1,250,000	\$3,075,500	15.00
\$45,000	\$100,000	12.50
\$900,000	\$2,013,750	58.00
\$73,636	\$298,636	15.00
\$245,000	\$545,000	39.00
\$305,000	\$1,255,000	61.00
\$33,750	\$75,000	14.00
\$40,000	\$110,000	8.50
\$2,000,000	\$14,840,000	645.00
\$750,000	\$8,442,000	119.00
\$810,000	\$1,900,000	59.00
\$1,613,000	\$4,032,500	30.00
\$200,000	\$835,000	30.50
\$325,000	\$709,600	21.00
\$67,000	\$165,000	10.00
\$1,500,000	\$3,500,000	350.00
\$1,500,000	\$3,740,000	377.00
\$40,000	\$90,000	28.50
\$17,500	\$43,000	4.00
\$20,000	\$265,000	4.00
\$1,000,000	\$14,114,364	225.00
\$91,400	\$209,000	24.00
\$3,500,000	\$9,581,700	N/A
\$400,000	\$1,300,000	305.00
\$175,000	\$1,350,000	31.00
\$5,000,000	\$48,000,000	250.00
\$250,000	\$2,589,400	50.00
\$175,000	\$750,000	28.00
\$1,500,000	\$3,350,000	300.00
\$214,650	\$477,000	30.00
\$105,000	\$795,000	23.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
MINNEHAHA(Con't)			Jobs
Sencore, Inc.	\$350,000	\$780,000	70.00
Sioux Falls Development Foundation	\$668,250	\$1,960,000	132.00
SODA Partners, LLC #3	\$1,100,000	\$2,693,618	85.00
SolCom, Inc.	\$669,000	\$2,619,000	100.00
Specialized Card Services I	\$750,000	\$2,056,582	150.00
Specialized Card Services II	\$400,000	\$1,888,889	170.00
Specialized Card Services III	\$850,000	\$889,750	80.00
Specialized Card Services IV	\$1,500,000	\$5,992,717	300.00
Specialized Card Services V	\$1,300,000	\$5,187,888	260.00
StarMark, Inc.	\$315,000	\$700,000	63.00
South Eastern Development Foundation	\$500,000	\$500,000	N/A
Sioux Falls Development Foundation/Foundation Park	\$8,500,000	\$29,000,000	850.00
Tel-Drug	\$1,400,000	\$6,200,000	214.00
Tiger Corporation	\$381,600	\$954,000	118.00
Total Fire Protection, Inc.	\$300,000	\$2,025,000	30.00
Tower Properties, LLC*	\$1,537,500	\$4,000,000	65.00
Valentine Technology, Inc.	\$200,000	\$1,050,000	75.00
Wheeler Tank Manufacturing, Inc.	\$200,000	\$550,000	39.00
Wheeler Tank Manufacturing, Inc. II	\$100,000	\$330,000	22.00
Yellow Freight System, Inc.	\$750,000	\$2,223,250	127.00
	<hr/>	<hr/>	<hr/>
	\$50,405,286	\$214,862,319	6,681.00
MOODY			
Dakota Layers Coop. I	\$400,000	\$9,290,000	21.00
Dakota Layers Coop II	\$1,500,000	\$4,941,996	40.00
	<hr/>	<hr/>	<hr/>
	\$1,900,000	\$14,231,996	61.00
PENNINGTON			
Accuracy Inc.	\$50,000	\$393,000	15.00
All-Mark/Claussen, Inc.	\$76,050	\$169,000	53.50
American Concrete Equipment Corp.	\$450,000	\$1,440,000	41.00
Baker Timber Products, Inc.	\$250,000	\$640,000	31.00
Biofoam Corporation	\$200,000	\$750,000	60.50
Black Hills Fiberglass, LLC	\$1,000,000	\$3,465,000	36.00
Black Hills Molding, Inc.	\$120,000	\$450,000	20.00
Black Hills Silver, Inc.	\$90,000	\$221,396	14.00
Casto Travel, Inc.	\$185,000	\$405,000	67.00
Conseco Fin. Serv. Corp. I	\$2,000,000	\$5,000,000	347.00
Conseco Fin. Serv. Corp. II	\$1,500,000	\$5,022,656	225.00
Conseco Fin. Serv. Corp. III	\$250,000	\$1,352,590	90.00
Custom Packaging Systems, Inc. I	\$177,500	\$685,000	85.00
Custom Packaging Systems, Inc. II	\$100,000	\$400,000	20.00
Custom Packaging Systems, Inc. III	\$100,000	\$248,000	55.00
Custom Packaging Systems, Inc. IV	\$50,000	\$112,000	83.00
Dakota Fire Systems, Inc.	\$225,000	\$666,130	15.00
Dakota Ventures, Inc. I	\$50,000	\$150,000	N/A
Dakota Ventures, Inc. II	\$75,000	\$225,000	N/A
Deadwood BioFuels, LLC	\$524,480	\$2,700,000	30.00
Envirocare, Inc.	\$40,000	\$91,900	34.00
Fenske Printing, Inc.	\$400,000	\$1,500,000	42.00
GFI America, Inc. I	\$1,500,000	\$10,125,000	235.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity			Projected
Company	Total Loan	Total Project	FTE
(County in Bold)	Amount	Amount	Jobs
PENNINGTON(Con't.)			
GFI America, Inc. II	\$1,000,000	\$3,125,000	115.00
Gunderson Manufacturing Company	\$60,000	\$160,000	12.00
H.F. Webster, Inc.	\$260,000	\$577,000	10.00
H-S Precision, Inc. I	\$175,000	\$825,000	42.00
H-S Precision, Inc. II	\$125,000	\$300,000	25.00
H-S Precision, Inc. III	\$180,000	\$400,000	30.00
Hi-Qual Manufacturing, Inc. I	\$300,000	\$1,600,000	43.00
Hoag Land Company, LLC	\$163,000	\$923,000	17.00
Intrinsic Materials Corp.	\$594,000	\$1,495,442	229.00
Landstrom's	\$700,000	\$9,185,000	140.00
Lytleware Enterprises	\$55,000	\$196,000	11.00
Magnum Diamond I	\$80,000	\$250,000	11.00
Magnum Diamond II	\$90,000	\$208,950	22.00
MEMSense, LLC	\$90,000	\$225,000	5.00
MPI, Inc.	\$825,000	\$1,871,420	168.00
Phase Technologies Partners, LLC	\$290,000	\$1,158,527	27.00
Precision Prototype	\$50,000	\$172,600	7.00
RIDCO, Inc.	\$500,000	\$1,680,000	103.00
Riss Brothers Millwork, Inc. I	\$100,000	\$1,130,000	28.00
Riss Brothers Millwork, Inc. II	\$150,000	\$544,000	34.00
Riss Brothers Millwork, Inc. III	\$205,000	\$655,000	55.00
Risstone Casegoods, Inc.	\$280,000	\$630,000	82.00
RMA	\$72,525	\$221,167	77.50
SCI Technology, Inc.	\$1,500,000	\$15,203,122	417.00
Spiegel Teleservices, Inc.	\$1,750,000	\$7,445,000	360.50
Terryberry Company	\$150,000	\$1,350,000	30.00
West River Foundation - RRLF	\$500,000	\$500,000	N/A
Workrite Uniform Co.	\$1,275,000	\$7,905,000	124.00
	\$20,932,555	\$96,147,900	3,824.00
PERKINS			
Wheeler Manufacturing Co., Inc.	\$100,000	\$311,000	20.00
Wheeler Manufacturing Co., Inc. II	\$150,000	\$350,000	30.00
	\$250,000	\$661,000	50.00
ROBERTS			
Cattail Company, LLP	\$150,000	\$1,050,000	33.00
Cattail Company, LLP II	\$2,000,000	\$6,800,000	82.00
Cattail Company, LLC III	\$441,900	\$1,914,238	60.00
One-Ten Corporation	\$250,000	\$1,768,000	210.00
Northeast SD Economic Development	\$500,000	\$500,000	N/A
Schiltz Foods, Inc.	\$323,541	\$718,980	73.00
Sisseton Development Company	\$400,000	\$901,133	120.00
Sisseton Econ. Dev./Power Sentry	\$290,277	\$290,277	N/A
	\$4,355,718	\$13,942,628	578.00
SANBORN			
Van Dyke Supply Company, Inc.	\$1,000,000	\$1,000,000	100.00
	\$1,000,000	\$1,000,000	100.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity

Company (County in Bold)	Total Loan Amount	Total Project Amount	Projected FTE Jobs
SPINK			
Markley Millwork	\$65,000	\$420,000	13.00
Redfield Industrial Dev. Corp./ACI	\$355,000	\$605,000	75.00
	<hr/>	<hr/>	<hr/>
	\$420,000	\$1,025,000	88.00
TODD			
Rosebud Community Landfill	\$22,500	\$111,000	4.00
	<hr/>	<hr/>	<hr/>
	\$22,500	\$111,000	4.00
TURNER			
Bowden's Automated Products	\$100,000	\$300,000	50.00
ProCon Products, Inc.	\$20,000	\$64,149	4.00
	<hr/>	<hr/>	<hr/>
	\$120,000	\$364,149	54.00
UNION			
2400 North Lincoln Management Corp.	\$315,000	\$700,000	89.00
AaLadin Industries, Inc. I	\$43,000	\$175,183	34.00
AaLadin Industries, Inc. II	\$205,000	\$603,740	41.00
Alkota Cleaning Systems, Inc.	\$200,000	\$621,000	25.00
Beef Products, Inc.	\$200,000	\$2,391,814	33.00
Brown Commercial Construction Co.	\$440,000	\$980,000	15.00
CSJ Properties, LLC	\$100,000	\$445,000	8.00
Direct Transit, Inc. I	\$200,000	\$677,081	49.00
Direct Transit, Inc. II	\$500,000	\$2,524,000	173.00
Enviro Safe Air, Inc.	\$120,000	\$300,000	24.50
Gateway, Inc. I	\$700,000	\$8,697,051	245.00
Gateway, Inc. II	\$250,000	\$1,242,715	154.00
Gateway, Inc. III	\$1,000,000	\$11,000,000	1213.00
Heartland Quality Foods/IAMS Co., Inc.	\$357,500	\$4,200,000	62.00
ibp, Inc. I	\$800,000	\$3,100,000	100.00
ibp, Inc. II	\$3,000,000	\$25,100,000	578.00
Manitex Load King	\$1,012,500	\$2,610,000	28.00
MDMT, Inc.	\$320,000	\$1,000,000	39.00
Prince Manufacturing Corporation	\$400,000	\$3,935,000	50.00
Red's All Natural, LLC**	\$2,133,276	\$4,740,613	40.50
Southeast Farmers Elevator	\$750,000	\$4,818,000	6.50
Steek Wholesale Foods, Inc.	\$450,000	\$1,800,000	20.00
Tower Engineering	\$55,000	\$265,000	12.00
Tristate Laminated Doors/Components	\$150,000	\$1,200,000	37.00
	<hr/>	<hr/>	<hr/>
	\$13,701,276	\$83,126,197	3,076.50
WALWORTH			
Blaze Technologies, Inc.	\$40,000	\$66,700	8.00
DMCO, Inc.	\$36,000	\$145,000	7.00
Mobridge Economic Dev. Corp.	\$290,000	\$780,000	150.00
One World Distribution, Inc.	\$148,000	\$330,000	51.00
	<hr/>	<hr/>	<hr/>
	\$514,000	\$1,321,700	216.00

*Approved, not yet Funded

** Funded Subsequent to Year End

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
YANKTON			Jobs
Applied Engineering, Inc.	\$250,000	\$1,600,000	39.00
Applied Engineering, Inc. (II)*	\$1,122,600	\$2,494,670	6.00
Areawide Business Council -- RRLF	\$500,000	\$500,000	N/A
Dakota Real Properties, LLC	\$563,705	\$2,304,823	32.00
Ehresmann Engineering, Inc.	\$125,000	\$350,000	15.00
Excelltech, Inc.	\$81,000	\$182,000	14.00
Hastings Manufacturing	\$500,000	\$1,576,000	55.00
M-Tron	\$296,000	\$1,200,000	126.00
Shur Company I	\$255,000	\$940,685	48.00
Shur Company II	\$150,000	\$533,204	30.00
Shur Company III	\$240,000	\$646,400	50.50
Summit Precision, Inc.	\$500,000	\$2,330,000	85.00
Wentz Commercial Properties, LLC	\$397,000	\$1,588,000	17.00
Yankton Area Progressive/L&M Radiator (I)	\$830,000	\$2,261,497	53.00
Yankton Area Progressive/L&M Radiator(II)	\$924,525	\$2,239,940	105.00
	<u>\$6,734,830</u>	<u>\$20,747,219</u>	<u>675.50</u>
FY 1987-2017			
GRAND TOTAL:	<u><u>\$245,524,246</u></u>	<u><u>\$1,243,123,751</u></u>	<u><u>32,826.75</u></u>

*Approved, not yet Funded

** Funded Subsequent to Year End

NOTE: Totals only include loans approved and funded. All loans approved, but never funded (and officially withdrawn) are listed separately on the following pages.

*Approved, not yet Funded

** Funded Subsequent to Year End

Withdrawn Loans

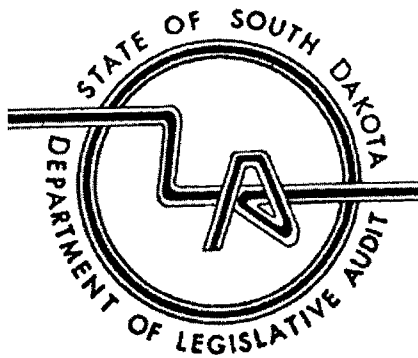
<u>Company</u>	Total Loan Amount	Total Project Amount	Projected FTE Jobs
Aberdeen Development Corporation IV	\$1,500,000	\$6,300,000	125.00
Acrylics by Jane of SD Inc.	\$170,000	\$600,000	31.50
Adams Holding, LLC II	\$2,000,000	\$4,500,000	50.00
Anderson Seed Co., Inc.	\$256,650	\$3,374,218	22.00
APA Optics, Inc.	\$300,000	\$6,375,000	106.00
Bar -Sto Precision Machine	\$175,000	\$389,500	18.00
BioChem Building Applications #1	\$300,000	\$1,200,000	25.00
Bioverse, Inc.	\$200,000	\$620,000	27.00
Bell Farms, LLP	\$500,000	\$3,000,000	8.00
Cimpl Meats, Inc.	\$200,000	\$700,000	8.00
CJ Stengel, Inc.	\$200,000	\$1,341,425	4.00
Clark Area New Horizons, LLC	\$765,000	\$1,700,000	78.00
CoEv, Inc.	\$1,250,000	\$4,120,000	249.00
Conseco Fin. Serv. Corp. IV	\$1,000,000	\$3,566,000	200.00
CoSentry Dakotas, LLC	\$100,000	\$326,525	9.00
Dakota Machine Service, Inc.	\$70,000	\$180,000	11.00
Davisco Int. Inc	\$262,000	\$9,517,000	63.00
Dayton Rogers Manufacturing	\$750,000	\$4,502,964	90.00
DeSCo Architectural, Inc	\$75,000	\$75,000	31.00
Dove Performance Parts, Inc.	\$180,000	\$400,000	32.50
EMI Properties, LLC	\$898,450	\$3,606,282	27.00
EMPI Inc.	\$450,000	\$1,100,000	175.50
EPS Technologies	\$213,750	\$213,750	144.00
EPS Technologies	\$225,000	\$225,000	144.00
Faultless Nutting, Inc.	\$450,000	\$1,000,000	250.00
FIMCO, Inc.	\$575,000	\$9,357,024	83.25
Front Line Chemical, LLC	\$150,000	\$510,000	16.00
Gage Brothers Concrete Products, Inc.	\$2,500,000	\$30,500,000	48.00
Hansen Manufacturing Corp.	\$5,000,000	\$18,442,371	50.00
Hilton Development Corporation	\$350,000	\$6,190,000	37.75
Hi-Qual Manufacturing, Inc. II	\$500,000	\$2,000,000	58.00
Integra Plastics, Inc. V	\$1,170,000	\$2,900,000	30.00
Integrity Meats	\$125,000	\$500,000	24.00
Intercity Holding Co	\$225,000	\$500,000	N/A
JMo Holdings, LLC	\$1,125,000	\$2,500,000	57.00
Jack First Inc.	\$31,500	\$70,000	13.00
LSI, Inc. III	\$1,200,000	\$9,408,940	75.00
Lund Industries, Inc.	\$1,000,000	\$1,000,000	155.00
Marquardt Transportation	\$100,000	\$315,859	179.00
Micro-Voice, Inc.	\$162,000	\$410,000	18.00
Minnkota Fisheries, Inc.	\$75,000	\$302,500	15.00
MPI	\$500,000	\$500,000	100.00
MSD Woodworking Company	\$32,500	\$113,000	18.00
Muller Industries, Inc.	\$150,000	\$554,000	30.00
NE Venture, Inc. III	\$200,000	\$600,000	41.00
NewCo, LLC	\$300,000	\$2,000,000	36.00
Northern Beef Packers Limited Partnership	\$5,000,000	\$124,699,322	566.00
Northland Laboratories	\$100,000	\$195,000	30.00
Nutraferma, Inc.	\$1,000,000	\$10,000,000	34.00
Paytrust, Inc.	\$1,000,000	\$4,044,000	203.00
Pierre Economic Dev. Corp./SD Pulse Processors	\$360,000	\$800,000	27.00
Portfolio Analysis Systems, Inc	\$100,000	\$650,000	34.00

<u>Company</u>	Total Loan Amount	Total Project Amount	Projected FTE Jobs
PPD USA, Inc.	\$500,000	\$500,000	166.00
Rapid City Economic Dev Foundation	\$850,000	\$2,000,000	99.00
RBE Electronics	\$495,000	\$1,100,000	125.00
Ridgefield Farms of South Dakota	\$3,000,000	\$40,750,000	272.00
RKG, Inc.	\$150,000	\$585,000	46.00
RMA, Inc.	\$72,525	\$221,167	133.50
Rosenbauer South Dakota, LLC	\$990,000	\$2,628,411	30.00
Satern Properties, LLC	\$247,500	\$550,000	27.00
Schnell Welding & Machine	\$14,000	\$40,000	9.50
Sentra@NET, LLC	\$250,000	\$1,180,000	40.00
Sheldahl, Inc.	\$500,000	\$2,250,000	147.50
Shoemaker Properties, LLC	\$343,312	\$4,595,357	20.00
Showplace Wood Products, Inc.	\$4,185,000	\$9,500,000	168.00
South Dakota Wheat Growers Assoc.	\$1,400,000	\$7,125,000	21.00
Special Teams, Inc.	\$350,000	\$600,000	62.00
SpecSys, Inc.	\$350,000	\$5,900,000	30.00
Synergy Solutions, Inc.	\$200,000	\$461,400	50.00
TCF & Blower Companies, Ltd.	\$300,000	\$3,300,000	N/A
TCF & Blower Companies, Ltd.	\$400,000	\$1,315,000	N/A
TDS Dakota Land Holdings, LLC	\$1,750,000	\$7,567,000	287.00
Telnet Systems, Inc	\$250,000	\$677,000	225.00
Tower Tech Systems, Inc.	\$1,500,000	\$23,990,000	145.00
Tri-State Ethanol Company	\$450,000	\$18,000,000	19.00
Tri-State Ethanol Company	\$450,000	\$18,000,000	25.00
Twin City Fan Companies, Ltd	\$616,950	\$1,371,000	50.00
Ultimate Direction, Inc	\$50,000	\$357,000	N/A
Vallon Inc.	\$430,000	\$2,308,555	91.00
Vermillion Area COC and EDC	\$2,100,000	\$5,150,000	125.00
WhBMC Group, Inc	\$226,250	\$512,500	46.00
Watertown Development Corp. VI	\$359,450	\$1,700,000	30.00
Watertown Dev. Co./Focus Watertown	\$450,000	\$1,000,000	13.00
Webster Area Dev. Corp./Anderson Ind.	\$200,000	\$563,500	16.00
Wilson Trailer Sales, Inc.	\$3,000,000	\$12,350,000	138.00
Workrite Uniform Company	\$225,000	\$225,000	N/A
MFS Partnership (Entrepreneur Support Fund)	\$50,000	\$50,000	N/A
Total Withdrawn Loans	\$62,226,837	\$466,417,570	6,563.00

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

AUDIT REPORT

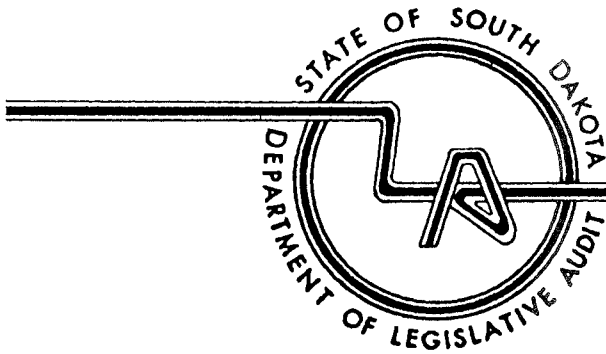
Fiscal Year Ended June 30, 2017



State of South Dakota
Department of Legislative Audit
427 South Chapelle
% 500 East Capitol
Pierre, SD 57501-5070

SOUTH DAKOTA REVOLVING ECONOMIC DEVELOPMENT
AND INITIATIVE FUND
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C/O 500 EAST CAPITOL
PIERRE SD 57501-5070
(605) 773-3595

MARTIN L. GUINDON, CPA
AUDITOR GENERAL

**INDEPENDENT AUDITOR'S 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**

The Honorable Dennis Daugaard
Governor of South Dakota

and

South Dakota Board of Economic Development

We have audited, in accordance with the 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 financial statements of the South Dakota Revolving Economic Development and Initiative Fund (REDI Fund), an enterprise fund of the State of South Dakota, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the REDI Fund's basic financial statements and have issued our report thereon dated September 28, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered South Dakota Board of Economic Development's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of South Dakota Board of Economic Development's internal control. Accordingly, we do not express an opinion on the effectiveness of South Dakota Board of Economic Development'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether South Dakota Board of Economic Development's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity'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.



Martin L. Guindon, CPA
Auditor General

September 28, 2017



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MARTIN L. GUINDON, CPA
AUDITOR GENERAL

INDEPENDENT AUDITOR'S REPORT

The Honorable Dennis Daugaard
Governor of South Dakota

and

South Dakota Board of Economic Development

Report on the Financial Statements

We have audited the accompanying financial statements of the South Dakota Revolving Economic Development and Initiative Fund (REDI Fund), an enterprise fund of the State of South Dakota, as of and for the year ended June 30, 2017, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the REDI Fund, an enterprise fund of the State of South Dakota, as of June 30, 2017, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the REDI Fund and do not purport to, and do not, present fairly the financial position of the State of South Dakota, as of June 30, 2017, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the REDI Fund's basic financial statements. The listing of the Board of Economic Development Members and the schedules of Loan Portfolio: Loans Approved Fiscal Year 2017, REDI Fund Company Activity and Withdrawn Loans are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2017 on our consideration of the South Dakota Board of Economic Development's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, 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 South Dakota Board of Economic Development'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 South Dakota Board of Economic Development's internal control over financial reporting and compliance.



Martin L. Guindon, CPA
Auditor General

September 28, 2017

SOUTH DAKOTA REVOLVING ECONOMIC DEVELOPMENT
AND INITIATIVE FUND
STATEMENT OF NET POSITION
June 30, 2017

ASSETS	
Current Assets:	
Cash and Cash Equivalents (Note 2.C.)	\$ 77,181,288
Accounts Receivable – Bankwest	28,327
Loan Interest Receivable	29,394
Investment Income Receivable	254,163
Loans Receivable (Net) (Note 2.E.)	2,569,624
Total Current Assets	80,062,796
Noncurrent Assets:	
Noncurrent Portion of Loans Receivable (Net) (Note 2.E.)	34,489,825
Total Noncurrent Assets	34,489,825
TOTAL ASSETS	114,552,621
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows of Resources-Related to Pensions	128,507
TOTAL DEFERRED OUTFLOWS OF RESOURCES	128,507
LIABILITIES	
Current Liabilities:	
Accounts Payable	11,178
Wages Payable	27,443
Accrued Leave Liability (Note 5)	13,359
Due to Other Funds	8,279
Total Current Liabilities	60,259
Noncurrent Liabilities:	
Net Pension Liability	52,408
Noncurrent Portion of Accrued Leave Liability (Note 5)	11,762
Total Noncurrent Liabilities	64,170
TOTAL LIABILITIES	124,429
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources-Related to Pensions	858
TOTAL DEFERRED INFLOWS OF RESOURCES	858
NET POSITION	
Restricted for South Dakota Jobs Grant Program	1,964,443
Restricted for Pension Benefits	75,241
Unrestricted	112,516,157
TOTAL NET POSITION	\$ 114,555,841

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

SOUTH DAKOTA REVOLVING ECONOMIC DEVELOPMENT
AND INITIATIVE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2017

Operating Revenue:	
Interest Income on Loans	\$ 764,160
Other Income	47,381
Total Operating Revenue	811,541
Operating Expenses:	
Personal Services and Benefits	285,363
Travel	5,734
Contractual Services	246,884
Supplies and Materials	13,698
Total Operating Expenses	551,679
Operating Income	259,862
Nonoperating Revenue (Expenses):	
Investment Income	298,479
Services Provided to Others (Note 2.F.)	(194,903)
Other Expenses	(15,539)
Total Nonoperating Revenue (Expenses)	88,037
Income Before Transfers	347,899
Transfers:	
Transfers In – Building South Dakota (Note 2.H.)	68,174
Total Transfers	68,174
Change in Net Position	416,073
Beginning Net Position	114,139,768
End of Year Net Position	\$ 114,555,841

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

SOUTH DAKOTA REVOLVING ECONOMIC DEVELOPMENT
AND INITIATIVE FUND
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2017

Cash Flows From Operating Activities:		
Receipts for Loan Repayments	\$ 7,920,552	
Payments for Loans Originated	(4,566,057)	
Receipts from Customers and Users	47,381	
Payments for Employee Services and Benefits	(252,959)	
Payments for Interfund Services Used	(64,077)	
Payments to Suppliers and for Claims	(202,509)	
Net Cash Provided (Used) by Operating Activities		2,882,331
Cash Flows From Noncapital Financing Activities:		
Building South Dakota Funds - Decrease in Due From	500,000	
Transfers In – Building South Dakota Funds	68,174	
Services Provided to Others	(194,903)	
Net Cash Provided (Used) by Noncapital Financing Activities		373,271
Cash Flows From Investing Activities:		
Pooled Investment Income	253,455	
Investment Costs	(15,539)	
Net Cash Provided (Used) by Investing Activities		237,916
Net Increase in Cash and Cash		
Equivalents During the Fiscal Year		3,493,518
Cash and Cash Equivalents at Beginning of Year		73,687,770
Cash and Cash Equivalents at End of Year		<u>\$ 77,181,288</u>
Reconciliation of Operating Income to Net Cash		
Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ 259,862	
Decrease/(Increase) in Assets:		
Loans Receivable	2,549,684	
Loan Interest Receivable	1,044	
Accounts Receivable – Bankwest	39,607	
Net Pension Asset	78,246	
Decrease/(Increase) Deferred Outflows of Resources:	15,051	
Increase/(Decrease) in Liabilities:		
Accounts Payable	(623)	
Wages Payable	(590)	
Net Pension Liability	52,408	
Accrued Leave Liability	2,896	
Due to Other Funds	353	
Increase/(Decrease) Deferred Inflows of Resources:	(115,607)	
Total Adjustments		2,622,469
Net Cash Provided (Used) by Operating Activities		<u>\$ 2,882,331</u>

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

SOUTH DAKOTA REVOLVING ECONOMIC DEVELOPMENT
AND INITIATIVE FUND
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

1. AUTHORIZING LEGISLATION

The South Dakota Revolving Economic Development and Initiative Fund (REDI Fund) was created in 1987 by an act of the South Dakota Legislature. The REDI Fund was established for the purpose of making loans for economic development. The REDI Fund is a fund of the State of South Dakota and is administered by the Governor's Office of Economic Development (GOED) with oversight provided by the Board of Economic Development.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Fund Accounting

The REDI Fund is accounted for as an enterprise fund. Enterprise funds are used to account for activities that are financed and operated in a manner similar to private business enterprises. The REDI Fund is a part of the State of South Dakota and, as such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota.

B. Basis of Accounting

The REDI Fund follows the accrual basis of accounting. This method of accounting recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition, such as investment earnings and services provided to others, are reported as nonoperating.

C. Cash and Investments

Cash includes cash on hand and a participating interest in the State's internal investment pool held by the State Treasurer and is used for the purposes of reporting cash flows. The amount held in the State's internal investment pool is reported at fair value.

Management of the State's internal investment pool is the statutory responsibility of the South Dakota Investment Council (SDIC). The investment policy and required risk disclosures for the State's internal investment pool are presented in the SDIC's audit report which can be obtained by writing to the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501 or by calling (605)773-3595.

D. Capital Assets

Assets are capitalized based on policies established by the South Dakota Bureau of Finance and Management. Capital assets are capitalized at cost or estimated historical cost, if the original cost is unavailable. Equipment is capitalized when the cost of

individual items is \$5,000 or more. Depreciation on capital assets is computed using the straight line method over the estimated useful lives of the assets, which is 3 to 10 years for all assets. When assets are disposed of, the costs and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in the results from operations in the period of disposal. Equipment valued at \$14,400 was considered fully depreciated at year-end.

E. Loans Receivable

Loans receivable at June 30, 2017, is shown net of the allowance for doubtful loans of \$875,941.

F. Services Provided to Others

Earnings on the REDI Fund may be used for the administrative costs of the Division of Finance of the GOED per SDCL 1-16G-24. Earnings used for the administrative costs of the Division of Finance of the GOED totaled \$194,903 for the year ending June 30, 2017.

G. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Actual results could differ from those estimates.

H. Transfers

The legislature designated contractor's excise taxes and interest from Building South Dakota projects costing \$20 million or more to be transferred to the Building South Dakota Funds per the 2013 legislative session. An amount of \$68,174 was transferred in for the year ending June 30, 2017 for the South Dakota Jobs portion of the designated funds.

I. Pension Reporting

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Dakota Retirement System (SDRS) and additions to/deletions from SDRS's fiduciary net position have been determined on the same basis as they are reported by SDRS. Contributions and net pension liability are recognized on an accrual basis of accounting.

J. Net Position

Net Position is classified in the following three components:

- Net investment in capital assets – This component consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt that is attributable to the acquisition, construction or improvement of those assets.
- Restricted – Consists of net position with constraints placed on their use by (1) bond indentures and (2) law through enabling legislation.
- Unrestricted – Consists of net position that does not meet the definition of net investments in capital assets or restricted.

K. Restricted Resources

When both restricted and unrestricted resources are available for use, it is the REDI Fund's policy to use restricted resources first, and then unrestricted resources as they are needed.

3. SOUTH DAKOTA JOBS GRANT PROGRAM ACTIVITY

During the 2013 legislative session, the South Dakota Jobs Grant Program was created within the REDI Fund. An original deposit of \$350,000 was deposited in the fiscal year ending June 30, 2013. The Board of Economic Development may provide grants to project owners for new or expanded facilities with project costs less than \$20,000,000 or for equipment upgrades with project costs less than \$2,000,000.

The following is a breakdown of the activity in the subfund for fiscal year 2017 and its corresponding restricted net position at June 30, 2017:

	<u>South Dakota Jobs Subfund</u>
Beginning Net Position	\$ 1,878,972
Transfer in – Building South Dakota	68,174
Investment Income	17,297
Ending Net Position	<u>\$ 1,964,443</u>

4. COMMITMENTS

At June 30, 2017, the REDI Fund had the following commitments:

REDI Fund loans approved by the South Dakota Board of Economic Development but not disbursed at June 30, 2017	\$ 7,771,506
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5. ACCRUED LEAVE LIABILITY

Annual leave is earned by all employees. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation, or death will receive payment for one-fourth of their accumulated sick leave balance, such payment not to exceed the sum of twelve weeks of employee's annual compensation. The total leave liability of \$25,121 at June 30, 2017, is shown as short and long-term liabilities on the Statement of Net Position.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Accrued Leave Liability	\$ 22,225	\$ 37,702	\$ 34,806	\$ 25,121	\$ 13,359

6. RETIREMENT

The GOED participates in the South Dakota Retirement System (SDRS), a cost-sharing, multiple-employer defined benefit pension plan established to provide retirement, disability, and survivor benefits for employees of the State and its political subdivisions. Authority for establishing, administering, and amending plan provisions is found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements, footnote disclosures, and required supplementary information for the plan. That report may be obtained by writing to the SDRS, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605)773-3731. Additionally, the State of South Dakota's Comprehensive Annual Financial Report (CAFR) will report the State's proportionate share of the plan. The CAFR can be obtained by writing to the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501 or by calling (605)773-3595.

State law requires employees to contribute 6 percent of their salary to the plan and the employer to contribute an amount equal to the employee's contribution. The right to receive retirement benefits vests after three years of credited service. The GOED's contributions to the SDRS for the fiscal years ended June 30, 2017, 2016, and 2015 were \$21,585, \$18,967, and \$21,401, respectively, equal to the required contributions each year.

At June 30, 2016, SDRS is 96.9% funded and accordingly has a net pension liability. At June 30, 2017, the GOED reported a liability of \$52,408 for the REDI Fund's proportionate share of the net pension liability. At June 30, 2017, deferred outflows of resources and deferred inflows of resources related to the pension were reported from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 18,245	\$
Changes of assumption	31,390	
Net difference between projected and actual earnings on pension plan investments	58,296	
Contribution after the measurement date	20,346	
Changes in proportionate share	230	858
Total	<u>\$ 128,507</u>	<u>\$ 858</u>

7. RISK MANAGEMENT

The GOED 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. The GOED participates in the various programs administered by the State of South Dakota. These risk management programs are funded through assessments charged to participating

entities. The risk management programs include: 1) coverage for risks associated with automobile liability and general tort liability (including public officials' errors and omissions liability, medical malpractice liability, law enforcement liability, and products liability) through the State's Public Entity Pool for Liability Fund, 2) coverage of employee medical claims through the State's health insurance program, 3) coverage for unemployment benefits through the State's Unemployment Insurance Fund, 4) coverage for workers' compensation benefits through the State's Workers' Compensation Fund, and 5) coverage for property loss through the South Dakota Property and Casualty Insurance Company, LLC. Financial information relative to the self-insurance funds administered by the State is presented in the State of South Dakota Comprehensive Annual Financial Report.

SOUTH DAKOTA

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

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