

SOUTH DAKOTA BUILDING AUTHORITY

2019 ANNUAL REPORT

SOUTH DAKOTA BUILDING AUTHORITY

330 South Poplar, Suite 102
Pierre, South Dakota 57501
605-224-9200

Thomas W. Graham,
Chairman

James Breckenridge

Douglas Hajek,
Vice Chairman

Jim Lust

James C. Roby
Secretary

Tina Van Camp

Steve Zellmer

Executive Secretary

Don A. Templeton

Authority Counsel

Todd Meierhenry
Meierhenry Sargent, L.L.P.
Sioux Falls, South Dakota

Bond Counsel

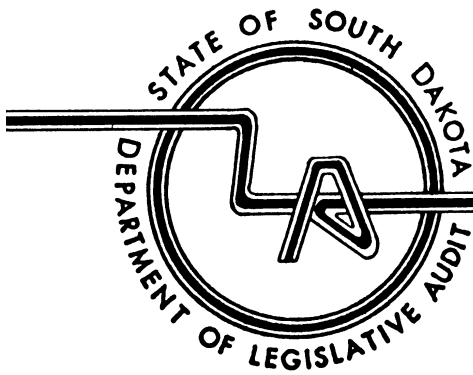
Perkins Coie, L.L.P.
Chicago, Illinois

South Dakota Building Authority
330 South Poplar – Suite 102
Pierre, South Dakota 57501
605-224-9200

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427 SOUTH CHAPELLE
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 Kristi Noem
Governor of South Dakota

and

Board of Directors
South Dakota Building Authority

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 Building Authority (SDBA), a component unit of the State of South Dakota, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the SDBA's basic financial statements, and have issued our report thereon dated October 10, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the SDBA'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 the SDBA's internal control. Accordingly, we do not express an opinion on the effectiveness of the SDBA'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 the SDBA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the 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*.

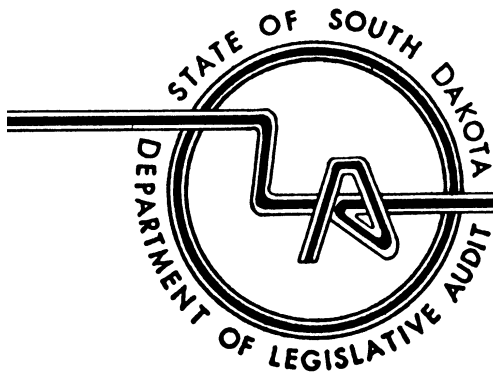
Purpose of this Report

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.

A handwritten signature in black ink, appearing to read "Martin L. Guindon". The signature is fluid and cursive, with the first name "Martin" and last name "Guindon" clearly distinguishable.

Martin L. Guindon, CPA
Auditor General

October 10, 2019



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C/O 500 EAST CAPITOL
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MARTIN L. GUINDON, CPA
AUDITOR GENERAL

INDEPENDENT AUDITOR'S REPORT

The Honorable Kristi Noem
Governor of South Dakota

and

Board of Directors
South Dakota Building Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the South Dakota Building Authority (SDBA), a component unit of the State of South Dakota, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the SDBA's basic 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 SDBA as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 9–12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the SDBA's basic financial statements. The Schedule of Cash and Investments and the Schedule of Building Authority Fund Expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Cash and Investments and the Schedule of Building Authority Fund Expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Cash and Investments and the Schedule of Building Authority Fund Expenses are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The listing of the Board of the South Dakota Building Authority and the Schedule of Projects Financed have 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2019 on our consideration of the SDBA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the SDBA'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 the SDBA's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Martin L. Guindon". The signature is fluid and cursive, with a large initial "M" and "G".

Martin L. Guindon, CPA
Auditor General

October 10, 2019

MANAGEMENT’S DISCUSSION AND ANALYSIS
June 30, 2019

This section of the South Dakota Building Authority’s (“the Authority”) annual financial report presents management’s discussion and analysis of the Authority’s financial performance during the fiscal year ended June 30, 2019 (FY 2019). This analysis should be read in conjunction with the Independent Auditor’s Report, financial statements, notes to the financial statements and supplementary information.

The Authority

The Authority is a component unit of the State of South Dakota. As such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota. The purpose of the Authority is to build or otherwise provide facilities for use by the State. To finance such projects, the Authority is empowered to issue and sell bonds as the Legislature by law declares to be in the public interest. Amounts issued by the Authority shall not be deemed to constitute a debt of the State of South Dakota or any political subdivision thereof.

Concurrently with the issuance of bonds, the Authority executes leases or lease supplements with the board, department, office, commission, or agency of the State which will use and operate the facility.

The South Dakota Building Authority contracts with the South Dakota Health and Educational Facilities Authority for management services on an annual basis.

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019

(continued)

Financial Highlights: (See Changes in Assets, Liabilities and Net Position table below)

- Total assets of the Authority increased \$27.7 million or 9.3%.
- Total liabilities of the Authority increased \$28.7 million or 9.2%.
- Net position of the Authority decreased \$1.7 million or 14.0%.
- Cash and cash equivalents of the Authority increased \$6.0 million or 12.0%.
- Amounts due from State decreased \$12.0 million or 5.1%.
- Current and Noncurrent Bonds payable increased \$20.1 million or 6.5%.
- Construction in progress increased \$33.6 million or 305.0%.
- Amounts held for others increased \$3.1 million or 189.9%.
- Deferred outflows decreased \$0.4 million or 9.0%.
- Deferred inflows increased \$0.2 million.

Financial Statement Elements:

Changes in Assets, Liabilities and Net Position

(in thousands of dollars)

	<u>2019</u>	<u>2018</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Assets:				
Cash and cash equivalents	\$ 56,404.8	\$ 50,359.1	\$ 6,045.7	12.0%
Construction in progress	44,553.8	11,001.0	33,552.8	305.0%
Amounts due from State	222,446.7	234,448.3	(12,001.6)	(5.1%)
Interest receivable	1,769.6	1,674.1	95.5	5.7%
Prepaid expenses	0.4	0.4	0.0	0.0%
Total assets	<u>325,175.3</u>	<u>297,482.9</u>	<u>27,692.4</u>	<u>9.3%</u>
Deferred outflows:				
Deferred amounts of refunding of debt	3,907.1	4,292.4	(385.3)	(9.0%)
Liabilities:				
Current bonds payable,				
net of unamortized premiums	16,816.7	14,999.4	1,817.3	12.1%
Due to State Agencies	4,478.9	41.2	4,437.7	10,771.1%
Amounts held for others	4,661.7	1,608.3	3,053.4	189.9%
Accrued interest payable	1,453.7	1,429.6	24.1	1.7%
Unearned Authority fees	26.1	39.4	(13.3)	(33.8%)
Accounts payable	3,289.9	2,162.9	1,127.0	52.1%
Noncurrent bonds payable,				
net of unamortized premiums	311,747.2	293,447.7	18,299.5	6.2%
Total liabilities	<u>342,474.2</u>	<u>313,728.5</u>	<u>28,745.7</u>	<u>9.2%</u>
Deferred inflows:				
Deferred amount of refunding of debt	239.8	0	239.8	N/A
Restricted net position	6,319.5	7,264.8	(945.3)	(13.0%)
Unrestricted net position	<u>(19,951.1)</u>	<u>(19,218.0)</u>	<u>(733.1)</u>	<u>(3.8%)</u>
Net position	<u>(\$ 13,631.6)</u>	<u>(\$ 11,953.2)</u>	<u>(\$ 1,678.4)</u>	<u>(14.0%)</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2019
(continued)

Changes in Revenues, Expenses and Net Position
(in thousands of dollars)

	<u>2019</u>	<u>2018</u>	<u>\$</u> <u>Change</u>	<u>%</u> <u>Change</u>
Operating revenues:				
Finance income on leases receivable	\$ 13,492.7	\$ 13,180.8	\$ 311.9	2.4%
Fees, charges and other income	769.6	826.1	(56.5)	(6.8%)
Total operating revenues	14,262.3	14,006.9	255.4	1.8%
Operating expenses:				
Administrative costs	536.2	601.1	(64.9)	(10.8%)
Interest expense	13,175.8	14,290.4	(1,114.6)	(7.8%)
Cost of issuance expense	673.0	83.8	589.2	703.1%
Total operating expenses	14,385.0	14,975.3	(590.3)	(3.9%)
Operating loss	(122.7)	(968.4)	845.7	87.3%
Total non-operating (expenses)	(1,555.7)	(586.6)	(969.1)	(165.2%)
Change in net position	(1,678.4)	(1,555.0)	(123.4)	(7.9%)
Ending net position	(\$ 13,631.6)	(\$ 11,953.2)	(\$ 1,678.4)	(14.0%)

Analysis:

For FY 2019, the Authority issued Series 2018A bonds which added \$34.5 million to construction funds and paid construction costs of \$32.4 million causing the actual cash held in the State Investment Council to significantly increase in FY 2019. The decrease in net position of \$1.6 million was primarily due to recording the \$1.97 million in savings from the Series 2019A refunding of Series 2009 and Series 2011, which was owed to the State and recorded as a liability. The \$6.0 million increase in Cash & Cash Equivalents was due to issuing Series 2018A bonds, which was \$2.1 million more than what was used for construction payments and the savings on the Series 2019A refunding bonds. The increase in Bonds Payable was due to issuing the Series 2018A bonds in the amount of \$30.6 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019

(continued)

Debt Administration:

The Authority is authorized to issue revenue bonds, notes or other obligations on behalf of state institutions for the purpose of the constructing, equipping and improving of facilities or the refinancing of outstanding debt.

The Authority issued the Series 2018A bonds in the amount of \$30,755,000 to finance SDSU Raven Precision Agriculture Center and USD DakotaDome renovation and Series 2019A bonds in the amount of \$16,560,000 to refund Series 2009 and Series 2011 bonds in FY 2019.

The Authority paid at maturity bonds totaling \$15.3 million in FY 2019.

The Authority's bonds are rated AA+ by Standard and Poor's, Aa1 by Moody's Investor Service and AA+ by Fitch Rating.

More detailed information about the Authority's debt can be found in Note 5, Bonds Payable.

Overview:

Lease rental payments and interest income are the major sources of revenues for the Authority. The increase in average daily cash on hand held by the Authority compared to the prior year along with better earning rate by the Investment Council resulted in an increase in interest income on investments.

This report is presented to provide additional information regarding operations of the Authority and to meet the requirements of GASB Statement No. 34.

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SOUTH DAKOTA BUILDING AUTHORITY
STATEMENT OF NET POSITION
At June 30, 2019

Assets:

Current assets:

Cash and cash equivalents:

Restricted Held by South Dakota Investment Council	\$ 50,850,120
Unrestricted Held by South Dakota Investment Council	5,551,332
Held by paying agent	<u>3,383</u>
Total cash and cash equivalents	56,404,835

Amounts due from State – short-term	12,513,333
Lease interest receivable	1,465,985
Interest receivable on investments	303,626
Prepays	<u>434</u>

Total current assets 70,688,213

Noncurrent assets:

Construction in progress	44,553,752
Amounts due from State – long-term	<u>209,933,333</u>

Total noncurrent assets 254,487,085

Total assets 325,175,298

Deferred outflows of resources:

Deferred amount from refunding debt 3,907,087

Liabilities:

Current liabilities:

Bonds payable, net of unamortized premiums	16,816,652
Due to State Agencies	4,478,887
Amounts held for others	4,661,667
Accrued interest payable	1,453,671
Accounts payable	3,289,894
Unearned Authority fees	<u>26,153</u>

Total current liabilities 30,726,924

Noncurrent liabilities:

Bonds payable, net of unamortized premiums	<u>311,747,221</u>
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Total noncurrent liabilities 311,747,221

Total liabilities 342,474,145

Deferred inflows of resources:

Deferred amount from refunding debt 239,832

Net position:

Restricted net position	6,319,551
Unrestricted net position	<u>(19,951,143)</u>
Total net position	<u><u>(\$ 13,631,592)</u></u>

See Notes to Financial Statements

SOUTH DAKOTA BUILDING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2019

Operating revenues:	
Finance income on lease receivables	\$ 13,492,723
Fees, charges, and other	<u>769,587</u>
Total operating revenues	<u>14,262,310</u>
Operating expenses:	
Administrative costs	536,204
Interest expense	13,175,779
Cost of Issuance expense	<u>672,998</u>
Total operating expenses	<u>14,384,981</u>
Operating loss	(122,671)
Non-operating revenues/(expenses):	
Investment income	58,959
Contributions to State	(2,258,043)
Other income	<u>643,383</u>
Total non-operating revenues and expenses	<u>(1,555,701)</u>
Change in net position	(1,678,372)
Net position at beginning of year	<u>(11,953,220)</u>
Net position at end of year	<u>(\$ 13,631,592)</u>

See Notes to Financial Statements

SOUTH DAKOTA BUILDING AUTHORITY
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2019

Cash flows from operating activities:	
Receipts for fees	\$ 756,347
Payment for general expenses	(527,527)
Net cash provided by operating activities	<u>228,820</u>
Cash flows from capital and related financing activities:	
Proceeds from bonds	47,315,000
Bond premiums	6,383,952
Paid to escrow	(16,549,468)
Payments for bond issuance costs	(672,998)
Receipts for leases	15,055,000
Receipts for interest income on leases	13,452,742
Principal paid on bonds	(15,255,000)
Interest payments on bonds	(14,304,277)
Payments for construction of buildings	(32,434,472)
Net cash provided by capital and related financing activities	<u>2,990,479</u>
Cash flows from noncapital financing activities:	
Payments to state agencies	(879,897)
Received from IRS for interest payments	643,383
Net cash used for noncapital financing activities	<u>(236,514)</u>
Cash flows from investing activities:	
Investment gain from change in market value	<u>3,062,937</u>
Net cash provided by investing activities	<u>3,062,937</u>
Net increase in cash and cash equivalents during the fiscal year	6,045,722
Cash and cash equivalents at beginning of year	<u>50,359,113</u>
Cash and cash equivalents at end of year	<u><u>\$ 56,404,835</u></u>
Reconciliation of operating loss to net cash provided by operating activities	
Operating loss	(\$ 122,671)
Adjustments to reconcile operating loss	
Receipts for leases	(15,055,000)
Receipts for interest income on leases	(13,452,742)
Administrative Fees – 2010B & 2008	(13,240)
Cost of issuance expense	672,998
Premium amortization	(1,560,533)
Interest expense	14,328,368
Amortized deferred amount of refunding	407,944
Decrease/(increase) in assets:	
Amounts due from State	12,001,667
Interest receivable	(39,981)
Increase/(decrease) in liabilities:	
Accounts payable	8,677
Amounts held for others	<u>3,053,333</u>
Total adjustments	<u>351,491</u>
Net cash provided by operating activities	<u><u>\$ 228,820</u></u>

See Notes to Financial Statements

SOUTH DAKOTA BUILDING AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. The Authority

The South Dakota Building Authority (“the Authority”) was created and organized by Chapter 5-12 of the South Dakota Codified Laws (the Act). The purposes of the Authority are to build and otherwise provide hospital, housing, penitentiary, administrative, classroom, dining hall, field house, parking, union building, library, recreational, laboratory, office and similar facilities for the use by the State. Amounts issued by the Authority shall not be deemed to constitute a debt of the State of South Dakota or any political subdivision thereof. The Authority is a component unit of the State of South Dakota. As such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota.

The Authority is empowered under the Act to acquire, construct, complete, remodel, maintain and equip buildings and other facilities as the Legislature by law declares to be in the public interest. To finance such projects, the Authority is empowered to issue and sell bonds or other forms of indebtedness in such amount or amounts as the Authority may determine, to refund and refinance its indebtedness as often as is advantageous in the public interest to do so, to pledge any and all income of the Authority and any revenues derived from such facilities or any combination thereof, to secure the payment of such bonds and other forms of indebtedness and to redeem such bonds or indebtedness. The Authority may also issue interim notes to finance any of the projects or perform any of the duties authorized under the Act, including planning, architectural and engineering fees, acquisition of land and purchase of equipment.

Concurrently with the issuance of bonds, interim notes or other forms of indebtedness, the Authority executes leases or lease supplements of the related facilities and sites with the board, department, office, commission or agency of the State which will use and operate the facility.

The Authority performs the activities shown below.

Building Authority – Accounts for the lease rental receipts, debt service payments, service fees and disbursements necessary to conduct the day-to-day business of the Building Authority.

The South Dakota Building Authority contracts with the South Dakota Health and Educational Facilities Authority for management services on an annual basis.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation: The Authority, as a component unit of the State of South Dakota, follows standards established by the Governmental Accounting Standards Board (GASB). Generally accepted accounting principles applicable to the Authority are generally those applicable to similar businesses in the private sector.

The Authority utilizes the accrual basis of accounting wherein revenues are recognized when earned and expenses are recognized when incurred. Other significant policies are:

Leases: Properties leased under long-term contracts are accounted for as financing transactions. The present value of aggregate future rentals is recorded as a receivable at the time the assets are turned over to State agencies. Principal received during construction is recorded as Amounts Held For Others until the project has been completed. Interest incurred during the construction of a project is funded currently by scheduled lease payments. Accordingly, such interest is recorded as an expense and the related finance income is recorded as revenue.

Fees, Charges and Other Income: Service and other fees are recorded as income when earned.

Reporting Entity: The accompanying financial statements include all the integral parts of the Authority's operations. The Authority believes that it has no oversight responsibility for any other agency which would require it to be included in the reporting entity.

Investments: The Authority participates in the investment pool managed by the South Dakota Investment Council. Under South Dakota Codified Law, the South Dakota Investment Council pools all participating monies for investment purposes and allocates all earnings of the investments back to the individual participating funds in the same ratio as the average daily cash balance of each participating fund bears to the average cash balance of the participating funds.

Investments are reported at fair value, which approximates market value, in accordance with GASB Statement No. 72. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Cash and Cash Equivalents: For purposes of reporting cash flows, the Authority defines cash and cash equivalents as investments with original maturities of ninety days or less and any participating funds in the State's internal investment pool held by the State Treasurer. The amount held in the State's internal investment pool is reported at fair value. The Authority essentially has on demand access to the entire amount of cash in the internal investment pool.

Restricted Net Position: The Tax Regulatory Agreements provide that certain funds be established to pay debt service payments, cost of issuance expenses and to pay project construction expenses. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed. Restricted net position is composed of cash, assets and liabilities relating to bonds, such as amounts due from State, lease interest receivable, construction in progress, bonds payable, interest payable, amounts held for others, due to state agencies and arbitrage rebate payable. The total restricted net position, as of June 30, 2019, is as follows:

Restricted Net Position	<u>\$6,319,551</u>
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Revenue and Expense Recognition: Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering items in connection with an enterprise fund's principal ongoing operations. The Authority records all revenues derived from administrative fees as operating revenues since these revenues relate to the principal activity of the Authority. Operating expenses include interest expense on bonds and administrative expenses necessary to perform the principal activity of the Authority. On the Statement of Cash Flows, activity associated with the construction of leased assets, including the associated debt and lease payments, is reported as cash flows from capital and related financing activities.

Deferred Outflows of Resources: Deferred outflows of resources represent a consumption of net position by the government that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred Inflows of Resources: Deferred inflows of resources represents an improvement of net position by the government that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until then.

Note 3. Cash and Investments Held by South Dakota Investment Council

Management of the State’s internal investment pool is the statutory responsibility of the South Dakota Investment Council. The investment policy and required risk disclosures for the State’s internal investment pool are presented in the South Dakota Investment Council Audit Report. Cost and fair value, which approximates market value, of cash and investments on June 30, 2019, consist of the following:

	<u>Carrying Value</u>	<u>Fair Value</u>
Cash and Investments managed by the South Dakota Investment Council	\$ 55,352,605	\$ 56,401,452
Cash and Investments held by the Paying Agent	<u>3,383</u>	<u>3,383</u>
	\$ 55,355,988	\$ 56,404,835

Custodial Credit Risk:

Custodial credit risk is the risk that in the event of a bank failure, the Authority’s deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. As of June 30, 2019, none of the Authority’s deposits were exposed to custodial credit risk.

Note 4. Amounts due from State

In accordance with the bond resolutions, the Authority has entered into leases with various boards and departments of the State of South Dakota on the facilities completed and those now in construction. These leases call for rentals which, in the aggregate, are sufficient to pay the principal and interest on the related bonds and any administrative costs of the Authority.

At such time as the lessees have paid rentals sufficient to cover the principal and administrative costs, the Authority will transfer all its rights, title and interest in the related facilities to the lessee.

The leases, which are for periods coinciding with the revenue bonds issued related to the various facilities, are subject to termination and cancellation in any year for which the Legislature of South Dakota fails to make an appropriation to pay the required rentals.

A summary of amounts due from State at June 30, 2019, is as follows:

<u>Agency</u>	<u>Related Bond Issues</u>	<u>Amounts due from State</u>
Board of Regents	2005C Revenue Bond	\$ 8,709,241
	2006A Revenue Bond	1,256,125
	2007 Revenue Bond	41,888,100
	2009 Revenue Bond	15,087,254
	2010 A, B & D Revenue Bond	22,690,642
	2011 Revenue Bond	8,230,750
	2011A Revenue Bond	5,399,850
	2012A Revenue Bond	7,540,876
	2013 B & C Revenue Bond	99,517,750
	2014A Revenue Bond	50,249,500
	2015B Revenue Bond	16,209,500
	2017A Revenue Bond	18,325,050
	2018A Revenue Bond*	46,642,100

Agency	Related Bond Issues	Amounts due from State
Department of Game, Fish and Parks	2006A Revenue Bond	6,265,375
	2007 Revenue Bond	3,450,750
	2008 Revenue Bond	1,515,300
	2010 C & D Revenue Bond	3,860,641
	2013D Revenue Bond*	6,272,129
	2014A Revenue Bond	1,813,750
	2015A Revenue Bond	10,882,504
Animal Industry Board	2017A Revenue Bond*	<u>66,580,400</u>
Total Minimum Lease Payments		442,387,587
Less: Amount representing interest		<u>(146,542,587)</u>
Present Value of Lease Payments representing principal		295,845,000
Net of amount in Construction in Progress, Amounts Held for Others and Construction Funds representing principal		<u>(73,398,333)*</u>
Present Value of Lease Payments representing principal		<u>\$ 222,446,667</u>

* These bonds are recorded in Construction in Progress and Cash held for Construction Projects until the construction project is put into use and transferred to amounts due from State.

Prior to FY 2015, the lease balance reflected the payments under the refunding bonds. Beginning in FY 2015, the leases were not adjusted to reflect the change in bond payments as a result of the refunding. Prior periods were not adjusted for this change of accounting practice. The following is a schedule of future lease payments remaining at June 30, 2019:

Year Ending June 30	<u>Amounts due from State</u>		Total
	Principal	Interest	
2020	\$ 14,785,000	\$ 14,296,502	\$ 29,081,502
2021	14,755,000	13,664,106	28,419,106
2022	15,410,000	12,998,023	28,408,023
2023	15,875,000	12,295,573	28,170,573
2024	16,600,000	11,566,779	28,166,779
2025-2029	84,225,000	45,666,454	129,891,454
2030-2034	72,220,000	26,128,814	98,348,814
2035-2039	56,950,000	9,563,086	66,513,086
2040-2042	<u>5,025,000</u>	<u>363,250</u>	<u>5,388,250</u>
	<u>\$ 295,845,000</u>	<u>\$ 146,542,587</u>	<u>\$ 442,387,587</u>

The payments reported in the preceding amounts due from State schedules do not include administrative fees incorporated into the lease schedules and collected over the life of the lease.

Note 5. Lease Bonds Payable

The following is a schedule of the activity and ending balances for the lease bonds payable as of June 30, 2019.

Series	Final Maturity Date	Percent Interest Rate	Balance 6/30/18	Issued	Retired	Balance 6/30/19	Due Within 1 Year
Lease Bonds:							
2009	2034	-	\$ 9,990,000	\$ -	\$ 9,990,000	\$ -	\$ -
2010A	2027	4.5-5.65	6,440,000	-	695,000	5,745,000	715,000
2010B	2035	4.5-6.20	13,180,000	-	195,000	12,985,000	200,000
2010C	2031	4.28-5.85	2,880,000	-	165,000	2,715,000	170,000
2010D	2019	3.25	215,000	-	105,000	110,000	110,000
2011	2026	-	7,790,000	-	7,790,000	-	-
2011A	2026	4.0-5.0	5,790,000	-	985,000	4,805,000	1,025,000
2012A	2028	2.05-5.0	6,105,000	-	40,000	6,065,000	40,000
2013B	2038	5.0	67,315,000	-	2,320,000	64,995,000	2,435,000
2013D	2038	3.294-5.769	3,955,000	-	125,000	3,830,000	130,000
2014A	2039	5.0	33,715,000	-	1,005,000	32,710,000	1,055,000
2014B	2029	5.0	5,250,000	-	-	5,250,000	-
2014C	2020	2.1-2.4	3,040,000	-	1,185,000	1,855,000	1,205,000
2014D	2026	4.5-5.0	6,825,000	-	625,000	6,200,000	645,000
2014E	2032	4.0-5.0	29,035,000	-	1,790,000	27,245,000	1,865,000
2014F	2032	2.8-4.7	7,105,000	-	440,000	6,665,000	455,000
2015A	2030	2.324-4.013	9,520,000	-	675,000	8,845,000	690,000
2015B	2040	5.0	10,160,000	-	265,000	9,895,000	275,000
2017A	2042	3.0-5.0	55,535,000	-	1,625,000	53,910,000	1,685,000
2018A	2040	4.0-5.0	-	30,755,000	1,720,000	29,035,000	895,000
2019A	2034	4.0-5.0	-	16,560,000	-	16,560,000	1,395,000
Total			\$ 283,845,000	\$47,315,000	\$31,740,000	\$299,420,000	\$ 14,990,000

The lease bonds at June 30, 2019, are payable as follows:

Year Ending June 30	Principal	Interest	Total
2020	\$ 14,990,000	\$ 14,288,487	\$ 29,278,487
2021	14,890,000	13,741,150	28,631,150
2022	15,545,000	13,078,358	28,623,358
2023	16,015,000	12,378,497	28,393,497
2024	16,750,000	11,652,776	28,402,776
2025-2029	85,265,000	45,894,909	131,159,909
2030-2034	73,675,000	26,165,423	99,840,423
2035-2039	57,265,000	9,581,985	66,846,985
2040-2044	5,025,000	363,250	5,388,250
Total	299,420,000	\$ 147,144,835	\$446,564,835
Add: unamortized premiums	29,143,873		
Total Bonds Payable, Net of Amortization	\$ 328,563,873		

Note 6. Refunded and Defeased Bonds

The Authority has entered into refunding transactions whereby refunding bonds have been issued to facilitate defeasance of the Authority's obligation with respect to certain bond issues. The proceeds of the refunding issues have been placed in irrevocable escrow accounts and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for future payments of interest and principal on the issues being refunded. Refunded bonds and the related assets held in the trust are not included in the accompanying financial statements since the Authority has satisfied its obligations with respect thereto through consummation of the refunding transactions.

On June 26, 2019, the Authority issued \$9,625,000 in Revenue Bonds Series 2019A to refund the Series 2009 bonds. The refunding portion with an average interest rate of 4.30 percent was used to refund \$9,535,000 of outstanding Series 2009 bonds with an average interest rate of 6.65 percent. The net proceeds of the refunding portion of \$9,578,107 were used to call the refunded Series 2009 bonds (after payment of \$167,555 in underwriting fees and other issuance costs and transfer of \$1,360,000 in savings to the State General Fund). As a result, the refunded Series 2009 bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position.

The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$22,632. This difference is being charged to operations through fiscal year 2034 using the effective-interest method. The Authority completed the current refunding for a net economic gain of \$29,152. The difference between the cash flows of the refunded bonds and the refunding bonds is a \$40,669 reduction in debt service payments, the actual cash amount realized was \$1,360,000.

On June 26, 2019, the Authority issued \$6,935,000 in Revenue Bonds Series 2019A to refund the Series 2011 bonds. The refunding portion with an average interest rate of 4.50 percent was used to refund \$6,950,000 of outstanding Series 2009 bonds with an average interest rate of 4.41 percent. The net proceeds of the refunding portion of \$6,971,361 were used to call the refunded Series 2011 bonds (after payment of \$261,193 in underwriting fees and other issuance costs and transfer of \$610,000 in savings to the State General Fund). As a result, the refunded Series 2011 bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position.

The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of (\$239,832). This difference is being charged to operations through fiscal year 2026 using the effective-interest method. The Authority completed the current refunding for a net economic gain of \$20,218. The difference between the cash flows of the refunded bonds and the refunding bonds is a \$23,674 reduction in debt service payments, the actual cash amount realized was \$610,000.

Note 7. Commitments

The State Investment Council was investing \$56,401,452 of South Dakota Building Authority funds on June 30, 2019, of which \$46,302,852 represented unspent construction proceeds for bonded State agency construction projects.

Note 8. Arbitrage

Arbitrage as it applies to government financing refers to the ability of state governments to obtain funds at a tax-exempt rate of interest and to then invest those funds in investments which earn a higher yield, resulting in a profit to the issuer. The arbitrage rebate rules require that any earnings from the investment of the tax-exempt bond proceeds which exceed the yield on the bonds be remitted to the federal government every five years. Under the terms of the bond documents, the Authority will pay any obligations due to the federal government at the final computation date. Based on arbitrage rebate calculations as of June 30, 2019, no arbitrage rebate obligations exist.

Note 9. Construction in Progress

Land and buildings under construction for other governmental agencies as of June 30, 2019:

Construction in Progress as of June 30, 2018:		\$11,000,945
Construction payments in FY 2019:		
Series 2013D	28,540	
Series 2017A Animal Disease Research and Diagnostics Lab	28,246,354	
Series 2018A USD DakotaDome and Practice football field	<u>4,159,578</u>	
Total construction payments in FY 2019		32,434,472
Total construction completed and transferred to Amounts due from State and Amounts held for Others in FY 2019		(0)
Accounts Payable – June 30, 2018		(2,162,447)
Accounts Payable – June 30, 2019		<u>3,280,782</u>
Construction in Progress as of June 30, 2019:		<u>\$ 44,553,752</u>

Note 10. Subsequent Events

South Dakota Building Authority is in the process of a partial refunding of Series 2010C, 2013B and 2013D by issuing Series 2019B bonds. This is tentatively scheduled to be completed in November of 2019.

In September 2019, The First National Bank in Sioux Falls sold the paying agent duties to U.S. Bank.

SUPPLEMENTARY INFORMATION

**SOUTH DAKOTA BUILDING AUTHORITY
SCHEDULE OF CASH AND INVESTMENTS
June 30, 2019**

Project	Cash and Investments (at Cost)
Lease Program	
Debt Service Fund	\$ 2,291,093
Series 2000 Debt Service Fund	1,357
Series 2010B HSC Debt Service Fund	4,547,267
Series 2013D Department of Game, Fish & Parks	92,872
Series 2017A Animal Industry Board	15,869,558
Series 2018A BOR Project Fund	<u>30,340,422</u>
Total Lease Program	<u>53,142,569</u>
Operating Fund	1,004,826
Excess Cash Account	3,120
Series 2019A Cost of Issuance	3,383
State Investment Council interest	<u>1,202,090</u>
Total	<u>\$ 55,355,988</u>

The cash and investments within the lease program include the amounts restricted for the completion of the projects based on construction budgets.

SUPPLEMENTARY INFORMATION

**SOUTH DAKOTA BUILDING AUTHORITY
SCHEDULE OF BUILDING AUTHORITY FUND EXPENSES
For the Year Ended
June 30, 2019**

Administrative expenses

Insurance – Property & performance bond	\$ 263,214
South Dakota Health and Educational Facilities Authority – administrative fees	171,799
Directors and Officers insurance	22,713
Paying agent fees	22,750
Audit fees	13,592
Rent	9,084
Moody’s rating agency fee	9,000
Legal Fees	8,427
Capital purchases	5,000
Office expense	2,108
Rebate computation expense	2,100
Other	2,067
Travel	2,044
Utilities	1,200
Telephone	718
Board member per diem and taxes	<u>388</u>
Total administrative expenses	<u>\$ 536,204</u>

SUPPLEMENTARY INFORMATION

SOUTH DAKOTA BUILDING AUTHORITY

SCHEDULE OF PROJECTS FINANCED

<u>Issue</u>	<u>Project</u>	<u>Amount</u>
Series 1969A	Northern State University - Classroom and auditorium	\$1,000,000
Series 1969B	Plankinton kitchen and dining facility	325,000
Series 1970	South Dakota State University - Physical Education Center	3,685,000
Series 1971	Black Hills State University - Library - 1,581,500 Yankton State Hospital - 875,000	2,456,500
Series 1975 Jan	South Dakota School of Mines & Technology - Physical Education Center	2,600,000
Series 1975A	South Dakota State University - Animal Science Center - 1,600,000 University of South Dakota - Science Center - 3,600,000	5,200,000
Series 1975B	South Dakota State University - Library	4,200,000
Series 1975 Aug	Refunded Series 1969, 1970, 1971, 1975 Jan, 1975 A & B bonds	17,500,000
Series 1976 Apr	Redfield Food Service facility	2,000,000
Series 1976 Jun	University of South Dakota - Physical Education Center	5,200,000
Series 1977	South Dakota State University - Feed Processing unit	980,000
Series 1978 Jan	Northern State University - Beulah Williams Library	490,000
Series 1978 Apr	Refund Series 1975 Aug, 1976 Apr, 1976 Jun, 1977 Jul and 1978 Jan bonds	26,685,000
Series 1980 Feb	University of South Dakota - Law School - 4,250,000 South Dakota State University - Pharmacy Addition - 500,000	4,750,000
Series 1980 Mar	South Dakota State University - Horticulture Center	520,000
Series 1980 May	South Dakota State University - Home Management Laboratory	100,000

<u>Issue</u>	<u>Project</u>	<u>Amount</u>
Note 1981 Jan	Department of Game, Fish & Parks - Blue Dog fish hatchery - 3,269,000 Watertown cold storage unit - 130,000	3,399,000
Note 1981 Mar	University of South Dakota - Armory	600,000
Series 1982 Nov	Department of Game, Fish & Parks - Blue Dog fish hatchery - 2,290,000 Watertown cold storage unit - 130,000 University of South Dakota - Armory - 600,000	3,020,000
Series 1984	Refunded Series 1978 Apr, 1980 Feb, 1980 Mar and 1982 Nov bonds	21,870,000
Series 1985	Northern State University - Barnett Center	6,915,000
Series 1986A	Sale Leaseback	175,000,000
Series 1986B	Sale Leaseback	12,820,000
Series 1987A	Cultural Heritage Center	5,500,000
Series 1987B	Refunded Series 1984 bonds	12,665,000
Series 1988A	Black Hills State University - Physical Education facility	2,947,000
Series 1989 Certificates	Sale Leaseback - Improvements to State facilities	7,075,000
Series 1989 Mar	Conservation Reserve Enhancement Program	10,000,000
Series 1989 Sep	Conservation Reserve Enhancement Program	5,263,000
Series 1989 Nov	Conservation Reserve Enhancement Program	4,737,000
Series 1990 Mar	Conservation Reserve Enhancement Program	2,000,000
Series 1990 Jun	Conservation Reserve Enhancement Program	3,000,000
Series 1990 Dec	Conservation Reserve Enhancement Program	3,000,000
Series 1990 Certificates	Energy Conservation projects	1,500,000
Series 1991 Jul	Conservation Reserve Enhancement Program	4,015,000
Series 1991A	Department of Game, Fish & Parks - Custer State Park	1,200,000
Series 1991B	South Dakota State University - Northern Plains Biostress Lab - 4,895,500 Department of Game, Fish & Parks - Custer State Park - 1,299,500	6,195,000
Series 1991A Lease Revenue Trust	Refunded Series 1986B and 1987A bonds	11,315,000
Series 1991B Lease Revenue Trust	Refunded Series 1988A and 1989 certificates	16,030,000

<u>Issue</u>	<u>Project</u>	<u>Amount</u>
Series 1992 Jul	Conservation Reserve Enhancement Program	2,591,000
Series 1992	Department of Human Services - Human Services Center - 33,075,000	
	Department of Game, Fish & Parks - Custer State Park - 1,500,000	
	South Dakota State University - Northern Plains Biostress Lab - 230,000	34,805,000
Series 1992 Dec	Conservation Reserve Enhancement Program	223,500
Series 1993 Jul	Conservation Reserve Enhancement Program	1,474,000
Series 1993A	University of South Dakota - I. D. Weeks Library addition	6,800,000
Series 1993B	South Dakota State University - Animal Diagnostics Laboratory - 5,400,000	
	Department of Game, Fish & Parks - Custer State Park - Sylvan Lake store, preliminary engineering study, conference center and additional lodging units at State Game Lodge - 200,000	5,600,000
Series 1993A	Lease Revenue Trust Refund Series 1992 bonds	33,075,000
Series 1993B	Lease Revenue Trust Refund Series 1987B bonds	11,310,000
Series 1994A	Department of Health - State Health Lab - 7,100,000	
	Department of Game, Fish & Parks - Custer State Park - Legion Lake store - 425,000	7,525,000
Note 1995	Northern State University - Barnett Center Beulah Williams Library	4,500,000
Series 1995A	Refund 1995 Note - \$4,500,000 Board of Regents maintenance and repair projects - 7,450,000	11,950,000
Series 1996A	Refund Series 1986A certificates	112,471,501
Series 1996B	Refund Series 1986A certificates	19,665,000
Series 1996C	Refund Series 1991B and 1994A bonds	14,140,000
Series 1996D	Department of Game, Fish & Parks - Sioux Falls Outdoor Learning Skills Center	2,500,000

<u>Issue</u>	<u>Project</u>	<u>Amount</u>
Series 1997	University of South Dakota - Old Main Building renovation	2,463,000
Series 1998A	Conservation Reserve Enhancement Program	8,000,000
Series 1999	Dakota State University - 3,030,000 South Dakota State University - 2,540,000 South Dakota School of Mines & Technology - 2,540,000 Refunded Series 1992 - \$1,845,000	9,955,000
Series 2000	University of South Dakota - DakotaDome roof	6,505,000
Series 2002	Special Obligation Taxable Refunding Bonds Refund Series 1988A bonds and Series 1989 certificates	6,825,000
Series 2002	Dakota State University - Technology Classroom - 2,500,000 Black Hills State University - Meier Music Hall - 2,500,000	5,000,000
Series 2003	Refund Series 1993A, 1993B, 1995A and 1996D bonds	15,785,000
Series 2003A	University of South Dakota - Lee Medical School - 12,500,000 South Dakota School of Mines & Technology - Deveraux Library renovation, air conditioning unit - Physical Plant, and campus primary electrical system upgrade - 2,040,000 Refund Series 1997 bonds - 2,320,000	16,860,000
Series 2005A	Office of Attorney General and Department of Public Safety - DCI Crime Lab Building	4,500,000
Series 2005B	Office of Attorney General and Department of Public Safety - DCI Crime Lab Building	8,135,000
Series 2005C	Northern State University - Mewalt/Jensen Technology Center - 7,000,000 Refund portion of Series 1999 and 2000 bonds - 10,125,000	17,125,000

<u>Issue</u>	<u>Project</u>	<u>Amount</u>
Series 2006A	University Center Sioux Falls - Center for Graduate Education and Applied Research (GEAR) - 2,000,000	
	Department of Game, Fish & Parks - fish hatcheries improvements - 10,000,000	
	Refund portion of Series 1996C bonds - 4,265,000	16,265,000
Series 2006B	Refund portion of Series 1996A bonds	24,650,000
Series 2006C Taxable	Refund portion of Series 1996A bonds	1,205,000
Series 2007	South Dakota State University - Shepard Hall/Science Building - 24,00,000	
	University Center Sioux Falls - New Classroom Building - 7,700,000	
	University of South Dakota - School of Business - 5,400,000 Slagle Hall renovation - 4,600,000	
	Maintenance and repair projects - 8,590,000	
	Department of Game, Fish & Parks - Custer State Park improvements - 5,110,000 Custer State Park Camping Cabins - 840,000	56,240,000
Series 2008	Black Hills State University - New Science Center - 8,034,361	
	Dakota State University - Habeger Science Center renovation - 6,005,750	
	Northern State University - Mewalt/Jensen & Krikac Building renovation - 2,687,171	
	South Dakota School of Mines & Technology - Chemical and Biological Engineering/Chemistry Building - 17,859,804 Paleontology Building - 7,024,922	
	South Dakota State University - Agricultural Hall renovation - 7,962,629 Dairy Microbiology Building renovation - 8,214,225	
	University of South Dakota - Akeley Lawrence Science Center renovation - 5,228,094	

<u>Issue</u>	<u>Project</u>	<u>Amount</u>
Series 2008 (cont.)	Churchill Haines Building renovation - 6,714,341 Pardee Lab renovation - 3,771,432 Department of Game, Fish & Parks - Custer State Park improvements - 2,182,271	75,685,000
Series 2009 Taxable		
Build America Bonds	University Center Rapid City	13,585,000
Series 2010A Taxable	Black Hills State University - Woodburn Hall renovation - 5,400,000 Dakota State University - Infrastructure improvements - 3,000,000 Northern State University - Graham Hall and Lincoln Hall renovation - 3,000,000	11,400,000
Series 2010B Taxable	University Center Sioux Falls - Classroom Building - 8,970,000 Department of Human Services - Human Services Center Dietary Building - 5,630,000	14,600,000
Series 2010C Taxable	Department of Game, Fish & Parks - Custer State Park improvements	3,875,000
Series 2010D	Refund Series 1999 bonds	1,065,000
Series 2011	Black Hills State University - chiller upgrade - 1,164,804 Northern State University - Krikac renovation, Spafford Hall air conditioning, and electrical loop - 1,459,898 South Dakota State University - central heating plant - 5,632,287 University of South Dakota - water, sewer, electrical loop, heating boilers and Delzell electrical and mechanical infrastructure upgrade - 4,623,011	12,880,000
Series 2011A	Refund Series 2002 and a portion of Series 2003A bonds	6,925,000
Series 2012A	Refund remaining Series 2003A bonds	9,740,000

<u>Issue</u>	<u>Project</u>	<u>Amount</u>
Series 2013B	Black Hills State University - infrastructure - 3,754,649	
	Jonas Science Center renovation - 1,173,328	
	Dakota State University - energy efficiency and ADA compliance - 1,196,794	
	Northern State University - street improvements - 563,197	
	Johnson Fine Arts Center - 4,693,311	
	South Dakota School of Mines & Technology - utility infrastructure - 2,571,935	
	South Dakota State University - utility tunnel/condensate infrastructure repair and modernization - 6,570,636	
	Headhouse and Greenhouse - 938,662	
	Architecture, Mathematics and Engineering Building - 9,386,622	
	Cow/Calf Research Facility - 2,722,121	
	University of South Dakota - mechanical overhaul and modernization - 7,509,298	
	Science, Health and Research Lab Building - 8,161,668	
	Sports Complex - 11,996,474	
	Patterson Hall renovation - 6,101,305	67,340,000
Series 2013C Taxable	University of South Dakota - Sports Complex	10,000,000
Series 2013D Taxable	Department of Game, Fish & Parks - Angostura Recreation Area - 1,500,000	
	Cedar Shores stabilization project - 3,000,000	4,500,000
Series 2014A	South Dakota State University - football stadium - 33,757,068	
	Department of Game, Fish & Parks - Good Earth visitor center - 1,237,759	
	Custer State Park visitor center - 825,173	35,820,000
Series 2014B	Refund Series 2005C bonds - new money portion	5,250,000
Series 2014C Taxable	Refund Series 2005C bonds - refunding portion	7,180,000
Series 2014D	Refund Series 2006A bonds	7,505,000
Series 2014E	Refund Series 2007 bonds	35,455,000

<u>Issue</u>	<u>Project</u>	<u>Amount</u>
Series 2014F Taxable	Refund Series 2007 bonds	8,000,000
Series 2015A Taxable	Department of Game, Fish & Parks - Custer State Park improvements	11,500,000
Series 2015B	Dakota State University - Information Systems Building - 5,421,927	
	South Dakota School of Mines & Technology - Chemical and Biological Engineering/Chemistry Building - 5,458,073	10,880,000
Series 2017A	Animal Industry Board - Animal Disease Research & Diagnostics Lab - 44,305,000	
	South Dakota State University - Performing Arts Center - 11,500,000	
	Refund Series 2008 - 1,405,000	57,210,000
Series 2018A	South Dakota State University - Raven Precision Agriculture Center - 17,830,000	
	University of South Dakota - DakotaDome renovation and practice football field – 12,925,000	30,755,000
Series 2019A	Refund Series 2009 and 2011 bonds	<u>16,560,000</u>
	Total amount of bonds issued	<u>\$1,323,610,501</u>
	Total number of bonds issued	<u>92</u>

