

**SOUTH DAKOTA**  
**ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**FINANCIAL REPORT**

**(Compiled)**

**March 31, 2018**

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# Clausen & Rice, LLP

Certified Public Accountants and Business Consultants

**John E. Clausen, CPA**

johnclausen.cpa@midconetwork.com

**Daniel T. Rice, CPA**

danrice.cpa@midconetwork.com

## Accountant's Compilation Report

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

Management is responsible for the accompanying financial statements of South Dakota Economic Development Finance Authority (a Non-Major Component Unit of the State of South Dakota) as of March 31, 2018, and the related statements of revenues, expenses and changes in net fund assets and cash flows for the nine months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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

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

*Clausen & Rice, LLP*

Pierre, South Dakota  
April 25, 2018

**South Dakota**  
**Economic Development Finance Authority**  
**Statement of Net Position**  
**March 31, 2018**  
**See Accountant's Compilation Report**

**ASSETS**

Cash and investments	10,145,730.13
Loans receivable - net of allowance of \$283,367	8,682,172.76
Loan interest receivable	37,400.70
Investment income receivable	37,583.89
Accounts Receivable	0.00
Deferred Charges	<u>0.00</u>
<b>TOTAL ASSETS</b>	<b><u><u>18,902,887.48</u></u></b>

**LIABILITIES**

Accounts payable	116.00
Accrued Interest payable	227,028.75
Bonds payable	8,740,000.00
Long term loan escrow payable	861,553.21
Amounts held in custody for others	<u>0.00</u>
<b>TOTAL LIABILITIES</b>	<b><u><u>9,828,697.96</u></u></b>

**NET POSITION**

Restricted for Debt Service	5,000,000.00
Unrestricted	<u>4,074,189.52</u>
<b>TOTAL NET POSITION</b>	<b><u><u>9,074,189.52</u></u></b>

<b>TOTAL LIABILITIES AND NET POSITION</b>	<b><u><u>18,902,887.48</u></u></b>
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**South Dakota**  
**Economic Development Finance Authority**  
**Statement of Revenues, Expenses, & Changes in Net Position**  
**For the Period Ending March 31, 2018**  
**See Accountant's Compilation Report**

	<u>Current Period Jan to Mar</u>	<u>Year to Date</u>
<b>OPERATING REVENUE</b>		
Interest income on loans	83,155.63	318,866.36
<b>LESS OPERATING EXPENSES</b>		
Administrative expenses	11,658.21	40,750.19
Interest expense	113,514.37	340,543.12
Refund to Institution	-	-
Payments to Loan Recipients	-	-
<b>NET INCOME (LOSS) FROM OPERATIONS</b>	(42,016.95)	(62,426.95)
<b>NONOPERATING REVENUE</b>		
Investment Income	<u>36,083.78</u>	<u>102,682.24</u>
<b>NET INCOME (LOSS)</b>	(5,933.17)	40,255.29
<b>NET POSITION, BEGINNING</b>	9,041,970.90	8,995,782.44
Prior Period Adjustment	<u>38,151.79</u>	<u>38,151.79</u>
<b>NET POSITION, ENDING</b>	<u><u>9,074,189.52</u></u>	<u><u>9,074,189.52</u></u>

**South Dakota**  
**Economic Development Finance Authority**  
**Statement of Cash Flows**  
**For the Period Ending March 31, 2018**  
**See Accountant's Compilation Report**

	<b>Current Period Jan to Mar</b>	<b>Year to Date</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Income (Loss)	(5,933.17)	40,255.29
Adjustments to Reconcile Net Income to		
Net Cash provided from (used in) Operating Activities:		
(Increase) Decrease in Loans Receivable	78,264.18	300,777.11
(Increase) Decrease in Loan Interest Receivable	-	-
(Increase) Decrease in Investment Income Receivable	(7,132.72)	(8,575.87)
Increase (Decrease) in Accounts Payable	-	-
Increase (Decrease) in Accrued Interest Payable	113,514.37	113,514.37
Increase (Decrease) in Due to State General Fund	-	-
Increase (Decrease) in Due to Other Governments	-	-
Increase (Decrease) in Bonds Payable	-	-
Increase (Decrease) in Long Term Escrow Payable	2,501.90	8,453.85
Increase (Decrease) in Amounts Held in the Custody for Others	-	-
	181,214.56	454,424.75
<b>NET INCREASE IN CASH AND INVESTMENTS</b>		
<b>CASH AND INVESTMENTS - BEGINNING</b>	9,926,363.78	9,653,153.59
<b>Prior Period Adjustment</b>	38,151.79	38,151.79
<b>CASH AND INVESTMENTS - ENDING</b>	10,145,730.13	10,145,730.13