

**BOARD OF ECONOMIC DEVELOPMENT
BHR CAPITOL CONFERENCE ROOM B20, 500 E CAPITOL AVE, PIERRE, SD
WEDNESDAY, JANUARY 13, 2021, 10:00 A.M., CT**

TABLE OF CONTENTS

- A. Regular Session Agenda
- B. Minutes
- C. Monthly Financials
- D. VASF Memo
- E. Executive Session Agenda
- F. Monthly Status Report
- G. Watch List
- H. Hydrogreen, Inc.
- I. MinKota Fisheries, Inc.
- J. Purity Seeds, LLC
- K. Tech V, LLC
- L. The Plains Apartments, LLC
- M. Reinvestment Payment Program
 - 1. Norway Pork OP, LLC
- N. Bills

**BOARD OF ECONOMIC DEVELOPMENT
BHR CAPITOL CONFERENCE ROOM B20, 500 E CAPITOL AVE, PIERRE, SD
WEDNESDAY, JANUARY 13, 2021, 10:00 A.M., CT**

Motion Sheet

(STAFF RECOMMENDATIONS)

Please note times:

Call To Order: _____

Executive Session _____

Regular Session _____

Adjournment _____

**Board
Members:**

Jeff Erickson

Matt Judson **Agenda**

Motion to approve the agenda as presented.

**Sharon
Casey**

Motion made by _____ and seconded by _____.

Mike Luken

Minutes

Ted Husted

Motion to approve the minutes of the meetings held December 9, 2020 and January 4, 2021, as presented

**Don
Kettering**

Motion made by _____ and seconded by _____.

Tom Jones

Conflicts of Interest Disclosures

Reed Kessler

Joy Nelson **Public Comments**

Eric Yunag **Commissioners Comments**

Pat Burchill

Executive Session

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

David Emery

Motion made by _____ and seconded by _____.

Non-Voting

Lee Qualm

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.

Erin Healy

**Craig
Kennedy**

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

Kris Langer

Motion made by _____ and seconded by _____.

Old Business

Hydrogreen, Inc.

Motion to approve a one-year extension as presented.

Motion made by _____ and seconded by _____.

MinKota Fisheries, Inc.

Motion to approve an extension to the loan schedule as presented.

Motion made by _____ and seconded by _____.

Purity Seeds, LLC

Motion to approve an extension to the payment modification with a 1% interest rate as presented.

Motion made by _____ and seconded by _____.

Tech V, LLC

Motion to approve the request to forgive the loan as presented.

Motion made by _____ and seconded by _____.

New Business

The Plains Apartments, LLC

Motion to approve the waiver for a loan over \$1,000,000 and a loan request from The Plains Apartments, LLC in the amount of \$12,820,534. Secured by 35% in a shared first position with participating lender, 10% in a sole second position and the limited personal guaranty of 125% ownership for all owners.

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 _____.

Reinvestment Payment Program

Norway Pork OP, LLC

Motion to approve the Reinvestment Payment Program grant application to Norway Pork OP, LLC as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$651,600 but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Norway Pork OP, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion made by _____ and seconded by _____.

Bill

Motion to approve the bill payable to Department of Legislative Audit in the amount of \$15,551.05 for 2020 Audit.

Motion made by _____ and seconded by _____.

Adjourn

Motion made by _____ and seconded by _____.

A

**BOARD OF ECONOMIC DEVELOPMENT
BHR CAPITOL CONFERENCE ROOM B20, 500 E CAPITOL AVE, PIERRE, SD
WEDNESDAY, JANUARY 13, 2021, 10:00 A.M., CT**

The public may participate by the following:

Call In Number: (669) 900-9128 Meeting ID: 96677988449 Participant Id: # Passcode: 421401
<https://state-sd.zoom.us/j/96677988449?pwd=S1I2bW5wRkd6OWJmVjUza0N2K1pDQT09>
One tap mobile: +13462487799,,96677988449#,,,,*421401# US
www.zoom.com Meeting ID: 96677988449 Passcode: 421401

REGULAR SESSION AGENDA

- 10:00 A.M. Call to Order, Chairman Jeff Erickson
- 10:05 A.M. **Agenda**
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.
- Minutes**
RECOMMENDED ACTION: Motion to approve the minutes of December 9, 2020 and January 4, 2021, as presented.
- Conflicts of Interest Disclosures**
- Public Comments**
- Monthly Financials**
RECOMMENDED ACTION: No action taken.
- VASF Memo**
RECOMMENDED ACTION: No action taken.
- 10:10 A.M. **Commissioner's Comments**
- 10:15 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. SDCL 1-25-2(4) and 1-16G-11
- 10:45 A.M. **Report from Executive Session**
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.
- Other Motions**
Hydrogreen, Inc.
MinKota Fisheries, Inc.
Purity Seeds, LLC
Tech V, LLC
The Plains Apartments, LLC

Reinvestment Payment Program
Norway Pork OP, LLC

Bills

Department of Legislative Audit - \$15,551.05

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.

B

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
WEDNESDAY, DECEMBER 9, 2020, 10:00 A.M., CT**

Members Present

Chairman Jeff Erickson, Matt Judson, Sharon Casey, Mike Luken, Ted Husted, Don Kettering, Tom Jones, Reed Kessler, Joy Nelson, Eric Yunag, Pat Burchill, Kevin Tetzlaff and David Emery

Staff Present

Cassie Stoesser, Ashley Moore, LaJena Gruis, Cassidy Kulesa, Terri LaBrie, Dale Knapp and Natalie Likness

Other Staff Present

Andrew Coppersmith and Mike Bietz - BankWest, Inc.

Others Present

Bob Mercer - Keloland

Call to Order

Chairman Erickson called the meeting to order at 10:00 a.m.

Agenda

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

Motion passed by a roll call vote.

Minutes

A motion was made by Matt Judson and seconded by Sharon Casey to approve the minutes of the meetings held November 12, 2020 and November 25, 2020, as presented.

Motion passed by a roll call vote.

Conflicts Disclosure

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

Public Comments – none

Executive Session

A motion was made by Mike Luken and seconded by Ted Husted to enter into executive session at 10:07 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-25-2(4) and SDCL 1-16G-11.

Motion passed by a roll call vote.

Pat Burchill left the meeting at 10:20 a.m.

Executive Session Report

The Chairman declared the board out of executive session at 10:29 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 Don Kettering and seconded by Ted Husted to approve the Chairman's report from executive session.

Motion passed by a roll call vote.

Grant Reviews

Local Infrastructure Improvement Program (City of Box Elder) and Reinvestment Payment Program (Dakota Line Dairy and Intrinsic Materials Corp.)

A motion was made by Matt Judson and seconded by Sharon Casey to approve the grant reviews and recommendations as recommended by staff and Grant Committee

Motion passed by a roll call vote.

Old Business

Greater Rapid City Area EDC/Elevate

A motion was made by Joy Nelson and seconded by Don Kettering to approve the grant amendment and assumption as recommended by staff and Grant Committee.

Motion passed by a roll call vote.

Turner County

A motion was made by Mike Luken and seconded by Eric Yunag to approve an extension of grant agreements LIIP-18-10 and LIIP-19-02 to Turner County as recommended by staff and Grant Committee.

Motion passed by a roll call vote.

New Business

Economic Development Partnership Program

Central South Dakota Enhancement District (RLF) and South Eastern Development Foundation (RLF)

A motion was made by Kevin Tetzlaff and seconded by Don Kettering to approve the Economic Development Partnership Program grants as recommended by staff and Grant Committee.

Central South Dakota Enhancement District (RLF)

Approve an Economic Development Partnership grant award (RLF) to Central South Dakota Enhancement District in the amount of \$200,054, to be granted in accordance with the board's Economic Development Partnership Award Policy for Revolving Loan Funds.

South Eastern Development Foundation (RLF)

Approve an Economic Development Partnership grant award (RLF) to the South Eastern Development Foundation in the amount of \$166,667, to be granted in accordance with the board's Economic Development Partnership Award Policy for Revolving Loan Funds.

Motion passed by a roll call vote.

Local Infrastructure Improvement Program

City of Box Elder

A motion was made by Ted Husted and seconded by Sharon Casey to deny the Local Infrastructure Improvement Program as recommended by staff and Grant Committee.

Motion passed by a roll call vote.

City of Clear Lake and City of Lake Norden

A motion was made by Tom Jones and seconded by Joy Nelson to approve the Local Infrastructure Improvement Program as recommended by staff and Grant Committee.

City of Clear Lake

Approve a Local Infrastructure Improvement grant award to the City of Clear Lake in the amount of \$200,750, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

City of Lake Norden

Approve a Local Infrastructure Improvement grant award to the City of Lake Norden in the amount of \$500,000, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Motion passed by a roll call vote.

Reinvestment Payment Program

POET Biorefining

A motion was made by David Emery and seconded by Mike Luken to deny the Reinvestment Payment Program grant application to POET Biorefining as recommended by staff.

Motion passed by a roll call vote.

Vander Dussen Dairy, LLC

A motion was made by Don Kettering and seconded by Sharon Casey to approve the Reinvestment Payment Program grant application to Vander Dussen Dairy, LLC as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$1,530,000 but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Vander Dussen Dairy, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion passed by a roll call vote.

Bills

A motion was made by Kevin Tetzlaff and seconded by Eric Yunag to approve the bill payable to PIDC in the amount of \$8,325 for Portfol Annual Maintenance.

Motion passed by a roll call vote.

Adjourn

The Chairman adjourned the meeting at 10:40 a.m.

Matt Judson, Treasurer

CREDIT COMMITTEE
BHR CAPITOL CONFERENCE ROOM B20, 500 E CAPITOL AVE, PIERRE, SD
MONDAY, JANUARY 4, 2021, 1:00 P.M. CT

Members Present

Chairman Jeff Erickson, Don Kettering, Matt Judson and Pat Burchill

Staff Present

Commissioner Steve Westra, Cassie Stoesser, Ashley Moore, LaJena Gruis, Terri LaBrie, Cassidy Kulesa

Other Staff Present

Andrew Coppersmith - BankWest, Inc.

Others Present

Christopher Vondracek – Forum News Service

Call to Order

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

Agenda

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

Motion passed by a roll call vote.

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

Public Comment Period – none

Executive Session

A motion was made by Pat Burchill and seconded by Don Kettering to enter into executive session at 1:02 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 2:05 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 Don Kettering and seconded by Pat Burchill to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Loan Review

Hydrogreen, Inc.

Credit Committee recommends to the Board approving the extension as presented.
A motion was made by Don Kettering and seconded by Pat Burchill.
Motion passed by a roll call vote.

MinKota Fisheries, Inc.

Credit Committee recommends to the Board approving the extension as presented.
A motion was made by Pat Burchill and seconded by Don Kettering.
Motion passed by a roll call vote.

Purity Seeds, LLC

Credit Committee recommends to the Board approving the extension as presented.
A motion was made by Don Kettering and seconded by Pat Burchill.
Motion passed by a roll call vote.

Tech V, LLC

Credit Committee recommends to the Board approving to forgive the loan as discussed.
A motion was made by Pat Burchill and seconded by Matt Judson.
Motion passed by a roll call vote.

New Business

The Plains Apartments, LLC

Credit Committee recommends to the Board approving the application as discussed and presented.
A motion was made by Matt Judson and seconded by Pat Burchill.
Motion passed by a roll call vote.

Adjourn

The Chairman declared the meeting adjourned at 2:08 p.m.

Matt Judson, Treasurer

C

**SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND
FINANCIAL REPORT
(Compiled)
November 30, 2020**

CONTENTS

	<u>Page</u>
ACCOUNTANT'S COMPILATION REPORT ON THE FINANCIAL STATEMENTS	1
FINANCIAL STATEMENTS	
Statement of Net Assets	2
Statement of Revenues, Expenses and Changes in Net Assets	3
Statement of Cash Flows	4
ADDITIONAL LOAN INFORMATION - REDI	5-6
ADDITIONAL LOAN INFORMATION - SOUTH DAKOTA JOBS	7-8

Clausen & Rice, INC

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 Revolving Economic Development and Initiative Fund
Pierre, South Dakota

Management is responsible for the accompanying financial statements of South Dakota Revolving Economic Development and Initiative Fund (an Enterprise Fund of the State of South Dakota) as of November 30, 2020, and the related statements of revenues, expenses and changes in net assets and cash flows for the five months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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

The supplementary information contained on pages 5 through 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

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

Clausen & Rice

Pierre, South Dakota
December 21, 2020

SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND

STATEMENT OF NET ASSETS

November 30, 2020

See Accountant's Compilation Report

ASSETS

Cash and Investments-Unrestricted	\$68,535,127
Cash and Investments-Designated for Approved REDI Loans	17,584,251
Cash-SD Jobs	1,866,545
Cash-Disaster Relief Fund	<u>1,519,687</u>
Total Cash and Investments	\$89,505,610
Accounts Receivable-Bankwest	52,678
Loans Receivable - REDI, net of allowance of \$1,598,680	38,880,279
Loan Interest Receivable	89,340
Net Pension Asset	1,335
Asset Held for Resale	321,037
Investment Income Receivable	<u>851,959</u>

TOTAL ASSETS \$129,702,238

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows of Resources Related to Pensions	<u>69,839</u>
--	---------------

TOTAL DEFERRED OUTFLOWS OF RESOURCES 69,839

LIABILITIES

Accounts Payable	\$40,166
Wages and Benefits Payable	\$28,502
Accrued Leave Payable	\$53,108
Net Pension Liability	\$0
Due To Other Funds	<u>\$6,923</u>

TOTAL LIABILITIES \$128,699

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows of Resources Related to Pensions	<u>27,200</u>
---	---------------

TOTAL DEFERRED INFLOWS OF RESOURCES 27,200

NET POSITION

Investment in Capital Assets	0
Unrestricted	<u>129,616,178</u>

TOTAL NET POSITION \$129,616,178

TOTAL LIABILITIES AND NET POSITION \$129,772,077

SOUTH DAKOTA REVOLVING

ECONOMIC DEVELOPMENT AND INITIATIVE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

For the Month Ending November 30, 2020

See Accountant's Compilation Report

	<u>Current Period</u>	<u>Year to Date</u>
OPERATING REVENUE		
Interest Income on Loans - REDI	\$55,142	\$207,188
Ethanol Income - REDI	0	0
Other Income - REDI	3,934	3,934
Building South Dakota Income	0	0
LESS OPERATING EXPENSES		
Administrative Expenses	64,059	276,603
Bad Debt Expense	(140,206)	(196,002)
Other Expenses	1,338	30,170
Building South Dakota Grants	40,941	50,125
NET INCOME (LOSS) FROM OPERATIONS	\$92,944	\$50,226
NONOPERATING REVENUE		
Investment Income	178,227	851,959
CHANGE IN NET POSITION	\$271,171	\$902,185
NET POSITION, BEGINNING	129,345,007	128,713,993
Prior period Adjustment	0	0
NET POSITION, ENDING	<u>\$129,616,178</u>	<u>\$129,616,178</u>

SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND
STATEMENT OF CASH FLOWS

For the Month Ending November 30, 2020

See Accountant's Compilation Report

	Current Period	Year to Date
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Position	\$271,171	\$902,185
Adjustments to Reconcile Net Income to Net Cash provided from (used in) Operating Activities:		
(Increase) Decrease in Accounts Receivable - Bankwest	0	0
(Increase) Decrease in Loans Receivable - REDI	649,018	4,639,903
(Increase) Decrease in Loan Interest Receivable	(5,937)	8,745
(Increase) Decrease in Loans Receivable - LIIP	0	0
(Increase) Decrease in Equipment	0	0
(Increase) Decrease in VASF Fuel Tax Revenues Receivable	0	0
(Increase) Decrease in Investment Income Receivable	(178,227)	1,046,459
(Increase) Decrease in Due From Other Funds	0	0
(Increase) Decrease in Other Assets	0	0
Increase (Decrease) in Accounts Payable	0	0
Increase (Decrease) in Wages Payable	0	0
Increase (Decrease) in Accrued Leave Payable	0	0
Increase (Decrease) in Grants Payable	0	0
Increase (Decrease) in Due To Other Funds	0	0
	\$736,025	\$6,597,292
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Prior Period Adjustment	0	0
	\$736,025	\$6,597,292
NET INCREASE IN CASH AND INVESTMENTS	\$736,025	\$6,597,292
CASH AND INVESTMENTS - BEGINNING	88,769,585	82,908,318
CASH AND INVESTMENTS - ENDING	\$89,505,610	\$89,505,610

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

ADDITIONAL LOAN INFORMATION - REDI

For the Month Ending November 30, 2020

See Accountant's Compilation Report

REDI LOANS APPROVED, NOT ADVANCED

<u>Company Name</u>	<u>Approval Date</u>	<u>Loan Amount</u>
Farmers Union Industries	9/12/2017	\$ 3,600,000
Fiedler Holding, LLC	10/24/2017	\$ 1,152,338
Watertown Development Company/Comprehensive Logisti	7/9/2019	\$ 2,050,560
Riley Roo, LLC	2/12/2020	\$ 300,000
WYTEC, LLC	6/10/2020	\$ 3,000,000
L&E Holdings, LLC (Silencer Central)	10/23/2020	\$ 3,299,175
Midstates, Inc.	10/23/2020	\$ 1,490,872
Watertown Development Company/Dakota Tube	10/23/2020	\$ 897,696
Parkside Place, LLC	11/12/2020	\$ 1,793,610
Total		<u>\$ 17,584,251</u>

See Accountant's Compilation Report

REDI LOANS ADVANCED, DURING	November	Advanced Date	Loan Amount
<u>Company Name</u>		<u> </u>	<u> </u>
None			

REDI LOANS PAID OFF, DURING	November	Pay-off Date	Original Loan Amount
<u>Company Name</u>		<u> </u>	<u> </u>
Moffatt Properties		11/18/2020	\$562,271

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

REDI LOANS WITHDRAWN, DURING	November	Withdrawal Date	Withdrawn Amount
<u>Company Name</u>		<u> </u>	<u> </u>
Terex South Dakota, Inc.		9/17/2020	\$10,000,000

SOUTH DAKOTA REVOLVING
ECONOMIC DEVELOPMENT AND INITIATIVE FUND
ADDITIONAL LOAN INFORMATION - SDJP
For the Month Ending November 30, 2020
See Accountant's Compilation Report

SOUTH DAKOTA JOBS PROGRAM CASH & INVESTMENTS BALANCE

Dedicated SDJP Fund Cash and Investments Balance	10/31/2020	\$1,907,486
Plus: Investment Council Interest		0
South Dakota Jobs		0
Less:		
Zimmerman Livestock, LLC		(40,941)
Dedicated SDJP Fund Cash and Investments Balance	11/30/2020	\$1,866,545

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

RESTRICTED

Company Name	Approval Date	Amount Remaining	
Forest Products Distributors, Inc.	9/13/2018	21,937	\$21,937 Authorized
			\$0 Disbursed
Sonstegard Foods Company	8/13/2019	350,450	\$350,450 Authorized
			\$0 Disbursed
Joel Rempfer	8/13/2019	0	\$11,970 Authorized
*Returned \$2,785.70			\$9,184 Disbursed
J & A Hog Company, LLC	9/10/2019	49,207	\$49,207 Authorized
			\$0 Disbursed
Shannon Klumb and Ben Klumb	9/10/2019	28,496	\$28,496 Authorized
			\$0 Disbursed
Diamond Five Feeders, LLC	10/24/2019	61,055	\$61,055 Authorized
			\$0 Disbursed
J and K Feeders, LLC	10/24/2019	87,123	\$87,123 Authorized
			\$0 Disbursed
Firesteel Finishers, LLC	11/13/2019	46,277	\$46,277 Authorized
			\$0 Disbursed
Leaning Oak	12/11/2019	217,926	\$217,926 Authorized
			\$0 Disbursed
Pacer Minerals LLC	3/11/2020	27,000	\$27,000 Authorized
			\$0 Disbursed

Washington Feeders, LLC (North)	3/11/2020	28,080	\$28,080 Authorized
			\$0 Disbursed
Washington Feeders, LLC (South)	3/11/2020	28,080	\$28,080 Authorized
			\$0 Disbursed
Matt Storm	4/8/2020	24,833	\$24,833 Authorized
			\$0 Disbursed
Jones & Klumb Family Farm, LLC	5/13/2020	24,865	\$24,865 Authorized
			\$0 Disbursed
Mark Fuoss	5/13/2020	22,503	\$22,503 Authorized
			\$0 Disbursed
Spink Hutterian Brethren Inc. Barn 1	5/13/2020	33,592	\$33,592 Authorized
			\$0 Disbursed
Spink Hutterian Brethren Inc. Barn 2	5/13/2020	33,592	\$33,592 Authorized
			\$0 Disbursed
Spink Hutterian Brethren Inc. Nursery Barn	5/13/2020	44,842	\$44,842 Authorized
			\$0 Disbursed
Zimmerman Livestock, LLC	5/13/2020	0	\$71,756 Authorized
* Returned 30,815.07			\$40,941 Disbursed
TrueNorth Steel, Inc.	8/12/2020	18,000	\$18,000 Authorized
			\$0 Disbursed
		<u>\$1,147,858</u>	

UNRESTRICTED

Total South Dakota Jobs Program Cash and Investments	\$1,866,545
Less Cash and Investments-Restricted for Approved Loans/Grants	\$1,147,858
Total Unrestricted South Dakota Jobs Program Cash and Investments	<u>\$718,687</u>

D

Memorandum

Date: January 13, 2021
To: Board of Economic Development
From: Terri LaBrie, Senior Loan Officer
Re: Value Added Sub Fund

Background: The VASF program was created in the 90's under Governor Bill Janklow for the purpose of assisting innovative ag development projects that utilize SD ag commodities. The fund was housed under the BED at GOED and the fund was primarily used for feasibility studies. On July 1, 2013 the fund was transferred to the SD Dept. of Ag and administered by the Value Added Finance Authority. Upon merging Ag Development with GOED, the program found itself back under the BED.

A VASF award can only be up to \$100,000 and a requirement of 10% equity is imposed unless voted on by the majority of the board for both requirements. In no case, shall VASF be more than 45% of the costs of the project.

If, after completion of the study, the project found to not be feasible, the project may request the board to forgive the loan.

If the project is feasible, the loan is repaid at the rate of 0% over 5 years. Typically, a UCC is filed on the study.

Because of the likelihood that many applicants do not have a feasible project, many approved loans tend to be forgiven. GOED has a 90% loan loss reserve on this program.

Annually, \$135,000 is deposited into the fund on July 1 from the motor fuels tax. One million was taken out of the fund for the Governor's Disaster Relief Loan program with COVID 19. There is currently around \$550,000 in the fund.

N

**Board of Economic Development
January 13, 2021**

BILLS REQUIRING APPROVAL FOR PAYMENT

Department of Legislative Audit	\$15,551.05	Audit
---------------------------------	-------------	-------

State of South Dakota
Department of Legislative Audit

Non-Cash Voucher

Application
90

Vendor Number

Invoice ID

Date
December 3, 2020

Purchase Order

Document ID
N281120104

TO: GOED - REDI FUND
DOLLY-REED PLAZA
PIERRE SD 57501

FROM: LEGISLATIVE AUDIT
427 SOUTH CHAPELLE
PIERRE, SD 57501

	COMPANY	REQUIRED	CENTER	PROJ CO	PROJECT NUMBER	AMOUNT	CODE	
1	1000	4533100		2880		15,551.05	CR	1
2							DR	2
3							DR	3
4							DR	4
5							DR	5
6							DR	6
7							DR	7
8							DR	8
9							DR	9
TOTAL						\$ 31,102.10		

Description

For the Fiscal Affairs of the Governor's Office of Economic Development - REDI Fund
FY2020 Audit Billing

Amount Due: \$ 15,551.05

I declare and affirm under the penalties of perjury that this claim has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Laurel Sharp 773-6453
Claimant

Russell A. Olson 12/4/2020
Authorization Auditor General Date

Authorization Date

N281120104
December 3, 2020

For the audit of the fiscal affairs of the REDI Fund
for the period ended June 30, 2020.

Audit Services:

Total Hours: 210.7 hours

Non-billable General Fund: 0.0 hours

and 210.7 hours billable at the following rates:

48.7 hours at the Fiscal 2020 rate of	\$71.50 per hour	\$3,482.05
<u>162.0 hours at the Fiscal 2021 rate of</u>	<u>\$74.50 per hour</u>	<u>\$12,069.00</u>
210.7		\$15,551.05

Cost Center Breakdown:

Other Programs	<u>210.7 hours</u>	<u>\$15,551.05</u>
	210.7 hours	\$15,551.05