

**BOARD OF ECONOMIC DEVELOPMENT
GOVERNOR'S LARGE CONFERENCE ROOM, 500 E CAPITOL AVE, PIERRE, SD
THURSDAY, OCTOBER 24, 2019, 3:00 P.M., CT**

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**BOARD OF ECONOMIC DEVELOPMENT
GOVERNOR'S LARGE CONFERENCE ROOM, 500 E CAPITOL AVE, PIERRE, SD
THURSDAY, OCTOBER 24, 2019, 3:00 P.M., CT**

**Board
Members:**

Jeff Erickson

Matt Judson

**Sharon
Casey**

Mike Luken

Ted Husted

**Don
Kettering**

Tom Jones

Reed Kessler

Joy Nelson

Eric Yunag

Pat Burchill

**Kevin
Tetzlaff**

Non-Voting

Lee Qualm

Erin Healy

**Craig
Kennedy**

**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 10, 2019 and October 15, 2019, as presented

Motion made by _____ and seconded by _____.

Conflicts of Interest Disclosures

Annual Report/Audit Report

Motion to approve the 2019 Annual Report/Audit Report as presented.

Motion made by _____ and seconded by _____.

Public Comments

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. [p.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

Natural Dakota Soy, LLC, Omega Liner Company, Inc. and Red's All Natural, LLC

Motion to approve the loan reviews and recommendations as presented.

Motion made by _____ and seconded by _____.

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

Old Business

Bryant Area Improvement, Inc.

Motion to approve extending the grant expiration date to September 13, 2020.

Motion made by _____ and seconded by _____.

City of Colman

Motion to approve extending the grant expiration date to September 13, 2020.

Motion made by _____ and seconded by _____.

City of Garretson

Motion to approve extending the grant expiration date to December 15, 2019.

Motion made by _____ and seconded by _____.

U.S. Foods, Inc.

Motion to approve extending the construction commencement date to May 2020.

Motion made by _____ and seconded by _____.

New Business

Reinvestment Payment Program

Turner County Dairy

Motion to approve the Reinvestment Payment Application to Turner County Dairy 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 \$756,000 but not to exceed 100 percent of State Sales/Use Tax paid on eligible project costs, is approved for Turner County Dairy. 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 _____.

South Dakota Jobs Program

Diamond Five Feeders, LLC

Motion to approve the South Dakota Jobs grant application to Diamond Five Feeders, LLC as recommended by staff.

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 \$61,055, but not to exceed the State Sales and Use Tax paid on eligible costs, is

approved for Diamond Five Feeders, 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 made by _____ and seconded by _____.

J and K Feeders, LLC

Motion to approve the South Dakota Jobs grant application to J and K Feeders, LLC as recommended by staff.

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 \$87,123, but not to exceed the State Sales and Use Tax paid on eligible costs, is approved for J and K Feeders, 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 made by _____ and seconded by _____.

Adjourn

Motion made by _____ and seconded by _____.

A

**BOARD OF ECONOMIC DEVELOPMENT
GOVERNOR'S LARGE CONFERENCE ROOM, 500 E CAPTIOL AVE, PIERRE, SD
THURSDAY, OCTOBER 24, 2019, 3:00 P.M., CT**

REGULAR SESSION AGENDA

3:00 P.M. Call to Order, Chairman Jeff Erickson

3:05 P.M. **Agenda**
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.

Minutes
RECOMMENDED ACTION: Motion to approve the minutes of September 10, 2019 and October 15, 2019, as presented.

Conflicts of Interest Disclosures

Approve Annual Report/Audit Report
RECOMMENDED ACTION: Motion to approve the 2019 Annual Report/Audit Report as presented.

Public Comments

3:15 P.M. **Commissioner's Comments**

3:20 P.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.

3:45 P.M. **Report from Executive Session**
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.

Other Motions

- Loan Review Summary
- Bryant Area Improvement, Inc.
- City of Colman
- City of Garretson
- U.S. Foods, Inc.
- Reinvestment Payment Program
 - Turner County Dairy
- South Dakota Jobs Program
 - Diamond Five Feeders, LLC
 - J and K Feeders, LLC

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

Participation in the meeting can be at Governor's Large Conference Room at 500 E Capitol Ave, Pierre, South Dakota, or the GOED office at the Zeal Center for Entrepreneurship at 2329 N. Career Avenue, Sioux Falls, South Dakota.

B

**BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, SEPTEMBER 10, 2019, 9:30 A.M. CT**

Members Present

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

Staff Present

Deputy Commissioner Mary Lehecka Nelson, Cassie Stoesser, Ashley Moore, LaJena Gruis, Cassidy Kulesa, Terri LaBrie 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 9:30 a.m.

Agenda

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

Motion passed by a roll call vote.

Minutes

A motion was made by Pat Burchill and seconded by Joy Nelson to approve the minutes of the meetings held August 13, 2019 and August 28, 2019, 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 Matt Judson and seconded by Pat Burchill to enter into executive session at 9:36 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Pat Burchill left the call at 9:50 a.m.

Executive Session Report

The Chairman declared the board out of executive session at 10:07 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Mike Luken and seconded by Don Kettering to approve the Chairman's report from executive session.
Motion passed by a roll call vote.

Grant Reviews

Local Infrastructure Improvement Program (City of Volga, Edmunds County II and Four Bands Community Fund), Reinvestment Payment Program (Agropur, Inc., GRACO Minnesota, Inc., Prevailing Wind Park, LLC, Crocker Wind Farm, LLC and Ag Processing, Inc.) and South Dakota Jobs Program (MNY Group, LLC)

A motion was made by Matt Judson and seconded by Sharon Casey to approve the grant reviews as recommended by staff and Grant Committee.
Motion passed by a roll call vote. -

Old Business

Day County Wind II, LLC

A motion was made by Joy Nelson and seconded by Eric Yunag to approve a construction extension to June 2020 as recommended by staff and Grant Committee.
Motion passed by a roll call vote.

Rosebud Economic Development Corporation

A motion was made by Don Kettering and seconded by Sharon Casey to deny the extension request as recommended by staff and Grant Committee.
Motion passed by a roll call vote.

Terex South Dakota, Inc.

A motion was made by Mike Luken and seconded by Kevin Tetzlaff to approve extending the commitment letter to September 13, 2020.
Motion passed by a roll call vote.

New Business

Local Infrastructure Improvement Program

City of Watertown

A motion was made by Don Kettering and seconded by Joy Nelson to approve the Local Infrastructure Improvement application to City of Watertown as recommended by staff and Grant Committee.

City of Watertown

Approve a Local Infrastructure Improvement grant award to the City of Watertown in the amount of \$75,000 not to exceed 35% of the total project costs, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

Motion passed by a roll call vote.

Reinvestment Payment Program

Triple H Wind Project, LLC

A motion was made by Ted Hustead and seconded by Kevin Tetzlaff to deny the Reinvestment Payment Application to Triple H Wind Project, LLC as recommended by staff.
Motion passed by a roll call vote with Don Kettering, Tom Jones and Reed Kessler voting no.

South Dakota Jobs Program

J & A Hog Company, LLC

A motion was made by Tom Jones and seconded by Kevin Tetzlaff to approve the South Dakota Jobs grant application to J & A Hog Company, LLC as recommended by staff.

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 \$49,207, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for J & A Hog Company, 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.

Shannon Klumb and Ben Klumb

A motion was made by Matt Judson and seconded by Reed Kessler to approve the South Dakota Jobs grant application to Shannon Klumb and Ben Klumb as recommended by staff.

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 \$28,496, but not to exceed the State Sales and Use Tax paid on eligible equipment costs during the first year of the project, is approved for Shannon & Ben Klumb. 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.

Adjourn

The Chairman adjourned the meeting at 10:16 a.m.

Matt Judson, Treasurer

CREDIT COMMITTEE
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, OCTOBER 15, 2019, 1:00 P.M. CT

Members Present

Chairman Jeff Erickson, Don Kettering and Pat Burchill

Staff Present

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

Other Staff Present

Mike Bietz and Andrew Coppersmith - BankWest, Inc.

Call to Order

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

Agenda

A motion was made by Pat Burchill 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 Don Kettering and seconded by Pat Burchill 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 1:21 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 Pat Burchill and seconded by Don Kettering to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Loan Reviews

Natural Dakota Soy, LLC, Omega Liner Company, Inc. and Red's All Natural, LLC

Credit Committee recommends to the Board to approve the loan reviews and recommendations as discussed.

A motion was made by Don Kettering and seconded by Pat Burchill.

Motion passed by a roll call vote.

Adjourn

The Chairman declared the meeting adjourned at 1:22 p.m.

Matt Judson, Treasurer

C

— SOUTH DAKOTA —

REDI FUND

REVOLVING ECONOMIC DEVELOPMENT & INITIATIVE FUND

JUNE 30, 2019 • ANNUAL FINANCIAL REPORT

Board of Economic Development Members

Jeff Erickson, Chairman, is currently owner of Erickson Investment Company, Manager of Border Plains, LLC, Board Member of the CJ Schwan's Company, Board Member of Standard Trust, and is a partner and Vice Chairman of the Board of American Bank & Trust. He was previously President and Chief Executive Officer of Great Western Bank. He is currently the Chairman of the South Dakota Banking Commission, Chairman of the Governor's Office of Economic Development Board (REDI), is a Board Member of the South Dakota Economic Development Finance Authority, and is Chairman of the South Dakota Community Foundation. He was the Chairman of Governor Dennis Daugaard's Transition Team (2010). He 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, in 2008 he was named "Distinguished Alumni". In addition, Jeff 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 30+ years. He has been married to his wife, Linda, for 40+ years and has four children and 12 grandchildren. In addition to enjoying time spent with his family, he enjoys sharing sporting events and pheasant hunting with friends and family. He and his family believe in giving back to the communities they live in by volunteering both time and money to worthwhile causes.

Don Kettering, Vice-Chairman, 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 the Yankton County Commission and has been actively involved in economic development, infrastructure improvements, planning and zoning and the local Boys and Girls Club Board and Club activities. 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.

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.

Matt Judson, Treasurer, grew up in Pierre and attended T. F. Riggs High School. He attended USD for one year before finishing his college years at Augustana College, graduating with a double major in Accounting and Business Administration. After returning to Pierre, he worked for both the South Dakota Department of Revenue and a Pierre CPA firm. He started his employment with First National Bank in 1997 as a Commercial Loan Officer and was promoted to Branch President several years ago. He most recently served as a Board Member for Pierre BID #1, and previously served as Treasurer for the South Dakota Development Corporation and as a board member of the Pierre Economic Development Corporation. In 2014 and 2018, he and his wife, Stephanie, who currently serves as President of the South Dakota Community Foundation, were appointed by the Mayor as co-chairs for the City of Pierre's hosting of the Inaugural events for the Governor and other state-wide elected officials.

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

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, serves on the Lake Area Tech Foundation Board, the Prairie Lakes Healthcare Board of Directors and was appointed to the Watertown Municipal Utilities Board by Mayor Gary Williams. Serving in his third term, Current Mayor Sara Caron also re-appointed Mr. Luken to serve another 5 year term to the Watertown Municipal Utilities Board and is the current President. 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 15-year-old granddaughter.

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 the previous owner of Jones' Food Centers in Viborg, 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 Board of Economic Development 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 States 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.

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 four beautiful children.

Joy Nelson is a life long resident of South Dakota. She began her career at Farmers and Merchants Bank in Watertown in the real estate and student loan lending departments. She entered the real estate business in 1982, is the broker-owner of Haugan Nelson Realty, Inc. in Watertown and has been engaged in real estate development, residential, commercial and agricultural real estate for the last 38 years. She is the founder and beneficiary of Joy Ranch outside of Watertown, a non-profit facility whose mission is to serve people with disabilities, medical issues and veterans through equine therapy and also serves as a corporate retreat center. She was awarded the National ALDE Award in 2013 for philanthropy, the National Association of Realtors Good Neighbor Award in 2018 and is an inductee to the South Dakota Hall of Fame and the Watertown Hall of Fame. She currently serves on the Sanford Medical Center Board of Directors, the Lake Area Technical Institute Strategic Advisory Council as President, the Jenkins Living Center Board of Directors and Jenkins Foundation Board of Directors, The GLC Foundation Board of Directors, past president of the Prairie Lakes Hospital Foundation and past president of the Lake Area Technical Institute Foundation. She currently still resides at the ranch and enjoys spending time helping with the equine programs at Joy Ranch.

Eric Yunag is the former owner and Chief Executive Officer of Dakota Security Systems Inc. During his seventeen-year tenure, the South Dakota based company grew to operate nationally and was recognized in the top twenty-five of SDM's Largest System Integrators in the country. He sold the company in 2016 to Convergent Technologies where he currently serves as Vice President of Strategy. In this role he focuses on mergers and acquisitions, technology disruption and innovation as the company continues to expand globally. While focused on the continued growth of the company, he remains active in a number of community and non-profit leadership roles including the Board of Directors for Sioux Falls Seminary, the Board of Directors for Empower Sioux Falls and the Board of Directors for Restoration Generation. He holds a Bachelor of Science degree from South Dakota State University and lives in Sioux Falls with his wife and two children. He enjoys spending time with his family doing nearly anything outdoors that South Dakota has to offer.

Pat Burchill is a native of Pierre, SD and a University of South Dakota graduate with B.S. in Business and M.B.A. degrees. Mr. Burchill has been with US Bank in Rapid City since 1977 with jobs including Credit Analyst, Commercial Loan Officer, Commercial Team Lead and Regional President from 1996 – 2017. Pat currently is SVP/Project Manager with primary accountabilities working in Wealth Management and Community Relations. Mr. Burchill has serves on numerous boards in both Rapid City and state wide over the last 40 years. His current board involvement includes Chairman of the SD Ellsworth Development Authority, President of RC Economic Development Foundation, Black Hills Area Community Foundation, Chairman of the Regional Health Foundation, Chairman of the Rapid City Regional Hospital Advisory Council, Rapid City Diocese Finance and Investment Committees, South Dakota Bankers Association Foundation, Governor's Office of Economic Development Board and in 2018 took on role of interim CEO for Elevate Rapid City-a new combined economic development initiative with local business and government investors. Pat loves Rapid City, living in South Dakota, being actively involved on various boards/committees while staying engaged in the banking industry with his wife and best friend Lucy, a retired Nurse Practitioner from Rapid City Medical Center.

Kevin Tetzlaff a native of Hayti, is a 1991 graduate of South Dakota State University (SDSU) with a double major in agricultural business and commercial economics. While at SDSU he was a member of the Jackrabbit Football team and later was inducted into the SDSU Athletic Hall of Fame. He joined First Bank & Trust in Brookings as a college intern in 1991. Upon graduation, Kevin went on to work full time at First Bank & Trust and in 1998 assumed the position of President/CEO of First Bank & Trust in Milbank. In 2008 Kevin returned to Brookings when he was appointed President/CEO of First Bank & Trust Brookings, the first non-family member to run the Fishback's flagship bank. Kevin is active in the Brookings community, and has served on a number of economic development boards throughout his time in Milbank and Brookings. Currently Kevin serves on the SDSU Growth Partnership Board (Research Park), the Vision Brookings Board and the Brookings Economic Development Corporation Board. Kevin also serves on the SDSU Foundation Board of Trustees and is a member of the SDSU Board of Governors. A Past Board Member and Chairman for the South Dakota Bankers Association, Kevin also currently sits on the American Bankers Association Membership Council. When not supporting his community, Kevin and his wife Erin stay busy supporting their four children; Preston, Baylee, Zoe and Bergan. When time allows, Kevin enjoys hunting, golfing and participating in various sporting activities with his children.

Non-Voting Legislative Members

Lee Qualm who was born and raised west of Platte, SD has been serving in the SD House of Representatives since 2013 and is serving as the House Majority Leader since 2017. Lee serves on the Ag Land Task Force, the Executive Board, the State Affairs Committee and was Chairman of the Non-meandering Waters Task Force in 2018. Prior to being elected as House Majority Leader, Lee served as Chairman of the Ag and Natural Resources Committee. In the summer of 2019, Lee was named Chairman of the summer study on Industrial Help. Lee is a 4th generation farmer and continues to manage and operate the family owned farm in a cash grain business. Lee attended Mitchell Technical Institute where he graduated with a degree in Ag Business Management. Lee and Trudy built, owned and managed Gramps Lodge, River Bluff Adventures, west of Platte for 12 years prior to getting involved in Legislature. 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, played baseball for many years as catcher and has coached baseball and softball. Lee and his wife Trudy have 4 married children and 12 grandchildren.

Erin Healy earned her Master of Arts in political science with an emphasis in public policy and American government from the University of South Dakota and her Bachelor of Arts from the University of Nebraska-Lincoln. Erin worked as a legislative correspondent and research assistant in the Washington D.C. office of Senator Tim Johnson. In 2014, she returned to Sioux Falls. She is currently a member of 100+ Women Who Care, regularly volunteers at The Banquet, and First United Methodist Church, where she has been a lifelong member. Erin also finds time for a fulfilling career as a senior marketing analyst at Sanford Health. She was recently elected to represent District 14 in the South Dakota State Legislature, where she serves as Minority Whip, on the Governor's Office of Economic Development Board as a non-voting member, and on the Department of Health's Preventable Death Review Committee. Erin was recently appointed to serve as a commissioner to the Midwest Higher Education Compact. She received the Bowhay Institute for Legislative Leadership Development fellowship in August 2019.

Craig Kennedy grew up in Huron and Sioux Falls and graduated from the University of South Dakota (BA) and the South Dakota School of Law (JD). Craig joined the South Dakota Senate in 2017. He currently serves on the State Affairs, Judiciary, Commerce and Energy and Interim Rules committees, and the AG Land Valuation Task Force. He serves as the Assistant Minority Leader in the Senate. Before joining the Legislature, Craig practiced law throughout South Dakota from his office in Yankton. He was actively involved in the State Bar Association and served as president of several Bar related

organizations. In his practice, he represented numerous clients involved in manufacturing, real estate development, and commercial enterprise. He also served as a Special Assistant Attorney General for over twenty years, representing various state boards and agencies. Craig and his wife Gail have two adult sons and one granddaughter.

Also serving in FY2019 were John Calvin, Pat Prostrollo, Norbert Sebade, J. Pat Costello and non-voting legislative members Spencer Hawley, Billie Sutton and Justin Cronin.

Loan Portfolio

Board of Economic Development Activity Loans Approved Fiscal Year 2019

COMPANY	PROJECTED JOBS	REDI FUND LOAN AMOUNT	TOTAL PROJECT AMOUNT	COMMUNITY
Aberdeen Development Corporation (IP USA)*	65	\$2,100,000.00	\$7,738,883.00	Aberdeen
Harvard Integrations, LP	16	\$1,438,000.00	\$3,595,000.00	Tea
K&M Tire, Inc.	20	\$786,300.00	\$7,388,180.00	Beresford
R & R Holdings, LLC (Glacial Lakes Rubber & Plastics, LLC)	29	\$1,278,000.00	\$2,840,000.00	Watertown
RPC Land, LLC (Carstensen Contracting, Inc.)	17	\$845,000.00	\$1,879,383.00	Dell Rapids
SSM, LLC (B9 Creations, LLC)	48	\$370,500.00	\$1,140,000.00	Rapid City
Terex South Dakota, Inc.	779 retained	\$10,000,000.00	\$95,147,221.00	Watertown
Watertown Development Company (Dakota Tube, Inc.)	63	\$931,900.00	\$2,621,000.00	Watertown
Weisser Falls Properties, LLC (Weisser Distributing)	20	\$1,241,000.00	\$2,758,500.00	Sioux Falls
FY 2019 Total: 9 loans	278 new, 779 retained	\$18,990,700.00	\$125,108,167.00	

*Applicant was approved and withdrew during Fiscal Year End 2019

**REDI Fund Company Activity
September 1987 through June 2019**

<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
	\$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
	\$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
	\$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/Agriculture Technology Center	\$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

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
BROOKINGS(Con't.)			Jobs
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

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	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
Masaba, Inc.	\$540,000	\$1,361,411	30.00
Vermillion Area Chamber & Development Company	\$2,764,428	\$4,760,131	50.00
	\$6,059,428	\$16,606,625	225.00
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
R & R Holdings, LLC*	\$1,278,000	\$2,840,000	29.00
Superior Homes, LLC	\$500,000	\$2,600,000	30.00
Terex-Telelect, Inc.	\$500,000	\$16,400,000	100.00
Terex South Dakota, Inc.*	\$10,000,000	\$95,147,221	779 retained
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./Verifications (I)	\$1,250,000	\$2,500,000	112.00
Watertown Development Corp./Global Tech (II)	\$75,000	\$332,000	35.00
Watertown Development Company/Dakota Tube, Inc.*	\$931,900	\$2,621,000	63.00

*Approved, not yet Funded

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
CODINGTON(Con't.)			Jobs
Watertown Development Corp./Dakota Bodies (III)	\$295,000	\$883,713	54.00
Watertown Development Corp./AcroTech Midwest) (IV)	\$1,910,000	\$14,545,340	157.00
Watertown Development Corp./Nutting (V)	\$1,550,000	\$4,686,035	30.00
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	\$35,242,701	\$202,979,102	2,942.50
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
Farmers Union Industries, LLC*	\$3,600,000	\$12,400,000	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
Vantage Point Solutions	\$1,350,000	\$3,000,000	45.00
Yelroc Neuro, Inc./eyeBrain Medical, Inc.	\$181,102	\$465,529	11.00
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	\$11,115,502	\$42,415,004	1,028.50
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

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./ESI, Inc.	\$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

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./Persona (I)	\$262,500	\$625,000	70.00
Lake Area Improvement Corp./Madison Tech Center (II)	\$265,000	\$1,165,000	30.00
Lake Area Improvement Corp./Gehl (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

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. /Adams Holdings, LLC (I)	\$1,250,000	\$6,200,000	150.00
Canton Economic Development Corp./Adams Holdings, LLC (II)	\$995,000	\$5,852,000	70.00
Canton Economic Development Corp./Adams Holdings, LLC (III)	\$1,575,000	\$4,775,000	89.00
Canton Economic Development Corp./Adams Holdings, LLC (IV)	\$1,600,000	\$3,600,000	146.00
CMI Terex Corporation	\$2,205,000	\$4,860,000	6.00
Century Custom Molding, Inc.	\$520,000	\$1,156,000	23.00
DeGeest Manufacturing Co.	\$50,000	\$210,000	12.00
Harvard Integrations, LP	\$716,000	\$1,790,000	16.00
Harvard Integrations, LP (II)	\$1,438,000	\$3,595,000	see above
Harvard Integrations, LP (III)	\$1,332,800	\$3,332,000	see above
K-Products, Inc.	\$500,000	\$3,450,000	100.00
K&M Tire, Inc.*	\$786,300	\$7,388,180	20.00
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
LD Development, LLC (Roto Mold)	\$256,500	\$780,000	44.00
LD Development, LLC (Roto Mold) (II)	\$170,000	\$680,000	see above
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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	\$21,879,036	\$78,397,553	1,970.00
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
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	\$2,250,000	\$7,510,750	199.50
MCPHERSON			
Day Break, Inc.	\$25,000	\$50,000	17.50
Eureka Development Corporation/Connect (I)	\$290,000	\$390,000	71.00
Eureka Development Corporation/Addax (II)	\$125,000	\$473,000	160.00
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	\$440,000	\$913,000	248.50

*Approved, not yet Funded

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
			Jobs
MEADE			
Cor-Bon Bullets, Inc.	\$60,000	\$455,000	36.00
Glenwood/Loan Tree	\$13,500	\$30,000	6.00
Sturgis Industrial Dev. Corp./Galena Industries (I)	\$175,000	\$362,500	25.00
Sturgis Industrial Dev. Corp./CycleGreen Corporation (II)	\$300,250	\$709,300	98.00
Sturgis Industrial Dev. Crop./Dakota Arms, Inc. (III)	\$110,000	\$308,000	12.00
Tower Stools	\$25,000	\$100,000	11.00
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	\$683,750	\$1,964,800	188.00
MINER			
Jan's Frozen Foods	\$325,000	\$1,630,000	67.00
WrapIt Corporation	\$100,000	\$2,811,160	90.50
Miner Co. Revitalization	\$725,000	\$1,647,296	46.00
WM3D SD Properties, LLC	\$468,750	\$800,000	63.00
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	\$1,618,750	\$6,888,456	266.50
MINNEHAHA			
American Western Corporation	\$450,000	\$1,000,000	90.00
AmeriPharm Inc.	\$1,000,000	\$4,750,000	201.00
Bell Paper Box, Inc.	\$200,000	\$750,000	66.00
Bellmark Properties, Inc.	\$778,000	\$1,731,000	95.00
Carl V. Carlson	\$1,420,000	\$4,696,175	30.00
Central States Fire Apparatus, LLC	\$400,000	\$1,183,000	45.00
Component Manufacturing Company	\$240,000	\$600,000	37.00
Crimson Fire, Inc.	\$1,250,000	\$3,075,500	15.00
Del's Cabinets, Inc.	\$45,000	\$100,000	12.50
Design Tanks, Inc.	\$900,000	\$2,013,750	58.00
Dressen Custom Trailers, Inc.	\$73,636	\$298,636	15.00
Electronic Systems, Inc. I	\$245,000	\$545,000	39.00
Electronic Systems, Inc. II	\$305,000	\$1,255,000	61.00
Elston Equipment, Inc.	\$33,750	\$75,000	14.00
Forever New (Neoverures), Inc.	\$40,000	\$110,000	8.50
Gateway, Inc. IV	\$2,000,000	\$14,840,000	645.00
Graco, Inc.	\$750,000	\$8,442,000	119.00
Harbor Group Investments, LLC	\$810,000	\$1,900,000	59.00
Harbor Group Investments, LLC (II)	\$1,613,000	\$4,032,500	30.00
Hematech, LLC I	\$200,000	\$835,000	30.50
Hematech, LLC II	\$325,000	\$709,600	21.00
High Performance Engineering	\$67,000	\$165,000	10.00
Hutchinson Technology, Inc. I	\$1,500,000	\$3,500,000	350.00
Hutchinson Technology, Inc. II	\$1,500,000	\$3,740,000	377.00
InterActive, Inc.	\$40,000	\$90,000	28.50
Labelcrafters of South Dakota, Inc. I	\$17,500	\$43,000	4.00
Labelcrafters of South Dakota, Inc. II	\$20,000	\$265,000	4.00
LodgeNet Entertainment Corp.	\$1,000,000	\$14,114,364	225.00
Lou-Rich, Inc.	\$91,400	\$209,000	24.00
Lumber Exchange, LLC	\$3,500,000	\$9,581,700	N/A
Luverne Truck Equipment Inc.	\$400,000	\$1,300,000	305.00
Maguire Tank, Inc.	\$175,000	\$1,350,000	31.00
Marmen Energy Company	\$5,000,000	\$48,000,000	250.00
Midwest Precision Tool & Die, Inc.	\$250,000	\$2,589,400	50.00
Mitographers, Inc.	\$175,000	\$750,000	28.00
Nordic Advantage, Inc.	\$1,500,000	\$3,350,000	300.00
Omnitech, Inc	\$214,650	\$477,000	30.00
Raven Industries, Inc. II	\$105,000	\$795,000	23.00
RPC Land, LLC	\$845,000	\$1,879,383	17.00

*Approved, not yet Funded

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
Weisser Falls Properties, LLC	\$1,241,000	\$2,758,500	20.00
Yellow Freight System, Inc.	\$750,000	\$2,223,250	127.00
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	\$52,491,286	\$219,500,202	6,718.00
MOODY			
Dakota Layers Coop. I	\$400,000	\$9,290,000	21.00
Dakota Layers Coop II	\$1,500,000	\$4,941,996	40.00
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	\$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

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
Lyteware 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 Caseloads, 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
SSM, LLC	\$370,500	\$1,140,000	48.00
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
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	\$21,303,055	\$97,287,900	3,872.00
PERKINS			
Wheeler Manufacturing Co., Inc.	\$100,000	\$311,000	20.00
Wheeler Manufacturing Co., Inc. II	\$150,000	\$350,000	30.00
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	\$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/Connectino	\$400,000	\$901,133	120.00
Sisseton Econ. Dev./Power Sentry	\$290,277	\$290,277	N/A
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	\$4,355,718	\$13,942,628	578.00
SANBORN			
Dak-Pak, LLC	\$1,080,000	\$2,400,000	53.00
Van Dyke Supply Company, Inc.	\$1,000,000	\$1,000,000	100.00
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	\$2,080,000	\$3,400,000	153.00

*Approved, not yet Funded

REDI Fund Company Activity			
Company	Total Loan	Total Project	Projected
(County in Bold)	Amount	Amount	FTE
			Jobs
SPINK			
Markley Millwork	\$65,000	\$420,000	13.00
Redfield Industrial Dev. Corp./ACI	\$355,000	\$605,000	75.00
	\$420,000	\$1,025,000	88.00
TODD			
Rosebud Community Landfill	\$22,500	\$111,000	4.00
	\$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
	\$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
JMo Holdings, LLC*	\$3,600,000	\$8,000,000	50.00
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
Steck 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
	\$17,301,276	\$91,126,197	3,126.50
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
	\$514,000	\$1,321,700	216.00

*Approved, not yet Funded

REDI Fund Company Activity

<u>Company</u> <u>(County in Bold)</u>	Total Loan Amount	Total Project Amount	Projected FTE Jobs
YANKTON			
Applied Engineering, Inc.	\$250,000	\$1,600,000	39.00
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
Fiedler Holdings, LLC*	\$1,152,338	\$2,560,750	26.00
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
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	\$6,764,568	\$20,813,299	695.50

FY 1987-2019

GRAND TOTAL:	\$275,609,984	\$1,395,858,526	33,334.75	779 retained
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*Approved, not yet Funded

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

Withdrawn Loans	Total Loan Amount	Total Project Amount	Projected FTE Jobs
Company			
Aberdeen Development Corporation IV	\$1,500,000	\$6,300,000	125.00
Aberdeen Development Corporation/ IP USA	\$2,100,000	\$7,738,883	65.00
Acquistion Group III, LLC	\$3,099,384	\$9,633,845	201.00
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
Applied Engineering, Inc. (II)	\$1,122,600	\$2,494,670	6.00
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
Doyle Family Land Company, LLC	\$1,755,000	\$3,900,000	33.00
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
Intrinsic Materials Corp. (II)	\$1,131,750	\$2,515,000	34.00
Intrinsic Materials Corp. (III)	\$2,546,302	\$5,658,450	see above
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
MFS Partnership (Entrepreneur Support Fund)	\$50,000	\$50,000	N/A
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

<u>Company</u>	Total Loan Amount	Total Project Amount	Projected FTE Jobs
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
O'Connor Kiln & Dryer, Inc.	\$440,196	\$1,760,782	12.00
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
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
R & R Holdings, LLC	\$900,000	\$2,000,000	40.00
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
The Three Amigos, LLC	\$654,433	\$1,636,081	27.00
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
Vermillion Area COC and EDC/IP USA	\$1,696,500	\$3,768,000	54.00
WhBMC Group, Inc	\$226,250	\$512,500	46.00
Watertown Development Corp./Dakota Bodies (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
Total Withdrawn Loans	\$77,673,002	\$507,523,281	#####

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

AUDIT REPORT

Fiscal Year Ended June 30, 2019



**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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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

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, 2019, 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 October 10, 2019.

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.

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



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

The Honorable Kristi Noem
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, 2019, 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, 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.

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, 2019, 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 Matters

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 2019, 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 October 10, 2019 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

October 10, 2019

SOUTH DAKOTA REVOLVING ECONOMIC DEVELOPMENT
AND INITIATIVE FUND
STATEMENT OF NET POSITION
June 30, 2019

ASSETS	
Current Assets:	
Cash and Cash Equivalents (Note 2.C.)	\$ 78,859,793
Accounts Receivable – Bankwest	305,204
Loan Interest Receivable	37,359
Investment Income Receivable	406,004
Loans Receivable (Net) (Note 2.E.)	<u>6,783,507</u>
Total Current Assets	<u>86,391,867</u>
Noncurrent Assets:	
Restricted Net Pension Asset	342
Noncurrent Portion of Loans Receivable (Net) (Note 2.E.)	<u>32,616,301</u>
Total Noncurrent Assets	<u>32,616,643</u>
TOTAL ASSETS	<u>119,008,510</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows of Resources-Related to Pensions	<u>118,690</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>118,690</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	11,787
Wages Payable	21,851
Accrued Leave Liability (Note 5)	13,513
Due to Other Funds	<u>6,593</u>
Total Current Liabilities	<u>53,744</u>
Noncurrent Liabilities:	
Noncurrent Portion of Accrued Leave Liability (Note 5)	<u>11,778</u>
Total Noncurrent Liabilities	<u>11,778</u>
TOTAL LIABILITIES	<u>65,522</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources-Related to Pensions	<u>25,928</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>25,928</u>
NET POSITION	
Restricted for South Dakota Jobs Grant Program	1,937,807
Restricted for Pension Benefits	93,104
Unrestricted	<u>117,004,839</u>
TOTAL NET POSITION	<u>\$ 119,035,750</u>

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, 2019

Operating Revenue:	
Interest Income on Loans	\$ 773,133
Other Income	105,959
Total Operating Revenue	<u>879,092</u>
Operating Expenses:	
Personal Services and Benefits	285,362
Travel	4,131
Contractual Services	243,137
Supplies and Materials	8,026
Grants and Subsidies	63,801
Provisions for Loan Loss (Recovery)	132,761
Total Operating Expense	<u>737,218</u>
Operating Income	141,874
Nonoperating Revenue (Expense):	
Investment Income	4,084,036
Services Provided to Others (Note 2.F.)	(107,466)
Other Expenses	(15,138)
Total Nonoperating Revenue (Expense)	<u>3,961,432</u>
Change in Net Position	4,103,306
Beginning Net Position	<u>114,932,444</u>
End of Year Net Position	<u>\$ 119,035,750</u>

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, 2019

Cash Flows From Operating Activities:		
Receipts for Loan Repayments	\$ 10,787,235	
Payments for Loans Originated	(10,583,627)	
Receipts from Customers and Users	105,959	
Grants and Subsidies - Building South Dakota Funds	(63,801)	
Payments for Employee Services and Benefits	(242,739)	
Payments for Interfund Services Used	(55,857)	
Payments to Suppliers and for Claims	(201,255)	
Net Cash Provided (Used) by Operating Activities		(254,085)
Cash Flows From Noncapital Financing Activities:		
Services Provided to Others	(107,466)	
Net Cash Provided (Used) by Noncapital Financing Activities		(107,466)
Cash Flows From Investing Activities:		
Pooled Investment Income	3,976,549	
Investment Costs	(15,138)	
Net Cash Provided (Used) by Investing Activities		3,961,411
Net Increase in Cash and Cash		
Equivalents During the Fiscal Year		3,599,860
Cash and Cash Equivalents at Beginning of Year		
		75,259,933
Cash and Cash Equivalents at End of Year		<u>\$ 78,859,793</u>
Reconciliation of Operating Income to Net Cash		
Provided (Used) by Operating Activities		
Operating Income (Loss)		\$ 141,874
Adjustments to Reconcile Operating Income		
to Net Cash Provided by Operating Activities		
Decrease/(Increase) in Assets:		
Loans Receivable	(137,021)	
Loan Interest Receivable	(1,969)	
Accounts Receivable – Bankwest	(297,773)	
Net Pension Asset	1,172	
Decrease/(Increase) Deferred Outflows of Resources:	44,057	
Increase/(Decrease) in Liabilities:		
Accounts Payable	(408)	
Wages Payable	(440)	
Accrued Leave Liability	1,415	
Due to Other Funds	(1,411)	
Increase/(Decrease) Deferred Inflows of Resources:	(3,581)	
Total Adjustments		(395,959)
Net Cash Provided (Used) by Operating Activities		<u>\$ (254,085)</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, 2019

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. The REDI Fund had no depreciable assets for the year ending June 30, 2019.

E. Loans Receivable

Loans receivable at June 30, 2019, is shown net of the allowance for doubtful loans of \$1,008,702.

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 \$107,466 for the year ending June 30, 2019.

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. Pension Reporting

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension revenue, 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 asset are recognized on an accrual basis of accounting.

I. 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 either creditors, grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional or enabling legislation of the state.
- Unrestricted – Consists of net position that does not meet the definition of net investments in capital assets or restricted.

J. 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 2019 and its corresponding restricted net position at June 30, 2019:

	South Dakota Jobs Subfund
Beginning Net Position	\$ 1,978,039
Investment Income	23,569
Grant Expense	(63,801)
Ending Net Position	<u>\$ 1,937,807</u>

4. COMMITMENTS

At June 30, 2019, 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, 2019	\$ 21,348,538
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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 \$25,291 at June 30, 2019, is shown as short and long-term liabilities on the Statement of Net Position.

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Accrued Leave Liability	\$ 23,876	\$ 28,857	\$ 27,442	\$ 25,291	\$ 13,513

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, 2019, 2018, and 2017 were \$20,061, \$19,276, and \$21,585, respectively, equal to the required contributions each year.

At June 30, 2018, SDRS is 100.02% funded and accordingly has a net pension asset. At June 30, 2019, the GOED reported an asset of \$342 for the REDI Fund's proportionate share of the net pension asset. At June 30, 2019, 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	\$ 12,912	\$
Changes of assumption	86,733	
Net difference between projected and actual		
Investment earnings on pension plan investments		25,819
Contribution after the measurement date	16,069	
Changes in proportionate share	2,976	109
Total	<u>\$ 118,690</u>	<u>\$ 25,928</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

711 EAST WELLS AVENUE, PIERRE, SOUTH DAKOTA 57501
605-773-GOED • WWW.SDREADYTOWORK.COM