

TITLE: Small Water Facilities Funding Applications

EXPLANATION: The following applications have been received by the department for funding consideration at this meeting.

- a. Lesterville
- b. Northville

COMPLETE APPLICATIONS: The application cover sheet and WRAP summary sheet with financial analysis have been provided as part of the board packet. The complete application is available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRapps0315.pdf>

If you would like a hard copy of the application, please contact Jon Peschong at (605) 773-4216.

CONTACT: Andy Bruels, 773-4216

WRAP REVIEW SHEET
SMALL WATER FACILITIES FUNDING APPLICATION
APPLICANT: TOWN OF LESTERVILLE

Project Title: Water Meter Replacement Project

Funding Requested: \$53,000

Other Proposed Funding: \$0 - Local Cash

Total Project Cost: \$53,000

Project Description: Replace water meters in conjunction with switching to remote reading instead of the current self-reporting process. This upgrade will result in a significant reduction in water loss in the community.

Alternatives Evaluated: The No Action Alternative was not considered as it will not address the problems facing the town's water system and will lead to a substantial loss of water revenue.

The Water Meter Replacement alternative was chosen to replace the community's aged meters with current technology. This alternative would contribute to more effective reporting and water loss analysis.

Implementation Schedule: Lesterville anticipates bidding the project in April 2015 with a project completion date of July 2015.

Service Population: 127

Current Domestic Rate: \$35.00 per 5,000 gallons used

Proposed Domestic Rate at Project Completion: \$35.00 per 5,000 gallons used

Interest Rate: 2.25% Term: 10 years Security: System Revenues

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount: If all funding is provided as loan and a 10% reduction in water loss, Lesterville would have 10.3% debt coverage based on system revenue generated with the current rate of \$35.00 for 5,000 gallons usage.

25% Funding Subsidy: \$13,250 subsidy with a loan of \$39,750

Coverage at 25% Subsidy: Based on a 25% subsidy and a loan of \$39,750, Lesterville would need to increase their rate to \$41.00 for 5,000 gallons usage for 100% debt coverage.

50% Funding Subsidy: \$26,500 subsidy with a loan of \$26,500

Coverage at 50% Subsidy: Based on a 50% subsidy and a loan of \$26,500, Lesterville would need to increase their rate to \$38.75 for 5,000 gallons usage for 100% debt coverage.

75% Funding Subsidy: \$39,750 subsidy with a loan of \$13,250

Coverage at 75% Subsidy: Based on a 75% subsidy and a loan of \$13,250, Lesterville would need to increase their rate to \$36.50 for 5,000 gallons usage for 100% debt coverage.

ENGINEERING REVIEW COMPLETED BY: DREW HUISKEN

FINANCIAL REVIEW COMPLETED BY: JON PESCHONG

RECEIVED

JAN - 2 2015

Division of Financial & Technical Assistance

Small Water Facilities Funding Application

(Total Project Cost Not To Exceed \$250,000

and

Non-State Revolving Fund Loan Programs to be Utilized)

Consolidated Water Facilities Construction Program (CWFCP) CW SRF Water Quality Grants (WQ Grant)

Applicant	Proposed Funding Package	
Town of Lesterville	CWFCP / WQ Grant	\$53,000
Address 210 Main Avenue Lesterville, South Dakota 57040	Other _____	_____
	Other _____	_____
	Other _____	_____
Subapplicant	Other _____	_____
N/A	TOTAL	\$53,000

Project Title:

Water Meter Replacement Project

Description:

The Town of Lesterville respectfully requests DENR financial assistance with its efforts to upgrade the community's water meters. BY Water provides bulk service to the Town which is metered prior to entering the community storage and distribution system. This is the same system the District utilizes with all its bulk customers and has proven reliable and accurate. Unfortunately, there is a water loss of 40% between what is delivered by B-Y and what is metered and paid for within the community. It is these extensive water loss figures which are the impetus for the effort to replace the community's 1960's water meters with a modern remote reading system. As is the case with all water loss situations, it is critical to explore all possible options or explanations. Arens Engineering was retained to examine the entire system and assist in identify potential solutions to the water loss. Upon completion of the study it was determined that replacement of the water meters in conjunction with switching to remote reading versus the current self reporting process will result in a significant reduction of water losses. The proposed project is most likely the first step in the rehabilitation of the community's entire drinking water delivery system.

The Applicant Certifies That:

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

Muriel
Muriel Pratt, President

Name & Title of Authorized Signatory (Typed)

Muriel Pratt 12.30.14
Signature Date

Professional Contacts:

Application Prepared By: Planning and Development District III

Contact Person: Brian McGinnis
Mailing Address: PO Box 687
City, State, and Zip: Yankton, South Dakota 57078
Telephone Number: 605-665-4408 Fax: 605-665-0303
Email address: brian.mcginnis@districtiii.org

Consulting Engineering Firm: Arens Engineering

Contact Person: Vernon Arens
Mailing Address: 230 Capitol
City, State, and Zip: Yankton, South Dakota 57078
Telephone Number: 605-665-2002 Fax: 605-260-2140
Email address: arenseng@iw.net

Legal Counsel's Firm: Thurman Law Office

Legal Counsel: Creighton Thurman
Mailing Address: 1800 Broadway
City, State, and Zip: Yankton, South Dakota 57078
Telephone Number: 605-260-0623 Fax: 605-260-0624
Email address: thurmanlaw@iw.net

Comments:

BUDGET SHEET

Cost Classification	A CWFCP / WQ Grant	B	C	D	E	Total Funds
1. Administrative Expenses						
A. Personal Services	\$1,000.00					\$1,000.00
B. Travel						
C. Legal including Bond Counsel	\$1,000.00					\$1,000.00
D. Other						
2. Land, Structure, Right-of-Way						
3. Engineering						
A. Bidding and Design Fees	\$3,700.00					\$3,700.00
B. Project Inspection Fees	\$3,000.00					\$3,000.00
C. Other	\$2,500.00					\$2,500.00
4. Construction and Project Improvement						
5. Equipment	\$38,100.00					\$38,100.00
6. Contractual Services						
7. Other						
8. Other						
9. Subtotal (Lines 1-8)	\$49,300.00					\$49,300.00
10. Contingencies	\$3,800.00					\$3,800.00
11. Total (Lines 9 and 10)	\$53,100.00					\$53,100.00
12. Total %	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%

Columns A - E: Identify each funding source and enter the amounts budgeted by cost category.

Method of Financing

Local Cash (Identify Source)	Secured Funds	Unsecured Funds (Date Anticipated)
Other (Explain) DENR		\$53,000.00 (03/26/2015)
Other (Explain)		
TOTAL		\$53,000.00

Funds to be Borrowed

Consolidated Loan (base debt service on semi-annual payments)	Amount	Rate	Term	Annual debt service	Security pledged toward repayment
	\$53,000.00	2.25%	10	5,852	Revenues
Rural Development					
Bank					
Other (Please Describe)					
Other (Please Describe)					
Other (Please Describe)					

7.2.1 General Information

The month and day your fiscal year begins: January 1

POPULATION SERVED
 Current ¹²⁷ _____ 2000 ¹⁵⁸ _____ 1990 ¹⁶² _____

(If applying for watershed/lake restoration project, proceed to “Program Narrative Statement” section 7.2.5.)

7.2.2 General Utility Information

Current Utility Debt

Year	N/A				
Purpose	N/A				
Security Pledged	N/A				
Amount					
Maturity Date (mo/yr)					
Debt Holder					
Debt Coverage Requirement					
Avg. Annual Required Payment					
Outstanding Balance					

Comments:

7.2.3 Drinking Water Utility Information

Drinking Water Utility Cash Flow

Fiscal Year	Prior Year	Prior Year	Current Year	Future Year #
	2012	2013	2014	2015
OPERATING CASH FLOW				
Water Sales	\$21,188	\$27,226.00	\$20,921.00	\$28,889.00
Surcharge Fee				
Other (Explain) _____				
OPERATING PAYMENTS				
Personal Services	(\$1,678)	(\$2,112.04)	(\$1,184.15)	(\$1,741.12)
Chemical, Material & Supplies	(\$19,098)	(\$16,410.00)	(\$13,375.63)	(\$17,109.27)
Electric & Other Utilities	(\$2,500)	(\$2,531.02)	(\$685.75)	(\$2,000.87)
Other (Explain) <u>Repairs/Improvements</u>	(\$10,650)			
NET CASH FROM OPERATIONS				
	(\$12,739)	\$6,172.94	\$5,675.47	\$8,037.74
NONOPERATING CASH FLOW				
Interest Income		\$2.67		
Other Revenue (Explain) _____				
<u>Adjustment for 2012 Over Transfer</u>		\$768.53		
Transfers In (Explain) <u>Reduce Shortfall</u>	\$5,897.92			
Fixed Asset Sale (Explain) _____				
Transfers Out (Explain) _____				
<u>Adjustment for 2012 Over Transfer</u>		(\$426.00)		
Fixed Asset Purchases (Explain) _____				
Debt Payment (Principal Only)				(\$4,792.00)
Debt Payment (Interest Only)				(\$1,059.96)
Other Expenses (Explain) _____				
NET CASH FROM NONOPERATING				
	\$5,898	\$345.20		(\$5,851.96)
Net Increase (Decrease) in Cash				
	(\$6,841)	\$6,518.14	\$5,675.47	\$2,185.78
Beginning Cash Balance				
	\$21,855	\$15,015.00	\$21,533.14	\$27,208.61
Ending Cash Balance				
	\$15,015	\$21,533.14	\$27,208.61	\$29,394.39
RESTRICTED BALANCE				
	\$10,000	\$15,000.00	\$20,000.00	\$25,000.00
UNRESTRICTED BALANCE				
	\$5,015	\$6,532.68	\$7,208.61	\$4,394.39

Future Year: First full year after project completion.

Restricted Funds Breakdown:

<u>Amount</u>	<u>Anticipated Expense</u>	<u>Method Used to Encumber</u>
\$30,000.00	Cast Iron Water Main Replace	Town Board Action
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Water Fees:

Attach current and proposed rate ordinances or resolutions and rate schedules.

Municipal or Sanitary District - monthly rates at 5,000 gallons (670 cubic feet)

Other Community Water System - monthly rates at 7,000 gallons (935 cubic feet)

Check one: Incorporated Municipality or Sanitary District
or
 Other Community Water System

Monthly:	<u>Current Rate</u>	<u>Proposed Rate</u>	<u># of Accounts</u>	<u>Average use gallons/cubic feet</u>
Domestic	\$40.00	N/A	55	3,000
Business	\$40.00	N/A	7	11,000
Other: _____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____

Are fees based on usage or flat rate? Usage

When is proposed fee scheduled to take effect? N/A

When did the current fee take effect? December 1, 2008

What was the fee prior to the current rate? \$34.00 per 5,000 gallons

Attach current and proposed rate ordinances or resolutions and rate schedules.

Town of Lesterville Water Meter Project

Small Water Facilities Application

Attachments

1. Program Narrative Statement
2. Authorizing Resolution
3. Facilities Plan (PER)
4. Rate Card and Current Rate Ordinance
5. 2012-2013 Year End Reports
6. Current Budget

**SMALL WATER FACILITIES APPLICATION NARRATIVE
TOWN OF LESTERVILLE
WATER METER REPLACEMENT PROJECT**

Location/Service Area:

The Town of Lesterville is located in northwest Yankton County and southeast of the City of Scotland. Lesterville is a bulk user of BY Water District thus relying on BY for its water supply. The town owns, operates and maintains a storage and distribution system which ties into the BY Water master meter.

Problem Being Addressed:

Similar to a majority of smaller communities within the state and region, Lesterville relies upon its citizens for self reporting of water usage. This issue in and of itself is generally not a problem though when coupled with dated water meters, circa 1960 the potential for inaccurate meter readings significantly increases. As noted earlier, Lesterville receives its water from BY via a master meter. By knowing the exact amount of water being delivered the Town is able to compare the gallons purchased to the amount billed. Unfortunately, the Town has discovered a variation of up to 40% from the amount purchased to the amount billed. The Town has confirmed the meter's accuracy with BY. Confirmation of the master meter's accuracy transfers the water loss to the Town's infrastructure to include the individual meters. While the Town's leadership realizes there is most likely small water losses occurring within the distribution system they believe as does the consulting engineer the primary contributor is the antiquated water meters.

The proposed project includes replacement of approximately 77 water meters ranging in size from ¾" to 2" with remote read meters. Replacement of the meters with modern models coupled with the remote read capability is expected to significantly increase accuracy thereby increasing revenues.

Beneficiaries:

The residents of Lesterville are the primary beneficiaries of the proposed project though as their water bills are likely to increase the general populous may disagree. The current situation requires the Town to supplement the water fund. The act of supplementing an enterprise fund equates to a decrease in services traditionally provided by other revenue sources such as sales and property taxes. While unbeknownst to the citizenry the current water situation has a direct impact upon the community as a whole.

Relationship to Past or Future Activities:

Thankfully, the Town's leadership in the early 1980's was progressive when abandoning its own supply system and going with a central supplier in BY Water. In addition, the community has been active in maintain its storage system per State and Federal standards. As is the case elsewhere the out of site infrastructure such as water lines and meters tend to be forgotten. The Town of Lesterville is not alone in its situation as many similar sized communities have been updating water meters in recent years.

As noted in the Facilities Plan prepared by Arens Engineering, the Town will need to become more active in its efforts to improve its water infrastructure. These future projects will place a significant financial burden upon the community and more specifically the individual customer. It is with these needed improvements in mind that the Town will look to increase retained earnings within the water fund.

Timetable:

The Town has committed to moving forward with the project and sees the Small Water Facilities Program as the best method for securing the necessary funding. Securing this financing will enable the Town to proceed with final engineering plans and bid letting. The aforementioned process will allow the Town to commence with construction upon securing financing, most likely in the summer of 2015.

****AUTHORIZING RESOLUTION # 124****

**RESOLUTION APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE,
AUTHORIZING THE EXECUTION AND SUBMITTAL OF THE APPLICATION, AND
DESIGNATING A REPRESENTATIVE TO CERTIFY AND SIGN PAYMENT REQUESTS.**

WHEREAS, The *Town of Lesterville* (the "**TOWN**") has identified the need to upgrade and replace its water meters; and

WHEREAS, the **TOWN** has determined that financial assistance will be necessary to undertake the Project and an application for financial assistance to the South Dakota Board of Water and Natural Resources (the "**BOARD**") has been prepared; and

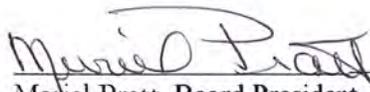
WHEREAS, it is necessary to designate an authorized representative to execute and submit the Application on behalf of the **TOWN** and to certify and sign payment requests in the event financial assistance is awarded for the Project,

NOW THEREFORE, BE IT RESOLVED,

1. The **TOWN** hereby approves the submission of an Application for financial assistance in an amount not to exceed \$60,000 to the South Dakota Board of Water and Natural Resources for the Project.
2. The **Board President** is hereby authorized to execute the Application and submit it to the South Dakota Board of Water and Natural Resources, and to execute and deliver such other documents and perform all acts necessary to effectuate the Application for financial assistance.
3. The **Board President** is hereby designated as the authorized representative of the **TOWN** to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

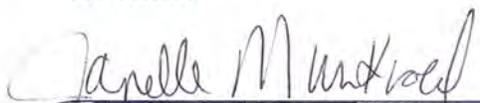
Dated this 8th day of December 2014

ADOPTED:



Maribel Pratt, Board President

ATTEST:



Janelle Munkvold, Finance Officer

LESTERVILLE WATER METERS FEASIBILITY STUDY

TOWN OF LESTERVILLE

TOWN BOARD

MARIEL PRATT	PRESIDENT
JANELLE MUNKVOLD	FINANCE OFFICER
DARYL BIERLE	TRUSTEE
REBECCA FRANK	TRUSTEE
PAUL SCHERSCHLIGHT	UTILITY MANAGER

PREPARED BY

ARENS ENGINEERING

230 CAPITOL

YANKTON, SOUTH DAKOTA

605-665-2002

AUGUST, 2014

LESTERVILLE WATER METERS FEASIBILITY STUDY

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I. ENVIRONMENTAL REVIEW

A. ENVIRONMENTAL REVIEW AND BACKGROUND

The Town of Lesterville is located in northwestern Yankton County in south eastern South Dakota, approximately 30 miles north northwest of Yankton, SD. The Town of Lesterville is located approximately 15 miles northwest of Yankton; SD. Lesterville is located 10 miles west of the intersection of US Highway 81 and 300 Street in Yankton County. The Town of Lesterville is the fourth largest community in Yankton County. The Town of Lesterville has an active Main Street business district and local agri-business sections in the community. The 1990 census population was 168 persons. The 2000 population was 158 persons. The 2010 census population was 127 persons. The Town of Lesterville is relatively maintaining their population while many agricultural sectors in South Dakota are experiencing signification population loss. Lesterville quiet country atmospheres and agricultural business opportunities are attractions for working families to become residents in the community and work at businesses enterprises in the community.

B. HISTORICAL AND ARCHAEOLOGICAL SITES

The Lesterville water distribution system is within the Town of Lesterville street right of ways and Yankton county highway right of way. The Town of Lesterville obtains its drinking water from the B-Y Rural Water District since 1986. The Town of Lesterville water meter replacement project will be replacing the water meters within residential and business structures within the City Limits of Lesterville. There will be no impact to historical and archaeological sites. See letter in Appendix A.

C. FLOODPLAINS AND FLOOD HAZARDS

The Lesterville wastewater collection system is within the Town of Lesterville street right of ways and Yankton County highway right of way. The Town of Lesterville water meter replacement project will be replacing the water meters within residential and business structures within the City Limits of Lesterville. There will be no impact to floodplains and flood hazards. See letter in Appendix A.

D. AGRICULTURAL LANDS

The Lesterville water distribution system is within the Town of Lesterville street right of ways and Yankton County highway right of way. The Town of Lesterville water meter replacement project will be replacing the water meters within residential and business structures within the City Limits of Lesterville. There will be no impact to agricultural lands. See letter in Appendix A.

E. WETLANDS AND ENDANGERED SPECIES

The Lesterville water distribution system is within the Town of Lesterville street right of ways and Yankton County highway right of way. The Town of Lesterville water meter replacement project will be replacing the water meters within residential and business structures within the City Limits of Lesterville. There will be no impact to wetlands and endangered species. See letter in Appendix A.

F. FISH AND WILDLIFE PROTECTION

The Lesterville water distribution system is within the Town of Lesterville street right of ways and Yankton County highway right of way. The Town of Lesterville water meter replacement project will be replacing the water meters within residential and business structures within the City Limits of Lesterville. There will be no impact to fish and wildlife protection. See letter in Appendix A.

G. WATER QUALITY AND QUANTITY

The Town of Lesterville drinking water source was switched from wells to the B-Y Rural Water System in 1986. The water distribution system is operating within the project design parameters. The Town of Lesterville per capita water usage is within the design parameters. There are no foreseeable water quality or quantity issues.

H. DIRECT AND INDIRECT IMPACTS

The Lesterville water meter project would not have a direct environmental impact.

I. MITIGATING ADVERSE IMPACTS

A storm water pollution control plan would not be required as the meter replacement work occurs inside residential and business structures.

II. EXISTING AND FUTURE CONDITIONS

3 PROJECT NEED AND PLANNING AREA IDENTIFICATION

The Lesterville water meter feasibility study planning area is the Town of Lesterville's City Limits as shown in the Lesterville City Map, Exhibit A. An additional area is the wastewater treatment lagoon facility located approximately one half mile west of the Town of Lesterville.

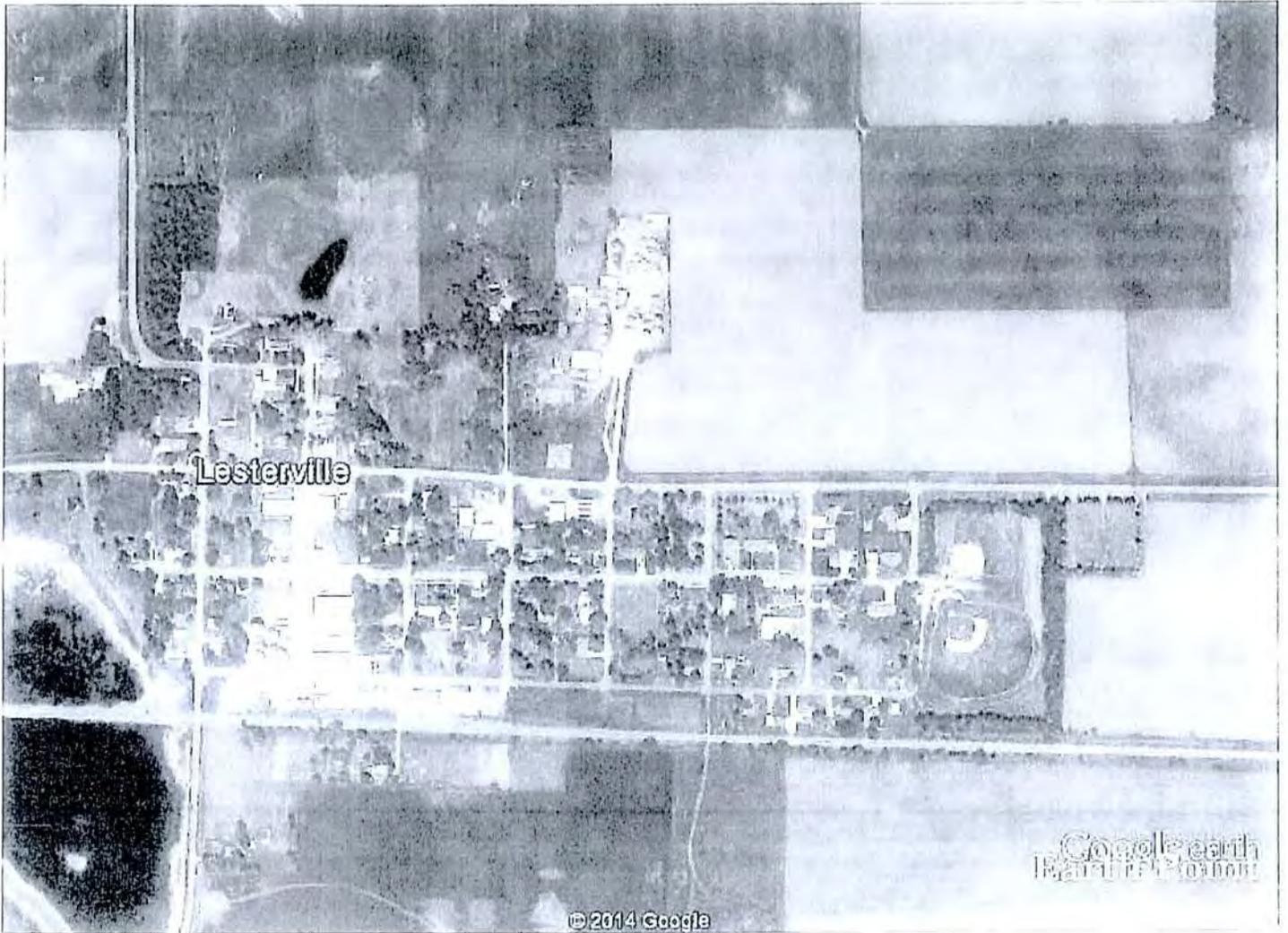
B. EXISTING WATER DISTRIBUTION SYSTEM

The City's original water distribution system was installed in 1910's -1920's consisting of 4" to 6" cast iron pipe, CIP. The Town of Lesterville upgraded a portion water distribution system to PVC water main when the Town connected to B-Y Rural Water District in 1986 See Exhibit B for Lesterville Water Distribution Layout. The Town has one block of 8" PVC water main from the water tower east to Third Street and Jackson Avenue. A 6" PVC water main extends eastward one block to Main Avenue, then one block south on Main to Second Street, then extends three blocks east on Second Street to Will & Ray Avenue, and finally one block south to First Street. This is along the northern edge of Lesterville. A second 6" PVC water main serves the main business district on Jackson Avenue from Second Street south to Railroad Street. This line then extends two blocks east on Railroad to Lake Avenue and then one block north to First Street and Lake Avenue. An additional one block on 6" PVC water line is located on the east end of the community, on First Street from Wagner Avenue to Kappel Avenue. This is the extent of PVC watermain for the Town of Lesterville.

The central portion of the Town of Lesterville water distribution system is cast iron watermain. The cast iron water main begins Third and Jackson intersection, then one block south to Second Street, one block east to Main Avenue, and then two blocks south to Railroad Street. At the Main Avenue and First Street intersection, the 6" cast iron water main extends Wagner Avenue. The community has nine blocks of cast iron water main.

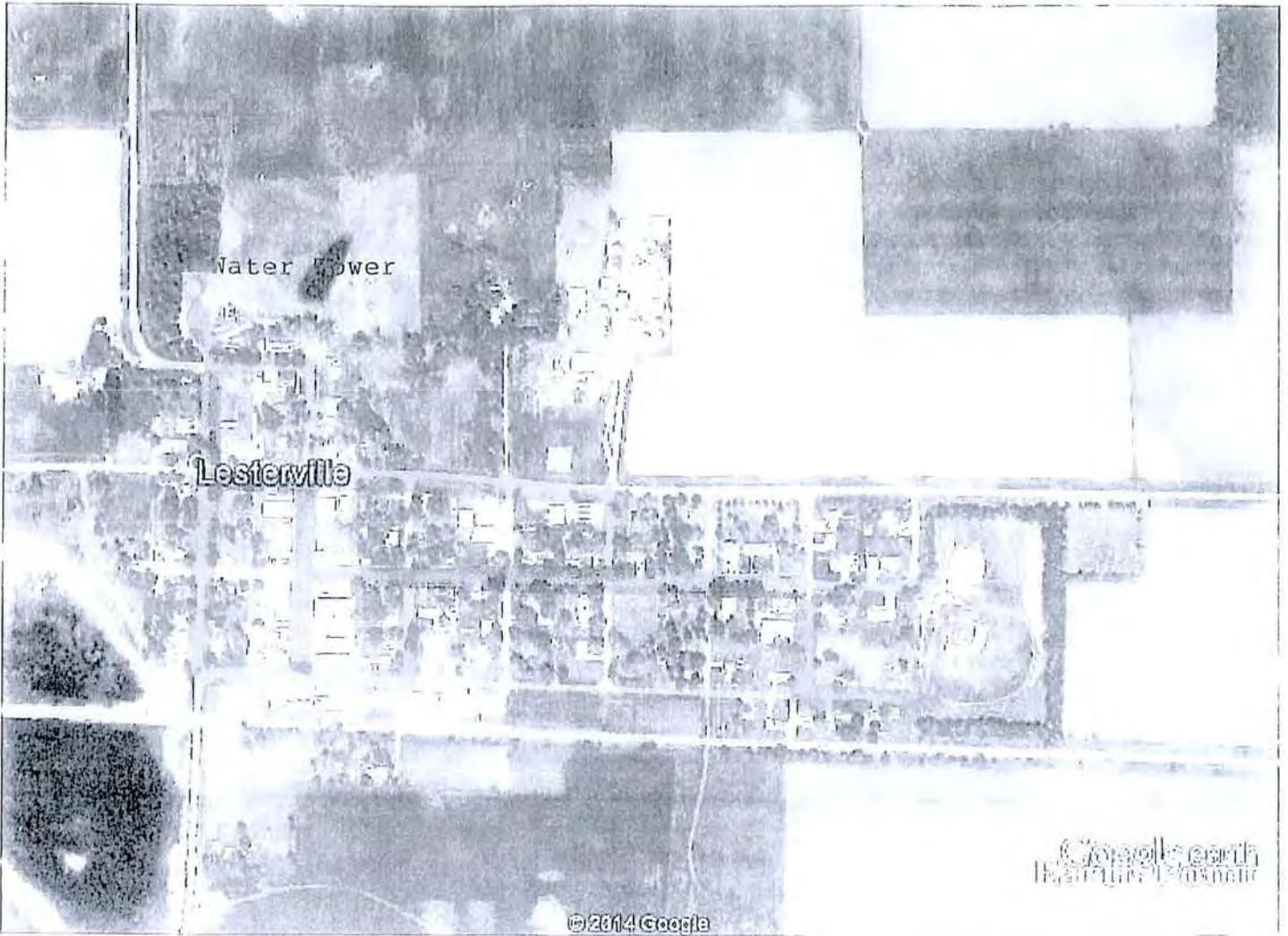
The Town has two block of asbestos cement water main on the eastern edge of the community, from the Wagner Avenue and First Street intersection south to Railroad Street and then on block east to Kappel Avenue.

The eastern end of the Town of Lesterville is served by a dead end water line from east of the intersection of First Street and Will & Ray Avenue. The proposed water distribution improvement opinion of probable costs estimated include install in new 6" PVC from the Lake Avenue and Railroad Street intersection eastward five blocks to Kappel Avenue and then one block north to tie into the 6" PVC segment on the east end of First Street. The proposed



Google earth





Google earth



- PVC Waterlines
- Cast Iron Waterlines
- Asbestos-Cement Waterlines

Town of Lesterville
Existing Water Distribution System

watermain loop would better serve the water service users located four block segment along Railroad Street from Lake Avenue to Wagner Avenue. Presently, these water users are being served by long service lines from First Avenue.

Following is the opinion of probable costs for the future water distribution improvement project for the cast iron water main replacement and the dead end main loop closure. The proposed project is shown in Exhibit C.

LESTERVILLE WATER METER STUDY

Water Distribution System Project Original Cast Iron Watermain Replacement

1.	6" PVC Watermain	3,300 LF	\$24.00/LF	\$79,200
2.	6" Fire Hydrant	8 Each	\$2,500/Each	\$20,000
3.	6" Gate Valves	16 Each	\$850/Each	\$13,600
4.	Watermain Connections	6 Each	\$600/Each	\$ 3,600
5.	1" Water Service Lines	1,000 LF	\$20.00/LF	\$20,000
6.	1" Curb Stop & Connection	32 Each	\$300.00/Each	\$9,600
7.	Aggregate Base Course	2,000 Tons	\$ 16.00/Ton	\$32,000
8.	Asphalt Concrete Surfacing	720 Tons	\$100/Ton	\$72,000
9.	10% Contingencies			\$25,000
	Construction Subtotal			\$275,000

Dead End Main Loop Closures

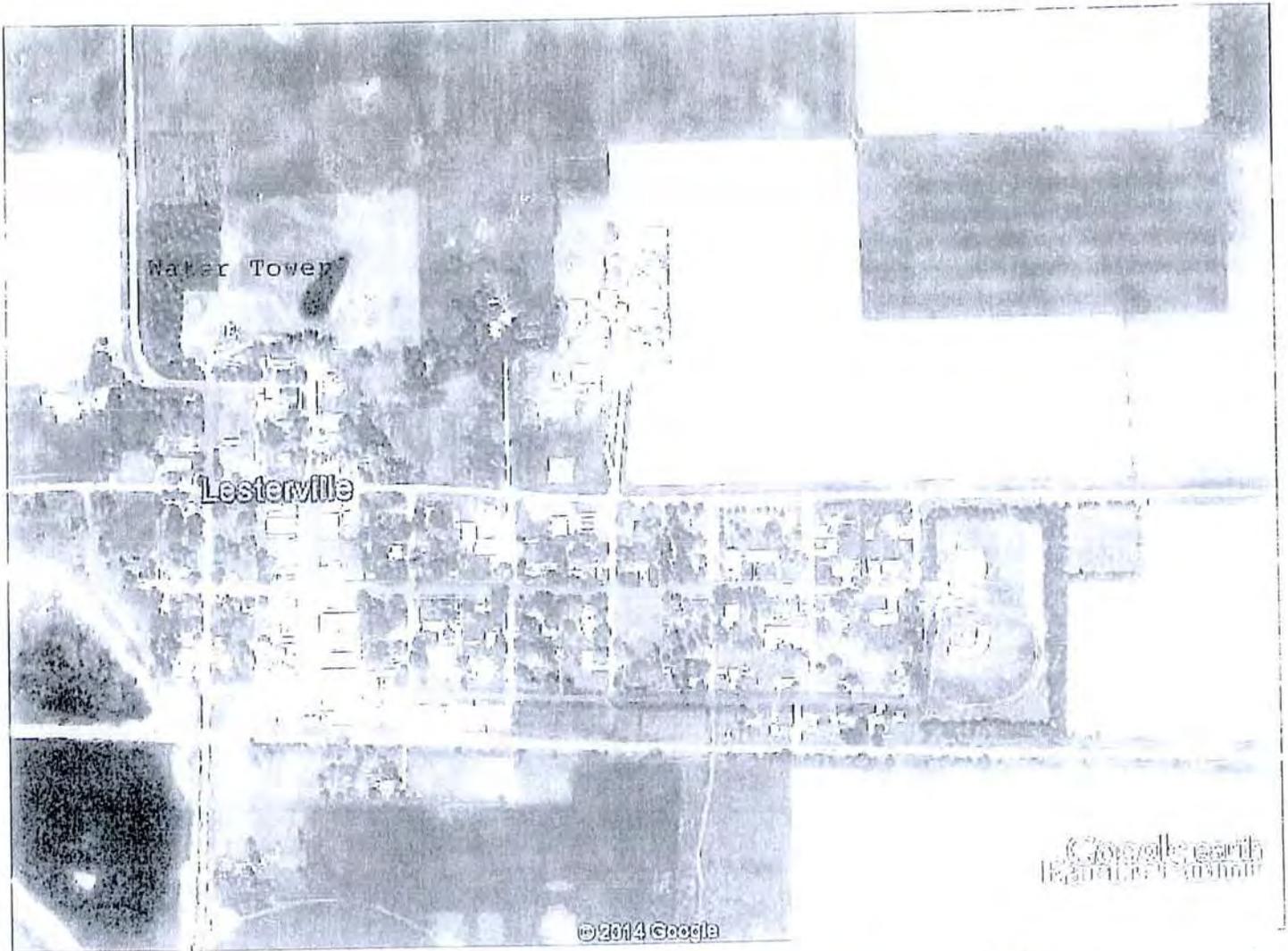
1.	6" PVC Watermain	2,100 LF	\$24.00/LF	\$50,400
2.	6" Fire Hydrant	4 Each	\$2,500/Each	\$ 10,000
3.	6" Gate Valves	8 Each	\$850/Each	\$ 6,800
4.	Watermain Connections	3 Each	\$600/Each	\$ 1,800
5.	1" Water Service Lines	400 LF	\$20.00/LF	\$8,000
6.	1" Curb Stop & Connection	12 Each	\$300.00/Each	\$3,600
7.	Aggregate Base Course	1,000 Tons	\$ 16.00/Ton	\$16,000
8.	Asphalt Concrete Surfacing	3,000 SY	\$2.50/SY	\$ 7,500
9.	10% Contingencies			\$ 10,400
	Construction Subtotal			\$114,500

Construction Total **\$389,500**

Project Design/Construction Engineering

1.	Design Engineering	\$17,500
2.	Construction Engineering	\$32,500
3.	Administration/Legal	\$4,000
	Services Total	\$54,000

Construction Budget **\$443,500**



Google earth



Cast Iron Watermain Replacement
Watermain Looping

Town of Lesterville
Proposed Water Distribution Improvements

C. EXISTING WATER METERING SYSTEM

The Town of Lesterville did not upgrade its water meters at that time. The water meters from the 1960's are now approximately fifty years old. The Town had done minimal maintenance on the water meters except to replace the unfunctioning water meters. The present water meters are a collection on old and newer water meters. The present water meter reporting is done on a self reporting system by the individual water user. The Town personnel will occasionally read a water meter that is experiencing a particular problem or a meter changes water user accounts.

D. EXISTING WATER TREATMENT SYSTEM BALANCE

The Town of Lesterville has obtained its drinking water from B-Y rural Water District since 1986. The rural water meter measure the bulk water quantity purchased by the Town of Lesterville. The City monthly rural water billing is based on the rural water meter monthly readings. The Town of Lesterville then charge the individual water users based on their monthly water usage. The Town is set up on a self reporting water billing. The individual water user read their meter monthly and determines their monthly water billing. The Town checks their billing calculation when the water user pays the water bill. This system can lead to billing irregularities, especially for users having trouble reading their water meters. Water billing adjustments will be required to be made at the time the irregularities are discovered. A remote meter system would be preferable to the present self reporting water meter reading system.

As shown in Exhibit D Lesterville Monthly Water Loss, the Town of Lesterville has approximately a 40% water loss from the B-Y Water furnished and the city metered water use. The Town of Lesterville does meter the municipal facilities, which include City Hall, the Fire Hall, and the ball field. Town's maintenance shop and the park/campground are not metered. Depending upon the month, these facilities can have a substantial water use for the month. The water meter replacement project includes installing water meters for the municipal facilities. The winter quarter months have a substantial loss of 40% and greater. The winter month's water loss can primarily contribute to water meter low reading of the older water meters. The Town of Lesterville has water meters approaching fifty years in age. It is recommended that the Town of Lesterville implement a water meter replacement project thus starting anew with new meters.

LESTERVILLE WATER STUDY
 Monthly Water Loss Record
 Gallons Bought from B-Y Rural Water

YEAR MONTH	WATER BOUGHT	WATER SOLD	WATER LOSS	WATER PERCENT
2013				
JANUARY	439,000	159,129	279,871	64
FEBRUARY	365,000	221,305	143,695	39
MARCH	314,000	174,220	139,780	45
APRIL	361,000	162,794	198,206	55
MAY	327,000	186,222	140,778	43
JUNE	605,000	453,101	151,899	25
JULY	546,000	365,094	180,906	33
AUGUST	628,000	324,005	303,995	48
SEPTEMBER	470,000	234,607	235,393	50
OCTOBER	601,000	271,740	329,260	55
NOVEMBER	395,000	193,140	201,860	51
DECEMBER	418,000	168,445	249,555	60
TOTAL	5,470,000	2,913,802	2,556,198	47
2014				
JANUARY	424,000	161,000	263,000	62
FEBRUARY	332,000	178,000	154,000	46
MARCH	306,000	136,000	170,000	56
APRIL	354,000	151,000	203,000	57
MAY	405,000	319,000	86,000	21
JUNE	619,000	413,000	206,000	33
JULY	609,000	449,000	160,000	26
AUGUST	617,000	402,000	215,000	35
SEPTEMBER	617,000	431,700	185,300	30
OCTOBER	0	0	0	#DIV/0!
NOVEMBER	0	0	0	#DIV/0!
DECEMBER	0	0	0	#DIV/0!
TOTAL	4,285,000	2,640,700	1,644,300	38

EXHIBIT D

The water meter replacement program should also include an automatic reading program, eliminating the self reading meter reading. The self reading meter program is subject to errors which can be attributed to the months with greater water sold than water purchased from B-Y Water District. The self reading meter program in conjunction with the non meter city facilities make it difficult to obtain a good monthly water loss analysis.

D. FUTURE CONDITIONS

The 1990 census population was 168 persons. The 2000 census population was 158 persons. The 2010 population was 127 persons. The Town of Lesterville is experiencing a declining population base similar to many smaller communities in rural South Dakota. The Town of Lesterville is expected to essentially maintain its population base of 125 +/- persons for the future 10 to 20 years. The Town of Lesterville is a viable business community in northwestern Yankton County.

III. DEVELOPMENT AND SCREENING OF ALTERNATIVES

A. DEVELOPMENT OF ALTERNATIVES

The Town of Lesterville has two alternatives available for considerations. The first of the two alternatives is 1) the No Action Alternative, which is taking no action as the result of the Lesterville Water Meters Feasibility Study. The No-Action alternative results in the continued use of the old water meters until they are substantially inoperable. At which time the aged meter would be replaced with a new meter. The No-Action alternative would continue the water user self reading the meters and reporting the meter reading at the time the meter invoice is paid. The self metering of the meters make it difficult to determine an effective water loss analysis due to the variable time at the meter is read by the water user. This alternative would include the continued non meter water use by the Town's facilities.

The second alternative is 2) the Water Meter Replacement Project. This alternative would replace the current water meters with new water meters including an automatic meter reading program. Some of the current meters are as old as forty years old. Currently, the water users are self reading the meters and reporting the meter reading at the time the water bill is paid. This program leads to reporting errors and make to difficult to perform an effective water loss analysis. The proposed meter system would read the meters with a wireless program which would download the readings into an invoice billing program. The Town would then send the monthly water billing to the water user. As all the meters would be read at relatively the same time. in order an effective water loss analysis can be performed.

B. OPTIMUM OPERATION OF EXISTING FACILITIES

The smaller cities and towns with their limited financial budgets tend to concentrate on maintaining their infrastructure systems. Generally, the cities do not have the finances necessary to complete the larger construction improvements for the optimum operation of their existing facilities. This is the status of the Town of Lesterville. The water distribution system has known deficiencies of aged water meters. The aged water meters can fail to record the low water use flows resulting in water loss to the system. Also, the water user self reading the meters can attribute to system water loss. Optimum operation of the existing water meter system would be difficult.

IV. EVALUATION OF PRINCIPAL ALTERNATIVES AND PLAN ADOPTION

A. ALTERNATIVE EVALUATION

1) The No Action alternative is not a viable option for the Town of Lesterville water distribution system. The No Action alternative does not address the aged water meters installed up to forty years ago. This alternative will result in increasing personnel commitment to maintaining the aged water meters system along with the continued water income loss due to sluggish readings by the aged meters. These factors can lead to a substantial loss of water revenue to the Town's Water Department.

2) The water meter replacement alternatives are a viable option for the Town of Lesterville water distribution system. This alternative will result in the replacement of the aged water meter with a current technology in the water meter industry. The current water system is experiencing an approximate 40% water loss, leading to substantial loss of water revenue. The sluggish operation of the aged water meters can attribute to the under reporting of water use, and resulting revenue loss. The water users self reporting their water use can lead to reporting errors, attributing to water loss and water revenue loss. The variable times for the water meter readings makes it difficult to perform a water loss analysis. The water meter replacement alternative would address these deficiencies. This alternative would install new remote reading water meters for each residential and business water consumer. The wireless reading of the meters would occur at almost the same time, thus an effective water loss analysis can be performed. The Town would have a better handle as to the actual water distribution water loss quantity. The water user would no longer be required to self read their water meter, eliminating reporting errors and conflicts.

The first meter reading alternative is a tower based reading unit which would signal the meters to be read and collect the meters information. The Town can obtain the meters information as often as it wishes to perform water loss analysis. The end of the month information can be downloaded into a billing program for the monthly billing invoices. The tower based unit only requires a command signal to read and collect the meters information. Many larger communities are utilizing a tower based meter reading program.

The construction cost opinion for the tower based read water meter replacement alternative follows.

**Water Meter Replacement Project
Tower Based Read Alternative
Opinion of Probable Costs**

Water Meter Replacement

No.	Item	Quantity	Unit Price	Cost
1.	ITRON Program Handheld	1 Each	\$4,900/Each	\$ 4,900
2.	5/8" x 3/4" Meter with Transmitter	70 Each	\$ 210/Each	\$ 14,700
3.	1" Meter with Transmitter	4 Each	\$ 350/Each	\$ 1,400
4.	2" Meter with Transmitter	3 Each	\$ 700/Each	\$ 2,100
5.	3/4" – 1" Meter Installation	73 Each	\$ 80/Each	\$ 5,850
6.	2" – 3" Meter Installation	3 Each	\$ 150/Each	\$ 450
7.	ITRON Network Collector	1 Each	\$ 4,500/Each	\$ 4,500
8.	ITRON Repeater 100, GPS	1 Each	\$ 3,200/Each	\$ 3,000
9.	ITRON Network Software	1 Each	\$ 5,000/Each	\$ 5,000
10.	ITRON CCN Software Cloud Service	1 Each	\$18,000/Each	\$18,000
11.	ITRON Professional Design	1 Each	\$ 6,000/Each	\$ 6,000
12.	DSG Professional Services	1 Each	\$ 5,000/Each	\$ 5,000
13.	Network Billing Interface Development	1 Each	\$ 4,000/Each	\$ 4,000
14.	Network Hardware installation	1 Each	\$ 2,500/Each	\$ 2,500
15.	Annual ITRON Hosting & Support	1 Years	\$ 5,000/Year	\$ 5,000
10.	Contingencies			\$ 3,600
	Construction Sub-Total			\$ 85,000
	Facilities Study		\$ 2,500	
	Design Engineering		\$ 4,000	
	Construction Engineering		\$ 4,000	
	Admin. & Legal		\$ 2,000	
	Services Sub-Total		\$ 12,500	
	Construction Total		\$ 97,500	

The second meter reading alternative is a handheld reading unit which requires the operator to travel the community to signal the meters to be read and collect the meters information. The Town can obtain the meters information as often as it wishes to perform water loss analysis. The end of the month information can be downloaded into a billing program for the monthly billing invoices. The handheld unit only requires the operator to command signal to read and collect the meters information. This system benefit includes the end of the voluntary reporting of the monthly meters reading.

The construction cost opinion for the handheld read water meter replacement alternative follows.

Water Meter Replacement Project Handheld Read Alternative Opinion of Probable Costs

Water Meter Replacement				
No.	Item	Quantity	Unit Price	Cost
1.	ITRON Hand Held Package	1 Each	\$7,900/Each	\$ 7,900
2.	¾" Meter with Transmitter	70 Each	\$ 210/Each	\$ 14,700
3.	1" Meter with Transmitter	4 Each	\$ 350/Each	\$ 1,400
4.	2" Meter with Transmitter	3 Each	\$ 700/Each	\$ 2,100
5.	¾" – 1" Meter Installation	73 Each	\$ 80/Each	\$ 5,850
6.	2" – 3" Meter Installation	3 Each	\$150/Each	\$ 450
7.	9 Month Software Support	1 LS	\$400/LS	\$ 400
8.	Software Support	4 Years	\$850/Year	\$ 3,400
9.	Handheld Support	4 Years	\$450/Year	\$ 1,800
10.	Contingencies			\$ 3,800
	Construction Sub-Total			\$ 41,800
	Facilities Study			\$ 2,500
	Design Engineering			\$ 3,700
	Construction Engineering			\$ 3,000
	Admin. & Legal			\$ 2,000
	Services Sub-Total			\$ 11,200
	Construction Total			\$ 53,000

B. DEMONSTRATION OF FINANCIAL CAPABILITY

The Town of Lesterville Water Department operates on a self-supporting fund. The Town of Lesterville monthly water rates is as follows: monthly minimum charge of \$10.00 plus \$5.00 per 1,000 gallons per month. The water charge for 5,000 gallons per month would be \$35.00.

The Town of Lesterville Water Department 2015 budget is as follows:

Water Department Self Supporting Fund – 2015

Salary and Insurance	\$ 2,200
Services and Fees	\$ 180
Water Purchase	\$ 17,800
Materials, Supplies & Repairs	\$ 10,540
<u>Water Meters Allowance</u>	<u>\$ 5,000</u>
Project Appropriations	\$ 35,720
Means of Financing	
<u>Water User Fees</u>	<u>\$ 28,800</u>
Total	\$ 28,800
Estimated Budget Deficit	\$ 6,920

The Water Account Balance as of July 1, 2014 was \$26,680.00.

The Water Department does not have a pre-existing loan payment requirement. The Water meter loan payment requirements are presently being developed.

D. CAPITAL FINANCING PLAN

The Town of Lesterville qualifies for the disadvantage State Revolving Fund rate of 3.00%. The report will assume that any loan amount will be financed through the Drinking Water SRF Program, as the Rural Development Water and Waste Loan interest rate is 4.125%.

The financing package for the recommended Handheld Alternative Water Meter Replacement Project is as follows:

Proposed Funding Package

Clean Water SRF Loan	\$ 52,000
<u>Local Cash</u>	<u>\$ 1,000</u>
Total Project Cost	\$ 53,000

This financing package assumes that the Town of Lesterville will not be the recipient of favorable grant awards for the project. Based on a \$ 52,000 loan amount at a 3.00% over thirty years, the loan annual payment would be approximately \$ 2,650 per year. The Water Meter Replacement Project loan payment will be made through increased water user rates as the water department annual surplus is insignificant for an additional loan repayment.. The financing package would require the Town of Lesterville to increase the average monthly water billing by approximately \$1.75 per month. The 5,000 gallons per month water billing would increase from \$35.00/month to \$36.75/month.

A possible financing package for the recommended Alternative Water Meter Replacement Project is as follows:

Proposed Funding Package

SRF Loan Principal Forgiveness	\$ 31,000
Drinking Water SRF Loan	\$ 21,000
<u>Local Cash</u>	<u>\$ 1,000</u>
Total Project Cost	\$ 53,000

This financing package assumes that the Town of Lesterville will be the recipient of favorable grant awards for the project. Based on a \$ 31,000 loan amount at a 3.00% over thirty years, the loan annual payment would be approximately \$ 1,680 per year. . The financing package would require the Town of Lesterville to increase the average monthly water billing by approximately \$0.70 per month. The 5,000 gallons per month billing would be \$35.00/month plus \$0.70/month equaling \$ 35.70/month.

E. ENVIRONMENTAL EVALUATION

The Lesterville Water Meter Replacement Project alternative would have a positive environmental impact to the Town of Lesterville by the fact it would improve the accountability of water department by accurately reading the consumer's water usage. Aged water meters tends to under read water consumption due to internal corrosion and erosion of the internal components. The water consumers can increase their water usage when the meters are under reading without realizing that their water consumption has increased. Also, the Town of Lesterville is stuck with paying for the under read water usage. An accurate water meter system would lead to more efficient usage of the drinking water furnished by the Town of Lesterville. The decrease water usage would decrease the energy requirement to treatment and pump the wasted water.

F. COMPARISON OF ALTERNATIVES

The No Action alternative is not recommended. The No Action alternative would result in the eventual failures of the water meters of the water distribution system. The No Action alternative retains the existing water meters installed 40+ years ago. Without any planned improvements, the water meters failures would steadily increase the quantity of under read water usage. The water meter replacement project would restore the water reading efficiency for the water distribution system. The Town can obtain a more accurate water loss determination for the water distribution system by the new meter installation. The Town could determine the quantity of water is being loss due to water distribution joint and fittings failures. Based on the water loss quantity, a water distribution system leak detection investigation may be initiated.

G. VIEW OF THE PUBLIC AND CONCERNED INTEREST GROUPS

The Town of Lesterville has held a public hearing regarding the Water Meter Replacement Project on _____. There were no public comments regarding the project.

V. SELECTED PLAN, DESCRIPTION AND IMPLEMENTATION ARRANGEMENTS

A. JUSTIFICATION AND DESCRIPTION OF SELECTED PLAN

In order for the smaller cities to maintain their economic vitality, the Town must be progressive in maintaining a stable water distribution system. The smaller cities progressive in maintaining an attractive community had a better chance in maintaining their population base. The water distribution system is one of the critical elements of a community infrastructure system. Presently, the Town's water meters are nearly 40 years old. The water meters are presently in fair condition due to aged water meters being a source of unaccounted water loss. The failure of the water meters will result in increasing quantities of water loss and the resulting loss of water revenue. This would require the water rates to increase to cover the unaccounted water revenue loss. The report recommends that the water meters be replaced as a single project rather than being partially replaced each year. It is more difficult to track the water meters inventory as to the age and condition of individual water meters. The Town can establish a replacement fund to replace the water meters after 30 years.

B. DESIGN OF SELECTED PLAN

The first step would be the Town of Lesterville completing the bid documents for the Water Meter Replacement Project for the initial review by SD-DENR. The project construction bid opening would be held following the SD-DENR review of the project bid documents. The project can be scheduled for a construction start within 60 days of the project bid opening. The meter replacements will occur in doors, thus not subject to winter construction limitations.

C. COST ESTIMATE OF SELECTED PLAN

Following is the construction cost estimate for the Water Meter Replacement Project.

**Water Meter Replacement Project
Handheld Read Alternative
Opinion of Probable Costs**

Water Meter Replacement				
No.	Item	Quantity	Unit Price	Cost
1.	ITRON Hand Held Package	1 Each	\$7,900/Each	\$ 7,900
2.	¾" Meter with Transmitter	70 Each	\$ 210/Each	\$ 14,700
3.	1" Meter with Transmitter	4 Each	\$ 350/Each	\$ 1,400
4.	2" Meter with Transmitter	3 Each	\$ 700/Each	\$ 2,100
5.	¾" – 1" Meter Installation	73 Each	\$ 80/Each	\$ 5,850
6.	2" – 3" Meter Installation	3 Each	\$150/Each	\$ 450
7.	9 Month Software Support	1 LS	\$400/LS	\$ 400
8.	Software Support	4 Years	\$850/Year	\$ 3,400
9.	Handheld Support	4 Years	\$450/Year	\$ 1,800
10.	Contingencies			\$ 3,800
	Construction Sub-Total			\$ 41,800
	Facilities Study			\$ 2,500
	Design Engineering			\$ 3,700
	Construction Engineering			\$ 3,000
	Admin. & Legal			\$ 2,000
	Services Sub-Total			\$ 11,200
	Construction Total			\$ 53,000

D. USER RATE IMPACTS

The Water Meter Replacement project will increase the water rates for 5,000 gallons by \$1.75. Prior to July, 2014, the water charge for 5,000 gallons per month was \$35.00. The water meter replacement project would result in the 5,000 gallons per month water charge increasing to \$36.75. This is based on a SRF loan of \$53,000

E. ENVIRONMENTAL IMPACTS OF SELECTED PLAN

The selected project would have a significant positive environmental impact to the Town of Lesterville by the fact it would be improve the water distribution efficiency by removing the aged water meters from the water consumers. The aged water meters are subject to under reading the water usage by the consumers. The reduction of any unnecessary water usage into the sanitary sewer/outfall line will improve the wastewater treatment lagoon efficiency by increasing the detention time of the wastewater treatment lagoon.

The replacement of the aged water meters will provide a significant positive environmental impact by improving the reliability of the water consumption recording. . The present aged water meters are subject to under reading the water consumption. This can lead to wasted water by consumers not repairing water drips and slow leaks. Wasted water cause electrical waste due to the treatment and pumping of the wasted water. The remote reading system will save transportation costs associated with the voluntary reading of the water meters providing the monthly data to the finance office.

The proposed project's negative environmental impacts would consist of construction activities during the installation of the water meter replacements. The new water meter replacement construction activities would occur inside residential and commercial facilities thus would have lesser environmental impact. The replacement construction would be scheduled for year 2015. To minimize the impact to the environment, the Prime Contractor will be required to salvage the existing water meter for recycling. Following the construction activity, the inside plumbing disturbances would be restored to better than the pre-construction conditions.

F. ARRANGEMENT FOR IMPLEMENTATION

The Town of Lesterville had Planning and Development District III completed the application to place the Water Meter Replacement project on the South Dakota State Water Plan. The Planning and Development District III will assist the Town of Lesterville in obtaining the grant and loan funds necessary for the construction of the Water Meter Replacement Project. The project funding acquisition has been tentatively scheduled for early 2015. The project survey fieldwork and the project design phase will be completed prior the project funding assurance has been achieved. It is anticipated that the project construction bid opening was held in the spring of 2015. This will allow the project construction be completed by July 2015.

G. IMPLEMENTATION SCHEDULE

The following Water Meter Replacement Project implementation schedule is contingent upon the acquisition of project funding:

Project grant and loan funding	January, 2015
Completed Construction Documents	March, 2015
Opened Construction Bids	April, 2015
Begin Construction	May, 2015
Complete Construction	July, 2015

2014 LESTERVILLE
WATER, SEWER & GARBAGE BILL

JAN 1	JULY 1	_____
FEB 1	AUG 1	_____
MAR 1	SEPT 1	_____
APR 1	OCT 1	_____
MAY 1	NOV 1	_____
JUNE 1	DEC 1	_____

Present Water Reading	_____
Minus Last Month's Reading	_____
= Total Gallons Used	_____
Water Charges See Rates	\$ _____
Water User Fee	\$ 10.00
Sewer Charge per month	\$ 23.00
Garbage* Service/Month	\$ 14.00
*includes 6% State Sales Tax	
Late Charge	\$ _____

2014 • LESTERVILLE WATER, SEWER & GARBAGE BILL • 2014

JAN 1	APR 1	JULY 1	OCT 1
FEB 1	MAY 1	AUG 1	NOV 1
MAR 1	JUNE 1	SEPT 1	DEC 1

Present Water Reading	_____
Minus Last Month's Reading	_____
= Total Gallons Used	_____
Water Charges See Rates	\$ _____
Water User Fee	\$ 10.00
Sewer Charge per month	\$ 23.00
Garbage* Service/Month	\$ 14.00
*includes 6% State Sales Tax	
Late Charge	\$ _____
Amount Due	\$ _____

WATER RATES

0-1,000 GALLONS	... \$5.00
1,001-2,000 GALLONS	... \$10.00
2,001-3,000 GALLONS	... \$15.00
3,001-4,000 GALLONS	... \$20.00
4,001-5,000 GALLONS	... \$25.00
5,001-6,000 GALLONS	... \$30.00
6,001-7,000 GALLONS	... \$35.00
7,001-8,000 GALLONS	... \$40.00
8,001-9,000 GALLONS	... \$45.00
9,001-10,000 GALLONS	... \$50.00
10,001-11,000 GALLONS	... \$55.00
11,001-12,000 GALLONS	... \$60.00
\$5.00 PER 1,000 GALLONS THEREAFTER	

BILLS ARE DUE THE FIRST OF EACH MONTH.
IF NOT PAID ON OR BEFORE THE 7TH OF
EACH MONTH, ADD IN \$10.00 LATE CHARGE!

LESTERVILLE TOWN BOARD

****MINUTES****

Fire Hall Meeting Room

September 8, 2008

The regular monthly meeting of the Lesterville Town Board was called to order by Mayor Paul Bloch at 7:05 p.m. on Monday, September 8th in the fire hall meeting room. Attendees included: Muriel Pratt, Trustee; Roxanne Ellinger, Finance Officer; Karen Frangenberg, Animal Control Officer; Greg Ellinger; Mary Glenn; and Lawrence Kline.

Motion Pratt, second Bloch to approve the meeting agenda. Motion carried. Motion Pratt, second Bloch to approve the published August 11th and the draft August 28th minutes as reviewed. Motion carried. Motion Pratt, second Bloch to approve all presented vouchers for payment. Motion carried.

Northwestern Energy.....	\$ 597.62
B-Y Water District	1,388.00
SD Dept of Revenue (garbage sales tax/July & August)	61.25
Ken Kloucek (gravel)	225.00
US Post Office	45.40
Home Federal Bank (loan pymt #12)	2,500.00
Tabor Lumber Coop (propane prepay)	2,120.00
One Call Systems (e-mails)	3.80
Tabor Lumber Coop (tower)	32.55
Yankton County Observer	36.52
Bartuneks Inc.	620.00
Golden West Telecommunications	104.17
Joel Finck (general labor/mowing/FICA)	195.65
Roxanne Ellinger (salary/FICA)	256.27
Paul Scherschligt (salary/postage/FICA)	226.44
1 st Dakota National Bank (FICA)	<u>111.60</u>
TOTAL	\$8,524.27

REPORTS:

Water Report

Finance Officer Ellinger noted one account with an insufficient funds check. Notification has been sent.

Water/Wastewater Superintendent

Water Superintendent Scherschligt was absent from the meeting. Ellinger noted two new water meters will need replacement at residential homes. Current meters have quit working.

OLD BUSINESS:

Unlicensed Vehicles

Trustee Pratt provided a list of unlicensed vehicles in the community and requested the Finance Officer to send written notification to the landowners regarding noncompliance.

Dogs

Animal Control Officer Frangenberg reported that all records for dogs (vaccinations and tags) are complete. Discussion was held on loose dogs and ordinance requirements. The ordinance was updated to protect the citizens of the community and any liability issues for the town.

Vacant Lots Clean-Up

Finance Officer Ellinger noted that letters have been sent to two landowners with vacant property regarding clean-up and/or harboring of wild animals. Letters noted a September 20th deadline. Status of the properties will be discussed at the October meeting.

Consolidated Water Facilities Construction Fund (CWFCF)

Board members, H&H Contracting, and project engineer, Vernon Arens, will conduct a final inspection of the water tower project before the final reimbursement bill is submitted to the Department of Environment and Natural Resources (DENR). Documentation has been received from DENR approving the change order for water tower painting. Board members reviewed the letter allocating the full \$20,000 grant from the state. Paperwork was submitted after the Board's special meeting on 8/28/08.

NEW BUSINESS:

Burning Ordinance #112

The Board conducted the first reading of Ordinance #112 (Burning). The ordinance will be reviewed by legal counsel and the Lesterville Fire and Rescue for corrections/additions before the October meeting.

Appropriations Ordinance #113

Motion Bloch, second Pratt to approve the town's 2009 appropriations budget as presented. Motion carried. Citizens requesting a copy of the 2009 budget should contact the Finance Office.

RESOLUTION #08-02

**A RESOLUTION INCREASING THE
MINIMUM MONTHLY RESIDENTIAL AND
COMMERCIAL WATER RATES**

WHEREAS, the Town of Lesterville received notice from Bon Homme-Yankton (B-Y) Rural Water District to increase the bulk rate purchase to \$2.60 per 1,000 gallons effective January 1, 2009; and

WHEREAS, the Department of Water & Natural Resources (DENR) approved the change order to the Consolidated Water Facilities Construction Fund (CWFCF) grant in the amount of \$13,500, thus increasing the town's local match to \$23,000; and

WHEREAS, the town will need to increase monthly water rates to offset these additional, unforeseen costs effective December 1, 2008.

NOW, THEREFORE, be it resolved that the minimum water rates for commercial and residential users within the corporate limits be raised as follows:

Water - \$5.00 per 1,000 gallons, plus a \$10.00 user fee (\$15.00)
effective December 1, 2008.

Trustees voting "aye": Pratt, Bloch
Trustees voting "nay": none

Special Assessments

Board members reviewed the proposed assessments to property within the corporate limits of Lesterville. Finance Officer Ellinger noted that three separate billings have been sent to each landowner requesting payment for weed/garbage removal conducted by contracted employees of the town. Unpaid billings after the September 20th deadline will be assessed to the landowners taxes.

OTHER:

*A letter from Rebecca Frank was reviewed by Board members regarding trees on town right-of-way and rodent concerns of vacant property next to her residence. Yankton County personnel will be asked to note any additional trees within the community that require trimming to allow snow removal equipment free access during the winter season.

*Lawrence Kline requested access to the town's landfill with tree debris. Mayor Bloch noted the first Saturday of every month is dedicated to the public's use of the landfill. Residents should contact Mayor Bloch prior to that date. Because Bloch was unavailable last weekend, he will open the landfill for Mr. Kline's this week.

ADJOURNMENT:

Motion Bloch, second Pratt to adjourn the meeting at 8:10 p.m. Motion carried. Next meeting is scheduled for Monday, October 13th at the fire hall meeting room.

Roxanne Ellinger
Finance Officer



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Cities

City:
 Year:
 Fund:

Accounts

Asset:
 Liability:
 Equity:
 Revenue:
 Expenditure:

City	Population	Year	Fund Type	Fund Type Description	Account	Account Description	Amount
LESTERVILLE	158	2012	100	General Fund	10100	Cash and Cash Equivalents	23,543
LESTERVILLE	158	2012	250	Other Governmental Funds	10100	Cash and Cash Equivalents	24,576
LESTERVILLE	158	2012	600	Enterprise Funds	10100	Cash and Cash Equivalents	44,921



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Cities

City:
Year:
Fund:

Accounts

Asset:	<input type="text" value="ALL"/> <input type="button" value="v"/>	<input type="button" value="Search"/>
Liability:	<input type="text" value="ALL"/> <input type="button" value="v"/>	<input type="button" value="Search"/>
Equity:	<input type="text" value="ALL"/> <input type="button" value="v"/>	<input type="button" value="Search"/>
Revenue:	<input type="text" value="ALL"/> <input type="button" value="v"/>	<input type="button" value="Search"/>
Expenditure:	<input type="text" value="ALL"/> <input type="button" value="v"/>	<input type="button" value="Search"/>

City	Population	Year	Fund Type	Fund Type Description	Account	Account Description	Amount
LESTERVILLE	158	2012	1000	General Long-Term Debt	23700	Other Long-Term Liabilities	62,548



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Cities

City:

Year:

Fund:

Accounts

Asset:

Liability:

Equity:

Revenue:

Expenditure:

City	Population	Year	Fund Type	Fund Type Description	Account	Account Description	Amount
LESTERVILLE	158	2012	100	General Fund	31100	General Property Taxes	13,066
LESTERVILLE	158	2012	100	General Fund	31300	General Sales and Use Taxes	33,903
LESTERVILLE	158	2012	100	General Fund	31900	Penalties and Interest on Delinquent Taxes	496
LESTERVILLE	158	2012	100	General Fund	32000	Licenses and Permits	2,445
LESTERVILLE	158	2012	100	General Fund	33501	Bank Franchise Tax	308
LESTERVILLE	158	2012	100	General Fund	33503	Liquor Tax Reversion	1,051
LESTERVILLE	158	2012	100	General Fund	33504	Motor Vehicle Licenses (5%)	3,041
LESTERVILLE	158	2012	100	General Fund	33508	Local Government Highway and Bridge Fund	9,861
LESTERVILLE	158	2012	100	General Fund	33801	County Road Tax (25%)	156
LESTERVILLE	158	2012	100	General Fund	33900	County Payments in Lieu of Taxes	174
LESTERVILLE	158	2012	100	General Fund	34100	General Government	9,759
LESTERVILLE	158	2012	100	General Fund	35100	Court Fines and Forfeits	536
LESTERVILLE	158	2012	100	General Fund	36100	Investment Earnings	50
LESTERVILLE	158	2012	100	General Fund	36900	Other	1,454
LESTERVILLE	158	2012	100	General Fund	39106	Special Items	3,835
LESTERVILLE	158	2012	250		39101	Transfers In	12,579

				Other Governmental Funds			
LESTERVILLE	158	2012	600	Enterprise Funds	38000	Charges for Goods and Services	37,321
LESTERVILLE	158	2012	600	Enterprise Funds	39101	Transfers In	5,898
LESTERVILLE	158	2012	600	Enterprise Funds	39106	Special Items	3,835

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Accounts

Asset: ▼

Liability: ▼

Equity: ▼

Revenue: ▼

Expenditure: ▼

City	Population	Year	Fund Type	Fund Type Description	Account	Account Description	Amount
LESTERVILLE	158	2012	100	General Fund	41400	Financial Administration	14,569
LESTERVILLE	158	2012	100	General Fund	42200	Fire	4,484
LESTERVILLE	158	2012	100	General Fund	43100	Highways and Streets	4,269
LESTERVILLE	158	2012	100	General Fund	43200	Sanitation	8,871
LESTERVILLE	158	2012	100	General Fund	43500	Airport	312
LESTERVILLE	158	2012	100	General Fund	45100	Recreation	425
LESTERVILLE	158	2012	100	General Fund	47000	Debt Service	11,019
LESTERVILLE	158	2012	100	General Fund	48000	Intergovernmental Expenditures	602
LESTERVILLE	158	2012	100	General Fund	51100	Transfers Out	12,579
LESTERVILLE	158	2012	600	Enterprise Funds	41000	Personal Services	3,165
LESTERVILLE	158	2012	600	Enterprise Funds	42000	Other Current Expense	13,622
LESTERVILLE	158	2012	600	Enterprise Funds	42620	Materials (Cost of Goods Sold)	25,754

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City:

Year:

Fund:

Accounts

Asset:

Liability:

Equity:

Revenue:

Expenditure:

City	Population	Year	Fund Type	Fund Type Description	Account	Account Description	Amount
LESTERVILLE	158	2013	100	General Fund	10100	Cash and Cash Equivalents	24,335
LESTERVILLE	158	2013	250	Other Governmental Funds	10100	Cash and Cash Equivalents	9,372
LESTERVILLE	158	2013	600	Enterprise Funds	10100	Cash and Cash Equivalents	66,222

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Cities

City:

Year:

Fund:

Accounts

Asset:

Liability:

Equity:

Revenue:

Expenditure:

City	Population	Year	Fund Type	Fund Type Description	Account	Account Description	Amount
LESTERVILLE	158	2013	1000	General Long-Term Debt	23700	Other Long-Term Liabilities	54,558



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Cities

City:

Year:

Fund:

Accounts

Asset:	<input type="text" value="ALL"/>	<input type="button" value="Search"/>
Liability:	<input type="text" value="ALL"/>	<input type="button" value="Search"/>
Equity:	<input type="text" value="ALL"/>	<input type="button" value="Search"/>
Revenue:	<input type="text" value="ALL"/>	<input type="button" value="Search"/>
Expenditure:	<input type="text" value="ALL"/>	<input type="button" value="Search"/>

City	Population	Year	Fund Type	Fund Type Description	Account	Account Description	Amount
LESTERVILLE	158	2013	100	General Fund	31100	General Property Taxes	15,459
LESTERVILLE	158	2013	100	General Fund	31300	General Sales and Use Taxes	29,693
LESTERVILLE	158	2013	100	General Fund	31900	Penalties and Interest on Delinquent Taxes	202
LESTERVILLE	158	2013	100	General Fund	32000	Licenses and Permits	4,128
LESTERVILLE	158	2013	100	General Fund	33501	Bank Franchise Tax	327
LESTERVILLE	158	2013	100	General Fund	33503	Liquor Tax Reversion	1,017
LESTERVILLE	158	2013	100	General Fund	33504	Motor Vehicle Licenses (5%)	3,043
LESTERVILLE	158	2013	100	General Fund	33508	Local Government Highway and Bridge Fund	12,813
LESTERVILLE	158	2013	100	General Fund	33801	County Road Tax (25%)	78
LESTERVILLE	158	2013	100	General Fund	34100	General Government	10,989
LESTERVILLE	158	2013	100	General Fund	35100	Court Fines and Forfeits	564
LESTERVILLE	158	2013	100	General Fund	36100	Investment Earnings	11
LESTERVILLE	158	2013	100	General Fund	36900	Other	1,462
LESTERVILLE	158	2013	250	Other Governmental Funds	36100	Investment Earnings	17
LESTERVILLE	158	2013	250		39101	Transfers In	18,579

				Other Governmental Funds			
LESTERVILLE	158	2013	600	Enterprise Funds	38000	Charges for Goods and Services	44,108
LESTERVILLE	158	2013	600	Enterprise Funds	39101	Transfers In	3,845



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City:

Year:

Fund:

Accounts

Asset:

Liability:

Equity:

Revenue:

Expenditure:

City	Population	Year	Fund Type	Fund Type Description	Account	Account Description	Amount
LESTERVILLE	158	2013	100	General Fund	41400	Financial Administration	19,453
LESTERVILLE	158	2013	100	General Fund	42200	Fire	4,347
LESTERVILLE	158	2013	100	General Fund	43100	Highways and Streets	4,608
LESTERVILLE	158	2013	100	General Fund	43200	Sanitation	10,599
LESTERVILLE	158	2013	100	General Fund	43500	Airport	1,517
LESTERVILLE	158	2013	100	General Fund	44100	Health	152
LESTERVILLE	158	2013	100	General Fund	45100	Recreation	16
LESTERVILLE	158	2013	100	General Fund	47000	Debt Service	11,359
LESTERVILLE	158	2013	100	General Fund	48000	Intergovernmental Expenditures	937
LESTERVILLE	158	2013	100	General Fund	49200	Other Expenditures	-3,781
LESTERVILLE	158	2013	100	General Fund	51100	Transfers Out	21,998
LESTERVILLE	158	2013	250	Other Governmental Funds	43100	Highways and Streets	33,801
LESTERVILLE	158	2013	250	Other Governmental Funds	49200	Other Expenditures	1
LESTERVILLE	158	2013	600	Enterprise Funds	41000	Personal Services	3,791
LESTERVILLE	158	2013	600	Enterprise Funds	42000	Other Current Expense	2,706
LESTERVILLE	158	2013	600	Enterprise Funds	42620	Materials (Cost of Goods Sold)	20,108
LESTERVILLE	158	2013	600	Enterprise Funds	51100	Transfers Out	426

APPROPRIATION ORDINANCE #123

ANNUAL APPROPRIATION ORDINANCE OF THE TOWN OF LESTERVILLE

SOUTH DAKOTA for the year ending December 31, 2014

SECTION 1:

That there be and hereby is appropriated by the Town of Lesterville, South Dakota Commencing on the first (1st) day of January, 2014 the following sums of money for the following purposes, which are deemed necessary to defray expenses and liabilities for the Town of Lesterville, South Dakota

Ordinary Income/Expense

Income

313.00 · Sales Taxes - Two Cent	28,800.00
320.00 · Licenses & Permits	
320.01 · Liquor License	1,800.00
320.02 · Dog Licenses	<u>300.00</u>
Total 320.00 · Licenses & Permits	2,100.00
335.10 · County Taxes - Bank Franchise	300.00
335.30 · Liquor Tax Reversion	1,200.00
335.40 · Motor Vehicle Licenses	3,300.00
335.80 · Local Gov't Hwy & Bridge Fund	12,000.00
338.10 · County Road Tax - 15%	200.00
349.00 · Other	1,020.00
351.00 · County Port Entry Fees	500.00
361.00 · Interest Earned	
361.20 · Reserve Acct - Interest Earned	30.00
361.30 · Water Acct - Interest Earned	30.00
361.40 · Sewer Acct - Interest Earned	<u>30.00</u>
Total 361.00 · Interest Earned	90.00
381.00 · Water	
381.01 · Water Revenue	<u>28,800.00</u>
Total 381.00 · Water	28,800.00
383.00 · Sewer	
383.01 · Sewer Revenue	<u>18,000.00</u>
Total 383.00 · Sewer	18,000.00
388.00 · Solid Waste	
388.01 · Garbage Revenue	<u>9,000.00</u>
Total 388.00 · Solid Waste	<u>9,000.00</u>
Total Raised by General Levy	<u>14,396.00</u>
Total Income	<u>119,706.00</u>

Expense

410.00 · PERSONAL SERVICES	
411.50 · Salary & Wages - Water Dept	2,040.00
411.70 · Salary & Wages - Sewer	2,040.00
412.50 · Employer Share of FICA - Water	180.00
412.70 · Employer Share - FICA - Sewer	180.00
420.00 · Other Current Expenses	
422.50 · Services & Fees - Water	180.00
425.50 · Repairs & Maintenance - Water	12,000.00
425.70 · Repairs & Maintenance - Sewer	12,000.00
Total 420.00 · Other Current Expenses	<u>24,180.00</u>
426.00 · Supplies & Materials	
426.10 · Supplies - Office	1,788.00
Total 426.00 · Supplies & Materials	<u>1,788.00</u>
428.00 · Utility Expenses - Office	
428.10 · Electricity Expense - Office	300.00
428.20 · Telephone Expense - Office	1,200.00
428.30 · Propane Expense - Office	240.00
Total 428.00 · Utility Expenses - Office	<u>1,740.00</u>
429.00 · Other Expenses	<u>1,000.00</u>
Total 410.00 · PERSONAL SERVICES	33,148.00
411.00 · Legislative - Board	
411.10 · Salaries & Wages - Board	2,000.00
411.15 · Employer Share - FICA	200.00
411.30 · Advertising - Ordinances Etc	1,248.00
Total 411.00 · Legislative - Board	<u>3,448.00</u>
413.00 · Election Expenses	500.00
414.00 · Finance Officer	
412.15 · Employer Share - FICA	600.00
414.10 · Salary - Finance Officer	6,480.00
414.20 · Workshop, Seminars & Conf	560.00
Total 414.00 · Finance Officer	<u>7,640.00</u>
415.00 · Insurance Expense	6,180.00
422.00 · Fire Expense	
422.40 · Training	840.00
422.90 · Volunteer Fire Dept Expenses	
422.91 · Fire Department - Propane	2,220.00
422.92 · Fire Department - Electricity	1,800.00
422.93 · Fire Dept - Telephone	480.00
422.94 · Fire Dept - Insurance	1,980.00
Total 422.90 · Volunteer Fire Dept Expenses	<u>6,480.00</u>
Total 422.00 · Fire Expense	7,320.00

J. Seymour

431.00 · Hwy & Streets	
431.20 · Street Maintenance	15,000.00
431.60 · Street Lights - Electricity	5,040.00
431.70 · Snow Removal	540.00
Total 431.00 · Hwy & Streets	<u>20,580.00</u>
432.00 · Sanitation Expense	
432.20 · Sanitation - Electricity	900.00
432.30 · Garbage Collection	10,080.00
Total 432.00 · Sanitation Expense	<u>10,980.00</u>
433.00 · Water Expense	
433.10 · B-Y Water	16,200.00
433.20 · Electricity for Water	240.00
Total 433.00 · Water Expense	<u>16,440.00</u>
444.00 · Humane Society	
444.10 · Animal Control Officer Wages	240.00
444.30 · FICA - Employer Share	24.00
444.40 · Dog Tags	60.00
Total 444.00 · Humane Society	<u>324.00</u>
451.00 · Recreation Expense	
451.30 · Spectator Recreation	500.00
452.00 · Park Expense	
452.20 · Parks & Recreation	0.00
Total 452.00 · Park Expense	<u>0.00</u>
Total 451.00 · Recreation Expense	500.00
470.00 · Loan Payments	11,356.00
480.00 · Intergovernmental Expenditures	
480.01 · Mault Liquor License	150.00
480.02 · Membership Dues	840.00
Total 480.00 · Intergovernmental Expenditures	<u>990.00</u>
67000 · Taxes	
67200 · Sales Tax - Garbage	300.00
Total 67000 · Taxes	<u>300.00</u>
Total Expense	119,706.00

SECTION 2:

That there is hereby levied upon all taxable properties within the Town of Lesterville, South Dakota for the purpose of providing funds to meet the lawful expenses and liabilities of the said town, as hereinbefore set forth, for the Fiscal Year 2014, a tax sufficient to raise the amounts shown above as GENERAL FUND, which are to be received by the Town Finance Officer, and shall be credited as heretofore described in the sum of \$14,396.

SECTION 3:

That all miscellaneous revenue from any and all sources except taxation shall be credited to the GENERAL FUND, unless otherwise provided by law.

SECTION 4:

The Town Finance Officer of the Town of Lesterville, be and thereby authorized and directed to certify the paid tax levy to the County Auditor of Yankton County, South Dakota, that the said tax may be spread and assessed as provided by law.

SIGNED: Paul Bloch
Paul Bloch, Town President / Mayor

ATTEST: Janelle Munkvold
Janelle Munkvold, Finance Officer

First Reading:

August 12, 2013

SEAL

Second Reading:

September 9, 2013

Passed & Adopted:

WRAP REVIEW SHEET
SMALL WATER FACILITIES FUNDING APPLICATION
APPLICANT: TOWN OF NORTHVILLE

Project Title:	Storm Sewer Improvements
Funding Requested:	\$140,000
Other Proposed Funding:	\$0
Total Project Cost:	\$140,000
Project Description:	Replace clay storm sewer pipe on the west end of Elm Street and install catch basins and clean outs for individual sumps.
Alternatives Evaluated:	The city only evaluated the proposed storm sewer replacement project.
Implementation Schedule:	Northville anticipates bidding the project in July 2015 with a project completion date of December 2015.
Service Population:	143
Current Domestic Rate:	\$37.60 per 5,000 gallons flat rate
Proposed Domestic Rate at Project Completion:	\$37.60 per 5,000 gallons flat rate
Interest Rate:	3.25%
Term:	30 years
Security:	Wastewater Surcharge

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount: If all funding is provided as loan Northville would have to establish a surcharge of approximately \$9.40. When added to current rate of \$37.60/5,000 gallons residents would be paying \$47.00/5,000 gallons.

25% Funding Subsidy: \$35,000 subsidy with a loan of \$105,000.

Coverage at 25% Subsidy: Based on a 25% subsidy and a loan of \$105,000 Northville would have to establish a surcharge of approximately \$7.05 thereby paying a rate \$44.65/5,000 gallons.

50% Funding Subsidy: \$70,000 subsidy with a loan of \$70,000.

Coverage at 50% Subsidy: Based on a 50% subsidy and a loan of \$70,000 Northville would have to establish a surcharge of approximately \$4.70 thereby paying a rate \$42.30/5,000 gallons.

75% Funding Subsidy: \$105,000 subsidy with a loan of \$35,000.

Coverage at 75% Subsidy: Based on a 75% subsidy and a loan of \$35,000 Northville would have to establish a surcharge of approximately \$2.35 thereby paying a rate \$39.95/5,000 gallons.

ENGINEERING REVIEW COMPLETED BY: ERIC MEINTSMA

FINANCIAL REVIEW COMPLETED BY: JON PESCHONG

**CITY OF NORTHVILLE,
SOUTH DAKOTA**

STORM SEWER IMPROVEMENTS (ELM STREET)



**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
SMALL WATER FACILITIES FUNDING**

APPLICATION

**PREPARED BY:
NORTHEAST COUNCIL OF GOVERNMENTS
DECEMBER 2014**

Small Water Facilities Funding Application
(Total Project Cost Not To Exceed \$250,000
and
Non-State Revolving Fund Loan Programs to be Utilized)

RECEIVED
JAN - 2 2015
Division of Financial
& Technical Assistance

Consolidated Water Facilities Construction Program (CWFCP)
CW SRF Water Quality Grants (WQ Grant)

Applicant	Proposed Funding Package	
City of Northville	CWFCP / WQ Grant	\$140,000
Address	Other _____	_____
PO Box 49 Northville, SD 57465 (605)-887-3651	Other _____	_____
Subapplicant	Other _____	_____
	TOTAL	\$140,000

Project Title: Northville Storm Sewer Improvements (Elm Street)

Description:

The City of Northville is proposing to install storm sewer along the south side of Elm Street from Village Drive to West Street, connecting it to the existing well overflow. The City will replace the existing VCP storm pipe and installing catch basins at intersections. They will also install clean outs for sump discharge for residents. Storm water will discharge on the west end of Elm Street.

The city does not have a separate monthly utility rate for storm sewer nor has a reserve fund for storm sewer been established. Sewer rates are flat rate of \$37.60, of which \$17.20 is designated for USDA revenue bond repayment for construction of the lagoon in 2002 and \$12.60 is designated for SRF loan repayment for the lagoon improvements in 2012.

The Applicant Certifies That:

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

Clayton Blachford, Mayor

Name & Title of Authorized Signatory (Typed)



Signature

12/30/14

Date

Professional Contacts:

Application Prepared By: NECOG

Contact Person: Jennifer Sietsema

Mailing Address: PO Box 1985

City, State, and Zip: Aberdeen, SD 57402

Telephone Number: 605-626-2595

Fax: 605-626-2975

Email address: jennifer@necog.org

Consulting Engineering Firm: Helms and Associates

Contact Person: Bob Babcock

Mailing Address: PO Box 111

City, State, and Zip: Aberdeen, SD 57402

Telephone Number: 605-225-1212

Fax: 605-225-3189

Email address: bob@helmsengineering.com

Legal Counsel's Firm: Paul Gillette PC

Legal Counsel: Paul Gillette

Mailing Address: 701 S. Main Street

City, State, and Zip: Redfield, SD 57469

Telephone Number: 605-472-1210

Fax: 605-472-1210

Email address: pgillette@gillettelaw.net

Comments:

BUDGET SHEET

Cost Classification	A CWFCP / WQ Grant	B	C	D	E	Total Funds
1. Administrative Expenses						
A. Personal Services						
B. Travel						
C. Legal including Bond Counsel						
D. Other	\$3,000.00					\$3,000.00
2. Land, Structure, Right-of-Way						
3. Engineering						
A. Bidding and Design Fees	\$12,500.00					\$12,500.00
B. Project Inspection Fees	\$11,500.00					\$11,500.00
C. Other						
4. Construction and Project Improvement	\$102,546.00					\$102,546.00
5. Equipment						
6. Contractual Services						
7. Other						
8. Other						
9. Subtotal (Lines 1-8)	\$129,546.00					\$129,546.00
10. Contingencies	\$10,454.00					\$10,454.00
11. Total (Lines 9 and 10)	\$140,000.00					\$140,000.00
12. Total %	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%

Columns A - E: Identify each funding source and enter the amounts budgeted by cost category.

Method of Financing

Local Cash (Identify Source)	Secured Funds	Unsecured Funds (Date Anticipated)
Other (Explain) DENR CWFC/PMQ		\$140,000.00 (03/26/2015)
Other (Explain)		
TOTAL		\$140,000.00

Funds to be Borrowed

Consolidated Loan <i>(base debt service on semi-annual payments)</i>	Amount	Rate	Term	Annual debt service	Security pledged toward repayment
Rural Development	\$140,000.00	3.25%	30	7,311.48	project surcharge
Bank					
Other (Please Describe)					
Other (Please Describe)					
Other (Please Describe)					

7.2.1 General Information

The month and day your fiscal year begins: January 1st

POPULATION SERVED
 Current 143 2000 124 1990 105

(If applying for watershed/lake restoration project, proceed to “Program Narrative Statement” section 7.2.5.)

7.2.2 General Utility Information

Current Utility Debt

Year	2002	2012		
Purpose	Lagoon Project	Lagoon Improve		
Security Pledged	Sewer Revenue	Surcharge Bond		
Amount	\$216,420.00	\$111,405.00		
Maturity Date (mo/yr)	5/16/2042	2044		
Debt Holder	USDA RD	SDDC BWNR		
Debt Coverage Requirement	110%*	110%		
Avg. Annual Required Payment	\$12,206.16	\$5,827.40		
Outstanding Balance	\$187,809.44	\$109,736.48		

Comments:

* USDA also requires a reserve fund set aside which is equal to one annual payment.

7.2.3 Drinking Water Utility Information

Drinking Water Utility Cash Flow

Fiscal Year	Prior Year	Prior Year	Current Year	Future Year #
	2012	2013	2014	2016
OPERATING CASH FLOW				
Water Sales				
Surcharge Fee				
Other (Explain) _____				
OPERATING PAYMENTS				
Personal Services				
Chemical, Material & Supplies				
Electric & Other Utilities				
Other (Explain) _____				
NET CASH FROM OPERATIONS				
NONOPERATING CASH FLOW				
Interest Income				
Other Revenue (Explain) _____				
Transfers In (Explain) _____				
Fixed Asset Sale (Explain) _____				
Transfers Out (Explain) _____				
Fixed Asset Purchases (Explain) _____				
Debt Payment (Principal Only)				
Debt Payment (Interest Only)				
Other Expenses (Explain) _____				
NET CASH FROM NONOPERATING				
Net Increase (Decrease) in Cash				
Beginning Cash Balance				
Ending Cash Balance				
RESTRICTED BALANCE				
UNRESTRICTED BALANCE				

Future Year: First full year after project completion.

Restricted Funds Breakdown:

<u>Amount</u>	<u>Anticipated Expense</u>	<u>Method Used to Encumber</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Water Fees:

Attach current and proposed rate ordinances or resolutions and rate schedules.

Municipal or Sanitary District - monthly rates at 5,000 gallons (670 cubic feet)

Other Community Water System - monthly rates at 7,000 gallons (935 cubic feet)

Check one: Incorporated Municipality or Sanitary District
or
 Other Community Water System

Monthly:	<u>Current Rate</u>	<u>Proposed Rate</u>	<u># of Accounts</u>	<u>Average use gallons/cubic feet</u>
Domestic	_____	_____	_____	_____
Business	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____

Are fees based on usage or flat rate? _____

When is proposed fee scheduled to take effect? _____

When did the current fee take effect? _____

What was the fee prior to the current rate? _____

Attach current and proposed rate ordinances or resolutions and rate schedules.

7.2.4 Wastewater Utility Information

Wastewater Utility Cash Flow

Fiscal Year	Prior Year	Prior Year	Current Year	Future Year #
	2012	2013	2014	2016
OPERATING CASH FLOW				
Wastewater Fee	\$19,935	\$20,590.98	\$18,600.00	\$19,500.00
Surcharge Fee		\$9,024.12		\$9,828.00
Other (Explain) <u>Project Surcharge</u> <u>(65 users x \$10.30 x 12 months)</u>				\$8,034.00
OPERATING PAYMENTS				
Personal Services				
Chemical, Material & Supplies	(\$6,503.49)	(\$8,082.31)	(\$7,394.00)	(\$9,000.00)
Electric & Other Utilities				
Other (Explain) _____				
NET CASH FROM OPERATIONS	\$13,431.51	\$21,532.79	\$11,206.00	\$28,362.00
NONOPERATING CASH FLOW				
Interest Income	\$131.95	\$34.42		
Other Revenue (Explain) _____				
Transfers In (Explain) _____				
Fixed Asset Sale (Explain) _____				
Transfers Out (Explain) _____				
Fixed Asset Purchases (Explain) _____				
Debt Payment (Principal Only)	(\$3,800.00)	(\$4,000.00)	(\$4,206.00)	(\$6,017.00)
Debt Payment (Interest Only)	(\$8,406.16)	(\$8,206.16)	(\$8,000.00)	(\$12,017.00)
Other Expenses (Explain) <u>Storm Sewer</u> <u>Loan (\$140,000)</u>				(\$7,308.00)
NET CASH FROM NONOPERATING	(\$12,074.21)	(\$12,171.74)	(\$12,206.00)	(\$25,342.00)
Net Increase (Decrease) in Cash	\$1,357.30	\$9,361.05	(\$1,000.00)	\$3,020.00
Beginning Cash Balance	\$5,840.05	\$7,197.35	\$16,558.40	\$18,000.00
Ending Cash Balance	\$7,197.35	\$16,558.40	\$15,558.40	\$21,020.00
RESTRICTED BALANCE				
UNRESTRICTED BALANCE				

Future Year: First full year after project completion.

Restricted Funds Breakdown:

<u>Amount</u>	<u>Anticipated Expense</u>	<u>Method Used to Encumber</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Wastewater Fees:

Attach current and proposed rate ordinances and rate schedules.

Municipal or Sanitary District - monthly rates at 5,000 gallons (670 cubic feet)

Other Systems - monthly rates at 7,000 gallons (935 cubic feet)

Check one: Incorporated Municipality or Sanitary District
 or
 Other System

Monthly:	<u>Current Rate</u>	<u>Proposed Rate</u>	<u># of Accounts</u>	<u>Average use gallons/cubic feet</u>
Domestic	\$37.60	_____	62	_____
Business	\$37.60	_____	3	_____
Other: _____	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____

Are fees based on usage or flat rate? Flat Rate

When is proposed fee scheduled to take effect? NA

When did the current fee take effect? January 1, 2013

What was the fee prior to the current rate? \$25.00

Attach current and proposed rate ordinances and rate schedules.

Storm Sewer Projects:

Does sponsor have a separate storm water fee? Yes No

If yes, attach the current and proposed rate ordinances or resolutions and rate schedules. Identify below the rate charged and explain how fee is calculated.

7.2.5 Program Narrative Statement

The program narrative statement should be brief and describe the need, objectives, method of accomplishment, geographical location of the project, and benefits expected from the assistance.

7.2.6 Engineering Design and Cost Estimates

Preliminary engineering, architectural design, or project implementation plan(s) and itemized cost estimates must be completed and submitted to the Department of Environment and Natural Resources with the application.

Print Form

RESOLUTION

RESOLUTION NO. _____

RESOLUTION AUTHORIZING AN APPLICATION FOR FINANCIAL ASSISTANCE, AUTHORIZING THE EXECUTION AND SUBMITTAL OF THE APPLICATION, AND DESIGNATING AN AUTHORIZED REPRESENTATIVE TO CERTIFY AND SIGN PAYMENT REQUESTS.

WHEREAS, the City of Northville (the "City") has determined it is necessary to proceed with improvements to its Storm Sewer System, including but not limited to replacing the existing VCP storm sewer pipe and installing catch basins at the intersections and installing storm sewer along Elm Street from Village Drive to West Street and connecting it to the existing well overflow (the "Project"); and

WHEREAS, the City has determined that financial assistance will be necessary to undertake the Project and an application for financial assistance to the South Dakota Board of Water and Natural Resources (the "Board") will be prepared; and

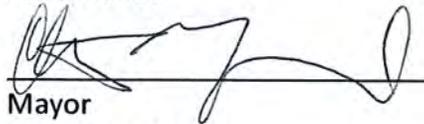
WHEREAS, it is necessary to designate an authorized representative to execute and submit the Application on behalf of the City and to certify and sign payment requests in the event financial assistance is awarded for the Project,

NOW THEREFORE BE IT RESOLVED by the City as follows:

1. The City hereby approves the submission of an Application for financial assistance in an amount not to exceed \$140,000 to the South Dakota Board of Water and Natural Resources for the Project.
2. The Mayor is hereby authorized to execute the Application and submit it to the South Dakota Board of Water and Natural Resources, and to execute and deliver such other documents and perform all acts necessary to effectuate the Application for financial assistance.
3. The Mayor is hereby designated as the authorized representative of the City to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

Adopted at Northville, South Dakota, this 1st day of December 2014.

APPROVED:



Mayor
City of Northville

Attest: Linda Torrence
City Finance Officer

COST ESTIMATE

Helms & ASSOCIATES

CIVIL ENGINEERS & LAND SURVEYORS

221 Brown County Hwy 19
P.O. Box 111
Aberdeen, SD 57402

Phone: (605) 225-1212 Fax: (605) 225-3189
Email: operations@helmsengineering.com

**NORTHVILLE, SD
STORM SEWER IMPROVEMENTS
ELM ST
OPINION OF PROJECT COSTS
4/18/2014**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
1	Mobilization	1	L.S.	\$10,000.00	\$10,000.00
2	Remove and Dispose of Ashpalt	224	SqYd	\$4.00	\$896.00
3	Basecourse (8" depth)	100.0	TON	\$20.00	\$2,000.00
4	Pipe Bedding	620.0	TON	\$15.00	\$9,300.00
5	Aphalt Street Repair (3")	40.0	TON	\$150.00	\$6,000.00
6	8" PVC Storm Sewer	2,100.0	Ft	\$25.00	\$52,500.00
7	8" PVC Clean Out w/ Cap	12	EA.	\$350.00	\$4,200.00
8	8"x8" PVC Tee	12	EA.	\$250.00	\$3,000.00
9	Connect to Existing Storm Sewer	1	EA.	\$250.00	\$250.00
10	Storm Sewer Catch Basin w/ Casting	6	EA.	\$1,500.00	\$9,000.00
11	Concrete Head Wall	1	EA.	\$400.00	\$400.00
12	Concrete for Catch Basin Apron	150	SqFt	\$10.00	\$1,500.00
13	Turf Seeding & Fertilizer	1.0	ACRE	\$3,500.00	\$3,500.00
ESTIMATED CONSTRUCTION SUBTOTAL					\$102,546.00
CONTINGENCIES (~10%)					\$10,454.00
ESTIMATED CONSTRUCTION TOTAL					\$113,000.00
DESIGN ENGINEERING					\$10,000.00
BIDDING & NEGOTIATIONS					\$2,500.00
CONSTRUCTION ENGINEERING					\$11,500.00
ESTIMATED PROJECT COST					\$137,000.00

Project Description: Install Storm Sewer along the South side of Elm St from Village Dr to West St. Connect to existing well overflow. Install Catch basins at intersections and install clean outs for sump discharge for residents. Discharge Storm Sewer on West end of Elm St



RATES

January 13, 2013

Northville Residents,

As we embark on a new year, we wish inform you of some changes and reminders. This fall the City of Northville completed an upgrade of our sewer facilities which will serve the communities needs for decades to come. Approximately 60 percent of this upgrade was covered in the form of grants and/or principle forgiveness. The other 40 percent is covered by revenue generated by the community (i.e. your base sewer rate). The bids for the project came in well under expectations however there will be an increase in base sewer rates. The State of South Dakota requires us to raise rates to a level of 110 percent of our portion of the loan even though we didn't use it all. This will continue for the first few months of the year until the project is closed and our obligation is calculated. We anticipate being able to lower the base rate some at that time. In the mean time base sewer rates are increasing from \$25 /month to \$37.60 month. Due to higher construction costs, regulation, and maintenance most communities throughout the state have been forced to raise rates.

As spring approaches, the city will discontinue the roadside park bathroom service. We felt that with the Travel Plaza down the road, the money used to maintain and clean them could be better used on projects more beneficial to the residents of Northville.

The City and the NCA are partnering to renovate the playground by the ball field in the near future. The old playground is becoming harder to repair and needs replacement.

If you haven't already, please settle up pet license fees and vaccination records as soon as possible.

As a reminder, city ordinances prohibit ungrated or open fires within the city limits (backyard grated fire pits are OK). Demolition of structures can be reviewed and arranged through the fire department. Please use the tree dump for trees, leaves, and lawn clippings. Garbage and other debris should be moved through a garbage service. Open fires will be dealt with through code enforcement and fines levied.

When the spring thaw rolls around, some mail/delivery boxes will need to be repositioned in the right of way. Ordinances require boxes to be located either in the west or south side right of way. Our streets are too narrow to have boxes lining both sides of the street.

Please contact us with any questions or concerns.

Thanks
Northville City Board
Barry Smith
Dave Peterson
Clayton Blachford

Resolution #01-00

WHEREAS the City of Northville is anticipating the installation of a city sewer system and

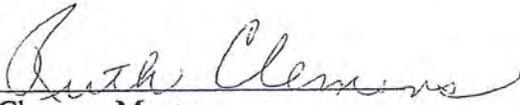
WHEREAS the City of Northville finds it necessary to raise revenue for the purpose of helping to support the anticipated sewer system.

BE IT THEREFORE RESOLVED by the City Council that as of January, 2001 a sewer fee of \$25.00 per month for each city sewer connection will be billed to the Northville City residents and said statement will accompany the monthly water bill.

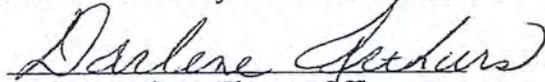
Reading Date: 12-4-2000

Approved and Adopted: 12-4-2000

Publication Date:


Ruth Clemens, Mayor

Dated this 4th day of December, 2000.


Darlene Arthurs, Finance Officer

CURRENT YEAR BUDGET AND FINACIAL STATEMENTS

City of Northville
2014 Appropriations Ordinance
No.1-2013

SECTION 1

Be it ordained by the City of Northville, South Dakota, that the following sums are appropriated to meet the obligation of the City:

410 GENERAL GOVERNMENT

411.5 Contingency	\$ 3,000.00
412.1 Mayor and Council	\$ 5,000.00
414.2 Financial Officer	\$ 5,000.00
414.7 General Financial Administration	\$ 10,700.00
Total General Government	\$ 23,700.00

PUBLIC SAFETY

422 Fire Department	\$ 4,000.00
Total Public Safety	\$ 4,000.00

PUBLIC WORKS-430

431 Street Department	\$ 35,000.00
432 Sanitation	\$ 1000.00
Total Public Works	\$ 36,000.00

HEALTH AND WELFARE-440

440 Mosquito Control	\$ 3,000.00
----------------------	-------------

CULTURE AND RECREATION-451

451 Recreation	\$ 7,000.00
Total Parks and Recreation	\$ 7,000.00

TOTAL APPROPRIATIONS \$ 73,700.00

TOTAL GENERAL FUND APPROPRIATIONS

\$ 73,700.00

SECTION II

The following designates the fund or funds that money derived from the following sources is applied to.

UNOBLIGATED CASH BALANCE	\$ 25,000.00	
TOTAL TAXES - 310.	\$ 48,500.00	
TOTAL LICENSES & PERMITS -330.	\$ 200.00	
TOTAL MEANS OF FINANCE-GENERAL FUND		\$ 73,700.00

SECTION III

PROPRIETARY FUNDS

	WATER	SEWER
UNAPPROPRIATED FUND BALANCE	\$ 6,000.00	\$ 4,000.00
RESERVE ACCOUNT	\$ 2,000.00	\$ 23,000.00
ESTIMATED OPERATING REVENUE	\$ 33,000.00	\$ 18,600.00
TRANSFER IN	\$ 0.	\$ 0.
TOTAL AVAILABLE	\$ 41,000.00	\$ 45,600.00
LESS APPROPRIATIONS(OPERATING EXPENSES)		
	\$ 25,000.00	\$ 19,600.00
TRANSFER IN	\$ 0.	0.
TOTAL EXPENSE	\$ 25,000.00	\$ 19,600.00
ESTIMATED RETAINED EARNINGS	\$ 16,000.00	\$ 26,000.00

SECTION IV

The Finance Officer is hereby directed to certify the following dollar amounts of tax levies made in the Ordinance to the Spink County Auditor.

Dated this 17th day of September, 2013.

ATTEST: Linda Torrence
Linda Torrence, Finance Officer

Clayton Blachford
Clayton Blachford, President

First Reading: September 10th , 2013
Second Reading: September 17th , 2013

MUNICIPALITY OF NORTHVILLE
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
ALL FUNDS
For the Year Ended December 31, 2011
(continued)

	General Fund		Enterprise Funds				Total
	Fund	Fund	Water Fund	Sewer Fund	Fund	Fund	
ENTERPRISE FUNDS							
410 Personal Services			800.00				800.00
420 Other Expenses			50216.41				50,216.41
426 Supplies and Materials			10292.88	23685.81			33,978.69
Total Disbursements			56434.86	23685.81	0.00	0.00	141,429.96
39101 Transfers In							
51100 Transfers Out							
391.2 Money Received From Borrowing	6015.00	()	1015.00	5000.00	()	()	6,015.00
391.07 Capital Contributions (Grants)							0.00
							0.00
							0.00
Subtotal of Receipts, Disbursements and Transfers	(7045.08)	0.00	7620.57	2452.88	0.00	0.00	3028.37
Fund Cash Balance, January 1, 2011	41123.42		2952.63	26520.51			70,596.56
Adjustments:							
	15.00		(15.00)				0.00
							0.00
							0.00
Restated Fund Cash Balance, January 1, 2011	41138.42	0.00	2937.63	26520.51	0.00	0.00	70,596.56
FUND CASH BALANCE, DECEMBER 31, 2011	34093.34	0.00	10558.20	28973.39	0.00	0.00	73,624.93

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MUNICIPALITY OF NORTHVILLE
 STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
 ALL FUNDS
 For the Year Ended December 31, 2011
 (continued)

	Enterprise Funds				Total
	General Fund	Fund	Fund	Fund	
ENTERPRISE FUNDS					
410 Personal Services			800.00		800.00
420 Other Expenses			50216.41		50,216.41
426 Supplies and Materials			10292.88		33,978.69
Total Disbursements	56434.86	0.00	61309.29	23685.81	141,429.96
39101 Transfers In			1015.00		6,015.00
51100 Transfers Out	6015.00	()	()	5000.00	6,015.00
391.2 Money Received From Borrowing					0.00
391.07 Capital Contributions (Grants)					0.00
Subtotal of Receipts, Disbursements and Transfers	(7045.08)	0.00	7620.57	2452.88	3028.37
Fund Cash Balance, January 1, 2011	41123.42		2952.63	26520.51	70,596.56
Adjustments:					
	15.00		(15.00)		0.00
					0.00
					0.00
Restated Fund Cash Balance, January 1, 2011	41138.42	0.00	2937.63	26520.51	70,596.56
FUND CASH BALANCE, DECEMBER 31, 20	34093.34	0.00	10558.20	28973.39	73,624.93

7:31 PM
02/07/12
Accrual Basis

NORTHVILLE CITY
Balance Sheet
As of December 31, 2011

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& Technical Assistance

	<u>Dec 31, 11</u>
ASSETS	
Current Assets	
Checking/Savings	
CD #3872 (sewer)	23,133.34
CD #3954(reserve replacement)	2,132.02
CD Interest Acct	875.00
CD# 3951 (streets)	5,342.10
City Water Account	5,914.93
Mosquito Control Account	436.28
Northville City Account	26,152.54
Pet Ordinance Account	30.40
Sewer Account	4,965.05
Water Improvement Acct	0.43
Water Surcharge Acct	4,642.84
Total Checking/Savings	<u>73,624.93</u>
Total Current Assets	<u>73,624.93</u>
TOTAL ASSETS	<u><u>73,624.93</u></u>
LIABILITIES & EQUITY	
Equity	
Opening Balance Equity	64,204.96
Retained Earnings	6,391.60
Net Income	3,028.37
Total Equity	<u>73,624.93</u>
TOTAL LIABILITIES & EQUITY	<u><u>73,624.93</u></u>

Exhibit III
 MUNICIPALITY OF NORTHVILLE
 STATEMENT OF CHANGES IN LONG-TERM DEBT
 For the Year Ended December 31, 2012

	General Long-Term Debt			Enterprise	Total
	General Obligation Bonds	Special Assessment Bonds	Other	Revenue Bonds	
Debt Payable, January 1, 2012				196,096.80	196,096.80
Add New Issues:					
Drinking Water SRF Loan				37,361.00	37,361.00
					0.00
					0.00
Less Debt Retired				3,919.20	3,919.20
DEBT PAYABLE, DECEMBER 31, 20__	0.00	0.00	0.00	229,538.60	229,538.60

Note: Amounts reported do not include interest.

NORTHVILLE Statement of Fund Cash Balances

MUNICIPALITY OF NORTHVILLE STATEMENT OF FUND CASH BALANCES ALL FUNDS December 31, 2012

	General Fund			Enterprise Funds			Total
	Fund	Fund	Fund	Water Fund	Sewer Fund	Improvement Fund	
Cash Assets:							
Cash in Checking Accounts	15,648.98			7,674.60	6,190.40	3,665.17	33,179.15
Change and Petty Cash							0.00
Passbook Savings							0.00
Savings Certificates							0.00
CD #3964	2,143.24						2,143.24
CD #33951	5,368.77				24,140.29		29,509.06
CD #3872 (SEWER)							0.00
101 FUND CASH BALANCES	23,160.99	0.00	0.00	7,674.60	30,330.69	3,665.17	0.00
Municipal funds are deposited or invested with the following depositories:							
American Bank and Trust							64,831.45

MUNICIPALITY OF NORTHVILLE STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES ALL FUNDS For the Year Ended December 31, 2012

	General Fund			Enterprise Funds			Total
	Fund	Fund	Fund	Water Fund	Sewer Fund	Improvement Fund	
Receipts (Source):							
311 Property Taxes	41,359.31						41,359.31
313 Sales Tax							0.00
316 911 Telephone Surcharge							0.00
311-319 Other Taxes (319)	24.13						24.13
320 Licenses and Permits	300.00						300.00
331 Federal Grants							0.00
335.1 Bank Franchise Tax							0.00
335.2 Motor Vehicle Commercial Prorate	903.68						903.68
335.3 Liquor Tax Reversion	826.00						826.00
335.4 Motor Vehicle Licenses (5%)	2,999.85						2,999.85
335.6 Fire Insurance Premium Reversion							0.00
335.7 Liquor License Reversion							0.00
335.8 Local Government Highway and Bridge Fund	11,589.33						11,589.33
338.1 County Road Tax (25%)	156.08						156.08
338.2 County Highway and Bridge Reserve Tax (25%)	142.35						142.35
338.3 County Wheel Tax	513.29						513.29
331-339 Other Intergovernmental Revenue (339)							0.00
341-349 Charges for Goods and Services (341)							0.00
351-359 Fines and Forfeits (351)							0.00
361 Investment Earnings	53.49				131.95		185.44
362 Rentals							0.00
363-369 Other Revenues (369)	1,158.32						1,158.32
ENTERPRISE FUNDS							
380 Enterprise Operating Revenue				18,325.77	19,935.00		38,260.77
Surcharge as Security for Debt				2,676.48			2,676.48
380.05 Lottery Revenues							0.00
330 Operating Grants							0.00
Total Receipts	60,025.83	0.00	0.00	21,002.25	20,066.95	0.00	0.00
Disbursements (Function):							
411-419 General Government (414)	13,044.08						13,044.08
421 Police							0.00
422 Fire	4,000.00						4,000.00
423-429 Other Public Safety (429)							0.00
431 Highways and Streets (Includes snow removal & street lights)	44,525.65						44,525.65
432 Sanitation (includes garbage & rubble sites)							0.00
437 Cemeteries							0.00
433-439 Other Public Works (435)							0.00
441-449 Health & Welfare (441)							0.00
451-459 Culture-Recreation (451)	6,888.47						6,888.47
461-469 Conservation and Development (465)							0.00
470 Debt Service							0.00
480 Intergovernmental Expenditures							0.00
490-492 Miscellaneous	499.98						499.98
ENTERPRISE FUNDS							
410 Personal Services				800.00			800.00
420 Other Expenses				13,690.22	223,238.48		236,928.70
426 Supplies and Materials				11,395.20			11,395.20
Total Disbursements	68,958.18	0.00	0.00	25,885.42	223,238.48	0.00	0.00
39101 Transfers In				2,000.00			2,000.00
51100 Transfers Out	-2,000.00	()	()	()	()	()	(2,000.00)
391.2 Money Received From Borrowing				106,970.00			106,970.00
391.07 Capital Contributions (Grants)				101,223.57			101,223.57
Subtotal of Receipts, Disbursements and Transfers	-10,932.35	0.00	0.00	-2883.17	5022.04	0.00	0.00
Fund Cash Balance, January 1, 2012	34,093.34			10,557.77	33,996.29		78,647.40
Adjustments:							0.00
Restated Fund Cash Balance,							

Services (341)									0.00
351-359 Fines and Forfeits (351)									0.00
361 Investment Earnings	53.49				131.95				185.44
362 Rentals									0.00
363-369 Other Revenues (369)	1,158.32								1,158.32
ENTERPRISE FUNDS									
380 Enterprise Operating Revenue				18,325.77	19,935.00				38,260.77
Surcharge as Security for Debt				2,676.48					2,676.48
380.05 Lottery Revenues									0.00
330 Operating Grants									0.00
Total Receipts	60,025.83	0.00	0.00	21,002.25	20,066.95	0.00	0.00	0.00	101,095.03
Disbursements (Function):									
411-419 General	13,044.08								13,044.08
Government (414)									
421 Police									0.00
422 Fire	4,000.00								4,000.00
423-429 Other Public Safety (429)									0.00
431 Highways and Streets	44,525.65								44,525.65
(includes snow removal & street lights)									
432 Sanitation (includes garbage & rubble sites)									0.00
437 Cemeteries									0.00
433-439 Other Public Works (435)									0.00
441-449 Health & Welfare (441)									0.00
451-459 Culture-Recreation (451)	6,888.47								6,888.47
461-469 Conservation and Development (465)									0.00
470 Debt Service									0.00
480 Intergovernmental Expenditures									0.00
490-492 Miscellaneous	499.98								499.98
ENTERPRISE FUNDS									
410 Personal Services				800.00					800.00
420 Other Expenses				13,690.22	223,238.48				236,928.70
426 Supplies and Materials				11,395.20					11,395.20
Total Disbursements	68,958.18	0.00	0.00	25,885.42	223,238.48	0.00	0.00	0.00	318,082.08
39101 Transfers In				2,000.00					2,000.00
51100 Transfers Out	-2,000.00	()	()	()	()	()	()	()	(2,000.00)
391.2 Money Received From Borrowing				106,970.00					106,970.00
391.07 Capital Contributions (Grants)				101,223.57					101,223.57
Subtotal of Receipts, Disbursements and Transfers	-10,932.35	0.00	0.00	-2,883.17	5,022.04	0.00	0.00	0.00	-8,793.48
Fund Cash Balance, January 1, 2012	34,093.34			10,557.77	33,996.29				78,647.40
Adjustments:									0.00
Restated Fund Cash Balance, January 1, 2012	34,093.34	0.00	0.00	10,557.77	33,996.29	0.00	0.00	0.00	78,647.40
FUND CASH BALANCE, DECEMBER 31, 2012	23,160.99	0.00	0.00	7,674.60	33,996.29	0.00	0.00	0.00	64,831.88
Published at an approximate cost of \$102.90. (Mar 13)									

NORTHVILLE CITY
Balance Sheet
As of December 31, 2012

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& Technical Assistance

	<u>Dec 31, 12</u>
ASSETS	
Current Assets	
Checking/Savings	
CD #3872 (sewer)	23,133.34
CD #3964(reserve replacement)	2,143.24
CD Interest Acct	875.00
CD# 3981 (streets)	5,368.77
City Water Account	5,355.28
Mosquito Control Account	436.28
Northville City Account	15,207.45
Pet Ordinance Account	5.25
Sewer Account	6,190.40
Water Improvement Acct	3,685.17
Water Surcharge Acct	2,319.32
Total Checking/Savings	<u>64,699.50</u>
Total Current Assets	<u>64,699.50</u>
TOTAL ASSETS	
<u>64,699.50</u>	
LIABILITIES & EQUITY	
Equity	
Opening Balance Equity	64,204.96
Retained Earnings	9,419.97
Net Income	-8,925.43
Total Equity	<u>64,699.50</u>
TOTAL LIABILITIES & EQUITY	
<u>64,699.50</u>	

NORTHVILLE CITY
Account QuickReport
As of December 31, 2012

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& Technical Assistance

City Water Account	Type	Date	Num	Name	Memo	Split	Amount	Balance
Transfer		1/2/2012						5,914.93
Check		1/2/2012	ach	Northwestern Energy	Funds Transfer	Northville City ...	2,000.00	7,914.93
Check		1/2/2012	2639	Dept. Of Revenue	pumphouse	420 Water Oth...	-236.08	7,678.85
Check		1/2/2012	2642	Cornie Clemens	water testing	420 Water Oth...	-12.00	7,666.85
Check		1/2/2012	ach	Web Water	postage	426 Water Ma...	-7.51	7,659.34
Check		1/2/2012	2643	First Natl Trust & In...	Int & admin s...	420 Water Oth...	-5,767.83	1,891.51
Check		1/2/2012	2644	Linda Torrance	salary	410 Water Per...	-50.00	1,841.51
Deposit		1/13/2012	dep	Water Rents	Deposit	381.01 Meters...	163.45	1,208.31
Deposit		1/13/2012	dep	Water Rents	Deposit	381.01 Meters...	410.06	1,618.37
Deposit		1/13/2012	dep	Water Rents	Deposit	381.01 Meters...	392.14	2,010.51
Deposit		1/25/2012	DEP	Water Rents	Deposit	381.01 Meters...	494.95	2,505.46
Check		2/2/2012	2654	Dept Of Environment...	operator cart ...	420 Water Oth...	-6.00	2,499.46
Check		2/3/2012	dep	Water Rents	Deposit	381.01 Meters...	164.92	2,664.38
Check		2/7/2012	2655	Roemlich Constru...	digging, labor...	420 Water Oth...	-1,360.24	1,304.14
Check		2/7/2012	2656	Dept. Of Revenue	testing	420 Water Oth...	-13.00	1,291.14
Check		2/7/2012	2661	Linda Torrance	salary	410 Personal ...	-50.00	1,241.14
Deposit		2/13/2012	dep	Water Rents	Deposit	381.01 Meters...	584.36	1,825.50
Deposit		2/16/2012	dep	Water Rents	Deposit	381.01 Meters...	412.58	2,238.08
Deposit		2/17/2012	dep	Water Rents	Deposit	381.01 Meters...	176.98	2,258.08
Check		2/17/2012	ach	Web Water	Berry's	426 Water Ma...	-861.45	1,553.59
Check		2/17/2012	ach	Northwestern Energy	pumphouse	420 Water Oth...	-252.66	1,300.93
Deposit		2/24/2012	dep	Water Rents	Deposit	381.01 Meters...	281.05	1,581.98
Deposit		3/8/2012	dep	Water Rents	Deposit	381.01 Meters...	490.48	2,072.46
Check		3/14/2012	ach	Web Water		426 Water Ma...	-783.25	1,289.21
Check		3/14/2012	ach	Northwestern Energy	pumphouse e...	420 Water Oth...	-257.37	1,031.84
Check		3/14/2012	2673	Linda Torrance	salary	410 Personal ...	-50.00	981.84
Check		3/14/2012	2674	Dept. Of Revenue	water testing	420 Water Oth...	-13.00	968.84
Check		3/15/2012	2674	Dept. Of Revenue	Deposit	381.01 Meters...	426.03	1,394.87
Deposit		3/23/2012	dep	Water Rents	Deposit	381.01 Meters...	409.25	1,804.12
Transfer		4/5/2012			Funds Transf...	Water Surchar...	5,000.00	6,804.12
Check		4/5/2012	ach	Web Water		426 Water Ma...	-829.45	5,974.67
Check		4/5/2012	ach	Northwestern Energy	pumphouse e...	420 Water Oth...	-185.33	5,789.34
Check		4/5/2012	2677	Dept. Of Revenue	water testing	420 Water Oth...	-13.00	5,776.34
Check		4/5/2012	2679	Linda Torrance	salary	410 Personal ...	-50.00	5,726.34
Check		4/5/2012	2680	SE	yearly maint ...	420 Water Oth...	-425.00	5,301.34
Deposit		4/8/2012	dep	Water Rents	Deposit	381.01 Meters...	465.76	5,767.10
Check		4/8/2012	2683	B & B Contracting	repair leaking...	420 Water Oth...	-1,010.21	4,756.89
Deposit		4/12/2012	dep	Water Rents	Deposit	381.01 Meters...	531.21	5,288.10
Check		4/16/2012	ach	First Natl Trust & In...	srfl oan paym...	420 Water Oth...	-557.08	4,731.02
Deposit		4/18/2012	dep	Water Rents	Deposit	381.01 Meters...	381.88	5,112.80
Deposit		4/18/2012	dep	Water Rents	Deposit	381.01 Meters...	444.96	5,557.86
Check		5/7/2012	DEP	Water Rents	Deposit	426 Water Ma...	-866.65	4,691.21
Check		5/8/2012	ach	Web Water		420 Water Oth...	-69.02	4,622.19
Check		5/8/2012	2691	Northwestern Energy	pumphouse e...	420 Water Oth...	-13.00	4,609.19
Check		5/8/2012	2697	Dept. Of Revenue	water testing	410 Personal ...	-50.00	4,559.19
Check		5/8/2012	2697	Linda Torrance	salary	420 Water Oth...	-80.00	4,479.19
Check		5/8/2012	2687	TAK Technology Inc	billing postca...	420 Water Oth...	-625.21	3,853.98
Check		5/8/2012	2692	Roemlich Constru...	water line rep...	381.01 Meters...	533.23	4,387.21
Deposit		5/10/2012	dep	Water Rents	Deposit			

NORTHVILLE CITY
Account QuickReport
As of December 31, 2012

Type	Date	Num	Name	Memo	Split	Amount	Balance
Deposit	5/24/2012	dep	Water Rents	Deposit	381.01 Meters...	330.23	4,717.44
Deposit	6/7/2012	dep	Water Rents	Deposit	381.01 Meters...	442.19	5,159.63
Check	6/11/2012	ach	Web Water		426 Water Ma...	-912.45	4,347.18
Check	6/11/2012	ach	Northwestern Energy	pumphouse	420 Water Oth...	-74.31	4,272.87
Check	6/11/2012	2712	Dept. Of Revenue	salary	410 Personal ...	-50.00	4,222.87
Check	6/11/2012	2715	Dept. Of Revenue	water testing	420 Water Oth...	-13.00	4,209.87
Deposit	6/14/2012	dep	Water Rents	Deposit	381.01 Meters...	562.38	4,772.25
Deposit	6/20/2012	dep	Water Rents	Deposit	381.01 Meters...	351.27	5,123.52
Deposit	6/28/2012	dep	Water Rents	Berry (4)	381.01 Meters...	118.51	5,242.03
Deposit	7/2/2012	dep	Water Rents	Haselhorst (3)	381.01 Meters...	63.48	5,305.51
Deposit	7/6/2012	dep	Water Rents	Deposit	381.01 Meters...	538.06	5,843.57
Check	7/10/2012	2716	Dept. Of Revenue	water testing	420 Water Oth...	-13.00	5,830.57
Check	7/10/2012	ach	Northwestern Energy	pumphouse	420 Water Oth...	-81.52	5,749.05
Check	7/10/2012	2732	Linda Torrence	salary	410 Personal ...	-50.00	5,699.05
Check	7/11/2012	2735	SD DENR	drinking water...	420 Water Oth...	-60.00	5,639.05
Check	7/11/2012	2736	Connie Clemens	1st half salary	410 Personal ...	-100.00	5,539.05
Deposit	7/16/2012	dep	Water Rents	Deposit	381.01 Meters...	871.38	6,410.43
Check	7/16/2012	ach	First Natl Trust & In...	prt	420 Water Oth...	-661.09	5,749.34
Check	7/16/2012	ach	Web Water		426 Water Ma...	-853.25	4,786.09
Deposit	7/27/2012	dep	Water Rents	Deposit	381.01 Meters...	501.71	5,287.80
Deposit	8/7/2012	dep	Water Rents	Deposit	381.01 Meters...	411.11	5,708.91
Deposit	8/14/2012	dep	Water Rents	Deposit	381.01 Meters...	485.59	6,194.50
Check	8/14/2012	ach	Matt Harmon ret ck	redeposited o...	381.01 Meters...	-49.71	6,144.79
Check	8/16/2012	ach	Web Water		426 Water Ma...	-1,175.85	4,968.94
Check	8/16/2012	ach	Northwestern Energy	pumphouse	420 Water Oth...	-106.42	4,862.52
Check	8/16/2012	2748	Dept. Of Revenue	water testing	420 Water Oth...	-13.00	4,849.52
Check	8/16/2012	2750	Linda Torrence	salary	410 Personal ...	-50.00	4,799.52
Check	8/20/2012	dep	Water Rents	Deposit	381.01 Meters...	715.41	5,514.93
Deposit	9/4/2012	dep	Water Rents	Deposit	381.01 Meters...	614.58	6,129.51
Check	9/11/2012	2768	Linda Torrence	salary	410 Personal ...	-50.00	6,079.51
Check	9/11/2012	2762	TAK Technology Inc	data repair	420 Water Oth...	-118.75	5,960.76
Check	9/11/2012	2759	Dept. Of Revenue	water testing	420 Water Oth...	-13.00	5,947.76
Check	9/11/2012	ach	Web Water		426 Water Ma...	-1,370.45	4,577.31
Check	9/11/2012	ach	Northwestern Energy	pumphouse e...	420 Water Oth...	-86.99	4,490.32
Deposit	9/12/2012	dep	Water Rents	Deposit	381.01 Meters...	571.22	5,061.54
Deposit	9/19/2012	dep	Water Rents	Deposit	381.01 Meters...	570.62	5,632.16
Deposit	9/27/2012	dep	Water Rents	Deposit	381.01 Meters...	224.13	5,856.29
Check	10/9/2012	ach	Web Water		426 Water Ma...	-949.25	4,907.04
Check	10/9/2012	2778	Dept. Of Revenue	water testing	420 Water Oth...	-13.00	4,894.04
Check	10/9/2012	ach	Northwestern Energy	pumphouse	420 Water Oth...	-103.79	4,790.25
Check	10/9/2012	2783	Linda Torrence	salary	410 Personal ...	-50.00	4,740.25
Deposit	10/15/2012	dep	Water Rents	Deposit	381.01 Meters...	460.08	5,200.33
Deposit	10/15/2012	dep	Water Rents	Deposit	381.01 Meters...	512.96	5,713.29
Check	10/18/2012	ach	First Natl Trust & In...	loan prt	420 Water Oth...	-623.97	5,089.32
Deposit	10/29/2012	dep	Water Rents	Deposit	381.01 Meters...	659.18	5,748.50
Check	11/5/2012	2796	Dept. Of Revenue	water testing	420 Water Oth...	-13.00	5,735.50
Check	11/5/2012	2797	Linda Torrence	salary	410 Personal ...	-50.00	5,685.50
Check	11/9/2012	ach	Web Water		426 Water Ma...	-1,093.65	4,591.85
Check	11/9/2012	2792	TAK Technology Inc	annual update	420 Water Oth...	-325.00	4,266.85

NORTHVILLE CITY
Account QuickReport
As of December 31, 2012

Type	Date	Num	Name	Memo	Split	Amount	Balance
Total City Water Account							
Check	11/9/2012	ach	Northwestern Energy	pumphouse e...	420 Water Oth...	-73.23	4,193.62
Deposit	11/9/2012	dep	Water Rents	Deposit	361.01 Meters...	572.26	4,765.88
Deposit	11/27/2012	dep	Water Rents	Deposit	381.01 Meters...	552.41	5,318.29
Check	12/5/2012	ach	Northwestern Energy	pumphouse e...	420 Water Oth...	402.97	5,721.26
Check	12/12/2012	2807	Dept. Of Revenue	water testing	420 Water Oth...	-77.31	5,643.95
Check	12/12/2012	2812	Linda Torrence	salary	410 Personal ...	-13.00	5,630.95
Check	12/12/2012	2814	Connie Clemens	2nd half salary	410 Personal ...	-50.00	5,580.95
Check	12/12/2012	2817	Web Water	clayton's lice...	426 Water Ma...	-100.00	5,480.95
Check	12/12/2012	2803	Dept Of Environment...	mileage to w...	420 Water Oth...	-902.85	4,578.10
Check	12/12/2012	2803	CPS	mileage to w...	420 Water Oth...	-6.00	4,572.10
Check	12/13/2012	2803	Water Rents	Deposit	391.01 Meters...	-140.00	4,432.10
Check	12/17/2012	2808	Clayton Blachford	room for wat...	420 Water Oth...	462.08	4,894.18
Check	12/17/2012	2808	Water Rents	Deposit	381.01 Meters...	-157.30	4,736.88
Deposit	12/17/2012	dep	Water Rents	Deposit	381.01 Meters...	618.40	5,355.28
Water Surcharge Acct							
Deposit	1/7/2012	dep	Surcharge fees	Deposit	381.99 meters...	26.88	4,642.84
Deposit	1/13/2012	DEP	Surcharge fees	Deposit	381.99 meters...	69.12	4,669.72
Deposit	1/13/2012	DEP	Surcharge fees	Deposit	381.99 meters...	65.28	4,738.84
Deposit	1/25/2012	DEP	Surcharge fees	Deposit	381.99 meters...	72.96	4,804.12
Deposit	2/3/2012	dep	Surcharge fees	Deposit	381.99 meters...	23.04	4,877.08
Deposit	2/13/2012	dep	Surcharge fees	Deposit	381.99 meters...	30.04	4,900.12
Deposit	2/16/2012	dep	Surcharge fees	Deposit	381.99 meters...	84.48	4,984.60
Deposit	2/17/2012	dep	Surcharge fees	Deposit	381.99 meters...	72.96	5,057.56
Deposit	2/24/2012	dep	Surcharge fees	Deposit	381.99 meters...	23.04	5,080.60
Deposit	3/9/2012	dep	Surcharge fees	Deposit	381.99 meters...	49.92	5,130.52
Deposit	3/15/2012	dep	Surcharge fees	Deposit	381.99 meters...	84.48	5,215.00
Deposit	3/23/2012	dep	Surcharge fees	Deposit	381.99 meters...	72.96	5,287.96
Transfer	4/5/2012	dep	Surcharge fees	Funds Transfer	City Water Ac...	65.28	5,353.24
Deposit	4/6/2012	dep	Surcharge fees	Deposit	381.99 meters...	-5,000.00	353.24
Deposit	4/12/2012	dep	Surcharge fees	Deposit	381.99 meters...	61.44	414.68
Deposit	4/18/2012	dep	Surcharge fees	Deposit	381.99 meters...	80.64	495.32
Deposit	5/7/2012	DEP	Surcharge fees	Deposit	381.99 meters...	65.28	560.60
Deposit	5/10/2012	DEP	Surcharge fees	Deposit	381.99 meters...	65.28	625.88
Deposit	5/31/2012	dep	Surcharge fees	Deposit	381.99 meters...	84.48	710.36
Deposit	6/7/2012	dep	Surcharge fees	Deposit	381.99 meters...	53.76	764.12
Deposit	6/14/2012	dep	Surcharge fees	Deposit	381.99 meters...	76.80	840.92
Deposit	6/20/2012	dep	Surcharge fees	Deposit	381.99 meters...	84.48	925.40
Deposit	6/28/2012	dep	Surcharge fees	Deposit	381.99 meters...	97.52	995.32
Deposit	7/2/2012	dep	Surcharge fees	Berry (4)	381.99 meters...	15.36	990.68
Deposit	7/6/2012	dep	Surcharge fees	Haselhorst(3)	381.99 meters...	11.52	1,002.20
Deposit	7/16/2012	dep	Surcharge fees	Deposit	381.99 meters...	76.80	1,079.00
Deposit	7/27/2012	dep	Surcharge fees	Deposit	381.99 meters...	76.80	1,155.80
Deposit	8/7/2012	dep	Surcharge fees	Deposit	381.99 meters...	76.80	1,232.60
Deposit	8/14/2012	dep	Surcharge fees	Deposit	381.99 meters...	57.60	1,290.20
Deposit	8/24/2012	dep	Surcharge fees	Deposit	381.99 meters...	69.12	1,359.32
Deposit	9/4/2012	dep	Surcharge fees	Deposit	381.99 meters...	84.48	1,443.80
Deposit	9/12/2012	dep	Surcharge fees	Deposit	381.99 meters...	53.76	1,497.56
Deposit	9/12/2012	dep	Surcharge fees	Deposit	381.99 meters...	80.64	1,578.20

Handwritten circled area around the amount -5,000.00 and balance 353.24.

10:01 AM
 01/28/13
 Accrual Basis

NORTHVILLE CITY
Account QuickReport
 As of December 31, 2012

Type	Date	Num	Name	Memo	Split	Amount	Balance
Deposit	9/19/2012	dep	Surcharge fees	Deposit	381.99 meters...	80.64	1,658.84
Deposit	9/21/2012	dep	Surcharge fees	Deposit	381.99 meters...	23.04	1,681.88
Deposit	10/15/2012	DEP	Surcharge fees	Deposit	381.99 meters...	76.80	1,758.68
Deposit	10/15/2012	DEP	Surcharge fees	Deposit	381.99 meters...	76.80	1,835.48
Deposit	10/28/2012	dep	Surcharge fees	Deposit	381.99 meters...	72.96	1,908.44
Deposit	11/9/2012	dep	Surcharge fees	Deposit	381.99 meters...	76.80	1,985.24
Deposit	11/27/2012	dep	Surcharge fees	Deposit	381.99 meters...	84.48	2,069.72
Deposit	12/5/2012	dep	Surcharge fees	Deposit	381.99 meters...	76.80	2,146.52
Deposit	12/13/2012	dep	Surcharge fees	Deposit	381.99 meters...	76.80	2,223.32
Deposit	12/17/2012	dep	Surcharge fees	Deposit	381.99 meters...	96.00	2,319.32
Total Water Surcharge Acct						-2,923.52	2,319.32
TOTAL						-2,883.17	7,674.60

2676.48

TY OF NORTHVILLE
S, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
ALL FUNDS
for the Year Ended December 31, 20__2013
(continued)

	General Fund	Enterprise Funds						Total
		Fund	Fund	Water Fund	SEWER Fund	Fund	Fund	
ENTERPRISE FUNDS								
380 Enterprise Operating Revenue				19,297.21	20,590.98		39,888.19	
Surcharge as Security for Debt				2,758.98	9,024.12		11,783.10	
380.05 Lottery Revenues							0.00	
330 Operating Grants					52,118.08		52,118.08	
Total Receipts	61,717.01	0.00	0.00	22,056.19	81,733.18	0.00	165,506.38	
Disbursements (Function):								
411-419 General Government (414)	15,736.82						15,736.82	
421 Police							0.00	
422 Fire	4,000.00						4,000.00	
423-429 Other Public Safety (429)							0.00	
431 Highways and Streets (includes snow removal & street lights)	11,222.39						11,222.39	
432 Sanitation (includes garbage & rubble sites)							0.00	
437 Cemeteries							0.00	
433-439 Other Public Works (435)							0.00	
441-449 Health and Welfare (441)							0.00	
451-459 Culture-Recreation (451)	9,394.16						9,394.16	
461-469 Conservation and Development (465)							0.00	
470 Debt Service							0.00	
480 Intergovernmental Expenditures							0.00	
490-492 Miscellaneous (492)	83.33						83.33	

Y OF NORTHVILLE
S, DISBURSEMENTS AND CHANGES IN FUND CASH BALANCES
ALL FUNDS
December 31, 2013
(continued)

	Enterprise Funds				Total
	General Fund	Water Fund	Sewer Fund	Total	
ENTERPRISE FUNDS					
410 Personal Services		784.70	20288.47		21,073.17
420 Other Expenses		6844.25			6,844.25
426 Supplies and Materials		11910.80			11,910.80
Total Disbursements	40436.70	0.00	19539.75	20288.47	80264.92
39101 Transfers In	()	()	()	()	0.00
51100 Transfers Out	()	()	()	()	0.00
391.2 Money Received From Borrowing			49738.46		49,738.46
391.07 Capital Contributions (Grants)					0.00
					0.00
Subtotal of Receipts, Disbursements and Transfers	21280.31	0.00	2516.44	11706.26	134979.92
Fund Cash Balance, January 1, 20_12	23280.31		7674.60	33995.86	64,950.77
Adjustments:					
error of CD Int	-34.42			34.42	0.00
					0.00
					0.00
Restated Fund Cash Balance, January 1, 20_12	23245.89	0.00	7674.60	34030.28	64950.77
FUND CASH BALANCE,					

NORTHVILLE CITY
Profit & Loss Detail
January through December 2013

This is after water

Type	Date	Num	Name	Memo	Cir	Split	Amount	Balance
Deposit	10/21/2013	dep	Surcharge fees	Deposit		Water-Surchar...	76.80	2,252.10
Deposit	11/1/2013	dep	Surcharge fees	Deposit		Water Surchar...	65.28	2,317.38
Deposit	11/7/2013	dep	Surcharge-fees	Deposit		Water Surchar...	69.12	2,386.50
Deposit	11/20/2013	dep	Surcharge fees	Deposit		Water Surchar...	72.96	2,459.46
Deposit	12/6/2013	dep	Surcharge fees	Deposit		Water Surchar...	88.32	2,547.78
Deposit	12/12/2013	dep	Surcharge fees	Deposit		Water Surchar...	72.96	2,620.74
Deposit	12/12/2013	dep	Surcharge fees	Deposit		Water Surchar...	69.12	2,689.86
Deposit	12/31/2013	dep	Surcharge fees	Deposit		Water Surchar...	69.12	2,758.98
Total 381.99 metered water surcharge							2,758.98	2,758.98
383.01 Sewer Charges								
Deposit	1/4/2013	dep	Sewer Rents	Deposit		Sewer Account	425.00	425.00
Deposit	1/10/2013	dep	Sewer Rents	Deposit		Sewer Account	550.00	975.00
Deposit	1/17/2013	dep	Sewer Rents	Deposit		Sewer Account	500.00	1,475.00
Deposit	1/31/2013	dep	Sewer Rents	Deposit		Sewer Account	450.00	1,925.00
Deposit	2/8/2013	dep	Sewer Rents	Deposit		Sewer Account	500.00	2,425.00
Deposit	2/14/2013	dep	Sewer Rents	Deposit		Sewer Account	425.00	2,850.00
Deposit	2/19/2013	dddp	Sewer Rents	Deposit		Sewer Account	285.00	3,135.00
Deposit	3/1/2013	dep	Sewer Rents	Deposit		Sewer Account	400.00	3,535.00
Deposit	3/12/2013	dep	Sewer Rents	Deposit		Sewer Account	550.00	4,085.00
Deposit	3/15/2013	dep	Sewer Rents	Deposit		Sewer Account	450.00	4,535.00
Deposit	3/29/2013	dep	Sewer Rents	Deposit		Sewer Account	375.00	4,910.00
Deposit	4/5/2013	dep	Sewer Rents	Deposit		Sewer Account	625.00	5,535.00
Deposit	4/17/2013	dep	Sewer Rents	Deposit		Sewer Account	525.00	6,060.00
Deposit	4/25/2013	dep	Sewer Rents	Deposit		Sewer Account	500.00	6,560.00
Deposit	5/7/2013	dep	Sewer Rents	Deposit		Sewer Account	500.00	7,060.00
Deposit	5/15/2013	dep	Sewer Rents	Deposit		Sewer Account	525.00	7,585.00
Deposit	5/23/2013	dep	Sewer Rents	Deposit		Sewer Account	600.00	8,185.00
Deposit	6/8/2013	dep	Sewer Rents	Deposit		Sewer Account	550.00	8,735.00
Deposit	6/14/2013	dep	Sewer Rents	Deposit		Sewer Account	600.00	9,335.00
Deposit	7/1/2013	dep	Sewer Rents	Deposit		Sewer Account	650.00	9,985.00
Deposit	7/15/2013	dep	Sewer Rents	Deposit		Sewer Account	550.00	10,535.00
Deposit	8/5/2013	dep	Sewer Rents	Deposit		Sewer Account	500.00	11,035.00
Deposit	8/15/2013	dep	Sewer Rents	Deposit		Sewer Account	700.00	11,735.00
Deposit	8/20/2013	dep	Sewer Rents	Deposit		Sewer Account	550.00	12,285.00
Deposit	8/20/2013	dep	Sewer Rents	Deposit		Sewer Account	625.00	12,910.00
Deposit	9/10/2013	dep	Sewer Rents	Deposit		Sewer Account	350.00	13,260.00
Deposit	9/10/2013	dep	Sewer Rents	Deposit		Sewer Account	550.00	13,810.00
Deposit	9/17/2013	dep	Sewer Rents	Deposit		Sewer Account	575.00	14,385.00
Deposit	10/1/2013	dep	Sewer Rents	Deposit		Sewer Account	500.00	14,885.00
Deposit	10/10/2013	dep	Sewer Rents	Deposit		Sewer Account	600.00	15,485.00
Deposit	10/21/2013	dep	Sewer Rents	Deposit		Sewer Account	600.00	16,085.00
Deposit	11/1/2013	dep	Sewer Rents	Deposit		Sewer Account	525.00	16,610.00
Deposit	11/7/2013	dep	Sewer Rents	Deposit		Sewer Account	500.00	17,110.00
Deposit	11/20/2013	dep	Sewer Rents	Deposit		Sewer Account	500.00	17,610.00
Deposit	12/6/2013	dep	Sewer Rents	Deposit		Sewer Account	600.00	18,210.00
Deposit	12/12/2013	dep	Sewer Rents	Deposit		Sewer Account	600.00	18,810.00

5:40 PM
12/30/14
Accrual Basis

NORTHVILLE CITY
Profit & Loss Detail
January through December 2013

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
Check	10/17/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	37.58	17,048.86
Check	10/17/2013	2943	CPS	mowing lagoon		Sewer Account	75.00	17,123.86
Check	10/17/2013	ach	Rural Development ...	payment		Sewer Account	1,017.18	18,141.04
Check	11/4/2013	ach	Northwestern Energy	lagoon		Sewer Account	10.74	18,151.78
Check	11/5/2013	ach	Rural Development ...			Sewer Account	1,017.18	19,168.96
Check	11/5/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	33.82	19,202.78
Check	11/5/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.12	19,210.90
Check	12/9/2013	ach	USDA/Rural Develo...	payment		Sewer Account	1,017.18	20,228.08
Check	12/9/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	20,236.08
Check	12/9/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	40.88	20,276.96
Check	12/9/2013	dep	Northwestern Energy	lagoon		Sewer Account	11.51	20,288.47
Total 432 Sanitation							20,288.47	20,288.47

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
433-439 Other Public Works								
Check	1/24/2013	1129	Northwestern Energy	lagoon electri...		Improvement ...	10,084.47	10,084.47
Check	3/7/2013	1131	B & B Contracting	e/c of bill not ...		Improvement ...	4,471.15	14,555.62
Check	4/26/2013	1132	Helms & Associates	lagoon work		Improvement ...	2,629.80	17,185.42
Check	4/26/2013	1133	NECOG	lagoon work		Improvement ...	3,000.00	20,185.42
Deposit	8/2/2013	dep	State Of SD	s/b improvem...		Northville City ...	-18,756.51	1,428.91
Check	8/6/2013	1134	Dakota Pump & Co...	lagoon project		Improvement ...	17,995.85	19,424.76
Check	8/6/2013	1135	Helms & Associates	lagoon project		Improvement ...	546.45	19,971.21
Check	8/6/2013	1136	B & B Contracting	lagoon project		Improvement ...	11,010.74	30,981.95
Check	8/15/2013	Tsf	Improvement acct	error of bank ...		Northville City ...	18,756.51	49,738.46
Deposit	12/13/2013	ach	State Of SD	error bank po...		Northville City ...	-3,600.77	46,137.69
Check	12/31/2013	Tsf	to Improvement acct	bank error 12...		Northville City ...	3,600.77	49,738.46
Total 433-439 Other Public Works							49,738.46	49,738.46

NORTHVILLE CITY
Profit & Loss Detail
January through December 2013

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
391.2 Money Rec from Borrowing								
Deposit	1/24/2013	dep	First National Bank	loan for lagoon...		Improvement ...	10,230.00	10,230.00
Deposit	4/2/2013	dep	State Of SD	Deposit		Improvement ...	5,629.80	15,859.80
Deposit	8/2/2013	dep	State Of SD	Deposit post...		Improvement ...	18,756.51	34,616.31
Deposit	8/5/2013	dep	First National Bank	money for lag...		Improvement ...	10,796.00	45,412.31
Deposit	12/11/2013	ach	State Of SD	lagoon project		Improvement ...	3,600.77	49,013.08
Deposit	12/12/2013	ach	First National Bank	Deposit		Improvement ...	3,105.00	52,118.08
Total 391.2 Money Rec from Borrowing							165,506.38	165,506.38

5:34 PM
12/30/14
Accrual Basis

NORTHVILLE CITY
Profit & Loss Detail
January through December 2013

Type	Date	Num	Name	Memo	Cir	Split	Amount	Balance
Check	11/5/2013	ach	Northwestern Energy	lights		Northville City ...	280.01	6,746.46
Check	12/6/2013	ach	Northwestern Energy	streetlights		Northville City ...	263.39	7,009.85
Check	12/9/2013	2966	Terry Boyle Constru...	blading		Northville City ...	120.00	7,129.85
Check	12/9/2013	2965	Spink County High...	chip sealing		Northville City ...	4,092.54	11,222.39
Total 431 Streets							11,222.39	11,222.39
432 Sanitation								
Check	1/10/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	41.83	41.83
Check	1/10/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	49.83
Check	1/10/2013	ach	Northwestern Energy	lagoon		Sewer Account	9.50	59.33
Check	1/10/2013	ach	Rural Development ...	payment		Sewer Account	1,017.18	1,076.51
Check	2/5/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	41.94	1,118.45
Check	2/5/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	1,126.45
Check	2/5/2013	ach	Rural Development ...	payment		Sewer Account	1,017.18	2,143.63
Check	2/5/2013	ach	Northwestern Energy	lagoon		Sewer Account	10.92	2,154.55
Check	3/15/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	46.81	2,201.36
Check	3/15/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	2,209.36
Check	3/15/2013	ach	Rural Development ...	pmt		Sewer Account	1,017.18	3,226.54
Check	4/2/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	38.40	3,264.94
Check	4/2/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	3,272.94
Check	4/2/2013	ach	Northwestern Energy	lagoon		Sewer Account	32.76	3,305.70
Check	4/2/2013	2851	Rural Development ...	payment		Sewer Account	1,017.18	4,322.88
Check	4/2/2013	2855	Spink County Treas...	lagoon taxes		Sewer Account	51.40	4,374.28
Check	5/9/2013	ACH	DSG	bit inserts		Sewer Account	5.44	4,379.72
Check	5/15/2013	2865	Northwestern Energy	LAGOON		Sewer Account	11.90	4,391.62
Check	5/15/2013	ach	A-Tech Sewer	cleaning out l...		Sewer Account	7,070.65	11,462.27
Check	5/15/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	34.09	11,496.36
Check	5/22/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	11,504.36
Check	6/4/2013	ach	Rural Development ...	payment		Sewer Account	1,017.18	12,521.54
Check	6/4/2013	ach	Northwestern Energy	N sewer lift		Sewer Account	33.33	12,554.87
Check	6/4/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	12,562.87
Check	6/4/2013	ach	Northwestern Energy	lagoon		Sewer Account	10.49	12,573.36
Check	7/15/2013	ach	Rural Development ...	pmt		Sewer Account	1,017.18	13,590.54
Check	7/15/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	52.75	13,643.29
Check	7/15/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	13,651.29
Check	7/15/2013	ach	Northwestern Energy	lagoon		Sewer Account	11.24	13,662.53
Check	8/5/2013	ach	Rural Development ...	payment		Sewer Account	1,017.18	14,679.71
Check	8/5/2013	ach	Northwestern Energy	lagoon		Sewer Account	10.99	14,690.70
Check	8/5/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	14,698.70
Check	8/5/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	52.12	14,750.82
Check	8/13/2013	ach	Rural Development ...	payment		Sewer Account	1,017.18	15,768.00
Check	8/13/2013	2913	CPS	now lagoon		Sewer Account	100.00	15,868.00
Check	8/13/2013	2918	Clayton Blachford	locks		Sewer Account	41.30	15,909.30
Check	9/13/2013	ach	Northwestern Energy	n sewer lift		Sewer Account	46.94	15,956.24
Check	9/13/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.00	15,964.24
Check	9/13/2013	ach	Northwestern Energy	lagoon		Sewer Account	10.75	15,974.99
Check	10/17/2013	ach	Rural Development ...	payment		Sewer Account	1,017.18	16,992.17
Check	10/17/2013	ach	Northwestern Energy	lagoon		Sewer Account	10.99	17,003.16
Check	10/17/2013	ach	Northwestern Energy	s sewer lift		Sewer Account	8.12	17,011.28

USDA DEBT INFORMATION

Customer ID 47-058-216795087

Section

- Initial Contact
- Application
- Environmental
- Underwriting
- Obligation
- Loan Grant

- Contacts
- Notes And Attachments
- Print Forms
- Construction

Loan	Grant	Type of Assistance
216,420	295,330	068 (Comb Loan & Grant) Waste Disposal Only

\$216,420 **\$295,330** (Double Click to Edit Type of Assistance) **068**

Dates & Status 1940-1 Obligation Loan Grant Financial Info (PLAS) Disaster

Financial Information (as of 12/15/2014)

Last Loan Advance	8/20/2002	Loan Closed	5/16/2002
Total Loan Advance	\$216,420.00	Loan Closed Amount	\$216,420.00
Unliquidated Loan	\$0.00	Closed Interest Rate	4.7500 %
Last Payment	11/16/2014		
Next Payment Due	12/16/2014		
Next Payment Amount	\$1,017.18		
Unpaid Principal	\$187,079.06	Grant Information	
Unpaid Interest	\$730.38	Last Grant Advance	8/11/2003
Loan Balance	\$187,809.44	Total Grant Advance	\$295,330.00
Daily Interest Accrual	\$24,3400	Unliquidated Grant	\$0.00
Payment Status Amount	Current		
Classification Code	Standard		
Document Type	Original Bond		
Debt Instrument	Registered Bond		
Settlement Code			
Principal Schedule Status	\$0.00		
Interest Schedule Status	\$0.00		
Loan Number	01	Grant Number	02

Validations 12 Errors 1 Concern

Current Status Loan Amount

The data displayed on this page may not be accurate due to delayed loading time from PLAS. For official accounting information, please access PLAS directly.

NORTHEAST COUNCIL OF GOVERNMENTS

P.O. BOX 1985 ABERDEEN, SD 57402-1985

TITLE: Solid Waste Management Program Funding Applications

EXPLANATION: The Solid Waste Management Program was established under SDCL 46A-1-83. The Board of Water and Natural Resources may award grant and loan funds for the purpose of solid waste planning and management under the program. ARSD 74:05:10:09 provides that applications for the March funding round are due by January 1. The following applications have been received by DENR for funding consideration at this meeting.

- a. Department of Environment and Natural Resources
- b. South Eastern Council of Governments

Pursuant to ARSD 75:05:10:11, the Board must make its funding decisions within 120 days after applications are presented. In accordance with SDCL 46A-1-83, a minimum of 50 percent of the Solid Waste Management Program funds must be reserved for recycling activities.

COMPLETE APPLICATIONS: The application cover sheets and summary sheets have been provided as part of the board packet. Complete applications are available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRapps0315.pdf>

If you would like hard copies of the applications, please contact Andy Bruels at (605) 773-4216.

WRAP REVIEW SHEET
SOLID WASTE MANAGEMENT PROGRAM

assisted twelve regional landfills, four cities, four counties, two Native American Tribes, and the National Park Service in the removal of approximately 8,948 tons of tires. The funds have been used by 23 school districts to remove unusable chemicals from their buildings.

Fees:

Not Applicable

Solid Waste Management Program Application

RECEIVED

DEC - 8 2014

Division of Financial
& Technical Assistance

Applicant/Tax ID #
South Dakota Department of Environment and
Natural Resources

Proposed Funding Package

SWMP Funds: \$350,000

Local Cash: _____

Address
Joe Foss Building
523 East Capitol
Pierre, SD 57501-3182

Other: _____

Other: _____

Other: _____

Phone Number (605) 773-4216

Total Project Cost: \$350,000

Project Title: South Dakota Waste Tire and Other Solid Waste Cleanups

Description:

The South Dakota Department of Environment and Natural Resources proposes to continue its efforts to fund the statewide cleanup of waste tires and other solid waste. This is a continuation of past department efforts that began in 1999. DENR will work with local communities as sponsors for the tire cleanups. The department will also set aside funds to be used for the cleanup of chemicals that have been in storage on school district properties throughout the State. The department has recently had applications for assistance in funding these clean-ups, and developing a set aside will allow the department to address these requests in a timely manner to promote a healthier environment for students and staff. The department proposes to fund these projects with a one time assistance of 50 percent cost share up to a maximum of \$10,000 for each school district. This should allow many schools to dispose of chemicals which are no use to the school without the full financial burden.

The Applicant certifies that:

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

Steve Pirner, Department Secretary

Name and Title of Authorized Signatory (Typed)



Signature

12/8/14

Date

Application Checklist

Items that are part of the application

YES N/A

Application signed by authorized signatory - page 1	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Professional contacts completed - page 2	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Budget sheet completed - page 3	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Proposed method of financing completed - page 4	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Applicant information completed - pages 5	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Status of existing SWMP grants or loans completed - page 6	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Debt pledge by proposed security completed - page 7	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Property tax information completed - page 8	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sales tax information completed - page 9	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Items that must be attached to the application

**All applications must include items in bold

Note: Proprietary Fund information for government entities is sufficient.

**Project narrative that includes all applicable information such as detailed scope of the project, engineering reports, or cost estimates.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
**Current year budget with most recent revenue, expenditures reports and corresponding fee structure	<input type="checkbox"/>	<input checked="" type="checkbox"/>
**Previous two years of unaudited or audited financial statements and corresponding fee structure	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Amortization Schedules for all debt pledged to proposed security	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Local government resolution approving signatory of application, agreements, pay requests, and other required documents as needed for funding	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Local government resolution approving current fee structure for Solid Waste Program	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Cooperative agreement with local government unit	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Letters of financial commitment or support from other federal, state, or local agencies or private resources (letters must contain the specific terms or conditions)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Private and For profit entities only

Business Plan	<input type="checkbox"/>	<input checked="" type="checkbox"/>
---------------	--------------------------	-------------------------------------

Professional Contacts:

Application Prepared By: South Dakota Department of Environment and Natural Resources

Contact Person: Andy Bruels , Engineering Manager

Mailing Address: 523 East Capitol Avenue

City, State, and Zip: Pierre, South Dakota, 57501

Telephone Number: (605) 773-4216 Fax: (605) 773-4068

Email address: andrew.bruels@state.sd.us

Consulting Engineering Firm: NA

Contact Person:

Mailing Address:

City, State, and Zip:

Telephone Number: Fax:

Email address:

Legal Counsel's Firm: NA

Legal Counsel:

Mailing Address:

City, State, and Zip:

Telephone Number: Fax:

Email address:

Finance Office: NA

Contact Person:

Mailing Address:

City, State, and Zip:

Telephone Number: Fax:

Email address:

BUDGET SHEET

Cost Classification	A SWMP Funds	B	C	D	E	Total Funds
1. Administrative Expenses						
A. Personal Services						
B. Travel						
C. Legal						
D. Other						
2. Land, Structure, Right of Way						
3. Engineering						
A. Planning & Design Fees						
B. Project Inspection Fees						
C. Other						
4. Construction & Project Improvements						
5. Equipment						
6. Contractual Services	\$350,000					\$350,000
7. Other						
8. Other						
9. Subtotal (Lines 1 - 8)	\$350,000					\$350,000
10. Contingencies						
11. Total (Lines 9 - 10)	\$350,000					\$350,000
12. Total Percentage	100.00%	0.00%	0.00%	0.00%	0.00%	

Columns A - E: Identify each funding source and enter the amounts budgeted by cost category.

Proposed Method of Financing

	Secured Funds	Unsecured Funds	Date
SWMP Funds		350,000	3/27/2015
Local Cash			
Other:			
Other:			
Other:			
Total		350,000	

Interest rate and term you are applying for: _____ %, _____ years.

What security is being pledged toward the repayment of this loan?

(Political Subdivisions Only)

- 1. General Obligation bond (requires bond election)
- 2. Revenue Obligation bond
- 3. Sales Tax Revenue bond

Other Funds to be Borrowed

	Amount	Rate	Term	Annual Debt Service	Security Pledged for Repayment	**Collateral Position
*Other:						
*Other:						
*Other:						

***Please attach copies of commitment letters that contain specific terms and conditions for each source of financing.**

****Please attach collateral information such as cost, book, and market values.**

Applicant Type State or Public Agency

Fiscal Year Ends June 30th

Population Served

Current: 814180 2010: 814,180 2000: 754,844

Estimated date construction or acquisition will commence: March 27, 2015

Estimated completion or acquisition and installation date: March 27, 2018

**Estimated Useful Life of Project: NA

****The term of the loan cannot exceed the useful life of project**

Demographic Area

Identify and briefly describe the current area that is served and identify any new areas to be served as a result of this project.

Funding provided for this project will be available statewide to communities and school districts as described in the project description.

Services Provided

Describe the current services provided and identify any additional service as a result of this project.

This is a continuation of on going efforts to remove waste tire stockpiles in communities for proper disposal and to remove unusable chemicals from schools.

Describe how the services or products provided with this project will assist in promoting the goals of the Solid Waste Management Hierarchy, which are identified on page 4 of the instructions.

This project will allow tires to be removed from stockpiles which may harm the environment. The tires will either be recycled for use in crumb rubber applications or disposed of in a sanitary landfill. The school's chemicals will be disposed of properly depending on the chemical substance and the appropriate disposal practice.

Status report for all existing Solid Waste Management Program grants or loans

Grant/Loan #	Status
2013G-RLA-102	Waste tire and other solid waste cleanup projects are ongoing. The grant will expire March 30, 2015 and a new grant to provide funds for these activities is needed.

If applicable, list the top three products that comprise the applicant's sales.

Name	City, State, & Phone	Products	% of Sales
NA			

If applicable, list the top three principal competitors and their current market share within the industry.

Name	City, State, & Phone	Products	% of Market Share
NA			

December 15, 2014

MEMORANDUM

TO: Board of Water and Natural Resources

FROM: Steve Pirner, Department Secretary 
Department of Environment and Natural Resources

RE: Project Narrative for Waste Tire and Other Solid Waste Clean-ups Grant Application

The South Dakota Department of Environment and Natural Resources (DENR) is requesting a \$350,000 Solid Waste Management Program (SWMP) grant. The grant will allow DENR to continue utilizing the grant funds to conduct additional waste tire and other solid waste clean-up projects throughout the State.

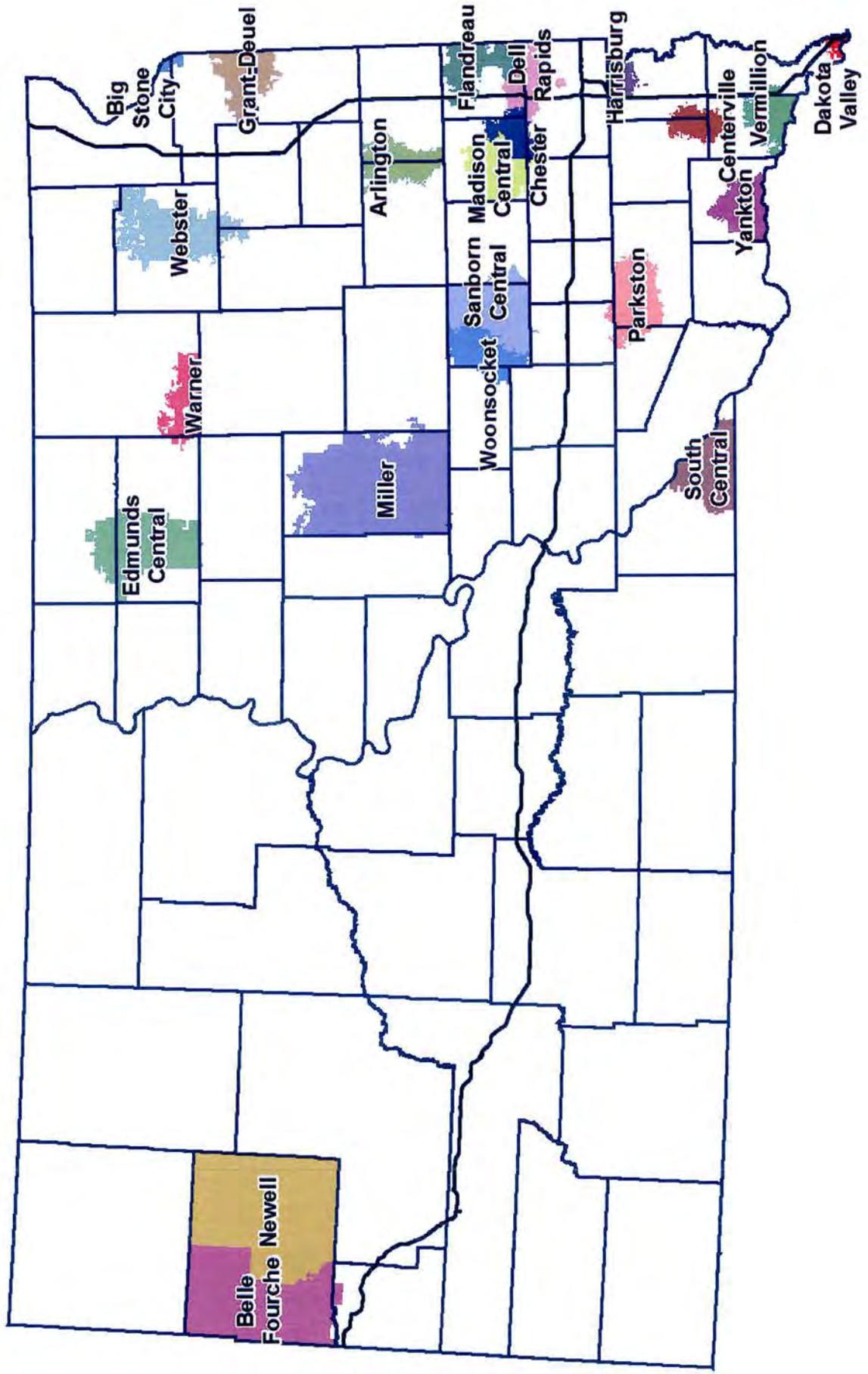
The 2012 Omnibus Bill authorized the use of up to \$500,000 of the appropriated Regional Landfill Assistance funds for waste tire and other solid waste clean-up projects. DENR estimates that \$374,000 of that amount will remain available when the current SWMP grant [Grant #2013G-RLA-102] ends on March 30, 2015. The \$350,000 being requested will allow the department to continue funding statewide clean-up projects through March 2018.

Since 2009, the Board has awarded DENR three waste tire and other solid waste clean-up grants totaling \$1,520,000. The table below shows the amount obligated and the amount reimbursed to date for the clean-up projects that have received funding. A total of 8,948 tons of tires have been properly disposed of through these grants.

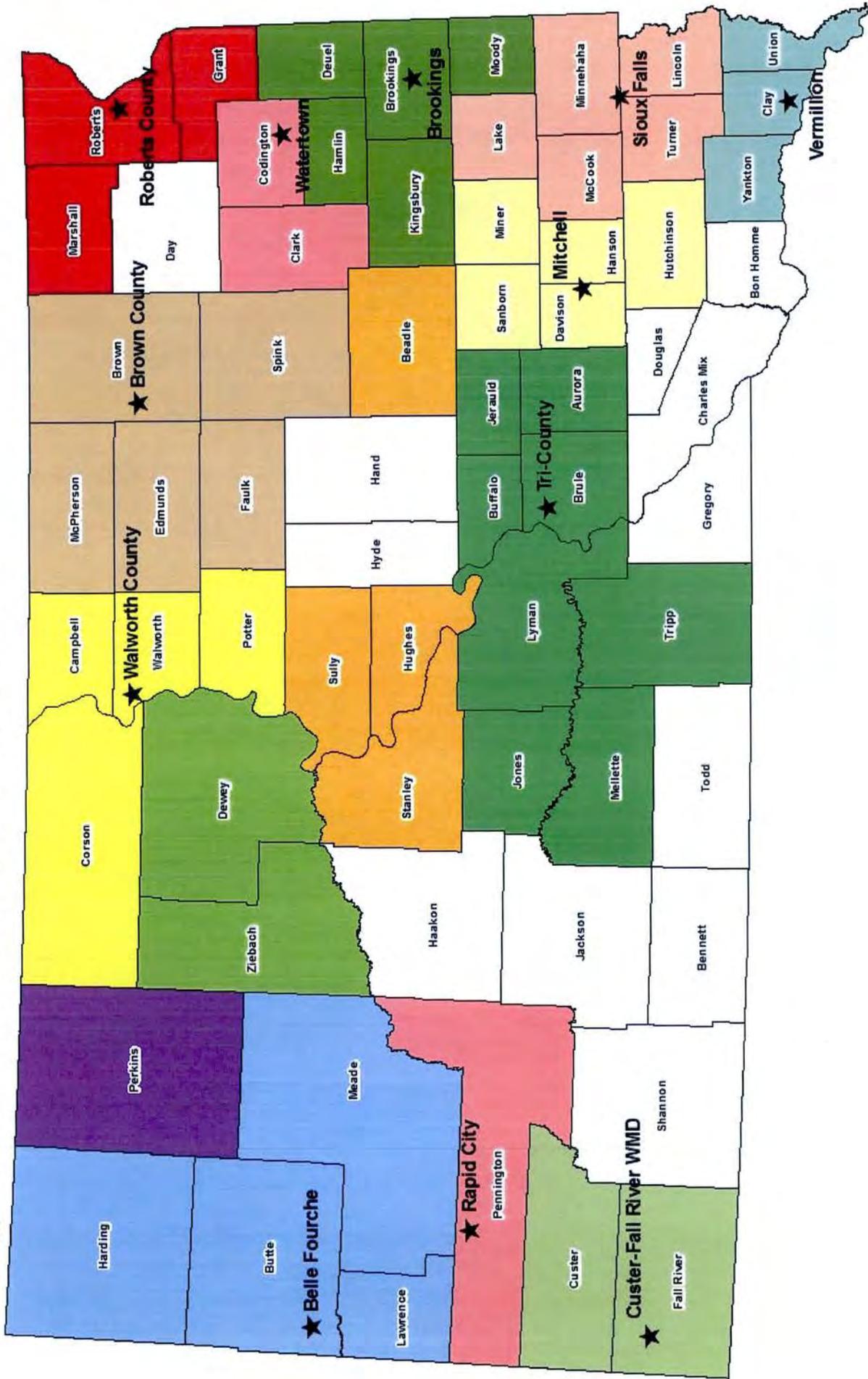
Sub-Grantee	Project Type	Obligated	Expended
Belle Fourche Landfill	Tires	\$100,000.00	(\$77,095.01)
Brookings Landfill	Tires	\$100,000.00	(\$99,833.97)
Brown County Landfill	Tires	\$100,000.00	(\$91,686.58)
Cheyenne River Sioux Tribe	Tires	\$162,000.00	(\$156,945.60)
Custer-Fall River WMD Landfill	Tires	\$100,000.00	(\$67,612.55)
Deadwood	Tires	\$30,000.00	(\$22,347.00)
Hughes and Stanley Counties	Tires	\$40,000.00	(\$39,088.40)
Huron	Tires	\$100,000.00	(\$51,779.20)
Mitchell Landfill	Tires	\$100,000.00	(\$55,253.43)
National Park Service	Tires	\$4,000.00	(\$3,800.26)
New Deal Tires	Tires	\$25,000.00	(\$23,944.80)
Perkins County	Tires	\$75,000.00	(\$26,187.66)
Rapid City Landfill	Tires	\$100,000.00	(\$80,306.40)
Roberts County Landfill	Tires	\$100,000.00	(\$44,861.15)
Sioux Falls Landfill	Tires	\$150,000.00	(\$56,223.58)
Spearfish	Tires	\$100,000.00	(\$100,000.00)
Sully County	Tires	\$20,000.00	(\$18,692.00)
Tri County Landfill	Tires	\$100,000.00	(\$82,968.15)
Vermillion Landfill	Tires	\$100,000.00	(\$77,953.75)
Walworth County Landfill	Tires	\$100,000.00	(\$94,513.28)
Watertown Landfill	Tires	\$100,000.00	(\$50,357.47)
White River	Tires	\$1,500.00	(\$993.60)
Tires Subtotal		\$1,807,500.00	(\$1,322,443.84)

Arlington School District	Other	\$3,292.50	(\$3,005.00)
Belle Fourche High School	Other	\$2,474.71	(\$1,947.46)
Big Stone City School District	Other	\$168.61	(\$168.61)
Centerville School District	Other	\$2,250.00	(\$2,250.00)
Chester Area School District*	Other	\$1,332.00	
Dakota Valley School District	Other	\$3,802.50	(\$3,802.50)
Dell Rapids School District	Other	\$1,873.36	(\$1,703.06)
Edmunds Central School	Other	\$3,200.00	(\$2,570.00)
Flandreau Public Schools	Other	\$3,664.26	(\$3,438.36)
Grant-Deuel School District*	Other	\$4,018.62	
Harrisburg School District*	Other	\$2,200.00	
Madison School District	Other	\$3,815.00	(\$3,355.00)
Miller School District	Other	\$3,918.35	(\$3,918.35)
Newell School District	Other	\$3,844.69	(\$3,495.17)
Parkston School District	Other	\$1,780.27	(\$1,615.86)
Sanborn Central School District	Other	\$1,848.81	(\$1,482.25)
South Central School District	Other	\$2,298.22	(\$2,169.82)
Vermillion School District	Other	\$2,498.75	(\$2,498.75)

South Dakota School Districts Provided Assistance



Regional Landfills and Individual Counties Provided Assistance



WRAP REVIEW SHEET
SOLID WASTE MANAGEMENT PROGRAM

ENGINEERING REVIEW COMPLETED BY: DREW HUISKEN

Applicant: South Eastern Council of Governments

Project Title: Solid Waste Management Regional Revolving Loan Fund
Recapitalization

Funding Requested: \$500,000

Other Proposed Funding: \$125,000 - Local Cash

Total Project Cost: \$625,000

Project Description: Secure funding to pass through to the South Eastern
Development Foundation to recapitalize a fund
promoting the Solid Waste hierarchy in for-profit
businesses in Clay, Lincoln, McCook, Minnehaha, Turner
and Union Counties.

Type: Special Purpose District

Service Population: 256,000

Financial & History Information: In March 2012, South Eastern Council of Governments
received a \$645,000 grant to pass through to the South
Eastern Development Foundation.

In May 2010, South Eastern Council of Governments
received a \$325,000 grant to pass through to the South
Eastern Development Foundation.

In January 2010, South Eastern Council of Governments
received a \$375,000 grant to pass through to the South
Eastern Development Foundation.

SECOG
SOUTH EASTERN COUNCIL OF GOVERNMENTS
SOUTH DAKOTA

RECEIVED
FEB - 9 2015
Division of Financial
& Technical Assistance

February 5, 2015

Mike Perkovich
SD-DENR
Joe Foss Building
523 East Capitol
Pierre, SD 57501-3182

Dear Mike:

As you requested in your letter of January 28, 2015 enclosed please find the Solid Waste Management Program Application from South Eastern Council of Government for its regional revolving loan fund. It is being resubmitted on form SD Eform 0482LD V2. Please replace the previous application with this one.

Should the Department have questions or comments pertaining to this application, please contact the Lynne Keller Forbes or me.

Sincerely,



Janice Gravning
Accountant

Enclosures

Solid Waste Management Program Application

FEB - 9 2015

Division of Financial
& Technical Assistance

Applicant/Tax ID #
South Eastern Council of Governments
46-0305845 SECOG
30-0017659 SEDF

Proposed Funding Package

SWMP Funds: \$500,000

Local Cash: \$125,000

Address
500 N. Western Avenue, Suite 100
Sioux Falls, SD 57104

Other: _____

Other: _____

Other: _____

Phone Number 605-367-5390

Total Project Cost: \$625,000

Project Title: Solid Waste Management Regional Revolving Loan Fund Recapitalization

Description:

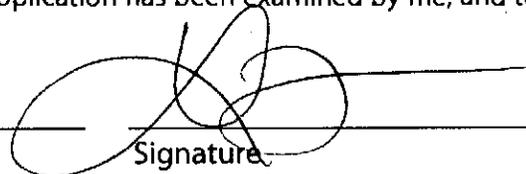
The purpose of this proposed \$500,000 grant is for the South Eastern Council of Governments (SECOG) to secure funding to pass through to the South Eastern Development Foundation (SEDF) to recapitalize a fund within SEDF's existing Economic Development Revolving Loan Fund. The fund is used to make loans for eligible purposes as defined under DENR's existing Solid Waste Management Program to for-profit businesses in Clay, Lincoln, McCook, Minnehaha, Turner and Union Counties.

The Applicant certifies that:

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

Lynne Keller Forbes, Executive Director

Name and Title of Authorized Signatory (Typed)



Signature

12/31/14
Date

Professional Contacts:

Application Prepared By: South Eastern Council of Governments

Contact Person: Janice Gravning

Mailing Address: 500 N. Western Ave., Suite 100

City, State, and Zip: Sioux Falls, SD 57104

Telephone Number: 605-367-5390 Fax: 605-367-5394

Email address: janice@secog.org

Consulting Engineering Firm: N/A

Contact Person:

Mailing Address:

City, State, and Zip:

Telephone Number: Fax:

Email address:

Legal Counsel's Firm: N/A

Legal Counsel:

Mailing Address:

City, State, and Zip:

Telephone Number: Fax:

Email address:

Finance Office: N/A

Contact Person:

Mailing Address:

City, State, and Zip:

Telephone Number: Fax:

Email address:

BUDGET SHEET

Cost Classification	A SWMP Funds	B Local Contributions	C	D	E	Total Funds
1. Administrative Expenses						
A. Personal Services						
B. Travel						
C. Legal						
D. Other						
2. Land, Structure, Right of Way						
3. Engineering						
A. Planning & Design Fees						
B. Project Inspection Fees						
C. Other						
4. Construction & Project Improvements						
5. Equipment						
6. Contractual Services						
7. Other Revolving Loan Fund	\$500,000	\$125,000				\$625,000
8. Other						
9. Subtotal (Lines 1-8)	\$500,000	\$125,000				\$625,000
10. Contingencies						
11. Total (Lines 9 - 10)	\$500,000	\$125,000				\$625,000
12. Total Percentage	80.00%	20.00%	0.00%	0.00%	0.00%	

Columns A - E: Identify each funding source and enter the amounts budgeted by cost category.

Proposed Method of Financing

	Secured Funds	Unsecured Funds	Date
SWMP Funds			
Local Cash			
Other: Solid Waste Grant		500,000	March 2015
Other: Local Contributions		125,000	As Needed
Other:			
Total		625,000	

Interest rate and term you are applying for: _____ %, _____ years.

What security is being pledged toward the repayment of this loan?

(Political Subdivisions Only)

- 1. General Obligation bond (requires bond election)
- 2. Revenue Obligation bond
- 3. Sales Tax Revenue bond

Other Funds to be Borrowed

	Amount	Rate	Term	Annual Debt Service	Security Pledged for Repayment	**Collateral Position
*Other:						
*Other:						
*Other:						

***Please attach copies of commitment letters that contain specific terms and conditions for each source of financing.**

****Please attach collateral information such as cost, book, and market values.**

Applicant Type Planning Agencies

Fiscal Year Ends December 31

Population Served

Current: 274,292 2010: 258,534 2000: 215,214

Estimated date construction or acquisition will commence: N/A

Estimated completion or acquisition and installation date: N/A

**Estimated Useful Life of Project: N/A

****The term of the loan cannot exceed the useful life of project**

Demographic Area

Identify and briefly describe the current area that is served and identify any new areas to be served as a result of this project.

SECOG is a planning and development district in southeastern South Dakota that serves Clay, Lincoln, McCook, Minnehaha, Turner, and Union Counties as well as the municipalities within those counties. The purpose of this proposed \$500,000 grant is to recapitalize a fund that has been established within the South Eastern Development Foundation's (SEDF) Economic Development Revolving Loan Fund to continue to make loans for eligible purposes as defined under DENR's existing Solid Waste Management Program in the SECOG region.

Services Provided

Describe the current services provided and identify any additional service as a result of this project.

See attached Three-Year Business Plan

Describe how the services or products provided with this project will assist in promoting the goals of the Solid Waste Management Hierarchy, which are identified on page 4 of the instructions.

See attached Three-Year Business Plan

Status report for all existing Solid Waste Management Program grants or loans

Grant/Loan #	Status
2010G-403	All grant funds have been expended. See attached Three-Year Business Plan
2013G-SW-103	All grant funds have been expended. See attached Three-Year Business Plan

If applicable, list the top three products that comprise the applicant's sales.

Name	City, State, & Phone	Products	% of Sales

If applicable, list the top three principal competitors and their current market share within the industry.

Name	City, State, & Phone	Products	% of Market Share

List all current debt pledged to the same proposed security for repayment of loan.

Purpose of Debt					
Year Debt acquired					
Security Pledged					
Amount					
Maturity Date (mo/yr)					
Debt Holder					
Debt Coverage Requirement					
Annual Required Payment					
Outstanding Balance					
Term					
Rate					

Please use additional sheets if necessary.

Property Tax Information:

(Complete this section only if General Obligation Bond is pledged to repay your loan)

Three year valuation trend:

Year	_____	_____	_____
Assessed Valuation	_____	_____	_____
Full & True Valuation	_____	_____	_____

Three year levies and collection trend:

Year	_____	_____	_____
Amount Levied	_____	_____	_____
Collected	_____	_____	_____
Penalties/Interest	_____	_____	_____
Late Payments	_____	_____	_____

Five Largest Taxpayers

Description

Assessed Valuation

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Additional Comments:

DENR Solid Waste Management Program Grant Application and Three-Year Business Plan

South Eastern Council of Governments - Applicant
South Eastern Development Foundation – Sub-Applicant
500 N. Western Avenue, Ste. 100
Sioux Falls, SD 57104

Lynne Keller Forbes, Executive Director
605-367-5390
lynne@secog.org

Executive Summary:

The purpose of this proposed \$500,000 grant is to recapitalize a fund that has been established within the South Eastern Development Foundation's (SEDF) Economic Development Revolving Loan Fund to continue to make loans for eligible purposes as defined under DENR's existing Solid Waste Management Program in Clay, Lincoln, McCook, Minnehaha, Turner and Union Counties.

In 2009, SEDF was awarded a \$250,000 grant by DENR to establish a loan fund to provide loans to for-profits businesses for solid waste disposal, recycling and waste tire projects. As demand for solid waste loans grew, SEDF was eventually awarded a total of \$1,345,000 in grant funds from DENR. Since the inception of SEDF's Solid Waste Management revolving loan sub fund in 2010, SEDF has funded 13 loans totaling \$1,923,492. The SEDF SWM loans leveraged additional dollars from banks, SBA, and the borrower providing a total economic impact of \$19,970,783. Additionally, the loans have led to the creation of 45.75 jobs and the retention of 10.5 jobs.

All previous DENR funds have been expended, and the demand for solid waste funds remains strong. SEDF recently approved a \$250,000 SWM loan that is contingent on receiving additional grant funding from DENR in order to fund the loan, This project would create 30 new jobs and would leverage over \$16 million in capital from other private sources which is a significant investment in the region as well as fulfilling the goal of the SWM program.

If awarded the grant, SEDF will use the additional funds to benefit the state's solid waste management mission by continuing to provide loans to for-profit businesses to promote the goals of the Solid Waste Management Program. SEDF markets its Economic Development Revolving Loan Fund program, including the Solid Waste Management Program funds, to local and regional businesses, lenders, community organizations, economic development professionals, realtors, and city officials, among others. Due to the efforts of SECOG within the 40 municipalities and six counties in the region, SEDF staff is able to promote the benefits of the program on a regular basis to a multitude of entities.

With the proposed funds, the capacity of public officials and economic development professionals to work effectively with employers would be expanded due to SEDF's relationships with employers, public officials, economic development professionals and the South Eastern Council of Governments (SECOG) and SECOG's relationships with public officials and economic development professionals. These established relationships provide for the communication and cooperation necessary for the increased capacity of public officials and economic development professionals to work effectively with businesses eligible to utilize the Solid Waste Management Program funds.

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Applicant:

South Eastern Council of Governments (SECOG)
500 N. Western Avenue, Ste. 100
Sioux Falls, SD 57104

Contact: Lynne Keller Forbes, Executive Director
Phone: 605-367-5390
E-mail: lynne@secog.org

Sub-Applicant:

South Eastern Development Foundation (SEDF)
500 N. Western Avenue, Ste. 100
Sioux Falls, SD 57104

Contact: Lynne Keller Forbes, Executive Director
Phone: 605-367-5390
E-mail: lynne@secog.org

Incorporated: 01/07/2002
IRS Status: 501(c)(3)

Sources & Uses of Funds:

Sources of Funds:		Uses of Funds:	
Solid Waste Management Program	\$ <u>625,000.00</u>	Revolving Loan Fund	\$ <u>625,000.00</u>
		Administration	\$ _____
TOTAL:	\$ <u>625,000.00</u>	TOTAL:	\$ <u>625,000.00</u>

Purpose of Proposed Grant:

The purpose of this proposed grant is to recapitalize SEDF's Solid Waste Management Revolving Loan Fund to make loans for eligible purposes as defined under DENR's existing Solid Waste Management Program in Clay, Lincoln, McCook, Minnehaha, Turner and Union Counties.

Description of Business and History:

SECOG is a planning and development district in southeastern South Dakota that serves Clay, Lincoln, McCook, Minnehaha, Turner, and Union Counties as well as the municipalities within those counties. South Dakota planning and development districts have provided staff support to local governmental entities for more than 40 years. Districts promote regional cooperation and the economical delivery of services.

SECOG relies on a variety of funding sources to sustain its existence including membership dues, state funds, federal funds, and by performing various other services under a contractual basis. SECOG has the power to apply for, receive, and expend grants of funds from local, state, and federal governments and from private individuals, foundations, and corporations.

SEDF was created, in part, as a result of SECOG's Comprehensive Economic Development Strategy, which identified "access to capital" as one of the top five needs of the region. As a result of the survey conducted, SECOG determined the need for SEDF to be created as a separate legal entity in an effort to meet the needs of its members. Through a contractual relationship, SECOG provides the staffing and manages the day-to-day operations of SEDF.

SEDF was incorporated in 2002 to stimulate economic development through the creation of a regional Revolving Loan Fund for residents and businesses in Clay, Lincoln, McCook, Minnehaha, Turner, and Union counties in southeastern South Dakota. SEDF's regional Revolving Loan Fund has two components: the Economic Development Revolving Loan Fund and the Housing Revolving Loan Fund.

The primary goal of SEDF is to improve the overall economic condition of the region by providing financial assistance to new and expanding businesses that are unable to secure the necessary capital to move their project forward through conventional financing sources. SEDF provides affordable financial assistance to at-risk populations such as low-income, unemployed, underemployed and dislocated workers that lack the initial capital required to expand or own a business and conduct an entrepreneurial venture. Services offered by SEDF include: application processing, credit analysis, loan closing, environmental reviews, technical assistance, and development services. Providing access to capital for individuals seeking to start or expand a small business often leads to additional employment opportunities, economic development, and long-term sustainability for many rural communities.

Market:

The products and services offered by SEDF are designed to meet the needs of the region that are not being met through existing lending sources. These programs are restricted either by the amount of funding they are able to provide, percentage limits in overall project costs, or exclusions of certain types of industries from being able to access the funds. SEDF works in conjunction with other established programs to fill the unmet need left by the restrictions listed above. This allows projects that previously have been unfunded or under-funded to move forward. Land, buildings, equipment and, most importantly, working capital are eligible expenses for the Economic Development Revolving Loan Fund program.

SEDF serves residents and businesses in Clay, Lincoln, McCook, Minnehaha, Turner, and Union counties in southeastern South Dakota. According to the 2010 U. S. Census, 256,524 (or 31%) of the State's 824,082 residents reside in this region.

SEDF will continue to market its Economic Development Revolving Loan Fund program, including the Solid Waste Management Program funds, to local and regional businesses, lenders, community organizations, economic development professionals, realtors, and city officials, among others. Due to the efforts of SECOG within the 40 municipalities and six counties in the

region, SEDF staff is able to promote the benefits of the program on a regular basis to a multitude of entities.

Community Impact:

To date, 144 business loans totaling \$15,791,247 million have been committed to new and existing businesses in the region. Since 2002, the total economic impact of SEDF's Economic Development Revolving Loan Fund in the region has been over \$135 million. These loans have resulted in the creation and retention of 1,478 jobs due to the projects completed with the loan funds provided by the South Eastern Development Foundation. An additional \$348,327 in Housing Revolving Loan funds has been provided to 15 low or very low income families in the region.

Since the inception of SEDF's Solid Waste Management revolving loan sub fund in 2010, SEDF has committed to 13 loans totaling \$1,923,492. The total economic impact for these loans exceeds \$19 million and has led to the creation of 45.75 jobs and retention of 10.5 jobs.

Management:

SECOG's Executive Board:

SECOG is governed by a 21 member Executive Board comprised of various city council members, mayors, county commissioners, and private sector representatives. SECOG's chair is an appointed individual without any voting rights.

SEDF's Board of Directors:

SEDF is governed by a five-member Board of Directors that also serves as the Business and Housing Revolving Loan Fund committee. The Board of Directors meets monthly, or as needed, to approve loans. Each board member serves a three-year term. The current SEDF board of directors includes:

<u>Name:</u>	<u>Board Position:</u>	<u>Occupation:</u>	<u>Company:</u>
Jennifer Larsen	President	Attorney/Partner	Hagen, Wilka & Archer, LLP
Roger Weber	Vice-President	Sr. Vice President/SF Market Manager	CorTrust Bank
Trent Prins	Secretary/Treasurer	Partner/CPA	Woltman Van Keerix & Stotz, PC
Raquel Blount	Director	VP/Commercial Sales and Leasing	Lloyd Companies
Steve Boote	Director	Owner	Eagle Construction

SEDF's Advisory Board:

SEDF also maintains a five-member Advisory Board that is in contact on a quarterly basis to provide feedback and recommendations to the Board of Directors concerning potential community and economic development opportunities. In an effort to maintain accountability to its target market, SEDF relies upon an Advisory Board that is geographically representative of the region. Directors must be low income individuals who live or work within the designated target market or be individuals who work for an organization (employee or board member), that

primarily provides services to low income people within the designated target market and support the overall mission of SEDF. Each Advisory Board member serves a three-year term. The current SEDF Advisory Board includes:

<u>Name:</u>	<u>Board Position:</u>	<u>Board Member/Employee of Low Income Organization:</u>
David Eisland	Chairman	VP Business Banking, Heritage Bank
Tony Nour	Vice-Chair	Credit Services Manager, First Premier Bank
Tom Shields	Secretary/Treasurer	VP Business Banking Manager, Great Western Bank
Elizabeth Schulze	Member	Architect, TSP Inc.
Ruth Christopherson	Member	SD/Global Community Relations, Citigroup, Inc.

Staff:

SEDF has strong organizational leadership, relevant project management experience, and a significant commitment of human resources talent to ensure the project's successful completion. The organization has experienced staff with the resources available to ensure Solid Waste Management Program funds are administered successfully. SEDF staff has been completing application processing, credit analysis, loan closing, environmental reviews, technical assistance, and development services since SEDF's creation in 2002. SEDF staff résumés are attached in Appendix A for the following individuals:

<u>Name:</u>	<u>Title:</u>	<u>Responsibility:</u>	<u>On Staff Since:</u>
Lynne Keller Forbes	Executive Director	Management	01/2001
Jessica Evans	Senior Loan Officer	Underwriting	03/2007
Trisha Viss	Loan Officer	Underwriting	01/2012
Dan Park	Loan Servicing Analyst	Underwriting	09/2013
Barb Martin	Closing Officer	Underwriting	02/2014
Bill Hansen	Loan Officer	Underwriting	11/2014

SEDF Loan Policy:

In accordance with the loan policies established by the SEDF Board of Directors for the Economic Development Revolving Loan Fund, SEDF typically accepts applications for \$20,000 to \$150,000 loans to fund the following activities: land, buildings, permanent fixtures, equipment and permanent working capital. Loans are amortized over the useful life of the asset to provide the borrower with the lowest monthly payment possible and typically have a five-year balloon. The interest rate is set from 4.75% to 8% depending on the location and risk of the loan and is fixed for the life of the loan.

However, if awarded the grant funds, SEDF will generally follow the established loan policies of DENR when funding a loan applicant. The Solid Waste Management Program funds received by SEDF are segregated from other SEDF funds in a separate bank account. Many of the funds SEDF has received in the past have specific requirements relating to how the funds can be used once they have been loaned out and paid back. At a minimum, SEDF continually tracks the source of funds used, source of match funds used, other funds leveraged, total economic impact,

jobs created or retained, and jobs that benefit low income individuals for each of its loans. In addition, SEDF tracks the source of funds to ensure loans made under this program will not exceed eighty percent (80%) of the nonfederal share of expenditures for the project.

Once a loan is awarded, staff collects quarterly financial statements from the borrower and meets with a borrower if it appears from the financial statements that the business is struggling. This additional servicing is completed in an effort to improve the business' operations and promote long-term business sustainability. SEDF also completes an annual site visit with each of its borrowers and verifies the number of employees that have actually been hired and/or retained versus what was projected on the loan application.

SEDF will utilize the additional grant funds from the Solid Waste Management Program to provide loans to for-profits businesses for solid waste disposal, recycling and waste tire projects. SEDF will apply the same interest rate as determined each year by the Board of Water and Natural Resources for the Solid Waste Management Program. The current interest rate is 2.25% for seven years, or the useful life of the project. The applicant will be charged a 1.5% origination fee and will be responsible for attorney closing fees and recording fees.

Specific application deadlines are not established. The SEDF Board of Directors typically meets on a monthly basis, or as needed, to approve loans. Loan applicants are typically notified the day of the meeting whether the loan application has received approval. In an effort to comprehensively evaluate each loan applicant, SEDF staff requires, at a minimum, the following information prior to making a recommendation to the Board of Directors:

- Completed SEDF loan application;
- Project summary including supporting cost documents;
- Résumés of principal owners;
- Personal financial statements for each owner of 20% or greater;
- Personal and business, if applicable, income tax returns for the past three years;
- Credit bureau reports;
- Business tax returns for past three years;
- Personal tax returns for past three years;
- Interim financial statements including balance sheet, income statement, aging of accounts receivable and aging of accounts payable, dated within the last 60 days;
- Year-end balance sheets and income statements for the past three years, if applicable; and
- Three year's projected balance sheet and income statements.

SEDF analyzes the financial information submitted with the application to determine the creditworthiness of the applicant, the applicant's financial capability necessary to plan, construct, operate, repair, and maintain the proposed solid waste management project and to obtain and administer the proposed funding for the project, the sufficiency of the proposed method of financing, and the adequacy of the collateral offered as security for the loan.

Eligibility requirements specific to the Solid Waste Management Program funds will be applied. However, only for-profit businesses will be eligible to apply through SEDF. Counties, cooperatives, municipalities, regional or state-wide planning agencies, federally recognized

Indian tribes, or special purpose districts considered eligible by DENR are ineligible to apply for funds through SEDF. In addition to the requirements outlined in SEDF's loan policy manual, in order to be eligible for funding consideration under the Solid Waste Management Program an application must:

- 1) Clearly show how the project will advance the state's solid waste management through:
 - a) Volume reduction at the source;
 - b) Recycling and reuse;
 - c) Use for energy production; and
 - d) Disposal in landfill or combustion for volume reduction.
- 2) Show potential cost savings, public health, or environmental benefits in solid waste management, waste tire management, or waste tire processing for energy production; and
- 3) Develop a plan, time schedule, budget, and provisions relating to the project.

Historical Financial Statements:

Historic Balance Sheets:

Type of Statement	Audited	Audited	Audited	Audited	Interim
# of Months:	12	12	12	12	10
Date of Statement:	12/31/2010	12/31/2011	12/31/2012	12/31/2013	10/31/2014
(In Thousands)	\$	\$	\$	\$	\$
ASSETS					
Cash in Checking	1,105.6	2,177.4	3,002.5	1,193.6	2807.6
Certificates of Deposit	691.2	0.00	0.0	0.0	0.0
Accounts Receivable	74.9	75.0	3.0	1.3	0.9
Interest Receivable	17.7	17.8	19.5	16.9	16.9
Notes Receivable-current maturities	508.0	0.0	0.0	946.8	0.0
Prepays	1.9	1.8	4.4	1.7	2.1
Other	0.0	0.0	0.0	290.7	0.0
Current Assets	2,399.3	2,272.0	3,029.4	2,451.0	2,867.8
Land	0.0	0.0	0.0	0.0	0.0
Buildings	0.0	0.0	0.0	0.0	0.0
Machinery & Equipment	9.9	8.7	8.7	0.0	0.0
Furniture & Fixtures	0.0	0.0	0.0	0.0	0.0
Autos & Trucks	0.0	0.0	0.0	0.0	0.0
Other Fixed Assets	0.0	0.0	0.0	24.3	24.3
Less Depreciation	-9.9	-8.7	-8.7	-8.7	-8.7
Net Fixed Assets	0.0	0.0	0.0	0.0	0.0
Intangible Assets (net)	0.0	0.0	0.0	0.0	0.0
Restricted Cash & Equivalents				1,874.7	
Notes Receivable	3,503.1	4,665.8	5,117.4	5,600.9	6,009.7
Less allowance for doubtful accounts	-189.1	-264.4	-327.1	-378.6	-432.9
Less current maturities	-508.0	0.00	0.0	-946.8	0.0
Long-Term Assets	2,806.0	4,401.4	4,790.3	6,165.8	5,592.3
TOTAL ASSETS	5,205.2	6,673.4	7,819.7	8,616.7	8,460.2
LIABILITIES					
Loan Funds Committed Not Disbursed	0.0	1,035.3	0.0	0.0	0.0
Accounts Payable	24.1	32.5	0.2	44.6	0.0
Taxes	0.0	0.0	0.0	0.0	0.0
Current LTD	188.6	0.0	0.0	214.4	0.0
Accruals	0.0	0.0	0.0	0.0	0.0
Other	0.0	19.8	0.0	0.0	0.0
Current Liabilities	212.7	1,087.6	0.2	259.0	0.0
Long-term Debt					
First National Bank of Sioux Falls	45.0	45.0	45.0	45.0	45.0
SD Housing	250.0	250.0	250.0	250.0	250.0
SDN	50.0	50.0	50.0	50.0	50.0
IRP	434.1	417.2	400.2	382.9	382.9
IRP #2	484.4	468.0	451.5	434.8	417.9

IRP #3	37.9	37.8	412.8	464.3	447.7
US Bank	150.0	150.0	150.0	150.0	150.0
1st Financial	50.0	50.0	50.0	50.0	50.0
Home Federal	50.0	50.0	50.0	50.0	50.0
MinnWest Bank	50.0	50.0	50.0	50.0	50.0
CDFI	61.5	61.5	61.5	61.5	61.5
REDI Fund	460.4	420.6	380.4	339.9	298.9
First Bank & Trust	50.0	50.0	50.0	50.0	50.0
1st Financial #2	50.0	50.0	50.0	50.0	50.0
Dacotah Bank	50.0	50.0	50.0	50.0	50.0
REDLG	799.3	683.7	568.1	445.7	356.3
1st Financial #3	250.0	250.0	250.0	250.0	250.0
1st Financial #4	0.0	0.0	148.8	141.8	135.9
U.S. Treasury	0.0	240.0	240.0	240.0	240.0
State Theatre	0.0	0.0	550.0	550.0	0.0
SBA ILP	0.0	0.0	500.0	1,000.0	1,000.0
Less Current LTD	-188.6	0.00	0.0	-214.4	0.0
Total Long-term Debt	3,133.9	3,374.0	4,758.3	5,105.8	5,035.3
Subordinate Officer	0.0	0.0	0.0	0.0	0.0
Loans from Stockholders	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0
Long-Term Liabilities	3,133.9	3,374.0	4,758.3	5,152.4	5,035.3
TOTAL LIABILITIES	3,346.7	4,461.6	4,758.4	5,411.4	5,035.3
NET ASSETS	1,858.5	2,211.8	3,061.2	3,205.4	3,429.5
TOTAL LIAB & NET WORTH	5,205.2	6,673.4	7,819.7	8,616.7	8,460.2

The table above shows SEDF's historic Balance Sheet for 2010 through 2013 as derived from audited financials. Also included are interim financials through October 2014 generated internally by SEDF.

A majority of Current Assets consists of cash. Long Term Assets have continued to increase as SEDF has expanded its loan portfolio, and overall, SEDF's Total Assets have continued to grow each year.

Liabilities are shown by financial institution. Additional information regarding the Long Term Liabilities is included in the attached audits included in Appendix C. Overall, equity has continued to increase.

Historic Income Statements:

Type of Statement	Audited	Audited	Audited	Audited	Interim
# of Months:	10	12	12	12	10
Date of Statement:	12/31/2010	12/31/2011	12/31/2012	12/31/2013	10/31/2014
(In Thousands)	\$	\$	\$	\$	\$
INCOME STATEMENT:					
Grants (Capital and Operating)	487.4	324.2	783.0	244.3	215.4
Loan Origination Fees	22.2	11.2	38.6	25.9	21.9
Interest income on cash	37.8	32.3	26.8	29.2	21.1
Interest incomes on notes receivable	184.3	218.6	231.8	248.1	206.2
Income from Housing Activity	0.0	0.0	0.0	25.7	0.0
Other Income	2.8	.7	.2	1.5	.6
Total Revenues	734.5	587.1	1080.4	574.7	465.2
Administrative Expense	94.0	117.8	114.9	157.4	131.2
Business Development	2.3	1.8	1.8	3.0	2.0
Insurance	1.9	2.0	2.1	1.9	1.7
Depreciation	0.0	0.0	0.0	0.0	0.0
Interest	25.1	30.1	41.4	49.6	42.5
Legal & Professional Fees	6.6	7.7	8.8	8.0	8.5
Computer Software	0.9	1.1	1.0	1.1	0.0
Housing Activities	0.0	0.0	0.0	21.2	
General Reserve Expense	48.0	48.0	48.0	48.0	40.0
IRP Reserve Expense	12.0	24.0	12.0	12.0	10.0
Grant Funded Bad Debts (Loans)	34.9	0.0	0.0	127.8	0.0
Other Operating Expenses	1.5	1.3	1.0	1.6	5.1
Total Expenses	227.2	233.9	230.9	430.5	241.1
Other Income	0.0	0.0	0.0	0.0	0.0
Other Expenses	0.0	0.0	0.0	0.0	0.0
Income (Loss) Before Taxes	507.3	353.3	849.5	144.2	224.1

The table above shows the historic audited Income Statements for SEDF from 2010 through 2012 and the internal Income Statement through October 2014.

Revenues have generally continued to increase. Administrative expenses, which include the cost of staff salaries, have continued to increase as SEDF has progressed from nine loan approvals in 2007 to 16 loan approvals in the first ten months of 2014. Depreciation expense is negligible. Interest expense has continued to increase, as SEDF pays interest only on a number of notes payable as outlined in the audit.

Pro-Forma Financial Statements:

Type of Statement	Interim	Budget	Projected	Projected
# of Months:	10	12	12	12
Date of Statement:	10/31/2014	12/31/2015	12/31/2016	12/31/2017
(In Thousands)	\$	\$	\$	\$
INCOME STATEMENT:				
Grants (Capital and Operating)	215.4	10.0	10.0	10.0
Loan Origination Fees	21.9	21.6	24.0	26.4
Interest income on cash	21.1	26.0	17.3	15.9
Interest incomes on notes receivable	206.2	265.0	279.6	292.2
Income from Housing Activity	0.0	280.0	0.0	0.0
Other Income	0.6	0.0	0.0	0.0
Total Revenues	465.2	602.6	330.9	334.5
Administrative Expense	131.2	180.0	185.0	190.0
Business Development	2.0	3.0	3.0	3.0
Insurance	1.7	2.2	2.2	2.3
Depreciation	0.0	0.0	0.0	0.0
Interest	42.5	62.9	61.1	57.0
Legal & Professional Fees	8.5	11.5	11.5	11.5
Computer Software	0.0	0.0	0.0	0.0
Housing Activities	0.0	0.0	0.0	0.0
General Reserve Expense	40.0	28.8	32.0	35.2
IRP Reserve Expense	10.0	7.0	10.3	7.3
Grant Funded Bad Debts (Loans)	0.0	0.0	0.0	0.0
Other Operating Expenses	5.1	0.5	0.5	0.5
Total Expenses	241.1	295.8	305.6	306.8
Other Income	0.0	0.0	0.0	0.0
Other Expenses	0.0	0.0	0.0	0.0
Income (Loss) Before Taxes	224.1	306.8	25.3	37.7
Income Tax	0.0	0.0	0.0	0.0
Net Income (Loss)	224.1	306.8	25.3	37.7
Beginning Net Assets	3,205.4	3,429.5	3,736.3	3,736.3
Ending Net Assets	3,429.5	3,736.3	3,761.6	3,761.6
Cash Flow for Debt Service				
Net Income	224.1	306.8	165.0	165.0
+ Depreciation Expense	0.0	0.0	0.0	0.0
+ Interest Expense	42.5	62.9	61.1	57.0
+ Change in Working Capital	0.0	0.0	0.0	0.0
+ Grant Contributions (Income) Designated for RLF Loan Capital	-205.4	0.0	0.00	0.0
+ Grant Funded Bad Debt Expense (net against RLF Capital)	0.0	0.0	0.0	0.0
+ Principal Repayment from SEDF's Loan Portfolio	1,519.4	1,755.7	1,713.3	2,176.3
Cash Flow Available for Debt Service or Revolved Lending	1,580.6	2,125.4	1,939.4	2,398.3
Debt Service				
Principal Paid	176.7	365.4	216.4	912.7
Interest Paid	42.5	62.9	61.1	57.0
Total Debt Service	219.2	428.3	277.5	969.7

- Expanded mission to include affordable housing
- Secured over \$8.0 million in funding from federal, state, local, and private entities to capitalize the loan funds and over \$350,000 in grants to fund administrative expenses
- Obtained Community Development Financial Institution (CDFI) certification from the U.S Department of Treasury
- Oversee marketing of the fund and the underwriting, closing and servicing of loans

April 2006-Present

Executive Director

Dakota BUSINESS Finance
500 N. Western Ave., Suite 100, Sioux Falls, SD 57104

- Created Dakota BUSINESS Finance to provide the Small Business Administration's 504 loan program to promote job creation and retention
- Obtained designation as Certified Development Company from the Small Business Administration to provide the 504 program statewide
- Responsible for marketing the 504 Program to bankers, realtors, economic development professionals, and the general public
- Oversee the underwriting, closing and servicing of 504 loans
- Awarded the 2010 National Small CDC of the year by the Small Business Administration
- Awarded the 2009, 2010, 2011 and 2012 Asset Builder of the Year by SBA for South Dakota

October 1993-August 1998

Program Specialist II/Accountant/Policy Analyst

South Dakota Department of Environment and Natural Resources
523 East Capitol Ave., Pierre, SD 57501

- Administered the Clean Water and Drinking Water State Revolving Loan Fund (SRF) Programs with over \$100 million in assets
- Analyzed grant and loan applications for funding recommendations to the Board of Water and Natural Resources and authorized disbursements of project funds
- Issued tax-exempt revenue bonds and managed existing bond issues to ensure compliance with requirements including repayment of the bonds, secondary market disclosure filings, and arbitrage rebate calculations
- Assisted large water projects to secure federal authorization and appropriations
- Prepared written and oral testimony for congressional and legislative hearings

PROFESSIONAL BOARD SERVICE AND DEVELOPMENT

- South Dakota Bar Association Member
- National Association of Development Organizations: Second Vice President
- Sioux Falls Metropolitan Planning Organization Technical Advisory Committee: Vice Chair
- Federal Home Loan Bank of Des Moines Advisory Board Member
- National Development Council Certified Economic Development Finance Professional
- National Development Council Certified Housing Development Finance Professional
- Sioux Falls Districting Commission: Former Chair
- Sioux Falls Tomorrow II: Former Steering Committee Member and Discussion Leader
- SD Rural Development Council: Former Chair and Director

Jessica R. Evans

1001 Birdie Drive
Dell Rapids, SD 57022

Cell Phone: (605) 310-5680
E-mail: evansjess@yahoo.com

Work Experience

South Eastern Council of Governments, Sioux Falls, SD

Senior Loan Officer

February 2012-Present

Economic Development Director

March 2007-April 2011

- Analyze business plans, historical and projected financial statements and overall portfolio riskiness and present formal credit recommendations to Board of Directors of two separate non-profit entities (Dakota BUSINESS Finance and South Eastern Development Foundation)
- Develop complex financing packages to meet the capital needs of new and expanding businesses
- Conduct monthly account reconciliations of twelve checking accounts and dozens of funding sources using both cash and accrual-based methods
- Underwrite and package applications and close loans to ensure compliance with all regulations associated with a number of federal agencies
- Prepare monthly agendas and written and oral presentations to Board of Directors
- Serve as liaison and build and maintain effective relationships with the business community, chamber of commerce, economic development organizations, governmental agencies and communities throughout region
- Develop marketing strategies to encourage use of economic development financing tools, technical assistance programs and other services provided by the agency to lenders, realtors, economic development professionals and general public
- Participate in development of goals and implementation of program objectives, policies and priorities
- Write reports and complete multifaceted federal and community grant and loan applications
- Service economic development and affordable housing loan portfolios in excess of \$50 million
- Manage construction projects including administration of grant and loan funds from federal, state, and local agencies
- Present to boards, city councils, county commissions, business and community organizations

Economic Development Specialist

- Prepare yearly budgets for Board of Director approval for two separate non-profit organizations
- Conduct loan closings, site visits and loan portfolio maintenance for two non-profit entities
- Work with legal counsel to prepare loan closing documents, disburse funds, and file appropriate instruments to perfect security interests in lien positions
- Service all loans including monitoring monthly financial statements, conducting site visits, and gathering insurance policies, tax returns and employment verifications

Wells Fargo, Sioux Falls, SD

May 2011-February 2012

Senior Business Relationship Manager

- Acquired, managed and grew profitable relationships with medium to complex sized business customers with annual gross sales of \$2-20MM
- Ensured overall success and growth of portfolio by deepening relationships of existing customers and through constant acquisition of new customers
- Proactively partnered with existing customers in order to fully understand their businesses, goals and challenges and effectively assess customer financial needs to deliver a variety of financial products and services to help customers succeed financially
- Collaborated with bank management and credit officers to negotiate loan structure and collateral requirements while still meeting customer needs

- City of Hutchinson**, Hutchinson, MN 2006
Economic Development Authority Assistant
- Managed the City's \$1.2 million revolving commercial loan fund and two EDA grant programs
 - Served as primary staff person for the Hutchinson Downtown Association and its committees
 - Assisted with various economic development projects including: industrial park expansion, business retention/expansion and business recruitment
 - Extensive public contact/public speaking including regular interactions with City Council, Planning Commission and Chamber of Commerce
 - Updated the Main Street area districts sign ordinances and reviewed grant guidelines

Education

- Masters of Business Administration** 2009
 University of South Dakota, Vermillion, SD
- Completed advanced degree while working full-time
- Bachelor of Science in Management** 2006
 St. Cloud State University, St. Cloud, MN
- *Honors:* Summa Cum Laude
- Bachelor of Science in Aeronautical Studies** 2003
 University of North Dakota, Grand Forks, ND
- *Honors:* Summa Cum Laude *Major:* Air Traffic Control *Emphasis:* Communication

Supplemental Experience

- Lutheran Social Services** 2012-Present
 USUCCEED Mentor (in collaboration with Sioux Empire United Way), Sioux Falls, SD
- Junior Achievement** 2012-Present
 Board Member, Annual Golf Fundraising Event Chair (2013), Dell Rapids, SD
- Dell Rapids Lutheran Church** 2010-2012
 Board of Directors, Board of Education, Dell Rapids, SD
- Young Professionals Network, Sioux Falls Chamber of Commerce** 2009-2013
 Civic & Economic Development Action Team, Sioux Falls, SD
- Sioux Empire United Way** 2008-2010, 2013
 Employee Campaign Manager, Non-Profit Division, Sioux Falls, SD
- Economic Development Finance Professional Certification** 2008
 National Development Council, New York, NY
- Completed comprehensive training series designed for economic development finance practitioners
 - Advanced training in business credit and real estate finance analysis, loan packaging, negotiating, problem solving and deal structuring
- President** 2002
 Student Air Traffic Control Association, University of North Dakota
- Prepared and conducted weekly officer and group meetings and improved recruitment by 33 percent
 - Oversaw volunteer roles and contributions by recruiting, screening, supporting and training
 - Evaluated Air Traffic Control students throughout semester in preparation for final evaluation

TRISHA A. VISS

3901 S. Nelson Circle
Sioux Falls, SD 57106
(605) 940-5254
trisha_viss@yahoo.com

EDUCATION

Northwestern College, Orange City, Iowa May 2005

- Bachelor of Arts in Business Administration/ Finance and Marketing

WORK EXPERIENCE

South Eastern Council of Governments, Sioux Falls, SD
Loan Officer January 2012 – Present

- Market, underwrite, and package loans for Dakota BUSINESS Finance and the South Eastern Development Foundation
- Spread and analyze business financial statements
- Complete quarterly reporting requirements for loan funding sources

RJF, a Marsh & McLennan Agency Company, Minneapolis, MN
Claims Liaison March 2008 – January 2012

- Research and respond to internal and external claim issues in a timely manner
- Work closely with adjusters and clients to manage claims
- Maintain claim reports for clients' review on a weekly basis
- Explain claim process to clients and report new losses to carriers

Doell & Associates Insurance Services, Manhattan Beach, CA
Jr. Account Manager/ Bookkeeper June 2007 – December 2007

- Work with carriers to obtain quotes, bind coverage and amend policies
- Review policies and endorsements for errors, work with carrier to make revisions
- Report claims to carrier and produce monthly reports for each client
- Invoice bills, monitor accounts receivable, follow up for payments

AppleOne, El Segundo, CA (Contract Position)
Human Resources Assistant April 2007 – June 2007

- Screen and manage resumes, maintain applicant logs, schedule interviews
- Conduct New Employee Orientation

MetaBank, Sioux Falls, SD
Credit Analyst January 2006 – March 2007
Customer Service Representative October 2005 – January 2006

- Work with commercial loan officers to create approval packets and annual reviews for loan committee
- Analyze and spread business and personal financial statements
- Complete appraisal reviews and prepare real estate evaluations
- Monitor loan covenants

SKILLS

Computer: Proficient in Word, Excel, Internet Explorer, Microsoft Outlook, TAM
Working knowledge of PeopleSoft, PowerPoint, OrgPlus, Meeting Maker,
Winfast, Risk Analyst

WILLIAM H. HANSEN

EDUCATION

2014	NeighborWorks – Homebuyer Education Certification	
2013	NeighborWorks - Economic Development Certification	
2010	NDC - Housing Development Finance Professional Certification	
2002	South Dakota Agriculture & Rural Leadership - Class I President	
1993	ABA Graduate School of Banking	@ U of Wisconsin
1989	ABA Agriculture Credit School	@ Iowa State
1983	Education & Coaching Certification	SDSU
1979	Bachelor of Science, Animal Science	SDSU

PROFESSIONAL & MANAGEMENT EXPERIENCE

Nov 2014-Present South Eastern Council of Governments, Sioux Falls, SD

Loan Officer

- Dakota Business Finance – 504 Loan Packaging
- South Eastern Development Foundation – RLF
- Governor’s House Program – Sales Representative

May 1979-Nov 2014 Hansen Farms Centerville, SD

Grain Farmer

- 2,800 acres of irrigated and dry land corn and soybeans.
- Family farm operation with brother, son & nephew
- Focus on financial & risk management

January 2007-Nov 2014 City of Centerville, SD

Economic Development Coordinator, responsibilities include:

- Business recruitment, retention & expansion
- Affordable housing development
- Community & business promotion
- Community development projects
- Grant writing
- Develop strategic partnerships

September 1998-2011

Agriculture Finance Counselor/Consultant

- South Dakota Department of Agriculture

- First Dakota National Bank
- Home Federal Bank

Assisted farmers, ranchers and lenders on agriculture financial issues
Packaged, originated and serviced FSA Guaranteed Loans

Jan 1993-Sept 1998 First Dakota National Bank Vermillion, SD

Vice President/Agriculture Lending, responsibilities included:

- Originating and servicing agriculture operating and RE loans

Jan 1986-Jan 1993 First Midwest Bank Centerville, SD

Agriculture Loan Officer, responsibilities included:

- Originating, servicing and managing Ag operating and RE loans

COMMUNITY INVOLVEMENT & RECOGNITION

- Board Member, South Dakota Housing Development Authority
- Board Member, SD Dept. of Ag - Value Added Finance Authority
- Advisory Council, Federal Home Loan Bank – Des Moines
- Board Member, Sioux Empire Housing Partnership
- Treasurer, Inter Lakes Community Action Partnership
- Board Member, Centerville Board of Education
- Recipient SD Excellence in Economic Development Award 2013

Daniel P. Park
3604 W. 90th Street
Sioux Falls, SD 57108
(605) 481-9003

Experience

South Eastern Council of Governments, Sioux Falls, SD

2013 to Present

Servicing Analyst

- Provide support for the SBA 504 loan program through Dakota Business Finance.
- Provide support for the South Eastern Development Foundation's regional revolving loan fund portfolios.
- Responsible for conducting annual site reviews and credit analysis, risk rating of loans and day to day servicing of loans.
- Responsible for delinquencies, workout situations and liquidations.

Andes State Bank, Lake Andes, SD

1983 to 2013

Vice President

- Current Bank assets are 21MM; manage 89% of loan portfolio which includes agricultural, commercial and consumer loans. Since becoming Vice President of Loans in July of 2009, increased loans 40%.
- IT Administrator responsible for Information System maintenance, security and development of Information Security Program addressing contingency plans, operating policy and risk assessment.
- Supervise operations and data processing staff to maintain system integrity.
- Andes State Bank Board of Directors Secretary

Randall Lake Insurance Agency, Lake Andes, SD

1983 to 2013

Licensed Insurance Agent

- Produce and service insurance products.
- Manage and supervise other agents.
- Report directly to owners.
- Implemented computerized agency programs.

Andes Realty, Lake Andes, SD

2000 to 2013

Licensed Real Estate Broker

- Created Real Estate Agency to serve the Lake Andes community.
- Create policies and maintain records for audit.

Cooperative Extension Service, Brookings, SD

1981 to 1983

Extension Agent

- Disseminate information developed by Land Grant University.
- Conduct research concerning agricultural issues.
- Agent Team developed existing State 4-H Rate-of-Gain Beef Program.

Education

Bachelor of Science in Agricultural Business, December 1980
South Dakota State University, Brookings, SD

Course studies include:

Economics	Accounting
Agricultural Finance	Computers
Animal Science	System Analysis and Design
Farmers Home Administration Internship	

Economic Development Finance Professional certification program

Completed the following courses:

- Economic Development Finance
- Business Credit Analysis
- Real Estate Finance

Community Involvement

Mayor of Lake Andes and Past President of City Council

Secretary/ Treasurer and Past President of the Lakers Club

Treasurer and founding member of South Central Chapter of Abate of South Dakota

Past President of Charles Mix County Conservation District

Member and Past President of:

- St Marks Church
- Lake Andes Community Club
- Randall Hills Country Club
- Andes Central Athletic Boosters

BARBARA J MARTIN

3619 W Ralph Rogers Rd #206 Sioux Falls, SD 57108 | 507.358.7799 | Barb.martin87@gmail.com

OBJECTIVE

Dedicated professional with experience in all aspects of new construction and residential real estate. Profound ability to exercise independent judgment in business and legal issues. Excellent ability to handle fast paced environment with tight deadlines and multiple demands. Proven leadership and management skills. Highly ethical professional known for integrity in all matters.

PROFESSIONAL EXPERIENCE

South Eastern Council of Governments

2/19/2014 – Present

500 North Western Avenue Suite 100 Sioux Falls, SD 57104

- Closing Officer Responsible for, preparing documents, conducting closing/signing of legal documents for Small Business Administration 504 Loans
- Closing Officer Responsible for, preparing documents, conducting closing/signing of legal documents for South Eastern Development Foundation loans
- Works in coordination with borrowers ,title companies and lenders in drawing funds to pay subcontractors, budget tracking as set by the construction statement and or change orders, collection of all lien waivers for construction projects funded by South Eastern Development Foundation loan proceeds
- Notary Public

Ohly Law Office, Legal Assistant Real Estate

1/2/1995 – 2/15/2014

1850 North Broadway Rochester, Mn 55906

- New Construction Administrator Responsible for all construction loan closings, preparing documents, priority photos, progress inspections, disbursement of funds
- Works in coordination with builders, homeowners and lenders in drawing funds to pay subcontractors, budget tracking as set by the sworn construction statement and or change orders, collection of all lien waivers and 1099 reporting
- Contract for Deed Specialist Responsible for preparing all closing documents, conducts closing/signing of legal documents for purchase and sale Responsible for disbursement of funds
- Closer Real Estate Preparation of loan documents, conducts closing/signing of legal documents for purchase, sale and refinance of real estate , responsible for disbursement of funds
- Notary Public

10/1/2009 – Present

Reynolds Properties of Rochester, LLC Bookkeeper

3552 West River Parkway Rochester, MN 55901

- Bookkeeper - 110+ properties sold on Contract for Deed and 30+Rentals
- Responsible for collection of payments, insurance, mortgage payments, 1098 and CRP reporting
- Preparation of legal documents required for eviction, cancellation of Contract for Deed, Quit Claim Deeds

Portage Townhomes Homeowners Association Bookkeeper

10/1/2009 – 12/31/2013

Rochester, MN

- New 72 unit townhome project presently under construction Bookkeeper Responsible for collection of association dues, bill payment approximately 30 units sold

Preferred Security Office Manager

1992 - 1994

Rochester, MN

- Office Manager Security System Company General office administration, payroll, managed the sales and installation teams

Burnet Realty - Realtor

1983 - 1993

315 Elton Hills Drive NW Rochester, MN 55901

- Realtor specialized in new construction
- Advertising Coordinator Photographer Developed and produced the monthly Home Seller Magazine and advertising campaigns
- Numerous Top 10 Producer Awards
- Executive Sales Associate Graduate Realtors Institute
- Served on Realtor Association PR Committee and Community Involvement Committee

SKILLS PROFILE

- LMS, Portfol, SoftPro, MS Office Pro, QuickBooks, The Mortgage Office

COMMUNITY SERVICE

- Jr. Achievement of Rochester President, President Elect, 10 year Board member Recipient of Bronze Leadership Award, 2 Volunteer of the Year Awards
- Jr. Achievement Minnesota Social Studies Articulation Committee
- Jr. Achievement of Rochester Project Business Partners Program Fundraising
- Jr. Achievement of Rochester Applied Economics Classroom Consultant - 6 years
- Jr. Achievement of Rochester Duck Derby Chairperson Committee Member - 5 years
- Served on the Jefferson Center Policy Jury for Low to Moderate Income Housing in Rochester & Olmsted County
- Co-Founder Celebration of Lights Citywide Christmas lighting contest, Rochester Mn
- Co-Editor Minnesota Paint Horse Association Newsletter
- Minnesota Paint Horse Association Board Member
- Minnesota Riverland Technical College Health-Safety Fair Co-Chair
- United Way Fundraising Campaign Coordinator
- Community Service Award from American Heart Association Fundraising volunteer

**SOUTH EASTERN DEVELOPMENT FOUNDATION
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QUAM & BERGLIN, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
110 WEST MAIN - P.O. BOX 426
ELK POINT, SOUTH DAKOTA 57025

(605) 356-3374

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
South Eastern Development Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of South Eastern Development Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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 audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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 organization'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 organization'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 South Eastern Development Foundation, as of December 31, 2013, and 2012, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, as required by the Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and are not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2014, on our consideration of South Eastern Development Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 East Development Foundation's internal control over financial reporting and compliance.

Quam & Berglin, P.C.

Quam and Berglin, P.C.
Elk Point, South Dakota

February 21, 2014

SOUTH EASTERN DEVELOPMENT FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,193,561.28	\$ 1,125,930.60
Accounts Receivable	1,341.68	3,016.29
Accrued Loan Interest Receivable	16,922.48	19,469.48
Inventory Held for Resale	290,702.67	
Prepaid Expenses	1,665.30	4,389.50
Current Maturities-Notes Receivable	946,763.37	599,919.52
TOTAL CURRENT ASSETS	<u>2,450,956.78</u>	<u>1,752,725.39</u>
LONG TERM ASSETS		
Notes Receivable	5,600,868.31	5,117,449.11
Less: Allowance for Loan Losses	(378,644.20)	(327,132.31)
Less: Current Maturities	(946,763.37)	(599,919.52)
TOTAL LONG TERM ASSETS	<u>4,275,460.74</u>	<u>4,190,397.28</u>
CAPITAL ASSETS		
Property & Equipment	24,300.00	8,700.00
Less Accumulated Depreciation	(8,700.00)	(8,700.00)
TOTAL CAPITAL ASSETS	<u>15,600.00</u>	<u></u>
TEMPORARILY RESTRICTED ASSETS		
Restricted Cash & Equivalents	1,874,707.22	1,876,557.05
TOTAL TEMPORARILY RESTRICTED ASSETS	<u>1,874,707.22</u>	<u>1,876,557.05</u>
TOTAL ASSETS	<u>\$ 8,616,724.74</u>	<u>\$ 7,819,679.72</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 43,938.05	\$ 179.32
Rental Deposits	600.00	
Current Portion of Long Term Debt	214,440.77	214,203.20
TOTAL CURRENT LIABILITIES	<u>258,978.82</u>	<u>214,382.52</u>
LONG-TERM LIABILITIES		
Notes Payable	5,366,824.30	4,758,255.06
Less: Current Portion	(214,440.77)	(214,203.20)
TOTAL LONG-TERM LIABILITIES	<u>5,152,383.53</u>	<u>4,544,051.86</u>
TOTAL LIABILITIES	<u>5,411,362.35</u>	<u>4,758,434.38</u>
NET ASSETS		
Unrestricted	1,330,655.17	1,184,688.29
Temporarily Restricted	1,874,707.22	1,876,557.05
TOTAL NET ASSETS	<u>3,205,362.39</u>	<u>3,061,245.34</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,616,724.74</u>	<u>\$ 7,819,679.72</u>

The attached notes are an integral part of these financial statements

**SOUTH EASTERN DEVELOPMENT FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31,**

	2013			2012	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
REVENUE AND OTHER SUPPORT:					
Grants, Gifts, and Donations	\$ 10,000.00	\$ 234,302.30	\$	\$ 244,302.30	\$ 782,964.29
Loan Origination Fees	17,732.74	8,204.89		25,937.63	38,552.64
Investment Income	15,334.56	13,856.66		29,191.22	26,833.57
Loan Interest Income	157,455.94	90,631.09		248,087.03	231,823.95
Income from Housing Activities	25,676.05			25,676.05	
Miscellaneous Income	470.61	1,000.00		1,470.61	211.99
Total Revenue and Other Support	226,669.90	347,994.94		574,664.84	1,080,386.44
Net Program Assets Released					
From or Added to Restrictions	349,844.77	(349,844.77)			
EXPENSES:					
Program Services	430,547.79			430,547.79	230,931.85
Total Expenses	430,547.79			430,547.79	230,931.85
INCREASE (DECREASE) IN NET ASSETS					
Beginning Net Assets	145,966.88	(1,849.83)		144,117.05	849,454.59
	1,184,688.29	1,876,557.05		3,061,245.34	2,211,790.75
NET ASSETS AT END OF YEAR	\$ 1,330,655.17	\$ 1,874,707.22	\$	\$ 3,205,362.39	\$ 3,061,245.34

The attached notes are an integral part of these financial statements

**SOUTH EASTERN DEVELOPMENT FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31,**

	2013		2012
	PROGRAM SERVICES	SUPPORTING SERVICES ADMINISTRATIVE	TOTAL
Administrative Expense	\$ 157,382.71		\$ 114,904.23
Business Development	2,048.34		1,779.12
Housing Activities	21,229.90		
Insurance	1,896.70		2,087.00
Dues/Subscriptions			205.00
Interest Expense	49,528.40		41,381.71
Legal & Professional Fees	8,018.82		8,812.79
Maintenance Fee	1,070.00		1,020.00
Miscellaneous	1,592.63		742.00
Grant Funded Bad Debts	127,780.29		
General Reserve Expense	48,000.00		48,000.00
IRP Reserve Expense	12,000.00		12,000.00
TOTAL EXPENSES	\$ 430,547.79	\$ 430,547.79	\$ 230,931.85

The attached notes are an integral part of these financial statements

**SOUTH EASTERN DEVELOPMENT FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities:		
Received from Grants and Contracts	\$ 245,976.91	\$835,133.97
Received from Loan Origination Fees	25,937.63	38,552.64
Received from Interest Income	279,825.25	257,023.95
Received from Housing Activities	25,676.05	
Received from Other Operating Income	1,470.61	211.99
Payments for Operating Expenses	<u>(195,684.57)</u>	<u>(205,838.91)</u>
Net Cash Provided (Used) by Operating Activities	<u>383,201.88</u>	<u>925,083.64</u>
Cash flows from Investing Activities:		
Received on Loans Receivable	2,539,998.18	923,282.31
Loans Receivable Disbursed	(3,162,685.78)	(2,410,294.70)
Collections on Loans Receivable	3,000.00	2,700.00
Purchase of Inventory Held for Resale	(290,702.67)	
Purchase of Capital Assets	<u>(15,600.00)</u>	
Net Cash from Investing Activities	<u>(925,990.27)</u>	<u>(1,484,312.39)</u>
Cash Flows from Financing Activities:		
Principal Paid on Debt	(426,525.85)	(209,586.42)
Proceeds of New Debt	<u>1,035,095.09</u>	<u>1,593,904.00</u>
Net Cash from Financing Activities	<u>608,569.24</u>	<u>1,384,317.58</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 65,780.85</u>	<u>\$ 825,088.83</u>
Cash and Cash Equivalents at Beginning of Year	\$3,002,487.65	\$2,177,398.82
Cash and Cash Equivalents at End of Year	<u>3,068,268.50</u>	<u>3,002,487.65</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 65,780.85</u>	<u>\$ 825,088.83</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ 144,117.05	\$849,454.59
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:		
Provision for Loan Loss	187,780.29	60,000.00
(Increase) Decrease in Accounts Receivable	1,674.61	71,967.56
(Increase) Decrease in Accrued Interest Receivable	2,547.00	(1,633.57)
(Increase) Decrease in Prepaid Expenses	2,724.20	(2,575.00)
Increase (Decrease) in Accounts Payable	43,758.73	(32,332.06)
Increase (Decrease) in Deferred Revenue		(19,797.88)
Increase (Decrease) in Rental Deposits	<u>600.00</u>	
Net cash Provided (Used) by Operating Activities	<u>\$ 383,201.88</u>	<u>\$ 925,083.64</u>

The attached notes are an integral part of these financial statements

**SOUTH EASTERN DEVELOPMENT FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The mission of the South Eastern Development Foundation (SEDF) is, "Strengthening communities and stimulating economic development through small business lending and affordable housing initiatives." SEDF was originally established to create and promote community and economic development for Clay, Lincoln, McCook, Minnehaha, Turner, and Union Counties through the creation of a regional Revolving Loan Fund program. The organization focuses on improving the overall economic condition in the six-county area by providing "gap financing" for small business owners in the region. The organization has expanded its mission to include housing financing and development to provide affordable housing opportunities to low and moderate income families in the region

Basis of Accounting

The financial statements of the organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The organization follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (ASC) 958-205, "Presentation of Financial Statements", (formerly SFAS No. 117). Under ASC 958-205, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets – Those that are currently available for use in the normal operations of the organization under the direction of the board of directors.

Temporarily Restricted Net Assets – Those that are not currently available for use until commitments regarding their use have been fulfilled.

Property and Equipment

The organization capitalizes all expenditures for equipment at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Income Taxes

South Eastern Development Foundation is a South Dakota nonprofit corporation exempt from income taxes under Internal Revenue Code Section 501(c)(3).

Functional Allocation of Expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses.

Cash and Cash Equivalents

For purposes of the Statement of Financial Position and the Statement of Cash Flows, the organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Use of Estimates

Management prepares its financial statements on the accrual basis of accounting. The

preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual amounts could differ from those estimates.

Comparative Data

The financial statements include certain December 31, 2012 comparative information. With respect to the statement of financial position, the statement of activities, and the statement of cash flows, such prior information is not presented by net asset class and, in the statement of functional expenses, the December 31, 2012 expenses by object are presented in total rather than by functional category. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 2012 from which the summarized information was derived.

NOTE 2 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are as follows:

	December 31, <u>2013</u>	December 31, <u>2012</u>
Cash and Equivalents	\$ 1,874,707.22	\$ 1,876,557.05
Total Temporarily Restricted Net Assets	<u>\$ 1,874,707.22</u>	<u>\$ 1,876,557.05</u>

Net assets were increased by program restrictions as follows:

Purpose of restriction accomplished:	
Net distributions incurred per requirements	\$ 231,798.78
Payments released for related program debt	50,716.14
Expenses incurred to satisfy requirements	<u>67,329.85</u>
	<u>\$ 349,844.77</u>

NOTE 3 - CONCENTRATION OF CREDIT RISK

South Eastern Development Foundation maintains cash balances at First Bank and Trust in Sioux Falls, South Dakota, which are insured by the Federal Deposit Insurance Corporation (FDIC) program for interest-bearing checking accounts up to \$250,000. The organization's total uninsured checking account deposits at First Bank and Trust as at December 31, 2013 were \$2,825,043.99.

NOTE 4 - LOANS RECEIVABLE

Loans that management has the intent and ability to hold for the foreseeable future are stated at the amount of unpaid principal less an allowance for loan losses. Interest on loans is calculated by using the simple interest method on daily balances of the principal amount outstanding. The accrual of interest on impaired loans is discontinued when management believes that the borrower may be unable to meet payments as scheduled.

Loans at December 31, 2013 are summarized as follows:

Housing Real Estate Mortgage	\$ 166,166.02
Commercial	<u>5,434,702.29</u>
Total	<u>\$ 5,600,868.31</u>

Nearly all of the organization's commercial loans are to South Dakota based organizations. The policy for requiring collateral and guarantees varies with grant requirements, and, with the creditworthiness of each borrower.

NOTE 5 – ALLOWANCE FOR LOAN LOSSES

The allowance for loan losses is established through a provision for loan losses charged to expense. Per Board policy, loans are charged against the allowance for loan loss when all collateral securing the loan has been liquidated, but, prior to exhausting all efforts to collect the loan. Subsequent recoveries, if any, are credited to the allowance. The allowance is an estimate of the amount management believes will be adequate to cover possible loan losses based on prior experience, the nature and volume of the loan portfolio, review of specific problem loans, and an evaluation of the overall portfolio quality under current economic conditions. Per Board policy and regulatory requirements, no allowance for loan losses are made for loans funded with grants received. Recognized losses for these loans are incurred as bad debt expenses in the year in which the loss occurs.

Transactions affecting the allowance for loan losses are summarized as follows:

Balance, January 1	\$ 327,132.31
Provision for Loan Losses	<u>60,000.00</u>
	<u>387,132.31</u>
Net Charge-Offs & Recoveries:	
Loans Charged Off	(11,488.11)
Recoveries	<u>3,000.00</u>
Balance, December 31	<u>\$ 378,644.20</u>

NOTE 6 – NOTES PAYABLE

The following is a summary of long-term debt as of December 31:

Note payable to South Dakota Network, LLC, including interest at 3%. Quarterly interest only payments beginning 10/1/2007 and principal balance due 10/31/2021.	\$ 50,000.00
Note payable to USDA, including interest at 1%. Annual payments beginning 12/11/07 with an ending maturity date of 12/11/2033.	382,949.17

Note payable to USDA, including interest at 1%. Annual payments beginning 2/9/2010 with an ending maturity date of 2/9/2036.	434,750.65
Note payable to USDA, including interest at 1%. Interest only payments through 10/10/2011. Annual payments beginning 10/10/2012 with an ending maturity date of 10/10/2038.	464,257.33
Note payable to US Bank, including interest at 3%. Quarterly interest only payments beginning 4/1/2006 and principal balance due initially on 1/5/2016 with a five-year possible extension to 1/5/2021.	150,000.00
Note payable to The First National Bank of Sioux Falls, including interest at 1%. Quarterly interest only payments beginning 7/1/2007 and principal balance due 6/23/2019.	45,000.00
Note payable to The First Financial Bank, including interest at 1%. Quarterly interest payments beginning 9/1/2001, and principal payments beginning 9/13/12 and principal balance due 6/1/2020.	49,958.34
Note payable to The First Financial Bank, including interest at 4%. Quarterly interest payments beginning 8/14/2010, and principal payments beginning 9/13/2012 and principal balance due 5/14/2022.	49,949.00
Note payable to The First Financial Bank, including interest at 4%. Quarterly interest payments beginning 7/20/11, and principal payments beginning 9/13/2012 and principal balance due 10/20/2025.	249,361.11
Note payable to South Dakota Housing Development, including interest at 0%. Principal balance due 4/30/2034.	250,000.00
Note payable to Home Federal Bank, including interest at 1%. Quarterly interest only payments beginning 1/1/2009 and principal balance due 9/26/2020.	50,000.00
Note payable to MinnWest Bank, including interest at 1%. Quarterly interest only payments beginning 2/1/2009 and principal balance due 11/1/2015.	50,000.00
Note payable to The Community Development Financial Institutions Fund, including interest at 0%. Principal balance due 5/18/2036.	61,500.00

Note payable to SD Board of Economic Development, including interest at 1%. Annual interest only payments beginning 6/21/2007 and principal and interest payments beginning 6/21/2010, maturing 6/21/2021.	339,846.89
Note payable to First Bank & Trust, including interest at 1%. Quarterly interest only payments beginning 12/1/2009 and principal balance due 8/24/2021.	50,000.00
Note payable to Dacotah Bank, including interest at 1%. Quarterly interest only payments beginning 3/1/2010 and principal balance due 11/15/2021.	50,000.00
Note payable to East River Electric Cooperative, Inc. Principal only payments beginning 12/15/2008 and principal balance due 11/15/2017.	130,542.00
Note payable to East River Electric Cooperative, Inc. Principal only payments beginning 12/15/2008 and principal balance due 11/15/2017.	322,028.00
Note payable to U.S. Treasury. Quarterly interest only payments due at 2% beginning 1/1/12. Principal balance due 9/21/2019.	240,000.00
Note payable to First Financial Bank, including interest at 1%. Quarterly interest and principal payments beginning 4/12/2012 and principal balance due 4/12/2032.	141,816.84
Note payable to Cortrust Bank, including interest at 1%. Quarterly interest and principal payments beginning 10/1/2012 and principal balance due 7/1/2017.	50,000.00
Note payable to Dacotah Bank, including interest at 1%. Quarterly interest only payments beginning 10/1/2012 and principal balance due 8/17/2017.	50,000.00
Note payable to First Bank & Trust Bank, including interest at 1%. Quarterly interest only payments beginning 10/1/2012 and principal balance due 8/15/2017.	50,000.00
Note payable to First Dakota National Bank, including interest at 1%. Quarterly interest only payments beginning 10/1/2012 and principal balance due 9/26/2017.	50,000.00
Note payable to First Premier Bank, including interest at 1%. Quarterly interest only payments beginning 10/1/2012 and principal balance due 8/18/2017.	50,000.00

Note payable to Home Federal Bank, including interest at 1%. Quarterly interest only payments beginning 9/4/2012 and principal balance due 9/4/2017.	49,999.97
Note payable to Metabank, including interest at 1%. Quarterly interest only payments beginning 8/21/2012 and principal balance due 8/21/2017.	50,000.00
Note payable to One American Bank, including interest at 1%. Quarterly interest only payments beginning 8/16/2012 and principal balance due 8/16/2017.	50,000.00
Note payable to Plains Commerce Bank, including interest at 1%. Quarterly interest only payments beginning 10/1/2012 and principal balance due 10/1/2017.	50,000.00
Note payable to Security National Bank, including interest at 1%. Quarterly interest only payments beginning 7/1/2012 and principal balance due 7/1/2017.	50,000.00
Note payable to U.S. Bank, including interest at 1%. Quarterly interest only payments beginning 10/1/2012 and principal balance due 10/1/2017.	50,000.00
Note payable to the Small Business Administration, including interest at 1%. Quarterly interest and principal payments beginning 11/12/2014 and principal balance due 11/12/2032.	1,000,000.00
Note Payable to First Premier Bank, including interest at 3%. Monthly interest and principal payments beginning 4/30/2013 and principal balance due 5/1/2018	154,865.00
Note Payable to South Dakota Housing Development Authority, including interest at 3%. Monthly interest and principal payments beginning 4/30/2013 and principal balance due 1/28/2015	100,000.00

The annual requirements for the organization to amortize all debt outstanding are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 214,440.77	\$ 66,584.41	\$ 281,025.18
2015	365,438.73	62,886.45	428,325.18
2016	216,446.74	61,078.44	277,525.18
2017	912,659.92	56,962.92	969,622.84
2018	252,933.44	46,610.79	299,544.23
Thereafter	<u>3,404,904.70</u>	<u>361,748.69</u>	<u>3,766,653.39</u>
Total	<u>\$ 5,366,824.30</u>	<u>\$ 655,871.70</u>	<u>\$ 6,022,696.00</u>

NOTE 7 - CHANGES IN CAPITAL ASSETS:

A summary of changes in capital assets for the year ended December 31, 2013 is as follows:

	Balance 01/01/13	Additions	Deletions	Balance 12/31/13
Computer Software	\$ 8,700.00	\$ 15,600.00	\$	\$ 24,300.00

NOTE 8 – INVENTORY HELD FOR RESALE

Inventory Held for Resale consists of the Menlo Heights Townhomes which were purchased on April 30, 2013 for \$496,079.65. The organization intends to resell the property within one year. As of December 31, 2013 Inventory Held for Resale had a balance of \$290,702.67

NOTE 9 – COMMITMENTS AND CONTINGENCIES

In the normal course of activities, the organization makes various commitments to extend credit which is not reflected in the accompanying financial statements. Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract or grant agreement. Commitments generally have fixed expiration dates or other termination clauses. The creditworthiness of each borrower is evaluated on a case-by-case basis. The organization had undisbursed commitments of \$600,273.12 at December 31, 2013.

NOTE 10 – TECHNICAL SERVICES AGREEMENT

The organization entered into a Technical Services Agreement with the South Eastern Council of Governments (SECOG). In accordance with the terms of this agreement, SECOG has agreed to administer, manage and implement the Revolving Loan Fund Program for the organization. The agreement will continue in effect unless terminated or amended by either party. Termination can be initiated by giving ninety days advance written notice. The expense for this agreement was \$157,382.71, \$114,904.23, and \$117,860.47 for the years ended December 31, 2013, 2012 and 2011, respectively.

NOTE 11 – SUBSEQUENT EVENTS

In preparing these financial statements, South Eastern Development Foundation has evaluated events and transactions for potential recognition and disclosure through February 21, 2014, the date the financial statements were available to be issued.

**SOUTH EASTERN DEVELOPMENT FOUNDATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Federal CFDA Number</u>	<u>Expenditures Amount 2013</u>
U. S. Department of Agriculture: Direct Federal Funding: Intermediary Relending Program (Note 1, Note 3, Note 4)	10.767	\$1,033,956
U.S. Department of Commerce: Direct Federal Funding: Economic Adjustment Assistance (Note 1, Note 3)	11.307	639,756
Small Business Administration: Direct Federal Funding: Intermediary Loan Program (Note 1, Note 3, Note 4)	59.062	<u>935,976</u>
 GRAND TOTAL		 <u>\$ 2,609,688</u>

Note 1: Federal awards reported are based upon a specific formula [(Balance of RLF loans outstanding at end of CY) plus (total cash on hand at end of CY, including any sequestered funds) plus (administrative expenses paid out of RLF income during the CY)] multiplied by [sum of all grant dollars/total project dollars from all of SEDF's RLF awards]. Therefore, the amounts here largely represent cash received and loans receivable rather than federal expenditures.

Note 2: The accompanying schedule of expenditures of federal awards includes the federal grant activity of the organization and is presented on the accrual basis of accounting unless otherwise noted. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in the preparation of the financial statements.

Note 3: This represents a major financial assistance program.

Note 4: The outstanding balances of federal loans at December 31, 2013 were as follows:

U.S. Department of Agriculture - Intermediary Relending Program	\$ 1,423,319
U.S. Department of Treasury	240,000
Small Business Administration	<u>1,000,000</u>
	<u>\$ 2,663,319</u>

QUAM & BERGLIN, P.C.

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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

To the Board of Directors
South Eastern Development Foundation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of South Eastern Development Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 21, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered South Eastern Development Foundation'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 Eastern Development Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Eastern Development Foundation's financial statements are free of 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Quam & Berglin, P.C.

Quam and Berglin, P.C.
Elk Point, South Dakota

February 21, 2014

QUAM & BERGLIN, P.C.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors
South Eastern Development Foundation

Report on Compliance for Each Major Federal Program

We have audited South Eastern Development Foundation's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of South Eastern Development Foundation's major federal programs for the year ended December 31, 2013. South Eastern Development Foundation's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Current Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of South Eastern Development Foundation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform our audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about South Eastern Development Foundation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of South Eastern Development Foundation's compliance.

Opinion on Each Major Federal Program

In our opinion, South Eastern Development Foundation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of South Eastern Development Foundation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered South Eastern Development Foundation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of South Eastern Development Foundation's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Quam + Berglin, P.C.

Quam and Berglin, P.C.
Elk Point, South Dakota

February 21, 2014

**SOUTH EASTERN DEVELOPMENT FOUNDATION
SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2013**

PRIOR FEDERAL COMPLIANCE AUDIT FINDINGS:

None

PRIOR OTHER AUDIT FINDINGS:

None.

**SOUTH EASTERN DEVELOPMENT FOUNDATION
SCHEDULE OF CURRENT AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

- a. An unmodified opinion was issued on the financial statements.
- b. Our audit did not disclose any noncompliance which was material to the financial statements.

Federal Awards

- c. An unmodified opinion was issued on compliance with the requirements applicable to major programs.
- d. Our audit did not disclose any audit findings that need to be disclosed in accordance with the Office of Management and Budget Circular A-133, Section 510(a).
- e. The federal awards tested as major programs were:

	CFDA #
U.S. Department of Agriculture Intermediary Relending Program	10.767
U.S. Department of Commerce Economic Adjustment Assistance	11.307
Small Business Administration Intermediary Loan Program	59.062

- f. The dollar threshold used to distinguish between Type A and Type B federal award programs was \$300,000.
- g. The organization does qualify as a low-risk auditee.

CURRENT FEDERAL AUDIT FINDINGS:

None.

CURRENT OTHER AUDIT FINDINGS:

None.

**SOUTH EASTERN COUNCIL OF GOVERNMENTS
EXECUTIVE BOARD
RESOLUTION #2014-02**

SOLID WASTE MANAGEMENT PROGRAM GRANT APPLICATION

WHEREAS, the State of South Dakota Department of Environment and Natural Resources (DENR) operates the Solid Waste Management Program;

WHEREAS, the Solid Waste Management Program provides grants and low-interest loans to eligible applicants for the planning, construction, operation of solid waste management projects, equipment, purchases, research, waste tire shredding and transportation, or educational activities;

WHEREAS, the Solid Waste Management Program allows funds to be awarded to establish, administer, and maintain a regionally managed revolving loan fund program established by eligible planning agencies;

WHEREAS, the South Eastern Council of Governments (SECOG) is an eligible planning agency that established the South Eastern Development Foundation (SEDF) in 2002;

WHEREAS, SEDF operates a Regional Revolving Loan Fund that serves the counties of Clay, Lincoln, McCook, Minnehaha, Turner, and Union counties in southeastern South Dakota;

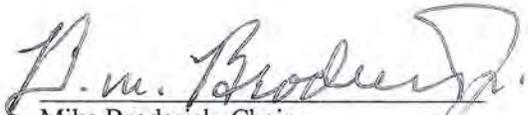
WHEREAS, SECOG and SEDF were awarded a Solid Waste Management Program grant for SEDF to establish a fund within its existing Regional Revolving Loan Fund to make loans for eligible purposes under the Solid Waste Management Program; and

WHEREAS, a majority of those grant funds have been obligated to borrowers, and SEDF has a need to recapitalize the fund.

NOW THEREFORE BE IT RESOLVED THAT:

1. The South Eastern Council of Governments hereby authorizes the filing of a Solid Waste Management Program grant in an amount not to exceed \$500,000, including all understandings and assurances contained therein, to pass through to the South Eastern Development Foundation.
2. Be it further resolved that the South Eastern Council of Governments hereby authorizes its Executive Director, Lynne Keller Forbes, to act as signatory in connection with the grant agreement and other required forms, and to provide such additional information as may be required by the South Dakota Department of Environment and Natural Resources.

Adopted this 17th day of December, 2014.


Mike Broderick, Chair
South Eastern Council of Governments

ATTEST:

Bruce Odson, Vice Chair
South Eastern Council of Governments