



Mission Statement

To provide exemplary experiences, services & spaces that create opportunities for everyone to learn, engage and thrive.

YANKTON BOARD OF CITY COMMISSIONERS

Regular City Commission Meeting beginning at 7:00 P.M.

Monday, August 26, 2019

City of Yankton Community Meeting Room

Located at the Career Manufacturing Technical Education Academy formerly known as Technical Education Center • **1200 W. 21st Street • Room 114**

Rebroadcast Schedule: Tuesday @ 7:30pm, Thursday @ 6:30 pm, on channels 3 & 45

I. ROUTINE BUSINESS

1. Roll Call

2. **Approve Minutes of regular meeting of August 12, 2019 and Budget Work Session of August 6, 2019**

Attachment I-2

3. **City Manager’s Report**

Attachment I-3

4. **Public Appearances**

Public appearances is a time for persons to address the City Commission on items not listed on the agenda. No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken. Each person has up to three minutes to speak. Comments made during the Public Appearance Comment period of the agenda may be on any subject. There shall be no personal attacks against the Mayor, members of the City Commission, City Staff, or any other individual.

II. CONSENT ITEMS

Matters appearing on the Consent Agenda are expected to be non-controversial and will be acted upon by the City Commission at one time, without discussion. Approval constitutes following the recommendation of the City Manager on each item.

NONE

III. OLD BUSINESS

Old business includes items that have previously appeared on the City Commission’s agenda and require further consideration or action by the board.

Adoption of an ordinance is typically a two-meeting process. At the first meeting, an ordinance is introduced, and the first reading is held. During the second meeting, the ordinance is discussed by the commission and the public and then considered for adoption.

IV. NEW BUSINESS

New business items are those that have not been discussed by the Commission previously.

1. **Presentation of 2018 City of Yankton Comprehensive Annual Financial Reports**
Informational presentation and review by Graham Forbes, auditor with Williams & Co. P. C., of the 2018 City of Yankton Comprehensive Annual Financial Reports (CAFR)
Attachment IV-1
2. **Bid Award – Annual Supply of Bulk De-Icing Salt**
Consideration of Memorandum #19-178 regarding Annual Supply of Bulk De-Icing Salt
Attachment IV-2
3. **Westside Park Master Plan**
Consideration of Memorandum #19-166 recommending approval of the Westside Park Master Plan
Attachment IV-3
4. **Commission Travel Opportunities**
Consideration of Memorandum #19-179 regarding Commission Travel Opportunities
Attachment IV-4
5. **Planning Commission Recommendation – Conditional Use Permit**
Consideration of Memorandum #19-180 regarding Resolution #19-38, a Conditional Use Permit for a self-storage facility on the North 1/2 of Lot 8 except Lot H-1 and the South 20 feet of Lot 9 except Lot H-1, Block 1, Airport Acres Addition to the City of Yankton, South Dakota. OK Properties, owner and Aaron Hansen, applicant. Address 2916 Piper Street.
Attachment IV-5
6. **Planning Commission Recommendation – Plat Review**
Consideration of Memorandum #19-181 regarding Resolution #19-39, a Replat of lots 30 & 31 of Railroad Subdivision and a portion of the S 1/2 of the SE 1/4 of the NE 1/4 of section 18, T93N, R55W of the 5th P.M., Yankton County, South Dakota to be hereafter known as: lots 30, 31 & 35 of Railroad Subdivision, in the City of Yankton, Yankton County, South Dakota. Address 901 E. 7th Street. City of Yankton, owner.
Attachment IV-6
7. **Planning Commission Recommendation – Plat Review**
Consideration of Memorandum #19-182 regarding Resolution #19-40, a Plat of Block 3 of Rudd's Addition in the SE 1/4 of the NE 1/4 of Section 13, T94N, R56W of the 5th P.M., Yankton County, South Dakota. Approximate Address, 30547 US Hwy 81. Jason J. Harmelink, owner.
Attachment IV-7
8. **Planning Commission Recommendation – Plat Review**
Consideration of Memorandum #19-183 regarding Resolution #19-41, a Replat of Parcel H and Lot X in the SW 1/4 Of The SE 1/4 of Section 8, and of Parcel L and Lot X in the NW 1/4 of the NE 1/4 of Section 17 Hereafter to be known as: Tract 1, Elliott Addition, in the SW 1/4 of the SE 1/4 of Section 8 and in the NW 1/4 of the NE 1/4 of Section 17, both in T93N, R55W of the 5th P.M., Yankton County, South Dakota. Address 1804 SD Hwy 50. Michael Elliott, Member, TEME, LLC, owner.
Attachment IV-8

9. **Bid Award - Apron Expansion Project – Chan Gurney Municipal Airport**
Consideration of Memorandum #19-184, a bid award for the Apron Expansion Project, AIP #3-46-0062-029-2019 at the Chan Gurney Municipal Airport.

Attachment IV-9

10. **BID Board Funding Recommendation**
Consideration of Memorandum #19-185, a Business Improvement District #1 Board of Director's expenditure recommendation for the Convention and Visitor's Bureau

Attachment IV-10

11. **Ordinance Pertaining to Proposed 2020 Budget – Set Public Hearing**
Introduction, first reading and establish September 9, 2019 as the second reading, an ordinance to appropriate monies for defraying the necessary expenses and liabilities of the City of Yankton, South Dakota, for the fiscal year beginning January 1, 2020, and ending December 31, 2020, and providing for the levy of annual taxes for all funds created by ordinance within said City

Attachment IV-11

12. **Change Order and Close-out of Walnut Street Project**
Consideration of Memorandum #19-174 regarding Change Order Number 1, Final Project Acceptance and Final Payment for the Walnut Street Project

Attachment IV-12

V. **OTHER BUSINESS**

Other business is a time for City Commissioners to address the commission regarding matters not on the agenda. These items will be deliberated by the governing body and will not be acted upon at this time. Items mentioned may be added to a future City Commission meeting or work session for deliberation or action.

VI. **ADJOURN THE MEETING OF AUGUST 26, 2019**

The City of Yankton Community Meeting Room is accessible to everyone. If you have any additional accommodation requirements, please call 668-5221.

Should you have any reason to believe an open meetings law has been violated please contact the Open Meetings Commission at the South Dakota Office of the Attorney General at: 1302 E. Hwy 14, Suite 1, Pierre, SD 57501-8501 or by phone at 605-773-3215.

**CHAMBER OF THE BOARD OF CITY COMMISSIONERS
YANKTON, SOUTH DAKOTA
CITY COMMISSION BUDGET WORKSHOP SESSION, 5:15 P.M.
AUGUST 6th, 2019**

Budget Workshop Session of the Board of City Commissioners of the City of Yankton was called to order by Mayor Johnson.

Roll Call: Present: Commissioners Benson, Carda (arrived at 5:20p.m.), Ferdig, Hoffner, Miner, Moser, Schramm and Webber. City Attorney Den Herder and City Manager Leon were also present. Absent: None. Quorum present.

There were no public appearances at this time.

Action 19-199

Moved by Commissioner Moser, seconded by Commissioner Miner, that the following items on the Consent Agenda be approved.

1. Establish public hearing for sale of alcoholic beverages

Establish August 12, 2019, as the date for the public hearing on the request for a Special Events Retail (on-sale) Malt Beverage for 1 day, August 15, 2019, from To Be Free, LLC, RB Beers & Burgers (Courtney Opsahl, President), 2901 Broadway Ave, Yankton, S.D, (Lewis and Clark Theatre), 328 Walnut St, Yankton, SD 57078.

Roll Call: All members present voting “Aye;” voting “Nay:” None.

Motion adopted

City Manager Leon gave a general analysis of the Proposed 2020 Budget and established August 26th, 2019 as the first reading date and September 9th, 2019 as the second reading date of the proposed budget. Discussion ensued with no official action taken.

It was determined that a 2nd meeting for the Budget Workshop would not be necessary.

Action 19-200

Moved by Commissioner Hoffner, seconded by Commissioner Miner, to adjourn at 6:47 p.m.

Roll Call: All members present voting “Aye;” voting “Nay:” None.

Motion adopted.

Nathan V Johnson
Mayor

ATTEST:

Al Viereck
Finance Officer

Published on August 14th, 2019

CHAMBER OF THE BOARD OF CITY COMMISSIONERS
YANKTON, SOUTH DAKOTA
August 12th, 2019

Board of City Commissioners of the City of Yankton was called to order by Mayor Johnson.

Roll Call: Present: Commissioners Benson, Carda, Miner, Moser, Schramm and Webber. City Attorney Den Herder and City Manager Leon were also present. Absent: Commissioners Ferdig and Hoffner. Quorum present.

Action 19-201

Moved by Commissioner Webber, seconded by Commissioner Miner, to approve the Minutes of Regular Meeting of July 22nd, 2019.

Roll Call: All members present voting "Aye;" voting "Nay:" None.

Motion adopted.

Action 19-202

Moved by Commissioner Moser, seconded by Commissioner Miner, that the Schedule of Bills be approved and warrants be issued.

3d Specialties Inc - Sign Hardware - \$2,884.87; A Ox Welding Supply - Oxygen - \$32.48; Abe's Coffeehouse - Summer Reading Program - \$40.00; Academy Of Dance Inc - Summer Program - \$768.00; Adobe *Creative Cloud - Contracted Service - \$53.24; Adobe *Stock - Contracted Services - \$31.94; Aircraft Spruce And Sp - Clock - \$39.03; Allegiant Emergency Svcs Inc - SCBA Masks - \$1,916.00; Amazon - Digital Camera - \$133.97; American Water Work Assn - Membership Dues - \$50.00; AMG Occupational Medicine - Dot CDL Testing - \$63.00; Amazon - Dvd's - \$335.24; Amazon - Toner - \$186.45; Amazon - Final Pool Days - \$177.48; Amazon - Supervisor Book - \$7.19; Amazon - Book - \$6.68; Amazon - Dvd's - \$106.33; Amazon - Final Pool Days - \$191.20; Amazon - Office Supplies - \$204.51; Amazon - Mic Holders - \$255.30; Amazon - Book - \$13.65; Amazon - Summer Programs - \$34.07; Amazon - Summer Programs - \$83.04; Amazon - Book - \$8.89; Amazon - Supervisor Books - \$33.40; Amazon - Supervisor Book - \$7.07; Amazon - Supervisor Books - \$27.48; Amazon - Monitor - \$96.99; Amazon - Cases - \$47.54; Amazon - Tablet 12 Volt Chargers - \$38.85; Amazon - Memory Cards And Hub - \$85.57; Amazon - Tablet Cables - \$46.54; Animal Health Clinic - K9 Medical Care - \$255.33; Appfolio - Special Events - \$2,526.00; AT&T - Police Pc-Phone Data - \$496.40; AT&T - Cell Phones - \$532.94; Auto Value - Filters - \$1,031.93; Auto Value - Equipment Repairs - \$36.14; Autozone - Washer Fluid, Antifreeze - \$106.80; Avenu Insights & Analytics LLC - Maint Program Support - \$1,902.02; Avera Health Plans - Flex Spending Fees - \$38.80; Avera Sacred Heart Hospital - Dot CDL Testing - \$62.00; Bailey/Amy - Mural Design - \$400.00; Baker-Taylor - Books - \$2,531.68; Bender/Terra - Summer Program Refund - \$26.63; Blackstrap Inc - Road Salt - \$16,728.16; BMI - Annual Music Contract - \$358.00; Boller Printing - Special Events - \$127.50; Boller Printing Inc - Printing - \$105.00; Bomgaars - Shop Towels - \$2,589.39; Bow Creek Metal - Ag Supplies - \$103.50; Brock White - Cold Patch - \$2,128.00; Brock White - Fabric - \$1,250.00; Bruckner/Tate - Golf Card Refund - \$400.00; Buhl Cleaners - Towels - \$274.47; Burger King - Employee Appreciation - \$48.68; C & B Operations LLC - Belt And Roller - \$108.93; Cafe Brule & Cakes By - Training Expense - \$24.58; Canva Pro Yearly - Special Events - \$119.40; Caseys Gen Store - Travel Expense - \$32.76; Cedar Knox Public Power Dist - Elect - \$900.88; CEI Enterprises Inc - Circulating Pump - \$7,081.94; Center Point - Large Print Books - \$134.22; Centralsquare Company LLC - Maintenance - \$20,159.00; Centurylink - Phone - \$1,285.19; Chamber Of Commerce -

Retirement Gift - \$100.00; Chesterman Company - Concessions - \$505.60; City Of Vermillion - JT Power Cash Trans - \$161,247.38; City Of Yankton-Parks - Landfill Charges - \$431.58; City Of Yankton-Solid Waste - Compacted Garbage - \$26,779.67; City Utilities - Wtr/Ww Charges - \$40,093.32; Clarke Mosquito Control Produc - Coupling Element - \$84.92; Clarks Rentals Custom - Packer Rental - \$125.00; Coffee Cup - Training Expense - \$39.90; Computype - Office Supplies - \$846.67; Concrete Material - Hot Mix - \$13,866.68; Core & Main - Supplies - \$2,833.87; Cornhusker Intl Truck Inc - Filters - \$158.34; Cox Auto Supply - Lamp - \$87.16; Credit Collection Service Inc - Utitlity Collections - \$244.45; Crescent Electric - Electrical Equipment - \$528.28; Culvers Of Arrowhead - Training Expense - \$6.87; Dairy Queen - Staff Appreciation - \$40.19; Davison County Impleme - John Deere Repairs - \$2,472.42; Deere & Company - Utility Vehicles - \$46,683.52; Demco Inc - Office Supplies - \$272.32; Dept Of Corrections - Doc Work Program - \$1,428.00; Dept Of Enviromental - Water Plant Permit - \$350.00; Dept Of Health - Water Samples - \$1,529.00; Design Solutions & Integration - Service Call - \$1,007.50; Doerr/Lindsay - Summer Program Refund - \$53.26; Dollar Tree - Adult Craft Supplies - \$7.00; Double D Machine Works - Bushing - \$30.00; Drug Education Press - Advertising - \$155.00; Dvorak/Nicole - Summer Program Refund - \$26.63; EASW- Embrscreenworks - Uniform Hats - \$45.50; Echo Electric Supply - Bar Screen Fuse - \$80.93; Ehresmann Engineering - Repair Parts - \$29.53; Ehresmann Engineering Inc - Steel - \$32.99; Ethanol Products LLC - Co2 - \$2,628.10; Evident Inc - Evidence Collection Eqp - \$178.49; Exxonmobil - Training Expense - \$50.76; Facebook - Advertising - \$23.97; Fastenal Company - Inserts - \$33.62; Fastenal Company - Rain Jackets And Pants - \$1,097.42; Fedex - Evidence Mailing - \$13.14; Feimer Construction - East Hwy 50 Construction - \$4,805.11; Fejfar Plumbing Inc - SR Center Water Heater - \$1,816.44; Flexible Pipe Tool Company - Sewer Truck Parts - \$354.75; Fort Pierre Pizza Ranc - Training Expense - \$43.00; Fred Haar Company Yank - Gator Repairs - \$3,931.87; G J Therkelsen & Assoc Inc - Consultation - \$6,396.70; Gametime - Play Structure Parts - \$393.27; Geotek Eng & Testing Serv Inc - Testing - \$602.50; Gerstner Oil Co - Fuel - \$57,231.22; GPS Industries - Golf Cart GPS - \$1,920.00; Graham Tire - Mower Repairs - \$78.00; Grainger - Janitorial Supplies - \$502.55; Graymont Capital Inc - Lime - \$18,775.49; Hach Company - Pipet Lab Tool - \$592.58; Hanson Briggs Advertising Inc - Recycling Magnets - \$4,618.71; Hard Drive Central - Copies - \$61.87; Hawkins Inc - Azone - \$27,805.53; Hdr Engineering Inc - Water Treatment Plant - \$38,666.91; Hill/Sue D - Summer Programs - \$232.00; Hilti Inc - Shop Equipment - \$129.00; Houston Equipment - Portable Gas Detectors - \$3,936.98; Hvacquickcom - Condensate Removal Pump - \$107.10; HyVee - Training Expense - \$9.65; HyVee - Employee Picnic Supplies - \$182.13; IACP - IACP Membership-Foote - \$75.00; City Directories - Book - \$390.00; Ink Technologies LLC - Toner - \$52.00; Int In Complete Wireless - Pager Repair (8) - \$617.05; Int In National Field - Special Events - \$60.00; Int In Sepi Marketing - Special Events - \$289.00; Powers Port A Pot - Porta Potts/4th Of July - \$1,700.00; Intuit - Magazine Subscription - \$348.00; J & H Care & Cleaning Company - Janitorial Services - \$1,320.00; J.J Benjis - Coed Softball Awards - \$840.00; J2 Metrofax - Fax Service - \$7.95; Jack S Uniforms & Equi - Uniforms - \$920.62; Jacks Uniforms & Equi - Uniform - \$19.00; JCL Solutions-Sioux Fa - Cleaning Supplies - \$713.68; Jebro Inc - Liquid Asphalt - \$19,914.62; Jim Perry Magic - Special Events - \$149.00; Jimmy Johns - Investigation Expense - \$51.93; Johnson Controls - Clean Boilers - \$4,208.11; Jones Construction/John T - Water Treatment Plant - \$724,225.23; Kadrmas Lee & Jackson Inc - Apron Project - \$48,516.70; Kaiser Heating And Coo - Shop Repairs - \$262.74; Kaiser Refrigeration I - Equipment Repair - \$1,254.82; Kaiser Refrigeration Inc - Service Call - \$232.00; KFC - Employee Appreciation - \$34.70; Kleins Tree Service - Stump Removal - \$1,155.00; Klines Jewelry - Retirement Gift - \$116.49; Kopetskys Ace Hdwe - Weedeater Repair - \$534.58; Kuchta/Tanya - Summer Program Refund - \$106.52; L & S Electric - Roof Repair - \$362.00; Language Line - Interp Services - \$38.60; Larry's Heating & Cooling - SR Center Repairs - \$2,377.00;

Larrys Heating And Co - Furnace Filters - \$342.00; Larsen/Tona - Summer Program Refund - \$85.86; Larson/Angela - Tree Reimbursement - \$99.85; Lawrence/Sarah - Summer Program Refund - \$26.63; Light And Siren - Lights - \$949.00; Lundstrom/Kay - Construction Repairs - \$989.40; Sports Illustration - Subscriptions - \$59.95; Mailfinance - Postage - \$678.00; Marks Machinery - Mower Repairs - \$684.98; Marks Machinery - Battery - \$290.00; Marquardt/John - Umpire Clinic Reimb - \$50.00; Masonry Components Inc - Reconstruction - \$180,322.47; McDonalds - Doc Work Program - \$51.92; Mead Lumber - Tripp Park Supplies - \$3,473.68; Menards - Tripp Park Supplies - \$1,469.24; Mentele/Marlania - Summer Program Refund - \$69.23; Merkel Electric - Electric Work - \$561.22; Midamerican Energy - Fuel - \$452.14; Midamerican Energy - Fuel - \$1,722.83; Midwest Tape - Av - \$1,092.70; Midwest Turf & Irrigat - Mower Repairs - \$484.26; Mikkelsen/Mike - Golf Card Reimbursement - \$166.00; Millenium Recycling - Single Stream Fee - \$4,984.80; Mozaks Floors & More - Adult Craft Supplies - \$45.00; Mw Auto & Towing - Towing - \$320.00; National Field Archery Assn - Summer Programs - \$1,425.60; Nelson/Amy - Summer Program Refund - \$21.30; NIHCA - Contracted Service - \$99.00; Nohr Engineering Co - Consultation - \$998.75; Northwestern Energy - Elect - \$115,155.71; Northwestern Energy - Utility - \$153.88; Observer - Advertisement - \$453.00; Olsons Pest Technician - Pest Control - \$180.00; Olsons Pest Technician - Bug Spraying - \$140.00; One Office Solution - Recycling Envelopes - \$572.30; One Office Solution - Chairs - \$3,006.00; Oreilly Auto - Starter And Core Charge - \$506.66; Petersen/Ellan - Construction Repairs - \$189.90; Pierre Ramkota - Conference Lodging - \$217.46; Pitney Bowes PBP - Postage - \$200.00; Pizza Man Of South Dak - Training Expense - \$16.20; Polydyne Inc - Polymer - \$4,485.80; Ponca State Park - Summer Program - \$538.00; Press Dakota Mstar Solutions - Legal Publication - \$660.30; PRH - Cd Book - \$33.75; Provantage - Internet Access - \$3,259.00; Push Pedal Pull - Equipment - \$15,595.63; Push Pedal Pull-Corpor - Equipment Repairs - \$459.09; QT - Training Expense - \$28.88; Racom Corporation - Radio Access - \$1,007.98; Rapid City Journal - Newspaper Subscription - \$390.00; Rehurek/Joe - Construction Repairs - \$159.29; Ricoh USA Inc - Printer - \$439.96; Riverside Hydraulics, - O-Rings, Fitting Wire - \$511.04; Road King Inc - Ramp Springs - \$28.82; Roadside C-Store - Fuel - Conference - \$26.70; Safety-Kleen Systems Inc - Chemicals - \$2,830.77; Sanitation Products Inc - Sweeper Repairs - \$4,091.22; SD Discovery Center - Summer Reading Program - \$322.62; SD Library Association - SDLA Membership Dues - \$80.00; SDNAFVSA - Agency Membership - \$200.00; SDSU IPAY - Statewide GIS Conference - \$55.00; Shell Oil - Training Expense - \$26.36; Shell Oil - Ice - Music At Meridian - \$15.17; Sherwin Williams - Tripp Park Supplies - \$397.51; Sherwin Williams - Traffic Paint - \$2,499.90; Shur-Co - Tarp, Tarp Stop, Roll Tube - \$1,695.90; Sioux City Journal Cir - Newspaper Subscription - \$485.31; Slim Chickens - Training Expense - \$8.59; Mt & Rc Smith Insurance - Notary Insurance - \$160.00; Snap Geofilters - Special Events - \$21.38; South Dakota One Call - Message Fees - \$260.40; South Dakota Parks And - SDPRA Registration - \$540.00; Southwest - Transportation To IACP - \$229.96; Desktopsupplies - Office Supplies - \$159.80; Boston Shoes T - Uniform Boots - \$136.32; Hanson Briggs - Office Supplies - \$152.39; Expressions Ph - Cop Cards - \$767.00; Willa Bs Bistro - Program Supplies - \$25.00; Stern Oil Co Inc - Fuel - \$8,281.34; Stockwell Engineers Inc - Aquatic Facility Design - \$482,786.72; Sturdevants - Truck Repairs - \$534.41; Sweeney Controls Company - Gas Detector Programming - \$3,210.00; Taco Johns - Training Expense - \$9.87; The Library Store Inc. - Office Supplies - \$171.62; The Ups Store - Shipping - \$181.55; Thomson West TCD - Books - \$219.26; Tinting Pros - SR Center Windows - \$536.40; TMA Yankton - Tire Repair, Rim, O-Ring - \$689.34; Michael Todd, Inc - Baffle Strips - \$434.47; Topete/Tara - Summer Program Refund - \$26.63; Tractor Supply Co - Shop Supplies - \$21.46; Traffic Control Corp - Signal Lights - \$4,296.00; Transource - Hose Handle - \$673.52; Transportation Dept/S.D. - Inspection - \$2,124.93; Truck Trailer Sales - Alternator, Belts Align - \$1,258.36; Truck Trailer Sales - Dot Inspection - \$1,124.94; Trugreen Commercial - Lawn Service -

\$92.70; U.S. Post Office-Util - Utility Postage - \$1,400.00; United States Postal Service - Postage Meter - \$685.00; Usa Blue Book - Meter Supplies - \$676.31; Van Diest Supply Company - Mosquito Chemicals - \$11,898.80; Villalobos/Courtney - Summer Program Refund - \$47.93; Vlasman/Travis - 26th St Reconstruction - \$765.00; Vogt's - Uniform Alterations - \$52.00; Water & Env Eng Research Ctr - Water Testing - \$244.00; Webber/Jerry L - Travel Reimbursement - \$94.72; Wedgewood West Homeowner - Construction Repair - \$650.00; Welfl Construction Corp - Library Repairs - \$6,775.00; Wholesale Supply Inc - Memorial Concessions - \$2,173.25; Williams & Company Pc - Audit - \$13,690.00; Wilson/Norma - Book Refund - \$20.00; Xerox Corporation - Copier Lease - \$411.11; Xerox Corporation - Copier Lease - \$2,567.74; Yankton Black Belt Academy - Summer Program - \$672.00; Yankton Bowl - Summer Programs - \$220.00; Yankton County Auditor - Safety Center Share - \$8,511.64; Yankton Janitor Supply Inc - Supplies - \$186.30; Yankton Medical Clinic - Pre-Employment Physical - \$69.00; Yankton Metals Inc - Freight Charge - \$100.00; Yankton Redi Mix - Concrete - \$1,295.25; Yankton School District - Summer Programs - \$4,386.85; Yankton Transit Inc - Summer Programs - \$2,475.00; Yankton Vol Fire Department - June-July Fire Calls - \$510.00

Roll Call: All members present voting “Aye;” voting “Nay:” None.

Motion adopted

July Salaries by Department: Administration \$41,270.82; Finance \$33,872.22; Community Development \$24,095.05; Police/Dispatch \$170,915.22; Fire \$12,507.62; Engineering / Sr. Citizens \$48,471.81; Streets \$45,480.04; Traffic Control \$3,689.50; Library \$30,070.36; Parks / SAC \$104,924.19; Memorial Pool \$28,304.16; Marne Creek \$4,838.93; Water \$39,852.10; Wastewater \$40,641.88; Cemetery \$7,578.68; Solid Waste \$20,577.79; Landfill / Recycle \$19,667.34; Central Garage \$7,171.00

Wage Changes: Jordan Kuipers \$10.00 hr. Recreation Division

City Manager Leon submitted a written report giving an update on community projects and items of interest.

There were no public appearances at that time.

Action 19-203

Moved by Commissioner Carda, seconded by Commissioner Benson, that the following items on the Consent Agenda be approved.

1. Work Session
Setting date of August 26, 2019, at 6:00 pm in Room 114 of the Regional Technical Education Center for the next work session of the Yankton City Commission to discuss Comprehensive Plan Implementation Status Update
2. Possible Quorum Event
August 16, 2019, for Final Lap at Memorial Pool, no official commission action
3. Peddler’s License Application
Consideration of Memorandum 19-169 recommending approval of an application for a Peddler’s License for Southwestern Advantage, representative Katlin Karpovski is requesting a

license to go house to house selling educational books and materials from August 13 – August 27, 2019.

4. Possible Quorum Event

August 30-September 1, 2019, for Welcome to Walnut/Air Show, no official commission action

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-204

This was the time and place for the public hearing for a Special Malt Beverage (on-sale) Retailers License for 1 day, August 17, 2019, from Yankton Rodeo Association (Douglas O Hevle, President), Rodeo Grounds, 404 Paddle Wheel Drive, Yankton, S.D. (Memorandum 19-164) No one was present to speak for or against the application. Moved by Commissioner Moser, seconded by Commissioner Webber, to approve the license.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-205

This was the time and place for the public hearing for a Special Events Retail (on-sale) Liquor License for 1 day, August 22, 2019, from Ben’s Brewing Co. (Ben Hanten, Owner), 222 West 3rd Street, Music at the Meridian, Parking Lot and Green Space Westside of Meridian Bridge & the enclosed area of Levee Street, Yankton, S.D. (Memorandum 19-165) No one was present to speak for or against the application. Moved by Commissioner Schramm, seconded by Commissioner Benson, to approve the license.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-206

This was the time and place for the public hearing to consider adoption of Ordinance 1023, AN ORDINANCE AMENDING THE DEFINITION OF NOXIOUS, DANGEROUS AND UNHEALTHFUL VEGETATION. (Memorandum 19-151) No one was present to speak for or against the Ordinance. Moved by Commissioner Miner, seconded by Commissioner Webber, to approve Ordinance 1023.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-207

This was the time and place for the public hearing for a Special Events Retail (on-sale) Malt Beverage for 1 day, August 15, 2019, from To Be Free, LLC, RB Beers & Burgers (Courtney Opsahl, President), 2901 Broadway Ave, Yankton, S.D, (Lewis and Clark Theatre), 328 Walnut St, Yankton, SD 57078. (Memorandum 19-170) No one was present to speak for or against the application. Moved by Commissioner Webber, seconded by Commissioner Miner, to approve the license.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-208

Moved by Commissioner Moser, seconded by Commissioner Webber, to approve the request for a public firework display hosted by Night Vision Fireworks on August 17, 2019. (Memorandum 19-167)

Roll Call: All members present voting “Aye;” voting “Nay:” None.

Motion adopted.

Action 19-209

Moved by Commissioner Carda, seconded by Commissioner Moser, to approve rejection of the bids received for Hangar Relocation Project AIP #3-46-0062-029-2019. Additionally, the City will follow FAA protocol for acquiring the private interest in the two private hangars associated with this project for the predetermined appraised values. (Memorandum 19-168)

Roll Call: All members present voting “Aye;” voting “Nay:” None.

Motion adopted.

Action 19-210

Moved by Commissioner Webber, seconded by Commissioner Benson, to approve Resolution 19-36. (Memorandum 19-172)

RESOLUTION OF NECESSITY 19-36

(Yankton Road Tax)

WHEREAS, the Board of City Commissioners of the City of Yankton has deemed that the City streets, alleys and roadways must be properly reconstructed and repaired, and;

WHEREAS, the City of Yankton’s streets are repaired by grading, crack filling, spall repair, patching and chip sealing, and;

WHEREAS, a yearly inventory of City streets is conducted in order to determine the streets in need of repair,

NOW, THEREFORE, BE IT RESOLVED, that for the purpose of maintaining and repairing the streets, and surfacing thereof, that an assessment of fifty cents per front foot be levied upon all parcels or portions of parcels fronted or abutting streets and fifty cents per front foot be levied upon parcels or portions of parcels fronted or abutting alleys within the City of Yankton.

The City Finance Officer is hereby directed to certify such assessments together with the regular assessments for 2019 collectable in 2020 to the County Auditor to be collected as municipal taxes for general purposes.

Roll Call: All members present voting “Aye;” voting “Nay:” None.

Motion adopted.

Action 19-211

Moved by Commissioner Moser, seconded by Commissioner Schramm, to approve Resolution 19-35. (Memorandum 19-171)

RESOLUTION NO. 19-35

RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE AND PAYMENT OF SALES TAX REVENUE REFUNDING BONDS IN THE AGGREGATE

PRINCIPAL AMOUNT OF NOT TO EXCEED TWO MILLION ONE HUNDRED THOUSAND DOLLARS (\$2,100,000) OF THE CITY OF YANKTON, YANKTON COUNTY, SOUTH DAKOTA.

WHEREAS, the City of Yankton is authorized by the provisions of SDCL §§ 6-8B-30 through 6-8B-52 to issue sales tax bonds to refund and refinance validly issued outstanding sales tax bonds of the City; and

WHEREAS, the City Commission has determined that refunding Sales Tax Revenue Bonds (Short Term Subordinate), Series 2011A of the City will reduce the interest expense to the City; and

WHEREAS, the City Commission has determined and does hereby declare that is necessary and in the best interest of the City to issue Sales Tax Revenue Refunding Bonds, Series 2019 of the City for the purpose of providing funds to (i) refund the Sales Tax Revenue Bonds (Short Term Subordinate), Series 2011A and (ii) pay the costs of issuance of the Bonds described herein.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF YANKTON OF YANKTON COUNTY, AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.1. Definition of Terms.

In addition to the words and terms elsewhere defined in this Bond Resolution, the following words and terms as used herein, whether or not the words have initial capitals, shall have the following meanings, unless the context or use indicates another or different meaning or intent, and such definitions shall be equally applicable to both the singular and plural forms of any of the words and terms herein defined:

"Act" means collectively SDCL Chapter 6-8B and Chapter 10-52, as amended.

"Authorized Officer of the City" means the Mayor and the Finance Officer, or, in the case of any act to be performed or duty to be discharged, any other member, officer, or employee of the City then authorized to perform such act or discharge such duty.

"Bonds" means not to exceed \$2,100,000 in aggregate principal amount of Sales Tax Revenue Refunding Bonds, Series 2019, dated Closing Date or such other designation or date as shall be determined by the City Commission pursuant to Section 8.1 hereof, authorized and issued under this Bond Resolution.

"Bond Counsel" means Meierhenry Sargent LLP, a firm of attorneys recognized as having experience in matters relating to the issuance of state or local governmental obligations.

"Bondholder", "Holder" and "Registered Owner" means the registered owner of a Bond, including any nominee of a Depository.

"Bond Payment Date" means each date on which interest, or both principal and interest, shall be payable on the Bonds so long as any of the Bonds shall be outstanding.

"Bond Purchase Agreement" means the agreement between the City and the Underwriter for the purchase of the Bonds.

"Bond Resolution" means this Resolution, duly adopted by the City Commission, as it may be amended from time to time.

"Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository or to its nominee as Registered Owner, with the certificated bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the City or the Paying Agent and Registrar, constitute the written record that identifies, and records the transfer of the beneficial "book-entry" interests in those Bonds.

"City" means the City of Yankton, Yankton County, South Dakota, a Commission with City Manager form of a municipality organized under the State of South Dakota.

"City Commission" means the City Commission of the City elected pursuant to the provisions of the SDCL Title 9.

"Closing Date" means the date of delivery and payment of the Bonds.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Department of Treasury promulgated thereunder as in effect on the date of issuance of the Bonds.

"Costs of Issuance" means all costs, fees, charges and expenses relating to the issuance of the Bonds, including costs for bond insurance and rating agency fees.

"Debt" means (1) indebtedness of the City for borrowed money or for the deferred purchase price of property or services, and expressly including the obligation to pay principal and interest on or with respect to revenue bonds, (2) the obligation of the City as lessee under leases which should be recorded as capital leases under generally accepted accounting principles, and (3) obligations of the City under direct or indirect guarantees in respect of, and obligations, contingent or otherwise, to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in subdivisions (1) and (2) above.

"Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to DTC.

"DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

"DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC system.

"Finance Officer" means the Finance Officer of the City appointed pursuant to the provisions of South Dakota Codified Laws Title 9 or, in the absence of such appointment or in the event the person so

appointed is unable or incapable of acting in such capacity, the person appointed by the Mayor and approved by the City Commission to perform the duties otherwise performed by the Finance Officer, or his/her designee.

"Interest Payment Date" means such dates set forth in the Bond Purchase Agreement.

"Letter of Representation" means the Blanket Issuer Letter of Representations to DTC of the City.

"Mayor" means the Mayor elected pursuant to the provisions of SDCL 9-13 or his or her designee acting on his or her behalf.

"Official Statement" and "Preliminary Official Statement" means that Official Statement and Preliminary Official Statement described in Section 8.2 hereof pertaining to the sale of the Bonds.

"Original Issue Discount or OID" means an amount by which the par value of a security exceeds its public offering price at the time of its original issuance.

"Original Issue Premium or OIP" means the amount by which the public offering price of a security at the time of its original issuance exceeds its par value.

"Outstanding," "Bonds Outstanding," or "Outstanding Bonds" means, as of a particular date all Bonds issued and delivered under this Bond Resolution except: (1) any Bond paid or redeemed or otherwise canceled by the City at or before such date; (2) any Bond for the payment of which cash, equal to the principal amount thereof with interest to date of maturity, shall have theretofore been deposited prior to maturity by the City for the benefit of the Owner thereof; (3) any Bond for the redemption of which cash, equal to the redemption price thereof with interest to the redemption date, shall have theretofore been deposited with the Paying Agent and Registrar and for which notice of redemption shall have been mailed in accordance with this Bond Resolution; (4) any certificate in lieu of or in substitution for which another Bond shall have been delivered pursuant to this Resolution, unless proof satisfactory to the City is presented that any Bond, for which a certificate in lieu of or in substitution therefor shall have been delivered, is held by a bona fide purchaser, as that term is defined in Article 8 of the Uniform Commercial Code of the State, as amended, in which case both the certificate in lieu of or in substitution for which a new Bond has been delivered and such new Bond so delivered therefor shall be deemed Outstanding; and, (5) any Bond deemed paid under the provisions of Article VII of this Resolution, except that any such Bond shall be considered Outstanding until the maturity or redemption date thereof only for the purposes of being exchanged, transferred, or registered.

"Outstanding Parity Bonds" means any bonds payable from the Pledged Sales Tax.

"Paying Agent and Registrar" means The First National Bank in Sioux Falls, Sioux Falls, South Dakota, its successor or successors, hereafter appointed in the manner provided in Article VI hereof.

"Person" means an individual, partnership, corporation, trust, or unincorporated organization, or a governmental entity or agency or political subdivision thereof.

"Pledged Revenues" means the Sales Tax collected.

"President" means the President of the City Commission who may act for the Mayor in the absence of the Mayor.

"Purchase Agreement" means the Bond Purchase Agreement authorized pursuant to and described in Section 8.1 hereof by and between the City and the Underwriter.

"Rating Agency" means one or more of the following rating agencies: Standard & Poor's Credit Rating Services, Moody's Investors Service Inc. and Fitch IBCA, Inc.

"Reasonably Required Reserve" means an amount, if required, which will comply with the Internal Revenue Regulations specifying the maximum amount in a reserve fund permitted to be invested without regard to investment yield.

"Record Date" means the dates set forth in the Bond Purchase Agreement.

"Refunded Bonds" means the Sales Tax Revenue Bonds (Short Term Subordinate), Series 2011A.

"Resolution" means this Bond Resolution.

"Sales Tax" means the City's two (2) per cent on the gross receipts of all persons engaged in business within the jurisdiction of the City of Yankton, Yankton County, South Dakota, who are subject to the South Dakota Retail Occupational Sales and Service Tax, SDCL 10-45 and the (2) percent excise tax on the privilege of use, storage and consumption within the jurisdiction of the city of tangible personal property or services which are subject to the South Dakota Use Tax Act, SDCL 10-46, and acts amendatory thereto, the collected in each year, excluding any collections of the Third Penny Tax imposed by Chapter 22½ of the City of Yankton Code of Ordinances.

"Schedule" means the principal and interest payment schedule for the Bonds.

"Series 2011A Bonds" means the City's outstanding Sales Tax Revenue Bonds (Short Term Subordinate), Series 2011A, dated June 1, 2011, as follows:

<u>Maturity Date</u>	<u>Principal Outstanding</u>	<u>Interest Rate</u>	<u>CUSIP</u>
December 1, 2019	\$ 120,000	2.70%	984820 BN9
December 1, 2020	125,000	2.90%	984820 BP4
December 1, 2021	130,000	3.00%	984820 BQ2
December 1, 2023	265,000	3.40%	984820 BR0
December 1, 2025	285,000	3.70%	984820 BS8
December 1, 2027	310,000	4.00%	984820 BT6
December 1, 2029	335,000	4.20%	984820 BU3
December 1, 2031	365,000	4.40%	984820 BV1
	\$1,935,000		

"Underwriter" means Dougherty & Company LLC acting for and on behalf of itself and such securities dealers as they may designate.

Section 1.2. References to Resolution.

The words "hereof", "herein", "hereunder", and other words of similar import refer to this Bond Resolution as a whole.

Section 1.3. References to Articles, Sections, Etc.

References to Articles, Sections, and other subdivisions of this Bond Resolution are to the designated Articles, Sections, and other subdivisions of this Bond Resolution as originally adopted.

Section 1.4. Headings.

The headings of this Bond Resolution are for convenience only and shall not define or limit the provisions hereof.

ARTICLE II

FINDINGS

Section 2.1.

It is hereby found, declared a necessity and determined by the City Commission:

- (a) The refunding of the Refunded Bonds as set forth herein through the issuance of the Bonds will result in the reduction in debt service payable by the City over the term of the Refunded Bonds thereby effecting a cost savings to the public;
- (b) It is advantageous to the City to deposit a portion of the proceeds from the sale of the Bonds and other funds of the City, if any, with the paying agent of the Refunded Bonds, will be sufficient to pay principal of, premium, if any, and interest on the Refunded Bonds.
- (c) The City hereby determines that all limitations upon the issuance of Bonds have been met and the Bonds are being authorized, issued and sold in accordance with the provisions of §§ 6-8B-30 to 6-8B-52, inclusive.

ARTICLE III

AUTHORITY, PLEDGE, LEVY AND ACCOUNTS

Section 3.1. Authority.

In order to (i) refund the City's Sales Tax Revenue Bonds (Short Term Subordinate), Series 2011A dated June 1, 2011, and (ii) pay the costs of issuance of the Bonds described herein, there shall be issued pursuant to, and in accordance with, the provisions of the Act, this Bond Resolution, and other applicable provisions of law, Sales Tax Revenue Refunding Bonds of the City in the aggregate principal amount of not to exceed \$2,100,000.

Section 3.2. Pledge.

The City does hereby pledge so much of the collections of the Sales Tax as may be necessary to pay the principal, premium and interest on the outstanding Bonds and to maintain any debt service reserve established herein, if any. The Sales Tax is irrevocably pledged to the prompt and full payment of the principal of and interest on each and all of said Bonds as such principal and interest respectively become due.

Section 3.3. Collection of Taxes.

Pursuant to SDCL §10-52-2.10, the City does hereby pledge, provide and agree that it will continue to impose and cause the collection of the Sales Tax so long as the Bonds are outstanding. The governing body shall also pledge so much of the collections of the Pledged Tax as may be necessary to pay the

principal, premium and interest on the bonds and to maintain any debt service reserve established for the Bonds.

Section 3.4. Accounts.

(a) Sales Tax Fund. The Finance Officer has established and will maintain the Sales Tax Revenue Fund as a separate and special account in the financial records of the City until all Bonds issued and made payable therefrom, and interest due thereon, have been duly paid or discharged. All collections of the Sales Tax shall be credited, as received, to the Sales Tax Revenue Fund. Within the Sales Tax Revenue Fund are various separate accounts to be maintained by the City.

(b) Principal and Interest Account. There is hereby created and established a “Principal and Interest Account.” Immediately upon delivery of the Bonds, there shall be credited to the Principal and Interest Account the amount of accrued interest received from the Underwriter. Commencing on the date specified in the Bond Purchase Agreement, there shall be withdrawn from the Sales Tax Fund at least monthly and credited to the Principal and Interest Account an amount which will equal at least one-sixth (1/6th) of the interest becoming due on the next succeeding payment date and one-twelfth (1/12th) of the principal becoming due on the next succeeding payment dates with respect to the Outstanding Bonds. In all events there shall be credited to the Principal and Interest Account amounts sufficient to pay the principal of and interest on the Outstanding Bonds as the same become due.

(c) Subordinate Lien Bonds. After making the above required payments, any remaining Pledged Sales Tax may be used for the payment of the principal of and interest on any additional sales tax revenue bonds having a lien which is subordinate to the lien of the Outstanding Bonds, and for a reserve fund as additional security for the payment of such subordinate lien bonds.

(d) Other Expenditures. The remaining Pledged Sales Tax Revenues may be used for any legally authorized purpose.

Section 3.5. Additional. Bonds.

The City may issue additional bonds (the “Parity Bonds”) payable from the Pledged Revenues and having a lien upon such revenues on a parity with the Bonds and the Outstanding Parity Bonds providing that:

1. The City is current in the payment of principal and interest on the Outstanding Bonds and is current in the collections required for the Principal and Interest Account.
2. The City is in compliance with all covenants of outstanding sales tax revenue bonds and
3. The Pledged Revenues collected by the City in the last preceding fiscal year are sufficient to cover 1.25 times the combined average annual principal and interest requirements on the Outstanding Bonds and the proposed Parity Bonds.

Section 3.6. Subordinate Lien Bonds.

After making the above required payments, any remaining Sales Tax may be used for the payment of the principal of and interest on any additional sales tax revenue bonds having a lien which is

subordinate to the lien of the Outstanding Bonds, and for a reserve fund as additional security for the payment of such subordinate lien bonds.

Section 3.7. Other Expenditures.

The remaining Sales Tax may be used for any legally authorized purpose.

ARTICLE IV

FORM, TERMS, EXECUTION, AND TRANSFER OF BONDS

Section 4.1. Authorized Bonds;

The aggregate principal amount of Bonds that may be issued under this Bond Resolution shall not exceed Two Million One Hundred Thousand Dollars (\$2,100,000).

Section 4.2. Form of Bonds; Execution.

(a) The Bonds are issuable only as fully registered Bonds, without coupons, in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof. All Bonds issued under the Resolution shall be substantially in the form set forth in Exhibit A attached hereto, and by this reference incorporated herein as fully as though copied.

(b) The Bonds shall be executed in such manner as may be prescribed by applicable law in the name and on behalf of the City with the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the Finance Officer, and approved as to form and countersigned by a Resident Attorney by his manual or facsimile signature.

(c) In the event any officer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such manual or such facsimile signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be manually signed by, such individuals who, at the actual time of the execution of such Bond, were the proper officers of the City to sign such Bond, although on the date of the adoption by the City of this Resolution, such individuals may not have been such officers.

Section 4.3. Maturities, Interest Rates, and Certain Other Provisions of Bonds.

(a) The Bonds shall become due and payable and be subject to the terms and conditions as set forth in the Bond Purchase Agreement.

(b) The Bonds shall be designated "Sales Tax Revenue Refunding Bonds, Series 2019", or such other designation as shall be determined by the City Commission pursuant to Section 8.1 hereof. The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on Interest Payment Dates. Interest on each Bond shall be paid by wire transfer, check or draft of the Paying Agent, payable in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the Record Date. The principal of the Bond shall be payable in lawful money of the United States of America at the principal office of the Paying Agent and Registrar on the Bond Payment Date.

(c) The Paying Agent and Registrar shall make all interest payments with respect to the Bonds on each interest payment date directly to the registered owners as shown on the Bond registration records

maintained by the Paying Agent and Registrar as of the close of business on the Record Date by wire transfer, check or draft mailed to such owners at their addresses shown on said bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the City in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Paying Agent and Registrar as the same shall become due and payable.

Section 4.4. Negotiability of Bonds.

All Bonds issued under this Resolution shall be negotiable, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds.

Section 4.5. Registration, Transfer and Exchange of Bonds.

(a) The Bonds are transferable only by presentation to the Paying Agent and Registrar by the registered owner, or his legal representative duly authorized in writing, of the registered bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the bond(s) in such form and with such documentation, if any, the Paying Agent and Registrar shall issue a new bond or bonds to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Paying Agent and Registrar shall not be required to transfer or exchange any bond during the period commencing on a Record Date and ending on the corresponding interest payment date of such bond, nor to transfer or exchange any bond after the publication of notice calling such bond for redemption has been made, nor to transfer or exchange any bond during the period following the receipt of instructions from the City to call such bond for redemption; provided, the Paying Agent and Registrar, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bonds, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the City nor the Paying Agent and Registrar shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. Bonds, upon surrender to the Paying Agent and Registrar, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of Bonds of the same maturity in any authorized denomination or denominations.

(b) Except as otherwise provided in this subsection or in the Bond Purchase Agreement, the bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the bond. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody. Unless otherwise provided herein, a Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership affected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are herein referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their

beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS THE PAYING AGENT AND REGISTRAR SHALL TREAT CEDE & CO., AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE PAYING AGENT AND REGISTRAR TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS BOND RESOLUTION.

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Paying Agent and Registrar directly to DTC or its nominee, Cede & Co., as provided in the Letter of Representation. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. Neither the City nor the Paying Agent and Registrar shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the City determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, the City may discontinue the Book-Entry System with DTC. If the City fails to identify another qualified securities depository to replace DTC, the City shall cause the Paying Agent and Registrar to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner.

NEITHER THE CITY NOR THE PAYING AGENT AND REGISTRAR SHALL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC PARTICIPANT OR ANY BENEFICIAL OWNER WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS BOND RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS, (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNER.

SO LONG AS A BOOK-ENTRY SYSTEM OF EVIDENCE OF TRANSFER OF OWNERSHIP OF ALL THE BONDS IS MAINTAINED IN ACCORDANCE HEREWITH, THE PROVISIONS OF THIS RESOLUTION RELATING TO THE DELIVERY OF PHYSICAL BOND CERTIFICATES SHALL BE DEEMED INAPPLICABLE OR BE OTHERWISE SO CONSTRUED AS TO GIVE FULL EFFECT TO SUCH BOOK-ENTRY SYSTEM. IF THE PROVISIONS OF THE LETTER OF REPRESENTATION SHALL BE IN CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION AS SAID PROVISIONS RELATE TO DTC, THE PROVISIONS OF THE LETTER

OF REPRESENTATION SHALL CONTROL.**Section 4.6. Mutilated, Lost, Stolen, or Destroyed Bonds.**

(a) In the event any Bond is mutilated, lost, stolen, or destroyed, the City may execute, and upon the request of an Authorized Officer of the City the Paying Agent and Registrar shall authenticate and deliver, a new Bond of like maturity, interest rate, and principal amount, and bearing the same number (but with appropriate designation indicating that such new Bond is a replacement Bond) as the mutilated, destroyed, lost, or stolen Bond, in exchange for the mutilated Bond or in substitution for the Bond so destroyed, lost, or stolen. In every case of exchange or substitution, the Bondholder shall furnish to the City and the Paying Agent and Registrar: (1) such security or indemnity as may be required by them to save each of them harmless from all risks, however remote; and, (2) evidence to their satisfaction of the mutilation, destruction, loss, or theft of the subject Bond and the ownership thereof. Upon the issuance of any Bond upon such exchange or substitution, the City and the Paying Agent and Registrar may require the Owner thereof to pay a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including printing costs and counsel fees, of the City and the Paying Agent and Registrar. In the event any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost, or stolen, the City may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of the same (without surrender thereof except in the case of a mutilated Bond) if the Owner thereof shall pay all costs and expenses, including attorneys' fees, incurred by the City and the Paying Agent and Registrar in connection herewith, as well as a sum sufficient to defray any tax or other governmental charge that may be imposed in relation thereto and shall furnish to the City and the Paying Agent and Registrar such security or indemnity as they may require to save them harmless and evidence to the satisfaction of the City and the Paying Agent and Registrar the mutilation, destruction, loss, or theft of such Bond and of the ownership thereof.

(b) Every Bond issued pursuant to the provisions of this section shall constitute an additional contractual obligation of the City (whether or not the destroyed, lost, or stolen Bond shall be found at any time to be enforceable) and shall be entitled to all the benefits of this Bond Resolution equally and proportionately with any and all other Bonds duly issued under this Bond Resolution.

(c) All Bonds shall be held and owned upon the express condition that the provisions of this Section are exclusive, with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and, to the maximum extent legally permissible, shall preclude all other rights or remedies, notwithstanding any law or statute now existing or hereafter enacted to the contrary.

Section 4.7. Authentication.

The Paying Agent and Registrar is hereby authorized to authenticate and deliver the Bonds to the Underwriter or as it may designate upon receipt by the City of the proceeds of the sale thereof, to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Paying Agent and Registrar by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

Section 4.8. Qualification for DTC.

The Paying Agent and Registrar is hereby authorized to take such actions as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book

entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by the DTC (or any of its designees identified to the Paying Agent and Registrar) by overnight delivery, courier service, telegram, telecopy or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the Owners of the Bonds, provided, however, that the Paying Agent and Registrar shall not be liable with respect to any such arrangements it may make pursuant to this section.

Section 4.09. Rating Agency.

The City authorized to enter into an agreement with a Rating Agency as may be required under the Purchase Agreement. Any terms or conditions of the Rating Agency shall be attached to this resolution and incorporated herein as if stated in full.

Section 4.10. Bond Counsel.

The Mayor and Finance Officer are authorized to retain Meierhenry Sargent LLP as Bond Counsel upon such terms as they approve.

Section 4.11. Dissemination Agent.

The City authorizes the Authorized Officer of the City to retain a dissemination agent with regard to the written undertaking authorized in Section 11.7 hereof.

Section 4.12. Underwriter.

The Mayor and Finance Officer are authorized to retain Dougherty & Company LLC as Underwriter upon such terms as they approve, and if the Bonds are ultimately privately placed as placement agent upon such terms as they approve.

ARTICLE V

REDEMPTION OF BONDS PRIOR TO MATURITY

Section 5.1. Redemption

(a) **Redemption.** The Bonds shall be redeemable as set forth in the Bond Purchase Agreement.

ARTICLE VI

PAYING AGENT AND REGISTRAR

Section 6.1. Appointment and Acceptance of Duties.

(a) The City hereby authorizes the City Finance Officer to act as or to appoint the Paying Agent and Registrar with respect to the Bonds and authorizes and directs the Paying Agent and Registrar to maintain bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance, upon transfer, or as otherwise directed by the City, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the City at least annually a certificate of destruction with respect to Bonds canceled and destroyed, and to furnish the City at least annually an audit confirmation of Bonds paid, Bonds Outstanding and payments made with respect to interest on the Bonds. The Mayor and the City Finance Officer, or either of them is hereby authorized to execute and the City Finance Officer is hereby authorized to attest such written agreement between the City and the Paying Agent and Registrar as they shall deem

necessary or proper with respect to the obligations, duties and rights of the Paying Agent and Registrar. The payment of all reasonable fees and expenses of the Paying Agent and Registrar for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

Section 6.2. Permitted Acts and Functions.

The Paying Agent and Registrar may become the Owner of any Bonds, with the same rights as it would have if it were not a Paying Agent and Registrar. The Paying Agent and Registrar may act as a purchaser or fiscal agent in connection with the sale of the Bonds or of any other securities offered or issued by the City.

Section 6.3. Resignation or Removal of the Paying Agent and Registrar and Appointment of Successors.

(a) The Paying Agent and Registrar may at any time resign and be discharged of the duties and obligations created by the Bond Resolution by giving at least sixty (60) calendar days' written notice to the City Finance Officer. The Paying Agent and Registrar may be removed at any time by the City Finance Officer, provided that such removal does not constitute a breach of any contractual agreement with any such Paying Agent and Registrar, by filing written notice of such removal with such Paying Agent and Registrar. Any successor Paying Agent and Registrar shall be appointed by the City Finance Officer and shall be a trust company or a bank having the powers of a trust company, having a combined capital, surplus, and undivided profits aggregating at least Seventy-Five Million Dollars (\$75,000,000), willing to accept the office of Paying Agent and Registrar on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Bond Resolution.

(b) In the event of the resignation or removal of the Paying Agent and Registrar, such Paying Agent and Registrar shall pay over, assign and deliver any monies and securities held by it as Paying Agent and Registrar, and all books and records and other properties held by it as Paying Agent and Registrar, to its successor, or if there be no successor then appointed, to the City Finance Officer until such successor be appointed.

Section 6.4. Merger or Consolidation of Paying Agent and Registrar.

Any corporation or association into which the Paying Agent and Registrar may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole, or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation, or transfer to which it is a party shall be and become successor Paying Agent and Registrar hereunder and shall be vested with all the trusts, powers, discretion, immunities, privileges, and other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein contained to the contrary notwithstanding. Upon any such conversion, merger, consolidation, sale or transfer, the City Finance Officer shall have the right and option, upon notice to such converted, merged, consolidated or acquiring entity, to remove such entity and appoint a successor thereto pursuant to the procedures and requirements set forth in Section 6.3 hereof.

ARTICLE VII

Section 7.1. Call and Redemption of Sales Tax Revenue Refunding Bonds, Series 2011A

The Sales Tax Revenue Refunding Bonds, Series 2011A shall be called on or after December 1, 2019 after which date said bonds shall cease to accrue interest. The City reserves the right not to call one or more series or a portion thereof if interest savings do not warrant said refunding.

Notice of the City's intention to refund the Refunded Bonds shall be shall be posted on <http://emma.msrb.org> within 10 days of the passage of this Resolution and be given, at the direction of the Finance Officer, by the respective paying agents for the Refunded Bonds, to the respective Registered Owners of the Refunded Bonds. Such notice shall be in substantially the form as provided in Exhibit B attached hereto and by this reference made a part hereof.

ARTICLE VIII

SALE OF BONDS AND DEPOSIT OF PROCEEDS

Section 8.1. Sale of Bonds.

The Bonds shall be sold to the Underwriter at a price to be set forth in the Bond Purchase Agreement. The Mayor and the Finance Officer, or either of them, in consultation with the Underwriter, are authorized to make such changes in the structuring of the terms and sale of the Bonds as they shall deem necessary to maximize the savings from the refunding of the Refunded Bonds. In this regard, they, or either of them, in consultation with the Underwriter, are authorized to cause to be sold an aggregate principal amount of the Bonds less than that authorized herein cause fewer than all the Refunded Bonds to be refunded, to sell any or all of the Bonds as term Bonds with annual mandatory redemption requirements which will produce substantially the same annual principal reductions as authorized herein, to change the dated date of the Bonds, and to adjust principal and interest payment dates and redemption dates of the Bonds. The form of the bond set forth in Exhibit A attached hereto shall be conformed to reflect any changes, if any, as hereinbefore mentioned. The Mayor and the City Finance Officer, or either of them, are hereby authorized to execute and the City Finance Officer is authorized to attest the Bond Purchase Agreement with the Underwriter providing for the purchase and sale of the Bonds. The Bond Purchase Agreement shall be in form and content acceptable to the Mayor and Finance Officer, the execution thereof by either of them to constitute conclusive evidence thereof; provided the Bond Purchase Agreement effects the sale of the Bonds in accordance with the provisions of this Resolution and is not inconsistent with the terms hereof. The Mayor and the City Finance Officer are authorized to cause the Bonds to be authenticated and delivered by the Paying Agent and Registrar to the Underwriter and to execute, publish, and deliver all certificates and documents including the Official Statement and closing certificates and documents as they shall deem necessary in connection with the sale and delivery of the Bonds.

Section 8.2. Official Statement.

If the Bonds are sold to the Underwriter, the Mayor, Finance Officer, and the Underwriter are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds (the "Preliminary Official Statement"). After the Bonds have been sold, the Mayor and Finance Officer shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission.

To comply with paragraph (b) (3) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule") and with Rule G-32 City agrees to deliver to the Underwriter, the Official Statement (which shall be a final official statement, as such term is defined in the Rule, as of its date) in an electronic format as prescribed by the MSRB.

Section 8.3. Disposition of Bond Proceeds.

The proceeds of the sale of the Bonds shall be disbursed as follows:

- (a) An amount representing accrued interest on the Bonds from the dated date to the closing date shall be deposited to the appropriate fund of the City to be used to pay interest on the Bonds on the first interest payment date following delivery of the Bonds.
- (b) An amount which, together with other legally available funds of the City, if any, and investment earnings thereon and on said Bond proceeds, will be sufficient to pay principal of and premium and interest on the Refunded Bonds to their earliest optional redemption dates 2019;
- (c) The remaining proceeds of the sale of the Bonds shall be used to pay the costs of issuance and sale of the Bonds including surety bond costs, necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, rating agency fees, Paying Agent and Registrar fees, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Bonds.

Section 8.4. Tax Matters.

- (a) The City covenants and agrees with the registered owners from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the basic interest on the Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations.
- (b) The Mayor and the City Finance Officer, being the officers of the City charged with the responsibility for issuing the Bonds pursuant to this Resolution are hereby authorized and directed to execute and deliver to the Underwriter thereof a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds, it is reasonably expected that the proceeds of the Bonds will be used in a manner that would not cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.
- (c) The City shall file with the Secretary of the Treasury a statement concerning the Bonds containing the information required by Section 149(e) of the Code.
- (d) Pursuant to Section 265(b)(3)(B)(ii) of the Code, the City hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. The City hereby represents that it does not anticipate that obligations bearing interest not includable in gross income for purposes of federal income taxation under Section 103 of the Code (including refunding obligations as provided in Section 265 (b) (3) of the Code and including "qualified

501 (c)(3) Bonds" but excluding other "private activity bonds," as defined in Sections 141(a) and 145(a) of the Code) will be issued by or on behalf of the City and all "subordinate entities" of the City in 2019 in an amount greater than \$10,000,000.

ARTICLE IX

MISCELLANEOUS

Section 9.1. Failure to Present Bonds.

(a) Subject to the provisions of Section 4.7 hereof, in the event any Bond shall not be presented for payment when the principal or redemption price hereof becomes due, either at maturity or at the date fixed for prior redemption thereof or otherwise, and in the event monies sufficient to pay such Bond shall be held by the Paying Agent and Registrar for the benefit of the Owner thereof, all liability of the City to such Owner for the payment of such Bond shall forthwith cease, determine, and be completely discharged. Whereupon, the Paying Agent and Registrar shall hold such monies, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such monies for any claim under the Resolution or on, or with respect to, said Bond.

(b) If any Bond shall not be presented for payment within a period of five years following the date when such Bond becomes due, whether by maturity or otherwise, the Paying Agent and Registrar shall, subject to the provisions of any applicable escheat or other similar law, pay to the City any monies then held by the Paying Agent and Registrar for the payment of such Bond and such Bond shall (subject to the defense of any applicable statute of limitation) thereafter constitute an unsecured obligation of the City.

Section 9.2. Payments Due on Saturdays, Sundays, and Holidays.

In any case where the date of maturity or interest on or principal of any Bond, or the date fixed for redemption of any Bond, shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions similar to the Paying Agent and Registrar are authorized by law to close, then the payment of the interest on, or the principal, or the redemption price of, such Bond need not be made on such date but must be made on the next succeeding day not a Saturday, Sunday, or a legal holiday or a day upon which banking institutions similar to the Paying Agent and Registrar are authorized by law to close, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

Section 9.3. Miscellaneous Acts.

The appropriate officers of the City are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, deliver, and, if applicable file or record, or cause to be filed or recorded, in any appropriate public offices, all such documents, instruments, and certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may, in their discretion, be necessary or desirable to implement or comply with the intent of this Bond Resolution, or any of the documents herein authorized and approved, or for the authorization, issuance, and delivery by the City of the Bonds.

Section 9.4. Amendment.

The City Commission is hereby authorized to make such amendments to this Bond Resolution as will not impair the rights of the Bondholders.

Section 9.5. No Recourse Under Bond Resolution or on Bonds.

All stipulations, promises, agreements, and obligations of the City contained in this Resolution or any supplemental resolutions shall be deemed to be the stipulations, promises, agreements, and obligations of the City and not of any officer, director, or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any officer, director, or employee of the City or against any official or individual executing the Bonds.

Section 9.6. Partial Invalidity.

If any one or more of the provisions of this Bond Resolution, or of any exhibit or attachment thereto, shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, or of any exhibit or attachment thereto, but this Bond Resolution, and the exhibits and attachments thereto, shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

Section 9.7. Continuing Disclosure.

The City hereby covenants and agrees that it will provide financial information and material event notices as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The Mayor is authorized to execute at the Closing of the sale of the Bonds, an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the City to comply with the undertaking herein described and to be detailed in said closing agreement, shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the City to comply with its undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 9.8. Post Issuance Compliance.

The City does hereby adopt Meierhenry Sargent Post-Issuance Compliance Policy and Tax-Advantaged Obligations and Continuing Disclosure with regard to the Bonds attached hereto. The City appoints the Finance Officer as its chief post issuance compliance officer.

Section 9.9. Conflicting Resolutions Repealed.

All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

EXHIBIT A-(FORM OF BOND)
UNITED STATES OF AMERICA
STATE OF SOUTH DAKOTA
YANKTON COUNTY
CITY OF YANKTON
SALES TAX REVENUE REFUNDING BONDS, SERIES 2019

REGISTERED
No. «No»

REGISTERED
\$«AMOUNT» .00

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Bond Date</u>	<u>CUSIP No.</u>
«INTEREST_RATE» %	«maturity»	_____, 2019	«cusip»

Registered Owner: **Cede & Co.**
55 Water Street, 1st Floor.
New York, New York 10041
Tax ID #13-2555119

Principal Amount: **«DOLLARLONG» AND NO\100 DOLLARS**

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE BOND SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law. The Bonds are issued and sold in full compliance in full compliance with South Dakota Codified Laws Sections 6-8B-30 to 6-8B-52 inclusive and are incontestable for any cause whatsoever after their delivery for value.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until it shall have been authenticated by the execution by the Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the City has caused this Bond to be signed by the manual or facsimile signature of its Mayor of the City and to be countersigned by the manual or facsimile signature of its Finance Officer all as of the Bond Date specified above.

ATTEST: City of Yankton, South Dakota

Finance Officer By:
 COUNTERSIGNED: Mayor

Resident Attorney

BOND OF AUTHENTICATION

This Bond is a Bond of the series designated therein and has been issued under the provisions of the within-mentioned Resolution and the date of its authentication is _____, 2019.

The First National Bank in Sioux Falls
 Sioux Falls, South Dakota
 Bond Registrar and Paying Agent

By: _____
 Authorized Officer

KNOW ALL MEN BY THESE PRESENTS: That the City of Yankton, South Dakota (the "City"), in Yankton County, in the State of South Dakota, hereby acknowledges itself to owe and for value received promises to pay Principal Amount, from the Sales Tax Bond Fund of the City, to the Registered Owner mentioned above in lawful money of the United States of America, together with interest thereon from the Bond Date mentioned above at the Interest Rate mentioned above. The interest hereon is payable _____, and semiannually thereafter on _____ and _____ in each year to maturity or earlier redemption by wire transfer, check or draft mailed to the Registered Owner at its address as it appears on the Bond registration books of the City maintained by The First National Bank in Sioux Falls, Sioux Falls, South Dakota as Bond registrar and paying agent (the "Registrar"), on the close of business on the _____ day (whether or not a business day) of the calendar month next preceding such interest payment date (the "Record Date"). The principal hereof due at maturity or upon redemption prior to maturity is payable at the office of Registrar upon presentation and surrender of this Bond at maturity or upon earlier redemption. The principal of, premium (if any) and interest on this Bond is payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

The Bonds: This Bond is one of an authorized issue of Bonds limited in aggregate principal amount to a maximum of \$ _____ (the "Bonds") all of like date and tenor except as to maturity, interest rates and privileges of redemption, the proceeds of this issue combined with interest earnings will be used for the purpose of providing funds to (i) refund the City's Sales Tax Revenue Bonds (Short Term Subordinate), Series 2011A dated June 1, 2011, and (ii) pay the costs of issuance of the Bonds described herein, pursuant to a resolution duly and regularly adopted by the City on _____, 2019 (the "Bond Resolution"), and are subject to all the provisions and limitations of the Resolution and Chapters 10-52 and Sections 6-8B-30 to 6-8B-52, South Dakota Codified Laws, as amended.

Security Provisions: The City has pledged and agreed to collect, so long as the Bonds are outstanding, the City's two percent non-ad valorem tax (the "Sales Tax") in an amount sufficient to pay principal, premium and interest when due on the Bonds. The Sales Tax and the reserve fund are pledged for the payment of the Bonds. The City agrees and covenants to impose and collect the Sales Tax as long as the Bonds are outstanding in accordance with SDCL 10-52.

Redemption:

[RESERVE LANGUAGE]

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the Bond Registrar in Sioux Falls, South Dakota, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefore.

The City and the Bond Registrar may deem and treat the registered holder hereof as the absolute owner hereof and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

Additional Bonds: The City may issue additional bonds (the "Parity Bonds") payable from the Sales Tax and having a lien upon such revenues on a parity with the Bonds and the Outstanding Parity Bonds providing that:

1. the City is current in the payment of principal and interest on the Outstanding Bonds and is current in the collections required for the Principal and Interest Account and the Reserve Account.
2. the Sales Tax collected by the City for any twelve consecutive months out of the fifteen months immediately preceding the issuance of the proposed debt was at least 125% of the maximum annual principal and interest requirements on the Outstanding Bonds and the proposed Parity Bonds.

Bank Qualification: The City has in the Resolution designated such issue of Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(III) of the Internal Revenue Code of 1986, as amended.

Form of Bond Opinion

_____, 2019

**CITY OF YANKTON
YANKTON COUNTY, SOUTH DAKOTA
\$ _____ SALES TAX REVENUE REFUNDING BONDS,
SERIES 2019**

We have acted as bond counsel in connection with the issuance by the City of Yankton , Yankton County, South Dakota, (the "Issuer") of \$ _____ Sales Tax Revenue Refunding Bonds, Series 2019, dated _____, 2019 (the "Bonds"). We have examined the law, Resolution _____ (the "Resolution") and such certified proceedings and other papers as we deemed necessary to render this opinion.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and we express no opinion relating thereto.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Issuer is duly created and validly existing as a body corporate and politic and public instrumentality of the State of South Dakota with the corporate power to adopt and perform the resolution and issue the Bonds.
2. Resolution _____ has been duly adopted by the Issuer on _____, 2019 and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer and enforceable within its terms.
3. The Resolution pledges the City's two (2) per cent on the gross receipts of all persons engaged in business within the jurisdiction of the City of Yankton, Yankton County, South Dakota, who are subject to the South Dakota Retail Occupational Sales and Service Tax, SDCL 10-45 and the (2) percent excise tax on the privilege of use, storage and consumption within the jurisdiction of the city of tangible personal property or services which are subject to the South Dakota Use Tax Act, SDCL 10-46, and acts amendatory thereto (the "Sales Tax") in an amount sufficient to pay principal, premium and interest when due on the Bonds.
4. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer, payable solely from City's Sales Tax.
5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986 as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.
6. The Bonds are exempt from all taxation as property by the State of South Dakota except for estate inheritance taxes, and taxes imposed upon financial institutions.

7. The Bonds are qualified tax-exempt obligations within the meaning of Section 265(b)(3)(B)(i)(III) of the Code. The Bonds are eligible for purchase by financial institutions.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

Meierhenry Sargent LLP

AS PROVIDED IN THE RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THE RESOLUTION TO THE CONTRARY, A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE REGISTRAR. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE RESOLUTION.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE REGISTRAR FOR PAYMENT OF PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Post-Issuance Compliance Policy for Tax-Exempt and Tax-Advantaged Obligations and Continuing Disclosure

Definitions

“Compliance Officer” means the Finance Officer of the Issuer.

“Issuer” means the City of Yankton, South Dakota.

Statement of Purpose

This Post-Issuance Compliance Policy (the "Policy") sets forth specific policies of the Issuer designed to monitor post-issuance compliance:

- (i) with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated thereunder ("Treasury Regulations") for obligations issued by the Issuer on tax-exempt or tax-advantaged basis ("Obligations"); and
- (ii) with applicable requirements set forth in certificates and agreement(s) ("Continuing Disclosure Agreements") providing for ongoing disclosure in connection with the offering of obligations to investors ("Offerings"), for obligations (whether or not tax exempt I tax-advantaged) subject to the continuing disclosure requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934.

This Policy documents practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Obligations in order that the interest on such Obligations continue to be eligible to be excluded from gross income for federal income tax purposes or that the Obligations continue to receive tax-advantaged treatment. The federal tax law requirements applicable to each particular issue of Obligations will be detailed in the arbitrage or tax certificate prepared by bond counsel and signed by officials of the Issuer and the post-closing compliance checklist provided by bond counsel with respect to that issue. This Policy establishes a permanent, ongoing structure of practices and procedures that will facilitate compliance with the requirements for individual borrowings.

This Policy similarly documents practices and describes various procedures and systems designed to ensure compliance with Continuing Disclosure Agreements, by preparing and disseminated related reports and information and reporting "material events" for the benefit of the holders of the Issuer's obligations and to assist the Participating Underwriters (within the meaning of the Rule) in complying with the Rule.

The Issuer recognizes that compliance with pertinent law is an on-going process, necessary during the entire term of the obligations, and is an integral component of the Issuer's debt management. Accordingly, the analysis of those facts and implementation of the Policy will require on-going monitoring and consultation with bond counsel and the Issuer's accountants and advisors.

General Policies and Procedures

The following policies relate to procedures and systems for monitoring post-issuance compliance generally.

- A. The Compliance Officer shall be responsible for monitoring post-issuance compliance issues.
- B. The Compliance Officer will coordinate procedures for record retention and review of such records.
- C. All documents and other records relating to Obligations issued by the Issuer shall be maintained by or at the direction of the Compliance Officer. In maintaining such documents

and records, the Compliance Officer will comply with applicable Internal Revenue Service ("IRS") requirements, such as those contained in Revenue Procedure 97-22.

- D. The Compliance Officer shall be aware of options for voluntary corrections for failure to comply with post-issuance compliance requirements (such as remedial actions under Section 1.141-12 of the Regulations and the Treasury's Tax-Exempt Bonds Voluntary Closing Agreement Program) and take such corrective action when necessary and appropriate.
- E. The Compliance Officer will review post-issuance compliance procedures and systems on a periodic basis, but not less than annually.

Issuance of Obligations - Documents and Records

With respect to each issue of Obligations, the Compliance Officer will:

- A. Obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents (the "Transcript").
- B. Confirm that bond counsel has filed the applicable information report (e.g., Form 8038, Form 8038-G, Form 8038-CP) for such issue with the IRS on a timely basis.
- C. Coordinate receipt and retention of relevant books and records with respect to the investment and expenditure of the proceeds of such Obligations with other applicable staff members of the Issuer.

Arbitrage

The following policies relate to the monitoring and calculating of arbitrage and compliance with specific arbitrage rules and regulations.

The Compliance Officer will:

- A. Confirm that a certification of the initial offering prices of the Obligations with such supporting data, if any, required by bond counsel, is included in the Transcript.
- B. Confirm that a computation of the yield on such issue from the Issuer's financial advisor or bond counsel (or an outside arbitrage rebate specialist) is contained in the Transcript.
- C. Maintain a system for tracking investment earnings on the proceeds of the Obligations.
- D. Coordinate the tracking of expenditures, including the expenditure of any investment earnings. If the project(s) to be financed with the proceeds of the Obligations will be funded with multiple sources of funds, confirm that the Issuer has adopted an accounting methodology that maintains each source of financing separately and monitors the actual expenditure of proceeds of the Obligations.
- E. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures. This procedure shall include an examination of the expenditures made with proceeds of the Obligations within 18

months after each project financed by the Obligations is placed in service and, if necessary, a reallocation of expenditures in accordance with Section 1.148-6(d) of the Treasury Regulations.

- F. Monitor compliance with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- G. Ensure that investments acquired with proceeds of such issue are purchased at fair market value. In determining whether an investment is purchased at fair market value, any applicable Treasury Regulation safe harbor may be used.
- H. Avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- I. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions or investments in guaranteed investment contracts.
- J. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.
- K. Monitor compliance with six-month, 18-month or 2-year spending exceptions to the rebate requirement, as applicable.
- L. Procure a timely computation of any rebate liability and, if rebate is due, to file a Form 8038-T and to arrange for payment of such rebate liability.
- M. Arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

Private Activity Concerns

The following polices relate to the monitoring and tracking of private uses and private payments with respect to facilities financed with the Obligations.

The Compliance Officer will:

- A. Maintain records determining and tracking facilities financed with specific Obligations and the amount of proceeds spent on each facility.
- B. Maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of an issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.
- C. Maintain records allocating to a project financed with Obligations any funds from other sources that will be used for otherwise non-qualifying costs.

- D. Monitor the expenditure of proceeds of an issue and investment earnings for qualifying costs.
- E. Monitor private use of financed facilities to ensure compliance with applicable limitations on such use. Examples of potential private use include:
 - 1. Sale of the facilities, including sale of capacity rights;
 - 2. Lease or sub-lease of the facilities (including leases, easements or use arrangements for areas outside the four walls, e.g., hosting of cell phone towers) or leasehold improvement contracts;
 - 3. Management contracts (in which the Issuer authorizes a third party to operate a facility, e.g., cafeteria) and research contracts;
 - 4. Preference arrangements (in which the Issuer permits a third party preference, such as parking in a public parking lot);
 - 5. Joint-ventures, limited liability companies or partnership arrangements;
 - 6. Output contracts or other contracts for use of utility facilities (including contracts with large utility users);
 - 7. Development agreements which provide for guaranteed payments or property values from a developer;
 - 8. Grants or loans made to private entities, including special assessment agreements; and
 - 9. Naming rights arrangements.

Monitoring of private use should include the following:

- 1. Procedures to review the amount of existing private use on a periodic basis; and
- 2. Procedures for identifying in advance any new sale, lease or license, management contract, sponsored research arrangement, output or utility contract, development agreement or other arrangement involving private use of financed facilities and for obtaining copies of any sale agreement, lease, license, management contract, research arrangement or other arrangement for review by bond counsel.

If the Compliance Officer identifies private use of facilities financed with tax-exempt or tax-advantaged debt, the Compliance Officer will consult with the Issuer's bond counsel to determine whether private use will adversely affect the tax status of the issue and if so, what remedial action is appropriate. The Compliance Officer should retain all documents related to any of the above potential private uses.

Qualified Tax-Exempt Obligations

If the Issuer issues qualified tax-exempt obligations in any year, the Compliance Officer shall monitor all tax-exempt financings (including lease purchase arrangements and other similar financing

arrangements and conduit financings on behalf of 501(c)(3) organizations) to assure that the \$10,000,000 “Small Issuer” limit is not exceeded.

Federal Subsidy Payments

The Compliance Officer shall be responsible for the calculation of the amount of any federal subsidy payments and the timely preparation and submission of the applicable tax form and application for federal subsidy payments for tax-advantaged obligations such as Build America Bonds, New Clean Renewable Energy Bonds and Qualified School Construction Bonds.

Reissuance

The following policies relate to compliance with rules and regulations regarding the reissuance of Obligations for federal law purposes.

The Compliance Officer will identify and consult with bond counsel regarding any post-issuance change to any terms of an issue of Obligations which could potentially be treated as a reissuance for federal tax purposes.

Record Retention

The following policies relate to retention of records relating to the Obligations Issued. The Compliance Officer will:

- A. Coordinate with staff regarding the records to be maintained by the Issuer to establish and ensure that an issue remains in compliance with applicable federal tax requirements for the life of such issue.
- B. Coordinate with staff to comply with provisions imposing specific recordkeeping requirements and cause compliance with such provisions, where applicable.
- C. Coordinate with staff to generally maintain the following:
 1. The Transcript relating to the transaction (including any arbitrage or other tax certificate and the bond counsel opinion);
 2. Documentation evidencing expenditure of proceeds of the issue;
 3. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation.
 4. Documentation evidencing use of financed property by public and private entities (e.g., copies of leases, management contracts, utility user agreements, developer agreements and research agreements);
 5. Documentation evidencing all sources of payment or security for the issue; and
 6. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments,

actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).

- D. Coordinate the retention of all records in a manner that ensures their complete access to the IRS.
- E. Keep all material records for so long as the issue is outstanding (including any refunding), plus seven years.

Continuing Disclosure

Under the provisions of SEC Rule 15c2-12 (the "Rule"), Participating Underwriters (as defined in the Rule) are required to determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Agreements to make ongoing disclosure in connection with Offerings subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, the Transcript for each issue of related obligations will include a Continuing Disclosure Agreement executed by the Issuer.

In order to monitor compliance by the Issuer with its Continuing Disclosure Agreements, the Compliance Officer will, if and as required by such Continuing Disclosure Agreements:

- A. Assist in the preparation or review of annual reports ("Annual Reports") in the form required by the related Continuing Disclosure Agreements.
- B. Maintain a calendar, with appropriate reminder notifications, listing the filing due dates relating to dissemination of Annual Reports, which annual due date is generally expressed as a date within a certain number of days (e.g., 365 days) following the end of the Issuer's fiscal year (the "Annual Report Due Date"), as provided in the related Continuing Disclosure Agreements.
- C. Ensure timely dissemination of the Annual Report by the Annual Report Due Date, in the format and manner provided in the related Continuing Disclosure Agreements, which may include transmitting such filing to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB.
- D. Monitor the occurrence of any "Material Event" (as defined in the Continuing Disclosure Agreements) and timely file notice of the occurrence of any such Material Event in the manner provided under the Continuing Disclosure Agreements. To be timely filed, such notice must be transmitted within 10 days (or such other time period as set forth in the Continuing Disclosure Agreements) of the occurrence of such Material Event.
- E. Ensure timely dissemination of notice of any failure to perform under a Continuing Disclosure Agreement, if and as required by the Continuing Disclosure Agreement.
- F. Respond to requests, or ensure that the Issuer Contact (as defined in the Continuing Disclosure Agreement) responds to requests, for information under the Rule, as provided in the Continuing Disclosure Agreements.

- G. Monitor the performance of any dissemination agent(s) engaged by the Issuer to assist in the performance of any obligation under the Continuing Disclosure Agreements.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-212

Moved by Commissioner Webber, seconded by Commissioner Moser, to approve Resolution 19-37. (Memorandum 19-175)

RESOLUTION 19-37
Special Events Parking Request

WHEREAS, the City Commission adopted an Ordinance allowing for no parking designation for special events within the City of Yankton; and

WHEREAS, this Resolution would authorize the City of Yankton to tow vehicles that are parked in the defined area or areas and times specified for Special Events; and

WHEREAS, River City Domestic Violence Center and River City Family Connections has made a request to enact this no parking zone for their event on August 24, 2019.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the City of Yankton, South Dakota hereby approves the Special Event Parking Request on August 24, 2019, from 8:00 AM to 4:00 PM for the alley west of The Lawn and Riverside Drive from the alley east, including the parking lot.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-213

This was the time and place to award the bid for the Pearl Street Water Main Replacement from 2nd Street to 3rd Street. The following bids were received and opened on August 1st at 3:00 p.m.: Feimer Construction, Inc., Yankton, SD for \$191,469.50 and Slowey Construction, Inc., Yankton, SD for \$200,865.00. (Memorandum 19-176)

Moved by Commissioner Carda, seconded by Commissioner Miner, to award the contract to Feimer Construction, Inc., in the amount of \$191,469.50.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-214

Moved by Commissioner Miner, seconded by Commissioner Webber, to approve Change Order No. 1, accept the completed reconstruction of the 8th Street Project, and authorize the Finance Officer to issue a manual check to Slowey Construction, Inc., in the amount of \$95,430.75. (Memorandum 19-173)

Roll Call: All members present voting “Aye;” voting “Nay:” None.

Motion adopted.

Action 19-215

Moved by Commissioner Schramm, seconded by Commissioner Miner, to authorize the City Manager to enter into the State of South Dakota Department of Transportation Funding Agreement. (Memorandum 19-177)

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Action 19-216

Moved by Commissioner Benson, seconded by Commissioner Carda, to adjourn into Executive Session at 7:29 p.m. to discuss **contractual litigation** matters under SDCL 1-25-2.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Regular meeting of the Board of City Commissioners of the City of Yankton was reconvened by Mayor Johnson.

Roll Call: Present: Commissioners Benson, Carda, Miner, Moser, Schramm and Webber. City Attorney Den Herder and City Manager Leon were also present. Absent: Commissioners Ferdig and Hoffner. Quorum present.

Action 19-217

Moved by Commissioner Carda, seconded by Commissioner Schramm, to adjourn at 8:17 p.m.

Roll Call: All members present voting “Aye;” voting “Nay:” None.
Motion adopted.

Nathan V Johnson
Mayor

ATTEST:

Al Viereck
Finance Officer



OFFICE OF THE CITY MANAGER

www.cityofyankton.org

VOL. 54, NUMBER 16

Commission Information Memorandum

The Yankton City Commission meeting on Monday, August 26, 2019, will begin at 7:00 pm.

Non-Agenda Items of Interest

1) Police Department Update

The major event of this reporting period was Riverboat days. We worked the entire weekend with no major problems related to the festival. We did have to talk down an intoxicated subject who climbed to the top of the Meridian Bridge. We started a virtual ride-a-long on facebook and twitter, outlining events as they occurred. I received numerous positive comments related to the updates.

We worked with the Yankton School District to create a phone safety video for Parents.

We provided ALICE training for the Library Staff and Library Board.

Attended the School Board meeting and gave them an update on the "You Can Too" program that YPD is implementing in Webster and Stewart Elementary Schools this semester.

We held discussions Principal with Laura Haberman on the "You Can too" program at St Benedict Elementary School.

2) Community & Economic Department Update

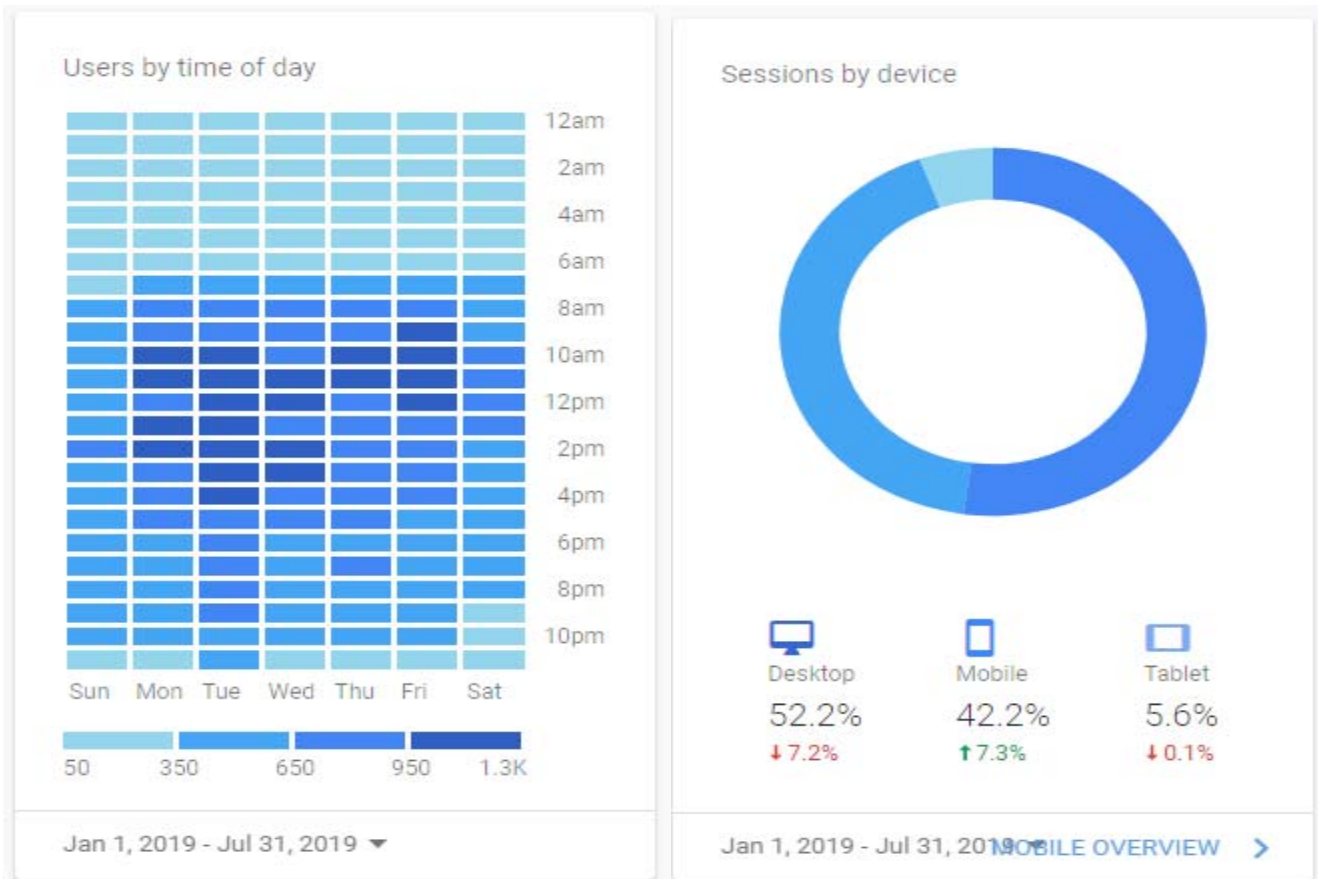
There is more activity occurring at the Chan Gurney Municipal Airport than there has been in recent memory. We just finished up hosting hundreds of travelers making their way to and from the Oshkosh airshow. The Oshkosh event usually means about 10 days of much busier than normal times at our airport. We have pilots fueling, sleeping and showering at the airport as one of their last pit stops on the way to Wisconsin. The Yankton Airshow Planning Committee continues to work diligently to prepare the programming for the upcoming Labor Day weekend event. The event would not be possible without the dedication of the volunteers, emergency service providers and many others. In addition to all of that, we are in the midst of the planning, design and Federal Aviation Administration regulatory process associated with two major projects slated for construction at the airport next year. The timing and funding has worked out for both the Apron Expansion Project and Cross wind Runway Reconstruction Project to occur next year. In total, that means an estimated \$3.7 million worth of projects at the airport in 2020 with \$3.6 million of that being federal and state grant dollars. Operations may be a little challenging at times in 2020 with all of the construction activities taking place but we look forward to the long term benefits that the investments will provide.

3) Parks and Recreation Department Update

Enclosed in your packet is an update on the various activities in the Parks and Recreation Department.

4) Information Services Department Update

For the first 6 months of 2019 overall number of users (52,260) and sessions (100,819) to the City's website is down slightly from 2018. Total pageviews (240,146) is up slightly. The two charts below break out traffic to the website by day of the week / time of day and by the device.



5) Human Resources Department Update

We are still taking applications for the following positions: Water Distribution/Wastewater Collection Superintendent, Library Assistant, and two part-time Circulation Assistants. Applications for the Superintendent position closes on August 28 and the Library positions close on August 30.

6) Public Works Department Update

Street Department crews have been working on the approach pavement replacement associated with the West City Limits rail-crossing project. This project will complete the improvements to the West City Limits Road corridor that have been taking place over the last few years.

Walnut Street from 2nd to 4th

The acceptance and closeout documents, for the Walnut Street project, are included in this commission packet.

21st Street from Broadway Avenue to Douglas Avenue

Although they were unable to complete the project prior to the start of school, the contractor made a tremendous push to have enough paving done to allow the Riverboat Days parade to pass through the intersection.

With mostly smaller items to complete such as sidewalk, retaining wall, ADA ramps and backfill, we expect that the roads will be open to traffic next week.

Auld-Brokaw Trail – West City Limits Road and 31st Street

Crews working on the BNSF railroad crossing replacement were on site August 15th. The contractor for the trail project will utilize the crossing closure to complete the trail at that location.

2020 Projects

Engineering Department staff have started the survey work needed to design next years proposed projects.

7) Fire Department Update

Tim Binder has been promoted to the position of Captain with the Fire Department. Tim takes the position formally held by Kirt Flannery who recently retired. Tim has in the past been the training officer.

Congratulations to the Yankton Fire Department Auxiliary for winning the float contest in the Riverboat Days Parade.

The Yankton Fire Department will soon be outfitted with formal Class A uniforms. These uniforms would be used during formal events attended by Fire Department personnel such as funerals and other ceremonies. The uniforms are being funded with donated money from the O’Malley Estate. We will provide more information and a picture when the uniforms arrive.

8) Finance Department Update

The City of Yankton’s procurement card (P-Card) program has been in effect through the National League of Cities (NLC) and BMO Financial Group since 2012. The program has helped streamline the purchasing process through the company’s online Spend Dynamics website and has allowed employees and supervisors to manage their departmental purchases 24/7. BMO Financial also provides an annual rebate program based on the volume of purchases made during their fiscal year beginning September and ending August of each year. Since its inception the City has received \$46,750 in rebates. It is anticipated that the City’s rebate for their fiscal year 2018-2019 will be approximately \$6,600.

Enclosed in your packet is the Monthly Finance Report for July.

9) Library Department Update

The library staff and some of its board members recently participated in Active Shooter training. Though some of the staff have had this training before, it was beneficial to be able to go through some simulations of what could happen and what some of the options are in reacting to these situations.

As we go through budget season, it seems that there may be some cuts to the county’s portion of the library’s budget. If this happens, the library will likely have to renegotiate our contract with the county which could mean an increase in fees for non-city users.

Looking ahead at our fall schedule of programs, we are excited to again be offering a wide variety of activities to our community. We are celebrating the release of the Downton Abbey movie with a few activities including a fun day of trivia and tatting demos and crafts. Other upcoming events include things from Intro to Meditation, author events, and a Veteran’s Day Living Library. The library has a staff that is talented and committed to creating fun and interesting programs for our community.

10) Environmental Services Department Update

John T Jones continues to move forward with the Water Plant Project. The project is scheduled to be substantially completed by October 1st. Final completion is scheduled for May of 2020. The project is scheduled to start treating water in mid-September. The roofing contractors continue to work on the roof when weather allows, however, the roofing contractor is behind schedule. Concrete work has started on the flat surfaces outside the plant. The concrete contractor is scheduled to close the intersection at Douglas Street starting August 26th. The intersection will be closed for several weeks to reconstruct the intersection. The contractor continues to complete startup on new equipment. Startup for each piece of equipment consists of a manufacturer's representative testing the equipment and conducting staff training.

Staff met with Planning District III to discuss the Economic Development Authority (EDA) funds available related the spring flooding disaster. Staff will be working with HDR and District III to put together a fund application as soon as possible. A similar program was used for the lift station and outfall projects in the past.

11) Monthly reports

Joint Powers Solid Waste monthly reports is included for your review.

Have an enjoyable weekend and do not hesitate to contact us if you have any questions about these or other issues. If you will not be able to attend the Commission meeting on Monday, please inform my office.

Sincerely,

Amy Leon
City Manager

FINANCE MONTHLY REPORT

Activity	JULY 2019	JULY 2018	JULY 2019 YTD	JULY 2018 YTD
UTILITY BILLING:				
Water				
Water Sold (in gallons per 1,000)	71,089	69,920	324,795	345,586
Water Billed	\$636,541.34	\$588,415.35	\$3,330,035.63	\$3,188,300.38
Basic Water Fee/Rate per 1000 gal.	\$24.61/\$5.83	\$21.71/\$5.55		
Number of Accounts Billed	5,544	5,513	37,484	37,141
Number of Bills Mailed	5,544	5,513	37,120	37,141
Total Meters Read	5,759	5,698	40,179	39,760
Meter Changes/pulled	4	2	25	32
Total Days Meter Reading	1	1	7	7
Misreads found prior to billing	0	0	0	0
Customers requesting Rereads	0	0	0	0
Sewer				
Sewer Billed	\$345,935.53	\$333,261.39	\$2,171,794.66	\$2,119,656.76
Basic Sewer Fee/Rate per 1000 gal.	\$10.18/\$6.17	\$9.69/\$5.87		
Solid Waste				
Solid Waste Billed	\$105,531.73	\$99,579.45	\$732,771.35	\$690,565.77
Basic Solid Waste Fee	\$21.83	\$20.79		
Total Utility Billing:	\$1,088,008.60	\$1,021,256.19	\$6,234,601.64	\$5,998,522.91
Adjustment Total:	(\$848.93)	(\$827.00)	(\$1,495.01)	(\$1,116.17)
Misread Adjustments	\$0.00	\$0.00	\$0.00	\$0.00
Other Adjustments	(\$738.93)	(\$587.00)	(\$785.01)	(\$276.17)
Penalty Adjustments OFF	(\$120.00)	(\$240.00)	(\$800.00)	(\$870.00)
Penalty Adjustments ON	\$10.00	\$0.00	\$90.00	\$30.00
New Accounts/Connects	197	155	614	550
Accounts Finaled/Disconnects	77	61	430	309
New Accounts Set up	9	5	26	42
Delinquent Notices	452	421	2,774	2,765
Doorknockers	133	134	1,063	1,078
Delinquent Call List	81	49	598	631
Notice of Termination Letters	18	17	110	74
Shut-off for Non-payment	8	13	53	43
Delinquent Notice Penalties	\$4,520.00	\$4,210.00	\$27,740.00	\$27,650.00
Doorknocker Penalties	\$1,330.00	\$1,340.00	\$10,630.00	\$10,780.00
Other Office Functions:				
Interest Income	\$75,639.09	\$73,757.66	\$538,195.86	\$395,132.55
Interest Rate-Checking Account	2.68%	2.37%		
Interest Rate-CDs	N/A	N/A		
# of Monthly Vendor Checks	162	202		
Payments Issued to Vendors	\$2,046,645.73	\$2,539,838.59	\$22,223,447.11	\$16,020,072.11
# of Employees on Payroll	267	291		
Monthly Payroll	\$494,327.63	\$506,682.18	\$3,340,030.53	\$3,390,085.78

Commission Information Memorandum

PARKS AND RECREATION DEPARTMENT

SUMMIT ACTIVITIES CENTER and RECREATION PROGRAMS

1st half of August information:

Fitness Classes-

Early Bird Boot Camp class	29 participants
Power Abs	51 participants
Prime Time Senior class	92 participants
Tabata class	54 participants
Water aerobics	212 participants
Work-Out Express class	59 participants
Yoga classes	55 participants
Zumba class	52 participants

Rentals-

o Birthday rentals-	2 parties
o SAC courts-	0 hours
o Theater-	0 hours
o Meeting rooms-	2 hours
o City Hall courts-	7.5 hours
o Capital Building-	1 dates
o Riverside shelters-	6 rentals
o Memorial shelters-	4 rentals
o Westside shelter-	0 rentals
o Sertoma shelter-	0 rentals
o Tripp shelter-	0 rentals
o Meridian Bridge-	0 rental

SAC members-	1,964 people
SAC memberships-	1,032
SAC attendance-	2,265 visits (does not include GreatLIFE attendees)
New members-	38 people

The Yankton Summer Pool Pass is valid from May 1 to August 31 and can be used at the SAC Open Swims and at Memorial Pool during open swims.

Thursday, August 1- Great Day of Play at Memorial Pool- free swim. 292 participants.

Friday & Saturday, August 2 & 3- Yankton Senior Games. 25 participants.

Saturday & Sunday, August 3 & 4 – 2019 Coed Adult Softball end of season tournaments. 28 teams participated.

August 1 – 7. Memorial pool free swim with School Supply Donation.

Friday, August 9- Late Night for Teens at Memorial Pool. 77 participants.

The 2019 Music at the Meridian concert series has been extended by one week as Brittany LaCroix is working with the Connecting Cultures group to have another concert celebrating the Hispanic culture. Please check out the Music at the Meridian Facebook Page for more information.

Brittany L. is working with the air show group in preparing for the event on Labor Day Weekend.

Brittany L. is working on plans for the Welcome to Walnut Event on Friday, August 30, that will be in conjunction with the Labor Day weekend air show.

PARKS

There are a handful of residents who have inquired about the tree replacement reimbursement program for the street right-of-way trees. This is an encouraging sign and will help the City in regards to its total tree count as a part of our urban forest.

The ball fields at Memorial Park, Sertoma Park, Summit Activities Center, and Riverside Park are being dragged and prepared each weekday according to game schedules submitted to the Parks Department.

All but one of the Parks summer staff have left our employment so the regular crew is working to keep up with the demands of the system in the fall.

Description	Yankton Transfer	Vermillion Landfill	Total Joint	7 Month Budget	Legal 2019 Budget
Joint Power Transfer/Landfill					
<i>Total Revenue</i>	<u>\$859,329.41</u>	<u>\$559,833.33</u>	<u>\$1,419,162.74</u>	<u>\$1,263,453.33</u>	<u>\$2,170,920.00</u>
<i>Expenses:</i>					
Personal Services	176,405.29	192,585.14	368,990.43	406,877.33	697,504.00
Operating Expenses	153,519.44	212,936.41	366,455.85	444,076.50	761,274.00
Depreciation (est)	113,666.14	204,353.13	318,019.27	276,614.33	474,196.00
Trench Depletion	0.00	99,333.73	99,333.73	102,987.50	176,550.00
Closure/Postclosure Resrv	0.00	5,729.55	5,729.55	5,285.00	9,060.00
Amortization of Permit	0.00	750.58	750.58	688.33	1,180.00
<i>Total Operating Expenses</i>	<u>443,590.87</u>	<u>715,688.54</u>	<u>1,159,279.41</u>	<u>1,236,529.00</u>	<u>2,119,764.00</u>
<i>Non Operating Expense-Interest</i>	<u>6,408.50</u>	<u>22,820.31</u>	<u>29,228.81</u>	<u>39,268.83</u>	<u>67,318.00</u>
<i>Landfill Operating Income</i>	<u>409,330.04</u>	<u>(178,675.52)</u>	<u>230,654.52</u>	<u>(12,344.50)</u>	<u>(16,162.00)</u>
Joint Recycling Center					
<i>Total Revenue</i>	<u>0.00</u>	<u>58,923.56</u>	<u>58,923.56</u>	<u>61,658.33</u>	<u>105,700.00</u>
<i>Expenses:</i>					
Personal Services	0.00	130,522.04	130,522.04	125,888.58	215,809.00
Operating Expenses	0.00	41,275.22	41,275.22	68,104.17	116,750.00
Depreciation (est)	0.00	14,503.69	14,503.69	21,000.00	36,000.00
<i>Total Operating Expenses</i>	<u>0.00</u>	<u>186,300.95</u>	<u>186,300.95</u>	<u>214,992.75</u>	<u>368,559.00</u>
<i>Non Operating Expense-Interest</i>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<i>Recycling Operating Income</i>	<u>0.00</u>	<u>(127,377.39)</u>	<u>(127,377.39)</u>	<u>(153,334.42)</u>	<u>(262,859.00)</u>
<i>Total Operating Income</i>	<u>\$409,330.04</u>	<u>(\$306,052.91)</u>	<u>\$103,277.13</u>	<u>(\$165,678.92)</u>	<u>(\$279,021.00)</u>
Tonage in Trench:	<u>7/31/2018</u>	<u>7/31/2019</u>			
Asbestos	48.30	75.16	75.16	29.17	50.00
Centerville	137.87	145.06	145.06	641.67	1,100.00
Beresford	808.31	825.73	825.73	816.67	1,400.00
Clay County Garbage	7,962.66	8,732.60	8,732.60	8,458.33	14,500.00
Elk Point	605.30	636.34	636.34	151.67	260.00
Yankton County Garbage	13,602.82	15,637.60	15,637.60	13,941.67	23,900.00
<i>Total Tonage in Trench</i>	<u>23,165.26</u>	<u>26,052.49</u>	<u>26,052.49</u>	<u>24,039.17</u>	<u>41,210.00</u>
Operating Cost per ton			<u>\$44.50</u>	<u>\$53.07</u>	<u>\$53.07</u>

This report is based on the following:

Revenue accrual thru July 31, 2019

Expenses cash thru July 31, 2019 with August's Bills

Joint Powers Solid Waste Authority
Financial Report Thru July 31, 2019

Description	Yankton Transfer	Vermillion Landfill	Total Joint	7 Month Budget	Legal 2019 Budget
Source of Funds					
<i>Beginning Balance</i>	\$310,788.00	\$1,440,861.00	\$1,751,649.00	\$1,742,872.00	\$1,742,872.00
<i>Operating Revenue:</i>					
Net Income	409,330.04	(306,052.91)	103,277.13	(162,762.25)	(279,021.00)
Depreciation	113,666.14	218,856.82	332,522.96	297,614.33	510,196.00
Trench Depletion	0.00	99,333.73	99,333.73	102,987.50	176,550.00
Amortization of Permit	0.00	750.58	750.58	688.33	1,180.00
<i>Non Operating Revenue:</i>					
Grant	0.00	0.00	0.00	145,833.33	250,000.00
Loan Proceeds	0.00	0.00	0.00	291,666.67	500,000.00
Contributed Capital	0.00	0.00	0.00	0.00	0.00
Sale Proceeds	0.00	0.00	0.00	0.00	0.00
Comp. for Loss & Damage	0.00	0.00	0.00	0.00	0.00
Fire Related Expenses	0.00	0.00	0.00	0.00	0.00
Interest	3,889.41	25,530.50	29,419.91	13,300.00	22,800.00
<i>Cash Flow Transfer:</i>					
Joint Power Transfer/Landfill	(511,696.60)	511,696.60	0.00	34,827.33	59,704.00
Joint Recycling Center	0.00	0.00	0.00	0.00	0.00
Total Funds Available	325,976.99	1,990,976.32	2,316,953.31	2,467,027.25	2,984,281.00
Application of Funds Available					
<i>Joint Power Transfer/Landfill</i>					
Equipment	7,123.00	309,870.42	316,993.42	602,583.33	1,033,000.00
Trench	0.00	0.00	0.00	0.00	0.00
Closure/Postclosure Cash Res.	0.00	5,729.55	5,729.55	5,285.00	9,060.00
<i>Joint Recycling Center</i>					
Equipment	0.00	26,923.31	26,923.31	44,333.33	76,000.00
<i>Payment Principal</i>	30,079.31	57,691.83	87,771.14	103,065.08	176,683.00
<i>Appropriation to Reserve</i>	0.00	0.00	0.00	0.00	0.00
Total Applied	37,202.31	400,215.11	437,417.42	755,266.75	1,294,743.00
Ending Balance	\$288,774.68	\$1,590,761.21	\$1,879,535.89	\$1,711,760.50	\$1,689,538.00

Joint Power Transfer/Landfill Description	Yankton Transfer	Vermillion Landfill	Total Joint	7 Month Budget	Legal 2019 Budget
<i>Revenue: (accrual)</i>					
Asbestos	\$0.00	\$4,873.12	\$4,873.12	\$2,041.67	\$3,500.00
Elk Point	0.00	29,421.24	29,421.24	30,158.33	\$51,700.00
Centerville	0.00	6,861.92	6,861.92	7,128.33	12,220.00
Beresford	0.00	38,719.72	38,719.72	38,383.33	65,800.00
Clay County Garbage	0.00	439,150.88	439,150.88	406,641.67	697,100.00
Compost-Yd Waste-Wood	0.00	7,388.62	7,388.62	3,208.33	5,500.00
Contaminated Soil	0.00	1,275.31	1,275.31	2,333.33	4,000.00
White Goods	0.00	2,066.26	2,066.26	2,916.67	5,000.00
Tires	0.00	4,788.22	4,788.22	2,333.33	4,000.00
Electronics	0.00	1,907.21	1,907.21	2,916.67	5,000.00
Other Revenue	7,742.64	23,380.83	31,123.47	11,725.00	20,100.00
Less Recycling Tipping Fee	0.00	0.00	0.00	0.00	0.00
Cash long	84.94	0.00	84.94	0.00	0.00
Yard Waste	0.00	0.00	0.00	0.00	0.00
Rubble	26,385.61	0.00	26,385.61	30,333.33	52,000.00
Transfer Fees	817,764.50	0.00	817,764.50	723,333.33	1,240,000.00
Metal	7,150.68	0.00	7,150.68	0.00	5,000.00
Other Operational - Solid Waste	201.04	0.00	201.04	0.00	0.00
Total Revenue	859,329.41	559,833.33	1,419,162.74	1,263,453.33	2,170,920.00
<i>Expenses: (cash)</i>					
Personal Services	176,405.29	192,585.14	368,990.43	406,877.33	697,504.00
Insurance	16,672.78	5,684.77	22,357.55	14,203.58	24,349.00
Professional Service/Fees	10,888.78	30,528.47	41,417.25	44,916.67	77,000.00
Non Professional Fees	0.00	0.00	0.00	0.00	0.00
Processing- Reduction	0.00	0.00	0.00	0.00	0.00
State Fees	0.00	26,052.49	26,052.49	24,039.17	41,210.00
Professional - Legal/Audit	2,309.10	0.00	2,309.10	729.17	1,250.00
Publishing & Advertising	34.80	1,703.60	1,738.40	1,341.67	2,300.00
Rental	0.00	0.00	0.00	291.67	500.00
Hauling fee	0.00	0.00	0.00	0.00	0.00
Equipment repair	1,350.30	42,606.06	43,956.36	32,666.67	56,000.00
Motor vehicle repair	0.00	1,797.83	1,797.83	13,708.33	23,500.00
Vehicle fuel & maintenance	75,046.54	31,413.39	106,459.93	116,666.67	200,000.00
Equip, Mat'l & Labor	27,645.94	0.00	27,645.94	26,250.00	45,000.00
Building repair	2,958.99	4,211.83	7,170.82	14,000.00	24,000.00
Facility repair & maintenance	0.00	5,777.00	5,777.00	20,416.67	35,000.00
Postage	343.85	5.77	349.62	437.50	750.00
Office supplies	1,041.02	350.69	1,391.71	1,866.67	3,200.00
Copy supplies	59.85	154.29	214.14	218.75	375.00
Uniforms	217.72	3,372.99	3,590.71	2,741.67	4,700.00
Small Tools & Hardware	100.11	0.00	100.11	145.83	250.00
Travel & Training	0.00	1,152.45	1,152.45	2,625.00	4,500.00
Operating supply	870.66	39,138.31	40,008.97	86,100.00	147,600.00
Electricity	4,660.50	9,352.25	14,012.75	17,616.67	30,200.00
Heating Fuel - Gas	6,638.52	8,321.78	14,960.30	18,666.67	32,000.00
Water	1,283.42	388.20	1,671.62	1,750.00	3,000.00
WW service	586.76	0.00	586.76	758.33	1,300.00
Landfill	152.81	0.00	152.81	116.67	200.00
Telephone	656.99	924.24	1,581.23	1,802.50	3,090.00
Depreciation (est)	113,666.14	204,353.13	318,019.27	276,614.33	474,196.00
Trench Depletion		99,333.73	99,333.73	102,987.50	176,550.00
Closure/Postclosure Resrv		5,729.55	5,729.55	5,285.00	9,060.00
Amortization of Permit		750.58	750.58	688.33	1,180.00
Total Op Expenses	443,590.87	715,688.54	1,159,279.41	1,236,529.00	2,119,764.00

Joint Power Transfer/Landfill Description	Yankton Transfer	Vermillion Landfill	Total Joint	7 Month Budget	Legal 2019 Budget
<i>Non Operating Expense-Interest</i>	6,408.50	22,820.31	29,228.81	39,268.83	67,318.00
<i>Operating Income (Loss)</i>	\$409,330.04	(\$178,675.52)	\$230,654.52	(\$12,344.50)	(\$16,162.00)
<i>Capital:</i>					
Capital Outlay	\$7,123.00	\$309,870.42	\$316,993.42	\$602,583.33	\$1,033,000.00
Landfill Development	0.00	0.00	0.00	131,250.00	\$225,000.00
Capital Lease	0.00	0.00	0.00	0.00	\$0.00
<i>Total Capital Expenditures</i>	\$7,123.00	\$309,870.42	\$316,993.42	\$733,833.33	\$1,258,000.00
<i>Grant Reimbursement</i>	\$0.00	\$0.00	\$0.00	\$145,833.33	\$250,000.00
<i>Equipment Sale Proceeds</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Cash Flow Transfer</i>	(\$511,696.60)	\$511,696.60	\$0.00	\$0.00	\$0.00
<i>Tonage in Trench:</i>					
Asbestos		75.16	75.16	29.17	50.00
Beresford		825.73	825.73	816.67	1,400.00
Centerville Garbage		145.06	145.06	641.67	1,100.00
Clay County Garbage		8,732.60	8,732.60	8,458.33	14,500.00
Elk Point		636.34	636.34	151.67	260.00
Yankton County Garbage		15,637.60	15,637.60	13,941.67	23,900.00
<i>Total Tonage in Trench</i>		26,052.49	26,052.49	24,039.17	41,210.00
Operating Cost per ton			\$44.50	\$53.07	\$53.07

Joint Recycling Center	Yankton	Vermillion	Total	7 Month	Legal
Description	Transfer	Center	Joint	Budget	2019 Budget
<i>Revenue:</i>					
Tipping Fees	\$0.00	0.00	\$0.00	0.00	0.00
Magazines	0.00	0.00	0.00	1,750.00	3,000.00
Metal/Tin	0.00	4,134.90	4,134.90	700.00	1,200.00
Plastic	0.00	15,085.95	15,085.95	8,750.00	15,000.00
Aluminum	0.00	11,585.00	11,585.00	7,000.00	12,000.00
Newsprint	0.00	4,698.10	4,698.10	5,250.00	9,000.00
Cardboard	0.00	21,397.65	21,397.65	23,333.33	40,000.00
High Grade Paper	0.00	0.00	0.00	4,666.67	8,000.00
Other Material	0.00	2,021.96	2,021.96	5,250.00	9,000.00
Contributions/Operating Grants	0.00	0.00	0.00	4,958.33	8,500.00
Total Revenue	0.00	58,923.56	58,923.56	61,658.33	105,700.00
<i>Expenses:</i>					
Personal Services	0.00	130,522.04	130,522.04	125,888.58	215,809.00
Insurance	0.00	722.93	722.93	2,216.67	3,800.00
Professional Service/Fees	0.00	50.00	50.00	1,750.00	3,000.00
Hazardous Waste Collection	0.00	0.00	0.00	19,833.33	34,000.00
Professional-Legal	0.00	0.00	0.00	0.00	0.00
Publishing & Advertising	0.00	407.55	407.55	583.33	1,000.00
Rental	0.00	0.00	0.00	0.00	0.00
Equipment repair	0.00	2,417.61	2,417.61	5,541.67	9,500.00
Vehicle repair & maintenance	0.00	116.29	116.29	437.50	750.00
Vehicle fuel	0.00	3,557.22	3,557.22	2,916.67	5,000.00
Building repair & maintenance	0.00	2,414.78	2,414.78	1,458.33	2,500.00
Postage	0.00	1.37	1.37	87.50	150.00
Freight	0.00	6,750.00	6,750.00	10,208.33	17,500.00
Office supplies	0.00	672.48	672.48	291.67	500.00
Uniforms	0.00	669.94	669.94	291.67	500.00
Materials Purchases	0.00	2,508.36	2,508.36	2,625.00	4,500.00
Travel & Training	0.00	1,536.60	1,536.60	875.00	1,500.00
Operating Supplies	0.00	4,554.36	4,554.36	5,833.33	10,000.00
Copy Supply	0.00	45.61	45.61	87.50	150.00
Electricity	0.00	3,452.52	3,452.52	3,791.67	6,500.00
Heating Fuel-Gas	0.00	2,703.59	2,703.59	2,625.00	4,500.00
Water	0.00	232.93	232.93	379.17	650.00
WW service	0.00	753.65	753.65	700.00	1,200.00
Telephone	0.00	467.15	467.15	495.83	850.00
Revenue Sharing	0.00	7,240.28	7,240.28	5,075.00	8,700.00
Depreciation (est)	0.00	14,503.69	14,503.69	21,000.00	36,000.00
Total Op Expenses	0.00	186,300.95	186,300.95	214,992.75	368,559.00
<i>Non Operating Expense-Interest</i>	0.00	0.00	0.00	0.00	0.00
Operating Income (Loss)	\$0.00	(\$127,377.39)	(\$127,377.39)	(\$153,334.42)	(\$262,859.00)
Capital Outlay	\$0.00	\$26,923.31	\$26,923.31	\$44,333.33	\$76,000.00
Grant Reimbursement/Donations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cash Flow Transfer	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

This report is based on the following:

Revenue accrual thru July 31, 2019

Expenses cash thru July 31, 2019 with August's Bills

2019 Joint Powers Total Operations Recap

Month	Yankton Transfer	Vermillion Landfill	Total	Total Tons	\$ per ton	Recycling			Yankton Operations	Vermillion Operations	Total Operations
						Yankton	Vermillion	Total			
January	34,724.31	(22,258.86)	12,465.45	3,041.14	45.97	0.00	(20,603.17)	(20,603.17)	34,724.31	(42,862.03)	(8,137.72)
February	17,414.35	(26,023.46)	(8,609.11)	2,612.71	53.43	0.00	(22,011.46)	(22,011.46)	17,414.35	(48,034.92)	(30,620.57)
Subtotal	52,138.66	(48,282.32)	3,856.34	5,653.85	49.42	0.00	(42,614.63)	(42,614.63)	52,138.66	(90,896.95)	(38,758.29)
March	53,611.83	(12,809.95)	40,801.88	3,791.92	43.83	0.00	(13,430.92)	(13,430.92)	53,611.83	(26,240.87)	27,370.96
Subtotal	105,750.49	(61,092.27)	44,658.22	9,445.77		0.00	(56,045.55)	(56,045.55)	105,750.49	(117,137.82)	(11,387.33)
April	70,002.81	(41,275.15)	28,727.66	3,964.91	47.75	0.00	(10,402.13)	(10,402.13)	70,002.81	(51,677.28)	18,325.53
Subtotal	175,753.30	(102,367.42)	73,385.88	13,410.68	47.11	0.00	(66,447.68)	(66,447.68)	175,753.30	(168,815.10)	6,938.20
May	82,310.61	(36,500.11)	45,810.50	4,557.81	43.70	0.00	(24,960.50)	(24,960.50)	82,310.61	(61,460.61)	20,850.00
Subtotal	258,063.91	(138,867.53)	119,196.38	17,968.49	46.24	0.00	(91,408.18)	(91,408.18)	258,063.91	(230,275.71)	27,788.20
June	63,815.55	(24,181.68)	39,633.87	3,875.74	45.16	0.00	(19,780.72)	(19,780.72)	63,815.55	(43,962.40)	19,853.15
Subtotal	321,879.46	(163,049.21)	158,830.25	21,844.23	45.87	0.00	(111,188.90)	(111,188.90)	321,879.46	(274,238.11)	47,641.35
July	90,084.02	7,194.00	97,278.02	4,208.26	36.43	0.00	(16,188.49)	(16,188.49)	90,084.02	(8,994.49)	81,089.53
Subtotal	411,963.48	(155,855.21)	256,108.27	26,052.49	44.50	0.00	(127,377.39)	(127,377.39)	411,963.48	(283,232.60)	128,730.88

8/14/2019

City of Yankton Transfer Station
Landfill Tons

Date	City	Licensed Haulers				Sub-Total	All Other	Total Transfer
	Compactors (577)	Janssen (547)	Arts (586)	Loren Fischer (648)	Kortan (673)			
January 2018	239.65	530.30	436.12	81.67	7.84	1,055.93	252.70	1,548.28
February 2018	181.66	488.25	370.51	77.18	10.55	946.49	234.16	1,362.31
March 2018	227.12	601.25	477.74	83.07	7.49	1,169.55	415.05	1,811.72
April 2018	227.43	561.75	490.33	94.10	9.61	1,155.79	613.24	1,996.46
May 2018	273.68	715.67	609.17	72.24	8.68	1,405.76	466.41	2,145.85
June 2018	247.08	678.97	575.57	95.46	11.05	1,361.05	599.25	2,207.38
July 2018	272.18	733.32	567.02	94.97	15.23	1,410.54	626.27	2,308.99
August 2018	282.50	706.92	596.38	109.81	14.84	1,427.95	523.76	2,234.21
September 2018	236.77	612.38	522.99	74.52	14.76	1,224.65	581.55	2,042.97
October 2018	257.08	670.47	558.52	89.01	13.71	1,331.71	518.12	2,106.91
November 2018	259.05	597.64	497.55	96.01	18.78	1,209.98	387.83	1,856.86
December 2018	224.52	523.59	415.26	67.88	17.63	1,024.36	239.52	1,488.40
2018 Total	2,928.72	7,420.51	6,117.16	1,035.92	150.17	14,723.76	5,457.86	23,110.34
January 2019	236.75	525.77	427.94	79.27	12.10	1,045.08	336.65	1,618.48
February 2019	190.00	471.97	359.65	70.64	16.95	919.21	294.94	1,404.15
March 2019	227.93	571.65	491.34	96.90	24.64	1,184.53	761.73	2,174.19
April 2019	256.85	600.51	598.67	84.66	18.68	1,302.52	828.34	2,387.71
May 2019	283.49	719.23	639.98	93.26	27.15	1,479.62	959.69	2,722.80
June 2019	238.73	674.24	596.15	97.21	23.01	1,390.61	640.63	2,269.97
July 2019	272.66	737.54	678.68	102.49	19.45	1,538.16	661.78	2,472.60
2019 Total	1,706.41	4,300.91	3,792.41	624.43	141.98	8,859.73	4,483.76	15,049.90

CITY OF VERMILLION
LANDFILL TONS

	2019	Independence Waste	Fischer Disposal	Art's Garbage	Verm. Garbage	City of Elk Point	Loren Fischer	Turner County	City of Beresford	Waste Mgmt of Sioux City	Other	2019 Tons
\$47.00 PER TON	Jan	251.85	160.44	1.38	40.19	89.90	460.19	18.60	107.72	95.90	77.24	1303.41
	Feb	208.12	129.89	-	34.79	64.92	391.81	17.25	88.78	87.13	121.22	1143.91
	Mar	285.37	157.90	-	36.76	86.23	461.80	22.06	103.14	97.45	354.21	1604.92
	April	109.02	196.50	18.06	44.91	95.41	534.63	22.06	126.91	96.98	259.07	1503.55
	May	0.00	237.28	11.05	52.41	118.72	716.97	24.39	148.43	135.51	217.08	1661.84
	June	0.00	231.29	4.26	39.19	88.62	703.50	18.65	117.18	98.28	287.07	1588.04
	July	0.00	243.62	6.14	39.03	92.44	686.59	22.05	133.57	132.19	0.00	1355.63
	Aug											0.00
	Sept											0.00
	Oct											0.00
	Nov											0.00
	Dec											0.00
		854.36	1356.92	40.89	287.28	636.24	3955.49	145.06	825.73	743.44	1315.89	10161.30

	2018	Independence Waste	Fischer Disposal	Art's Garbage	Verm. Garbage	City of Elk Point	Loren Fischer	Turner County	City of Beresford	Waste Mgmt of Sioux City	Other	2018 Tons
\$46.50 PER TON	Jan	290.99	166.96	-	42.97	80.77	272.32	15.56	104.43		147.12	1121.12
\$47.00 PER TON	Feb	290.57	141.68	-	34.32	71.59	215.28	15.64	90.69		56.69	916.46
	Mar	301.17	154.91	-	41.03	83.11	271.25	20.20	110.58		116.78	1099.03
	April	385.78	182.97	-	43.23	81.41	333.34	21.78	119.38		266.64	1434.53
	May	361.18	206.38	-	51.19	110.99	603.75	25.15	134.72		372.91	1866.27
	June	321.90	193.81	-	40.75	87.05	458.25	19.79	122.71		326.37	1570.63
	July	357.03	213.87	11.01	40.24	90.31	460.84	19.75	125.80	32.96	202.59	1554.40
	Aug	357.37	208.27	19.49	44.98	100.80	558.34	22.34	133.87	97.56	285.41	1828.43
	Sept	337.16	168.72	8.85	38.88	85.70	458.52	21.59	118.83	73.01	174.77	1486.03
	Oct	282.89	196.27	8.97	45.64	94.02	594.99	24.17	125.57	90.48	156.37	1619.37
	Nov	321.29	172.92	4.89	37.78	91.76	640.85	22.85	123.91	80.73	68.55	1565.53
	Dec	237.84	155.80	1.91	38.57	79.82	488.70	15.02	106.66	58.45	70.25	1253.02
		3845.17	2162.56	55.12	499.58	1057.33	5356.43	243.84	1417.15	433.19	2244.45	17314.82

Yankton Taxable Sales and Sales Tax Receipts Due

COMMS

Total Yankton Sales Tax (combined first penny, second penny, and BBB)

	2016	2017	2018	2019		
	Total Tax Due	Total Tax Due	Total Tax Due	Total Tax Due	Monthly % Diff.	Accum. % Diff.
Jan	\$898,888	\$881,111	\$931,740	\$887,586	-4.74%	-4.74%
Feb	\$720,155	\$748,057	\$780,257	\$790,238	1.28%	-2.00%
Mar	\$716,110	\$670,903	\$701,758	\$719,909	2.59%	-0.66%
Apr	\$764,378	\$790,100	\$815,507	\$846,048	3.75%	0.45%
May	\$764,033	\$786,113	\$810,439	\$856,331	5.66%	1.50%
Jun	\$818,572	\$834,294	\$855,079	\$937,489	9.64%	2.92%
Jul	\$856,690	\$933,678	\$930,480	\$993,257	6.75%	3.53%
Aug	\$832,579	\$846,345	\$898,550			
Sep	\$857,562	\$834,196	\$942,296			
Oct	\$803,694	\$870,920	\$873,866			
Nov	\$794,862	\$828,894	\$851,380			
Dec	\$765,698	\$811,262	\$844,257			
Totals	\$9,593,221	\$9,835,872	\$10,235,607	\$6,030,856		3.53%

Top Ten First Class Cities Plus Vermillion

July

Cities	2018	2019	
	Total Tax Due	Total Tax Due	Accum. % Diff.
Sioux Falls	\$78,498,826	\$82,609,304	5.24%
Rapid City	\$34,939,087	\$35,441,616	1.44%
Aberdeen	\$11,381,746	\$10,971,455	-3.60%
Watertown	\$9,236,125	\$9,761,962	5.69%
Brookings	\$8,522,698	\$8,814,008	3.42%
Mitchell	\$7,049,755	\$6,926,855	-1.74%
Yankton	\$5,825,259	\$6,030,856	3.53%
Pierre	\$4,896,921	\$4,861,450	-0.72%
Spearfish	\$4,699,483	\$5,047,226	7.40%
Huron	\$4,286,625	\$4,220,864	-1.53%
Vermillion	\$2,261,200	\$2,511,124	11.05%
Totals	\$171,597,725	\$177,196,720	3.26%

Yankton Taxable Sales and Sales Tax Receipts Due

Yankton Sales Tax (first and second penny combined)

	2016		2017		2018		2019			
	General Taxable Sales	General Tax Due	General Taxable Sales	General Tax Due	General Taxable Sales	General Tax Due	General Taxable Sales	General Tax Due	Monthly % Diff.	Accum. % Diff.
Jan	\$42,469,953	\$850,457	\$41,624,934	\$832,527	\$43,963,784	\$880,367	\$41,866,467	\$837,794	-4.84%	-4.84%
Feb	\$33,620,236	\$672,805	\$34,591,106	\$698,955	\$36,611,583	\$732,802	\$36,765,632	\$738,274	0.75%	-2.30%
Mar	\$33,071,639	\$666,827	\$31,409,630	\$628,413	\$32,806,331	\$656,668	\$33,836,569	\$677,909	3.23%	-0.70%
Apr	\$35,814,797	\$717,021	\$36,980,518	\$739,796	\$37,900,165	\$759,728	\$39,710,074	\$794,821	4.62%	0.63%
May	\$35,670,433	\$713,445	\$36,830,743	\$736,702	\$37,962,931	\$762,156	\$40,368,638	\$807,621	5.97%	1.71%
Jun	\$38,014,836	\$764,051	\$38,941,946	\$779,687	\$39,964,498	\$799,441	\$43,893,707	\$877,878	9.81%	3.12%
Jul	\$40,038,133	\$800,806	\$43,250,834	\$874,067	\$43,372,992	\$871,624	\$46,559,570	\$932,479	6.98%	3.73%
Aug	\$38,414,224	\$771,508	\$39,119,479	\$782,738	\$41,806,807	\$836,440				
Sep	\$39,941,412	\$800,981	\$38,890,159	\$778,389	\$44,029,076	\$881,383				
Oct	\$37,347,465	\$747,035	\$40,326,340	\$810,454	\$40,706,254	\$814,939				
Nov	\$37,134,407	\$743,292	\$38,865,087	\$777,730	\$39,869,848	\$797,456				
Dec	\$36,046,055	\$721,999	\$37,911,167	\$758,468	\$39,862,682	\$797,522				
Totals	\$447,583,589	\$8,970,226	\$458,741,942	\$9,197,927	\$478,856,952	\$9,590,527	\$283,000,658	\$5,666,776		3.73%

Yankton BBB Sales Tax

	2016		2017		2018		2019			
	BBB Taxable Sales	BBB Tax Due	BBB Taxable Sales	BBB Tax Due	BBB Taxable Sales	BBB Tax Due	BBB Taxable Sales	BBB Tax Due	Monthly % Diff.	Accum. % Diff.
Jan	\$4,843,075	\$48,431	\$4,858,386	\$48,584	\$5,137,286	\$51,373	\$4,979,209	\$49,792	-3.08%	-3.08%
Feb	\$4,734,979	\$47,350	\$4,879,644	\$49,101	\$4,745,451	\$47,454	\$5,196,318	\$51,963	9.50%	2.96%
Mar	\$4,928,340	\$49,283	\$4,248,966	\$42,490	\$4,508,928	\$45,089	\$4,200,003	\$42,000	-6.85%	-0.11%
Apr	\$4,735,739	\$47,357	\$5,030,400	\$50,304	\$5,573,439	\$55,779	\$5,122,737	\$51,227	-8.16%	-2.36%
May	\$5,058,772	\$50,588	\$4,941,116	\$49,411	\$4,828,282	\$48,283	\$4,870,924	\$48,709	0.88%	-1.73%
Jun	\$5,452,029	\$54,520	\$5,460,679	\$54,607	\$5,563,819	\$55,637	\$5,961,123	\$59,611	7.14%	-0.10%
Jul	\$5,588,416	\$55,884	\$5,961,050	\$59,610	\$5,885,586	\$58,856	\$6,077,718	\$60,777	3.26%	0.44%
Aug	\$6,106,205	\$61,072	\$6,341,098	\$63,606	\$6,210,929	\$62,109				
Sep	\$5,658,190	\$56,582	\$5,580,671	\$55,807	\$6,091,280	\$60,913				
Oct	\$5,665,879	\$56,659	\$6,046,602	\$60,466	\$5,892,671	\$58,927				
Nov	\$5,156,961	\$51,570	\$5,076,991	\$51,164	\$5,392,414	\$53,924				
Dec	\$4,369,933	\$43,699	\$5,279,448	\$52,795	\$4,673,487	\$46,735				
Totals	\$62,298,518	\$622,995	\$63,705,051	\$637,945	\$64,503,573	\$645,080	\$36,408,031	\$364,080		0.44%

Municipal Tax Due for Returns Filed in July 2019 and 2018

CITY	2019	2018	% Change
Sioux Falls	12,998,967.07	12,637,546.72	2.86
Aberdeen	1,717,804.88	1,846,545.58	-6.97
Brookings	1,255,351.92	1,250,950.67	0.35
Yankton	993,256.57	930,479.69	6.75
Pierre	791,242.43	779,906.95	1.45

CITY	2019	2018	% Change
Rapid City	5,694,453.56	6,071,629.55	-6.21
Watertown	1,587,619.86	1,525,945.61	4.04
Mitchell	1,125,473.38	1,176,827.29	-4.36
Spearfish	886,987.85	819,019.75	8.30
Huron	670,935.39	666,641.07	0.64

CITY	2019	2018	%	CITY	2019	2018	%	CITY	2019	2018	%
Akaska	5,946.52	5,195.36	14.46	Corsica	27,776.73	22,160.74	25.34	Hill City	182,102.87	175,565.59	3.72
Alcester	28,126.47	20,983.05	34.04	Crooks	19,209.64	18,695.86	2.75	Hitchcock	1,409.03	2,062.88	-31.70
Alexandria	16,088.02	10,840.04	48.41	Custer	261,921.30	263,662.68	-0.66	Hosmer	5,327.15	4,217.29	26.32
Alpena	13,140.33	13,562.32	-3.11	Dallas	2,282.87	2,908.90	-21.52	Hot Springs	182,510.65	183,357.71	-0.46
Andover	824.25	1,078.25	-23.56	Dante	995.49	525.37	89.48	Hoven	16,552.75	15,204.53	8.87
Arlington	46,764.38	57,532.30	-18.72	Davis	2,110.68	852.42	147.61	Howard	31,134.75	34,551.44	-9.89
Armour	24,805.17	22,969.29	7.99	De Smet	52,908.92	54,430.46	-2.80	Hudson	10,610.12	14,523.99	-26.95
Artesian	1,466.51	1,703.28	-13.90	Deadwood	470,135.11	465,826.95	0.92	Humboldt	17,205.47	21,795.61	-21.06
Ashton	1,279.41	1,295.64	-1.25	Dell Rapids	108,528.55	114,952.78	-5.59	Hurley	5,054.70	4,080.34	23.88
Astoria	2,350.10	1,470.52	59.81	Delmont	2,774.48	4,815.72	-42.39	Interior	9,395.91	5,058.67	85.74
Aurora	10,885.41	11,591.06	-6.09	Dimock	6,092.62	2,954.50	106.21	Ipswich	39,033.38	47,644.91	-18.07
Avon	18,867.15	13,907.68	35.66	Doland	5,730.63	3,665.68	56.33	Irene	8,469.75	10,571.62	-19.88
Baltic	16,291.09	14,834.54	9.82	Dupree	6,238.23	6,980.83	-10.64	Iroquois	2,712.29	2,407.73	12.65
Belle Fourche	319,498.43	267,325.12	19.52	Eagle Butte	44,949.04	46,955.22	-4.27	Isabel	7,919.06	12,636.95	-37.33
Belvidere	1,319.85	665.91	98.20	Eden	2,944.21	2,548.95	15.51	Java	1,584.57	1,717.93	-7.76
Beresford	93,647.50	132,409.83	-29.27	Edgemont	28,786.82	23,529.75	22.34	Jefferson	11,297.24	13,885.10	-18.64
Big Stone City	35,068.93	36,207.23	-3.14	Egan	4,070.02	5,465.78	-25.54	Kadoka	37,679.60	40,229.55	-6.34
Bison	12,808.77	13,421.65	-4.57	Elk Point	63,927.23	66,559.71	-3.96	Kennebec	14,448.94	12,895.69	12.04
Blunt	3,214.78	4,702.05	-31.63	Elkton	6,713.05	21,647.78	-68.99	Keystone	211,554.23	214,604.23	-1.42
Bonesteel	7,166.24	8,180.20	-12.40	Emery	12,628.23	12,316.56	2.53	Kimball	29,405.06	47,994.63	-38.73
Bowdle	13,613.37	14,679.30	-7.26	Estelline	16,889.08	16,036.11	5.32	Kranzburg	5,393.06	3,516.84	53.35
Box Elder	643,620.94	226,055.47	184.72	Ethan	6,457.12	6,216.66	3.87	La Bolt	885.32	803.97	10.12
Bradley	1,791.87	1,390.63	28.85	Eureka	33,746.42	34,741.47	-2.86	Lake Andes	18,971.05	24,324.25	-22.01
Brandon	355,695.72	313,455.04	13.48	Fairfax	3,744.69	4,570.48	-18.07	Lake City	2,512.10	914.85	174.59
Brandt	1,597.55	1,462.50	9.23	Fairview	1,307.16	1,134.21	15.25	Lake Norden	220,701.95	742,538.62	-70.28
Bridgewater	7,097.56	7,084.81	0.18	Faith	26,938.66	24,573.41	9.63	Lake Preston	17,404.07	23,137.04	-24.78
Bristol	6,315.74	6,172.91	2.31	Faulton	33,460.70	30,760.27	8.78	Langford	6,527.13	6,226.20	4.83
Britton	66,952.38	64,003.15	4.61	Flandreau	64,914.40	64,002.42	1.42	Lead	119,638.35	81,011.87	47.68
Bruce	-5,209.79	4,176.72	-224.73	Florence	3,963.71	4,634.18	-14.47	Lemmon	73,650.31	60,937.16	20.86
Bryant	25,178.19	14,426.31	74.53	Fort Pierre	131,683.35	132,277.67	-0.45	Lennox	58,794.93	56,249.84	4.52
Buffalo	18,911.66	30,927.40	-38.85	Frankfort	2,977.46	2,393.68	24.39	Leola	16,215.66	8,223.98	97.18
Buffalo Chip	4,185.61	3,437.54	21.76	Frederick	2,076.83	2,336.84	-11.13	Lesterville	3,473.05	2,179.23	59.37
Burke	28,574.12	33,654.89	-15.10	Freeman	57,018.44	53,318.46	6.94	Letcher	3,135.50	3,062.64	2.38
Camp Crook	689.84	569.23	21.19	Garretson	34,272.13	35,390.80	-3.16	Madison	318,125.28	324,160.21	-1.86
Canistota	13,072.81	15,075.31	-13.28	Gary	3,932.34	4,155.07	-5.36	Marion	26,882.52	23,137.85	16.18
Canova	2,607.46	2,271.64	14.78	Gayville	6,699.88	5,556.03	20.59	Martin	46,307.02	47,541.61	-2.60
Canton	119,275.82	108,302.38	10.13	Geddes	5,007.07	5,031.68	-0.49	McIntosh	3,675.83	9,776.43	-62.40
Carthage	4,516.67	3,628.10	24.49	Gettysburg	51,783.68	49,836.09	3.91	McLaughlin	16,751.26	17,745.47	-5.60
Castlewood	13,793.38	19,933.25	-30.80	Glenham	2,718.33	2,323.79	16.98	Mellette	5,562.25	4,565.01	21.85
Cavour	2,377.15	4,356.10	-45.43	Gregory	61,143.66	57,987.13	5.44	Menno	22,280.74	23,509.29	-5.23
Centerville	9,350.77	18,060.72	-48.23	Grenville	2,792.14	3,177.20	-12.12	Midland	6,905.43	5,947.99	16.10
Central City	8,466.35	5,951.39	42.26	Groton	65,840.06	47,825.15	37.67	Milbank	283,513.82	335,724.40	-15.55
Chamberlain	135,708.41	161,122.17	-15.77	Harrisburg	169,165.61	128,177.53	31.98	Miller	70,262.62	70,471.23	-0.30
Chancellor	7,347.85	6,222.65	18.08	Harold	4,435.47	4,087.84	8.50	Mission	43,425.33	48,318.05	-10.13
Clark	48,649.75	50,606.79	-3.87	Hartford	98,791.53	92,031.13	7.35	Mobridge	170,693.15	172,936.71	-1.30
Clear Lake	64,665.67	55,276.85	16.99	Hayti	8,561.53	6,861.03	24.78	Monroe	817.78	1,086.03	-24.70
Colman	15,798.21	16,961.50	-6.86	Hazel	1,754.24	1,187.93	47.67	Montrose	9,206.24	6,067.30	51.74
Colome	6,199.95	6,960.21	-10.92	Hecla	3,545.75	3,518.78	0.77	Morristown	1,221.43	1,934.40	-36.86
Colton	15,043.44	14,123.75	6.51	Henry	1,585.18	2,291.96	-30.84	Mound City	1,997.05	1,442.73	38.42
Columbia	8,131.20	1,877.27	333.14	Hermosa	19,181.67	33,434.94	-42.63	Mount Vernon	7,596.56	6,508.18	16.72
Conde	10,320.40	4,782.57	115.79	Herreid	-13,619.49	20,882.92	-165.22	Murdo	57,759.09	52,484.84	10.05
Corona	2,468.68	1,897.06	30.13	Highmore	40,604.86	28,401.77	42.97	New Effington	8,512.81	5,711.07	49.06

Municipal Tax Due for Returns Filed in July 2019 and 2018

CITY	2019	2018	% Change	CITY	2019	2018	% Change
Sioux Falls	12,998,967.07	12,637,546.72	2.86	Rapid City	5,694,453.56	6,071,629.55	-6.21
Aberdeen	1,717,804.88	1,846,545.58	-6.97	Watertown	1,587,619.86	1,525,945.61	4.04
Brookings	1,255,351.92	1,250,950.67	0.35	Mitchell	1,125,473.38	1,176,827.29	-4.36
Yankton	993,256.57	930,479.69	6.75	Spearfish	886,987.85	819,019.75	8.30
Pierre	791,242.43	779,906.95	1.45	Huron	670,935.39	666,641.07	0.64

CITY	2019	2018	%	CITY	2019	2018	%	CITY	2019	2018	%
New Underwood	10,617.45	9,656.85	9.95	Utica	505.65	487.90	3.64				
Newell	18,872.61	18,063.67	4.48	Valley Springs	14,900.65	10,527.96	41.53				
Nisland	1,166.62	1,508.92	-22.69	Veblen	5,551.20	8,228.75	-32.54				
North Sioux City	255,051.84	342,601.36	-25.55	Vermillion	364,351.40	350,047.21	4.09				
Oacoma	75,150.77	76,449.55	-1.70	Viborg	28,366.84	26,024.55	9.00				
Oldham	1,549.46	2,066.36	-25.02	Volga	60,403.27	51,786.08	16.64				
Olivet	1,156.87	974.27	18.74	Volin	1,675.28	1,987.67	-15.72				
Onida	20,522.28	13,585.88	51.06	Wagner	73,751.74	70,465.09	4.66				
Orient	1,202.33	1,137.76	5.68	Wakonda	5,834.07	5,442.65	7.19				
Parker	35,620.35	31,387.18	13.49	Wall	171,180.49	182,294.78	-6.10				
Parkston	61,946.89	59,263.24	4.53	Wallace	1,206.67	765.01	57.73				
Peever	1,451.08	1,574.62	-7.85	Ward	2,321.10	2,717.35	-14.58				
Philip	45,206.93	45,029.63	0.39	Warner	407.23	5,362.64	-92.41				
Pickstown	12,610.58	14,406.91	-12.47	Wasta	656.94	392.08	67.55				
Piedmont	22,912.13	26,805.55	-14.52	Waubay	13,646.65	12,939.13	5.47				
Pierpont	1,459.73	1,718.15	-15.04	Webster	111,867.64	128,739.20	-13.11				
Plankinton	18,052.24	21,802.22	-17.20	Wentworth	5,627.85	7,394.97	-23.90				
Platte	69,863.75	72,308.89	-3.38	Wessington	5,208.10	6,538.09	-20.34				
Pollock	10,386.97	38,634.96	-73.12	Wessington Springs	28,074.83	33,232.51	-15.52				
Presho	18,181.05	16,514.98	10.09	Westport	1,908.98	1,109.76	72.02				
Pringle	2,431.75	1,891.12	28.59	White	12,311.74	9,613.66	28.07				
Pukwana	4,081.03	3,596.62	13.47	White Lake	7,350.43	7,618.20	-3.51				
Quinn	586.77	148.70	294.60	White River	14,597.53	12,807.41	13.98				
Ramona	1,872.45	2,282.19	-17.95	Whitewood	24,598.42	24,216.80	1.58				
Redfield	90,993.93	90,536.35	0.51	Willow Lake	3,840.08	6,015.55	-36.16				
Reliance	6,763.32	5,570.89	21.40	Wilmot	16,467.13	10,709.91	53.76				
Reville	68.78	1,213.04	-94.33	Winner	160,812.72	162,536.16	-1.06				
Roscoe	11,293.20	11,715.56	-3.61	Witten	1,570.64	591.85	165.38				
Rosholt	15,610.65	8,410.87	85.60	Wolsey	10,477.10	11,024.96	-4.97				
Roslyn	6,919.19	4,046.22	71.00	Wood	949.65	825.76	15.00				
Saint Lawrence	3,635.50	3,722.91	-2.35	Woonsocket	16,181.48	15,905.71	1.73				
Salem	47,823.86	47,836.42	-0.03	Worthing	10,037.64	9,795.00	2.48				
Scotland	29,278.97	27,014.43	8.38	Yale	794.60	905.78	-12.27				
Selby	23,196.64	22,777.33	1.84								
Sherman	527.53	385.70	36.77								
Sisseton	113,350.77	101,289.00	11.91								
South Shore	1,273.06	1,043.20	22.03								
Spencer	2,261.35	1,768.64	27.86								
Springfield	19,420.98	21,389.90	-9.20								
Stickney	10,504.23	11,973.79	-12.27								
Stratford	1,087.13	1,441.02	-24.56								
Sturgis	353,385.22	320,261.04	10.34								
Summerset	69,524.15	65,463.34	6.20								
Summit	17,846.11	16,410.58	8.75								
Tabor	11,507.91	9,841.62	16.93								
Tea	192,546.11	149,189.60	29.06								
Timber Lake	14,384.65	16,300.24	-11.75								
Toronto	8,063.05	9,836.05	-18.03								
Trent	2,649.87	1,565.63	69.25								
Tripp	10,311.97	24,248.03	-57.47								
Tulare	6,957.49	5,695.71	22.15								
Tyndall	33,411.54	28,338.43	17.90								

The dollar amounts in this report are a result of municipal tax due and municipal gross receipts tax due reported on the SD tax returns. These figures include amounts paid through Audits.

Figures compiled by SD Dept. of Revenue

CITY OF YANKTON, SOUTH DAKOTA

ANNUAL FINANCIAL REPORT

Year Ended

December 31, 2018



CITY OF YANKTON, SOUTH DAKOTA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2018

PREPARED BY:
FINANCE DEPARTMENT

AL VIERECK
FINANCE OFFICER

CITY OF YANKTON
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2018
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FINANCIAL SECTION

This Section Contains the Following Subsections:

- AUDITORS' REPORT
- MANAGEMENT DISCUSSION AND ANALYSIS
- BASIC FINANCIAL STATEMENTS
- NOTES TO THE FINANCIAL STATEMENTS



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INDEPENDENT AUDITORS' REPORT

The Mayor and Members of the
City Commission
City of Yankton, South Dakota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the CITY OF YANKTON, SOUTH DAKOTA, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Yankton Housing and Redevelopment Commission (a discretely presented component unit), which statements reflect total assets of \$145,826 and total revenues of \$535,232 as of and for the year ended June 30, 2018. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion insofar as it relates to the amounts included for the Yankton Housing and Redevelopment Commission, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit, and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Yankton, South Dakota as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of Changes in the City's Total OPEB Liability, schedules of net pension proportionate share and required contributions and budgetary comparison information found on pages 4-13 and 57-65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements and budgetary compliance schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200. *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining nonmajor fund financial statements, budgetary compliance schedules, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, budgetary compliance schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated August 13, 2019, on our consideration of the City of Yankton'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Yankton's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Yankton's internal control over financial reporting and compliance.

Williams & Company, P.C.
Certified Public Accountants

Le Mars, Iowa
August 13, 2019

Management Discussion and Analysis December 31, 2018

This discussion and analysis of the City of Yankton's financial performance provides an overview of the City's financial activities for the year ending December 31, 2018. We encourage the readers to consider the information presented here in conjunction with the City's financial statements, which follow this report, as well as the separately issued financial statements of the Yankton Housing and Redevelopment Commission, a discretely presented component unit of the City.

Financial Highlights

- The assets and deferred outflows of resources of the City of Yankton exceeded liabilities and deferred inflows of resources at December 31, 2018 by \$127,087,390. Of this amount \$32,494,299 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net position increased by \$7,351,708 during the year. Of this amount the net position of our Governmental Activities increased \$5,109,977 and the net position of our Business-Type Activities increased by \$2,241,731. The governmental net position increased in large part due to decreases in expenses, and the business-type net position increased in large part due to increases in charges for services.
- The City's Governmental Fund Balances decreased \$2,776,245 in 2018. Exhibit 4 details the decreases.
- The City's long-term debt increased \$20,710,156 in 2018. This increase occurred from net increases in the Water Revenue Bonds and Waste Water Revenue Bonds offset by decreases in long term debt for the Sales Tax Revenue Bonds, Solid Waste Management Loans, and the Certificates of Participation from annual debt service payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

In addition to the Management Discussion and Analysis, this annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as an agent for the benefit of those outside of the government. An additional part of the basic financial statements are the notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

One of the most important questions asked about the City's finances is, "Is the City of Yankton in a better financial position at the end of this fiscal year, compared to last year?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is very similar to the method of accounting used by most private-sector companies. These two statements report the City's net position, which is the difference between assets and liabilities, as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Additional factors, such as changes in the City's property tax base and sales tax collections and condition of the City's infrastructure are also important in making this determination.

The government-wide financial statements of the City are reported in three categories:

- Governmental Activities -- This category includes most of the City's basic services, such as police, fire, public works, parks department, cemetery and general administration. Property taxes, sales taxes, charges for services, state and federal grants and interest earnings finance most of these activities.
- Business-Type Activities -- The City charges a fee to customers to help cover the costs of certain services it provides. The City's Water, Wastewater, Solid Waste Collection, Transfer Station, and Golf Course are included here.
- Component Units -- The City includes one other entity in its report – the Housing and Redevelopment Commission. Although legally separate, this "component unit" is important because the City is financially accountable for them.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law or by bond resolution. The City Commission also established funds to control and manage money for particular purposes (such as construction projects) and show that it is properly using certain revenues. The City has the following types of funds:

- Governmental Funds – Most of the City's basic services are included in the governmental funds, which focus on how money moves into and out of funds and the balances left at year-end that are available for spending. These funds are reported using the "modified accrual basis" of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view of the City's general governmental operations and basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation following each Governmental Fund financial statement.
- Proprietary Funds – When the City charges customers for the service it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The major differences between the proprietary funds report and the business type activities we report in the government-wide statements is the detail and additional information, such as cash flows, provided in the proprietary funds report.

THE CITY AS TRUSTEE

The City has two agency funds: the Employee Benefits Fund to account for the deductions and disbursements of employee benefits; and the Sales Tax Fund, to account for sales tax charged on services for the State of South Dakota. Monthly payments are made to insurance companies for employee benefits, and to the state of South Dakota for sales taxes.

THE CITY AS A WHOLE

As stated earlier, net position may serve over time as a useful indicator of a government's financial position. The largest part of the City's net position reflects its investment in capital assets (land, buildings and improvements and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF YANKTON'S NET POSITION

	Governmental		Business-Type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 21,089,005	\$ 22,449,424	\$ 20,846,021	\$ 8,841,070	\$ 41,935,026	\$ 31,290,494
Capital Assets	<u>67,179,514</u>	<u>58,946,350</u>	<u>69,687,224</u>	<u>56,046,581</u>	<u>136,866,738</u>	<u>114,992,931</u>
Total Assets	<u>88,268,519</u>	<u>81,395,774</u>	<u>90,533,245</u>	<u>64,887,651</u>	<u>178,801,764</u>	<u>146,283,425</u>
Pension Related						
Deferred Outflows	<u>2,229,054</u>	<u>2,725,745</u>	<u>627,828</u>	<u>808,714</u>	<u>2,856,882</u>	<u>3,534,459</u>
Long-term Liabilities						
Outstanding	3,659,077	3,891,928	40,420,553	20,242,545	44,079,630	24,134,473
Other Liabilities	<u>2,680,366</u>	<u>1,008,211</u>	<u>7,138,412</u>	<u>4,237,369</u>	<u>9,818,778</u>	<u>5,245,580</u>
Total Liabilities	<u>6,339,443</u>	<u>4,900,139</u>	<u>47,558,965</u>	<u>24,479,914</u>	<u>53,898,408</u>	<u>29,380,053</u>
Pension Related						
Deferred Inflows	<u>524,983</u>	<u>541,491</u>	<u>147,865</u>	<u>160,658</u>	<u>672,848</u>	<u>702,149</u>
Net Position:						
Net Investment in						
Capital Assets	65,102,788	57,416,350	23,038,170	32,463,155	88,140,958	89,879,505
Restricted	3,249,405	3,849,364	3,202,728	1,766,755	6,452,133	5,616,119
Unrestricted	<u>15,280,954</u>	<u>17,414,175</u>	<u>17,213,345</u>	<u>6,825,883</u>	<u>32,494,299</u>	<u>24,240,058</u>
Ending Net Position	<u>\$ 83,633,147</u>	<u>\$ 78,679,889</u>	<u>\$ 43,454,243</u>	<u>\$ 41,055,793</u>	<u>\$ 127,087,390</u>	<u>\$ 119,735,682</u>

This summary reflects an increase in net position of 6.30% for the Governmental Activities and an increase of 5.84% in the Business-Type Activities. The increase in Business-Type Activities net position was largely Current Assets and Capital Assets. The overall liabilities of the City of Yankton increased by \$24,518,355 or 83.45%, due mainly to increases in long term debt for Water Revenue Bonds (SRF) and Waste Water Revenue Bonds (SRF).

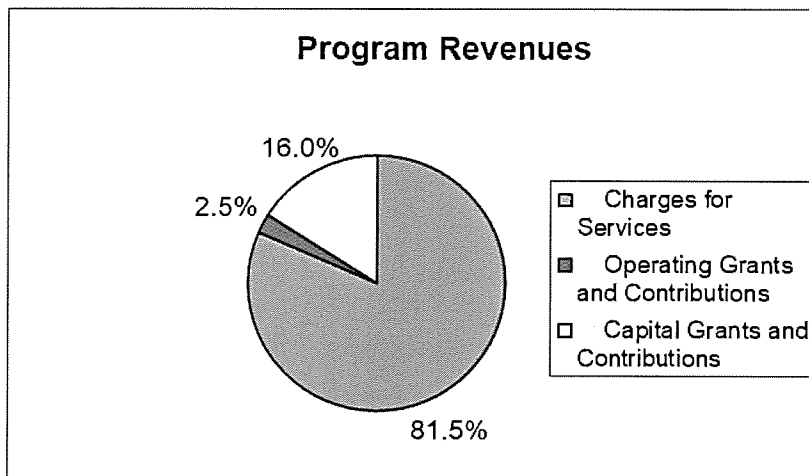
Total revenue reported in 2018 was \$35,762,199, an increase of \$3,463,041 or 10.72%. The largest increase in revenues was in Capital Grants and Contributions; an increase of \$1,856,354 or 126.78%. The Property Tax revenues increased \$126,958 or 4.30%, and Sales Tax revenues increased \$398,151 or 4.07%. The following table breaks down revenues collected for General Governmental Activities and Business-Type Activities:

**CITY OF YANKTON
CHANGES IN NET POSITION**

Revenue Sources	Governmental Activities		Business Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for Services	\$ 3,999,026	\$ 3,446,071	\$ 12,900,392	\$ 12,782,320	\$ 16,899,418	\$ 16,228,391
Operating Grants and Contributions	514,586	501,267	-	-	514,586	501,267
Capital Grants and Contributions	3,028,573	343,733	292,062	1,120,548	3,320,635	1,464,281
General Revenues:						
Property Taxes	3,080,502	2,953,544	-	-	3,080,502	2,953,544
Sales Taxes	10,191,321	9,793,170	-	-	10,191,321	9,793,170
Other Taxes	790,370	781,617	-	-	790,370	781,617
Other	604,525	377,807	360,842	199,081	965,367	576,888
Total Revenues	22,208,903	18,197,209	13,553,296	14,101,949	35,762,199	32,299,158
Expenses:						
General Government	2,183,692	1,684,413	-	-	2,183,692	1,684,413
Public Safety	4,018,664	3,133,037	-	-	4,018,664	3,133,037
Public Works	7,095,470	2,706,186	-	-	7,095,470	2,706,186
Culture & Recreation	3,073,307	2,778,728	-	-	3,073,307	2,778,728
Community & Economic Development	470,972	496,196	-	-	470,972	496,196
Capital Projects	-	4,391,666	-	-	-	4,391,666
Interest on Long-term Debt	163,271	149,115	-	-	163,271	149,115
Water	-	-	4,263,574	3,334,393	4,263,574	3,334,393
Wastewater	-	-	3,473,767	2,894,857	3,473,767	2,894,857
Golf	-	-	958,624	838,430	958,624	838,430
Non-Major Enterprise Funds	-	-	2,709,150	2,786,942	2,709,150	2,786,942
Total Expenses	17,005,376	15,339,341	11,405,115	9,854,622	28,410,491	25,193,963
Increase (Decrease) in Net Position						
Before Transfers	5,203,527	2,857,868	2,148,181	4,247,327	7,351,708	7,105,195
Transfers	(93,550)	(69,293)	93,550	69,293	-	-
Increase in Net Position	5,109,977	2,788,575	2,241,731	4,316,620	7,351,708	7,105,195
Net Position January 1	78,679,889	75,891,314	41,055,793	36,739,173	119,735,682	112,630,487
Reclassification Adjustment	(156,719)	-	156,719	-	-	-
Net Position December 31	\$ 83,633,147	\$ 78,679,889	\$ 43,454,243	\$ 41,055,793	\$ 127,087,390	\$ 119,735,682

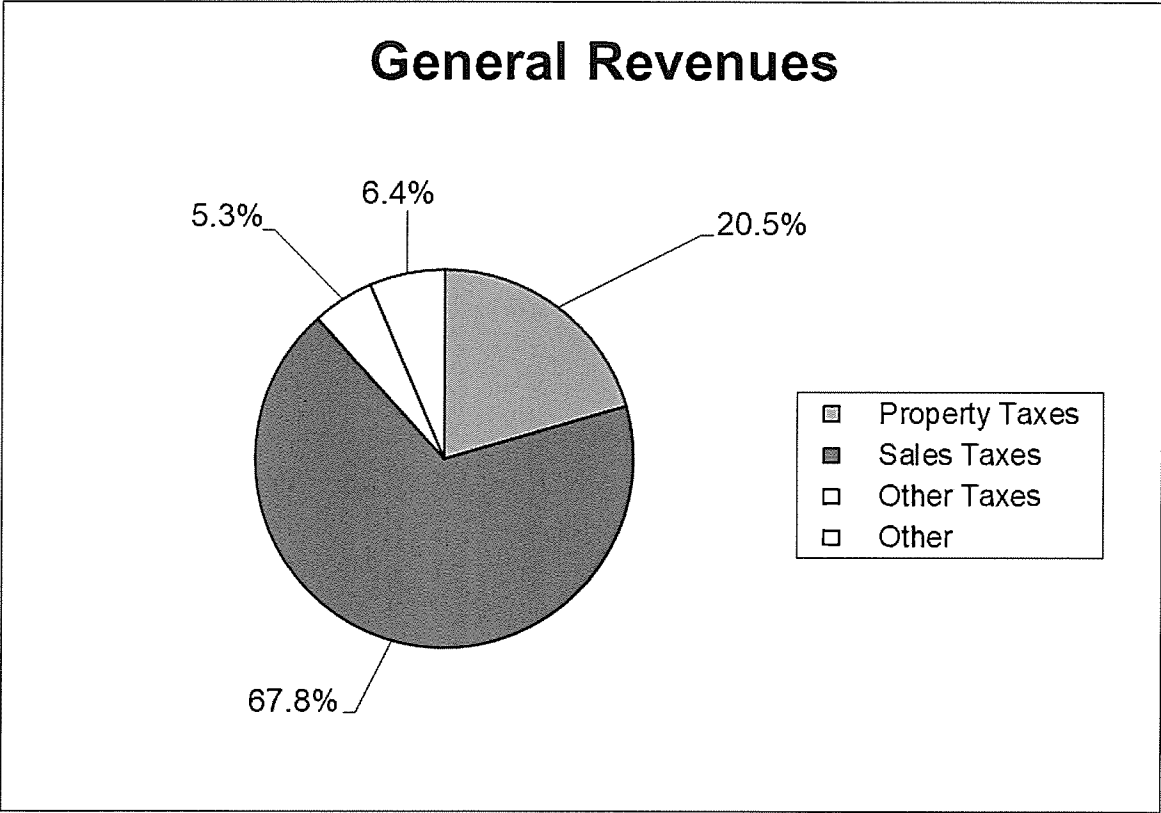
Charges for Services in the Business-Type Activities increased \$118,072 or 0.92% due in most part to a modest 3% rate increase in Water, a 5% increase in Wastewater, and 5% in Solid Waste Collections. Business-Type Activities Total Expenses increased by \$1,550,493 or 15.73%. Governmental Activities Total Expenses increased \$1,666,035 or 10.86%.

Program Revenues total \$20,734,639 for 2018. Governmental Activities provided \$7,542,185 and Business-Type Activities provided \$13,192,454. Revenue collected for Charges for Services during 2018 was \$16,899,418 accounting for 81.5% of the total program revenues. Revenue collected for Capital Grants and Contributions accounts for 16.01% of the total program revenues. The following chart breaks down program revenues by sources:



General Revenues for 2018 totaled \$15,027,560. Governmental Activities provided \$14,666,718 and Business-Type Activities provided \$360,842. Sales Tax Revenues for 2018 totaled \$10,191,321 and Property Tax Revenue totaled \$3,080,502. The Sales Tax Revenues accounted for 67.82% and Property Tax Revenues were 20.50% of General Revenues. The following chart breaks down General Revenues by source:

GENERAL REVENUES



Expenses for 2018 totaled \$28,410,491, an increase of 12.77%. Expenses for Governmental Activities totaled \$17,005,376 accounting for 59.86% of the total expenses. Expenses for Business-Type Activities totaled \$11,405,115 accounting for 40.14% of total expenses.

The following table shows the activities included within each program level:

Program Level	Activity
General Government	City Commission, City Manager, City Attorney, Finance Office, Information Systems, Contingency, Special Appropriations
Public Safety	Police Department, Custody of Prisoners, Animal Control, Fire Department, Civil Defense, Safety Center
Public Works	Engineering & Inspection, Streets & Highways, Snow & Ice Removal, City Hall, Traffic Control, Chan Gurney Airport
Culture & Recreation	Parks, Summit Activity Center, Marne Creek, Memorial Pool, Senior Citizens Center, Yankton Community Library
Community Development	Casualty Reserve, Tax Increment District
Capital Projects	Chan Gurney Airport Federal Capital Projects, Federal and State Pass Through Grants

Governmental Activities

To aid in the understanding of the Statement of Activities (Exhibit 2) some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses and Changes in Fund Balance. Please note that the expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense) Revenue calculation. This format highlights the respective financial burden that each of the functions place on the taxpayers. For example, for Public Safety in 2018, the City spent \$4,018,664 and received \$1,784 in charges for services, \$123,293 in operating grants and contributions, thus leaving a cost to the taxpayers of (\$3,893,587) to be funded by various other methods. The new format also identifies how much each function draws from general revenues or is self-financing through fees or grants. Some of the individual line item revenues reported for each function are:

General Government	Liquor licenses, cable television franchise, tower lease
Public Safety	Parking fines, prisoner reimbursement (work release)
Public Works	Street repairs, building permit fees,
Culture & Recreation	Recreation program fees, swimming pool fees

The total cost of governmental activities this year was \$17,005,376. Of these costs, \$3,999,026 was paid by those who directly benefited from the programs (Charges for Services). Costs paid by other governments and organizations that subsidized certain programs with operating grants and contributions were \$514,586, and costs paid by other governments and organizations that subsidized certain programs with capital grants and contributions were \$3,028,573, leaving a Net Expense of (\$9,463,191) for governmental activities. The Statement of Activities (Exhibit 2) in the financial statements provides further detail.

Total resources available during the year to finance governmental operations were \$100,638,523, consisting of Net Position January 1, 2018 of \$78,679,889, General Revenues and transfers of \$14,573,168, and Program Revenues of \$7,542,185, and a reclassification adjustment of (\$156,719). Total Governmental Activities during the year expended \$17,005,376; thus, Net Position was increased by \$4,953,258 to \$83,633,147.

Business Type Activities

Business-Type Activities increased the City's net position by \$2,398,450.

The cost of all Business-Type Activities this year was \$11,405,115. As shown in the Statement of Activities, the amounts paid by users of the systems were \$12,900,392 and \$292,062 was funded from capital grants and contributions, resulting in a net gain for Business-Type Activities of \$1,787,339.

Total resources available during the year to finance Business-Type Activities were \$54,859,358 consisting of Net Position January 1, 2018 of \$41,055,793, Program Revenues of \$13,192,454, General Revenues and Transfers of \$454,392, and a reclassification adjustment of \$156,719. Total Business-Type Activities during the year expended \$11,405,115; thus Net Position was increased by \$2,398,450 to \$43,454,243.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending as the end of a fiscal year. The City's governmental funds reported combined ending fund balances in 2018 of \$18,025,871 (34.83% non-spendable, 7.49% restricted, 44.32% committed, 2.30% assigned, and 11.06% unassigned). The combined Governmental Funds fund balance decreased \$2,932,964 from the prior year. The fund balance amount consists of \$6,279,661 of non-spendable funds committed for 1) perpetual care for cemetery \$50,000, 2) \$19,111 of inventories, 3) \$147,747 in vested reserve in our insurance carrier the South Dakota Public Assurance Association or SDPAA, 4) inventory of land for resale \$2,373,411 and 5) long term advances \$3,689,392; \$1,349,876 of restricted funds; \$7,988,779 of committed funds; \$414,666 of assigned funds, and \$1,992,889 of unassigned funds.

The general fund is the chief operating fund of the City of Yankton. At the end of the current fiscal year total general fund balance was \$11,032,810, an increase of \$1,217,175. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 61.94% of total general fund expenditures, while total fund balance represents 95.39% of that same amount.

General fund revenues in 2018 increased \$1,026,253 or 8.21% due mostly to increases in sales taxes, and licenses and permits. Expenditures decreased (\$52,548) or (0.45%). The decrease in expenditures included an increase of \$452,531 in current expenditures, an increase of 4.45%, a decrease of (\$548,292) in capital outlay, an decrease of (43.54%) from 2017's expenditures and an increase of \$43,213 in debt service, an increase of 22.91% from 2017.

The Special Capital Improvements Fund showed a decrease in fund balance of \$4,484,669. This reflects an increase in revenues of \$1,667,167, offset by an increase in expenditures of \$6,747,365, and an increase in transfers out of \$908,892.

Financial Analysis of the City's Funds (Continued)

The TID #5 Fund balance remained a negative fund balance to end 2018 at (\$3,689,392) due to no expenditures being made for Capital Improvements or operating as well as no revenues received in excess of debt service. The negative fund balance should be reduced by future tax receipts.

The Other Governmental Funds, which now includes the Public Improvement Fund and Infrastructure Improvement Fund, which were previously major funds, end of year combined balance increased \$329,164 to \$2,693,674.

GENERAL FUND BUDGETARY HIGHLIGHTS

Comparing the 2018 original (adopted) General Fund budget of \$13,932,533 to the final budget amount of \$14,952,059 shows a net increase of \$1,019,526. However, actual expenditures were \$2,365,986 less than the original adopted budget. Supplemental changes that would have resulted in actual expenditures higher than the original budget were offset by less expenditures than originally budgeted in various departments.

The City complied with statutory requirements for expenditures not exceeding the budget appropriation on all programs.

CAPITAL ASSETS

The City's investment in capital assets, including land, construction in progress, building and structures, equipment, streets, water system, wastewater system, transfer station and recycling facilities, and other infrastructure represents the value of the resources utilized to provide services to our citizens. The investment in capital assets as of December 31, 2018 was \$88,140,958 (net of accumulated depreciation and outstanding financings). This was a decrease of (\$1,738,547) or (1.93%). The comparative totals for capital assets for 2017 and 2018 are as follows:

CITY OF YANKTON CAPITAL ASSETS (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 3,447,380	\$ 3,623,276	\$ 814,623	\$ 814,623	\$ 4,262,003	\$ 4,437,899
Construction in Progress	9,044,023	4,046,774	28,835,981	13,003,921	37,880,004	17,050,695
Buildings & Structures / Infrastructure	46,762,223	43,433,868	36,411,600	38,548,043	83,173,823	81,981,911
Land Improvements	-	-	2,118,842	2,121,948	2,118,842	2,121,948
Furniture and Equipment	<u>7,925,888</u>	<u>7,842,432</u>	<u>1,506,178</u>	<u>1,558,046</u>	<u>9,432,066</u>	<u>9,400,478</u>
Total	<u>\$ 67,179,514</u>	<u>\$ 58,946,350</u>	<u>\$ 69,687,224</u>	<u>\$ 56,046,581</u>	<u>\$ 136,866,738</u>	<u>\$ 114,992,931</u>

Construction in progress was the major increase in capital outlays for 2018 for Business-Type Activities and Governmental Activities as well as an increase in Buildings & Structures / Infrastructure in Governmental Activities. See note 6 in the financial statements for more information on the City's capital assets.

DEBT ADMINISTRATION

At 2018 year end the City had \$45,990,713 of debt outstanding, an increase of \$20,710,156. This increase in debt was due to increases in the Water Revenue Bonds and Wastewater Revenue Bonds.

Of the total debt, \$3,380,000 or 7.35% is to be paid from governmental activities including \$1,935,000 specifically from sales tax funds, and \$1,445,000 from property tax opt-out dollars; and \$42,610,713 or 92.65% in business type activities including \$36,856,106 to be repaid from water user fees, \$1,003,000 to be paid from landfill revenues and \$4,751,607 to be repaid from wastewater user fees.

The City continues to operate well under the State legal debt margins. The State limits the amount of General Obligation Debt outstanding to 5% of the assessed value of taxable property in the city. Thus, the debt capacity is \$49,132,523 with outstanding debt (less debt service reserves) of \$12,576,773, leaving an unused balance of \$36,555,751 or 74.4% of the legal debt limit available. The State allows an additional 10% legal debt margin of the assessed value for Water and Wastewater debt that is secured and backed by surcharges. The City has \$30,703,552 of outstanding debt (less debt service reserves) backed by surcharges with the legal debt capacity being \$98,265,047 leaving \$67,561,495 or 68.75% available. More detailed information on debt administration is provided in Notes 8 and 9 of the financial statements.

ECONOMIC FACTORS

The total building permit value for 2018 was \$27,504,992. It was a decrease of (\$31,714,957) or (53.55%) of the 2017 total of \$59,219,456. The average annual building permit value for the last ten years was \$30,703,552 and the 2018 total value was 95.8% of that average. New construction building permits included a new TMA Automotive Repair facility, Stockwell Engineering Office Building, Christensen Automotive Repair Building, Cimpl's Meat Packing mechanical building, and Yaggies Oat Processing Facility. Commercial additions and remodels included McDonald's Restaurant, Avera Sacred Heart Classrooms, Kolberg-Pioneer Office addition, and Applied Engineering Manufacturing addition. There were twenty-nine new home-building permits issued during the year, a decrease of four from 2017. There were also 7 new Housing units in town home situations and 40 apartments with a new apartment complex.

The City continues to reinvest in its infrastructure with street improvements, wastewater distribution improvements, and the water utility continues to replace water mains to improve the reliability of the water supply as well as continue construction on an estimated \$37 million water treatment facility.

Another indicator of economic activity is the taxable sales for Yankton that are reported by the South Dakota Department of Revenue. Our 2018 sales were up 4.0% over 2017's figures and totaled \$543,360,525.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the City Finance Office at 605-668-5241.

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BASIC FINANCIAL STATEMENTS

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF NET POSITION
December 31, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Housing & Redevelopment
ASSETS				
Cash and Cash Equivalents	\$ 16,120,490	\$ 15,981,498	\$ 32,101,988	\$ 139,271
Receivables:				
Taxes	24,793	-	24,793	-
Accounts	40,479	1,453,616	1,494,095	924
Special Assessments	117,401	-	117,401	-
Other Receivables	-	-	-	2,838
Due from Other Governmental Agencies	1,644,353	-	1,644,353	-
Prepaid Expenses	178,529	100,133	278,662	2,460
Property Held for Resale, At Cost	2,373,411	-	2,373,411	-
Inventories	200,492	387,585	588,077	-
Restricted Assets:				
Cash and Cash Equivalents	234,518	2,717,362	2,951,880	-
Deposits	147,747	203,914	351,661	-
Net Pension Asset	6,792	1,913	8,705	-
Land	3,447,380	814,623	4,262,003	-
Construction in Progress	9,044,023	28,835,981	37,880,004	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	54,688,111	40,036,620	94,724,731	333
Total Assets	<u>88,268,519</u>	<u>90,533,245</u>	<u>178,801,764</u>	<u>145,826</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows	<u>2,229,054</u>	<u>627,828</u>	<u>2,856,882</u>	<u>-</u>
LIABILITIES				
Accounts Payable	2,115,264	4,513,732	6,628,996	145
Accrued Wages	214,322	54,379	268,701	2,583
Accrued Interest Payable	9,081	200,424	209,505	-
Customer Deposits	1,030	5,289	6,319	-
Noncurrent Liabilities:				
Due within one year:				
Revenue Bonds Payable	-	2,333,279	2,333,279	-
General Obligation Bonds	120,000	-	120,000	-
Capital Lease	135,000	-	135,000	-
Compensated Absences	85,669	31,039	116,708	2,798
Due in more than one year:				
Revenue Bonds Payable	-	40,280,741	40,280,741	-
Capital Lease	1,310,000	-	1,310,000	-
General Obligation Bonds	1,815,000	-	1,815,000	-
Other Postemployment Benefit Obligation	50,245	7,759	58,004	-
Compensated Absences	483,832	132,323	616,155	2,232
Total Liabilities	<u>6,339,443</u>	<u>47,558,965</u>	<u>53,898,408</u>	<u>7,758</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows	<u>524,983</u>	<u>147,865</u>	<u>672,848</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>524,983</u>	<u>147,865</u>	<u>672,848</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	65,102,788	23,038,170	88,140,958	333
Restricted for:				
Housing Vouchers	-	-	-	7,631
Debt Service	184,369	2,516,938	2,701,307	-
SDRS Pension Purposes	1,710,863	481,876	2,192,739	-
Lodging Sales Tax	978,230	-	978,230	-
Cumulative Reserve-SDPAA	147,747	203,914	351,661	-
Other Purposes	67,558	-	67,558	-
Perpetual Care				
Expendable	110,638	-	110,638	-
Nonexpendable	50,000	-	50,000	-
Unrestricted	15,280,954	17,213,345	32,494,299	130,104
Total Net Position	<u>\$ 83,633,147</u>	<u>\$ 43,454,243</u>	<u>\$ 127,087,390</u>	<u>\$ 138,068</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental Activities:			
General Government	\$ 2,183,692	\$ 1,958,968	\$ -
Public Safety	4,018,664	1,784	123,293
Public Works	7,095,470	1,358,816	298,164
Culture and Recreation	3,073,307	679,458	93,129
Community Development	470,972	-	-
Interest on Long-Term Debt	163,271	-	-
Total Governmental Activities	17,005,376	3,999,026	514,586
Business-Type Activities:			
Water	4,263,574	6,074,581	-
Wastewater	3,473,767	3,725,096	-
Solid Waste	1,105,178	1,152,285	-
Joint Powers- Landfill	1,603,972	1,279,555	-
Golf Course	958,624	668,875	-
Total Business-Type Activities	11,405,115	12,900,392	-
Component Units:			
Housing & Redevelopment	572,622	-	529,973
Total Component Unit	\$ 572,622	\$ -	\$ 529,973
General Revenues:			
Property taxes			
Sales and other Taxes			
Lodging Sales Tax			
Interest			
Reimbursements			
Miscellaneous			
Special Item change in SDPAA reserve			
Interfund Transfers			
Total General Revenues and Transfers			
Change in Net Position			
Net Position - Beginning			
Reclassification Adjustment			
Net Position - beginning, as restated			
Net Position - Ending			

Program Revenues	Net (Expense) Revenue and Changes in Net Position			Component Unit Housing & Redevelopment
	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
\$ 122,456	\$ (102,268)	\$ -	\$ (102,268)	\$ -
-	(3,893,587)	-	(3,893,587)	-
2,903,785	(2,534,705)	-	(2,534,705)	-
-	(2,300,720)	-	(2,300,720)	-
2,332	(468,640)	-	(468,640)	-
-	(163,271)	-	(163,271)	-
<u>3,028,573</u>	<u>(9,463,191)</u>		<u>(9,463,191)</u>	<u>-</u>
932		1,811,939	1,811,939	-
62,425		313,754	313,754	-
228,705		275,812	275,812	-
-		(324,417)	(324,417)	-
-		(289,749)	(289,749)	-
<u>292,062</u>		<u>1,787,339</u>	<u>1,787,339</u>	<u>-</u>
-	-	-	-	(42,649)
<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,649)</u>
	3,080,502	-	3,080,502	-
	10,191,321	-	10,191,321	-
	790,370	-	790,370	-
	454,718	296,232	750,950	311
	115,611	-	115,611	-
	-	17,414	17,414	4,948
	34,196	47,196	81,392	-
	(93,550)	93,550	-	-
	<u>14,573,168</u>	<u>454,392</u>	<u>15,027,560</u>	<u>5,259</u>
	5,109,977	2,241,731	7,351,708	(37,390)
	<u>78,679,889</u>	<u>41,055,793</u>	<u>119,735,682</u>	<u>175,458</u>
	(156,719)	156,719	-	-
	<u>78,523,170</u>	<u>41,212,512</u>	<u>119,735,682</u>	<u>175,458</u>
	<u>\$ 83,633,147</u>	<u>\$ 43,454,243</u>	<u>\$ 127,087,390</u>	<u>\$ 138,068</u>

CITY OF YANKTON, SOUTH DAKOTA
BALANCE SHEET
Governmental Funds
December 31, 2018

	General	Special Capital Improvements
<u>Assets</u>		
Cash and Cash Equivalents	\$ 6,949,403	\$ 6,685,787
Receivables (Net where applicable, of allowance for uncollectibles):		
Taxes	24,793	-
Accounts	23,808	-
Special Assessments	38,879	-
Due from Other Funds	-	1,482,228
Due from Other Governmental Agencies	748,025	681,656
Advances to Other Funds	3,689,392	-
Inventories	19,111	-
Property Held for Resale, At Cost	19,033	-
Restricted Assets:		
Cash and Cash Equivalents	81,271	-
Deposits	140,765	-
Total Assets	11,734,480	8,849,671
 <u>Liabilities</u>		
Accounts Payable	308,642	785,054
Accrued Wages	192,181	-
Due to Other Funds	-	-
Customer Deposits	1,030	-
Advances from Other Funds	-	-
Total Liabilities	501,853	785,054
 <u>Deferred Inflows of Resources</u>		
Unavailable revenue- property taxes	24,793	-
Unavailable revenue- special assessments	38,879	-
Unavailable revenue- other taxes	119,368	75,838
Unavailable revenue- other	16,777	-
Total Deferred Inflows of Resources	199,817	75,838
 <u>Fund Balances</u>		
Non-Spendable:		
Perpetual Care	-	-
Inventories	19,111	-
Cumulative Reserve-SDPAA	140,765	-
Property Held for Resale	19,033	-
Long Term Advances	3,689,392	-
Restricted:		
Debt Service	-	-
Lodging Sales Tax	-	-
Perpetual Care	-	-
Other Purposes	-	-
Committed:		
Special Capital Improvements (sales tax)	-	7,988,779
Assigned:		
Capital Projects	-	-
Unassigned	7,164,509	-
Total Fund Balances (Deficits)	11,032,810	7,988,779
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 11,734,480	\$ 8,849,671

EXHIBIT 3

TID #5	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 2,414,266	\$ 16,049,456
-	-	24,793
-	16,671	40,479
-	78,522	117,401
-	-	1,482,228
-	206,784	1,636,465
-	-	3,689,392
-	-	19,111
-	2,354,378	2,373,411
-	153,247	234,518
-	6,982	147,747
-	5,230,850	25,815,001
-	969,563	2,063,259
-	21,010	213,191
-	1,482,228	1,482,228
-	-	1,030
3,689,392	-	3,689,392
3,689,392	2,472,801	7,449,100
-	-	24,793
-	54,848	93,727
-	9,527	204,733
-	-	16,777
-	64,375	340,030
-	50,000	50,000
-	-	19,111
-	6,982	147,747
-	2,354,378	2,373,411
-	-	3,689,392
-	193,450	193,450
-	978,230	978,230
-	110,638	110,638
-	67,558	67,558
-	-	7,988,779
-	414,666	414,666
(3,689,392)	(1,482,228)	1,992,889
(3,689,392)	2,693,674	18,025,871
\$ -	\$ 5,230,850	\$ 25,815,001

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CITY OF YANKTON, SOUTH DAKOTA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2018

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Total Fund Balance - Governmental Funds (page 18)	\$ 18,025,871
Infrastructure, property, and equipment used in governmental activities are not financial resources and, therefore, are not reported in the funds	67,028,233
Unavailable revenues that do not provide current financial resources for governmental activities	340,030
Accrued expenses from the balance sheet that do not require current financial resources for governmental activities	(9,081)
Prepaid expenses are reported in the governmental activities but are not reported in the funds as they do not provide current economic resources.	175,580
Pension related deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, are not due and payable in the current year and, therefore are not reported in the governmental funds.	1,677,433
Long-term liabilities, such as Bonds and Notes Payable as well as Capital Leases and Accrued Compensated Absences are not due and payable in the current period and therefore are not reported in the funds	(3,943,388)
Other Post Employment Benefit Liabilities are not due and payable in the current period and therefore are not reported in the funds	(40,049)
The Net Pension Asset does not provide resources in the current period and therefore is not reported in the funds	6,686
Internal Service Funds are used by management to charge the costs of certain activities, such as the central garage to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	371,832
Total Net Position - Governmental Activities (page 14)	<u>\$ 83,633,147</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Funds
For the Year Ended December 31, 2018

	<u>General</u>	<u>Special Capital Improvements</u>
Revenue:		
Property Taxes	\$ 2,778,715	\$ -
Sales and Other Taxes	6,136,497	4,087,232
Special Assessments	-	-
Licenses and Permits	314,758	-
Intergovernmental	505,856	1,565,271
Charges for Services	3,408,615	-
Fines and Forfeits	4,540	-
Interest on Investments	127,328	277,162
Contributions	165,992	-
Miscellaneous	79,655	10,205
Total Revenue	<u>13,521,956</u>	<u>5,939,870</u>
Current Expenditures:		
General Government	2,033,929	-
Public Safety	2,854,544	-
Public Works	2,925,070	-
Culture and Recreation	2,810,336	-
Community Development	-	-
Capital Outlay:		
Public Works	431,316	9,491,301
Culture and Recreation	106,674	-
General Government	16,805	-
Public Safety	156,052	-
Debt Service	231,821	-
Total Expenditures	<u>11,566,547</u>	<u>9,491,301</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,955,409</u>	<u>(3,551,431)</u>
Other Financing Sources (Uses):		
Payment to refunded bond escrow agent	(1,530,000)	-
Issuance of Debt	1,590,000	-
Proceeds From Sale of Capital Assets	48,364	-
Transfers In	168,812	-
Transfers Out	(885,905)	(933,238)
Total Other Financing Sources (Uses)	<u>(608,729)</u>	<u>(933,238)</u>
Special Item:		
Increase in SDPAA Vested Deposit	32,580	-
Net Change in Fund Balance	1,379,260	(4,484,669)
Fund Balances (Deficits)-Beginning of Year	9,815,635	12,473,448
Reclassification Adjustment	<u>(162,085)</u>	<u>-</u>
Fund Balances -Beginning of Year, as restated	<u>9,653,550</u>	<u>12,473,448</u>
Fund Balances (Deficits)- End of Year	<u>\$ 11,032,810</u>	<u>\$ 7,988,779</u>

EXHIBIT 4

TID #5	Other Governmental Funds	Total Governmental Funds
\$ 138,029	\$ 167,250	\$ 3,083,994
-	814,126	11,037,855
-	66,955	66,955
-	-	314,758
-	266,281	2,337,408
-	93,000	3,501,615
-	-	4,540
-	34,461	438,951
-	15,729	181,721
-	3,242	93,102
<u>138,029</u>	<u>1,461,044</u>	<u>21,060,899</u>
-	-	2,033,929
-	634,023	3,488,567
-	166,919	3,091,989
-	145,222	2,955,558
-	544,253	544,253
-	1,160,438	11,083,055
-	85,461	192,135
-	-	16,805
-	-	156,052
-	196,450	428,271
<u>-</u>	<u>2,932,766</u>	<u>23,990,614</u>
<u>138,029</u>	<u>(1,471,722)</u>	<u>(2,929,715)</u>
-	-	(1,530,000)
-	-	1,590,000
-	104,460	152,824
-	2,386,992	2,555,804
<u>(138,029)</u>	<u>(692,182)</u>	<u>(2,649,354)</u>
<u>(138,029)</u>	<u>1,799,270</u>	<u>119,274</u>
<u>-</u>	<u>1,616</u>	<u>34,196</u>
-	329,164	(2,776,245)
(3,689,392)	2,359,144	20,958,835
<u>-</u>	<u>5,366</u>	<u>(156,719)</u>
<u>(3,689,392)</u>	<u>2,364,510</u>	<u>20,802,116</u>
<u>\$ (3,689,392)</u>	<u>\$ 2,693,674</u>	<u>\$ 18,025,871</u>

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CITY OF YANKTON, SOUTH DAKOTA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended December 31, 2018

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds (page 21)		\$ (2,776,245)
<p>Governmental funds report capital outlays, including infrastructure, as expenditures. However, in the statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current year:</p>		
Expenditures for capital assets	\$ 10,201,840	
Depreciation Expense	<u>(2,962,644)</u>	7,239,196
Revenues reported in the funds that are not available to provide current financial resources:		(41,858)
Capital contributions reported in the Statement of Activities do not provide current financial resources and are not reported as revenues in the funds		1,205,733
Accrued interest expense that does not require current financial resources:		3,222
Governmental funds report special assessments as revenue when it becomes available, but the statement of activities includes special assessments as revenue when levied.		(36,332)
Pension expenses reported in the Statement of Activities do not require the use of current financial resources.		(674,186)
The current year City employer share of SDRS contributions are reported as expenditures in the governmental funds, but reported as a deferred outflow of resources in the Statement of Net Position		180,573
Governmental funds report the proceeds from the sale of fixed assets as revenue, whereas the statement of activities reports the (Loss) on the sale of fixed assets. This is the effect on the change in net position on the statement of activities.		(202,742)
Internal service funds are used by management to charge the costs of certain activities, such as the central garage to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		(16,941)
Prepaid insurance is not reported in the governmental funds as it is not available to provide current financial resources:		23,138
Other Post-Employment Benefits that do not require current financial resources.		15,232
Compensated absences that do not require current financial resources.		(13,813)
Proceeds from the issuance of long-term debt		(1,590,000)
The repayment of the principal of bonded long-term debt consumes the current financial resources of governmental funds without affecting the net assets. The statement of activities does not reflect the payment of principal on bonded long-term debt. The principal paid on bonded long-term debt during the current year was:		<u>1,795,000</u>
Change in net position of governmental activities (page 16)		<u><u>\$ 5,109,977</u></u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF NET POSITION
Proprietary Funds
December 31, 2018

	Business-Type	
	Water	Wastewater
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 12,589,435	\$ 2,090,664
Receivables (Net where applicable, of allowance for uncollectibles):		
Accounts	710,900	472,848
Due from Other Governmental Agencies	-	-
Prepaid Insurance	27,039	29,610
Inventories	187,451	156,241
Total Current Assets	13,514,825	2,749,363
Noncurrent Assets:		
Restricted Assets:		
Cash and Cash Equivalents	2,075,214	515,800
Deposits	67,988	110,211
Net Pension Asset	519	534
Land	128,117	66,666
Construction in Progress	27,516,465	1,319,516
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	24,731,630	10,950,052
Total Noncurrent Assets	54,519,933	12,962,779
Total Assets	68,034,758	15,712,142
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferred Outflows	170,193	175,342
LIABILITIES		
Current Liabilities:		
Accounts Payable	3,510,022	906,919
Accrued Wages	14,998	17,473
Accrued Interest Payable	170,585	27,968
Accrued Compensated Absences	9,938	7,980
Customer Deposits	5,289	-
Revenue Bonds Payable- Current	1,315,519	913,267
Total Current Liabilities	5,026,351	1,873,607
Noncurrent Liabilities:		
Revenue Bonds Payable	35,540,587	3,841,647
Accrued Compensated Absences	42,367	34,022
Other Postemployment Benefit Obligation	-	1,778
Total Noncurrent Liabilities	35,582,954	3,877,447
Total Liabilities	40,609,305	5,751,054
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferred Inflows	40,084	41,296
NET POSITION		
Net investment in capital assets,	12,194,567	6,871,825
Restricted for:		
Debt Service	1,904,629	487,832
SDRS Pension Purposes	130,628	134,580
Cumulative Reserve-SDPAA	67,988	110,211
Unrestricted	13,257,750	2,490,686
Total Net Position	\$ 27,555,562	\$ 10,095,134

EXHIBIT 5

<u>Business-Type</u>		<u>Governmental</u>
<u>Non-Major</u>		<u>Activities-</u>
<u>Enterprise Funds</u>	<u>Totals</u>	<u>Internal</u>
		<u>Service Fund</u>
\$ 1,301,399	\$ 15,981,498	\$ 71,034
269,868	1,453,616	-
-	-	7,888
43,484	100,133	2,949
43,893	387,585	181,381
<u>1,658,644</u>	<u>17,922,832</u>	<u>263,252</u>
126,348	2,717,362	-
25,715	203,914	-
860	1,913	106
619,840	814,623	7,000
-	28,835,981	-
<u>4,354,938</u>	<u>40,036,620</u>	<u>144,281</u>
<u>5,127,701</u>	<u>72,610,413</u>	<u>151,387</u>
<u>6,786,345</u>	<u>90,533,245</u>	<u>414,639</u>
<u>282,293</u>	<u>627,828</u>	<u>34,845</u>
96,791	4,513,732	52,005
21,908	54,379	1,131
1,871	200,424	-
13,120	31,039	1,161
-	5,289	-
104,493	2,333,279	-
<u>238,183</u>	<u>7,138,142</u>	<u>54,297</u>
898,507	40,280,741	-
55,935	132,323	4,952
5,981	7,759	10,196
<u>960,423</u>	<u>40,420,823</u>	<u>15,148</u>
<u>1,198,606</u>	<u>47,558,965</u>	<u>69,445</u>
<u>66,485</u>	<u>147,865</u>	<u>8,207</u>
3,971,778	23,038,170	151,281
124,477	2,516,938	-
216,668	481,876	26,744
25,715	203,914	-
1,464,909	17,213,345	193,807
<u>\$ 5,803,547</u>	<u>\$ 43,454,243</u>	<u>\$ 371,832</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Proprietary Funds
For the Year Ended December 31, 2018

	<u>Business-Type</u>	
	<u>Water</u>	<u>Waste- water</u>
Operating Revenues:		
Charges for Services	\$ 6,074,581	\$ 3,725,096
Operating Expenses:		
Personal Services	665,548	679,081
Insurance	57,294	92,877
Professional Services	127,390	47,581
Tipping Fees	-	-
State Fees	5,000	12,500
Repairs and Maintenance	238,376	478,208
Cost of Sales and Service	-	-
Supplies and Materials	349,091	40,263
Travel and Conference	2,309	6,588
Utilities	232,780	205,531
Billing and Administration	655,905	626,754
Other Current Expenses	-	-
Depreciation	1,096,628	1,134,446
Total Operating Expenses	<u>3,430,321</u>	<u>3,323,829</u>
Operating Income (Loss)	2,644,260	401,267
Non-Operating Income (Expense):		
Interest Income	221,636	45,085
Gain (Loss) on Disposition of Assets	(100,852)	402
Miscellaneous, net	1,600	604
Interest Expense	(731,278)	(149,938)
Total Non-Operating Income (Expenses)	<u>(608,894)</u>	<u>(103,847)</u>
Income Before Contributions, Special Items and Transfers	2,035,366	297,420
Special Item - Increase in SDPAA Vested Deposit	15,736	25,508
Transfers In	-	-
Transfers (Out)	(71,346)	(60,047)
Capital Contributions	932	62,425
Change in Net Position	<u>1,980,688</u>	<u>325,306</u>
Net Position - Beginning	25,522,622	9,685,124
Reclassification Adjustment	<u>52,252</u>	<u>84,704</u>
Net Position- Beginning as Restated	<u>25,574,874</u>	<u>9,769,828</u>
Net Position - Ending	<u>\$ 27,555,562</u>	<u>\$ 10,095,134</u>

EXHIBIT 6

<u>Business-Type</u>		<u>Governmental</u>
<u>Non-Major</u>		<u>Activities-</u>
<u>Enterprise Funds</u>	<u>Totals</u>	<u>Internal</u>
		<u>Service Fund</u>
\$ 3,100,715	\$ 12,900,392	\$ 790,810
1,132,526	2,477,155	130,183
23,833	174,004	-
187,263	362,234	4,660
167,795	167,795	-
-	17,500	-
364,880	1,081,464	7,110
1,004,461	1,004,461	-
68,037	457,391	604,370
3,861	12,758	-
67,082	505,393	21,416
254,908	1,537,567	-
-	-	17,968
371,328	2,602,402	22,044
<u>3,645,974</u>	<u>10,400,124</u>	<u>807,751</u>
(545,259)	2,500,268	(16,941)
29,511	296,232	-
(1,525)	(101,975)	-
15,210	17,414	-
(21,800)	(903,016)	-
<u>21,396</u>	<u>(691,345)</u>	<u>-</u>
(523,863)	1,808,923	(16,941)
5,952	47,196	-
224,943	224,943	-
-	(131,393)	-
<u>228,705</u>	<u>292,062</u>	<u>-</u>
(64,263)	2,241,731	(16,941)
5,848,047	41,055,793	388,773
19,763	156,719	-
<u>5,867,810</u>	<u>41,212,512</u>	<u>388,773</u>
<u>\$ 5,803,547</u>	<u>\$ 43,454,243</u>	<u>\$ 371,832</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF CASH FLOWS
Proprietary Funds
For the Year Ended December 31, 2018

	Business-Type	
	Water	Waste-Water
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 5,965,084	\$ 3,748,622
Cash Received from Interfund Services Provided	131,555	28,820
Cash Paid to Suppliers for Goods and Services	(1,706,191)	(1,387,139)
Cash Paid to Employees for Services	(624,199)	(628,344)
Cash Paid for Interfund Services	(12,062)	(23,638)
Other Nonoperating Revenues	1,600	604
Net Cash Provided (Used) from Operating Activities	<u>3,755,787</u>	<u>1,738,925</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(13,145,011)	(845,504)
Proceeds from Sale of Fixed Assets		
Proceeds from Bond Issuance	20,922,491	1,280,969
Principal Paid on Notes, Bonds and Leases	(846,842)	(863,040)
Interest Paid on Notes and Bonds	(669,193)	(150,981)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>6,261,445</u>	<u>(578,556)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Due from Other Governments	-	-
Transfers (Out)	(71,346)	(60,047)
Receipts from Other Governments	-	349,755
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(71,346)</u>	<u>289,708</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and Dividends on Investments	221,636	45,085
Net Cash Provided from Investing Activities	<u>221,636</u>	<u>45,085</u>
Net Increase (Decrease) in Cash and Cash Equivalents	10,167,522	1,495,162
Cash and Cash Equivalents at Beginning of Year	4,497,127	1,111,302
Cash and Cash Equivalents at End of Year	<u>14,664,649</u>	<u>2,606,464</u>

	Business-Type	
	Water	Waste-Water
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	2,644,260	401,267
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	1,096,628	1,134,446
Other Non-Operating Income (Expense)	1,600	604
Accounts Receivable	22,058	52,346
Prepaid Expenses	(3,118)	(3,052)
Net Pension Asset / Liability	1,632	1,675
Pension Related Deferred Outflows	45,152	45,874
Inventories	10,087	564
Increase (Decrease) in Liabilities:		
Accounts Payable	(58,296)	102,013
Customer Deposits	1,219	-
Accrued Wages	(2,418)	5,550
Accrued Compensated Absences	(321)	5,642
Other Postemployment Benefit Obligation	-	(5,354)
Pension Related Deferred Inflows	(2,696)	(2,650)
Total Adjustments	<u>1,111,527</u>	<u>1,337,658</u>
Net Cash Provided (Used) by Operating Activities	<u>3,755,787</u>	<u>1,738,925</u>
Supplemental Schedule of Noncash Capital and Related Financing Activities:		
Developers and City Contribution of Capital Assets	932	62,425
	<u>\$ 932</u>	<u>\$ 62,425</u>
Reconciliation of Cash and Cash Equivalents to the Balance Sheet:		
Cash and Cash Equivalents	12,589,435	2,090,664
Restricted Cash and Cash Equivalents	2,075,214	515,800
	<u>\$ 14,664,649</u>	<u>\$ 2,606,464</u>

EXHIBIT 7

Business-Type		Governmental
Nonmajor	Totals	Activities-
Enterprise Funds		Internal
		Service Fund
\$ 3,073,117	\$ 12,786,823	\$ 111,702
6,647	167,022	662,058
(1,871,251)	(4,964,581)	(129,664)
(1,049,255)	(2,301,798)	(671,639)
(246,607)	(282,307)	(2,314)
15,210	17,414	-
<u>(72,139)</u>	<u>5,422,573</u>	<u>(29,857)</u>
(261,078)	(14,251,593)	(13,021)
3,512	3,512	-
481,562	22,685,022	-
(59,052)	(1,768,934)	-
(21,120)	(841,294)	-
<u>143,824</u>	<u>5,826,713</u>	<u>(13,021)</u>
228,705	228,705	-
224,943	93,550	-
-	349,755	-
<u>453,648</u>	<u>672,010</u>	<u>-</u>
29,511	296,232	-
<u>29,511</u>	<u>296,232</u>	<u>-</u>
554,844	12,217,528	(42,878)
872,903	6,481,332	113,912
<u>1,427,747</u>	<u>18,698,860</u>	<u>71,034</u>
Business-Type		Governmental
Nonmajor	Totals	Activities-
Enterprise Funds		Internal
		Service Fund
(545,259)	2,500,268	(16,941)
371,328	2,602,402	22,044
15,210	17,414	-
(20,951)	53,453	-
(9,974)	(16,144)	(415)
2,857	6,164	309
89,860	180,886	6,748
12,612	23,263	(16,781)
21,624	65,341	(19,284)
-	1,219	-
514	3,646	(2,131)
628	5,949	(1,014)
(3,141)	(8,495)	(3,254)
(7,447)	(12,793)	(56)
<u>473,120</u>	<u>2,922,305</u>	<u>(12,916)</u>
<u>(72,139)</u>	<u>5,422,573</u>	<u>(29,857)</u>
33,346	96,703	-
<u>\$ 33,346</u>	<u>\$ 96,703</u>	<u>\$ -</u>
1,301,399	15,981,498	71,034
126,348	2,717,362	-
<u>\$ 1,427,747</u>	<u>\$ 18,698,860</u>	<u>\$ 71,034</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF NET POSITION
Fiduciary Funds
December 31, 2018

	Agency Funds
Assets	
Cash and Cash Equivalents	\$ 19,861
Total Assets	19,861
 Liabilities	
Accounts Payable	1,483
Other Accrued Expenses	18,378
Total Liabilities	19,861
 Net Position	
Unrestricted	-
Total Net Position	\$ -

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Yankton was incorporated June 8, 1869, under the provisions of South Dakota Codified Law, as amended. The City operates under a Commission-Manager form of government.

The City's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP) that apply to governmental units. All funds created under the authority of the South Dakota Codified Law, the operations of which are under the control of the City's governing body, and by financial reporting standards for governmental units are included herewith. The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

The reporting entity of the City of Yankton consists of the primary government (which includes all of the funds, organizations, institutions, agencies, department and offices that make up the legal entity, plus those funds for which the primary government has a fiduciary responsibility, even though those fiduciary funds may represent organizations that do not meet the criteria for inclusion in the financial reporting entity); those organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The City is financially accountable if its Governing Board/City Commission appoints a voting majority of another organization's governing body and it has the ability to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to, or impose specific financial burdens on, the City (primary government). The City may also be financially accountable for another organization if that organization is fiscally dependent on the City.

Proprietary Fund-type Discretely Presented The Yankton Housing and Redevelopment Commission is a proprietary fund-type discretely presented component unit of the City of Yankton whose year end is June 30, 2018. In October of 1994, the City of Yankton adopted a resolution to establish the Yankton Housing and Redevelopment Commission to administer the United States Department of Housing and Urban Development, Section 8 Existing Certificate, Voucher, and Moderate Rehabilitation Program. The program became operational in November 1994. The governing board of the commission is made up of five residents of the City of Yankton who have been appointed by the Mayor of the City of Yankton and with the approval of the City Commission. The City of Yankton retains the statutory authority to approve or deny or otherwise modify the Commission's plans to construct low-income housing units, or to enter into any housing development involving the use of eminent domain, which gives the City the ability to impose its will on the Commission. The Commission had a June 30, 2018 Year End and the report may be obtained by writing to the Yankton Housing and Redevelopment Commission, PO Box 176, Yankton, South Dakota 57078.

Joint Ventures A joint powers agreement between the City of Yankton, City of Vermillion, Yankton County and Clay County was adopted. The purpose of this agreement is to provide for the joint ownership, administration and operation of a solid waste disposal and recycling system including; a solid waste transfer station or stations, the transportation of solid waste, a sanitary landfill licensed by the State of South Dakota, a recycling program and facilities, establishing and collecting such fees as are necessary to support the joint operation and such other operations and facilities as are necessary to exercise the primary responsibilities established under the joint powers agreement. It is not the purpose of the agreement to create a separate entity. The membership of the Advisory Board consists of: one member of the governing body of each participating government, the city managers of the Cities of

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Yankton and Vermillion, and one citizen chosen by each participating governing body. The undivided interest in the joint agreement is reported as Joint Power Landfill as an enterprise fund. A separately issued financial statement for the joint venture is not issued.

B. Basic Financial Statements – Government-Wide Statement

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general, special revenue, debt service, and capital project funds are classified as governmental activities. The City's internal service fund is classified as a governmental-type activity.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on the full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net positions are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The City first uses restricted resources to finance qualifying activities for which both restricted and unrestricted resources are available.

The Government-wide Statement of Activities reports both the gross and net cost of each of the City's functions (general government, public works, public safety, health & welfare, culture & recreation, community development) and business-type activities. The functions are supported by general government revenues and related program revenues, operating grants and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The City does not allocate indirect costs. Certain expenses of the City are accounted for through an internal service fund on a cost-reimbursement basis.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activities.

C. Basis of Accounting

Basis of accounting refers to the point when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Accrual basis of accounting is used for all activities in the government-wide financial statements and for the proprietary and fiduciary activities in the fund financial statements. Revenues are recognized when earned and expenses are recognized when incurred.

Modified accrual basis of accounting is used by all governmental funds in the fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 30 days after year-end. A 30-day availability period is also used for revenue recognition for all other governmental fund revenues. The exception to this would be for receivables derived from reimbursement grant arrangements where the revenue would be recognized in the same period as the expenditure.

Expenditures are recorded when the related fund liability is incurred. An exception to this general rule is that principal and interest on general obligation debt, if any, is recognized when due.

Those revenues susceptible to accrual are property taxes, assessments, and intergovernmental revenues. Licenses, fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

D. Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues or receipts, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria for the determination of major funds. The City can electively add a fund, as a major fund, which have a specific community focus. The nonmajor funds are combined in a column in the fund financial statements. The various funds reported in the financial statements are grouped into fund types as follows:

Governmental Fund Types – The focus of the governmental funds’ measurement (in the fund statements) is upon the determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental fund types of the City:

General Fund – The General fund is the general operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds - The Special Revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes (not including expendable trusts or major capital projects).

Debt Service Fund - The Debt Service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs not being financed by proprietary or nonexpendable trust funds.

Capital Project Funds - The Capital Project funds account for the acquisition of fixed assets or construction of major capital projects not being financed by Proprietary Funds or Fiduciary Funds.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Permanent Fund – Account for resources that are legally restricted to allow the earnings (and not principal) to be used to support the government's programs.

Proprietary Fund Types – The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Operating revenues and expenses are distinguished from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenues of enterprise funds are charges to customers for services. Operating expenses consist of cost of sales and services, administrative expenses and depreciation on capital assets.

Enterprise Funds - Enterprise funds are used to account for those operations (a) that are financed and operated in a manner similar to private business or enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds - Internal Service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

The City's internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the governmental-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

A description of the City's internal service funds are as follows:

Central Garage Fund – To account for the cost of supplying the fuel, repairs and maintenance of equipment used by all City departments, and fuel for the Yankton County automotive equipment. All purchases are billed at cost plus nominal overhead to defray administrative, equipment and shop maintenance and depreciation costs.

Copies and Postage – This fund has been established to record all charges for copies and postage by all departments prior to allocating these charges to the respective departments.

Fiduciary Fund Types – Fiduciary funds are used to report assets held in an agency or custodial capacity for others and therefore not available to support City programs. Since agency funds are custodial in nature, they do not involve the measurement of results of operations and are not incorporated into the government-wide financial statements.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

The City has the following agency funds:

Employee Benefits – This fund has been established as a clearing account used to account for withholding of taxes, insurance, flex plan and retirement from the employees' payroll, and the corresponding City match.

Sales Tax – This fund has been established to record taxes collected for remittance to the State of South Dakota on taxable operations of the City.

The City reports the following major governmental funds:

General Fund – See the description above. The General Fund is always considered to be a major fund.

Special Revenue Fund:

TID #5 – This fund accounts for collection of property taxes and expenditures related to tax rebates and the servicing of debt related to economic development projects within the District.

Capital Projects Funds:

Special Capital Improvement Fund – This Fund is used to account for the revenues and expenditures of the additional one percent (1%) sales and use tax. All revenues received from the collection of the tax are used only for the purpose of capital improvements, land acquisition, debt retirement for a joint building project with the city school district including parking, street improvements, and utility improvements attendant thereto, and for street construction and storm sewer improvements.

The City reports the following major enterprise funds:

Water Fund – This fund is used to account for water service to the residents of the City.

Wastewater Fund – This fund is used to account for wastewater collection service for residents.

E. Cash and Investments

The City combines all cash to participate in an entity-wide cash and investment pool except for specific bond indenture investments required to be separately invested. In general, SDCL 4-5-6 permits municipal funds to be invested in (a) securities of the United States and securities guaranteed by the United States government either directly or indirectly, including, without limitations, United States treasury bills, notes, bonds, and other obligations issued or directly or indirectly guaranteed by the United States government, or otherwise directly or indirectly backed by the full faith and credit of the United States government; provided that, for other than permanent, trust, retirement, building, and depreciation reserve funds, such securities shall either mature within eighteen months from the date of purchase or be within eighteen months from the date of purchase or be redeemable at the option of the holder within eighteen months from the date of purchase; of (b) repurchase agreements fully collateralized by securities described in (a) and meeting the requirements of SDCL 4-5-9, if the repurchase agreements are entered into only with those primary reporting dealers that report to the Federal Reserve Bank of New York and with the one hundred largest United States commercial banks, as measured by domestic deposits; or (c) in shares of an open-end, no-load fund administered by an investment company registered under the Federal Investment Company Act of 1940, whose shares are registered under the federal Securities Act of 1933 and whose only investments are in securities described in (a) and repurchase agreements described in (b). The component unit maintains their own cash.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. All short-term cash surpluses are maintained in a cash and investment pool and allocated to each fund based on month-end deposit and investment balances.

Deposits are reported at cost, plus interest, if the account is of the add-on type.

The City had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

F. Cash Flows

The City pools its cash resources for depositing and investing purposes. The proprietary funds essentially have access to their cash resources on demand. The component unit maintains their own cash and is not part of the City's pool.

G. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

H. Advance to Other Funds

Noncurrent portions of long-term interfund loans are reported as advances and are offset equally by a non-spendable fund balance, which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

I. Inventories/Property Held for Resale

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. In the government-wide financial statements, governmental fund statements and proprietary fund statements, inventory is recorded as an asset at the time of purchase and charged to expense as it is consumed. In the governmental funds reported inventories are equally offset by a "non-spendable" fund balance classification, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

The only governmental fund inventory recorded is that of the General Fund and Public Improvement Fund, which consists of commercial, residential, and industrial land held for resale and salt inventory.

J. Deferred Outflow/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and pension contributions from the City after the measurement date but before the end of the City's reporting period.

CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of property tax receivable and other receivables not collected within thirty days after year end.

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portion of the net difference between projected and actual earnings on pension plan investments.

K. Restricted Assets

Certain proceeds of bond issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Part of the proceeds from cemetery lot sales are permanently set aside in the perpetual care account as required by state statutes, and only income from the restricted investments are used for care and maintenance of the cemetery.

L. Compensated Absences

City employees accumulate a limited amount of earned but unused vacation and compensation time hours for subsequent use or for payment upon termination, death or retirement. This liability as well as the corresponding employee benefits, is recorded when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for the portion which is expected to be liquidated with expendable available financial resources. This amount normally consists of payments to employees who had resigned or retired at year end, but had not yet been compensated for the accrued absences. The compensated absences liability has been computed based on rates of pay in effect at December 31, 2018. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund, with small portions being paid by the Central Garage. All accrued sick leave time accumulated is forfeited upon separation from service. Such amounts therefore do not constitute a liability. Sick leave earned over maximum accumulation is paid for, on the basis of one hour pay for each two hours earned, with the first pay day in the next January. These amounts have been accrued at year end.

M. Amortization of Bond Discounts and Premiums

For governmental fund types, bond premiums and discounts, are recognized during the current period. Bond proceeds are reported as other financing sources net of the applicable premium or discount. For proprietary fund types, bond premiums and discounts, are deferred and amortized over the life of the bonds based on interest expense which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

N. Equity Classifications

Government-wide Financial Statements:

Equity is classified as Net Position and is displayed in three components:

1. Net Investment in Capital Assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation (if applicable) and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition construction or improvement of those assets.
2. Restricted Net Position – Consists of net position with constraints places on their use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments: of (b) law through constitutional provisions or enabling legislation.
3. Unrestricted Net Position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

O. Application of Net Position

It is the City’s policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

P. Fund Equity

Governmental fund equity is classified as fund balance, and may distinguish between “Nonspendable”, “Restricted”, “Committed”, “Assigned”, and “Unassigned” components. Proprietary fund equity is classified the same as in the government-wide financial statements.

In accordance with Government Accounting Standards Board (GASB) No.54, Fund Balance Reporting and Governmental Fund Type Definitions, the Municipality classifies governmental fund balances as follows:

- Nonspendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that can only be used for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balances may be assigned by action of the City Commission.
- Unassigned – includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

The Municipality uses restricted / committed amounts first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the Government would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Q. Fixed Assets

Assets with an initial individual cost of \$500 or more are considered capital assets. Property and equipment are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed assets are reported at their fair value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Infrastructure has been retroactively capitalized using historical or estimated historical cost as required by GASB 34. Depreciation on all assets is provided on the straight-line basis over the following estimated lives:

Land Improvements	30 Years
Buildings and Structures	10 – 50 Years
Machinery and Equipment	5 – 25 Years
Infrastructure	15 – 75 Years

The City early implemented GASB 89, during the year there was no interest cost capitalized.

NOTE 2 - CASH AND CASH EQUIVALENTS

The City maintains a cash and investment pool that is available for use by all funds. Earnings from the pooled investments are allocated monthly to each participating fund based on the month-end cash balances. Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized below:

Deposits – The municipal deposits are made in qualified public depositories as defined by SDCL 4-6A-1, 9-22-6, 9-22-6.1 and 9-22-6.2. Qualified depositories are required by SDCL 4-6A-3 to maintain at all times, segregated from their other assets, eligible collateral having a value equal to at least 100 percent of the public deposit accounts which exceed deposit insurance such as the FDIC and NCUA. In lieu of pledging eligible securities, a qualified public depository may furnish revocable standby letters of credit issued by Federal Home Loan Banks accompanied by written evidence of that bank's public debt rating which may not be less than "AA" or better or a qualified public depository may furnish a corporate surety bond of a corporation authorized to do business in South Dakota.

At year-end, the City's deposits in banks were covered by federal depository insurance, and the accounts which exceeded FDIC coverage were properly collateralized per state statutes. The City's bank deposits, per banks, at December 31, 2018 were \$36,204,447. At year-end, the Yankton Housing and Redevelopment Commission's deposits were fully insured or collateralized.

Investments – The City's only investment during the year consisted of U.S. Treasury notes which were not held at year end. Credit and concentration risk disclosures are not necessary in accordance with GASB 40. At year end the Housing Commission had no investments.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City had no exposure to interest rate risk at year end.

NOTE 3 - PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied on or before October 1 and payable in two installments on or before April 30 and October 31 of the following year. The county bills and collects the city taxes and remits them to the City. City property tax revenues are recognized to the extent that they are used to finance each year's appropriations.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 - PROPERTY TAXES (CONTINUED)

The City is permitted by state statute to levy the following amounts of taxes per \$1,000 of taxable valuation of the property in the City:

General Fund	\$27
Bond Redemption Funds	As Required by Bond Agreement
Judgment Fund (Upon Judgment Being Made)	\$10

State statute allows the tax rates to be raised by special election of the voters.

NOTE 4 - ESTIMATED UNCOLLECTIBLE RECEIVABLES

An allowance for uncollectible taxes, utility accounts receivable and special assessments is provided based upon analysis of historical trends. The allowance for uncollectible receivables at December 31, 2018, consisted of the following:

	Utility Accounts Receivable	Special Assessment Receivable
Fund:		
Infrastructure Improvement Revolving	\$ -	\$ 42,000
Water Fund	29,553	-
Wastewater Fund	14,790	-
Solid Waste Fund	14,335	-
	\$ 58,678	\$ 42,000

NOTE 5 - DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at December 31, 2018, include the following:

	General	Special Capital Improvement Fund	Non-Major Governmental Funds
County Remitted Taxes	\$ 28,634	\$ -	\$ 3,896
County share of Senior Center and Others	6,194	-	-
County and Other Garage Charges	-	-	-
State Remitted Sales Tax	626,542	681,656	67,467
State Remitted Liquor and Other Taxes	24,768	-	-
State Road Aid	57,580	-	-
Grants	-	-	125,708
Other	4,307	-	9,713
	\$ 748,025	\$ 681,656	\$ 206,784

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 5 - DUE FROM OTHER GOVERNMENTS (CONTINUED)

	Internal Service	Total
County Remitted Taxes	\$ -	\$ 32,530
County share of Senior Center and Others	-	6,194
County and Other Garage Charges	7,888	7,888
State Remitted Sales Tax	-	1,375,665
State Remitted Liquor and Other Taxes	-	24,768
State Road Aid	-	57,580
Grants	-	125,708
Other	-	14,020
	<u>\$ 7,888</u>	<u>\$ 1,644,353</u>

NOTE 6 - CAPITAL ASSETS

A summary of the changes in the capital assets for the year ended December 31, 2018, is as follows:

	Balance January 1, 2018	Additions	Deletions	Reclassification	Balance December 31, 2018
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 3,623,276	\$ -	\$ 175,896	\$ -	\$ 3,447,380
Construction in Progress	4,046,774	5,186,630	189,381	-	9,044,023
Total capital assets not being depreciated	<u>7,670,050</u>	<u>5,186,630</u>	<u>365,277</u>	<u>-</u>	<u>12,491,403</u>
Capital assets being depreciated:					
Buildings & Structures	71,062,808	5,303,131	198,695	-	76,167,244
Furniture & Equipment	17,535,686	1,120,214	792,011	(32,198)	17,831,691
Total Capital assets being depreciated	<u>88,598,494</u>	<u>6,423,345</u>	<u>990,706</u>	<u>(32,198)</u>	<u>93,998,935</u>
Less: Accumulated Depreciation for:					
Buildings	27,628,940	1,974,775	198,694	-	29,405,021
Furniture & Equipment	9,693,254	1,009,913	765,166	(32,198)	9,905,803
Total Accumulated Depreciation	<u>37,322,194</u>	<u>2,984,688</u>	<u>963,860</u>	<u>(32,198)</u>	<u>39,310,824</u>
Total capital assets being depreciated, net	<u>51,276,300</u>	<u>3,438,657</u>	<u>26,846</u>	<u>-</u>	<u>54,688,111</u>
Governmental activities capital assets, net	<u>\$ 58,946,350</u>	<u>\$ 8,625,287</u>	<u>\$ 392,123</u>	<u>\$ -</u>	<u>\$ 67,179,514</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 6 - CAPITAL ASSETS – (CONTINUED)

	Balance January 1, 2018	Additions	Deletions	Reclassification	Balance December 31, 2018
Business-type Activities:					
Capital assets not being depreciated:					
Land	\$ 814,623	\$ -	\$ -	\$ -	\$ 814,623
Construction in Progress	13,003,921	15,832,060	-	-	28,835,981
Total capital assets not being depreciated	<u>13,818,544</u>	<u>15,832,060</u>	<u>-</u>	<u>-</u>	<u>29,650,604</u>
Capital assets being depreciated:					
Buildings & Structures	71,737,972	101,149	-	-	71,839,121
Land Improvements	2,190,048	-	-	-	2,190,048
Furniture & Equipment	6,034,753	416,775	829,930	32,198	5,653,796
Total Capital assets being depreciated	<u>79,962,773</u>	<u>517,924</u>	<u>829,930</u>	<u>32,198</u>	<u>79,682,965</u>
Less: Accumulated Depreciation for :					
Buildings & Structures	33,189,929	2,237,592	-	-	35,427,521
Land Improvements	68,100	3,106	-	-	71,206
Furniture & Equipment	4,476,707	361,704	722,991	32,198	4,147,618
Total Accumulated Depreciation	<u>37,734,736</u>	<u>2,602,402</u>	<u>722,991</u>	<u>32,198</u>	<u>39,646,345</u>
Total capital assets being depreciated, net	<u>42,228,037</u>	<u>(2,084,478)</u>	<u>106,939</u>	<u>-</u>	<u>40,036,620</u>
Business-type activities capital assets, net	<u>\$ 56,046,581</u>	<u>\$ 13,747,582</u>	<u>\$ 106,939</u>	<u>\$ -</u>	<u>\$ 69,687,224</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 22,009
Community Development	2,340
Public Safety	317,792
Public Works	2,054,660
Culture and Recreation	587,887
Total depreciation expense - governmental activities	<u>\$ 2,984,688</u>

Depreciation expense of \$22,044 was charged to the Internal Service Fund and is included in the Public Works total shown above.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 6 - CAPITAL ASSETS – (CONTINUED)

Business-type activities:

Water	\$ 1,096,628
Wastewater	1,134,446
Solid Waste	106,790
Golf Course	73,178
Joint Powers Landfill	191,360
Total depreciation expense - business-type activities	\$ 2,602,402

A summary of changes in capital assets for the discretely presented component unit is as follows:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Component Unit:				
Capital Assets, being depreciated				
Furniture & Equipment	\$ 4,615	\$ -	\$ -	\$ 4,615
Total capital assets, being depreciated	4,615	-	-	4,615
Less: Accumulated Depreciation	3,882	400	-	4,282
Component unit capital assets, net	\$ 733	\$ (400)	\$ -	\$ 333

Reconciliation of Net Investment in Capital Assets:

	Governmental Activities	Business-type Activities
Land	\$ 3,447,380	\$ 814,623
Construction in Progress	9,044,023	28,835,981
Capital Assets (net of accumulated depreciation)	54,688,111	40,036,620
Less: Revenue Bonds	-	42,614,020
Capital Leases	1,445,000	-
Retainage Payable	118,895	2,297,231
Accounts Payable	512,831	1,737,803
Net Investment in Capital Assets	\$ 65,102,788	\$ 23,038,170

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 7 - COMMITMENTS

During the year ended December 31, 2018, the City had entered into several construction contracts totaling approximately \$45,471,165 of which approximately \$25,012,874 had been expended to date. The remaining balance will be paid as work progresses.

NOTE 8 - CAPITAL LEASE

The following is a summary of the Capital Lease Activity for the year:

	Beginning Balance	Additions	Reductions	Ending Balance
Capital Leases Payable	\$1,530,000	\$1,590,000	\$(1,675,000)	\$1,445,000

An agreement was entered with The First Dakota National Bank in Sioux Falls (Lessor/Trustee) for the financing to construct a new city fire station. The Declaration of Trust Agreement, the Lease-Purchase Agreement and Ground Lease Agreement between the City and The First Dakota National Bank along with the issuance of \$2,420,000 of Certificates of Participation were completed in February 2009. These agreements are evidence of the Bank's ownership interest in the lease-purchase assets with the City of Yankton. The City is the agent for the Bank for the construction of the fire station building. The bid was awarded and construction began on the fire station building in January 2009 and was completed in 2010. The Certificates of Participation were refinanced in March of 2018 for the balance of \$1,590,000. The interest rate on the Certificates of Participation varies from 1.65% to 2.85% and the lease payment terms match the terms of the certificates with final payment December 1, 2028. The refinancing of the Certificates will save the city \$221,494 in interest over the remaining life of the agreement. Property tax funds have been pledged to make the lease payments over the term of the lease.

The following is a schedule of future minimum lease payments under capital lease, together with the net present value of the minimum lease payments as of December 31, 2018.

Year Ending December 31,	Principal	Interest	Total
2019	\$ 135,000	\$ 36,123	\$ 171,123
2020	135,000	33,760	168,760
2021	140,000	31,195	171,195
2022	145,000	28,255	173,255
2023	145,000	24,993	169,993
2024-2028	745,000	65,538	810,538
Totals	\$ 1,445,000	\$ 219,864	\$ 1,664,864

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 9 - LONG-TERM DEBT

A. Bonds Payable/Notes Payable:

The following is a summary of debt transactions of the City for the year ended December 31, 2018 (in thousands of dollars):

	Governmental			Enterprise			Total
	2011 Sales Tax Bond	Water Revenue (SRF)	Wastewater Revenue (SRF)	2011 Wastewater Refunding Bonds	Joint Power Landfill Revenue Loans (SWMP) (RLA)	Solid Waste REC Loan	
Notes/Bonds Payable at January 1, 2018	\$ 2,055	\$ 16,781	\$ 2,874	\$ 1,460	\$ 581	\$ -	\$ 23,751
Notes/Bonds Issued	-	20,922	1,281	-	-	482	22,685
Notes/Bonds Retired	(120)	(847)	(388)	(475)	(60)	-	(1,890)
Notes/Bonds Payable at December 31, 2018	\$ 1,935	\$ 36,856	\$ 3,767	\$ 985	\$ 521	\$ 482	\$ 44,546

The business-type activity revenue bonds are shown net of \$3,307 of unaccreted bond premiums on the Statement of Net Position.

Debt outstanding at December 31, 2018, is comprised of the following individual issues:

	Due Within One Year	Due After One Year	Total
2011 Sales Tax Revenue Bonds – Dated June 1, 2011, maturing December 1, 2012-2031, with an average interest rate of 3.71%. Funds were used to provide economic development incentives and are to be paid by the Debt Service Fund, using TID generated taxes.	\$ 120,000	\$ 1,815,000	\$ 1,935,000
2011 Wastewater Revenue Refunding Bonds – Dated April 1, 2011, maturing December 1, 2011-2020, with an average interest rate of 2.63%, paid by the Wastewater Fund.	485,000	500,000	985,000
Solid Waste Management Program (SWMP) and Regional Landfill Assistance (RLA) loans maturing June 1, 2012, June 1, 2025, and June 1, 2026 with an interest rate of 3% per annum, paid by the Joint Powers Landfill Fund.	60,534	460,906	521,440
Water Revenue Bonds (SRF) maturing October 1, 2023, through 2048 with interest rates of 3.5%, 3.25% and 3.0% per annum, paid by the Water Fund.	1,315,519	35,540,587	36,856,106
Wastewater Revenue Bonds (SRF) maturing October 1, 2023 and January 15, 2037, with an interest rate of 3.5% and 3.0% per annum, paid by the Wastewater Fund.	428,267	3,338,340	3,766,607
Solid Waste REC Loan Maturing December 1, 2028 With an interest rate of 2.1% per Annum, paid by Solid Waste Fund.	43,959	437,601	481,560
Totals	\$2,453,279	\$ 42,092,434	\$ 44,545,713

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 9 - LONG-TERM DEBT – (CONTINUED)

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and projects. General obligation bonds have been issued for the governmental-type activities and the business-type activities.

In April, 2011, the City issued \$4,325,000 of Wastewater Revenue Refunding Bonds, Series 2011B, which were used in addition to approximately \$285,000 of existing City funds to refund Clean Water State Revolving Loans #1 and #2. The 2011 bonds have an average interest rate of 2.63% and the bonds being refunded had an average interest rate of 4.68%. As a result of this refunding the City will reduce its debt service payments over the next ten years by \$635,867 and obtain an economic gain of \$839,610.

On November 25, 2014, the City issued not to exceed \$11,048,805 of Clean Water State Revolving Fund loans for sewer improvements. The bonds carry an interest rate of 3.0%. At December 31, 2018, \$8,858,319 had been drawn on the bonds.

On November 17, 2014, the City issued \$12,850,000 of Drinking Water State Revolving Fund Bonds, to be used to finance improvements to its system of waterworks. The bonds have an interest rate of 3%. As of December 31, 2018, \$11,642,796 had been drawn on the loan.

On April 24, 2017, the City issued \$37,000,000 of Drinking Water State Revolving Fund Bonds, to be used to finance improvements to its system of waterworks. The bonds have an interest rate of 2.25%. As of December 31, 2018, \$20,799,418 had been drawn on the loan.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

B. Annual Debt Service Requirements

The annual requirements to amortize all debt outstanding as of December 31, 2018, including interest payments of \$15,440,040 are as follows:

Year Ending December 31	2011 Sales Tax Bonds		Wastewater Revenue		Water Revenue		Solid Waste REC	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 120,000	\$ 72,850	\$ 428,267	\$ 109,628	\$ 1,315,519	\$ 848,994	\$ 43,959	\$ 9,412
2020	125,000	69,610	454,365	102,294	1,251,078	913,166	44,843	8,529
2021	130,000	65,845	470,073	86,585	1,286,511	878,002	45,744	7,628
2022	130,000	62,085	486,326	70,332	1,322,975	841,538	46,663	6,708
2023	135,000	57,665	503,143	53,515	1,360,503	804,011	47,601	5,770
2024-2028	760,000	210,160	472,522	180,878	6,070,363	3,525,210	252,750	14,109
2029-2033	535,000	47,400	548,685	104,715	5,975,295	2,709,882	-	-
2034-2038	-	-	403,226	21,486	5,836,322	1,967,562	-	-
2039-2043	-	-	-	-	6,627,347	1,176,538	-	-
2044-2048	-	-	-	-	5,810,193	309,463	-	-
	\$1,935,000	\$ 585,615	\$3,766,607	\$ 729,433	\$36,856,106	\$ 13,974,366	\$481,560	\$ 52,156

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 9 - LONG-TERM DEBT (CONTINUED)

Year Ending December 31	Joint Power Landfill (RLA) (SWMP)		Wastewater Refunding		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 60,534	\$ 12,442	\$ 485,000	\$ 30,800	\$ 2,453,279	\$ 1,084,126
2020	62,054	10,921	500,000	16,250	2,437,340	1,120,770
2021	63,613	9,362	-	-	1,995,941	1,047,422
2022	65,213	7,763	-	-	2,051,177	988,426
2023	66,854	6,122	-	-	2,113,101	927,083
2024-2028	203,172	8,810	-	-	7,758,807	3,939,167
2029-2033	-	-	-	-	7,058,980	2,861,997
2034-2038	-	-	-	-	6,239,548	1,989,048
2039-2043	-	-	-	-	6,627,347	1,176,538
2044-2048	-	-	-	-	5,810,193	309,463
	<u>\$ 521,440</u>	<u>\$ 55,420</u>	<u>\$ 985,000</u>	<u>\$ 47,050</u>	<u>\$44,545,713</u>	<u>\$15,440,040</u>

C. Accrued Compensated Absences and OPEB Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 556,702	\$ 77,531	\$ 64,732	\$ 569,501	\$ 85,669
Other Post Employment Benefit Obligation	68,731	-	18,486	50,245	-
Business-Type Activities:					
Compensated Absences	157,413	32,113	26,164	163,362	31,039
Other Post Employment Benefit Obligation	16,254	-	8,495	7,759	-
Total Accrued Compensated Absences and OPEB Liabilities	<u>\$ 799,100</u>	<u>\$ 109,644</u>	<u>\$ 117,877</u>	<u>\$ 790,867</u>	<u>\$ 115,547</u>

For the governmental activities, compensated absences and OPEB liabilities are primarily liquidated by the general fund, however, a small portion is also liquidated by the Central garage and dispatch funds.

NOTE 10 - INTERFUND ASSETS/LIABILITIES

The purpose of the City's interfund balances is to help finance short-term cash flow shortages of various funds. Individual short-term interfund receivable and payable balances at December 31, 2018 were as follows:

	Interfund Receivables	Interfund Payables
Due From/To Other Funds:		
Capital Projects – Special Capital Improvements	\$ 1,482,228	\$ -
Capital Projects – Public Improvement	-	1,482,210
Special Revenue – TID #8	-	18
	<u>\$ 1,482,228</u>	<u>\$ 1,482,228</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 10 - INTERFUND ASSETS/LIABILITIES – (CONTINUED)

As of December 31, 2018, long-term advances were as follows:

	Interfund Receivables	Interfund Payables
Advances From/To Other funds:		
General Fund	\$ 3,689,392	\$ -
TID #5	-	3,689,392
	\$ 3,689,392	\$ 3,689,392

The long-term advances were used as internal financing for equipment purchases for the general fund and interim borrowing to the TID #5 fund until property tax revenues are available for repayment. Currently, the equipment loan carries a repayment term of ten years and interest rates of 6 percent and the TID loan is variable.

NOTE 11 - DEFICIT FUND BALANCES/RETAINED EARNINGS

As of December 31, 2018, the following funds had deficit fund balances:

Special Revenue:	
TID #5	\$ 3,689,392
TID #8	18

The TID #5 deficit will be refunded through future TID property tax collections.
The TID #8 deficit will be refunded through future TID property tax collections.

NOTE 12 - PENSION PLAN

Plan Information

All employees, working more than 20 hours per week during the school year, participate in the South Dakota Retirement System (SDRS), a cost sharing, multiple employer defined benefit pension plan administered by SDRS to provide retirement benefits for employees of the State of South Dakota and its political subdivisions. The SDRS provides retirement, disability, and survivors benefits. The right to receive retirement benefits vests after three years of credited service. Authority for establishing, administering and amending plan provisions are found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at <http://www.sdrs.sd.gov/publications/> or by writing to the SDRS, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731.

Benefits Provided

SDRS has three different classes of employees, Class A general members, Class B public safety and judicial members, and Class C Cement Plant Retirement Fund members.

Members that were hired before July 1, 2017, are Foundation members. Class A Foundation members and Class B Foundation members who retire after age 65 with three years of contributory service are entitled to an unreduced annual retirement benefit. An unreduced annual retirement credited service is equal to or greater than 85 or after age 55 for Class B Foundation judicial members where the sum of age and credited service is equal to or greater than 80. Class B Foundation public safety members can retire with an unreduced annual retirement benefit after age 55 with three years of contributory service. An unreduced annual retirement benefit is also available after age 45 for class B Foundation public safety members where the sum of age and credited service is equal to or greater than 75. All Foundation retirements that do not meet the above criteria may be payable at a reduced level.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 12 - PENSION PLAN (CONTINUED)

Members that were hired on/after July 1, 2017, are Generational members. Class A Generational members and Class B Generational judicial members who retire after age 67 with three years of contributory service are entitled to an unreduced annual retirement benefit. Class B Generational public safety members can retire with an unreduced annual retirement benefit after age 57 with three years of contributory service. At retirement, married Generational members may elect a single-life benefit, a 60 percent joint and survivor benefit, or a 100 percent joint and survivor benefit. All Generational retirement benefits that do not meet the above criteria may be payable at a reduced level. Generational members will also have a variable retirement account (VRA) established, in which they will receive up to 1.5 percent of compensation funded by part of the employer contribution. VRAs will receive investment earnings based on investment returns

Legislation enacted in 2017 established the current COLA process. At each valuation date:

- Baseline actuarial accrued liabilities will be calculated assuming the COLA is equal to long-term inflation assumption of 2.25%.
- If the fair value of assets is greater or equal to the baseline actuarial accrued liabilities, the COLA will be:
 - The increase in the 3rd quarter CPA-W, no less than 0.5% and no greater than 3.5%.
- If the fair value of assets is less than the baseline actuarial accrued liabilities, the COLA will be:
 - The increase in the 3rd quarter CPI-W, no less than 0.5% and no greater than a restricted maximum such that, that if the restricted maximum is assumed for future COLAs, the fair value of assets will be greater or equal to the accrued liabilities.

All benefits except those depending on the Member's Accumulated Contributions are annually increased by the Cost-of-Living Adjustment.

Contributions:

Per SDCL 3-12, contribution requirements of the active employees and the participating employers are established and may be amended by the SDRS Board. Covered employees are required by state statute to contribute the following percentages of their salary to the plan; Class A Members, 6.0% of salary; Class B Judicial Members, 9.0% of salary; and Class B Public Safety Members, 8.0% of salary. State statute also requires the employer to contribute an amount equal to the employee's contribution. State statute also requires the employer to make an additional contribution in the amount of 6.2 percent for any compensation exceeding the maximum taxable amount for social security for general employees only. The City's share of contributions to the SDRS for the years ended 2018, 2017, and 2016 were \$472,668, \$460,571, and \$449,258, respectively, equal to the required contributions each year.

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions:

At June 30, 2018, SDRS is 100.02% funded and, accordingly, has a net pension liability. The proportionate shares of the components of the net pension asset of South Dakota Retirement System, for the City as of the measurement period ending June 30, 2018 and reported by the City as of December 31, 2018 are as follows:

Proportionate share of net position restricted for pension benefits	\$ 45,660,371
Less: proportionate share Net Pension restricted for pension benefits	<u>45,669,076</u>
Proportionate share of net pension liability (asset)	<u>\$ (8,705)</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 12 - PENSION PLAN (CONTINUED)

At December 31, 2018, the City reported an (asset) of \$(8,705) for its proportionate share of the net pension (asset). The net pension (asset) was measured as of June 30, 2018 and the total pension (asset) used to calculate the net pension (asset) was based on a projection of the City's share of contributions to the pension plan relative to the contributions of all participating entities. At June 30, 2018, the City's proportion was 0.37324390%, which is an decrease of .0157358% from its proportion measured as of June 30, 2017.

For the year ended December 31, 2018, the City recognized pension expense of \$674,873. At December 31, 2018 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	\$ 329,014	\$ -
Changes in assumption	2,210,025	-
Net Difference between projected and actual earnings on pension plan investments	-	657,888
Changes in Proportion and difference between City contributions and proportionate share of contributions	82,736	14,960
City contributions subsequent to the measurement date	235,107	-
TOTAL	\$ 2,856,882	\$ 672,848

\$235,107 reported as deferred outflow of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year Ended December 31	
2019	\$ 1,204,787
2020	902,522
2021	(93,151)
2022	(65,231)
Total	\$ 1,948,927

Actuarial Assumptions:

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary Increases	6.5 percent at entry to 3.00 percent after 25 years of service
Discount Rate	6.5 percent net of plan investment expense

Mortality rates were based on 97% of the RP-2014 Mortality Table, projected generationally with Scale MP-2016, white collar rates for females and total dataset rates for males. Mortality rates for disabled members were based on the RP-2014 Disabled Retiree Mortality Table, projected generationally with Scale MP-2016.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 12 - PENSION PLAN (CONTINUED)

Investment portfolio management is the statutory responsibility of the South Dakota Investment Council (SDIC), which may utilize the services of external money managers for management of a portion of the portfolio. SDIC is governed by the Prudent Man Rule (i.e., the council should use the same degree of care as a prudent man). Current SDIC investment policies dictate limits on the percentage of assets invested in various types of vehicles (equities, fixed income securities, real estate, cash, private equity, etc.). The long-term expected rate of return on pension plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 (see the discussion of the pension plan's investment policy) are summarized in the following table using geometric means:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	58.0%	4.8%
Fixed Income	30.0%	1.8%
Real Estate	10.0%	4.6%
Cash	<u>2.0%</u>	0.7%
Total	<u>100%</u>	

Discount Rate:

The discount rate used to measure the total pension asset was 6.5 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that matching employer contributions from will be made at rates equal to the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of liability (asset) to changes in the discount rate:

The following presents the City's proportionate share of net pension asset calculated using the discount rate of 6.5 percent, as well as what the City's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage point lower (5.5%) or 1-percentage point higher (7.5%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability (asset)	\$ 6,574,649	\$ (8,705)	\$(5,363,906)

Pension Plan Fiduciary Net Position:

Detailed information about the plan's fiduciary net position is available in the separately issued SDRS financial report.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 13 - TRANSFERS

The following is a summary of transfers between funds:

	General	Nonmajor Governmental	Enterprise Nonmajor	Total Transfer Out
General	\$ -	\$ 660,962	\$ 224,943	\$ 885,905
Nonmajor Governmental	18,073	674,109	-	692,182
Special Capital Improvements	19,346	913,892	-	933,238
TID #5	-	138,029	-	138,029
Wastewater	60,047	-	-	60,047
Water	71,346	-	-	71,346
Transfer In	<u>\$ 168,812</u>	<u>\$ 2,386,992</u>	<u>\$ 224,943</u>	<u>\$ -</u>

Transfers are used to:

1. Move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.
2. To use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 14 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the period ended December 31, 2018, the City managed its risks as follows:

Employee Health Insurance: The City purchases health insurance for its employees from a commercial insurance carrier.

Liability Insurance: The City joined the South Dakota Public Assurance Alliance (SDPAA), a public entity risk pool currently operating as a common risk management and insurance program for South Dakota local government entities. The objective of the SDPAA is to administer and provide risk to the members and to defend and protect the members against liability, to advise members on loss control guidelines and procedures, and provide them with risk management services, loss control and risk reduction information and to obtain lower costs for that coverage. The City's responsibility is to promptly report to cooperate with the SDPAA to resolve any incident which could result in a claim being made by or against the City. The City pays an annual premium, to provide liability coverage detailed below, under a claims-made policy and the premiums are accrued based on the ultimate cost of the experience to date of the SDPAA member, based on their exposure or type of coverage. The City pays an annual premium to the pool to provide coverage for general liability, official's liability, auto liability, law enforcement liability, property, and boiler and machinery.

The agreement with the SDPAA provides that the above coverages will be provided to a \$2,000,000 limit. Member premiums are used by the pool for payment of claims and to pay for reinsurance for claims in excess of \$250,000 for property coverage and \$500,000 for liability coverage to the upper limit. A portion of the member premiums are also allocated to a cumulative reserve fund.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 14 - RISK MANAGEMENT (CONTINUED)

Effective January 1, 2018, the SDPAA revised the method of calculating the amount available to be refunded to a withdrawing member. Upon giving proper written notice to the SDPAA a member may withdraw. Within 120 days following withdrawal, or as soon thereafter as the next Annual Budget is completed, the SDPAA will advise the withdrawing member of its total calculated portion of contributions, along with the member's total contributions, current losses, unpaid losses, and loss expenses, the member's loss ratio, and the number of membership years.

A member who withdraws from the SDPAA shall receive a calculated portion of their contributions refunded for unpaid casualty losses, based on the following schedule:

<u>Years</u>	<u>Percentage</u>
1	55%
2	50%
3	40%
4	35%
5	30%
6+	20%

All refunds shall be paid to the withdrawing Member over a five-year term.

The amount available for refund to the Municipality is considered a deposit for financial reporting purposes.

As of December 31, 2018, the Municipality's balance available to be refunded per the SDPAA was \$351,661, which was an increase of \$81,392 from the previous year. The change in the amount available for refund was reported as a special item in the current period due to the change in the methodology of determining the amount available for refund. In future periods the change in the amount available for refund will be accounted for as an increase or decrease in the insurance expenditure/expenses.

The City does not carry additional insurance to cover claims in excess of the upper limit. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Worker's Compensation: The City purchases liability insurance for worker's compensation from a commercial carrier.

Unemployment Benefits: The City provides coverage for unemployment benefits by paying into the Unemployment Compensation Fund established by state law and managed by the State of South Dakota.

There was no significant reduction in insurance coverage from the prior year. There were also no settlements, which exceeded insurance coverage in the past three years.

NOTE 15 - VIOLATIONS OF FINANCE-RELATED LEGAL REQUIREMENTS

The City is prohibited by statute from spending in excess of appropriated amounts at the department/fund level. In 2018, expenditures did not exceed the appropriated amounts in any department of the General Fund.

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS

Plan Description. The City of Yankton's Other Post-Employment Benefit Plan is a single-employer defined benefit healthcare plan administered by the Municipality. Under the plan an employee who has a minimum of 15 years' service and who has been insured through the City's group health insurance for a minimum of 5 years is eligible to continue with the City's health insurance plan until they reach the age of Medicare eligibility with the City paying 50% of the premium. The retiree's spouse may also continue on the City's plan with the

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

City paying 50% of the premium. The retiree's spouse may also continue on the City's plan with the City paying 50% if the spouse was added to the group prior to retirement. Authority for providing such benefits are found in South Dakota Codified Law 6-1-16 and 9-14-35. Benefit provisions were established and may be amended by the City Board of Commissioners. Premiums are based on the full active employee premium rate. The plan does not issue separately stated standalone financial statements. Following January 1, 2014, no new retirees shall be admitted into the program.

Funding Policy. The contribution requirements of plan members and the City are established and may be amended by the City Board of Commissioners.

Annual OPEB Cost and TOTAL OPEB Obligation. The City's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution. Because the Plan was terminated as of December 31, 2013, allowing no new participants, the liability was calculated using the alternative measurement method based upon premium costs for the 7 participants, adjusted per the trend rates described below, through 2023 when the final participant will reach Medicare age and the liability retired. The following table shows the components of the City's annual OPEB for the year, the amount actually contributed to the plan, and changes in the City's total OPEB obligation to the plan:

The Plan was closed and stopped admitting new members as of December 31, 2013. At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	7	
Active employees	-	-
Total	7	7

Total OPEB Liability – The City's total OPEB liability of \$58,004 was measured as of December 31, 2018, using the alternative measurement method.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB liability beginning of year	\$ 84,985
Changes for the year:	
Service cost	-
Interest	-
Differences between expected and actual experiences	(2,468)
Changes in assumptions	-
Benefit payments	(24, 513)
Net changes	(26,981)
Total OPEB liability end of year	\$ 58,004

Sensitivity of the City's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the City as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (4.0%) or 1% higher (6.0%) than the current healthcare cost trend rates.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

	1% Decrease (4.0%)	Healthcare Cost Trend Rate (5.0%)	1% Increase (6.0%)
Total OPEB liability	\$ 57,358	\$ 58,004	\$ 58,653

For the year ended December 31, 2018, the City recognized OPEB expense of \$24,513.

NOTE 17 – SAFETY CENTER AGREEMENT

The City of Yankton has entered into a lease agreement with Yankton County for space occupied in the County’s Public Safety Center. The lease is an annual lease, set to renew January 1 of each year automatically unless notice is given by either party prior to June 1. The lease may be amended or canceled by either party acting in formal session.

There are two components to the lease. The first being an operations and maintenance cost component in which the County and City will share the costs of operations and maintenance of the facility at a rate of 89.25% and 10.75% respectively. This percentage is based upon the actual square footage used by the City as well as one half of various mutually agreed upon shared areas. Changes to the space allocation will be reviewed each April, and any changes resulting in cost changes will be approved by both parties. The amount paid by the City to the County for 2018 for this component was \$29,998.

The second component is the capital improvement component. The City’s payment for this component will be equal to the pro rata share of the debt service of the County’s GO Bonds issued to finance the Safety Center Addition as determined by the space occupied by the City Police Department, one-half of the dispatch area, and one-half of any other mutually agreed upon areas. This percentage will be determined by using actual construction costs of the specified areas. At such time the County’s debt is retired, the City will have no future obligation for this component of the lease. Beginning in 2011, the annual cost was \$62,963 for this component and will remain at that amount until the bonds are paid.

Lastly, the City agreed to continue to provide dispatch services for the County, with the County agreeing to pay the City an annually agreed upon amount, associated with the costs of providing the service. For 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017 and 2018 it was agreed the County would pay \$60,000 per year for dispatch services, which was appropriately paid.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 18 – RESTRICTED NET POSITION

Restricted Net Position for the year ended December 31, 2018 was as follows:

Major Purposes:

Lodging Sales Tax – Enabling Legislation	\$ 978,230	
Debt Service – External Creditors	2,701,307	
Library – Enabling Legislation	29,341	
Roads and Bridges – Enabling Legislation	331	
Total Major Purposes	\$ 3,709,209	

Permanently Restricted Purposes:

Cemetery Perpetual Care – Expendable	110,638	
Cemetery Perpetual Care – Nonexpendable	50,000	
Total Permanently Restricted Purposes	160,638	

Other Purposes:

Dispatch	15,001	
Historic Easement Trust	22,885	
Cumulative Reserve – SDPAA	351,661	
SDRS Pension	2,192,739	
Total Other Purposes	2,582,286	

Total Restricted Net Position	\$ 6,452,133
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NOTE 19 – TAX ABATEMENTS

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in South Dakota Codified Law chapter 11-9. For these types of projects, the City enters into agreements with developers which require the City, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers as an economic development grant. No other commitments were made by the City as part of these agreements.

For the year ended December 31, 2018, the City abated \$13,641 of property tax under the urban renewal and economic development projects.

The City also entered into agreements with two developers pursuant to the provisions of the South Dakota Codified Law chapter 9-54 and 9-12-11, where after the developer meets the terms of the agreement, the City will rebate a portion of the municipal retail occupation sales and service tax received by the City from said location.

For the year ended December 31, 2018, the City abated \$308,037 of municipal retail occupation sales and service tax under said agreements.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 20 – SUBSEQUENT EVENTS

On March 25, 2019 the City issued not to exceed \$15,000,000 of Economic Development Revenue Bonds (Mount Marty College) Series 2019. The Debt is conduit debt where the city has no obligation and will never have any obligation to repay any portion of the bonds. Proceeds are to be used for the construction and furnishing of a Fieldhouse which will be owned entirely by Mount Marty College.

On July 22, 2019 the City authorized the Execution, Sale and Delivery of not to exceed \$14,000,000 of Certificates of Participation with the proceeds to be used to construct and equip a new Aquatics Center at Fantle Memorial Park. The city will use the additional property tax proceeds from the opt out of the tax limitation of up to \$884,043 annually for the next twenty years.

NOTE 21 – RECLASSIFICATION ADJUSTMENT

The SDPAA Cumulative Reserve vested balance has been reported in the general fund and should have been allocated to the individual funds that expended the premiums. Based on premiums paid the vested balance of the cumulative reserve was reclassified between the general fund and the individual proprietary funds. The reclassification adjustment reduced the governmental activities net position by \$156,719 and the business-type activities increased the net position by \$156,719.

<u>Governmental Activities</u>	<u>General Fund</u>	<u>Dispatch</u>	<u>Total</u>	<u>Governmental Activities</u>
Fund balance/Net position December 31, 2017 as previously reported	\$ 9,815,635	\$ 18,249	\$ 9,833,884	\$ 78,679,889
Reclassification Adjustment	(162,085)	5,366	(156,719)	(156,719)
Adjusted fund balance/Net position-beginning	\$ 9,653,550	\$ 23,615	\$ 9,677,165	\$ 78,523,170

<u>Business-type Activities</u>	<u>Water</u>	<u>Wastewater</u>	<u>Golf Course</u>
Total net position December 31, 2017 as previously reported	\$ 25,522,622	\$ 9,685,124	\$ 3,200,656
Reclassification Adjustment	52,252	84,704	-
Adjusted Net Position Beginning	\$ 25,574,874	\$ 9,769,828	\$ 3,200,656

<u>Business-type Activities (Continued)</u>	<u>Joint Powers Landfill</u>	<u>Solid Waste</u>	<u>Totals</u>
Total net position December 31, 2017 as previously reported	\$ 1,573,892	\$ 1,073,499	\$ 41,055,793
Reclassification Adjustment	13,582	6,181	156,719
Adjusted Net Position Beginning	\$ 1,587,474	\$ 1,079,680	\$ 41,212,512

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REQUIRED SUPPLEMENTARY INFORMATION
(unaudited)

In accordance with the Governmental Accounting Standards Statements No. 25, No. 27, No. 34, No. 75, No. 68 and No. 77, the following information is a required part of the financial statements.

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACUTAL
General Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Current Property	\$ 2,596,887	\$ 2,596,887	\$ 2,778,715	\$ 181,828
Taxes - Sales and Other	5,758,215	5,758,215	6,136,497	378,282
Licenses and Permits	344,675	344,675	314,758	(29,917)
Intergovernmental	799,255	799,255	505,856	(293,399)
Charges for Service	2,212,122	2,212,122	3,408,615	1,196,493
Fines and Forfeits	9,000	9,000	4,540	(4,460)
Interest	-	-	127,328	127,328
Miscellaneous	35,500	35,500	245,647	210,147
Total Revenues	<u>11,755,654</u>	<u>11,755,654</u>	<u>13,521,956</u>	<u>1,766,302</u>
Expenditures:				
General Government:				
Board of City Commission	162,242	162,242	140,150	22,092
Office of City Manager	390,799	396,799	347,581	49,218
City Attorney	56,591	106,591	101,208	5,383
Department of Finance	636,143	636,143	586,610	49,533
Information Systems	454,110	537,367	323,025	214,342
Community Development	464,213	464,213	418,302	45,911
Contingency	300,000	300,000	-	300,000
Casulty Reserve Fund	5,000	5,000	-	5,000
Special Appropriations	130,064	140,064	133,855	6,209
Total General Government	<u>2,599,162</u>	<u>2,748,419</u>	<u>2,050,731</u>	<u>697,688</u>
Public Safety:				
Police Department	3,124,774	3,601,143	2,634,914	966,229
Animal Control	74,303	74,303	24,182	50,121
Fire Department	901,396	920,396	580,313	340,083
Civil Defense	3,415	3,415	2,972	443
Total Public Safety	<u>4,103,888</u>	<u>4,599,257</u>	<u>3,242,381</u>	<u>1,356,876</u>
Public Works:				
Engineering and Inspection	616,459	616,459	509,948	106,511
Streets and Highways	1,943,383	1,943,383	1,454,350	489,033
Snow and Ice Removal	175,810	248,810	158,641	90,169
City Hall	199,862	199,862	165,168	34,694
Traffic Control	423,900	423,900	403,188	20,712
Chan Gurney Airport	601,368	704,368	667,891	36,477
Total Public Works	<u>3,960,782</u>	<u>4,136,782</u>	<u>3,359,186</u>	<u>777,596</u>

(continued)

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACUTAL
General Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Culture and Recreation:				
Marne Creek	171,137	196,637	126,760	69,877
Summit Activities Center	778,826	833,826	748,681	85,145
Memorial Park Pool	213,900	213,900	174,545	39,355
Parks and Recreation	1,260,976	1,318,376	1,135,072	183,304
Senior Citizens Center	65,984	100,984	75,195	25,789
Yankton Community Library	777,878	803,878	653,996	149,882
Total Culture and Recreation	<u>3,268,701</u>	<u>3,467,601</u>	<u>2,914,249</u>	<u>553,352</u>
Total Expenditures	<u>13,932,533</u>	<u>14,952,059</u>	<u>11,566,547</u>	<u>3,385,512</u>
Excess of Revenues over Expenditures	<u>(2,176,879)</u>	<u>(3,196,405)</u>	<u>1,955,409</u>	<u>5,151,814</u>
Other Financing Sources (Uses):				
Refinancing Payment	-	-	(1,530,000)	(1,530,000)
Operating Transfers In	237,761	237,761	168,812	(68,949)
Operating Transfers (Out)	(2,784,348)	(3,818,458)	(885,905)	2,932,553
Debt Issuance	-	-	1,590,000	1,590,000
Proceeds from Sale of Fixed Assets	-	-	48,364	48,364
Total Other Financing Sources (Uses)	<u>(2,546,587)</u>	<u>(3,580,697)</u>	<u>(608,729)</u>	<u>2,971,968</u>
Special Item:				
Increase in SDPAA Vested Deposit	-	-	32,580	32,580
Excess (Deficiency) of Revenues over Expenditures and Other Uses	<u>(4,723,466)</u>	<u>(6,777,102)</u>	<u>1,379,260</u>	<u>8,156,362</u>
Fund Balances at Beginning of Year	<u>9,815,635</u>	<u>9,815,635</u>	<u>9,815,635</u>	<u>-</u>
Reclassification Adjustment	<u>-</u>	<u>-</u>	<u>(162,085)</u>	<u>162,085</u>
Fund Balances at Beginning of Year, as restated	<u>9,815,635</u>	<u>9,815,635</u>	<u>9,653,550</u>	<u>162,085</u>
Fund Balances at End of Year	<u>\$ 5,092,169</u>	<u>\$ 3,038,533</u>	<u>\$ 11,032,810</u>	<u>\$ 8,318,447</u>

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACUTAL
Major Special Revenue Fund- TID #5
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - Current Property	\$ 194,590	\$ 194,590	\$ 138,029	\$ (56,561)
Total Revenues	<u>194,590</u>	<u>194,590</u>	<u>138,029</u>	<u>(56,561)</u>
Expenditures:				
Community Development	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over Expenditures	<u>194,590</u>	<u>194,590</u>	<u>138,029</u>	<u>(56,561)</u>
Other Financing Sources (Uses):				
Operating Transfers (Out)	<u>(194,590)</u>	<u>(194,590)</u>	<u>(138,029)</u>	<u>56,561</u>
Total Other Financing Sources (Uses)	<u>(194,590)</u>	<u>(194,590)</u>	<u>(138,029)</u>	<u>56,561</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances at Beginning of Year	<u>(3,689,392)</u>	<u>(3,689,392)</u>	<u>(3,689,392)</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ (3,689,392)</u>	<u>\$ (3,689,392)</u>	<u>\$ (3,689,392)</u>	<u>\$ -</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018**

Exhibit 11

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before August 1, the City Manager submits to the Board of City Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted in the Commission Chambers to obtain taxpayer comments.
3. By the first September meeting of the City Commission, or within ten days thereafter, the annual appropriation ordinance is introduced, with final action to be taken at the second and final reading of the ordinance.
4. The level of control (the level on which expenditures may not legally exceed appropriations) is by fund, except by department within the General Fund. Any revision that alters the total expenditures of any fund or any department within the General Fund must be approved by the Board of City Commissioners with a supplemental appropriation ordinance.

Revisions made during the fiscal year ending December 31, 2018 to the original appropriations by fund were as follows for the General Fund:

	Original Appropriations	Total Revisions	Revised Appropriations
General Fund:			
General Government			
Office of City Manager	\$ 390,799	\$ 6,000	\$ 396,799
City Attorney	56,591	50,000	106,591
Information Systems	454,110	83,257	537,367
Special Appropriations	130,064	10,000	140,064
Public Safety			
Police Department	3,124,774	476,369	3,601,143
Fire Department	901,396	19,000	920,396
Public Works			
Snow & Ice Removal	175,810	73,000	248,810
Chan Gurney Airport	601,368	103,000	704,368
Culture and Recreation			
Parks & Recreation	1,260,976	57,400	1,318,376
Summit Activities Center	778,826	55,000	833,826
Marne Creek	171,137	25,500	196,637
Senior Citizens Center	65,984	35,000	100,984
Yankton Community Library	777,878	26,000	803,878
Transfers Out	2,784,348	1,019,526	3,803,874

5. A line item for contingencies may be included in the annual budget. Such a line item may not exceed five percent of the total municipal budget and may be transferred, by resolution of the governing board, to any other appropriation amount that is deemed insufficient during the year.
6. Unexpended appropriations lapse at year-end. A supplemental appropriation ordinance was approved in the subsequent year by the Commission to provide additional funds for certain purchase orders outstanding at year-end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, capital projects funds, and all special revenue funds, with the exception of the Library Trust and Historic Easement Trust Funds. The municipality did not encumber any amounts at December 31, 2018.

7. Formal budgetary integration is employed as a management control device during the year for the General Fund, capital projects funds, and all special revenue funds, with the exception of the Library Trust and Historic Easement Trust Funds. Formal budgetary integration is not employed for debt service funds because effective budgetary control is alternatively achieved through bond indenture provisions. The City Manager is authorized to transfer budgeted amounts between departments within any fund, except the General Fund. The component unit does not have a formal budget.
8. Budgets for the General Fund, special revenue funds, and capital projects funds are adopted on a basis consistent with U.S. generally accepted accounting principals (GAAP).
9. The City is prohibited by statute from spending in excess of appropriated amounts at the department level in the General Fund. There were no departments where expenditures exceeded appropriations in the General Fund for the year ended December 31, 2018.
10. GAAP/Budgetary Accounting Basis Differences

The financial statements prepared in conformity with U.S. generally accepted accounting principals present capital outlay expenditure information in a separate category of expenditures. Under the budgetary basis of accounting, capital outlay expenditures are reported within the function to which they relate. For example, the purchase of a new fire truck would be reported as a capital outlay expenditure on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, however, in the Budgetary RSI Schedule, the purchase of a fire truck would be reported as an expenditure of the Public Safety/Fire Department function of government, along with all other current Fire Department related expenditures.

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Changes in the City's
Total OPEB Liability, Related Ratios and Notes
For the Year Ended December 31, 2018
Required Supplementary Information

Exhibit 12

	2018
Service Cost	\$ -
Interest Cost	-
Difference between expected and actual experiences	(2,468)
Changes in assumptions	-
Benefit payments	(24,513)
Net change in total OPEB liability	(26,981)
Total OPEB liability beginning of year	84,985
Total OPEB liability end of year	\$ 58,004
Covered-employee payroll	\$ -
Total OPEB liability as a percentage of covered-employee payroll	0.0%

Note: GASB No.75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the city will present information for those years for which information is available.

Notes to Schedule of Changes in the City's Total OPEB Liability and Related Ratios

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

There were no significant changes in benefit assumptions.

The plan was closed and stopped admitting new members as of December 31,2013.

CITY OF YANKTON, SOUTH DAKOTA
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

EXHIBIT 13

South Dakota Retirement System
 Last 10 Fiscal Years *
 (Dollar amounts in thousands)

	2014	2015	2016	2017	2018
Municipality's proportion of the net pension liability (asset)	0.37916180%	0.38171770%	0.38265660%	0.38897970%	0.37324390%
Municipality's proportionate share of net pension liability (asset)	\$ (2,732)	\$ (1,619)	\$ 1,293	\$ (35)	\$ (9)
Municipality's covered-employee payroll	\$ 6,257	\$ 6,487	\$ 6,764	\$ 7,360	\$ 7,229
Municipality's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-43.66%	-24.96%	19.12%	-0.48%	-0.12%
Plan fiduciary net position as a percentage of the total pension liability (asset)	107.3%	104.1%	96.6%	100.1%	100.0%

* The amounts presented for each fiscal year were determined as of the measurement date of the collective net pension liability (asset) which is 6/30.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULE OF THE CITY CONTRIBUTIONS
South Dakota Retirement System

Exhibit 14

Last 10 Years
(Dollar amounts in thousands)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Contractually required contribution	\$ 472	\$ 460	\$ 449	\$ 441	\$ 404	\$ 406	\$ 393	\$ 381	\$ 382	\$ 361
Contributions in relation to the contractually required contribution	<u>472</u>	<u>460</u>	<u>449</u>	<u>441</u>	<u>404</u>	<u>406</u>	<u>393</u>	<u>381</u>	<u>382</u>	<u>361</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Municipality's covered-employee payroll	\$ 7,335	\$ 7,141	\$ 6,973	\$ 6,843	\$ 6,257	\$ 6,286	\$ 6,080	\$ 5,887	\$ 5,912	\$ 5,583
Contributions as a percentage of covered-employee payroll	6.44%	6.45%	6.44%	6.45%	6.46%	6.46%	6.46%	6.47%	6.46%	6.47%

CITY OF YANKTON
Notes to Required Supplementary Information
for the Year Ended December 31, 2018

Schedule of the Proportionate Share of the Net Pension Liability (Asset) and
Schedule of Pension Contributions.

Changes of benefit terms:

No significant changes.

Changes of assumptions:

Legislation enacted in 2017 modified the SDRS COLA. For COLAs first applicable in 2018, the SDRS COLA will equal the percentage increase in the most recent third calendar quarter CPI-W over the prior year, no less than 0.5% and no greater than 3.5%. However, if the FVFR assuming the long-term COLA is equal to the baseline COLA assumption (currently 2.25%) is less than 100%, the maximum COLA payable will be limited to the increase that if assumed on a long-term basis, results in a FVFR equal to or exceeding 100%. That condition existed as of June 30, 2017 and exists again this year as of June 30, 2018. Future COLAs are assumed to equal the current restricted maximum COLA which was 1.89% as of June 30, 2017 and is 2.03% as of June 30, 2018.

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OTHER SUPPLEMENTARY INFORMATION

**CITY OF YANKTON, SOUTH DAKOTA
COMBINING AND INDIVIDUAL FUND STATEMENTS
GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS – Special Revenue funds are used to account for revenues derived from special tax levies and other earmarked revenue sources. These funds are utilized to finance allowable functions, which may be for either capital outlays or current expenditures or both.

The following funds included in this fund type and their purposes are as follows:

Major Funds:

Tax Increment District #5 – This fund accounts for collection of property taxes and expenditures related to tax rebates and the servicing of debt related to economic development projects within the District.

Non-Major Funds:

Bridge and Street – This fund finances expenditures on bridge and street projects approved and shared by the South Dakota Department of Transportation.

Lodging Sales Tax – The purpose of this appropriation is to account for the revenues received from the City's 1% municipal sales tax on lodging as is passed on to the Convention Visitor Bureau to promote the City's facilities and attractions.

Library Trust – This fund is administered by the Yankton Public Library Advisory Board and is used solely to fund various "special" library projects.

Historic Easement Trust – This fund is a reserve fund held for the purpose of paying inspection costs and fees related to a historic facade preservation easement.

Dispatch Fund – This fund is mandated by the State of South Dakota as they receive state funds to run a dispatch operation.

Tax Increment District #2 Morgan Square – This fund is used to account for expenditures for improvements in the Morgan Square TIF District and the corresponding TIF revenues.

Tax Increment District #6 Westbrook Estates – This fund is used to account for expenditures for improvements in the Westbrook Estates TIF District and the corresponding TIF revenues.

Tax Increment District #8 Westbrook Estates Phase II – This fund is used to account for expenditures for improvements in the Westbrook Estates TIF District and the corresponding TIF revenues.

Business Improvement District – This fund is used to collect lodging occupancy tax and the corresponding eligible expenses for the promotion and marketing of facilities, events, attractions and activities located in the District.

DEBT SERVICE FUND –Debt Service Funds account for the accumulation of resources and payment of general long-term obligation bond principal and interest from governmental resources. The City only has one debt service fund as follows:

**CITY OF YANKTON, SOUTH DAKOTA
COMBINING AND INDIVIDUAL FUND STATEMENTS
GOVERNMENTAL FUNDS**

Non-Major Fund:

Debt Service Fund- This fund accounts for the accumulation of funds and is expended for the annual debt service of the City's outstanding general obligation bonds.

CAPITAL PROJECTS FUNDS – Capital Projects Funds are established to account for financial resources and expenditures for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The following funds included in this fund type and their purposes are as follows:

Major Fund:

Special Capital Improvement Fund – This fund is used to account for the revenues and expenditures of the additional one percent (1%) sales and use tax. All revenues received from the collection of the tax are used only for the purpose of capital improvements, land acquisition, debt retirement for a joint building project with the city school district including parking, street improvements, and utility improvements attendant thereto, and for street construction and storm sewer improvements. (Reported in Exhibits 3 and 4)

Non-Major Funds:

Public Improvement – This fund is used for present and future public improvements that are grant related or pass-through grants.

Infrastructure Improvement - This fund was created to help fund special assessment construction projects in the City of Yankton that improve the City's infrastructure.

Airport Capital Improvement – This fund is used for present and future public improvements that are grant related or pass-through grants.

Park – This fund is used for capital improvements to the various parks throughout the City of Yankton that include formation and initial equipment, or the expansion of existing facilities.

Infrastructure Improvement Revolving – This fund helps finance special assessment construction projects that are paid for by the citizens who receive the direct benefits of these projects. Most repayments are in the form of a revolving loan established by the City of Yankton.

PERMANENT FUNDS – Account for resources that are legally restricted to allow the earnings (and not principal) to be used to support the government's programs.

Non-Major Fund:

Cemetery Perpetual Care – This fund accounts for the operations and restricted funds of the cemetery.

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CITY OF YANKTON, SOUTH DAKOTA
 COMBINING BALANCE SHEET
 Governmental Nonmajor Funds
 December 31, 2018

	Special Revenue					
	Debt Service	Dispatch	Business Improvement District	TID #2 Morgan Square	TID #8 Westbrook Estates Phase II	TID #6 Westbrook Estates
Assets						
Cash and Cash Equivalents	\$ 193,450	\$ 21,499	\$ 290,449	\$ -	\$ -	\$ -
Receivables (Net where applicable, of allowance for uncollectibles):						
Accounts	-	15,000	-	-	-	-
Special Assessments	-	-	-	-	-	-
Due from Other Governmental Agencies	-	-	9,713	-	-	3,896
Property Held for Resale	-	-	-	-	-	-
Restricted Assets:						
Cash and Cash Equivalents	-	-	-	-	-	-
Deposits	-	6,982	-	-	-	-
Total Assets	193,450	43,481	300,162	-	-	3,896
Liabilities						
Accounts Payable	-	2,572	-	-	-	3,896
Accrued Wages	-	18,926	-	-	-	-
Due to Other Funds	-	-	-	-	18	-
Total Liabilities	-	21,498	-	-	18	3,896
Deferred Inflows of Resources						
Unavailable revenue- special assessments	-	-	-	-	-	-
Unavailable revenue- other taxes	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-
Fund Balances						
Reserved for:						
Non-Spendable:						
Perpetual Care	-	-	-	-	-	-
Assets Held for Resale	-	-	-	-	-	-
Cumulative Reserve-SDPAA	-	6,982	-	-	-	-
Restricted:						
Debt Service	193,450	-	-	-	-	-
Dispatch	-	15,001	-	-	-	-
Perpetual Care	-	-	-	-	-	-
Lodging Sales Tax	-	-	300,162	-	-	-
Library	-	-	-	-	-	-
Road and Bridge Funds	-	-	-	-	-	-
Historic Easement Trust	-	-	-	-	-	-
Assigned:						
Capital Projects	-	-	-	-	-	-
Unassigned	-	-	-	-	(18)	-
Total Fund Balances	193,450	21,983	300,162	-	(18)	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 193,450	\$ 43,481	\$ 300,162	\$ -	\$ -	\$ 3,896

EXHIBIT A-1

TID #7 West 10th Street	Bridge & Street	Lodging Sales Tax	Library Trust	Historic Easement Trust	Capital Projects		Permanent	
					Non-Major Capital Projects	Perpetual Care Cemetery	Total Governmental Nonmajor Funds	
\$ 331	\$ 934,763	\$ 645,717	\$ 30,481	\$ 22,885	\$ 265,284	\$ 9,407	\$ 2,414,266	
-	-	-	-	-	-	1,671	16,671	
-	-	-	-	-	78,522	-	78,522	
-	-	67,467	-	-	125,708	-	206,784	
-	-	-	-	-	2,354,378	-	2,354,378	
-	-	-	-	-	-	153,247	153,247	
-	-	-	-	-	-	-	6,982	
331	934,763	713,184	30,481	22,885	2,823,892	164,325	5,230,850	
-	934,763	25,589	1,140	-	-	1,603	969,563	
-	-	-	-	-	-	2,084	21,010	
-	-	-	-	-	1,482,210	-	1,482,228	
-	934,763	25,589	1,140	-	1,482,210	3,687	2,472,801	
-	-	-	-	-	54,848	-	54,848	
-	-	9,527	-	-	-	-	9,527	
-	-	9,527	-	-	54,848	-	64,375	
-	-	-	-	-	-	50,000	50,000	
-	-	-	-	-	2,354,378	-	2,354,378	
-	-	-	-	-	-	-	6,982	
-	-	-	-	-	-	-	193,450	
-	-	-	-	-	-	-	15,001	
-	-	-	-	-	-	110,638	110,638	
-	-	678,068	-	-	-	-	978,230	
-	-	-	29,341	-	-	-	29,341	
331	-	-	-	-	-	-	331	
-	-	-	-	22,885	-	-	22,885	
-	-	-	-	-	414,666	-	414,666	
-	-	-	-	-	(1,482,210)	-	(1,482,228)	
331	-	678,068	29,341	22,885	1,286,834	160,638	2,693,674	
\$ 331	\$ 934,763	\$ 713,184	\$ 30,481	\$ 22,885	\$ 2,823,892	\$ 164,325	\$ 5,230,850	

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Governmental Nonmajor Funds
For the Year Ended December 31, 2018

	Special Revenue					
	Debt Service	Dispatch	Business Improvement District	TID #2 Morgan Square	TID #8 Westbrook Estates Phase II	TID #6 Westbrook Estates
Revenue:						
Taxes	\$ -	\$ -	\$ -	\$ 48,265	\$ -	\$ 118,654
Sales and Other Taxes	-	-	146,972	-	-	-
Special Assessments	-	-	-	-	-	-
Intergovernmental	-	140,707	-	-	-	-
Charges for Services	-	-	-	-	-	-
Interest on Investments	-	8,857	6,646	-	-	-
Contributions	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenue	-	149,564	153,618	48,265	-	118,654
Expenditures:						
Current:						
Public Safety	-	634,023	-	-	-	-
Public Works	-	-	-	48,265	-	118,654
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Capital Outlay:						
Public Works	-	-	224,746	-	-	-
Culture-Recreation	-	-	-	-	-	-
Debt Service	196,450	-	-	-	-	-
Total Expenditures	196,450	634,023	224,746	48,265	-	118,654
Excess (Deficiency) of Revenues over Expenditures	(196,450)	(484,459)	(71,128)	-	-	-
Other Financing Sources (Uses):						
Proceeds from Sale of Fixed Assets	-	-	-	-	-	-
Transfers In	193,450	481,211	-	-	-	-
Transfers Out	-	-	(3,072)	-	-	-
Total Other Financing Sources (Uses)	193,450	481,211	(3,072)	-	-	-
Special Item:						
Increase in SDPAA Vested Deposit	-	1,616	-	-	-	-
Net Change in Fund Balance	(3,000)	(1,632)	(74,200)	-	-	-
Fund Balances - Beginning of Year	196,450	18,249	374,362	-	(18)	-
Reclassification Adjustment	-	5,366	-	-	-	-
Fund Balances (Deficits) - Beginning of Year, as Rest	196,450	23,615	374,362	-	(18)	-
Fund Balances- End of Year	\$ 193,450	\$ 21,983	\$ 300,162	\$ -	\$ (18)	\$ -

TID #7 West 10th Street	Bridge & Street	Lodging Sales Tax	Library Trust	Capital Projects		Non-Major Capital Projects	Permanent Perpetual Care Cemetery	Total Governmental Nonmajor Funds
				Historic Easement Trust				
\$ 331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,250
-	21,397	645,757	-	-	-	-	-	814,126
-	-	-	-	-	66,955	-	-	66,955
-	-	-	-	-	125,574	-	-	266,281
-	-	70,000	-	-	-	23,000	-	93,000
-	4	13,743	590	489	-	4,132	-	34,461
-	-	-	15,729	-	-	-	-	15,729
-	-	2,332	-	-	-	910	-	3,242
331	21,401	731,832	16,319	489	192,529	28,042	-	1,461,044
-	-	-	-	-	-	-	-	634,023
-	-	-	-	-	-	-	-	166,919
-	-	-	11,586	-	-	133,636	-	145,222
-	-	544,253	-	-	-	-	-	544,253
-	935,692	-	-	-	-	-	-	1,160,438
-	-	-	-	-	85,461	-	-	85,461
-	-	-	-	-	-	-	-	196,450
-	935,692	544,253	11,586	-	85,461	133,636	-	2,932,766
331	(914,291)	187,579	4,733	489	107,068	(105,594)	-	(1,471,722)
-	-	-	-	-	104,460	-	-	104,460
-	913,892	-	-	-	689,753	108,686	-	2,386,992
-	-	(95,421)	-	-	(593,689)	-	-	(692,182)
-	913,892	(95,421)	-	-	200,524	108,686	-	1,799,270
-	-	-	-	-	-	-	-	1,616
331	(399)	92,158	4,733	489	307,592	3,092	-	329,164
-	399	585,910	24,608	22,396	979,242	157,546	-	2,359,144
-	-	-	-	-	-	-	-	5,366
-	399	585,910	24,608	22,396	979,242	157,546	-	2,364,510
\$ 331	\$ -	\$ 678,068	\$ 29,341	\$ 22,885	\$ 1,286,834	\$ 160,638	\$ -	\$ 2,693,674

CITY OF YANKTON, SOUTH DAKOTA
COMBINING BALANCE SHEET
Nonmajor Capital Projects Funds
December 31, 2018

	Public Improvement	Infrastructure Improvement	Park Capital Projects
<u>Assets</u>			
Cash and Cash Equivalents	\$ -	\$ 178,787	\$ 10,000
Due from Other Governments	-	-	-
Property Held for Resale	2,354,378	-	-
Special Assessments	-	-	-
Total Assets	2,354,378	178,787	10,000
<u>Liabilities</u>			
Due to Other Funds	1,482,210	-	-
Total Liabilities	1,482,210	-	-
<u>Deferred Inflows of Resources</u>			
Unavailable revenue- special assessments	-	-	-
Total Deferred Inflows of Resources	-	-	-
<u>Fund Balances</u>			
Non-Spendable - Assets Held for Resale	2,354,378	-	-
Assigned:			
Capital Projects	-	178,787	10,000
Unassigned	(1,482,210)	-	-
Total Fund Balances	872,168	178,787	10,000
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,354,378	\$ 178,787	\$ 10,000

EXHIBIT A-3

	Airport Capital Improvement	Infrastructure Improvement Revolving	Totals
\$	76,497	\$ -	\$ 265,284
	125,708	-	125,708
	-	-	2,354,378
	-	78,522	78,522
	202,205	78,522	2,823,892
	-	-	1,482,210
	-	-	1,482,210
	-	54,848	54,848
	-	54,848	54,848
	-	-	2,354,378
	202,205	23,674	414,666
	-	-	(1,482,210)
	202,205	23,674	1,286,834
\$	202,205	\$ 78,522	\$ 2,823,892

**CITY OF YANKTON, SOUTH DAKOTA
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 Nonmajor Capital Projects Funds
 For the Year Ended December 31, 2018**

	<u>Public Improvement</u>	<u>Infrastructure Improvement</u>	<u>Park Capital Projects</u>
Revenues:			
Special Assessments	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Capital Outlay:			
Culture-Recreation	-	-	85,461
Total Expenditures	<u>-</u>	<u>-</u>	<u>85,461</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>-</u>	<u>(85,461)</u>
Other Financing Sources (Uses):			
Proceeds From Sale of Fixed Assets	104,460	-	-
Transfers In	25,000	593,689	71,064
Transfers (out)	-	-	-
Total Other Financing Sources (Uses)	<u>129,460</u>	<u>593,689</u>	<u>71,064</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	129,460	593,689	(14,397)
Fund Balances at Beginning of Year	<u>742,708</u>	<u>(414,902)</u>	<u>24,397</u>
Fund Balances at End of Year	<u>\$ 872,168</u>	<u>\$ 178,787</u>	<u>\$ 10,000</u>

EXHIBIT A-4

Airport Capital Improvement	Infrastructure Improvement Revolving	Totals
\$ -	\$ 66,955	\$ 66,955
125,574	-	125,574
125,574	66,955	192,529
-	-	85,461
-	-	85,461
125,574	66,955	107,068
-	-	104,460
-	-	689,753
-	(593,689)	(593,689)
-	(593,689)	200,524
125,574	(526,734)	307,592
76,631	550,408	979,242
\$ 202,205	\$ 23,674	\$ 1,286,834

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**CITY OF YANKTON, SOUTH DAKOTA
COMBINING AND INDIVIDUAL FUND STATEMENTS
PROPRIETARY FUNDS**

PROPRIETARY FUNDS – The proprietary funds are established to account for the financing of self-supporting activities of governmental units which render services on a user charge basis to the general public or to other departments of the government.

Non-Major Enterprise Funds:

Solid Waste – This fund accounts for the operations of a solid waste pickup (collection) for the residents of the City of Yankton.

Joint Powers Landfill – On April 9, 1994 the City of Vermillion, City of Yankton, Clay County and Yankton County entered into a joint powers operation for landfill and recycling. The operating activities of the landfill and recycling center located in Vermillion are accounted for by the City of Vermillion while the transfer station and recycling in Yankton are accounted for by the City of Yankton in this fund.

Golf Course – This fund was established to account for the operations of an 18-hole municipal, public play golf course.

Internal Service Funds:

Copies and Postage – This fund has been established to record all charges for copies and postage by all departments prior to allocating these charges to the respective departments.

Central Garage Fund – To account for the cost of supplying the fuel, repairs and maintenance of equipment used by all City departments, and fuel for the Yankton County automotive equipment, all purchases are billed at cost plus nominal overhead to defray administrative, equipment and shop maintenance and depreciation costs.

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF NET POSITION
Nonmajor Enterprise Funds
December 31, 2018

	Golf Course	Solid Waste	Joint Powers Landfill	Totals
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 26,215	\$ 958,754	\$ 316,430	\$ 1,301,399
Accounts Receivable (Net of allowance for uncollectibles)	24,517	183,204	62,147	269,868
Prepaid Expenses	10,497	24,966	8,021	43,484
Inventory	43,893	-	-	43,893
Total Current Assets	<u>105,122</u>	<u>1,166,924</u>	<u>386,598</u>	<u>1,658,644</u>
Noncurrent Assets:				
Restricted Assets : Cash and Cash Equivalents	-	53,372	72,976	126,348
Deposits	-	8,042	17,673	25,715
Net Pension Asset	308	311	241	860
Property, Plant and Equipment:				
Land	533,787	74,639	11,414	619,840
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	<u>2,466,730</u>	<u>546,032</u>	<u>1,342,176</u>	<u>4,354,938</u>
Total Noncurrent Assets	<u>3,000,825</u>	<u>682,396</u>	<u>1,444,480</u>	<u>5,127,701</u>
Total Assets	<u>3,105,947</u>	<u>1,849,320</u>	<u>1,831,078</u>	<u>6,786,345</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows	<u>101,195</u>	<u>102,074</u>	<u>79,024</u>	<u>282,293</u>
Liabilities				
Current Liabilities:				
Accounts Payable	18,850	22,440	55,501	96,791
Accrued Interest Payable	-	803	1,068	1,871
Accrued Wages Payable	2,386	11,436	8,086	21,908
Accrued Compensated Absences	2,514	6,123	4,483	13,120
Current portion of revenue bonds	-	43,959	60,534	104,493
Total current liabilities	<u>23,750</u>	<u>84,761</u>	<u>129,672</u>	<u>238,183</u>
Noncurrent liabilities:				
Accrued Compensated Absences	10,716	26,105	19,114	55,935
Other Postemployment Benefit Obligation	-	5,981	-	5,981
Revenue Bonds (net of current portion)	-	437,601	460,906	898,507
Total noncurrent liabilities	<u>10,716</u>	<u>469,687</u>	<u>480,020</u>	<u>960,423</u>
Total Liabilities	<u>34,466</u>	<u>554,448</u>	<u>609,692</u>	<u>1,198,606</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows	<u>23,833</u>	<u>24,040</u>	<u>18,612</u>	<u>66,485</u>
Net Position				
Net Investment in Capital Assets	3,000,517	139,111	832,150	3,971,778
Restricted for:				
Debt Service	-	52,569	71,908	124,477
SDRS Pension Purposes	77,670	78,345	60,653	216,668
Cumulative Reserve-SDPAA	-	8,042	17,673	25,715
Unrestricted	<u>70,656</u>	<u>1,094,839</u>	<u>299,414</u>	<u>1,464,909</u>
Total Net Position	<u>\$3,148,843</u>	<u>\$ 1,372,906</u>	<u>\$ 1,281,798</u>	<u>\$ 5,803,547</u>

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Nonmajor Enterprise Funds
For the Year Ended December 31, 2018

	Golf Course	Solid Waste	Joint Powers Landfill	Totals
Operating Revenues - Charges for Service	\$ 668,875	\$ 1,152,285	\$ 1,279,555	\$ 3,100,715
Operating Expenses:				
Personal Services	382,875	419,230	330,421	1,132,526
Insurance	1,036	7,392	15,405	23,833
Professional Services	112,694	62,261	12,308	187,263
Tipping Fees	-	167,795	-	167,795
Repairs and Maintenance	73,254	71,998	219,628	364,880
Cost of Sales and Service	218,709	-	785,752	1,004,461
Supplies and Materials	57,211	5,752	5,074	68,037
Travel and conference	3,861	-	-	3,861
Utilities	35,806	1,053	30,223	67,082
Billing and Administration	-	254,908	-	254,908
Depreciation	73,178	106,790	191,360	371,328
Total Operating Expenses	958,624	1,097,179	1,590,171	3,645,974
Operating Income (Loss)	(289,749)	55,106	(310,616)	(545,259)
Nonoperating Revenues:				
Interest Income	637	18,590	10,284	29,511
Interest Expense	-	(7,999)	(13,801)	(21,800)
Miscellaneous, net	12,356	-	2,854	15,210
Gain on disposition of assets	-	(3,037)	1,512	(1,525)
Total Nonoperating Revenues	12,993	7,554	849	21,396
(Loss) before Transfers and Special Item	(276,756)	62,660	(309,767)	(523,863)
Special Item - Increase in SDPAA Vested Deposit	-	1,861	4,091	5,952
Transfers In	224,943	-	-	224,943
Capital Contributions	-	228,705	-	228,705
Total Other Financing Sources (Uses):	224,943	230,566	4,091	459,600
Change in Net Position	(51,813)	293,226	(305,676)	(64,263)
Total Net Position - Beginning	3,200,656	1,073,499	1,573,892	5,848,047
Reclassification Adjustment	-	6,181	13,582	19,763
Net Position- Beginning as Restated	3,200,656	1,079,680	1,587,474	5,867,810
Total Net Position - Ending	\$ 3,148,843	\$ 1,372,906	\$ 1,281,798	\$ 5,803,547

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF CASH FLOWS
Nonmajor Enterprise Funds
For the Year Ended December 31, 2018

	Business-Type			
	Golf Course	Solid Waste	Joint Powers Landfill	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	\$ 657,842	\$ 1,134,269	\$ 1,281,006	\$ 3,073,117
Cash Received for Interfund Services	-	6,647	-	6,647
Cash Paid to Suppliers for Goods and Services	(467,105)	(499,730)	(904,416)	(1,871,251)
Cash Paid to Employees for Services	(352,468)	(397,369)	(299,418)	(1,049,255)
Cash Paid for Interfund Services	(17,626)	(72,641)	(156,340)	(246,607)
Other Nonoperating Revenues	12,356	-	2,854	15,210
Net Cash Provided (Used) from Operating Activities	<u>(167,001)</u>	<u>171,176</u>	<u>(76,314)</u>	<u>(72,139)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and Construction of Capital Assets	(50,723)	(145,352)	(65,003)	(261,078)
Proceeds from Sale of Fixed Assets	-	2,000	1,512	3,512
Proceeds from Bond Sales	-	481,562	-	481,562
Interest Paid on Bonds	-	(7,196)	(13,924)	(21,120)
Principal Paid on Notes, Bonds and Leases	-	-	(59,052)	(59,052)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(50,723)</u>	<u>331,014</u>	<u>(136,467)</u>	<u>143,824</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Transfers In	224,943	-	-	224,943
Change in Due From Other Governments	-	228,705	-	228,705
Net Cash Provided from Non-Capital Financing Activities	<u>224,943</u>	<u>228,705</u>	<u>-</u>	<u>453,648</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and Dividends on Investments	637	18,590	10,284	29,511
Net Cash Provided from Investing Activities	<u>637</u>	<u>18,590</u>	<u>10,284</u>	<u>29,511</u>
Net increase (decrease) in Cash and Cash Equivalents	7,856	749,485	(202,497)	554,844
Cash and Cash Equivalents at Beginning of Year	<u>18,359</u>	<u>262,641</u>	<u>591,903</u>	<u>872,903</u>
Cash and Cash Equivalents at End of Year	<u>\$ 26,215</u>	<u>\$ 1,012,126</u>	<u>\$ 389,406</u>	<u>\$ 1,427,747</u>
Reconciliation of Operating (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (289,749)	\$ 55,106	\$ (310,616)	\$ (545,259)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	73,178	106,790	191,360	371,328
Other Non-Operating Income	12,356	-	2,854	15,210
(Increase) Decrease in Assets:				
Accounts Receivable	(11,033)	(11,369)	1,451	(20,951)
Inventory	12,612	-	-	12,612
Net Pension Asset / Liability	1,098	891	868	2,857
Pension Related Deferred Outflow	39,539	18,282	32,039	89,860
Prepaid Expenses	(5,558)	(3,432)	(984)	(9,974)
Increase (Decrease) in Liabilities:				
Accounts Payable	10,786	2,220	8,618	21,624
Accrued Wages Payable	(3,610)	2,890	1,234	514
Other Postemployment Benefit Obligation	-	(3,141)	-	(3,141)
Pension Related Deferred Inflow	(4,125)	130	(3,452)	(7,447)
Accrued Compensated Absences	(2,495)	2,809	314	628
Total Adjustments	<u>122,748</u>	<u>116,070</u>	<u>234,302</u>	<u>473,120</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (167,001)</u>	<u>\$ 171,176</u>	<u>\$ (76,314)</u>	<u>\$ (72,139)</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:				
Cash and Cash Equivalents	\$ 26,215	\$ 958,754	\$ 316,430	\$ 1,301,399
Restricted Cash and Cash Equivalents	-	53,372	72,976	126,348
	<u>\$ 26,215</u>	<u>\$ 1,012,126</u>	<u>\$ 389,406</u>	<u>\$ 1,427,747</u>

**CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2018**

	Copier- Fax- Postage	Central Garage	Totals
ASSETS:			
Current Assets:			
Cash	\$ 805	\$ 70,229	\$ 71,034
Inventory	-	181,381	181,381
Due from Other Governments	-	7,888	7,888
Prepaid Expenses	-	2,949	2,949
Total Current Assets	805	262,447	263,252
Noncurrent Assets:			
Net Pension Asset	-	106	106
Capital Assets:			
Land	-	7,000	7,000
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	-	144,281	144,281
Total Noncurrent Assets	-	151,387	151,387
Total Assets	805	413,834	414,639
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Deferred Outflows	-	34,845	34,845
	-	34,845	34,845
LIABILITIES			
Current Liabilities:			
Accounts Payable	805	51,200	52,005
Accrued Wages	-	1,131	1,131
Accrued Compensated Absences	-	1,161	1,161
Total Current Liabilities	805	53,492	54,297
Noncurrent Liabilities:			
Other Postemployment Benefit Obligation	-	10,196	10,196
Accrued Compensated Absences	-	4,952	4,952
Total Noncurrent Liabilities	-	15,148	15,148
Total Liabilities	805	68,640	69,445
DEFERRED INFLOWS OF RESOURCES			
Pension Related Deferred Inflows	-	8,207	8,207
	-	8,207	8,207
NET POSITION			
Net Investment in Capital Assets	-	151,281	151,281
Restricted for SDRS Pension Purposes	-	26,744	26,744
Unrestricted	-	193,807	193,807
Total Net Position	\$ -	\$ 371,832	\$ 371,832

CITY OF YANKTON, SOUTH DAKOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES
EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

	Copier- Fax- Postage	Central Garage	Totals
Operating Revenues:			
Charges for Goods and Services	\$ 17,968	\$ 772,842	\$ 790,810
Total Operating Revenue	<u>17,968</u>	<u>772,842</u>	<u>790,810</u>
Operating Expenses:			
Personnel Services	-	130,183	130,183
Professional Services	-	4,660	4,660
Repairs and Maintenance	-	7,110	7,110
Supplies and Materials	-	604,370	604,370
Utilities	-	21,416	21,416
Other Current Expenses	17,968	-	17,968
Depreciation	-	22,044	22,044
Total Operating Expenses	<u>17,968</u>	<u>789,783</u>	<u>807,751</u>
Operating Income	<u>-</u>	<u>(16,941)</u>	<u>(16,941)</u>
Change in Net Position	-	(16,941)	(16,941)
Total Net Position - Beginning	<u>-</u>	<u>388,773</u>	<u>388,773</u>
Total Net Position - Ending	<u>\$ -</u>	<u>\$ 371,832</u>	<u>\$ 371,832</u>

**CITY OF YANKTON, SOUTH DAKOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018**

	<u>Copier- Fax- Postage</u>	<u>Central Garage</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customer Services Provided	\$ -	\$ 111,702	\$ 111,702
Cash Received from Interfund Services Provided	-	662,058	662,058
Cash Paid to Employees for Services	-	(671,639)	(671,639)
Cash Received/ (Paid) from/to Suppliers	(83)	(129,581)	(129,664)
Cash Paid for Interfund Services	-	(2,314)	(2,314)
Net Cash (Used) by Operating Activities	<u>(83)</u>	<u>(29,774)</u>	<u>(29,857)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	-	(13,021)	(13,021)
Net Cash (Used for) Capital and Related Financing Activities	<u>-</u>	<u>(13,021)</u>	<u>(13,021)</u>
Net Decrease in Cash and Cash Equivalents	(83)	(42,795)	(42,878)
Cash and Cash Equivalents Beginning of Year	<u>888</u>	<u>113,024</u>	<u>113,912</u>
Cash and Cash Equivalents End of Year	<u>\$ 805</u>	<u>\$ 70,229</u>	<u>\$ 71,034</u>
RENCONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATING ACTIVITIES			
Operating (Loss)	\$ -	\$ (16,941)	\$ (16,941)
Adjustments to Renconcile Net Operating (Loss) to Net Cash (Used) by Operating Activities:			
Depreciation	-	22,044	22,044
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:			
Due from other Governments	-	918	918
Prepaid Expenses	-	(415)	(415)
Inventory	-	(16,781)	(16,781)
Net Pension Asset / Liability	-	309	309
Pension Related Deferred Outflow	-	6,748	6,748
Accounts Payable	(83)	(19,201)	(19,284)
Accrued Wages Payable	-	(2,131)	(2,131)
Other Postemployment Benefit Obligation	-	(3,254)	(3,254)
Pension Related Deferred Inflows	-	(56)	(56)
Accrued Compensated Absences	-	(1,014)	(1,014)
Net Cash (Used) by Operating Activities	<u>\$ (83)</u>	<u>\$ (29,774)</u>	<u>\$ (29,857)</u>

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**CITY OF YANKTON, SOUTH DAKOTA
COMBINING AND INDIVIDUAL FUND STATEMENTS
FIDUCIARY FUNDS**

AGENCY FUNDS

Employee Benefits – This fund has been established as a clearing account used to account for withholding of taxes, insurance, flex plan and retirement from the employees' payroll, and the corresponding City match.

Sales Tax – This fund has been established to record taxes collected for remittance for the State of South Dakota on taxable operations of the City.

EXHIBIT C-1

CITY OF YANKTON, SOUTH DAKOTA
 COMBINING STATEMENT OF NET POSITION
 Agency Funds
 December 31, 2018

	Employee Benefits	Sales Tax	Totals
Assets			
Cash and Cash Equivalents	\$ 19,253	\$ 608	\$ 19,861
Prepaid Expenses	-	-	-
Interest receivable	--	--	--
Total assets	<u>19,253</u>	<u>608</u>	<u>19,861</u>
Liabilities			
Other accrued expenses	18,378	-	18,378
Accounts Payable	875	608	1,483
Total liabilities	<u>19,253</u>	<u>608</u>	<u>19,861</u>
Net Position			
Unrestricted	-	-	-
Total Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Agency Funds
For the Year Ended December 31, 2018

	<u>Balance January 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2018</u>
<u>Employee Benefits</u>				
ASSETS				
Cash and Cash Equivalents	\$ 29,242	\$ 4,350,957	\$ 4,360,946	\$ 19,253
Total Assets	<u>29,242</u>	<u>4,350,957</u>	<u>4,360,946</u>	<u>19,253</u>
LIABILITIES				
Accrued Taxes Payable	-	1,898,333	1,898,333	-
Accrued Fringe Benefit Payable	29,242	2,477,124	2,487,988	18,378
Accounts Payable	-	875	-	875
Total Liabilities	<u>29,242</u>	<u>4,376,332</u>	<u>4,386,321</u>	<u>19,253</u>
 <u>Sales Tax</u>				
ASSETS				
Cash and Cash Equivalents	483	2,874	2,749	608
LIABILITIES				
Accounts Payable	483	608	483	608
Due to State Government	-	2,875	2,875	-
Total Liabilities	<u>483</u>	<u>3,483</u>	<u>3,358</u>	<u>608</u>
 <u>Totals - All Agency Funds</u>				
ASSETS				
Cash and Cash Equivalents	29,725	4,353,831	4,363,695	19,861
Total Assets	<u>29,725</u>	<u>4,353,831</u>	<u>4,363,695</u>	<u>19,861</u>
LIABILITIES				
Accrued Taxes Payable	-	1,898,333	1,898,333	-
Accrued Fringe Benefit Payable	29,242	2,477,124	2,487,988	18,378
Accounts Payable	483	1,483	483	1,483
Due to State Government	-	2,875	2,875	-
Total Liabilities	<u>\$ 29,725</u>	<u>\$ 4,379,815</u>	<u>\$ 4,389,679</u>	<u>\$ 19,861</u>

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Dispatch			Business Improvement District		
	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)
REVENUES						
Taxes:						
General Sales & Use	\$ -	\$ -	\$ -	\$ 140,000	\$ 146,972	\$ 6,972
Property Tax	-	-	-	-	-	-
Intergovernmental	143,893	140,707	(3,186)	-	-	-
Charges for goods & services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Interest earned	120	8,857	8,737	2,500	6,646	4,146
Total revenue	<u>144,013</u>	<u>149,564</u>	<u>5,551</u>	<u>142,500</u>	<u>153,618</u>	<u>11,118</u>
EXPENDITURES						
Current:						
Public works	-	-	-	-	-	-
Public Safety	1,445,726	634,023	811,703	-	-	-
Community Development	-	-	-	337,200	224,746	112,454
Total Expenditures	<u>1,445,726</u>	<u>634,023</u>	<u>811,703</u>	<u>337,200</u>	<u>224,746</u>	<u>112,454</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,301,713)</u>	<u>(484,459)</u>	<u>817,254</u>	<u>(194,700)</u>	<u>(71,128)</u>	<u>123,572</u>
OTHER FINANCING SOURCES(USES)						
Transfers in	1,301,713	481,211	(820,502)	-	-	-
Transfer (out)	-	-	-	(2,800)	(3,072)	(272)
Total other financing sources(uses)	<u>1,301,713</u>	<u>481,211</u>	<u>(820,502)</u>	<u>(2,800)</u>	<u>(3,072)</u>	<u>(272)</u>
Special Item:						
Increase in SDPAA Vested Deposit	-	1,616	1,616	-	-	-
Net change in fund balances	<u>-</u>	<u>(1,632)</u>	<u>(1,632)</u>	<u>(197,500)</u>	<u>(74,200)</u>	<u>123,300</u>
Fund balances - Beginning		18,249			374,362	
Reclassification Adjustment		<u>5,366</u>			-	
Fund Balances (Deficits) - Beginning of Year, as Restated		<u>23,615</u>			<u>374,362</u>	
Fund balances - Ending		\$ <u>21,983</u>		\$ <u>300,162</u>		

TID #2 Morgan Square			TID #8 Westbrook Estates Phase II			TID #6 Westbrook Estates		
Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50,393	48,265	(2,128)	-	-	-	267,573	118,654	(148,919)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>50,393</u>	<u>48,265</u>	<u>(2,128)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>267,573</u>	<u>118,654</u>	<u>(148,919)</u>
50,393	48,265	2,128	-	-	-	267,573	118,654	148,919
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>50,393</u>	<u>48,265</u>	<u>2,128</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>267,573</u>	<u>118,654</u>	<u>148,919</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	(18)	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	(18)	-	-	-	-
\$ -	-	-	\$ (18)	-	-	\$ -	-	-

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CITY OF YANKTON, SOUTH DAKOTA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018

	TID #7 West 10th Street			Bridge & Street			Lodging Sales Tax		
	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)
REVENUES									
Taxes:									
General Sales & Use	\$ -	\$ -	\$ -	\$ 876,302	\$ 21,397	\$ (854,905)	\$ 644,436	\$ 645,757	\$ 1,321
Property Tax	10,000	331	(9,669)	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for goods & services	-	-	-	-	-	-	-	70,000	70,000
Miscellaneous	-	-	-	-	-	-	-	2,332	2,332
Interest earned	-	-	-	225	4	(221)	2,000	13,743	11,743
Total revenue	<u>10,000</u>	<u>331</u>	<u>(9,669)</u>	<u>876,527</u>	<u>21,401</u>	<u>(855,126)</u>	<u>646,436</u>	<u>731,832</u>	<u>85,396</u>
EXPENDITURES									
Current:									
Public works	10,000	-	10,000	2,047,321	935,692	1,111,629	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	640,221	544,253	95,968
Total Expenditures	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>2,047,321</u>	<u>935,692</u>	<u>1,111,629</u>	<u>640,221</u>	<u>544,253</u>	<u>95,968</u>
Excess (deficiency) of revenues over (under) expenditures	-	331	331	(1,170,794)	(914,291)	256,503	6,215	187,579	181,364
OTHER FINANCING SOURCES(USES)									
Transfers in	-	-	-	1,202,130	913,892	(288,238)	-	-	-
Transfer (out)	-	-	-	-	-	-	(148,618)	(95,421)	53,197
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,202,130</u>	<u>913,892</u>	<u>(288,238)</u>	<u>(148,618)</u>	<u>(95,421)</u>	<u>53,197</u>
Special Item:									
Increase in SDPAA Vested Deposit	-	-	-	-	-	-	-	-	-
Net change in fund balances	<u>-</u>	<u>331</u>	<u>331</u>	<u>31,336</u>	<u>(399)</u>	<u>(31,735)</u>	<u>6,215</u>	<u>92,158</u>	<u>234,561</u>
Fund balances - Beginning	-	-	-	-	399	-	-	585,910	-
Reclassification Adjustment	-	-	-	-	-	-	-	-	-
Fund Balances - Beginning of Year, as Restated	-	-	-	-	399	-	-	585,910	-
Fund balances - Ending	\$ <u>331</u>	\$ <u>331</u>	\$ <u>331</u>	\$ <u>31,336</u>	\$ <u>(399)</u>	\$ <u>(31,735)</u>	\$ <u>6,215</u>	\$ <u>678,068</u>	\$ <u>234,561</u>

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CITY OF YANKTON, SOUTH DAKOTA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 CAPITAL PROJECT FUNDS AND PERMANENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Capital Improvement Fund			Airport Capital Improvement		
	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$ 3,918,403	\$ 4,087,232	\$ 168,829	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Intergovernmental	1,454,328	1,565,271	110,943	798,750	125,574	(673,176)
Charges for Services	-	-	-	-	-	-
Interest	25,000	277,162	252,162	-	-	-
Miscellaneous	-	10,205	10,205	-	-	-
Total revenue	<u>5,397,731</u>	<u>5,939,870</u>	<u>542,139</u>	<u>798,750</u>	<u>125,574</u>	<u>(673,176)</u>
EXPENDITURES						
Current						
Culture and Recreation	-	-	-	-	-	-
Public Works	9,591,317	9,491,301	100,016	875,000	-	875,000
Total expenditures	<u>9,591,317</u>	<u>9,491,301</u>	<u>100,016</u>	<u>875,000</u>	<u>-</u>	<u>875,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,193,586)</u>	<u>(3,551,431)</u>	<u>642,155</u>	<u>(76,250)</u>	<u>125,574</u>	<u>201,824</u>
OTHER FINANCING SOURCES(USES)						
Proceeds From Sale of Assets	-	-	-	-	-	-
Transfers (out)	(1,290,364)	(933,238)	357,126	-	-	-
Transfer in	-	-	-	-	-	-
Total other financing sources(uses)	<u>(1,290,364)</u>	<u>(933,238)</u>	<u>357,126</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(5,483,950)</u>	<u>(4,484,669)</u>	<u>999,281</u>	<u>(76,250)</u>	<u>125,574</u>	<u>201,824</u>
Fund balances - beginning		<u>12,473,448</u>			<u>76,631</u>	
Fund balances - ending		<u>\$ 7,988,779</u>		<u>\$ 202,205</u>		

Public Improvement Cap. Project			Infrastructure Improvement			Park Capital		
Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	116,000	85,461	30,539
-	-	-	100,000	-	100,000	-	-	-
-	-	-	100,000	-	100,000	116,000	85,461	30,539
-	-	-	(100,000)	-	100,000	(116,000)	(85,461)	30,539
-	104,460	104,460	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	25,000	25,000	44,720	593,689	548,969	112,562	71,064	(41,498)
-	129,460	129,460	44,720	593,689	548,969	112,562	71,064	(41,498)
-	129,460	129,460	(55,280)	593,689	648,969	(3,438)	(14,397)	(10,959)
	742,708			(414,902)			24,397	
\$	872,168		\$	178,787		\$	10,000	

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CITY OF YANKTON, SOUTH DAKOTA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 CAPITAL PROJECT FUNDS AND PERMANENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2018

	Infrastructure Improvement Revolving			Permanent Fund Perpetual Care Cemetery		
	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	694,600	66,955	(627,645)	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	27,300	23,000	(4,300)
Interest	120	-	(120)	450	4,132	3,682
Miscellaneous	-	-	-	-	910	910
Total revenue	<u>694,720</u>	<u>66,955</u>	<u>(627,765)</u>	<u>27,750</u>	<u>28,042</u>	<u>292</u>
EXPENDITURES						
Current						
Culture and Recreation	-	-	-	142,394	133,636	8,758
Public Works	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>142,394</u>	<u>133,636</u>	<u>8,758</u>
Excess (deficiency) of revenues over (under) expenditures	<u>694,720</u>	<u>66,955</u>	<u>(627,765)</u>	<u>(114,644)</u>	<u>(105,594)</u>	<u>9,050</u>
OTHER FINANCING SOURCES(USES)						
Proceeds From Sale of Real Estate	-	-	-	-	-	-
Transfers (out)	(694,720)	(593,689)	101,031	-	-	-
Transfer in	-	-	-	114,644	108,686	(5,958)
Total other financing sources(uses)	<u>(694,720)</u>	<u>(593,689)</u>	<u>101,031</u>	<u>114,644</u>	<u>108,686</u>	<u>(5,958)</u>
Net change in fund balances	<u>-</u>	<u>(526,734)</u>	<u>(526,734)</u>	<u>-</u>	<u>3,092</u>	<u>3,092</u>
Fund balances - beginning		<u>550,408</u>			<u>157,546</u>	
Fund balances - ending		<u>\$ 23,674</u>			<u>\$ 160,638</u>	

SINGLE AUDIT SECTION

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Expenditures of Federal Awards (Cash Basis)
For The Year Ended December 31, 2018

	Federal CFDA Number	Agency or Pass-through Number	Amount	Expenditures to Subrecipients
United States Department of Agriculture:				
Direct Federal Funding:				
Economic Adjustment Assistance	11.307	05-79-05291	\$ 66,414	\$ -
Economic Development Cluster subtotal			<u>66,414</u>	
Department of Justice:				
Indirect Federal Funding:				
SD Sheriff's Association, SD Police Chiefs Association, Public Safety Partnership and Community Policing Grants	16.710		2,608	-
Department of Transportation:				
Direct Federal Funding:				
Airport Improvement Program	20.106	3-46-0062-025-2014	3,150	-
Airport Improvement Program	20.106	3-46-0062-28-2018	6,993	-
Airport Improvement Program	20.106	3-46-0062-27-2018	<u>90,719</u>	-
Program subtotal			100,862	
Environmental Protection Agency:				
Indirect Federal Funding:				
SD Department of Environment and Natural Resources, Capitalization Grants for Drinking Water State Revolving Funds	66.468	462038-06	3,650,000	-
Total Expenditures of Federal Awards			<u>\$ 3,819,884</u>	

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

NOTE 1 - Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Yankton and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2 - The City of Yankton had the following loan balances outstanding from the SD Clean Water State Revolving Fund, CFDA #66.458 and the SD Drinking Water State Revolving Fund, CFDA #66.468 at December 31, 2018.

	Total Amount Of Loan Outstanding	Federal Portion Of Loan Outstanding
Wastewater System #3, Series 2011 (83.33%)	\$ 1,946,158	\$ 1,621,734
Total Wastewater System	<u>\$ 1,946,158</u>	<u>\$ 1,621,734</u>
Water System Services 2001 (76.97%)	\$ 1,121,151	\$ 862,950
Water System, Services Series #2 (50.06%)	553,435	277,050
Water System, Services Series #3 (62.25%)	1,772,049	1,103,100
Water System, Services Series #4 (56.05%)	1,371,820	768,905
Water System, Services Series #5 (28.42%)	11,387,083	3,236,209
Water System, Services Series #6 (5.66%)	20,650,568	3,650,000
Total Water System	<u>\$ 36,856,106</u>	<u>\$ 9,898,214</u>

NOTE 3 - Expenditures reported in the Schedule are cash basis. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

See accompanying independent auditors' report.



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Independent Auditors' 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

Honorable Members of the City Commission
City of Yankton, South Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the CITY OF YANKTON, SOUTH DAKOTA as of and for the year ended December 31, 2018 and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 13, 2019. Our report includes a reference to other auditors who audited the financial statements of the Yankton Housing and Redevelopment Commission, as described in our report on the City of Yankton's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting:

In planning and performing our audit of the financial statements, we considered the City of Yankton'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Yankton's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Yankton'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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs, as item 2018-001 that we consider to be a material weakness.

Compliance and Other Matters:

As part of obtaining reasonable assurance about whether the City of Yankton'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*.

City of Yankton's Response to Findings

The City of Yankton's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Yankton's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

This 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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. As required by South Dakota Codified Law 4-11-11, this report is a matter of public record and its distribution is not limited.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City during the course of our audit.

If you have any questions concerning the above matters, we would be pleased to discuss them with you at your convenience.

Williams & Company, P.C.
Certified Public Accountants

Le Mars, Iowa
August 13, 2019



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**Independent Auditors' Report on Compliance for Each Major Program and on Internal Control
Over Compliance Required by The Uniform Guidance**

Honorable Members of the City Commission
City of Yankton, South Dakota

Report on Compliance for Each Major Federal Program

We have audited the City of Yankton, South Dakota's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2018. The City's major federal program is identified in the summary of the independent auditors' results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of the Yankton Housing and Redevelopment Commission, which received \$481,860 in federal awards which is not included in the City's schedule of expenditures of federal awards during the year ended December 31, 2018. Our audit, described below, did not include the operations of the Yankton Housing and Redevelopment Commission because the Commission engaged other auditors to perform an audit of compliance.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program 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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the 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 the City'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 the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Yankton, South Dakota, 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, 2018.

Report on Internal Control Over Compliance

Management of the City 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 the City'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 an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 the City'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 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 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 and deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. As required by South Dakota Codified Law 4-11-11, this report and our report on compliance for each major federal program are matters of public record and their distribution is not limited.

Williams & Company, P.C.
Certified Public Accountants

Le Mars, Iowa
August 13, 2019

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Findings & Questioned Costs
For the Year Ended December 31, 2018

Part I: Summary of the Independent Auditors' Results

- (a) An unmodified opinion was issued on the financial statements.
- (b) A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.
- (d) No significant deficiencies in internal control over major programs were disclosed in the audit of the financial statements.
- (e) The auditors' report on compliance for the major federal award programs expresses a unmodified opinion.
- (f) The audit disclosed no audit findings which were required to be reported in accordance with the Uniform Guidance, Section 200.516(a).
- (g) The major program was as follows:
 - CFDA #66.468- Capitalization Grants for Drinking Water State Revolving Loan Funds
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
- (i) The Auditee did not qualify as a low-risk auditee.

Part II: Findings Related to the Financial Statements Reported in Accordance with Government Auditing Standards

Instances of Non-Compliance:

No matters were noted. There were no prior year audit findings.

Material Weakness:

2018-001 Financial Reporting

Condition - During the audit, we identified material adjustments required to be made to the City's financial statements. Adjustments were made by the City to properly include these changes to the financial statements. A similar condition was noted in the prior audit.

Criteria – The City is responsible for the accuracy of the financial statements.

Effect – Expenses/Expenditures/Revenues may not be properly reported and/or balance sheet amounts may be misstated.

Cause – Due to the limited number of employees, the City does not have sufficient controls in place to ensure that all entries are properly recorded and that all other applicable adjustments are made.

Recommendation – The City should implement procedures to ensure all entries are identified and included in the City's financial statements and that any required adjustments are made.

Response – We will double check the financial statements in the future and all supporting schedules to verify that all adjustments are made properly.

Conclusion – Response accepted.

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Findings & Questioned Costs
For the Year Ended December 31, 2018

Part III: Findings and Questioned Costs Relating to Federal Awards

Instances of Non-Compliance:

No matters were noted.

Significant Deficiency:

No Matters were noted.

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Prior Year Findings
For the Year Ended December 31, 2018

FINANCIAL STATEMENT AUDIT:
Material Weaknesses:

2017-001 Financial Reporting

Condition - During the audit, we identified material adjustments required to be made to the City's financial statements. Adjustments were made by the City to properly include these changes to the financial statements. A similar condition was noted in the prior audit.

Criteria - The City is responsible for the accuracy of the financial statements.

Effect - Expenses/Expenditures/Revenues may not be properly reported and/or balance sheet amounts maybe misstated.

Cause - Due to the limited number of employees, the City does not have sufficient controls in place to ensure that all entries are properly recorded and that all other applicable adjustments are made.

Recommendation – The City should implement procedures to ensure all entries are identified and included in the City's financial statements and that any required adjustments are made.

Response – We will double check the financial statements in the future and all supporting schedules to verify that all adjustments are made properly.

Status – Not corrected, see finding 2018-001 The City has taken steps to implement procedures to ensure financial statements are fairly presented, however due to limited staff and resources, a system which eliminates all journal entries has not yet been achieved. This finding was first reported in fiscal year 2007.

FEDERAL AWARD PROGRAMS AUDIT:
Instances of Non-Compliance:

CFDA Number 11.307 – Economic Adjustment Assistance
Federal Award Year 2012
U.S. Department of Commerce
Questioned Cost: \$66,414
Prior Year's Audit Reference number: N/A

2017-002 Cash Management

Condition and Criteria – It was found that the final reimbursement request included retainage amounts that had not been paid at the time the reimbursement request was submitted. Although the invoice was for allowable expenditures, being reimbursed for the outstanding retainage amounts creates a cash management condition as the drawdown was requested prior to that portion of the invoice being expended.

Effect – As a result, the City had requested reimbursement for expenditures that had been incurred, but had not yet been paid, which would make them currently not an allowable grant expenditure.

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Prior Year Findings
For the Year Ended December 31, 2018

Cause – This was caused by those completing reimbursement requests failure to properly remove unpaid retainage from the request.

Recommendation – The City should ensure all involved with the grant program are well trained on grant requirements as well as have adequate knowledge concerning the financial information used to complete reimbursement requests.

Views of Responsible Officials – The City will immediately work to quickly and effectively resolve the issue and will also strive to fully obtain understanding and stay compliant with all grant requirements.

Status - Corrected

Significant Deficiency:

CFDA Number 11.307 – Economic Adjustment Assistance

Federal Award Year 2012

U.S. Department of Commerce

Prior Year's Audit Reference number: N/A

2017-003 Cash Management

Condition and Criteria – It was found that the final reimbursement request included retainage amounts that had not been paid at the time the reimbursement request was submitted. Although the invoice was for allowable expenditures, being reimbursed for the outstanding retainage amounts creates a cash management condition as the drawdown was requested prior to that portion of the invoice being expended.

Effect – As a result, the City had requested reimbursement for expenditures that had been incurred, but had not yet been paid, which would make them currently not an allowable grant expenditure.

Cause – This was caused by those completing reimbursement requests failure to properly remove unpaid retainage from the request.

Recommendation – The City should ensure all involved with the grant program are well trained on grant requirements as well as have adequate knowledge concerning the financial information used to complete reimbursement requests. The City should also review control procedures to ensure only paid expenditures are included on the grant reimbursement forms in the future.

Views of Responsible Officials – The City will immediately work to quickly and effectively resolve the issue and will also strive to fully obtain understanding and stay compliant with all grant requirements.

Status - Corrected

**Schedule of Findings and Questioned Costs
Corrective Action Plan
December 31, 2018**

The City of Yankton, South Dakota, respectfully submits the following corrective action plan for the year ended December 31, 2018.

The audit was performed by Williams & Company, P.C., P.O. Box 1010, Le Mars, Iowa, for the fiscal year ended December 31, 2018.

The findings from the December 31, 2018 Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS:

2018-001 Financial Reporting

Condition – During the audit, we identified material adjustments required to be made to the City's financial statements. Adjustments were made by the City to properly include these changes to the financial statements. A similar condition was noted in the prior audit

Criteria – The City is responsible for the accuracy of the financial statements.

Effect – Expenses/Expenditures/Revenues may not be properly reported and/or balance sheet amounts maybe misstated.

Cause – Due to the limited number of employees, the City does not have sufficient controls in place to ensure that all entries are properly recorded and that all other applicable adjustments are made.

Recommendation – The City should implement procedures to ensure all entries are identified and included in the City's financial statements and that any required adjustments are made.

Response – We will double check the financial statements in the future and all supporting schedules to verify that all adjustments are made properly and a review process to ensure statements are fairly presented. The City will attempt to implement these processes for the 2019 calendar year report.

If involved agencies have any questions regarding this plan, please call Al Viereck at 605-668-5241.

Sincerely yours,

CITY OF YANKTON, SOUTH DAKOTA


Al Viereck, Finance Officer

416 Walnut St

PO Box 176

Yankton, SD 57078-0176

Phone (605) 668-5221

www.cityofyankton.org

Memorandum #19-178

To: Amy Leon, City Manager
From: Corey Potts, Public Works Manager
Subject: Bid Award 2019-2020 Annual Supply of Bulk De-Icing Salt
Date: August 12, 2019

Ten bid packets were sent out for bids and three bids were received for the 2019-2020 Annual Supply of Bulk De-Icing Salt required for winter snow-removal operations. The three bids received and their respective unit prices are listed as follows:

Johnson Feed, Canton, South Dakota	\$77.00 per ton
Blackstrap Inc., Neligh, NE	\$92.00 per ton
NE Salt & Grain, Gothenberg, NE	\$132.50 per ton

The 2018-2019 winter season salt price paid by the City was \$62.25 per ton. The storms and flooding throughout the Midwest this last spring has created transportation and supply problems for the major suppliers of Bulk De-Icing Salt causing prices to increase. The local suppliers of Bulk De-Icing Salt have picked up the demand left open by Eastern suppliers. The Bid of \$77.00 per ton by Johnson Feed is comparable to other bids received in the area.

The lowest bid received is from Johnson Feed, Canton, SD and does meet specifications. Therefore, staff recommends that the contract for the 2019-2020 Annual Supply of Bulk De-Icing Salt be awarded to Johnson Feed for \$77.00 per ton. Approximately 700 tons are used in an average year for de-icing efforts.

Respectfully submitted,



Corey Potts
Public Works Manager

Recommendation: It is recommended that the City Commission approve Memorandum #19-178 and the contract be awarded to Johnson Feed, Canton, SD, in the amount of \$77.00 per ton for the Annual Supply of Bulk De-Icing Salt in the 2019-2020 winter season.

I concur with this recommendation.
 I do not concur with this recommendation.


 Amy Leon, City Manager

_____ Roll call

Memorandum #19-166

To: Amy Leon, City Manager
From: Todd R. Larson, Director of Parks, Recreation, and City Events
Date: August 16, 2019
Subject: Westside Park Master Plan

At the August 5, 2019, Parks Advisory Board Meeting, Todd Larson, Dave Mingo, and Eric Ambroson, from Planning and Development District III, presented a Westside Park Master Plan to the board and community members. After a few minor changes to the plan, due to input received at the meeting, a proposed master plan is attached (two attachments).

The process to develop this master plan began in April. A public meeting was held and public input was gathered. A visual preference survey was utilized at the first public meeting and was also made available online after the public meeting. Over 300 responses to the survey were collected. In May, three different visuals were created to incorporate items that were brought forward by the public. These three different visuals were also placed online so we could gather public feedback. Over 250 responses to the survey were collected.

After analyzing the responses collected through the public meetings, online surveys, phone calls, and emails, a master plan was created. The master plan was based on the realization that public feedback told us that people like the park the way it is but they would like to see some improvements to the current facilities and maybe a few additional amenities to make it more attractive to the community.

According to the Project for Public Spaces (PPS), “In evaluating thousands of public spaces around the world, PPS has found that to be successful, the public spaces generally share the following four qualities: 1) the spaces are accessible to all people and inclusive of the diversity of groups present in a city; 2) people are engaged in activities in the space; 3) the space is comfortable and has a good image; and 4) it is a sociable space where people meet each other and they also take people when they come to visit.”

Therefore, utilizing those principles, ideas incorporated into this master plan as gathered from the public’s input include additional meandering walking trails throughout the park. Nationwide, adding walking trails is the number one request when designing parks and recreational green space. Our citizen’s like the island but would like to see its landscape wall improved. People like the water and the wildlife so they have requested the pond be cleaned. They would like us to continue to work with SD Game, Fish, & Parks to stock fish in the pond to give youth the opportunity to fish. An ADA accessible fishing pier would be part of the future park improvements. A new walking bridge linking the mainland with the island is a key improvement. Adding a second fountain in the pond to the south of the island is a part of this plan. Along with the new trails in the park, lighting of the trails for safety and also improving the lights found at the basketball court was requested. The play structures in the park need to be updated and as a part of the plan they would be relocated to the area north of the basketball court. This land is fairly flat and would take minimal grading to allow for the play equipment. It also keeps the play area away from the pond, so children do not have easy access to the water if they

_____ Roll call

escape the watch of their parents or guardians. A four-season shelter with a kitchenette was requested. This new shelter would also include new restrooms to serve the north side of the

park. Having restrooms on both sides of the park was brought forward and a second restroom building is shown to the south of the current shelter on the south side of the park. The skate park remains as do the tennis courts (which have pickle ball lines painted on them). In between the skate park and the tennis courts is an underutilized green space, and the master plans show the addition of a bocce ball court in this area. An expanded parking lot is shown on the west side of the park. It is important to note that on-street parking is available along the MMC training field to the north, along the east side of spruce on the east side of the park, and along both sides of 5th Street on the south. The addition of a small open air shelter is shown by the south parking lot and basketball court area. Other smaller improvements that are not all visible upon this schematic include: more seating around the pond and along the meandering trails, the possible addition of hammocks amongst the trees on the east side of the park, way-faring signs in the park to give people distances along the trail, more dog-waste bag dispensers, duck feed vending machines, signs educating the public on what to feed geese and ducks and what not to feed them, more waste receptacles and recycling receptacles, additional drinking fountains, bike racks, and plaques to educate the public on the history of the park and the history of the pond. The last item that was discussed, but does not appear on the plan and would have to be discussed more in the future would be the addition of a disc golf 9-hole course designed specifically as a “children’s course.”

There are no cost estimates for any of these improvements. The timeline for making all of these items a reality would be fifteen to twenty years.

City staff recommends the City Commission adopt this master plan so it may be used for future planning and budgeting.

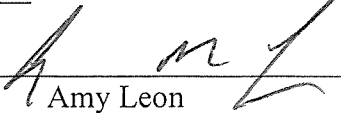
Respectfully submitted,



Todd R. Larson
Director of Parks, Recreation, & City Events

I concur with this recommendation.

I do not concur with this recommendation.



Amy Leon



Date

____ Roll call

Yankton, South Dakota Westside Park Masterplan August, 2019





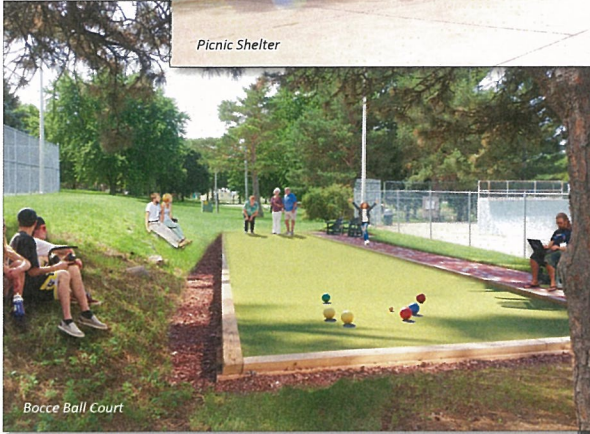
Bridge and Dock



Four Season Shelter



Picnic Shelter




Bocce Ball Court

Yankton, South Dakota Westside Park Masterplan Conceptual Renderings

Presented to the City of Yankton and the Parks Advisory Board
Prepared by the City of Yankton Parks and Recreation Department
Community Development Department and Planning & Development District III

Memorandum No. 19-179

TO: Mayor and City Commissioners
FROM: Amy Leon, City Manager 
RE: Commission Travel Opportunities
DATE: August 15, 2019

The City Commission has previously discussed Commission Travel Opportunities at City Commission meetings throughout the years. Doing so, gives each Commissioner the opportunity to share their thoughts and perspectives on certain travel opportunities.

Travel opportunities coming up are as follows:

- 1) South Dakota Municipal League – Aberdeen, SD October 8-11, 2019; and
- 2) National League of Cities – San Antonio, TX November 20-23, 2019

In the past, the Commission has sent up to three City Commissioners. The Commission may also want to extend an invitation to National League of Cities to one of the Department Heads as an advanced training opportunity.

Recommendation: The recommended action is to identify and authorize travel for respective representatives from the City Commission for these events.

Memorandum #19-180

To: Amy Leon, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Planning Commission Action Number 19-30 / Resolution #19-38
Date: August 15, 2019



CONDITIONAL USE REQUEST

ACTION NUMBER: 19-30

E.T.J. MEMBER ACTION REQUIRED: No

APPLICANT / OWNER: Aaron Hansen, applicant (OK Properties, LLC., owner).

ADDRESS / LOCATION: 2918 Piper Street (ref attached site plan and air photo).

PROPERTY DESCRIPTION: North 1/2 of Lot 8 except Lot H-1 and the South 20 feet of Lot 9 except Lot H-1, Block 1, Airport Acres Addition to the City of Yankton, South Dakota.

ZONING DISTRICT: B-2 Highway Business.

PREVIOUS ACTION: None.

COMMENTS: The applicant is requesting a Conditional Use Permit for a self-storage facility. Self-storage facilities as defined by the City of Yankton Zoning Ordinance No 711 are allowed in B-2 Highway Business Districts under certain conditions.

The proposal meets all of the applicable area and setback provisions. Self-storage facilities are required to be configured so that the doors of the buildings do not face, or are screened from adjacent residentially zoned property. There is residential property to the east of the site. Based on these conditions, unscreened access doors cannot face to the east.

The site design must also ensure that storm water drainage does not exceed historic runoff levels to the north, east or south unless it is properly detained on site. Storm water in excess of historic flows are allowed to access Piper Street.

Staff has not been contacted by any adjoining property owners subsequent to the required mailings and publication.

Staff recommends approval of the request. Although not required by ordinance, we also strongly recommend that the applicant consider a “good neighbor” approach to addressing visibility to the property from the east of the project. Privacy slats, and / or a planting of coniferous trees would accomplish a great deal in regards to neighborhood aesthetics regarding current occupancies.

_____ Roll Call

HEARING SCHEDULE:

- July 8, 2019: The Planning Commission established August 12, 2019, as the date for public hearing on the proposed request.
- August 12, 2019: The Planning Commission conducts a hearing and makes a recommendation to the City Commission.
- August 26, 2019: The City Commission considers a resolution and makes the final decision.

Planning Commission results: The Planning Commission recommended approval of the proposed request with an extension of the standard time limit to five years for phase two.

RESOLUTION #19-38

Conditional Use

WHEREAS, the OK Properties, LLC., is the owner and Aaron Hanses is the applicant for a project on property legally described as the North 1/2 of Lot 8 except Lot H-1 and the South 20 feet of Lot 9 except Lot H-1, Block 1, Airport Acres Addition to the City of Yankton, South Dakota,

WHEREAS, the above described property is zoned B-2 Highway Business which allows conditional uses under the City of Yankton's Zoning Ordinance No. 711 as amended, and

WHEREAS, this Conditional Use Permit request is necessary for the construction and operation of a self-storage facility and the associated plans have been reviewed and recommended for approval by a vote of the City Planning Commission.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the City of Yankton, South Dakota hereby approves a Conditional Use Permit for a self-storage facility as depicted in the associated documentation, on the above described property.

Adopted:

Nathan V. Johnson, Mayor

ATTEST:

Al Viereck, Finance Officer



City of Yankton

Conditional Use Permit

North 1/2 of Lot 8 except Lot H-1 and the South 20 feet of Lot 9
except Lot H-1, Block 1, Airport Acres Addition to the City of Yankton, South Dakota.



ROB KLIMISCH 660-0305
2- 40'x250' STORAGE UNITS

Aaron Hansen
605 251 1485

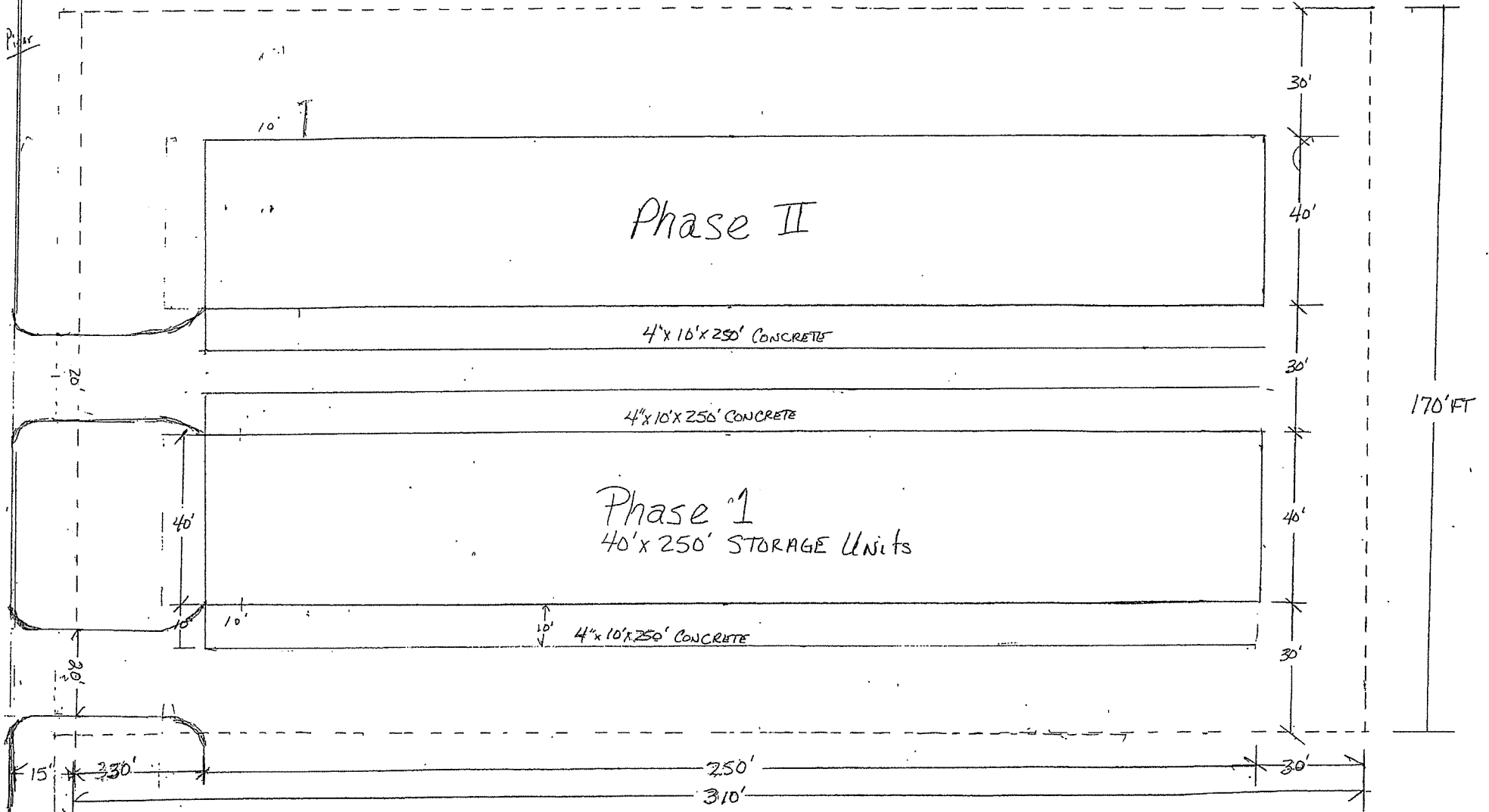
2916" Piper

(N)

N 1/2 Lot 8 Exc Lot H

S 20' of Lot 9

--- = LOT LINES
— = BUILDING OUT LINES





Memorandum #19-181

To: Amy Leon, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Planning Commission Action #19-31 / Resolution #19-39
Date: August 15, 2019



PLAT REVIEW

ACTION NUMBER: 19-31

E.T.J. MEMBER ACTION REQUIRED: No

APPLICANT / OWNER: City of Yankton, owner.

ADDRESS / LOCATION: 901 E. 7th Street.

PROPERTY DESCRIPTION: Replat of lots 30 & 31 of Railroad Subdivision and a portion of the S 1/2 of the SE 1/4 of the NE 1/4 of section 18, T93N, R55W of the 5th P.M., Yankton County, South Dakota to be hereafter known as: lots 30, 31 & 35 of Railroad Subdivision, in the City of Yankton, Yankton County, South Dakota.

ZONING DISTRICT: I-1 Industrial.

PREVIOUS ACTION: Original Railroad Subdivision plat.

COMMENTS: The attached plat creates three lots on city owned property. The lots are being platted to support the planned 2020 expansion of the transit facility and also provide room for another possible future expansion. The remainder of the lot to the south will have other development potential.

The proposal maintains compliance with all applicable zoning and subdivision regulations.

Staff recommends approval of the proposed plat.

HEARING SCHEDULE:

August 12, 2019: Planning Commission reviews the plat and makes a recommendation to the City Commission.

August 26, 2019: City Commission reviews the plat and takes action.

Planning Commission results: The Planning Commission recommended approval of the proposed plat.

RESOLUTION #19-39

WHEREAS, it appears from an examination of the Replat of lots 30 & 31 of Railroad Subdivision and a portion of the S 1/2 of the SE 1/4 of the NE 1/4 of section 18, T93N, R55W of the 5th P.M., Yankton County, South Dakota to be hereafter known as: lots 30, 31 & 35 of Railroad Subdivision, in the City of Yankton, Yankton County, South Dakota prepared by Brett R. Kennedy, a registered land surveyor in the state of South Dakota, that all applicable requirements have been met, and

WHEREAS, such plat has been prepared according to law and is consistent with the City's overall Comprehensive Development Plan.

NOW, THEREFORE BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, South Dakota, that the plat for the above described property is hereby approved.

Adopted:

Nathan V. Johnson, Mayor

ATTEST:

Al Viereck, Finance Officer



City of Yankton

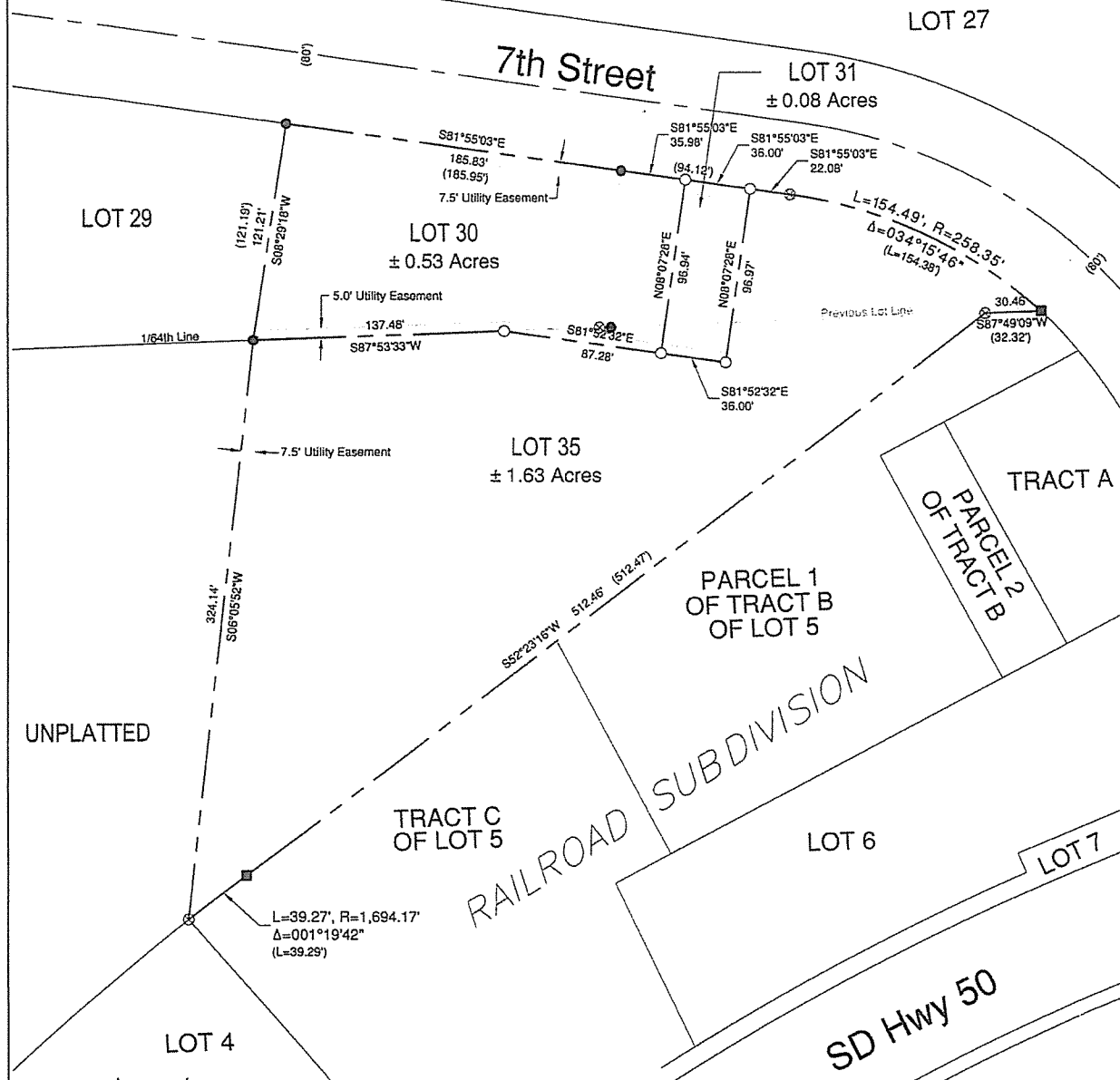
Plat Location Map

A replat of lots 30 & 31 of Railroad Subdivision and a portion of the S 1/2 of the SE 1/4 of the NE 1/4 of section 18, T93N, R55W of the 5th P.M., Yankton County, South Dakota to be hereafter known as: lots 30, 31 & 35 of Railroad Subdivision, in the City of Yankton, Yankton County, South Dakota

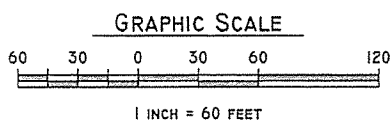
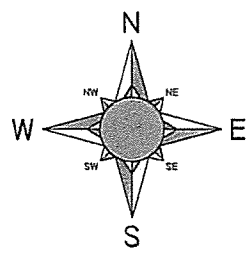


A REPLAT OF LOTS 30 AND 31 OF RAILROAD SUBDIVISION (RECORDED IN BOOK S19 PAGE 62)
AND A PORTION OF THE S 1/2 OF THE SE 1/4 OF THE NE 1/4 OF SECTION 18, T 93 N, R 55 W
OF THE 5TH P.M., YANKTON COUNTY, SOUTH DAKOTA.

TO BE HEREAFTER KNOWN AS:
LOTS 30, 31 AND 35 OF RAILROAD SUBDIVISION, CITY OF YANKTON,
YANKTON COUNTY, SOUTH DAKOTA.



- Legend**
- Set 5/8" x 18" Rebar
W/ Cap Stamped
"KENNEDY LS 5350"
 - Found 5/8" Rebar
W/ Cap Stamped
"KENNEDY LS 5350"
 - Found 5/8" Rebar
W/ Cap Stamped
"B&E C-329"
 - ⊗ Found 5/8" Rebar
 - (94.05') Platted Distance



BASIS OF CONTROL
City of Yankton Control Network



PROJECT NUMBER:	19233
CREW CHIEF:	BRK
DRAFTED BY:	BRK
REVIEWED BY:	CAG
DRAWING:	19233 - Plat
LAYOUT:	Plat

Prepared By:

STOCKWELL

STOCKWELL ENGINEERS, INC.
201 WALNUT STREET
YANKTON, SD 57078
PH: 605.665.8092

Memorandum #19-182

To: Amy Leon, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Planning Commission Action #19-32 / Resolution #19-40
Date: August 15, 2019



PLAT REVIEW

ACTION NUMBER: 19-32

E.T.J. MEMBER ACTION REQUIRED: No

APPLICANT / OWNER: Jason J. Harmelink.

ADDRESS / LOCATION: 30547 US Hwy 81.

PROPERTY DESCRIPTION: Block 3 of Rudd's Addition in the SE 1/4 of the NE 1/4 of Section 13, T94N, R56W of the 5th P.M., Yankton County, South Dakota.

ZONING DISTRICT: County jurisdiction.

PREVIOUS ACTION: Approval of Subdivision layout and prior development phases in 2007 - 2018.

COMMENTS: The location of the proposed plat is in the City's three mile plating jurisdiction. This allows the City to require the dedication of right-of-way along the extension of the planned street grid. Lot 3 is being created as a dedicated road easement which will evolve into right-of-way in the future as the market demands. The plat is not adjacent to the City's corporate limits so the Subdivision Ordinance requirements do not apply.

The proposal will be subject to county platting and land use approval requirements as it moves forward through that process.

Staff recommends approval of the proposed plat

HEARING SCHEDULE:

August 12, 2019: The Planning Commission reviews the plat and makes a recommendation to the City Commission.

August 26, 2019: The City Commission reviews the plat and makes a final decision.

Planning Commission results: The Planning Commission recommended approval of the proposed plat contingent upon the state authority's signature.

RESOLUTION #19-40

WHEREAS, it appears from an examination of the plat of Block 3 of Rudd's Addition in the SE 1/4 of the NE 1/4 of Section 13, T94N, R56W of the 5th P.M., Yankton County, South Dakota prepared by Thomas Lynn Week, a registered land surveyor in the state of South Dakota, and

WHEREAS, such plat has been prepared according to law and is consistent with the City's overall Comprehensive Development Plan.

NOW, THEREFORE BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, South Dakota, that the plat for the above described property is hereby approved.

Adopted:

Nathan V. Johnson, Mayor

ATTEST:

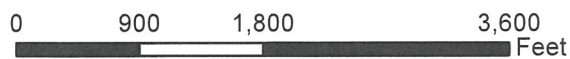
Al Viereck, Finance Officer



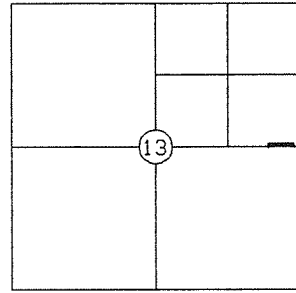
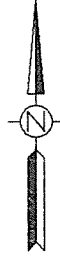
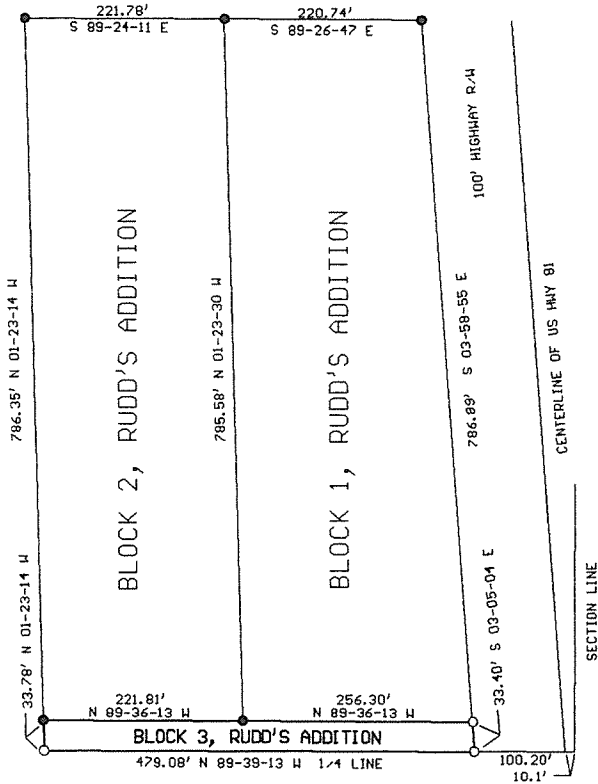
City of Yankton

Plat Location Map

Plat of Block 3 of Rudd's Addition in the SE 1/4 of the NE 1/4 of Section 13, T94N, R56W of the 5th P.M., Yankton County, South Dakota

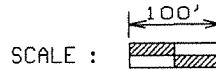


PLAT OF BLOCK 3 OF RUDD'S ADDITION, IN THE SE1/4 OF THE NE1/4, SECTION 13, T94N, R56W, OF THE 5TH. P.M., YANKTON COUNTY, SOUTH DAKOTA.



LOCATION

- FOUND PIPE
- SET 5/8" REBAR WITH CAP STAMPED TOM WEEK LS 2912



SCALE :

SOUTH 33 FEET OF BLOCK 3, IS DEDICATED ROAD EASEMENT
BLOCK 3 CONTAINS 0.369 ACRES



SURVEYORS CERTIFICATE

I, THOMAS LYNN WEEK, REGISTERED LAND SURVEYOR IN YANKTON, SOUTH DAKOTA. HAVE AT THE DIRECTION OF THE OWNER, MADE A SURVEY OF BLOCK 3 OF RUDD'S ADDITION, IN THE SE1/4 OF THE NE1/4, SECTION 13, T94N, R56W OF THE 5TH. P.M., YANKTON COUNTY, SOUTH DAKOTA. I HAVE SET IRON PINS AS SHOWN, AND SAID SURVEY AND PLAT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DATED THIS 11TH. DAY OF JULY, 2019.

Thomas Lynn Week
THOMAS LYNN WEEK
REGISTERED LAND SURVEYOR
REG. NO. 2912

CERTIFICATE OF STREET AUTHORITY

ACCESS TO US HIGHWAY 81 IS APPROVED. THIS ACCESS APPROVAL DOES NOT REPLACE THE NEED FOR ANY PERMITS REQUIRED BY LAW TO ESTABLISH THE PRECISE ACCESS LOCATION, INCLUDING PERMIT REQUIREMENTS SET FORTH IN ADMINISTRATIVE RULE OF SOUTH DAKOTA 70:09:01:02.

DATED THIS _____ DAY OF _____, _____.

STATE AUTHORITY

Memorandum #19-183

To: Amy Leon, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Planning Commission Action #19-33 / Resolution #19-41
Date: August 15, 2019



PLAT REVIEW

ACTION NUMBER: 19-33

E.T.J. MEMBER ACTION REQUIRED: No

APPLICANT / OWNER: Michael Elliott, Member, TEME, LLC.

ADDRESS / LOCATION: 1804 SD Hwy 50.

PROPERTY DESCRIPTION: Replat of Parcel H and Lot X in the SW 1/4 Of The SE 1/4 of Section 8, and of Parcel L and Lot X in the NW 1/4 of the NE 1/4 of Section 17 Hereafter to be known as: Tract 1, Elliott Addition, in the SW 1/4 of the SE 1/4 of Section 8 and in the NW 1/4 of the NE 1/4 of Section 17, both in T93N, R55W of the 5th P.M., Yankton County, South Dakota.

ZONING DISTRICT: City Extraterritorial Zoning Jurisdiction.

PREVIOUS ACTION: Prior parcel plats.

COMMENTS: The location of the proposed plat is in the City’s three mile plating jurisdiction. This allows the City to require the dedication of right-of-way along the extension of the planned street grid. The lot is also adjacent to the City’s municipal corporate limits which means that the requirements of the Subdivision Ordinance apply.

All required adjacent infrastructure is in place. If certain levels of property improvements and infrastructure connections are requested in the future, the property will be required to be annexed.

Staff recommends approval of the proposed plat

HEARING SCHEDULE:

August 12, 2019: The Planning Commission reviews the plat and makes a recommendation to the City Commission.

August 26, 2019: The City Commission reviews the plat and makes a final decision.

Planning Commission results: The Planning Commission recommended approval of the proposed plat.

RESOLUTION #19-41

WHEREAS, it appears from an examination of the Replat of Parcel H and Lot X in the SW 1/4 Of The SE 1/4 of Section 8, and of Parcel L and Lot X in the NW 1/4 of the NE 1/4 of Section 17 Hereafter to be known as: Tract 1, Elliott Addition, in the SW 1/4 of the SE 1/4 of Section 8 and in the NW 1/4 of the NE 1/4 of Section 17, both in T93N, R55W of the 5th P.M., Yankton County, South Dakota prepared by John L. Brandt, a registered land surveyor in the state of South Dakota, and

WHEREAS, such plat has been prepared according to law and is consistent with the City's overall Comprehensive Development Plan.

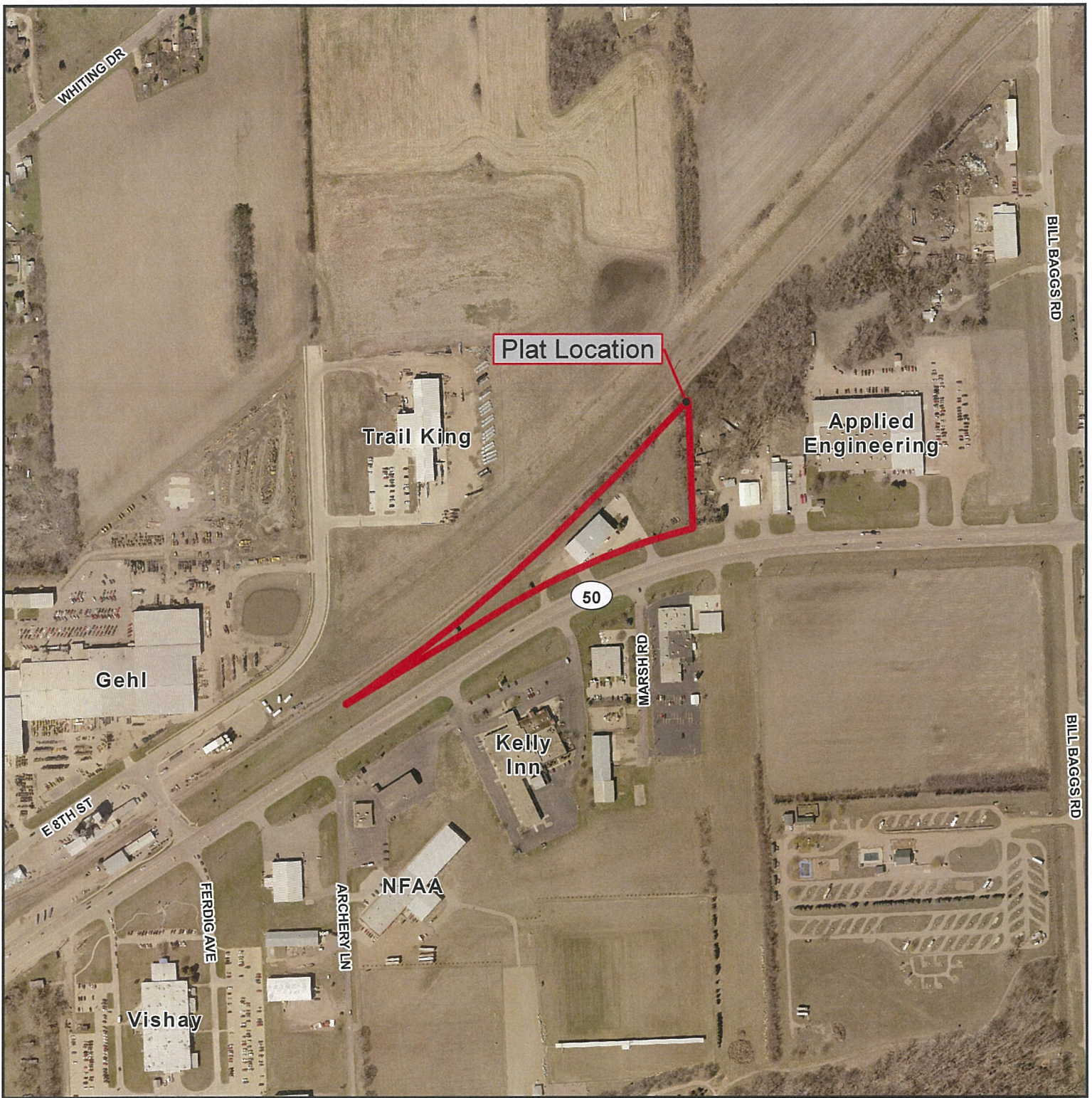
NOW, THEREFORE BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, South Dakota, that the plat for the above described property is hereby approved.

Adopted:

Nathan V. Johnson, Mayor

ATTEST:

Al Viereck, Finance Officer



City of Yankton

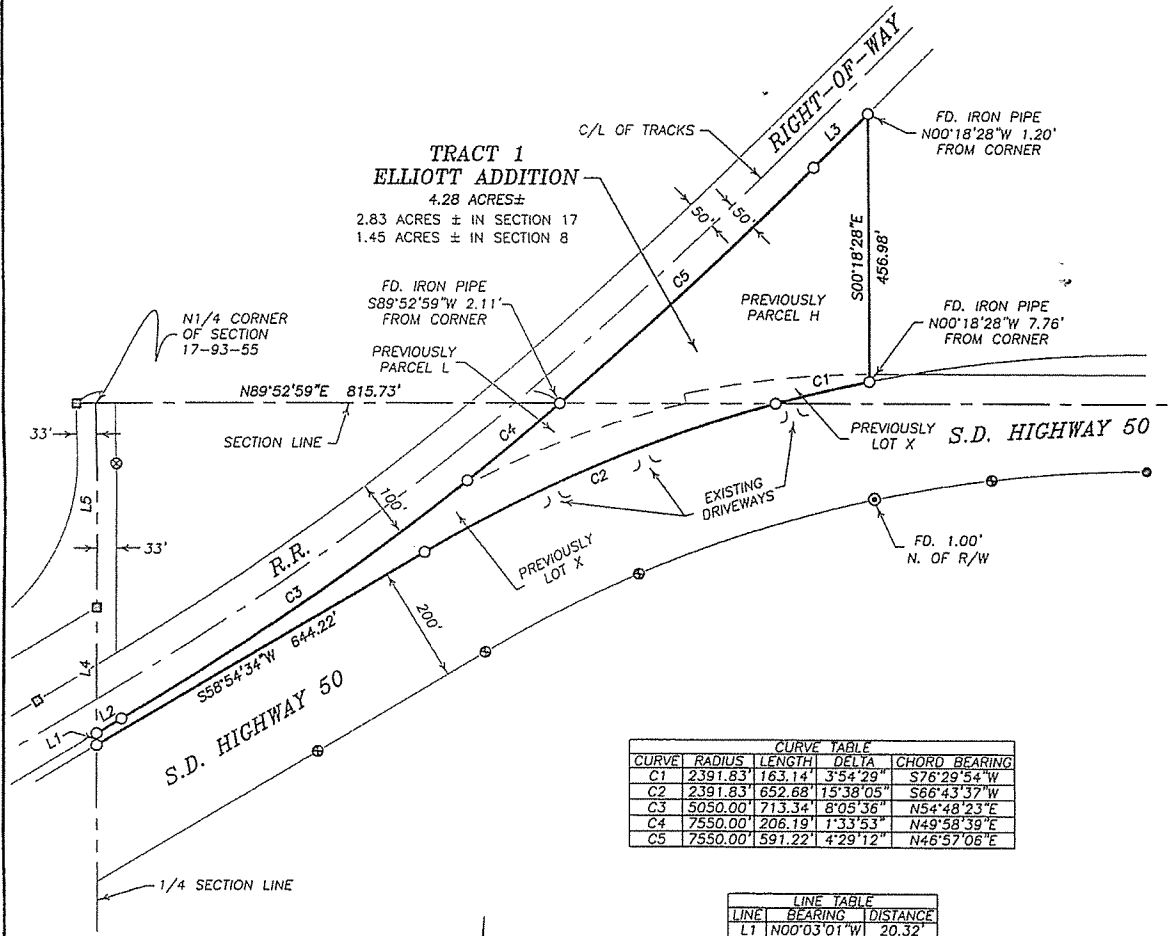
Plat Location Map

A Replat of Parcel H and Lot X in the SW1/4 Of The SE1/4 of Section 8, and of Parcel L and Lot X in the NW1/4 of the NE1/4 of Section 17 Hereafter to be known as: Tract 1, Elliott Addition, in the SW1/4 of the SE1/4 of Section 8 and in the NW1/4 of the NE1/4 of Section 17, both in T93N, R55W of the 5th P.M., Yankton County, South Dakota.



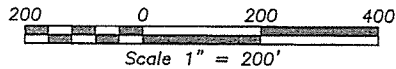
A REPLAT OF PARCEL H AND LOT X IN THE SW1/4 OF THE SE1/4 OF SECTION 8, AND OF PARCEL L AND LOT X IN THE NW1/4 OF THE NE1/4 OF SECTION 17, BOTH IN T93N, R55W OF THE 5TH P.M., YANKTON COUNTY, SOUTH DAKOTA, HEREAFTER TO BE KNOWN AS:

TRACT 1, ELLIOTT ADDITION, IN THE SW1/4 OF THE SE1/4 OF SECTION 8 AND IN THE NW1/4 OF THE NE1/4 OF SECTION 17, BOTH IN T93N, R55W OF THE 5TH P.M., YANKTON COUNTY, SOUTH DAKOTA.



CURVE TABLE				
CURVE	RADIUS	LENGTH	DELTA	CHORD BEARING
C1	2391.83'	163.14'	3°54'29"	S76°29'54"W
C2	2391.83'	652.68'	15°38'05"	S66°43'37"W
C3	5050.00'	713.34'	8°05'36"	N54°48'23"E
C4	7550.00'	206.19'	1°33'53"	N49°58'39"E
C5	7550.00'	591.22'	4°29'12"	N46°57'06"E

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N00°03'01"W	20.32'
L2	N58°51'11"E	48.93'
L3	N44°42'30"E	129.91'
L4	N00°03'01"W	215.69'
L5	N00°03'01"W	351.36'

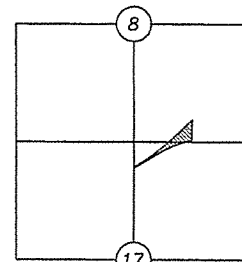


LEGEND

- SET 5/8" REBAR WITH L.S. CAP STAMPED "J. BRANDT R.L.S. 5349"
- FOUND 5/8" REBAR WITH L.S. CAP STAMPED "J. BRANDT R.L.S. 5349"
- ⊕ FOUND IRON PIPE
- ⊠ FOUND 5/8" REBAR WITH L.S. CAP STAMPED "KENNEDY L.S. 5350"
- ⊙ FOUND 5/8" REBAR WITH L.S. CAP STAMPED "JOHNSON L.S. 2919"
- ⊗ FOUND 1/2" REBAR
- PREVIOUS LOT LINE

NOTE:
BASIS OF BEARING
BY GPS OBSERVATION

PREPARED BY:
BRANDT LAND SURVEYING
1202 WILLOWDALE ROAD
YANKTON, SD 57078
(605) 685-8455



LOCATION (N.T.S.)

Memorandum #19-184

To: Amy Leon, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Bid Award for the Apron Expansion Project, AIP #3-46-0062-029-2019
Date: August 15, 2019

Attached is a letter of recommendation from our consulting engineer to award a bid for the Apron Expansion Project at Chan Gurney Municipal Airport. T&R Contracting, Inc. is the apparent low bidder. The bids were slightly higher than anticipated. We have a verbal confirmation from Federal Aviation Officials that the bids are acceptable.

The project involves the removal of three hangars and construction of a substantially larger apron at the airport. The project would be funded with the standard funding ratio of 90 percent federal, 5 percent state and 5 percent local. The project is included in the City's budget.

Respectfully submitted,



Dave Mingo, AICP
Community and Economic Development Director

Recommendation: It is recommended that the City Commission award the Apron Expansion Project, AIP #3-46-0062-029-2019 bid to T&R Contracting for \$1,304,458.00 contingent upon Federal Aviation Administration Grant approval and authorize the City Manager to execute all contract, grant and engineering consultant documents associated with the project.

I concur with this recommendation.
 I do not concur with this recommendation.



Amy Leon, City Manager



5110 East 57th Street
Sioux Falls, SD 57108-8748
605 271 4414
KLJENG.COM

August 9, 2019

Dave Mingo
Community Development Director
City of Yankton
416 Walnut St.
Yankton, SD 57078

Re: Letter of Recommendation
Construct Apron Expansion
AIP #3-46-0062-029-2019

Mr. Mingo:

Bids

Bids were opened at 3:00 p.m. on Monday, August 5, 2019. Three bids were received. Below is a summary of bids received with Engineer's Estimate included:

Bidder	Total Cost – Base Bid
T&R Contracting, Inc.	\$1,304,458.00
BX Civil & Construction, Inc.	\$1,374,500.00
Feimer Construction, Inc.	\$1,651,304.00
Engineer's Estimate	\$1,279,726.00

Consideration of T&R Contracting, Inc.'s Bid

When reviewing the bid proposal using KLJ's standard review process, it was determined the bid proposal conforms to the bidding document requirements in all aspects. See bid proposal review notable items below:

- DBE Goal – T&R Contracting, Inc. has provided all DBE documentation required and the bid proposal and supporting information provides for 1.7% DBE Participation. The project DBE Goal is 1.3%.
- Debarment/Suspension Status – T&R Contracting, Inc. is not listed as debarred or suspended by any Federal Department or Agency when reviewed via the System of Award Management (SAM).



Engineer's Recommendation

Taking all information above into consideration, KLJ recommends award of the low bid for the project to T&R Contracting, Inc. If the City of Yankton agrees with this recommendation, please execute the following action at your next city commission meeting:

- Approve award of project to T&R Contracting, Inc. in the amount of \$1,304,458.00 contingent upon receiving a federal grant offer for the project.
 - If the two hangars scheduled for demolition in the project that are not currently owned by the city are not acquired at the time of this city commission meeting, it is recommended to make the award of the project contingent upon acquiring these two hangars as well. If the hangars have been acquired already, no further contingency would be required.

Once the City Commission has approved the award and the federal grant agreement has been offered, we will prepare the Notice of Award (NOA) for execution. The actual contracts will not be presented to the City Commission until the NOA has been signed by the Contractor. The Contractor will then prepare their payment and performance bonds, insurance certificates, and other appropriate documents for KLJ review. If acceptable, KLJ will forward the contract package to the City of Yankton for signatures.

Please let me know if you have any questions.

Sincerely,

KLJ

A handwritten signature in blue ink, appearing to read 'Jake Braunagel', is written over a light blue horizontal line.

Jake Braunagel, PE
Project Manager

Enclosure(s): None
Project #: 1804-01511

Memorandum #19-185

To: Amy Leon, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Business Improvement District #1 Expenditure Recommendation, CVB
Date: August 15, 2019

At their meeting on August 14, 2019, the Yankton Business Improvement District (BID) #1 Board of Directors heard a request for funding from Convention and Visitor's Bureau (CVB) Director Kasi Haberman. Ms. Haberman informed the Board that the CVB would like to contract with Young Strategies, Inc. for a "Lodging Market & Visitor Profile Research Destination NEXT Strategic Planning" Process.

The cost of the proposal is \$27,600 plus some travel expenses. Ms. Haberman stated that the purpose of investing in the process is to help the CVB identify where to expend their time and resources in the coming years in an effort to more effectively provide the community what it needs.

The request from the BID funds is a one-time \$10,000 in 2019. This funding would be in addition to the 10 percent allocation that the BID contributes to the CVB annually.

The BID #1 Board of Directors recommended funding \$10,000 for the CVB to assist with the costs. Once 2019 obligations are met, the BID fund balance will be at just over \$150,000.

The recommendation to fund the project was approved by a 6 – 1 vote.

Commission approval is required for the expenditure to occur from the BID District #1 fund.

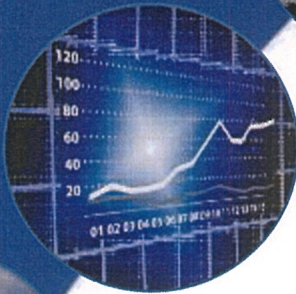
Respectfully submitted,



Dave Mingo, AICP
Community and Economic Development Director

Yankton Convention & Visitors Bureau

Proposal for:
Lodging Market &
Visitor Profile Research
DestinationNEXT
Strategic Planning



Submitted by:

YOUNG | fresh.
strategies, inc. | travel.
research.

Post Office Box 38306
Charlotte, North Carolina 28278
704-677-4018

Letter of Introduction

June 19, 2019

Greetings –

As President of Young Strategies, Inc., I ask the leadership team of the Yankton Convention & Visitors Bureau to consider the enclosed proposal for a lodging market analysis and visitor profile research. Young Strategies was incorporated in 2004 and the leadership team has worked with over 150 destinations in 33 states. No other planning firm offers the level of detailed DMO market research, planning and experience that our team brings to the table. We see the attached proposal as a first step leading to a long-term partnership with you.

Why Young Strategies? We are...

- **Practical** – we don't over-reach. Each year we select a few destinations with whom we can form a close working relationship and produce research and plans that are respected. We are never working with more than a handful of destinations at any time.
- **Reliable** – we prefer to under-promise and over-deliver. Our team is committed to client satisfaction with the reliability and actionable nature of our research. We want your leaders to look to us for reliable and believable research.
- **Engagement** – our goal is to have many travel industry partners directly involved in the research and planning process. Success is achieved when leaders and partners are engaged with the DMO team to own the research and the resulting plan. In fact, we create unique links to our online surveys and encourage your local partners to deploy the survey to their databases of visitors. We then provide your partners with unique PDF files of their survey response data at the end of the project.
- **Trust** – we work hard from the first site visit to Yankton to earn the trust of your community leaders. If they trust and respect us and our work, they will accept the final plan and support its implementation.
- **Commitment** – Once retained, we will consider ourselves to be on your team and a part of Yankton Convention & Visitors Bureau. We are all in this together; we won't be satisfied until the research and the plan are embraced by the total team including staff, partners and leaders.

The team at Young Strategies is excited about the opportunity to work with the Yankton Convention & Visitors Bureau team.

Sincerely,

Berkeley W Young

Berkeley W. Young, President
Young Strategies, Inc.
704-677-4018
byoung@youngstrategies.com

YOUNG
strategies, inc. | fresh.
travel.
research.



FRESH.

Young Strategies, Inc. (YSI) is a research and planning firm which focuses on destination marketing organizations and travel destinations. YSI's approach is to custom tailor each research study to the specific needs of the client. In today's highly technological and rapidly changing business world, market research is the best tool available to help you make effective strategic directions. Research reduces your risks, identifies opportunities for growth and helps you organize and take action.

TRAVEL.

YSI is a small boutique firm that develops a close bond with our clients who are devoted to our process that delivers clear actionable strategies for future growth. We specialize in research for travel destinations. The project team's hands-on experience includes CVB/DMO management, hotel/resort management, community economic development, convention center management, association management and parks/recreation administration. It's all we do and our clients respect our experience.

RESEARCH.

Young Strategies can help you understand and predict visitor behavior as well as provide the tools necessary to act on that information. Having worked with 150+ destinations in 33 states, we understand that your destination has unique challenges and objectives and your choice of a research and planning firm should reflect that. It's important to look for a partner with industry-specific knowledge. The final report will be an easy to read document that presents the customer-focused data with recommendations for action.

FIRM EXPERIENCE

Evidence of Qualifications

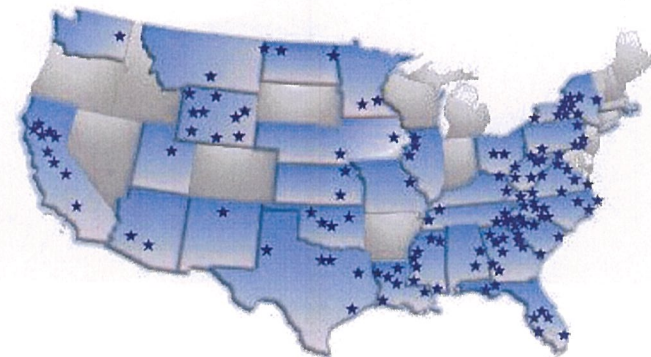
Young Strategies has an unparalleled record of success at performing for our clients to deliver actionable research and planning. We encourage you to contact our clients and see what they are saying about our performance. YSI has conducted visitor profile research and destination planning for the following destinations in 2016/18:

- Omaha, NE; Visit Omaha – Keith Backsen; (402)-444-4660; kbacksen@visitomaha.com
- Dutchess County, NY; Dutchess County Tourism – Mary Kay Vrba; (845) 463-5445; mkv@dutchesstourism.com
- Casper, WY; Visit Casper - Brook Kaufman; (307) 234-5362; brook@visitcasper.com
- Tupelo, MS; Tupelo CVB – Neal McCoy; (662) 841-6521; nmccoy@tupelo.net
- Oxford, MS; Visit Oxford – Mary Allyn Hedges; (662) 232-2477; maryallyn@oxfordcvb.com
- Cabarrus County, NC; Visit Cabarrus – Donna Carpenter; (704) 456-7961 donna@visitcabarrus.com
- Niagara Falls, NY; Niagara Falls USA – John Percy; (716) 282-8992 x307; jpercy@Niagara-usa.com

YOUNG STRATEGIES, INC. – CLIENT STATES

The project team, both individually and collectively have conducted destination research in the following states:

Alabama	Kansas	Montana	South Carolina
Arizona	Kentucky	Nebraska	South Dakota
California	Louisiana	New York	Tennessee
Florida	Massachusetts	North Carolina	Texas
Georgia	Minnesota	North Dakota	Virginia
Iowa	Mississippi	Oklahoma	West Virginia
Illinois	Missouri	Pennsylvania	Wyoming



GENERAL PROJECT OVERVIEW

Young Strategies, Inc. (YSI), a Charlotte, NC based destination research and planning firm proposes to conduct market research with Yankton hoteliers, leaders, residents and travelers (leisure, business, group, etc.) to determine specific travel behavior and spending patterns throughout the year. Each of these segments will demonstrate unique travel party characteristics and behavior patterns. YSI will partner with the Yankton Convention & Visitors Bureau (YCVB) staff to develop research-based strategies and future visitor profile targets.

Young Strategies, Inc. specializes in the development of strategic plans for destinations. Our record of success with destinations across the United States is demonstrated best by asking our clients. A list of recent YSI client contacts is provided herein for the committee to verify our reputation.



KNOW MORE **GROW MORE**



The YSI research process provides you with a segmented visitor profile and overnight visitor impact analysis that leads to a smart strategic plan. That plan will identify the visitor segments that have the potential to drive the highest spending during the periods when hotels have vacant rooms available.

1 The YSI survey of lodging properties in Yankton identify the current guest segments (conference/meeting, group tour, team sports, leisure transient, business transient, etc.) that drive room nights by percentage of total rooms sold. A detailed analysis of room supply/demand by month, week, weekday/weekend will identify the periods when the hotels need group and transient business.

2 The segmented visitor profile survey will identify the planning, behavior and spending patterns of the same visitor segments identified in the lodging surveys. This allows the team to develop an impact model of visitor segments that leads to smart strategic planning for the Yankton area.

A. PROJECT INITIATION & RECONNAISSANCE

Developing a familiarity with the destination and its leaders helps the YSI team develop a smarter strategic vision plan for Yankton CVB and the destination.

- Site visit and meetings – A YSI representative will tour the Yankton area to see what is new, meet with the Yankton CVB staff/Board, gain market knowledge first-hand and meet key travel industry leader/partners.
- YSI will gather background materials including plans, budgets, research, metrics, etc.

B. LODGING MARKET ANALYSIS - LODGING SURVEY, STR ANALYSIS AND HOTELIER and RENTAL MANAGER INTERVIEWS:

Overnight visitors typically spend 2-3 times as much as day-trippers. Taxes on lodging typically fund tourism marketing efforts. A detailed analysis of the lodging market and the guest segments that drive spending leads to a smart plan to drive increases in visitor spending.

- YSI will survey all lodging managers in Yankton to determine market segmentation, booking sources, primary feeder markets, walk-in occupancy, and taxable room percentages. Goal: 60% response of room inventory.
- Interviews with Yankton area hoteliers and rental managers.
- STR (Smith Travel Research) 6-year trend and Daily data reports - detailed analysis of the Yankton market statistics and trends by lodging type including ADR, RevPAR, Supply & Demand as well as annual, monthly, weekly and daily occupancy analysis.
- Comprehensive lodging market analysis for transient, meetings, group & sports markets.

Developing a close familiarity with the destination and a partnership with its leaders helps the YSI team make smarter recommendations from the research gathered in this methodology.

C. VISITOR PROFILE RESEARCH BY MARKET SEGMENT (ONLINE SURVEYS):

You must understand the profile and planning behavior of the varying visitor segments in order to drive increased room demand. Surveys will document the size (universe) of the potential market from each of the identified transient and group segments, identify the perceptions of Yankton as a destination, assess satisfaction levels, expenditures (economic impact) and unmet needs.

- YSI will develop a custom survey methodology that addresses the unique aspects of the Yankton travel market. No two destinations are alike. The survey must be custom designed to provide the best results for the YCVB. Goal: 1,200 visitor surveys, 200 resident surveys.
- The segments recommended to be surveyed (pending client approval) include: leisure travelers (day-trip and overnight), sports, meeting/conference attendees, and individual business travelers.
- NOTE: Partnership from the Yankton Convention & Visitors Bureau staff, hoteliers, attractions and other travel related businesses in sending survey links to 2017-2019 Yankton visitors and inquirers is essential to the success of this research. Survey links can be deployed on social media platforms and in emails directly to Yankton visitors and inquirers. Travel partners that deploy the visitor survey invitation to their database of visitors using the unique link provided will be rewarded with a PDF file of the research data collected from their visitors at the end of project.
- Final Report Data to Include (Segmented by Market):
 - o Profile of overall size (universe) of each identified segment
 - o Profile of current and most likely potential groups by segment
 - o First time vs. repeat patterns
 - o Rank order of desired new products

PROJECT APPROACH & SCHEDULE

STRATEGIC PLANNING

D. DestinationNEXT – SURVEY/SWOT ANALYSIS/GAP ANALYSIS

YSI will partner with DestinationNEXT to conduct an online survey of local travel industry and community leaders to identify destination strengths, weaknesses, opportunities and threats. The online DestinationNEXT diagnostic tool is designed to assist DMOs do an objective self-assessment which can help them determine priorities and strategies for the future. The tool presents a framework that DMO leaders and communities can use to critically assess the destination. It also helps to start a conversation and provide focus on what needs to be done in the future. An online survey delivers more comprehensive results than a tedious multi-hour SWOT analysis session that tends to exhaust leaders. Strategies will be recommended to overcome any market challenges and a product develop plan will be prepared to address issues within the destination.

E. STRATEGIC PLANNING WORKSHOP & PLAN

YSI will conduct planning workshops with any selected community/travel industry leaders desired to be in attendance .

The format of the sessions will include:

- Presentation of all research conducted in study process
- Analysis of the Yankton market as a travel destination by segment (leisure, business, sports, meetings, etc.).
- Review of DestinationNEXT community leader survey & diagnostic tool.
- Proposed and potential new product development projects as well as existing experience enhancements.
- Staff, Board and leader input and discussions of research and recommended strategies.

A strategic plan for the Yankton CVB will be developed based on research findings and leader input. The recommendations will include an analysis of the market and coordination with existing plans.

- Overall structure of DMO Board and staff
- Future product/experience development
- Recommendations and conclusions for improving Yankton's competitive position, demand generators, product/destination development and ROI.
- Recommended on-going research and tracking.



DestinationNEXT

ONLINE ASSESSMENT

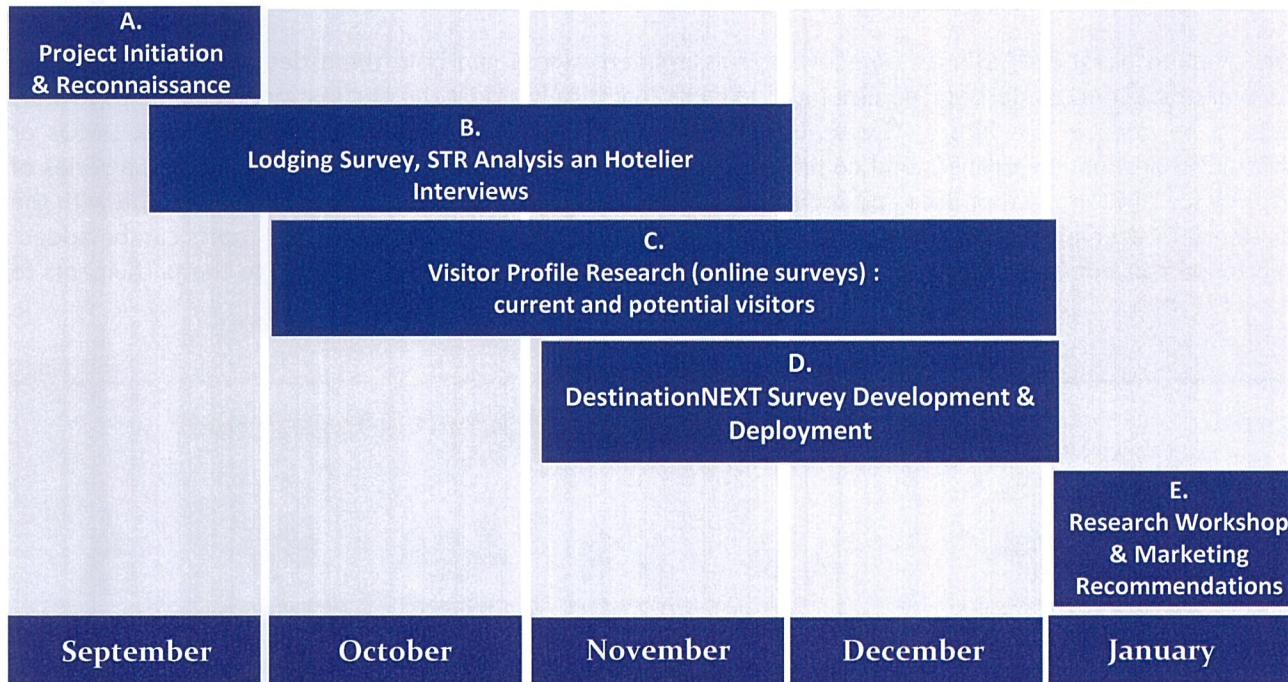
The DestinationNEXT online diagnostic tool is designed to assist DMOs in an objective self-assessment which can help them determine priorities and strategies for the future. The tool presents a framework that DMO leaders and communities can use to critically assess the destination. It also helps to start a conversation and provide focus on what needs to be done in the future. The tool is not intended to be a benchmarking index to rank DMOs or destinations. The tool is based on 20 variables related to destination strength and community support and engagement. Within each variable, a series of metrics are also identified which offer the opportunity for DMOs to gather data and provide a more in-depth look at the variable. In consultation with the client, a survey will be prepared using the DestinationNEXT scenario model. Additional questions to address some specific issues and topics can be added. An email with a link to the survey will be prepared to be sent out by the client to key stakeholders. Workbooks can also be provided to the participants to help them respond to the survey.



The online diagnostic tool is built upon two key inputs:

- An assessment of how important each variable is to the destination. In some cases, a variable may not be relevant to a destination. For example, some rural communities may not see air access as very relevant to their success. Likewise, a leisure destination may not find that convention and meeting facilities are important. The tool is designed to account for these situations.
- An assessment of the destination's perceived performance across each variable. This is done by indicating the level of agreement to a statement for each variable. The results would be analyzed with a scenario plot and detailed diagnostics report provided. The results can be segmented to show response patterns of different groups of individuals.

PROJECT BILLING SCHEDULE



PROFESSIONAL FEES

- Fees will be billed in five equal monthly payments plus billable expenses estimated below.
- All travel expenses are to be billed as incurred.
- Client is requested to obtain comped lodging rooms to defray billable travel expenses.

ADDITIONAL BILLABLE EXPENSES:

- Recon Site Visit Travel Expense Est.– \$2,700
- STR Trend & 365 Reports – \$1,575
- Research Workshop Site Visit – \$950

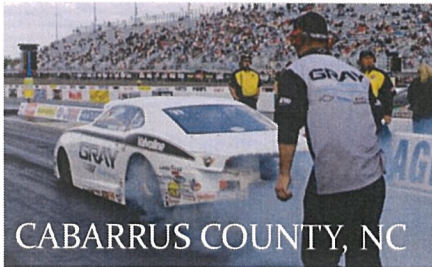
	Fee
A. Project Initiation, Planning, Reconnaissance	\$3,500
B. Lodging Survey, STR Analysis	\$10,500
C. Visitor Research (online survey): current and potential visitors	\$13,500
D. DestinationNEXT Survey, Deployment & Report	\$8,450
E. Research Workshop & Strategic Plan	\$5,150
Research Project Cost = \$41,100	

RESEARCH PROJECT OPTIONS:

- A + B + C = \$27,500
- A + B + D + E = \$27,600
- A + D + E = \$17,100
- DestinationNEXT only = \$8,450 (survey & presentation)

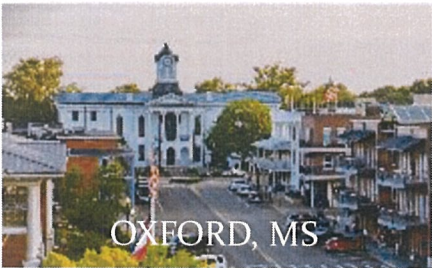
Research Study Deliverables

- PowerPoint presentation of research findings and recommendations to Yankton travel industry leaders in planning workshop format.
- Digital format final report including all research segments and recommendations.
 - Research data and analysis
 - Marketing recommendations



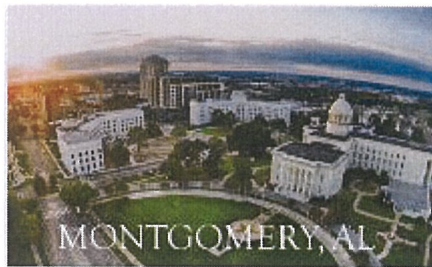
Cabarrus County, NC – Where Racing Lives

Cabarrus County, a suburb of Charlotte, is a rapidly growing and diverse destination primarily known for racing and the Charlotte Motor Speedway. The County is also home to one of the largest shopping malls in the eastern United States, Great Wolf Lodge and many other leisure activities. Visit Cabarrus County first engaged Young Strategies in 2010 and has maintained an on-going research and planning relationship since. The DMO underwent a complete research-based restructuring of its organization and brand in 2010/11. A long term strategic planning process focused leaders on critical elements of destination management and re-energized the team on leveraging the racing brand and taking it to new markets. On-going visitor profile and market segmentation research identifies those segments most likely to drive increased room nights for new and existing lodging. Further, an updated strategic plan in 2018 identified new development and destination management opportunities to take the destination into the next decade. Cabarrus County leaders see the Young Strategies team as a critical part of their destination growth effort.



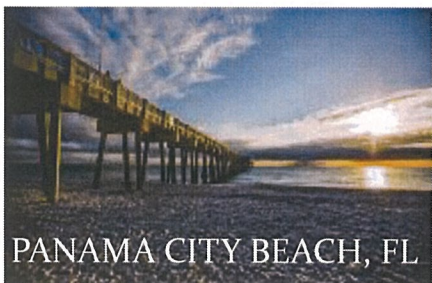
Oxford, MS – Iconic Southern College Town becomes a trendy get-away Destination

Oxford is well-known as the home of University of Mississippi (ole Miss). Event periods including football, graduation, student orientations, etc far exceed the small town's carrying capacity of 1,200 hotel rooms. And yet this town has world class boutique hotels, high fashion retail and a dining scene that includes a James Beard award-winning chef. Visitor research was conducted to document growth in visitation to the area and the increasing impact of overall tourism and non-event periods. The research identified a negative local perception of "tourism" due to the 42 days when the town is clogged with traffic jams. A strategic plan was developed to promote and market the 323 days of the year when hotels were below 60% occupancy to drive steady incremental growth that never exceeds the carrying capacity of the charming town. Tracking methods were put in place to track future growth with the client engaged in online surveys and economic impact reporting.



Alabama's Capital City – New Convention Center & Hotel Changed the Market

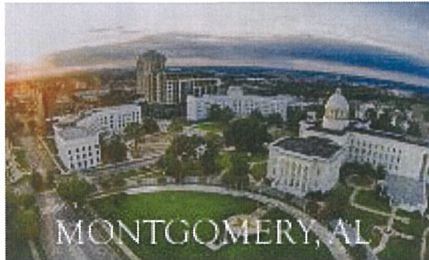
Young Strategies has worked with Montgomery leaders through the DMO since 2004. Montgomery is a growing city that has reinvented its tourism experience with a dynamic downtown featuring a 300-room Renaissance convention center hotel with an expanded and updated convention center. In close proximity are new and existing lodging properties putting Montgomery in position to compete for meetings business that could not be accommodated before. On-going visitor profile and market segmentation research identifies those segments most likely to drive increased room nights for new and existing lodging. Further, strategic planning for the city helped identify the components for new development that created a vibrant and growing destination. Montgomery leaders reach out to Young Strategies for guidance whenever a travel related issue comes up.



Panama City Beach CVB & Bay County TDC, FL – Ongoing Research and Strategic Planning

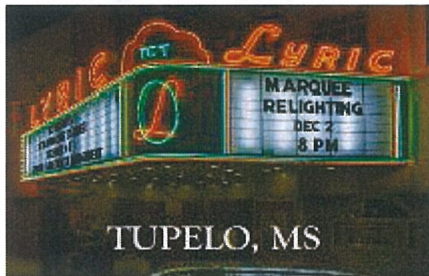
Young Strategies has worked on a contract renewed annually with the Panama City Beach CVB since 2011. The Bay County Tourist Development Council with an annual budget exceeding \$22 Million oversees the operation of the Panama City Beach CVB and numerous destination maintenance and development projects. In recent years the Panama City Beach community has endured hurricanes, the national economic downturn and a massive gulf oil disaster. YSI was retained to conduct lodging and rental market analysis, visitor profile research, economic impact and visitor volume analysis and a long range strategic planning process involving over 350 community leaders. On-going presentations are made to the Bay County TDC Board to keep them apprised of the research based planning conducted by the research team and CVB staff working in partnership. Panama City Beach leaders look to Young Strategies as their partner to provide and market intelligence on a wide range of travel industry issues.

CLIENT SATISFACTION



“Our first study was conducted in 2002. Fifteen years later I am pleased to say we are still a client of Young Strategies. We have updated our research every three to five years to make sure we are going in the right direction as a travel destination. As a result of the research we have been successful in increasing our funding from both the city and the county and our markets have continued to grow. Our elected officials know Berkeley is going to tell it like it is and not sugarcoat the data. Our leadership has the utmost respect for the Young Strategies team and we all know if there is a problem or an opportunity, we can count on them to help advise us through it in a way that benefits us all.”

–DAWN HATHCOCK, TMP, VICE PRESIDENT MONTGOMERY AREA CHAMBER OF COMMERCE



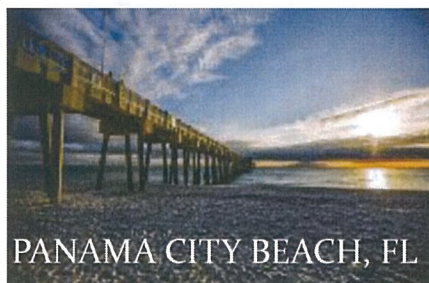
“We have worked with Young Strategies Group since late 2010. Since enlisting the services of Young Strategies, our tourism tax collection has increased from \$3.4 million in 2011 to over \$4 million in 2015. We are currently on pace to beat 2015 numbers by over 8%. We are all about results in Tupelo and Young Strategies has provided the results we were looking for by increasing visitor spending in our market. Berkeley has credibility in our community because he has delivered on the promises he made in the beginning by telling us the truth and saying something just to keep a client. He and his team are responsive to our needs. We have continued to work with Young Strategies to edit our strategic plan now that we are 5 years into our first draft.”

– NEAL MCCOY, EXECUTIVE DIRECTOR, TUPELO CONVENTION AND VISITORS BUREAU



“Young Strategies is an incredible strategic planning consultancy, especially for an emerging destination. This is the second time we have engaged them to complete our visitor profile research and strategic planning. They work really well with a destinations to harness the promotional capacity of the uniqueness that your destination offers. The end result of Young Strategies work will be a strategic direction that forms your destination marketing organization, connects it to the business community and helps lead you to a successful future that delivers return-on- investment. Young Strategies is the best.”

– MARY KAY VRBA, PRESIDENT, DUTCHESS TOURISM



“Young Strategies has been our strategic research and planning partner since 2011. During that period we have experienced dramatic growth in visitation and overall visitor spending. Berkeley Young has played a significant role in our growth by delivering reliable research and presenting it in a way that inspires our leadership team and board to make smart strategic decisions.

– DAN ROWE, PRESIDENT / CEO, PANAMA CITY BEACH CONVENTION & VISITORS BUREAU

PROJECT TEAM

BERKELEY YOUNG, PRESIDENT, YOUNG STRATEGIES – PROJECT TEAM LEADER

20+ years of travel/tourism marketing and management experience including destination marketing and hotel management. Young's experience includes serving as the Executive Director of a start-up convention and visitor's bureau and chamber of commerce in which he oversaw the creation and success of a research-based tourism marketing program for a rural county in the mountains of North Carolina. Then, Young was hired as Director of Sales and quickly promoted to General Manager of a large golf resort managed by Interstate Hotels Corporation. Young joined Randall Travel Marketing in 1998 as Vice President conducting research for DMOs throughout the United States. He opened Young Strategies in November 2004 focusing on strategic planning and research for destination marketing organizations. Young is a top rated speaker at regional and national conferences. As the project team leader Berkeley Young will serve as the primary client contact and chief strategist. Young's experience as a hotelier uniquely qualifies him to lead lodging market analyses for destinations. The total research methodology will be tailored to the unique needs of the destination and actionable strategies will be developed from the resulting data and community leader input. Young is known for his consensus building, active listening and thoughtful consideration when developing a plan for a community.

AMY STEVENS, VICE PRESIDENT, YOUNG STRATEGIES – RESEARCH OVERSIGHT

More than 15 years of travel, tourism and marketing experience. As Vice President/Research Director, Stevens is responsible for writing surveys, conducting research, analyzing data and writing reports for Young Strategies. Stevens worked with Randall Travel Marketing prior to working for Young Strategies. Stevens also worked with Navigant International, the second largest travel management company in the United States, and was responsible for sales, business travel accounts, training/development and conflict resolution. She handled written and multi-media presentations and developed marketing materials and programs to increase both leisure and corporate business travel. In 2017 Stevens earned the Certified Hotel Industry Analyst (CHIA) certification from STR and AHLA. Stevens will take the research lead on this market research study to keep all steps in the process on schedule and well organized to deliver maximum results for the client.

MCKENZIE GRAHAM, YOUNG STRATEGIES – RESEARCH COORDINATOR

A University of South Carolina graduate, McKenzie has been with Young Strategies for the last 3 years as Office Manager and Research Coordinator. McKenzie specializes in running the office, data analysis, compilation and report development.

MADelyn MATLOCK, YOUNG STRATEGIES – RESEARCH ANALYST

A University of North Carolina Wilmington graduate, Madelyn has been with Young Strategies for the last 3 years as a Research Coordinator and Analyst. Madelyn specializes in survey instrument development, data collection, lodging data analysis and report development.

ORDINANCE NO . 1024

AN ORDINANCE APPROPRIATING MONIES FOR
DEFRAYING THE NECESSARY EXPENSES AND
LIABILITIES OF THE CITY OF YANKTON, SOUTH
DAKOTA, FOR THE FISCAL YEAR BEGINNING JANUARY 1,
2020, AND ENDING DECEMBER 31, 2020, AND PROVIDING
FOR THE LEVY OF THE ANNUAL TAX FOR ALL FUNDS
CREATED BY THE ORDINANCE WITHIN SAID CITY.

BE IT ORDAINED by the City of Yankton, South Dakota

That thereby and hereby is appropriated by the Board of Commissioners of the City Yankton, South Dakota, for the year commencing the first moment of the first day of January 2020, the following sums of money for the purposes, which are deemed necessary to defray all necessary expenses and liabilities of the City of Yankton, South Dakota, to wit:

SECTION I - GENERAL FUND

A. Appropriations

General Government:

Board of City Commissioners	\$ 154,283
City Manager	388,639
City Attorney	113,721
Finance Office	683,044
Information Services	466,561
Community Development	540,682
Contingency	<u>300,000</u>
TOTAL GENERAL GOVERNMENT	<u>2,646,930</u>

Public Safety:

Police Department	3,523,530
Fire Department	782,963
Civil Defense	<u>4,960</u>
TOTAL PUBLIC SAFETY	<u>4,311,453</u>

Public Works:

Engineering & Inspection	687,501
Street & Highways	2,241,127
Snow & Ice Removal	266,777
City Hall	325,379
Traffic Control	650,209
Chan Gurney Airport	<u>620,494</u>
TOTAL PUBLIC WORKS	<u>4,791,487</u>

Special Appropriations	<u>132,187</u>
TOTAL SPECIAL APPROPRIATIONS	<u>132,187</u>

Culture - Recreation:	
Senior Citizens Center	95,478
Community Library	<u>809,392</u>
TOTAL CULTURE - RECREATION	<u>904,870</u>

Other Financing Uses / Transfers Out	
TOTAL OTHER FINANCING USES	<u>3,342,660</u>

TOTAL APPROPRIATIONS	<u>\$ 16,129,587</u>
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B. Means of finance

Unappropriated Fund Balances	<u>\$ 3,540,717</u>
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Current Property Taxes	2,778,871
Sales & Other Taxes	6,086,398
Licenses & Permits	329,675
Intergovernmental Revenue	780,502
Charges for Goods & Services	2,308,850
Fines & Forfeits	4,250
Miscellaneous Revenues	<u>59,000</u>
TOTAL REVENUE	<u>12,347,546</u>

Other Financing Sources / Transfers In	<u>241,324</u>
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TOTAL MEANS OF FINANCE	<u>\$ 16,129,587</u>
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SECTION II - SPECIAL REVENUE

A. Appropriations		
Parks & Recreation		\$ 1,723,262
Memorial Park Pool		27,233
Summit Activies Center		857,311
Marne Creek		9,113,151
Casualty Reserve Fund		5,000
Bridge & Street Fund		70,000
911/Dispatch		887,744
Business Improvement District		128,900
Lodging Sales Tax		1,100,337
Infrastructure Improvement Revolving - Transfer to Infr. Imp. Constr.		<u>44,720</u>
TOTAL APPROPRIATIONS		<u>\$ 13,957,658</u>
B. Means Of Finance		
Unappropriated Fund Balance		<u>\$ 934,930</u>
Parks & Recreation Revenue		17,830
Memorial Pool Revenue		600
Summit Activies Center Revenue		476,870
Marne Creek Revenue		6,750,300
Casualty Reserve - Interest		250
Bridge & Street Revenue		21,497
911/Dispatch		144,013
Business Improvement District		142,500
Lodging Tax		634,842
Infrastructure Improvement Revolving		<u>44,720</u>
TOTAL REVENUE		<u>8,233,422</u>
Transfer From General Fund		<u>2,967,088</u>
Transfer From Special Capital Fund		<u>2,300,602</u>
TOTAL MEANS OF FINANCE		<u>\$ 14,436,042</u>

SECTION III - CAPITAL PROJECT FUNDS

A. Appropriations	
Public Improvement	\$ -
Airport Capital Projects	2,195,000
Park Capital Projects	188,000
Infrastructure Improvement Construction	100,000
Huether Aquatics Center Construction	15,000,000
Special Capital Improvement	5,902,121
Tax Incr. District #2 Morgan Square	55,423
Tax Incr. District #5 Menards	194,610
Tax Incr. District #6 Westbrook Estates	195,516
Tax Incr. District #7 West 10th Street	12,832
Tax Incr. District #8 Westbrook Phase 2	205,000
TOTAL APPROPRIATIONS	<u>\$ 24,048,502</u>
B. Means of Finance	
Unappropriated Fund Balance	\$ (975,890)
Public Improvement Revenue	-
Airport Capital Projects	2,195,000
Park Capital Revenue	-
Infrastructure Improvement Construction	-
Huether Aquatics Center Construction	14,550,000
Special Capital Improvement	4,710,405
TID #2 Morgan Square	57,071
TID #5 Menards	143,675
TID #6 Westbrook Estates	195,516
TID #7 West 10th Street	12,832
TID #8 Westbrook Phase 2	5,000
TOTAL REVENUE	<u>21,869,499</u>
Transfer from General Fund	188,000
Transfer from Park Improvement Fund	-
Transfer from BBB Fund	505,914
Transfer from Infrastructure Impr. Fund	44,720
Transfer from Special Capital Fund	-
Loan from General Fund	-
Loan from Special Capital Fund	200,000
TOTAL OTHER FINANCING SOURCES	<u>938,634</u>
TOTAL MEANS OF FINANCE	<u>\$ 21,832,243</u>

SECTION IV - ENTERPRISE FUNDS
MEMO ONLY

				Solid Waste		
	Water	Waste- Water	Cemetary	Collection	Joint Powers (Yankton Only)	Golf Course
Unappropriated Fund Balance	\$ 11,020,291	\$ 907,937	\$ 7,392	\$ 1,463,847	\$ (84,277)	\$ 68,177
Estimated Revenues:						
Operations	7,305,453	4,196,993	25,500	1,767,674	1,297,000	-
Other	<u>172,000</u>	<u>27,900</u>	<u>2,100</u>	<u>13,000</u>	<u>5,100</u>	<u>65,000</u>
TOTAL REVENUE	<u>7,477,453</u>	<u>4,224,893</u>	<u>27,600</u>	<u>1,780,674</u>	<u>1,302,100</u>	<u>65,000</u>
Operating Transfer In	-	-	<u>90,922</u>	-	-	<u>96,650</u>
Depreciation	<u>\$1,096,628</u>	<u>899,353</u>	-	<u>106,790</u>	<u>194,196</u>	<u>46,407</u>
Amortization	-	-	-	-	-	-
Revolving Loan Funds	-	-	-	-	-	-
Grant Funds	-	-	-	-	-	-
TOTAL FUNDS AVAILABLE	<u>\$ 19,594,372</u>	<u>\$ 6,032,183</u>	<u>\$ 125,914</u>	<u>\$ 3,351,311</u>	<u>\$ 1,412,019</u>	<u>\$ 276,234</u>
Appropriations:						
Operating	\$ 3,564,385	\$ 3,141,216	\$ 104,022	\$ 1,234,788	\$ 1,716,281	\$ 53,557
Non-Operating	1,286,743	176,883	-	8,529	11,156	54,500
Operating Transfer Out	71,346	60,046	-	-	-	-
Improvement & Exts/Capital	2,292,151	1,808,445	14,500	250,843	517,227	100,000
Unobligated	<u>12,379,747</u>	<u>845,593</u>	<u>7,392</u>	<u>1,857,151</u>	<u>(832,645)</u>	<u>68,177</u>
TOTAL APPROPRIATIONS	<u>\$ 19,594,372</u>	<u>\$ 6,032,183</u>	<u>\$ 125,914</u>	<u>\$ 3,351,311</u>	<u>\$ 1,412,019</u>	<u>\$ 276,234</u>

SECTION V - INTERNAL SERVICE FUNDS
CENTRAL GARAGE

Unappropriated Fund Balance	\$ 231,839
Estimated Revenue - Billings	<u>930,462</u>
TOTAL ESTIMATED BALANCE & REVENUES	\$ 1,162,301
Less Appropriations	<u>908,418</u>
Estimated Surplus	<u>\$253,883</u>

SECTION VI - TAX LEVY

That there is hereby levied upon all taxable property within said City of Yankton, South Dakota, for the purposes of providing funds to meet the lawful expenses and liabilities of the City of Yankton, South Dakota, as herein set forth for the fiscal year of 2019, a tax sufficient to raise \$2,778,871 in regular property taxes, which as received by the Finance Officer shall be credited to the General Fund, and an additional \$175,000 in opt-out property taxes which will be used for the annual debt service requirement for the Second Fire Station, and an additional \$884,043 in opt-out property taxes which will be used for the annual debt service requirement for the new aquatics center to Fantle-Memorial Park

That the Finance Officer of the City of Yankton be and hereby is authorized and directed to certify the said regular tax levy, \$2,778,871 and the opt-out levies, \$175,000 and \$884,043 to the County Auditor of the County of Yankton, South Dakota, to the end that the same may be spread and assessed as provided by law.

SECTION VII - EFFECTIVE DATE

This Ordinance being necessary for the support of the government of the City of Yankton and its existing institutions shall take effect upon its passage and publication.

Adopted:

Nathan V. Johnson
Mayor

ATTEST :

Al Viereck
Finance Officer

Introduction and first reading: August 26, 2019
Second reading : September 9, 2019
Published in the Yankton Daily Press and Dakotan, Official Newspaper: Sept. , 2019

I so certify

Al Viereck
Finance Officer

Memorandum #19-174

To: Amy Leon, City Manager
From: Bradley Moser, Civil Engineer
Subject: Change Order Number 1, Final Project Acceptance and Final Payment for the Walnut Street Reconstruction from 2nd Street to 4th Street
Date: August 21, 2019

From the input received from Design SD, the Meridian District and the general public a vision was developed, and a plan finalized approximately a year and a half ago to reconstruct Walnut Street from 2nd Street to 4th Street. In a collaborative effort, Stockwell Engineering and City Engineering staff were able to utilize that input to design a welcoming, pedestrian friendly and stunningly beautiful entry into the heart of the historic downtown. Now that the final punch list items have been addressed the project is ready for acceptance.

The scope of the project included installing a street section that allowed for the addition of new flower beds to be located behind the curb. There was water main and storm sewer installed. Also as part of the project there was tree up-lighting, electrical outlets, and other miscellaneous amenities included.

As you can see from the attached Change Order No. 1, there were 69 construction items for which there was a change in quantity. This resulted in a construction cost increase of \$21,126.75. A good portion of these items were directly related to underground issues, such as vaults, old building footings and underground tanks, that were unknown at the time the project was designed and the contract documents drafted.

Since this project was not completed by the deadline, there were 17 days liquidated damages assessed for a total amount of \$17,850.00.

The difference between the additional construction costs and the liquidated damages resulted in a net increase to the project cost, of \$3,276.75. This adjusted the construction cost from \$2,003,633.50 to \$2,006,910.25.

City staff has reviewed the project, the change order and the final pay request. We recommend that Change Order No. 1 be approved, that the project be accepted and that the City Finance Officer be authorized to issue a manual check in the amount of \$245,674.66, to Feimer Construction, Inc., based on the attached final pay request.

Respectfully submitted,

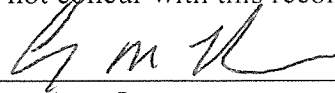


Bradley Moser
Civil Engineer

Recommendation: It is recommended that the City Commission approve Change Order No. 1, accept the completed reconstruction on Walnut Street reconstruction, and authorize the Finance Officer to issue a manual check to Feimer Construction, Inc., in the amount of \$245,674.66, as detailed in Memorandum #19-174.

I concur with this recommendation.

I do not concur with this recommendation.



Amy Leon
City Manager

cc: Adam Haberman (electronic)
file

_____ Roll call

CITY OF YANKTON
CHANGE ORDER #1

CONTRACTOR: **Feimer Construction**
PROJECT NO. 2017-043
DESCRIPTION: Walnut St. from 2nd to 4th

THE FOLLOWING CHANGES ARE HEREBY MADE TO THE CONTRACT DOCUMENTS

SCHEDULE I

ITEM	ORIGINAL	FINAL QUANTITY	CHANGE IN QUANTITIES	PRICE	TOTAL
2. SAW EXISTING CONCRETE (LF)	1000	498	-502	\$7.75	(\$3,890.50)
4. REMOVAL OF ASPHALT (SY)	1504	881	-623	\$2.00	(\$1,246.00)
5. REMOVAL OF CURB AND GUTTER	1195	1197	2	\$4.00	\$8.00
7. UNDERCUTTING (CY)	100	50	-50	\$10.00	(\$500.00)
8. WATER FOR EMBK. OR GRAN. MATRL.(KGAL)	10	0	-10	\$50.00	(\$500.00)
10. SEEDING MULCHING AND FERTILIZER (LS)	1	0	-1	\$500.00	(\$500.00)
11. VEHICLE TRACKING CONTROL (EA)	1	0	-1	\$500.00	(\$500.00)
12. INLET SEDIMENT CONTROL (EA)	3	0	-3	\$150.00	(\$450.00)
14. GEOTEXTILE FABRIC (SY)	300	0	-300	\$2.35	(\$705.00)
16. 2X3 TYPE B INLET (EA)	14	15	1	\$1,750.00	\$1,750.00
18. SS JUNCT. BOX 4X4 (EA)	5	4	-1	\$3,250.00	(\$3,250.00)
19. F & I 18" RCP (LF)	500	507	7	\$40.00	\$280.00
23. R 1801 -E FRAME AND GRATE	2	4	2	\$1,150.00	\$2,300.00
25. 6" PVC WATERMAIN C-900	870	900	30	\$25.75	\$772.50
26. 1" COPPER SERVICE LINE (LF)	730	450	-280	\$17.00	(\$4,760.00)
27. 6" MJ GATE VALVE (EA)	5	6	1	\$1,150.00	\$1,150.00
28. 6" MEGALUGS (EA)	29	30	1	\$45.00	\$45.00
32. 1" CURB STOP AND BOX (EA)	19	14	-5	\$300.00	(\$1,500.00)
33. WATER SERVICE LINE RECONNECT (EA)	19	16	-3	\$125.00	(\$375.00)
39. TRAFFIC CONTROL (UNITS)	1335	1250	-85	\$0.50	(\$42.50)
41. 8" PCC PAVEMENT (SY)	5125	4809	-316	\$45.00	(\$14,220.00)
42. 8" FILLET SECTION (SF)	384	342	-42	\$12.00	(\$504.00)
43. CONCRETE C & G B68 (LF)	2155	2316	161	\$20.00	\$3,220.00
44. TYPE P C & G SPECIAL CURB (LF)	205	204	-1	\$20.00	(\$20.00)
45. 6" SIDEWALK WITH CURB ATTACHED (SF)	2580	2603	23	\$9.00	\$207.00
46. 6" CURB (LF)	185	63	-122	\$19.00	(\$2,318.00)
47. 8" APPROACH PAVEMENT (SF)	1717	1450	-267	\$9.00	(\$2,403.00)
48. 6" CONCRETE SIDEWALK (SF)	20978	16941	-4037	\$8.50	(\$34,314.50)
49. 6" COLORED CONCRETE SIDEWALK (SF)	13673	12823	-850	\$13.00	(\$11,050.00)
51. DETECTABLE WARNING PANELS (SF)	160	144	-16	\$45.00	(\$720.00)
52. INSERT STEEL BARS (EA)	45	40	-5	\$15.00	(\$75.00)
53. SIDEWALK DRAIN (EA)	1	3	2	\$2,250.00	\$4,500.00
54. TEMP. BOARDWALK (SF)	6160	4008	-2152	\$2.50	(\$5,380.00)
54. 6" PCC PAVEMENT (SY)	0	560	560	\$40.50	\$22,680.00
56. SS JUNCTION BOX 5X5 (EA)	0	1	1	\$3,750.00	\$3,750.00
57. 8" COLORED CONCRETE (SY)	0	387	387	\$71.25	\$27,573.75
58. 6" X 6" MJ TEE (EA)	0	2	2	\$400.00	\$800.00
59. 6" X 4" MJ REDUCER (EA)	0	1	1	\$250.00	\$250.00
60. 4" PVC WATERMAIN C-900 (LF)	0	40	40	\$24.00	\$960.00
61. 4" X 45 DEGREE BEND (EA)	0	2	2	\$275.00	\$550.00
62. 4" MEGALUGS (EA)	0	5	5	\$35.00	\$175.00

63. 4" MJ SLEEVE (EA)	0	1	1	\$325.00	\$325.00
64. 2" COPPER SERVICE LINE (LF)	0	30	30	\$45.00	\$1,350.00
65. 2" SADDLE AND CORP (EA)	0	1	1	\$600.00	\$600.00
66. 2" CURB STOP AND BOX (EA)	0	1	1	\$675.00	\$675.00
67. RECONNECT 2" WATER SERVICE (EA)	0	1	1	\$450.00	\$450.00
68. REMOVE AND DISPOSE OF FUEL TANKS (EA)	0	5	5	\$250.00	\$1,250.00
69. BACKFILL VAULT AND CLOSE DOORWAY (EA)	0	1	1	\$2,500.00	\$2,500.00
70. REMOVE FOOTINGS/FOUNDATION (LS)	0	1	1	\$3,250.00	\$3,250.00
71. MARLOW LAW OFFICE VAULT CLOSURE	0	1	1	\$13,290.00	\$13,290.00
72. 1 1/2" COPPER SERVICE LINE	0	33	33	\$42.00	\$1,386.00
73. 1 1/2" CURB STOP	0	1	1	\$650.00	\$650.00
74. 1 1/2" SADDLE AND CORP	0	1	1	\$575.00	\$575.00
75. RECONNECT 1 1/2" WATER SERVICE	0	1	1	\$400.00	\$400.00
76. FILL COAL SHUTES	0	4	4	\$150.00	\$600.00
77. ANDERSON REALITY REM FND CLOSE VAULT	0	1	1	\$2,225.00	\$2,225.00
78. AFLAC VAULT CLOSER	0	1	1	\$750.00	\$750.00
79. 1 1/4" COPPER SERVICE LINE	0	88	88	\$50.00	\$4,400.00
80. 1 1/4" CURB STOP	0	2	2	\$600.00	\$1,200.00
81. 1 1/4" SADDLE AND CORP	0	2	2	\$550.00	\$1,100.00
82. RECONNECT 1 1/4" SERVICE LINE	0	2	2	\$400.00	\$800.00
83. GRIND CORNERS ON CORTEN	0	25	25	\$10.00	\$250.00
84. FIRE PIT POST	0	1	1	\$500.00	\$500.00
85. RECONNECT ERIKSON WATER SERVICE	0	1	1	\$250.00	\$250.00

SCHEDULE II

2. CLEAR AND GRUB TREE	2	1	-1	\$500.00	(\$500.00)
33. 120/240 , 50A RECEPTACLE AND PEDESTAL	3	0	-3	\$225.00	(\$675.00)
38. DIRECT BURY IN LIEU OF CONC BASE	0	21	21	-\$6.00	(\$126.00)
39. CHANGE LIGHTING TO 240 VOLTS	0	1	1	-\$340.00	(\$340.00)
40. CHANGE 50A PRECEPTACLE AND PEDESTAL	0	3	3	\$748.00	\$2,244.00

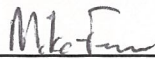
TOTALS FOR CHANGE ORDER #1

\$21,126.75

ORIGINAL CONTRACT AMOUNT:	\$2,003,633.50
THE CONTRACT AMOUNT DUE TO THIS CHANGE ORDER WILL BE INCREASED/ BY:	\$21,126.75
LIQUIDATED DAMAGES: 17 DAYS AT \$1050.00 PER DAY	\$17,850
NET CHANGE ORDER	\$3,276.75
THE NEW CONTRACT AMOUNT INCLUDING THIS CHANGE ORDER WILL BE:	\$2,006,910.25
ORIGINAL COMPLETION DATE: 11/1/2018	
ADJUSTED COMPLETION DATE	0

APPROVALS REQUIRED:

ACCEPTED BY:



 CONTRACTOR

ORDERED BY:

 CITY OF YANKTON

**CITY OF YANKTON
PROGRESS ESTIMATE**

CONTRACTOR: **FEIMER CONSTRUCTION**
PROJECT NO: 2017-043
DESCRIPTION: **WALNUT ST. 2ND TO 4TH**

PROGRESS EST. NO: **#9**
PERIOD: 3-29-19 TO 4-24-19

DATE OF CONTRACT: 4-13-18
AMOUNT OF CONTRACT AS AWARDED: **\$2,003,633.50**
CHANGE ORDERS:
#1 **\$3276.75**
#2
#3

CONTRACT PERIOD: COMPLETION BY 11-1-18
% OF TIME USED: 100%
% COMPLETED: 100%

PREVIOUS PAYMENTS AUTHORIZED:
EST. PAYMENTS AUTH.
#1 **\$145,748.93**
#2 **\$101,396.59**
#3 **\$232,450.78**
#4 **\$469,904.03**
#5 **\$258,215.93**
#6 **\$330,804.64**
#7 **\$150,489.44**
#8 **\$72,225.25**

TOTAL CHANGE ORDERS:
TOTAL AMENDED CONTRACT AMOUNT: **\$2,006,910.25** TOTAL PREVIOUS PAYMENTS AUTHORIZED **\$1,761,235.59**

BID ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	QUANTITY COMPLETED	TOTAL AMOUNT
REMOVALS AND GRADING						
1	MOBILIZATION	1	LS	\$75,000.00	1.00	\$75,000.00
2	SAW EXISTING CONCRETE	1000	LF	\$7.75	498.0	\$3,859.50
3	REMOVAL OF CONCRETE	10046	SY	\$4.00	10046.0	\$40,184.00
4	REMOVAL OF ASPHALT	1504	SY	\$2.00	881.0	\$1,762.00
5	REMOVAL OF CURB AND GUTTER	1195	LF	\$4.00	1197.0	\$4,788.00
6	UNCLASSIFIED EXCAVATION	1	LS	\$4,250.00	1.0	\$4,250.00
7	UNDERCUTTING	100	CY	\$10.00	50.0	\$500.00
8	WATER FOR EMBK. OR GRANULAR MATERIAL	10	K GAL	\$50.00	0.0	\$0.00
9	STUMP REMOVAL	38	EA	\$350.00	38.0	\$13,300.00
EROSION CONTROL						
10	SEEDING, MULCHING, FERTILIZER	1	LS	\$500.00	0.0	\$0.00
11	VEHICLE TRACKING CONTROL	1	EA	\$500.00	0.0	\$0.00
12	INLET SEDIMENT CONTROL	3	EA	\$150.00	0.0	\$0.00
13	SILT FENCE	50	LF	\$4.00	50.0	\$200.00
14	GEOTEXTILE FABRIC	300	SY	\$2.35	0.0	\$0.00
STORM SEWER						
15	REMOVAL OF JB/MH/DI	13	EA	\$250.00	13.0	\$3,250.00
16	2X3 TYPE B INLET	14	EA	\$1,750.00	15.0	\$26,250.00
17	TYPE S DROP INLET	2	EA	\$2,750.00	2.0	\$5,500.00
18	SS JUNCT. BOX 4X4	5	EA	\$3,250.00	4.0	\$13,000.00
19	F&I 18" RCP	500	LF	\$40.00	507.0	\$20,280.00
20	F&I 24" RCP	78	LF	\$45.00	78.0	\$3,510.00
21	REMOVAL OF EXISTING PIPE	482	LF	\$4.00	482.0	\$1,928.00
22	CORE INTO EX. DROP INLET	2	EA	\$1,200.00	2.0	\$2,400.00
23	R 1801-E FRAME AND GRATE	2	EA	\$1,150.00	4.0	\$4,600.00
24	6" PERFORATED DRAIN TILE	1520	LF	\$17.00	1520.0	\$25,840.00
WATERMAIN						
25	6" PVC WATERMAIN C-900	870	LF	\$25.75	900.0	\$23,175.00
26	1" COPPER SERVICE LINE	730	LF	\$17.00	450.0	\$7,650.00
27	6" MJ GATE VALVE	5	EA	\$1,150.00	6.0	\$6,900.00
28	6" MEGALUGS	29	EA	\$45.00	30.0	\$1,350.00
29	6" MJ OVERSIZED SLEEVE	2	EA	\$200.00	2.0	\$400.00
30	16"x6" MJ TEE	0	EA	\$0.00	0.0	\$0.00
31	CUT AND TIE INTO EXISTING MAIN	4	EA	\$750.00	4.0	\$3,000.00
32	1" CURB STOP AND BOX	19	EA	\$300.00	14	\$4,200.00
33	WATER SERVICE LINE RECONNECT	19	EA	\$125.00	16	\$2,000.00
34	TEMP. FIRE HYDRANT	2	EA	\$500.00	2	\$1,000.00
35	GRAN. MATRL. FOR WATERMAIN	886	LF	\$4.00	886	\$3,544.00
36	REMOVE EXISTING VALVE BOX	3	EA	\$75.00	3	\$225.00
37	6" MJ CAP	2	EA	\$125.00	2	\$250.00
38	6" X 45 DEGREE BEND	6	EA	\$350.00	6	\$2,100.00
TRAFFIC CONTROL						
39	TRAFFIC CONTROL	1335	UNITS	\$0.50	1250.0	\$625.00
40	TRAFFIC CONTROL MISC.	1	LS	\$4,500.00	1.0	\$4,500.00
SURFACING						
41	8" PCC PAVEMENT	5125	SY	\$45.00	4809.0	\$216,405.00
42	8" CONCRETE FILLET SECTION	384	SF	\$12.00	342.0	\$4,104.00
43	CONCRETE C & G TYPE B68	2155	LF	\$20.00	2316.0	\$46,320.00
44	TYPE P C&G AND SPECIAL CURB	205	LF	\$20.00	204.0	\$4,080.00
45	6" SIDEWALK W/ ATTACHED CURB	2580	SF	\$9.00	2603.0	\$23,427.00
46	6" CURB	185	LF	\$19.00	63.0	\$1,197.00
47	8" APPROACH PAVEMENT	1717	SF	\$9.00	1450.0	\$13,050.00
48	6" CONCRETE SIDEWALK	20978	SF	\$8.50	16941	\$143,998.50
49	6" COLORED CONCRETE SW	13673	SF	\$13.00	12823	\$166,699.00
50	6" AGG. BASE COURSE	5880	SY	\$3.75	5880	\$22,050.00
51	DETECTABLE WARNING PANELS	160	SF	\$45.00	144	\$6,480.00
52	INSERT STEEL BARS	45	EA	\$15.00	40	\$600.00
53	SIDEWALK DRAIN	1	EA	\$2,250.00	3	\$6,750.00
54	TEMP. BOARDWALK	6160	SF	\$2.50	4008	\$10,020.00
ADDITIONAL ITEMS						
55	6" PCC PAVEMENT	0	SY	\$40.50	560	\$22,680.00
56	SS JUNCTION BOX 5X5	0	EA	\$3,750.00	1	\$3,750.00
57	8" COLORED CONCRETE	0	SY	\$71.25	387	\$27,573.75
58	6" X 6" MJ TEE	0	EA	\$400.00	2	\$800.00
59	6" X 4" MJ REDUCER	0	EA	\$250.00	1	\$250.00
60	4" PVC WATERMAIN C-900	0	LF	\$24.00	40	\$960.00
61	4" x 45 DEGREE MJ BEND	0	EA	\$275.00	2	\$550.00
62	4" MEGALUGS	0	EA	\$35.00	5	\$175.00
63	4" MJ SLEEVE	0	EA	\$325.00	1	\$325.00
64	2" COPPER SERVICE LINE	0	EA	\$45.00	30	\$1,350.00
65	2" SADDLE AND CORP	0	EA	\$600.00	1	\$600.00
66	2" CURB STOP AND BOX	0	EA	\$675.00	1	\$675.00
67	RECONNECT 2" WATER SERVICE	0	EA	\$450.00	1	\$450.00
68	REMOVE AND DISPOSE OF FUEL TANKS	0	EA	\$250.00	5	\$1,250.00
69	BACKFILL VAULT AND CLOSE DOORWAY	0	EA	\$2,500.00	1	\$2,500.00
70	REMOVE FOOTING/FOUNDATION	0	LS	\$3,250.00	1	\$3,250.00
71	MARLOW LAW OFFICE VAULT CLOSER	0	LS	\$13,290.00	1	\$13,290.00
72	1 1/2" COPPER SERVICE LINE	0	LF	\$42.00	33	\$1,386.00
73	1 1/2" CURB STOP	0	EA	\$650.00	1	\$650.00
74	1 1/2" SADDLE AND CORP	0	EA	\$575.00	1	\$575.00

