



2024_02_26

**CITY COMMISSION
MEETING**



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, February 26, 2024

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**

If you would like to watch the City Commission meeting you can do so by accessing the City of Yankton’s YouTube Live Channel. <https://www.youtube.com/c/cityofyankton/live>

TV Schedule: Mondays at 7:03 p.m. and Tuesday following meeting at 1:00 p.m. on Midco Channel 3 and Bluepeak Channel 98.

I. ROUTINE BUSINESS

1. **Roll Call**

2. **Approve Minutes of Regular Meeting of February 12, 2024**

Attachment I-2

3. **Schedule of Bills**

Attachment I-3

4. **City Manager’s Report**

Attachment I-4

5. **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.

1. **Public Hearing for Sale of Alcoholic Beverages**

Establish March 11, 2024 as the date for the public hearing for a Special On-sale Liquor License for one day, June 8, 2024, from Rock ‘N’ Rumble, Inc., d/b/a Yankton Ribfest, at the following location: The block of 3rd Street between Cedar Street and Walnut Street, plus one-half block West on 3rd Street to the alley, plus one-half block of Walnut Street to the alley and one half block North and South on Walnut and 3rd Streets.

Attachment II-1

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.

1. Public Hearing for Sale of Alcoholic Beverages

Consideration of Memorandum #24-24 regarding the request for transfer of ownership and location of a Retail (on-off sale) Malt Beverage & SD Farm Wine License for July 1, 2023 to June 30, 2024 from Chuck Stop LLC d/b/a Chuck Stop (Charles Rezac, Owner), 800 Summit Street, Yankton, South Dakota to Diggers, Inc. d/b/a The Fox Den (Larry Olson, Owner), 511 West 4th Street, Suite C, Yankton, South Dakota. This alcohol license number RB-3406 is endorsed with video lottery.

Attachment III-1

2. Public Hearing for Sale of Alcoholic Beverages

Consideration of Memorandum #24-38 regarding the request for a Special On-sale Malt Beverage Retailers License and a Special On-sale Wine Retailers License for 1 day, April 10, 2024, from Mount Marty University – Fresh Ideas, 1105 W. 8th Street.

Attachment III-2

3. Public Hearing for Sale of Alcoholic Beverages

Consideration of Memorandum #24-39 regarding the request for a new Retail (on-off sale) Malt Beverage & SD Farm Wine license for July 1, 2023 to June 30, 2024 from Chuck Stop LLC d/b/a Chuck Stop (Charles Rezac, Owner), 800 Summit Street, Yankton, South Dakota. This alcohol license is not endorsed with video lottery.

Attachment III-3

4. Public Hearing for Sale of Alcoholic Beverages

Consideration of Memorandum #24-46 recommending that the City Commission take action on the Uniform Alcoholic Beverage License Application from 6th Meridian, LLC d/b/a Farm House Food Co.

Attachment III-4

5. Revisit 12th Package Off-Sale Liquor License

Consideration of Memorandum #24-44 recommending that the City Commission direct staff on how to proceed with the sale of the new 12th package off-sale liquor license.

Attachment III-5

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. Tire Disposal Fee Schedule

Consideration of Memorandum #24-40 recommending adoption of Resolution #24-11 and authorize the tire disposal fees listed in Memorandum #24-40 to become effective April 1, 2024.

Attachment IV-1

2. **Mead Museum Request**
Consideration of Memorandum #24-42 which recommends the City Commission approve a one-time contribution of \$30,000 from the Bed, Board and Booze (BBB) fund for the Mead Museum, and direct the City Manager and staff to continue conversations with the Mead Executive Director, the Mead Museum Board and other community partners regarding the operation of the Mead Museum.
Attachment IV-2
3. **Memorandums of Understanding**
Consideration of Memorandum #24-49, Agreements with the Yankton County Office of Emergency Management for providing facility space at City Hall, Fire Station #2 and The Center in the Event of a Mass Care Emergency.
Attachment IV-3
4. **Purchase of Two Mowers**
Consideration of Memorandum #24-43 which recommends approval for the purchase of two Kubota F2690 mowers and adoption of Resolution #24-12 which allows for the trade in of two mowers.
Attachment IV-4
5. **Brownfield Asbestos Abatement Bid Award – Sacred Heart Church and Link Auditorium**
Consideration of Memorandum #24-47 which recommends awarding the Sacred Heart Church Base Bid and Link Auditorium Base Bid to VCI Environmental in the amount of \$183,700.
Attachment IV-5
6. **Land Acquisition Adjacent to Street Shop Property**
Consideration of Memorandum #24-48 regarding Resolution #24-13, the acquisition of a 50-foot strip of land in Lot 2 of East Cornerstone Subdivision to be known as Lot 2A.
Attachment IV-6
7. **Presentation of 2022 City of Yankton Comprehensive Annual Finance Reports**
Informational presentation and review by Graham Forbes, auditor with Williams & Co. P.C., of the 2022 City of Yankton Comprehensive Annual Financial Reports (CAFR).
Attachment IV-7

V. **OTHER BUSINESS**

Other business is a time for City Commissioners to address the commission regarding matters not on the agenda. These items will not 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 INTO EXECUTIVE SESSION TO DISCUSS CONTRACTUAL MATTERS UNDER SDCL 1-25-2

Executive or closed meetings may be held by a majority vote of the governing body for the sole purposes of:

- Discussing the qualifications, competence, performance, character or fitness of any public officer or employee.*
- Consulting with legal counsel or reviewing communications from legal counsel about proposed or pending litigation or contractual matters.*
- Preparing for contract negotiations or negotiating with employees or employee representatives.*
- Discussing marketing or pricing strategies by a board or commission of a business owned by the City when public discussion may be harmful to the competitive position of the business.*

Any official action concerning such matters shall be made at an open official meeting.

VII. RECONVENE AS BOARD OF CITY COMMISSIONERS

1. Roll Call

VIII. ADJOURN THE MEETING OF FEBRUARY 26, 2024

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
FEBRUARY 12TH, 2024**

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

Roll Call: Present: Commissioners Benson, Brunick, Hunhoff, Johnson, Miner, Schramm, Villanueva, and Webber. City Attorney Den Herder, City Manager Leon, and Finance Officer Yardley were also present. Quorum present.

Action 24-32

Moved by Commissioner Johnson, seconded by Commissioner Miner, to approve Minutes of Work Session Meeting of January 22, 2024 and Regular Meeting of January 22, 2024.

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

Motion adopted.

Action 24-33

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

UPS (Postage) \$13.73; 1 Office (Printer Ink) \$1,534.14; 5 Star Communications (Advertisement) \$210.00; Action Electric (Labor & Materials) \$5,179.17; Adobe (Adobe) \$19.99; Adobe (Computer Program) \$58.40; Aflac (Employee Deductions) \$5,407.42; AFSCME Council 65 (Employee Deductions) \$1,069.96; ALS Technologies (Ammunition) \$418.45; Alscoplastics (PVC Fittings) \$272.73; Amazon (Water Belts) \$173.20; Amazon (Cleaning Supplies) \$43.26; Amazon (Paid Stamp) \$33.95; Amazon (Hardware) \$37.49; Amazon (Book) \$31.00; Amazon (Supplies) \$318.72; Amazon (January Give Away) \$87.02; Amazon (Supplies) \$9.99; Amazon (DVD) \$26.98; Amazon (Dry Erase Boards) \$210.33; Amazon (Supplies) \$22.21; Amazon (Mower Cargo Carrier) \$229.00; Amazon (Books) \$494.70; Amazon (Handcuff Keys) \$65.76; Amazon (Supplies) \$88.23; Amazon (DVD) \$17.06; Amazon (Label Maker) \$28.80; Amazon (Labels For Label Maker) \$20.88; Amazon (Supplies) \$48.97; Amazon (Program Supplies) \$11.06; Amazon (Bid Box) \$21.60; Amazon (Program Supplies) \$89.59; Amazon (Camera) \$39.99; Amazon (Weight Room Rack) \$15.15; Amazon (Office Supplies) \$9.99; Amazon (Phone Cases) \$126.83; Amazon (IP Camera) \$59.99; Amazon (Phone Cases) \$77.95; Amazon (Air Inflator) \$95.57; Amazon (Office Supplies) \$80.31; Amazon (Office Supplies) \$374.94; Amazon (DVDs) \$42.92; Amazon (Office Supply) \$27.99; A-Ox Welding Supply (Propane) \$83.55; Arant Creative Group (Author Visit) \$2,095.00; AT&T (Mobile Data) \$1,169.57; Atomic Music Group (Music At Meridian 7.4.24) \$5,000.00; AutoZone (Batteries) \$971.11; Avenu Insights (Software Support) \$3,787.41; Avera (CPR Instructor Fee) \$50.00; Avera (Health Insurance Prem) \$78,848.16; Avera McKennan Hospital (Annual EAP) \$6,360.00; Axon (Tasers) \$6,540.00; Axvoice (Dialer Service) \$21.44; Baker-Taylor (Books) \$7,594.20; Bed Bath & Beyond (Desk) \$628.39; Best Western (Hotel) \$109.00; Big River Burrito (Staff Appreciation) \$241.90; Blackstrap (Road Salt) \$1,572.00; Bluepeak (Internet) \$4,099.64; Boller Printing (Centennial Calendars) \$1,433.70; Bomgaars (Water Boots, Gloves) \$2,083.08; Bouza/Ashley (Travel Expense) \$103.10; Bow Creek Metal (Repair Ornaments) \$200.00; Bro Burger Bar (Staff Appreciation) \$203.81; Brummer/Ella (Lifeguard Refund) \$106.50; Buffalo Wild Wings (Travel Expense) \$12.78; Buhl’s Cleaners (Pant Alterations) \$36.00; C & B (Mower Blade Clutch) \$1,591.24; Cedar Knox Public Power (Electricity) \$1,326.07; Center Point (Large Print Books) \$145.02; Central Square Tech

(Annual Subscription) \$120.00; CenturyLink (Phone) \$135.41; Charlie's Pizza (Leadership Workshop) \$259.75; Christensen Radiator (Assembly Parts) \$344.65; Christensen Radiator & Repair (Snow Plow Parts) \$518.73; CHS (Bulk Def) \$13.65; City Of Vermillion (Jt Power Transfer) \$61,383.26; City Of Yankton-Solid Waste (Landfill Charges) \$16,967.99; City Of Yankton-Water (Filter Disposal) \$81.03; City Utilities (Wtr-WW Charges) \$7,648.90; Civic Plus (SAC Software) \$18,833.79; Colliers Securities (Annual Service Fee) \$300.00; Core & Main (Lab Supplies) \$643.48; Counterfeit Catering (Meridian Kickoff Party) \$4,163.04; CPI Environmental (Lab Supplies) \$100.96; Credit Collection (Collection Water) \$183.43; Credit Collections (Garnishment) \$50.00; Crescent Electric (Electrical Parts) \$330.38; Culligan (Water Softener) \$5,550.00; Culvers of Aberdeen (Travel Expense) \$8.03; Daily Dispatch (Nationwide Ad) \$575.00; Dash (Medical Gloves) \$341.55; Dayhuff Development (Facade Grant) \$15,645.00; Deadwood Resorts (Travel Expense) \$190.00; Deb/Dan Specht (TID Reimb) \$10,978.65; Dept of Ag. (Exam Fee) \$61.50; Dept of Social Services (Child Support) \$2,167.74; Dept of Transportation (Bridge Inspections) \$519.45; Des Moines Register (Newspaper Subscription) \$670.02; Diamond Mowers (Blade Kit, Skid Shoe) \$827.26; Dollar Tree (Bridge Centennial) \$35.63; Dollar General (Adult Craft Supply) \$11.00; DRI Printing Services (Office Supplies) \$86.95; Echo Electric Supply (Light Ballasts) \$1,581.02; Family Dollar (Program Supplies) \$33.75; FedEx (Evidence Return) \$16.93; Ferguson Enterprises (Meters) \$6,741.85; Ferguson Enterprises (Water Meters) \$21,260.00; First Dakota (Agency/IRA Cash) \$1,000.00; First Dakota (HSA Contributions) \$10,838.04; First Dakota (Dependent Care) \$2,359.96; Flexible Pipe (Sewer Hose) \$3,165.00; Foxit (Perpetual License) \$179.99; FSP Dakotas Chapter (ISA Conference) \$250.00; Southeast SD SHRM (Membership Dues) \$200.00; Geotek Eng. & Testing (3rd & Green St Test) \$132.00; Gerlach/Shane (Presentation For Staff) \$303.49; Gerstner Oil (Fuel) \$20,780.75; Gerstner Oil (Equipment Supplies) \$229.40; Grainger (Gas Detector) \$721.92; Guardian Alliance (Background Check) \$102.00; Hach Company (Reagents) \$886.55; Hancock Concrete (Storm Sewer Covers) \$28,699.72; Hanson Briggs (Tow Stickers) \$380.89; Hanson Briggs (Centennial Brdg Glasses) \$1,946.31; Harn Ro Systems (Chemicals) \$6,590.00; HDR Engineering (WW Project) \$131,857.41; Holiday Inn (Travel Expense) \$253.98; Holiday Stations (Travel Expense) \$36.00; House Of Brands (Bridge Centennial Shirts) \$2,257.00; House Of Brands (Leagues) \$2,415.00; Hy-Vee (Retirement Cake) \$117.50; ICMA Retirement (Contributions) \$3,314.52; Intl Code Council (Training) \$132.75; Intoximeters (Two PBT) \$650.00; IR Industrial (Air Compressor Repairs) \$1,584.60; J & H Cleaning Service (Janitorial Services) \$3,000.00; J2 MetroFax (Fax) \$11.95; Jacks Uniforms (Uniforms) \$1,129.49; Jack's Uniforms (Vests) \$1,593.81; JCL Solutions (Locker Room Cleaner) \$10,222.54; JEO Consulting (Meridian Bridge) \$5,760.94; Jimmy Johns (Travel Expense) \$8.89; Jimmy Johns (Travel Expense) \$10.39; JJ Benji's (Hats) \$46.00; John T Jones Construction (HVAC Improvements) \$105,697.87; Koletzky Implement (Kubota Parts) \$1,801.36; Kopetskys Ace (Snow Blower) \$2,376.38; Lacroix Law Office (Legal Fees) \$501.02; Language Line (Translation Services) \$1,101.27; Locators & Supplies (Sewer Gloves) \$80.70; Lumen (City Hall Internet) \$372.44; Mayer Signs (Park Signs) \$598.00; McMaster-Carr (Gauges) \$524.06; Menards (Work Lights) \$1,499.26; Merkel Electric (Lift Control Panel) \$594.39; Michaels Fence (Gate Repairs) \$642.32; MidAmerican (Fuel) \$6,542.31; MidAmerican (Fuel) \$9,977.50; Midco (Internet Access) \$226.78; Midplains Fitness (Exercise) \$1,700.00; Midwest Radiator (Truck Repairs) \$329.43; Midwest Wheel (Floorliner) \$113.01; Millennium Recycling (Fee) \$2,212.70; Missouri Sedimentation Action (Special Appropriation) \$2,500.00; MOCIC (Membership) \$200.00; Monarrez/Christina (Refund Lost Book) \$24.99; Money Movers (SAC Maint Fee) \$10.75; Morrow/Joseph C. (Design Work) \$3,030.00; Motor Vehicle Dept, SD (Title) \$26.70; Mozak (Carpet Install) \$4,682.33; Municipal Emergency Services (Thermal Imaging Cameras) \$5,998.00; NAPA Auto Parts (Annual Belt Oil, Grease) \$1,333.40; Nartec (Drug Field Test Kits) \$24.24; National Tactical (NTOA Training) \$55.00; Nebraska DOR

(Income Tax) \$1,229.47; Norfolk Daily News (Newspaper Subscription) \$326.00; Northtown Automotive (Control & Labor) \$867.47; Northwestern (Electricity) \$73,289.28; NRA (Membership) \$580.00; O'Connor (Air Filters) \$1,613.28; O'Connor Concrete (Repairs) \$2,040.00; OfficeMax (Evidence Boxes) \$74.95; Old Cars (Magazine Subscription) \$34.98; Olson's Pest (Pest Control) \$278.00; 1 Office (New Desks) \$5,910.00; Onward Yankton (Popcorn) \$25.00; O'Reilly (Spark Plug/Ignition Coil) \$692.96; Overdrive (E-Books) \$5,582.78; PayPal (UPS Batteries) \$51.71; PayPal (Toner Refund) \$703.40; Peace Officer Assn/SD (Memberships) \$125.00; Perkins (Puzzle Event Programming) \$148.00; Petersen & Son (Fuel Tank Testing) \$750.00; Pfeifer Implement (Blade) \$77.94; Pitney Bowes (Postage) \$207.00; Pitney Bowes (Office Supplies) \$82.53; Pizza Ranch (Meeting) \$70.73; Police Chiefs' Assn (Testing Supplies) \$147.00; PPCT Management (Training Manuals) \$448.28; Premier Pyrotechnics (4th Of July Fireworks) \$27,000.00; Protec Arisawa America (Seal Tool, Seals) \$1,297.95; PSN (CC Merchant Fees) \$69.85; Push Pedal Pull (Equipment Repairs) \$2,188.50; Quadient (Postage Machine Lease) \$678.00; RACOM Corporation (Beon Access) \$35.80; Radiodepot (Monitor Pager Amplifier) \$277.00; RadioTech (Radio Straps, Holders) \$268.00; Ramkota (Instructor Conference) \$460.32; Riverfront Event Centers (Meeting Rental) \$500.00; Riverside Hydraulics (Seal, O-Ring, Lock Nut) \$1,572.10; Road Dawg Touring (Music At The Meridian) \$225.00; Rons Auto Glass (2 Windshields) \$915.20; Ron's Auto Glass (Windshield Repair) \$415.00; Royal Sport Shop (Name Tags) \$69.99; Sanitation Products (Parts) \$37.50; SD (Retirement Pay) \$13,643.39; SD Retirement (SDRS Contributions) \$99,336.49; SD DOL (Q4 2023 Unemployment) \$641.79; SD DOT (SD Airport Conference) \$300.00; SD PRA (Memberships) \$360.00; SDSRP (SDRS Supplemental) \$18,795.44; SESAC (Music License) \$581.00; Sherwin Williams (Paint) \$119.81; Sign Solutions (Signs) \$223.43; Smith Insurance (Notary Bond) \$177.50; South Dakota Municipal (Legislative Meeting) \$120.00; Splashtop (Remote Support Software) \$880.40; Stacy & Jim Schramm (TID Reimb) \$10,978.65; Standard Insurance (Dental Insurance) \$10,388.99; Sturdevant's (Garbage Truck Repairs) \$735.50; Swimoutlet (Uniforms) \$788.45; The Lifeguard Store (Uniforms) \$147.20; Third Millennium (Utility Billing) \$710.22; Thrive (Library Puzzle Event) \$200.00; Titan Machinery (Parts & Labor) \$1,901.10; Titan Machinery (Backup Camera) \$780.16; TMA (Tires) \$399.64; Tractor Supply (K-9 Supplies) \$129.96; Trittech Forensics (Evidence Items) \$300.27; TRK Hosting (Web Hosting) \$7.95; Truck & Trailer (Sensor,End,Tie-Rod) \$2,360.34; Truck Trailer Sales (Vehicle Parts) \$85.30; Two Way Solutions (Mobile Radios) \$1,126.79; UKG (Payroll/HR/TLM) \$4,541.50; Uline Ship Supplies (Antifatigue Floor Mats) \$463.66; United Republic Bank (TID #9 Reimb) \$505.34; US Treasury (Federal Withholding) \$201,225.44; United Way (Contributions) \$166.00; USA Bluebook (Curb Stop Lids, Gasket) \$1,700.91; USPS (Postage) \$1,307.41; USPS (PO Box Renewal) \$354.00; USPS (Postage) \$81.90; USPS (Utility Billing Postage) \$2,591.43; Veolia Water Technologies (UV Bulbs) \$8,415.00; Verizon (Internet Access) \$1,285.26; Viddler (Video Hosting) \$41.49; Walgreens (Program Supplies) \$157.69; Walmart (Hard Drives) \$405.00; Walmart (Office Supplies) \$549.01; White Cap (Road Materials) \$32,740.50; Williams & Company (Audit) \$10,245.00; WKU CPD Web (Thermal Imaging Class) \$295.00; Xerox (Photocopies) \$1,666.38; Yankton AOX (Acetylene) \$116.05; Yankton Area Arts (Summer Band Concerts) \$3,600.00; Yankton County Auditor (Safety Ctr Share) \$11,947.70; Yankton County Sharpshooters (Gun Range Rental) \$100.00; Yankton Development Enterprise (TID Reimb) \$42,045.30; Yankton Janitorial (Supplies) \$752.25; Yankton Media (Subscription) \$8.99; Yankton Median (Classified Ad) \$508.32; Yankton Medical Clinic (Employment Exams) \$1,081.00; Yankton Radio Group (Ad) \$799.00; Yankton Thrive (Contractual MMU) \$291,463.02; Yankton Thrive (TID Reimb Westbrook) \$180,533.68; Yankton Youth Soccer Assn (Contracted Service) \$5,000.00; YRAA (Membership Dues) \$25.00.

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

Motion adopted.

Salaries by Department: January 2024

Administration \$63,131.31; Finance \$51,943.62; Community Development \$33,661.25; Police/Dispatch \$238,735.60; Fire \$29,181.85; Engineering / Sr. Citizens \$57,452.39; Streets \$72,168.73; Traffic Control \$5,711.02; Library \$39,036.39; Parks / SAC \$88,582.72; Marne Creek \$3,897.81; Water \$53,396.97; Wastewater \$48,815.45; Cemetery \$6,587.29; Solid Waste \$38,748.03; Transfer Station \$24,593.30; Central Garage \$5,427.56.

New Hires: Police Department: Brady Smith, Officer, \$2,176.23 biweekly. Library: Tonya Ferrell: Circulation Assistant, \$11.20/hr.

Wage and Position Changes: None

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

Mayor Moser read a proclamation on Al Viereck's dedication and service to the community of Yankton.

Pauline Akland was present and applauded Chief Foote and City Manager Leon on their efforts to take a stand against texting and driving. Pauline expressed her commitment to continue making efforts to have a bill passed through the SD Legislature that would prohibit texting and driving and increase the offense from secondary to primary.

Tom Bixler was present and expressed his gratitude for Al Viereck's help in the past regarding his previous campaigning experiences. Tom also announced he is running for both County Treasurer and City Commissioner. Tom invited anyone willing to sign his petitions.

Action 24-34

Moved by Commissioner Webber, seconded by Commissioner Miner, to approve the following consent agenda items:

- 1) Set date of February 26, 2024 at 6:00 PM for the next Work Session.
- 2) Consideration of Memorandum #24-29 recommending approval of the application from Market at the Meridian for a Transient Merchant License, May 4 – October 26, 2024 for the Farmers Market which will take place every Saturday morning from May 4, 2024 through October 26, 2024 at the City parking lot located at the corner of 2nd Street and Douglas Street.
- 3) Establish a public hearing for a Special (On-sale) Malt Beverage License for one day, April 10, 2024 from Mount Marty University – Fresh Idea, 1105 W. 8th Street.
- 4) Establish a public hearing for a new Retail (on-off sale) Malt Beverage & SD Farm Wine License for July 1, 2023 to June 30, 2024 from Charles Rezac dba Chuck Stop LLC, 800 Summit Street.

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

Motion adopted.

Action 24-35

This was the time and place for the second reading and public hearing for Ordinance #1078, AN ORDINANCE AMENDING AND SUPPLEMENTING ORDINANCE #1074, THE 2024 ANNUAL APPROPRIATION ORDINANCE OF THE CITY OF YANKTON, SOUTH DAKOTA.

(Memorandum 24-33) No one was present to speak for or against the adoption of the ordinance.

Moved by Commissioner Johnson, seconded by Commissioner Webber, to adopt Ordinance No. 1078.

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

Motion adopted.

Action 24-36

This was the time and place for the public hearing on the application for a Special On-sale Malt Beverage Retailers License and a Special On-sale Wine Retailers License for one day, February 24, 2024 from The Center (Kriss Thury, Executive Director), 900 Whiting Drive, Yankton, South Dakota.

(Memorandum 24-25) No one was present to speak for or against the application. Moved by Commissioner Villanueva, seconded by Commissioner Benson, to approve the license.

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

Motion adopted.

Action 24-37

This was the time and place for the public hearing on the application for a Special On-Sale Liquor License for one day, February 14, 2024 from Flusswerks, LLC dba 1872 Saloon/ Levee Street Steakhouse at 100 Douglas, Suite 101. (Memorandum 24-26) 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 24-38

Moved by Commissioner Benson, seconded by Commissioner Miner, to approve the recommendation of the Parks Advisory Board, acting as the Tree Board, to remove the dangerous cottonwood trees according to the schedule in the attached inventory and for staff to plant two trees in our public spaces for each of the cottonwood trees removed. It is further recommended that the City provide for the unbudgeted expense of removing Riverside Park Tree #11 in 2024 and budget accordingly for future tree removal. (Memorandum 24-23) Parks Director Todd Larson discussed the City’s tree program and requirements due to being a Tree City USA. City Manager Leon stated the expected cost, though not currently budgeted, is \$5,000 to \$7,000.

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

Motion adopted.

Action 24-39

Moved by Commissioner Webber, seconded by Commissioner Benson, to approve Resolution 24-05.

(Memorandum 24-27)

RESOLUTION #24-05

WHEREAS, SDCL 9-14-28 requires that the salaries of municipal officers be fixed and determined by City resolution,

NOW, THEREFORE, BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, effective January 1, 2024, that the salary of the City Manager shall be at an annual rate of \$152,112.00.

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

Action 24-40

Moved by Commissioner Brunick, seconded by Commissioner Johnson, to approve Resolution 24-06. (Memorandum 24-28)

RESOLUTION #24-06

WHEREAS, SDCL 9-14-28 requires that the salaries of municipal officers be fixed and determined by City resolution,

NOW, THEREFORE, BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, effective January 1, 2024, that the salary of the City Attorney shall be at an annual rate of \$75,000.00.

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

Action 24-41

Moved by Commissioner Schramm, seconded by Commissioner Benson, to approve Resolution 24-07. (Memorandum 24-31)

RESOLUTION #24-07

WHEREAS, SDCL 6-13-1 requires a municipality owning personal property which is no longer necessary, useful, or suitable for municipal purposes shall, by resolution, declare it surplus and may, by resolution, order the sale, trade, destruction or other disposals of said personal property.

NOW, THEREFORE, BE IT RESOLVED that the following personal property be declared no longer necessary, useful, or suitable for municipal purposes and said property shall be disposed of in accordance with SDCL 6-13-1, et sequential:

PROPERTY TO BE DECLARED SURPLUS

Nine (9) expired Safariland vests which have expired or will expire in March of 2024:

Ser# 10190033466/10190035182

Ser# 10190035205/10190035405

Ser# 10190035208/10190035352

Ser# 10190035286/10190035461

Ser#10190035353/10190035200

Ser#10190035479/10190035397

Ser# 10190037483/10190035230
Ser# 10180126060/1018021443
Ser# 10190033519/33489

Twelve (12) tasers with displays no longer working:

Ser# X2190031XR
Ser# X290005MT
Ser# X290005NW
Ser# X290005TW
Ser# X29000T6V
Ser# X29000T8V
Ser# X29000TAY
Ser# X29002VFT
Ser# X29002VH2
Ser# X290034TY
Ser# X2900355A
Ser# X29003595

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

Action 24-42

Moved by Commissioner Villanueva, seconded by Commissioner Johnson, to approve Resolution 24-08. (Memorandum 24-32)

RESOLUTION #24-08

WHEREAS, the City of Yankton recognizes the importance of enhancing security measures and improving efficiency in the Yankton Police Department;

WHEREAS, License Plate Recognition (LPR) technology has proven to be a valuable tool in law enforcement and overall public safety;

WHEREAS, the City of Yankton seeks to implement an LPR system to strengthen security protocols, streamline operations, and contribute to the well-being of the community;

NOW, THEREFORE, BE IT RESOLVED that the Board of City Commissioners of Yankton, South Dakota do hereby approve the implementation of a License Plate Recognition (LPR) system within the City of Yankton and authorize the Chief of Police to apply for Homeland Security funding to purchase four (4) LPR cameras.

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

Action 24-43

Moved by Commissioner Johnson, seconded by Commissioner Miner, to approve the purchase of up to \$15,000.00 in Christmas decorations for Riverside Park from the BBB fund with the understanding that the Optimists Club will contribute \$5,000.00 toward the purchase. (Memorandum 24-30)

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

Action 24-44

Moved by Commissioner Benson, seconded by Commissioner Webber, to approve the amendment of the City of Yankton Employee Handbook Personnel Policy Manual and direct the Human Resources Department to implement the Winter Traction Aid PPE Program. (Memorandum 24-34)

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

Action 24-45

Moved by Commissioner Brunick, seconded by Commissioner Webber, to approve the Wastewater EDA Project Change Order No. 2 in the amount of \$4,122.00, increasing the project cost to the total of \$9,958,696.00. (Memorandum 24-35)

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

Action 24-46

Moved by Commissioner Webber, seconded by Commissioner Schramm, to approve Resolution 24-10. (Memorandum 24-37)

RESOLUTION #24-10

WHEREAS, SDCL 6-13-1 requires a municipality owning personal property which is no longer necessary, useful, or suitable for municipal purposes shall, by resolution, declare it surplus and may, by resolution, order the sale, trade, destruction or other disposal of said personal property.

NOW, THEREFORE, BE IT RESOLVED that the following personal property be declared no longer necessary, useful, or suitable for municipal purposes and said property shall be disposed of in accordance with SDCL 6-13-1, et sequential:

SURPLUS PROPERTY TO BE SOLD, TRADED, DONATED, OR DESTROYED

Finance:

- 1) Office desks (Qty 4)
- 2) Office credenzas (Qty 2)
- 3) Typewriter stand

Water Distribution:

- 1) Water meters per Water Meter Replacement Program (Qty 3,050)

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

Action 24-47

Moved by Commissioner Benson, seconded by Commissioner Webber, to approve Resolution 24-09. (Memorandum 24-36)

RESOLUTION #24-09

**BRIDGE RE-INSPECTION
PROGRAM RESOLUTION
FOR USE WITH SOUTH DAKOTA DEPARTMENT OF TRANSPORTATION (SDDOT)
RETAINER CONTRACT**

WHEREAS, Title 23, Section 151, *United States Code* and Title 23, Part 650, Subpart C, *Code of Federal Regulations*, requires initial inspection of all bridges and re-inspection at intervals not to exceed two years with the exception of reinforced concrete box culverts that meet specific criteria. These culverts are re-inspected at intervals not to exceed four years.

THEREFORE, the City of Yankton is desirous of participating in the Bridge Inspection Program using Bridge Replacement funds.

The City of Yankton requests SDDOT to hire Banner Associates, Inc. (Consulting Engineers) for the inspection work. SDDOT will secure Federal approvals, make payments to the Consulting Engineer for inspection services rendered, and bill the City for 20% of the cost. The City of Yankton will be responsible for the required 20% matching funds.

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

Commissioner Villanueva questioned taking advantage of a Christmas light sale which would allow for further beautification of the water plant. No official action was taken at this time.

Action 24-48

Moved by Commissioner Villanueva, seconded by Commissioner Benson, to adjourn at 8:29 p.m.

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

Stephanie Moser
Mayor

ATTEST:

Lisa Yardley
Finance Officer

Schedule of Bills

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P	ID	LINE
A & B BUSINESS EQUIPMENT COPIER LEASE	448.45	RENTALS & XEROX SUPPLIES	101.142.212		IN1126854	024286	P	690	00003
A-OX WELDING SUPPLY CO I PROPANE	86.07	CHEMICALS & GASES	801.801.240		297545	024370	P	690	00001
PROPANE	155.82	CHEMICALS & GASES	801.801.240		978773	024373	P	690	00002
	241.89	*VENDOR TOTAL							
ACTION ELECTRIC @FY@ PARTS AND LABOR	9,705.94	REP. & MAINT. - EQUIPMEN	101.126.221		28088	024389	P	690	00066
ALLEN ELECTRIC SWITCH REPLACEMENT	1,470.84	REP. & MAINT. - EQUIPMEN	101.142.221		864	024284	P	690	00004
BLACKSTRAP INC ROAD SALT	1,809.44	SNOW & ICE CHEMICALS	101.123.241		145308	024376	P	690	00015
ROAD SALT	1,717.74	SNOW & ICE CHEMICALS	101.123.241		145674	024365	P	690	00005
ROAD SALT	1,768.50	SNOW & ICE CHEMICALS	101.123.241		145776	024368	P	690	00008
ROAD SALT	1,632.26	SNOW & ICE CHEMICALS	101.123.241		145899	024366	P	690	00006
ROAD SALT	1,788.81	SNOW & ICE CHEMICALS	101.123.241		145945	024367	P	690	00007
ROAD SALT	1,819.26	SNOW & ICE CHEMICALS	101.123.241		145991	024361	P	690	00009
ROAD SALT	3,574.67	SNOW & ICE CHEMICALS	101.123.241		146146	024377	P	690	00013
ROAD SALT	6,857.86	SNOW & ICE CHEMICALS	101.123.241		146291	024386	P	690	00068
ROAD SALT	1,637.50	SNOW & ICE CHEMICALS	101.123.241		146320	024385	P	690	00067
ROAD SALT	1,791.43	SNOW & ICE CHEMICALS	101.123.241		146377	024388	P	690	00069
	24,397.47	*VENDOR TOTAL							
BOOK SYSTEMS, INC. ANNUAL SUBSCRIPTION	3,195.00	PROFESSIONAL SERVICES	101.142.202		137231	024282	P	690	00010
BOW CREEK METAL INC PLAYGROUND MAINTENANCE	2,050.00	EQUIPMENT	201.201.350		34913	022582	P	690	00011
BUILDING SPRINKLER INC FIRE SPRINKLER TESTING	330.00	REP. & MAINT. - BUILDING	101.114.223		93772	245511	P	690	00014
BUTLER MACHINERY COMPANY PARTS	46.55	GARAGE PARTS	801.801.249		04PS0755564	024364	P	690	00012
CEDAR KNOX PUBLIC POWER ELECTRICITY	976.33	ELECTRICITY	601.601.272		350022554	005176	P	690	00017
ELECTRICITY	483.29	ELECTRICITY	201.201.272		350035355	005243	P	690	00016
	1,459.62	*VENDOR TOTAL							
CENGAGE LEARNING INC/GAL BOOKS	666.34	BOOKS	101.142.340		39657,20036	024281	P	690	00019
CERTIFIED POOL TRAINERS CERTIFICATION CLASSES	800.00	LEARNING	203.203.264		02.05.24	081086	P	690	00020

Schedule of Bills

VENDOR NAME	DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P	ID	LINE
CHS	BULK DEF	180.00	GARAGE GASOLINE & LUBRIC	801.801.238		84894	080063	P	690	00022
CITY OF YANKTON-PARKS	LANDFILL CHARGES	108.94	LANDFILL	201.201.276		16576	003889	P	690	00018
COLLISION CENTER	REPAIR, LABOR, PARTS	2,144.00	GARAGE PARTS	801.801.249		9343	080061	P	690	00021
CREDIT COLLECTION SERVIC	UTIL COLL JAN 2024	416.06	PROFESSIONAL SERVICES	601.601.202		2.20.24	001858	P	690	00062
	UTIL COLL JAN 2024	149.66	PROFESSIONAL SERVICES	611.611.202		2.20.24	001858	P	690	00063
	UTIL COLL JAN 2024	79.13	PROFESSIONAL SERVICES	631.631.202		2.20.24	001858	P	690	00064
		644.85	*VENDOR TOTAL							
EQUIPMENT BLADES INC.	BLADES	20,530.50	GARAGE PARTS	801.801.249		S03406	024324	P	690	00023
FAIR MFG INC	PARTS AND LABOR	2,764.70	GARAGE PARTS	801.801.249		9628	024358	P	690	00025
	DEF TANK & PUMP	1,025.00	GARAGE PARTS	801.801.249		9637	024357	P	690	00024
		3,789.70	*VENDOR TOTAL							
FERGUSON ENTERPRISES LLC	WATER METER PROJECT	23,625.00	METER TECHNOLOGY UPGRADE	602.602.351		461365-3	230228	P	690	00027
	GATEWAY ETHERNET	9,600.00	METER TECHNOLOGY UPGRADE	602.602.351		484245	240110	P	690	00026
		33,225.00	*VENDOR TOTAL							
GERSTNER OIL CO	FUEL	12,605.24	GARAGE GASOLINE & LUBRIC	801.801.238		196052	024340	P	690	00028
	FUEL	16,929.06	GARAGE GASOLINE & LUBRIC	801.801.238		196117	024360	P	690	00029
	OIL	17,525.65	GARAGE GASOLINE & LUBRIC	801.801.238		49368	024395	P	690	00070
		47,059.95	*VENDOR TOTAL							
HANSON BRIGGS ADVERTISIN	ENVELOPES	175.98	OFFICE SUPPLIES	101.142.232		33378	024285	P	690	00030
HAWKINS INC	CHEMICALS	1,431.44	CHEMICALS & GASES	203.203.240		6680620	081085	P	690	00032
HEARTLAND HUMANE SOCIETY	RENTAL/HOLDING FEES	20,000.00	CONTRACT SERVICES(HEARTL	101.111.204		02.09.24	081501	P	690	00031
HUNHOFF/ELIZABETH	@FY@ REFUND	66.49	LIBR COMP FOR LOSS & DAM	101.3641		2.12.24	024290	P	690	00033
J & H CLEANING SERVICE	JANITORIAL SERVICES	1,200.00	CONTRACTED SERVICES	101.142.204		03182297	024293	P	690	00065
	JANITORIAL SERVICES	1,200.00	CONTRACTED SERVICES	101.142.204		3182243	024280	P	690	00034
		2,400.00	*VENDOR TOTAL							

Schedule of Bills

VENDOR NAME	DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P	ID	LINE
KIESLER'S POLICE SUPPLY	AMMUNITION	411.77	AMMUNITION	101.111.267		IN232286	241509	P	690	00039
	AMMUNITION	1,236.04	AMMUNITION	101.111.267		IN232518	241510	P	690	00071
		1,647.81	*VENDOR TOTAL							
KLJ ENGINEERING LLC	NORTH TAXIWAY	5,500.00	DESIGN/CONST NORTH TAXI	502.511.390		10201879	024362	P	690	00036
	NORTH TAXIWAY	4,613.93	DESIGN/CONST NORTH TAXI	502.511.390		10201880	024372	P	690	00038
	NORTH TAXIWAY	1,218.43	DESIGN/CONST NORTH TAXI	502.511.390		10201883	024371	P	690	00037
		11,332.36	*VENDOR TOTAL							
KYNT	BRIDGE CENTENNIAL ADS	1,025.00	SPECIAL EVENTS - ACTIVIT	211.231.575		240101789	081080	P	690	00035
LUMACURVE	AIRFIELD SIGN	3,751.70	BUILDINGS & STRUCTURES	101.127.320		60824,60733	023922	P	690	00050
MARQUARDT-SKYWAY	@FY@ BALL DIAMOND FIELD	1,632.56	RECREATION SUPPLIES - O	201.201.242		3364	081147	P	690	00040
	@FY@ BALL DIAMOND FIELD	1,455.85	RECREATION SUPPLIES - O	201.201.242		3365	081146	P	690	00041
		3,088.41	*VENDOR TOTAL							
MIDWEST TAPE	AV	28.49	AV - CAPITAL	101.142.342		504837736	024102	P	690	00042
MILLENIUUM RECYCLING	SINGLE STREAM FEE	2,513.35	CONTRACTED SERVICE-MILLE	631.631.204		481889	024390	P	690	00072
MISSOURI VALLEY SHOPPER	BRIDGE CENTENNIAL ADS	500.00	SPECIAL EVENTS - ACTIVIT	211.231.575		682	081144	P	690	00043
MODERN MARKETING	BADGE STICKERS	1,170.00	PUBLIC EDUCATION EXPENDI	101.111.251		MMI155568	241511	P	690	00077
	BADGE STICKERS	36.00	PROFESSIONAL SERVICES	101.111.202		MMI155568	241511	P	690	00078
		1,206.00	*VENDOR TOTAL							
OBSERVER	ADVERTISEMENTS	48.00	ADVERTISING	203.203.211		02.12.24	081145	P	690	00044
ONE OFFICE SOLUTION	E-TICKET PAPER	59.00	REP. & MAINT. - EQUIPMEN	101.111.221		548529	241507	P	690	00045
OVERHEAD DOOR CO	DOOR REPAIR AND LABOR	1,299.00	BUILDING REPAIR & MAINT.	637.637.223		91720	024391	P	690	00073
	CIRCUIT BOARD & LABOR	800.00	BUILDING REPAIR & MAINT.	637.637.223		91998	024392	P	690	00074
	COMMERCIAL DOOR OPENER	2,996.00	BUILDING REPAIR & MAINT.	637.637.223		92193	024393	P	690	00075
		5,095.00	*VENDOR TOTAL							
PETERSON/SHARLOTTE	SWIMSUIT	100.00	UNIFORMS & DRY GOODS	203.203.244		848134A	081087	P	690	00046

Schedule of Bills

VENDOR NAME DESCRIPTION	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P ID LINE
POET PURE @FY@ CO2	712.92	CHEMICALS & GASES	601.601.240		CO2369276	240109	P 690 00047
RHOMAR INDUSTRIES INC PARTS	2,571.24	GARAGE PARTS	801.801.249		105282	024394	P 690 00076
SANITATION PRODUCTS INC @FY@ SIDE BROOM	3,611.20	GARAGE PARTS	801.801.249		86716	024369	P 690 00049
SWEEPER REPAIR	24,925.92	GARAGE PARTS	801.801.249		87839	024378	P 690 00048
	28,537.12	*VENDOR TOTAL					
TITAN MACHINERY PARTS	480.40	GARAGE PARTS	801.801.249		SO0056112-1	024363	P 690 00052
SNOW BLADE ATTACHMENT	4,200.00	EQUIPMENT	201.201.350		01.29.24	022574	P 690 00051
	4,680.40	*VENDOR TOTAL					
ULRICH/DONNA REPURCHASE CEMETERY LOT	2,250.00	CAPITAL REPAIR & MAINTEN	206.206.301		2.6.24	081143	P 690 00053
WAGON TRAIN TOURS, INC BRIDGE CENTENNIAL	8,750.00	SPECIAL EVENTS - ACTIVIT	211.231.575		07052024-1	023836	P 690 00054
YANKTON FIRE & SAFETY CO ANNUAL INSPECTION	311.25	REP. & MAINT. - BUILDING	101.127.223		2.5.24	072866	P 690 00059
ANNUAL INSPECTION	906.00	MEDICAL & SAFETY SUPPLIE	201.201.243		29082	022583	P 690 00058
FIRE EXTINGUISHER MAINT	45.00	PROFESSIONAL SERVICES	101.111.202		29088	241508	P 690 00055
	1,262.25	*VENDOR TOTAL					
YANKTON SCHOOL DISTRICT @FY@ 4THQ SHARED EXPENSE	33,092.52	COST OF SERVICE PROVIDED	203.203.206		12.31.23	023834	P 690 00056
@FY@ CAPITAL EXPENSES	90,439.28	COMMON BLDG EQUIPMENT	506.571.350		12.31.23	023834	P 690 00057
	123,531.80	*VENDOR TOTAL					
YANKTON THRIVE SPECIAL APPROPRIATION	115,000.00	YANKTON THRIVE	211.231.551		2.9.24	081502	P 690 00060
YANKTON TRANSIT INC SPECIAL APPROPRIATION	22,500.00	YANKTON TRANSIT	101.131.568		2.12.24	024418	P 690 00061

Schedule of Bills

VENDOR NAME	AMOUNT	ACCOUNT NAME	FUND & ACCOUNT	CLAIM	INVOICE	PO#	F/P ID LINE
DESCRIPTION							
REPORT TOTALS:	516,759.80						

RECORDS PRINTED - 000078

Schedule of Bills

FUND RECAP :

FUND	DESCRIPTION	DISBURSEMENTS
101	GENERAL FUND	92,405.76
201	PARKS AND RECREATION	10,836.64
203	SUMMIT ACTIVITY CENTER	35,471.96
206	CEMETERY	2,250.00
211	LODGING SALES TAX	125,275.00
502	AIRPORT CAPITAL	11,332.36
506	SPECIAL CAPITAL IMPROV	90,439.28
601	WATER OPERATION	2,105.31
602	WATER RENEWAL/REPLACEMENT	33,225.00
611	WASTE WATER OPERATION	149.66
631	SOLID WASTE	2,592.48
637	JOINT POWER	5,095.00
801	CENTRAL GARAGE	105,581.35
TOTAL ALL FUNDS		516,759.80

BANK RECAP :

BANK	NAME	DISBURSEMENTS
1DAK	FIRST DAKOTA NAT'L BANK CORP	516,759.80
TOTAL ALL BANKS		516,759.80

THE PRECEDING LIST OF BILLS PAYABLE WAS REVIEWED AND APPROVED FOR PAYMENT.

DATE APPROVED BY

.....

.....



OFFICE OF THE CITY MANAGER

www.cityofyankton.org

VOL. 59 NUMBER 4

Commission Information Memorandum

The Yankton City Commission meeting on Monday, February 26, 2024 will begin at 7:00 pm.

Non-Agenda Items of Interest

1) Finance Department Update

Two individuals (David Carda and Craig Sommer) have filed nominating petitions to date for the three open seats on the City Commission. The open seats are for three-year terms that would begin in May. Any individual who is interested in running for a seat on the Commission must be a resident of the City of Yankton as well as be a registered voter within the City. Petitions may be picked up at the City Finance Office at 416 Walnut or obtained online at the Secretary of State's website. Potential candidates have until Friday, February 23 at 5:00 PM to file nominating petitions with the City Finance Office.

During the winter months, residential utility customers often ask how their sewer rate is calculated. The residential rate is based on an average of their water consumption during the months of December, January, and February (as billed in January, February, and March of each year). This sets their maximum consumption rate for the coming year. Residential sewer rates are adjusted annually and are reflected in the April utility billing.

It's that time of year for reviewing our records and completing a records destruction schedule. The City of Yankton follows the South Dakota Municipalities Records Retention and Destruction Schedule Manual adopted in April 2005 per Resolution 05-29.

Please see the enclosed Monthly Finance Report for January 2024.

2) Parks & Recreation Department Update

An update on the various activities in the Parks & Recreation Department is included in this packet.

3) Community & Economic Development Department Update

In cooperation with Information Services, staff is working to complete the annual Boundary and Annexation Survey (BAS). The BAS is the system whereby the U.S. Census Bureau updates the legal geographic boundaries of local jurisdictions. While this year's boundary changes due to annexation will not add additional residents right now, precise boundaries are critical to keeping accurate data about our community and the region.

4) Information & Technology Services Department Update

We have continued to work with RACOM to restore the radio site monitoring. We have reached a consensus with them to utilize an internet-based solution to replace the failed microwave

installation. The project will be covered by the City's existing maintenance contract with RACOM. The internet cost will be borne by the City of Yankton and will be utilized for the radio system monitoring, on-site cameras and the utility meter radio read project equipment. We hope to have an updated timeline for the project soon.

5) Human Resources & Employee Engagement Department Update

The first review of applications for Yankton Fire Department Deputy Chief are in progress. Virtual interviews are complete and on-site interviews for selected candidates are scheduled for March 13.

We continue to accept applications for full time Police Officers and interviews are ongoing.

We are currently accepting applications for Engineering Technician/Project Manager. Interviews are ongoing.

The Police Intern position is now closed. Interviews are being scheduled and a recommendation for hire will be forthcoming.

Interviews are complete for Sanitation Truck Operator in the Public Works Department. Sam Stewart has accepted this position. His start date will be in March.

Forty-four applications were received for the position of Utility Customer Service Clerk. This position will be vacant due to the pending retirement of Tammy Wadsworth, effective March 22 after 32 years of employment with the City of Yankton. Staff has completed virtual interviews to narrow down the candidates to bring on site for a full interview. A recommendation for hire will be forthcoming.

The City of Yankton February's presentation by Well 365 out of Sioux Falls focused on building healthy relationships and helping individuals grow and foster relationships in their life. Summer seasonal positions have been opened and we are accepting applications for a variety of positions. With returning employees and applicants already accepted, some positions have been filled. Interested applicants can visit cityofyankton.org where a link to our employment application can be accessed. If this option is not available to the applicant, they can contact the HR office at 605-668-5222 and an application will be mailed out.

The February wellness challenge is wrapping up. The sleep challenge for February is getting seven hours of sleep for at least 15 out of the 29 days. Employees are simply asked to track their activities and submit their log at the end of the month to be entered into a drawing for a prize.

The Employee Committee hosted a Super Bowl Tailgate on Friday, February 9. Staff brought their favorite tailgate snack and were encouraged to wear their favorite team gear.

6) Library Update

The Yankton Community Library Foundation is hosting a fundraiser throughout the month of February. In honor of Library Lover's Month, the Foundation asks users to give the library a High \$5. A donation of \$5 allows individuals to put their name on a heart to add to our display as well as receiving a coupon for the Friend of the Library book sale. It is truly awesome to literally see the "love grow" as more and more hearts are added to the window.

In April, the Foundation will be doing a drive to collect used ink cartridges. We accept these cartridges all year long, but we are hoping to collect a large amount during the month of April to send in to be recycled. The Library Foundation receives a small donation for each cartridge.

The Foundation continues to meet monthly to discuss details of the feasibility study and to create marketing materials such as updating their brochure, creating a Facebook page (Love Our Yankton Library), handouts and eventually a website to help keep the public informed about the process of the study. If the timeline continues as expected, surveys will begin to be dispersed and focus groups will be planned in March/April. We are excited to hear from the community!

7) Fire Department Update

In continuing the theme of establishing “bench depth” with the leadership of the Fire Department, Assistant Chief Brad Moser and Captain John Kraft served as the on call “Command Team” this past weekend. They responded to a single vehicle accident in the City Limits and assisted the Yankton Police Department and Emergency Medical Services. Additionally, they served as the supervisory contingent who responded along with Rescue 2 to assist the Gayville Volunteer Fire Department and First Responders with a multi-vehicle accident on East Highway 50. Our volunteers responded and served in a supporting role for the extrication that was in progress. We are emphasizing a team approach to mutual aid responses outside the City limits, and our volunteer leadership performed admirably.

The ladder truck will respond to all structure fires within the City limits. This is a change from past practice where it only responded to commercial fires or upon request of the Incident Commander. The ladder truck can be used at apartment fires and residential fires for rescue and roof ventilation. It has seats with a self-contained breathing apparatus which allows our firefighters to be more prepared to work when they arrive on scene. In addition, the Insurance Services Office does provide additional credit for using a ladder truck on structure fire assignments irrespective of structure size and height.

8) Public Works Department Update

Street department staff continue to perform winter maintenance projects on equipment and the streets. Crews are also addressing potholes that are forming due to the mild temperatures.

2024 Street Reconstruction Projects

21st Street from West City Limits Road to Summit Street, and 8th Street from Burleigh Street to Ferdig Avenue:

Both of these projects were submitted for water and sewer utility review and have received approval from the South Dakota Department of Agriculture and Natural Resources. Both projects are currently being advertised for bids and have a bid opening date scheduled for March 14. Expect to see a recommendation from staff on an upcoming commission agenda.

Cedar Street from 2nd Street to 5th Street, and Karen Drive/Bradley Street/Valley Road Water Main Replacement:

The design process is ongoing for these two projects. The Engineering Department is working with the Environmental Services Department to ensure that all of the utility work needed is included in the scope of work.

Miscellaneous Projects:

Staff are starting to see some final plans sets for private development. It looks like another good year for construction.

Yankton Citywide Cleanup is scheduled to begin curbside pickup on April 1, 2024. Placing items curbside before March 23 is not permitted. Items placed curbside before March 23 may be removed at the property owner's expense. Residents on City solid waste collection routes may participate, at no additional cost, by placing items into sorted piles, by type, at their homes. Please have items placed curbside by your regular collection day. Piles should be located directly in front of your property, not in the street, alley, or neighboring property. The Transfer Station will be accepting no charge drop-off from regular City of Yankton collection route customers March 16 through April 13 during normal operating hours, Monday - Friday 8:00 AM – 3:45 PM, and Saturday 8:00 AM – 11:45 AM. Items not eligible for disposal include tires, grass clippings, leaves, recyclables, refrigerators, air conditioners, dehumidifiers, paint, chemicals or household hazardous waste, oils, and batteries. Motor oil may be taken to the transfer station and disposed of free of charge year around. Please place solid waste and recycle roll carts for regular collection at your normal collection point and away from piles. For more information on Citywide Cleanup and Transfer Station hours, visit <http://www.cityofyankton.org> or call (605) 668-5211.

The Household Hazardous Waste Collection Event is scheduled for Saturday, April 27, 2024. For more information on this event, please visit <http://www.cityofyankton.org> or call (605) 668-5211.

9) Environmental Services Department Update

The water meter replacement project is continuing. Letters were sent to customers requiring meter replacements. The City of Yankton is only responsible for the meter. The service line from the water main to the building and the interior piping is the responsibility of the owner. It is the owner's responsibility to have working valves. If the valves or any piping needs repaired to allow for the meter replacement, it will be the owner's responsibility to have those repairs completed. Over 275 meters have been changed out. Additional letters were sent out as the response from residents to change out meters has been slow.

Wastewater treatment staff continue to look at options moving forward with the wastewater treatment plant improvements and project design. The South Dakota Department of Agriculture and Natural Resources is requesting project designs and specifications to be sent to them for review by March 1 for all ARPA funded projects. The Construction Manager at Risk (John T. Jones), HDR, and City staff visited the aerobic granular sludge (AGS) treatment facility recently built in South Sioux City. Staff continue to move forward with the AGS system design as part of the improvements at the facility.

10) Police Department Update

Staff members have been working on enforcing highway safety speed via a Federal Highway Administration program that reimburses the Yankton Police Department for the overtime wages paid to officers out on the streets, solely focusing on speeding issues. This program is utilized when complaints are received from the public regarding speeding cars in certain areas of town.

The second block of joint training with the Yankton County Sheriff's Office has been completed. In this block we worked on our active threat response, CPR training and taser recertification. Bringing the YPD and Sheriff's Office together for training has been beneficial to both departments and staff.

Staff has begun addressing old case files and putting them into digital storage if file retention is required. This will help clear up storage space and address any old cases that may need to be looked into further.

The D.A.R.E. officers held a movie night at the Yankton Middle School on 2/23/24. This was for all D.A.R.E. participants for the 2023-24 school year. Popcorn was provided.

11) Monthly reports

No monthly reports for the 2-26-2024 meeting.

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	JANUARY 2024	JANUARY 2023	JAN 2024 YTD	JAN 2023 YTD
UTILITY BILLING:				
Water				
Water Sold (in gallons per 1,000)	42,056 M	44,236 M	42,056 M	44,236 M
Water Billed	\$488,996.33	\$505,062.30	\$488,996.33	\$505,062.30
Basic Water Fee/Rate per 1000 gal.	\$27.51/\$6.30	\$27.51/6.30		
Number of Accounts Billed	5,534	5,491	5,534	5,491
Number of Bills Mailed	5,534	5,491	5,534	5,491
Total Meters Read	5,845	5,967	5,845	5,967
Meter Changes/pulled	7	4	7	4
Total Days Meter Reading	1	1	1	1
Misreads found prior to billing	0	0	0	0
Customers requesting Rereads	0	0	0	0
Sewer				
Sewer Billed	\$404,612.80	\$379,181.02	\$404,612.80	\$379,181.02
Basic Sewer Fee/Rate per 1000 gal.	\$23.84/\$6.60	\$17.53/\$6.80		
Solid Waste				
Solid Waste Billed	\$122,045.74	109,801.44	\$122,045.74	\$109,801.44
Basic Solid Waste Fee	\$26.00	\$23.61		
Tax Billed	\$7,541.57	\$7,101.02	\$7,541.57	\$7,101.02
Misc. Billed	\$420.00	\$845.00	\$420.00	\$845.00
Total Utility Billing:	\$1,023,616.44	\$1,001,990.78	\$1,023,616.44	\$1,001,990.78
Adjustment Total:	(\$283.22)	(\$329.70)	(\$283.22)	(\$329.70)
Misread Adjustments	(\$141.61)	\$0.00	(\$141.61)	\$0.00
Other Adjustments	(\$1.61)	(\$309.70)	(\$1.61)	(\$309.70)
Penalty Adjustments OFF	(\$180.00)	(\$70.00)	(\$180.00)	(\$70.00)
Penalty Adjustments ON	\$40.00	\$50.00	\$40.00	\$50.00
New Accounts/Connects	38	47	38	47
Accounts Finaled/Disconnects	51	52	51	52
New Accounts Set up	2	8	2	8
Delinquent Notices	446	436	446	436
Doorknockers	166	133	166	133
Delinquent Call List	90	88	90	88
Notice of Termination Letters	6	13	6	13
Shut-off for Non-payment	4	5	4	5
Delinquent Notice Penalties	\$4,446.00	\$4,360.00	\$4,446.00	\$4,360.00
Doorknocker Penalties	\$1,660.00	\$1,330.00	\$1,660.00	\$1,330.00
Other Office Functions:				
Interest Income	\$254,393.93	\$206,012.11	\$254,393.93	\$206,012.11
Interest Rate-Checking Account	5.74%	4.72%		
Interest Rate-CDs	N/A	N/A		
# of Monthly Vendor Checks	112	104		
Payments Issued to Vendors	\$3,001,919.59	\$2,890,068.55	\$3,001,919.59	\$2,890,068.55
# of Employees on Payroll	198	190		
Monthly Payroll	\$608,375.44	\$569,768.74	\$608,375.44	\$569,768.74

Commission Information Memorandum

PARKS AND RECREATION DEPARTMENT

SUMMIT ACTIVITIES CENTER and RECREATION PROGRAMS

Summit Activities Center Membership Information:

	Members			Memberships
	Current	Last	Change	Current
○ Active & Fit/Renew Active/Silver Sneakers	175	175	0	175
○ Adult Annual	105	105	0	105
○ Adult Annual plus 1	30	30	0	15
○ Adult Annual plus 2	6	6	0	2
○ Adult Annual plus 3	4	4	0	1
○ Adult Annual plus 4	5	5	0	1
○ Adult Annual plus 5	6	6	0	1
○ Adult Annual plus 6	0	7	-7	0
○ Adult EFT	26	26	0	26
○ Adult EFT plus 1	28	26	2	14
○ Adult EFT plus 2	3	3	0	1
○ Adult EFT plus 3	8	12	-4	2
○ Adult EFT plus 4	0	5	-5	0
○ Adult EFT plus 5	6	6	0	1
○ Adult EFT plus 6	0	0	0	0
○ Adult Monthly	118	109	9	118
○ Adult Monthly plus 1	70	86	-16	35
○ Adult Monthly plus 2	18	21	-3	6
○ Adult Monthly plus 3	32	24	8	8
○ Adult Monthly plus 4	15	10	5	3
○ Adult Monthly plus 5	0	0	0	0
○ Adult Monthly plus 6	7	14	-7	1
○ City of Yankton Single	52	52	0	52
○ Firefighter Single	15	15	0	15
○ 10 Use Punch card	46	45	1	46
○ Radio	41	41	0	41
○ Youth Annual	37	36	1	37
○ Youth EFT	1	1	0	1
○ Youth Monthly	75	78	-3	75
Total # of Active Memberships	929	948	-19	782

- In January of 2024, member numbers peaked as we had 948 members with 782 memberships.
 - In January of 2019 (pre-pandemic), we had 2,278 members with 1,109 memberships.
- Attendance – The first two weeks of February were 4,462 (2,866 SAC, 1,596 GL) compared to 3,966 (2,700 SAC, 1,266 GL) in 2023.
- Huether Family Aquatics Center passes sold between 2/1-15/24 – 21 (4 in 2023)
 - Total Huether Family Aquatics Center Passes Sold: 571 (439 – 2023)
- Total Cash Revenue at the SAC 2/1-15/24 – \$15,920.03 compared to \$13,143.31 in 2023.
- The Recreation Staff will begin working on a digital summer recreation brochure for 2024 which will be released in the coming weeks.

Entire Month of February 2024

- The return of the Annual Get Up and Play Month
- \$3 Day Passes to the SAC
- Encourage everyone in the Yankton area to “Get Up and Play” in February

Saturday, February 3, 2024

- **SAC Library Day Pass Used**
 - 1 Coupon (1 Adult, 1 Kid)

Friday, February 9, 2024

- **SAC Library Day Pass Used**
 - 1 Coupon (1 Adult, 4 Kids)

Saturday, February 10, 2024

- **SAC Library Day Pass Used**
 - 1 Coupon (2 Adults, 2 Kids)

Sunday, February 11, 2024

- **SAC Library Day Pass Used**
 - 1 Coupon (1 Adult, 1 Kid)

February 1-15, 2024

- **Day Pass Mailers used – 5.**
 - (59 total for this campaign)

Additional Information for First Half of February:

- **Aqua Zumba**
 - Participation – 47 Participants

- **Barre**
 - Participation – 8 Participants
- **Power Abs**
 - Participation – 44 Participants
- **Power Yoga**
 - Participation – 26 Participants
- **Prime Time Senior Class**
 - Participation – 69 Participants
- **Strength & Flexibility**
 - Participation – 34 Participants
- **Tabata**
 - Participation – 44 Participants
- **Trim & Tone**
 - Participation – 20 Participants
- **Turbo Kick**
 - Participation – 15 Participants
- **Wake UP**
 - Participation – 29 Participants
- **Water Aerobics Classes**
 - Participation – 138 Participants
- **Work Out Express Class**
 - Participation – 8 Participants
- **Yoga**
 - Participation – 23 Participants
- **Zumba**
 - Participation – 22 Participants
- **Zumba Gold**
 - Participation – 93 Participants
- **Zumba Toning**
 - Participation – 14 Participants
- **Birthday Party Rentals**
 - Participation – 8 Birthday Parties

- **Private Pool Party Rentals**
 - Hours Rented – 2 Hours
- **Auxiliary/Main Gym Rentals**
 - Hours Rented – 8 Hours
- **Theater Rentals**
 - Hours Rented – 0 Hours
- **Meeting Rooms**
 - Hours Rented – 0 Hours
- **City Hall Rentals**
 - Hours Rented – 13 Hours
- **Capital Building Rentals**
 - Days Rented – 1 date
- **Park Shelters**
 - Riverside - 0 Rentals
 - Memorial – 0 Rentals
 - Westside – 0 Rental
 - Meridian Bridge – 0 Rental

PARKS

Luke has begun evaluating musical acts for the 2024 season of Music at the Meridian.

Luke is working on the fireworks order for July 4. The fireworks display will be from the upper deck of the Meridian Bridge.

The Parks staff have been trimming trees in the parks. The Parks Department will be replacing wood siding and trim on the golf cart storage building north of the clubhouse.

The Parks Department will be working with the Street Department to take down dead, diseased, or hazardous trees on City property and in street ROW's. Parks staff are trimming trees in parks and green spaces maintained by the City. The Street Department helps in this effort with large limbs. Ash trees are being removed also as a part of the Emerald Ash Borer Mitigation Plan for ROW's, boulevards, and City owned property.

Staff is examining the 2023 Capital Budget and planning to make purchases for budgeted items.

The Parks staff will be taking down holiday decorations as soon as snow and ice allow.

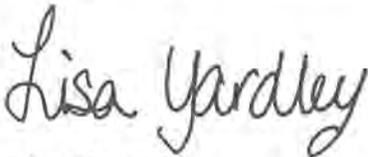
The Parks and Sports Fields staff along with the Spaces and Places staff have been removing snow and ice as needed from City properties or public right-of-ways.

NOTICE OF HEARING UPON APPLICATION
FOR SALE OF ALCOHOLIC BEVERAGES

NOTICE IS HEREBY GIVEN that an application has been received by the Board of City Commissioners of the City of Yankton for a Special On-sale Liquor License for one day, June 8, 2024, from Rock 'N' Rumble, Inc., d/b/a Yankton Ribfest, at the following location: The block of 3rd Street between Cedar Street and Walnut Street, plus one-half block West on 3rd Street to the alley, plus one-half block of Walnut Street to the alley and one-half block North and South on Walnut and 3rd Streets.

NOTICE IS FURTHER GIVEN that a public hearing on the application will be held on Monday, March 11, 2024 at 7:00 p.m. in the City of Yankton Community Meeting Room at the Career Manufacturing Technical Education Academy, 1200 West 21st Street, Yankton, South Dakota, where any person or persons interested in the approval or rejection of the above application may appear and be heard.

Dated at Yankton, South Dakota
this 26th day of February, 2024.



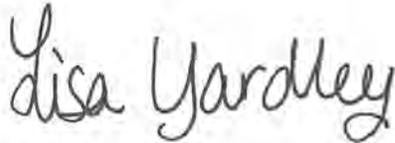
Lisa Yardley
FINANCE OFFICER

Memorandum #24-24

To: City Manager
From: Finance Department
Date: February 26, 2024
Subject: Transfer Retail (On-off sale) Malt Beverage License with Video Lottery
– Chuck Stop to The Fox Den

The Finance Department has received an application for transfer of ownership and location of a Retail (on-off sale) Malt Beverage & SD Farm Wine License for July 1, 2023 to June 30, 2024 from Chuck Stop LLC d/b/a Chuck Stop (Charles Rezac, Owner), 800 Summit Street, Yankton, South Dakota to Diggers, Inc. d/b/a The Fox Den (Larry Olson, Owner), 511 West 4th Street, Suite C, Yankton, South Dakota. This alcohol license number RB-3406 is endorsed with video lottery.

The Finance Department has provided the above referenced application to the Community and Economic Development Department, Fire Department, and Police Department to ensure that the premises and the applicant conform to the provisions of the City of Yankton Municipal Code of Ordinances. An inspection by the Fire Marshal and the Building Inspector is still pending as this is a 38' x 50' building addition to the east side of the existing building at 511 West 4th Street. A police check on the applicant revealed no felony convictions or warrants in South Dakota. After reviewing said information, it appears to the Finance Department that the above applicant is in compliance with the City of Yankton Municipal Code of Ordinances as relates to the submitted application.



Lisa Yardley
Finance Officer

Memorandum #24-38

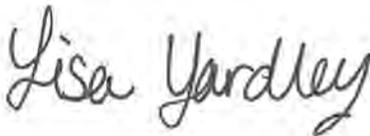
To: City Manager
From: Finance Department
Date: February 26, 2024
Subject: Special Events Alcoholic Beverage License
Applicant: Mount Marty University – Fresh Ideas

Type of License:

- Special On-sale Malt Beverage Retailers License
- Special On-sale Wine Retailers License
- Special On-sale Liquor License

The Finance Department has received a Special Events Alcoholic Beverage License Application for a Special On-sale Malt Beverage Retailers License and a Special On-sale Wine Retailers License for one day, April 10, 2024, from Mount Marty University – Fresh Ideas, 1105 W. 8th Street, Yankton, South Dakota. The event will take place at 1105 W. 8th Street, Yankton, South Dakota.

The Finance Department has provided the above referenced application to the Community and Economic Development Department, the Fire Department and the Police Department to ensure that the premises and the applicant conform to the provisions of the City of Yankton Municipal Code of Ordinances. An inspection by the Fire Marshal and the Building Inspector revealed that the event premises is in compliance with all building and fire codes. A police check on the applicant revealed no felony convictions or warrants in South Dakota. After reviewing said information, it appears to the Finance Department that the above applicant is in compliance with the City of Yankton Municipal Code of Ordinances as relates to the submitted application.



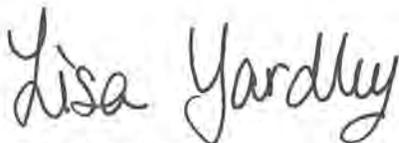
Lisa Yardley
Finance Officer

Memorandum #24-39

To: City Manager
From: Finance Department
Date: February 26, 2024
Subject: New Retail (On-off sale) Malt Beverage License – Chuck Stop

The Finance Department has received an application for new Retail (on-off sale) Malt Beverage & SD Farm Wine License for July 1, 2023 to June 30, 2024 from Chuck Stop LLC d/b/a Chuck Stop (Charles Rezac, Owner), 800 Summit Street, Yankton, South Dakota. This alcohol license is not endorsed with video lottery.

The Finance Department has provided the above referenced application to the Community and Economic Development Department, Fire Department, and Police Department to ensure that the premises and the applicant conform to the provisions of the City of Yankton Municipal Code of Ordinances. An inspection by the Fire Marshal and the Building Inspector revealed that the business premises is in compliance with all building and fire codes. A police check on the applicant revealed no felony convictions or warrants in South Dakota. After reviewing said information, it appears to the Finance Department that the above applicant is in compliance with the City of Yankton Municipal Code of Ordinances as relates to the submitted application.



Lisa Yardley
Finance Officer

Memorandum #24-46

To: City Commission
 From: Lisa Yardley, Finance Officer and Ross Den Herder, City Attorney
 Date: February 20, 2024
 Subject: New Package (off-sale) Liquor License Application – 6th Meridian LLC
 d/b/a Farm House Food Co

The Finance Department has received an application for a new Package (off-sale) Liquor License for January 1, 2024 to December 31, 2024 from 6th Meridian, LLC d/b/a Farm House Food Co. (Michelle Donnor & Ryan Heine, Owners), 2503 Fox Run Parkway, Suite 1, Yankton, SD. This application was submitted with a \$500 check on November 16, 2023.

As you recall, based upon population growth according to census data, the City of Yankton is now statutorily authorized to issue a new 12th Package (off-sale) Liquor License. Since the City of Yankton does not cap its number of available package off-sale liquor licenses by ordinance, state law requires the City to pass a resolution adding the new license and setting the fee. In August, the Commission passed Resolution #23-52 authorizing the issuance of the new license with a fee to be established by sealed bids. The Commission approved a sealed bidding procedure, which required bids to be turned in by no later than November 9, 2023, with a \$100,000 minimum bid and \$100 non-refundable application fee. No bids were received by the bid closing deadline.

This application from 6th Meridian, LLC was submitted after November 9, 2023, and did not meet the sealed bid specifications as required by the Commission's resolutions.

On November 27, 2023, the City Commission discussed how to proceed with the application from 6th Meridian, LLC. Mr. Heine was present and argued the application should be accepted and approved based upon his interpretation that Ordinance Sec. 3-2 set the issuance fee at \$500. Staff disagreed with Mr. Heine's interpretation because (1) this new package off-sale license is the first such license available for issuance since the early 1980's, and (2) the original Ordinance Sec. 3-2 was passed well after the City's total off-sale licenses were capped and the only "Fee" the City of Yankton could collect for off-sale liquor licenses was for renewals only, which are collected by the City every year. The Commission's resolutions were based upon this interpretation.

By contrast, if Mr. Heine's interpretation was correct, the Commission's prior resolutions and bidding instructions to the public were certainly inconsistent and put any other citizens interested in the license in a disadvantaged position with no fair mechanism to acquire the newly available license.

The Commission approved a motion to have City Attorney Den Herder update the ordinance by the second meeting in January and for the Commission to hold the

_____ Roll Call

“public hearing” on the 6th Meridian, LLC application at the second meeting in February.

The City Attorney did draft and the Commission approved Ordinance #1077 (deemed effective February 15, 2024), which clarified that the fee for package off-sale liquor set in Ordinance Sec. 3-2 applies only to license “renewals.” It also codified the sealed bidding procedures for newly issued on-sale and off-sale liquor licenses. The prior resolutions of the Commission and the City’s ordinances are now in harmony.

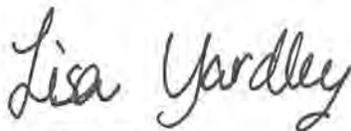
Now, the required “public hearing” for the application from 6th Meridian, LLC is finally before the Commission appearing on the agenda for February 26, 2024. Since the application submitted by 6th Meridian did not comply with the Commission’s prior sealed bidding resolutions, the Commission may deny the application upon the basis that the application was a non-conforming and ineligible bid. Further, since no eligible bids were received, there is technically no license to issue at the present time until the Commission approves and opens a new sealed bidding auction procedure.

Alternatively, the Commission may vote to approve and grant the off-sale license to the applicant despite the concerns raised above on the basis that the applicant submitted its application prior to the effective date of the new Ordinance. The owners already have a Retail (on-off sale) Malt Beverage and Retail (on-off sale) Wine license; and they have passed a Police background check, Fire Marshal inspection, and Building Inspector inspection along with being up-to-date with property and state sales tax. The application submission, however, does not align with sealed bid issuance procedures set by this Commission’s resolution, and 6th Meridian, LLC is not a conditionally awarded bidder.

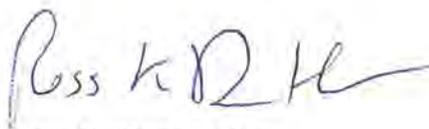
If this application is denied, no further application may be received from the applicant until after the expiration of one year from the date of a denied application per SDCL 35-2-5.1.

Recommendation: It is recommended that the City Commission take action on the Uniform Alcoholic Beverage License Application from 6th Meridian, LLC d/b/a Farm House Food Co.

Respectfully submitted,



Lisa Yardley
Finance Officer



Ross K. Den Herder
City Attorney

Memorandum #24-44

To: City Commission
 From: Finance Officer and City Attorney
 Date: February 14, 2024
 Subject: Revisit package off-sale liquor license

On August 28, 2023, the City of Yankton Commission approved Resolution #23-52 for a new additional 12th Package Off-Sale Liquor license to be issued in the municipality in calendar year 2024 at a fee no less than \$300 but issuance based on sealed bid by an eligible bidder.

A public bid opening commenced on November 9, 2023 with a required \$100,000 minimum bid and \$100 non-refundable application fee. No bids were received.

On November 16, 2023, the City Finance Officer received a completed Uniform Alcoholic Beverage License Application for a new Package (off-sale) Liquor (PL) license and a \$500 check from 6th Meridian/Farm House Food Company (owner Ryan Heine). The applicant's public hearing was tabled to the second meeting in February and will have appeared on the same meeting agenda before this agenda item is taken up by the Commission. If the Commission approved the request and issued the license to the applicant, this agenda item may be disregarded. If the application is denied, then Staff seeks direction for re-opening the new off-sale package liquor license for sealed bids.

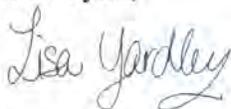
Effective February 15, 2024, Ordinance #1077 Sec. 3-23 established the sealed bid issuance procedures for on-sale and off-sale liquor licenses.

How does the City Commission wish to move forward? We ask for the Commission's direction regarding each of the following:

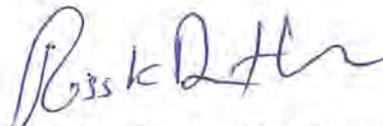
- 1) Setting (or removing entirely) a new minimum bid amount;
- 2) Setting an application fee;
- 3) Scheduling for bid submissions and opening; or
- 4) Tabling the bid opening and revisiting at a future date at the Commission's pleasure.

If the Commission wishes to reestablish the minimum bid and hold another public bid opening, a resolution shall be prepared consistent with the Commission's direction setting the minimum bid (if any), application fee, and bid process timeline schedule, which shall then be drafted and presented to the Commission for approval at a subsequent meeting.

Thank you,



Lisa Yardley, Finance Officer

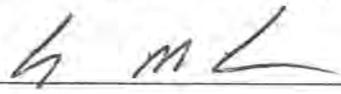


Ross Den Herder, City Attorney

Recommendation: It is recommended that the City Commission direct staff on how to proceed with the sale of the new 12th package off-sale liquor license.

I concur with the above recommendation.

I do not concur with the above recommendation.



Amy Leon
City Manager

Memorandum #24-40

To: City Commission
 From: Finance Officer
 Date: February 9, 2024
 Subject: Tire Disposal Fee Schedule

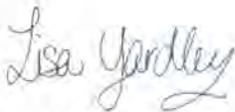
The City of Yankton Landfill Transfer Station disposes tires based on individual size or weight, if in bulk. In 2023 our tire disposal vendor increased their prices \$20 more per ton mid-year. Overall, we paid this vendor \$39,344.80 in 2023 and only received \$30,051 in tire revenue (before sales tax).

To accommodate for raising costs, please view the proposed rate increase below:

<i>Tire size</i>	<i>Current Rate</i>	<i>New Rate</i>	<i>Increase</i>
<i>Car</i>	\$3.00/tire	\$4.00/tire	\$1.00
<i>Truck (17" – 22.5")</i>	\$6.50/tire	\$11.00/tire	\$4.50
<i>Truck (>22.5")</i>	\$6.50/tire	\$16.00/tire	\$9.50
<i>Construction Equipment</i>	\$16.50/tire	\$21.00/tire	\$4.50
<i>Bulk Tires</i>	\$190/ton	\$250.00/ton	\$60/ton

The City of Yankton has looked at alternate vendors and comparisons with other landfills. Joint Powers does not oversee our fee schedule on rubble items such as tires. Our new rates would align with the City of Vermillion's tire fees.

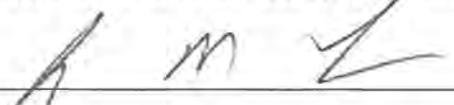
Therefore, Resolution #24-11 amends and raises the current tire disposal fees effective April 1, 2024.



Lisa Yardley
 Finance Officer

Recommendation: It is recommended that the City Commission adopt Resolution #24-11 and authorize the fees listed to become effective April 1, 2024.

I concur with the above recommendation.
 I do not concur with the above recommendation.



 Amy Leon
 City Manager

____ Roll Call

RESOLUTION #24-11

REVISING TRANSFER STATION TIRE DISPOSAL RATES

WHEREAS, the City of Yankton accepts tires of different sizes for disposal from commercial and non-commercial customers for a fee; and

WHEREAS, the cost per ton for the Transfer Station to dispose of tires collected has increased significantly over the past year; and

WHEREAS, an increase in the fee per tire and fee per ton of bulk tires dropped off by commercial and non-commercial customers at the Yankton Transfer Station is necessary to avoid having other landfill operations and fees subsidize the Transfer Station's costs to dispose of the tires.

NOW, THEREFORE, BE IT RESOLVED that the Board of City Commissioners of Yankton, South Dakota do hereby approve on the 26th day of February 2024 to amend the tire disposal fee effective April 1, 2024 to be:

<u>Tire size or quantity</u>	
Car	\$4.00 per tire
Truck (17" – 22.5")	\$11.00 per tire
Truck (>22.5")	\$16.00 per tire
Construction/Farm Equipment	\$21.00 per tire
Bulk Tires	\$250.00 per ton

Adopted: This ____ day of February 2024

Stephanie Moser
Mayor

ATTEST:

Lisa Yardley
Finance Officer

MEMORANDUM #24-42

TO: Yankton City Commission
FROM: Amy Leon, City Manager 
RE: Mead Museum Request
DATE: February 19, 2024

The Mead Museum is owned and operated by the Yankton County Historical Society which is a 501c3 organization.

The Mead Museum staff and Mead Museum Board have had great success in restoring the former campus as a valuable educational and cultural facility for our community and our visitors. In recent years the staff and its volunteers have created a highly professional museum and offer opportunities for special events, including private rentals and public events that encourage usage. The Mead set a new visitor record in 2023 and has expanded educational outreach to the Yankton School District. SDSU, USD, Mitchell Tech and Lake Area Tech include the Mead Museum in their nursing program, providing perspective on the history of psychiatric health in our state. Yankton College is located in one of the upper stories of the Mead Building, and South Dakota Southeast Tourism rents an office space in the facility.

The City of Yankton has a long-standing relationship with the Mead Museum. An annual contribution has been provided to the Mead Museum through the United Way's Collective Impact Funding. The City of Yankton has assisted the Mead Museum with various capital costs associated with the transition of the former museum and buildings out of West Side Park to what is today known as Heritage Park. In addition, the Mead is funded by a portion of a mill levy for the Yankton County Historical Preservation Commission as well as an annual contribution from Yankton County. Donations, grants, rentals, memberships, and entrance fees also assist in covering the costs of programming, staffing, curation, and exhibit development.

Recently, the Mead Board has recognized a challenge in maintaining financial solvency and is beginning to do some long-term planning to ensure the community can continue to enjoy this facility and everything it has to offer. Lack of donations in 2023 have resulted in a 35% budget shortfall while expenses associated with staffing, operating, and maintaining the facility have increased in recent years.

Crystal Nelson, Executive Director of the Mead Museum, has informed the City of the concerns and has asked to begin a conversation with the greater community about the financial future of the Mead Museum. While the Mead Museum understands the solution is necessary, they are not looking solely to the City of Yankton. Ms. Nelson and the museum board members are working with Yankton County Commissioners to engage in a conversation about addressing the mill levy. In addition, Ms. Nelson will be putting together a proposal to the Business Improvement District Board to request assistance in funding a new permanent exhibit called "A Dakota Story" which will cover the history of Yankton from its infancy as the territorial capital spanning to the 1970s. The Mead Museum Board is also evaluating donations to determine how more revenue might be funded through fundraising events and capital campaigns. These conversations will take time to work through. The need for the organization, however, is immediate.

Ms. Nelson is requesting a one-time contribution from the City of Yankton for \$30,000 to be utilized for operations and programming. This funding would allow for the Mead to continue to operate until a more permanent solution is identified.

There is a balance in the Bed, Board and Booze (BBB) fund.

The Mead Museum staff is looking forward to bringing even more great things in the future.

Recommendation: Staff recommends the City Commission approve a one-time contribution of \$30,000 from the Bed, Board and Booze (BBB) fund for the Mead Museum, and direct the City Manager and staff to continue conversations with the Mead Executive Director, the Mead Museum Board and other community partners regarding the operation of the Mead Museum.

Memorandum #24-49

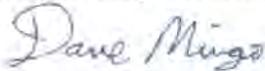
To: Amy Leon, City Manager
 From: Dave Mingo, AICP Community and Economic Development Director
 Subject: MOU for Use of City Facilities in the Event of a Mass Care Emergency
 Date: February 20, 2024

It is once again time to officially agree to allow the Yankton County Office of Emergency (OEM) Management to use certain City owned facilities in the event of a mass care emergency. The attached three Memorandums of Understanding (MOU) designate City Hall, Fire Station #2 and The Center as locations that can be used as places of gathering in an emergency situation.

While we hope they never have to be used, it is important to formalize this relationship with OEM so they can include the facilities in their list of resources available in the event of an emergency. Having the designations confirmed also helps with disaster preparedness planning and training exercises.

The designations have the added benefit of improving the possibility of receiving certain types of grants for facility improvements. Past improvements resulting from these designations included the acquisition and installation of generators at all three locations.

Respectfully submitted,

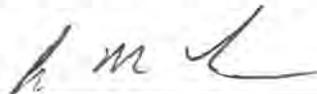


Dave Mingo, AICP
 Community and Economic Development Director

Recommendation: It is recommended that the City Commission approve Memorandum #24-49 thereby approving the referenced MOU's and authorizing the City Manager to execute said agreements.

I concur with this recommendation.

I do not concur with this recommendation.



Amy Leon
 City Manager

Roll Call



February 12, 2024

Greetings

I want to thank you for being part of the Yankton County Community plan and helping those you are in need during their time of crises. Your facility allows us to get resources to those in need, in a timelier manner.

It has been a few years since we have contacted you on the assigned property listed above, as a gathering point or shelter for Yankton County Emergency Management. Our office hopes to never have to use your facility for this service, but there is always a chance that it might be needed.

We are asking you to continue in this venture with us to make sure we have a means to care for our people in a disaster. I am asking you to update our contact information on the form below. Please return in the envelope enclosed.

Please read and sign both Copies. Then return one copy.

Thank you for your assistance

Paul Scherschligt
Yankton County Emergency Management
paul@yanktonoem.com
Work - 1-605-668-5289
Cell - 1-605-661-4289



MEMORANDUM OF UNDERSTANDING (MOU) FOR USE OF FACILITIES IN THE EVENT OF A MASS CARE EMERGENCY

Yankton County OEM, and Yankton City Hall, Yankton SD, agree that:

In the event of a catastrophic emergency in Yankton County, the Office of Emergency Management, OEM, resources will be quickly committed to providing a necessary gathering center.

Yankton County OEM and Yankton City Hall, Yankton SD, enter into this partnership as follows:

1. **Facility Space:** Yankton County OEM accepts designation of Yankton City Hall, Yankton SD as a gathering center in the event the need arises.
2. **Use of the Facility:** Request to use facility as a gathering center will occur as soon as possible through the local Office of Emergency Management. Designation and use of Yankton City Hall, will be mutually agreed upon by all parties to this agreement.
3. **Costs:** All reasonable and eligible costs associated with the emergency and the operation of the shelter that include modifications or damages to the facility structure, equipment and associated systems directly related to their use in support of the shelter are submitted for consideration and reimbursement through established disaster assistance programs.
4. **Contact Information** Yankton City Hall, will provide Yankton County OEM, the appropriate facility 24 hour/7 day contact information, and update this information as necessary.
5. **Duration of Agreement:** The minimum term of this MOU is two years from the date of the initial agreement. Subsequent terms may be longer with the concurrence of all parties.
6. **Agreement Review:** A review will be initiated by Yankton County OEM, and conducted following a disaster event or within two years after the effective date of this agreement. At that time, this agreement may be negotiated for renewal. Any changes at the facility that could impact the execution of this agreement will be conveyed to the identified primary contacts or their designees of this agreement as soon as possible. All significant communications between the Parties shall be made through the primary contacts or their designees.
7. **Amendments:** This agreement may be amended at any time by signature approval of the parties' signatories or their respective designees.



- 8. Termination of Agreement: Any Party may withdraw at any time from this MOU, except as stipulated above, by transmitting a signed statement to that effect to the other Parties. This MOU and the partnership created thereby will be considered terminated thirty (30) days from the date the non-withdrawing Party receives the notice of withdrawal from the withdrawing Party.

- 9. Capacity to Enter into Agreement: The persons executing this MOU on behalf of their respective entities hereby represent and warrant that they have the right, power, legal capacity, and appropriate authority to enter into this MOU on behalf of the entity for which they sign.

Facility Official: _____ Date: _____

Signature: _____

YCOEM Official: Paul Scherschligt Date: 02-12-2024

Signature: Paul Scherschligt

To authorize facility use, call:

Name

Daytime phone number

To open facility, call:

Name

Daytime phone number

After-hours/emergency phone number

To open facility, call:

Name

Daytime phone number

Night-time if different



MEMORANDUM OF UNDERSTANDING (MOU) FOR USE OF FACILITIES IN THE EVENT OF A MASS CARE EMERGENCY

Yankton County OEM, and City of Yankton, agree that:

In the event of a catastrophic emergency in Yankton County, the Office of Emergency Management, OEM, resources will be quickly committed to providing a necessary gathering center.

Yankton County OEM and City of Yankton enter into this partnership as follows:

- 1. Facility Space:** Yankton County OEM accepts designation of Yankton Fire Station #2, located at 201 w 23rd St., as a gathering center in the event the need arises.
- 2. Use of the Facility:** Request to use facility as a gathering center will occur as soon as possible through the local Office of Emergency Management. Designation and use of Yankton Fire Station #2, will be mutually agreed upon by all parties to this agreement. Any such use shall not be in a manner as to prevent the continuation of essential functions of fire department operations, and reasonable accommodations shall be made for this purpose.
- 3. Indemnification:** Yankton County OEM shall defend, indemnify and hold the City of Yankton harmless from any claims of third parties related to or arising from Yankton County OEM's use or control of the City Hall.
- 4. Costs:** All reasonable and eligible costs associated with the emergency and the operation of the gathering center that include, but are not limited to, modifications or damages to the facility structure, equipment and associated systems directly related to their use in support of the gathering center are submitted for consideration and reimbursement through established disaster assistance programs. No damage or modification to the facility structure, equipment or associated systems shall be permitted without written permission from the City of Yankton. In the event reimbursement through established disaster assistance is not available, Yankton County OEM shall be responsible for reimbursing the City of Yankton for any and all such costs, unless otherwise agreed upon by the parties in writing.
- 5. Contact Information:** Yankton Fire Station #2, will provide Yankton County OEM, the appropriate facility 24 hour/7 day contact information, and update this information as necessary.
- 6. Duration of Agreement:** The minimum term of this MOU is two years from the date of the initial agreement. Subsequent terms may be longer with the concurrence of all parties.
- 7. Agreement Review:** A review will be initiated by Yankton County OEM, and conducted following a disaster event or within two years after the effective date of this agreement. At that time, this agreement may be negotiated for renewal. Any changes at the facility



that could impact the execution of this agreement will be conveyed to the identified primary contacts or their designees of this agreement as soon as possible. All significant communications between the Parties shall be made through the primary contacts or their designees.

- 8. Amendments: This agreement may be amended at any time by signature approval of the parties' signatories or their respective designees.
- 9. Termination of Agreement: Any Party may withdraw at any time from this MOU, except as stipulated above, by transmitting a signed statement to that effect to the other Parties. This MOU and the partnership created thereby will be considered terminated thirty (30) days from the date the non-withdrawing Party receives the notice of withdrawal from the withdrawing Party.
- 10. Capacity to Enter into Agreement: The persons executing this MOU on behalf of their respective entities hereby represent and warrant that they have the right, power, legal capacity, and appropriate authority to enter into this MOU on behalf of the entity for which they sign.

Facility Official: _____ Date: _____

Signature: _____

YCOEM Official: Paul Scherschligt Date: 02-14-2024

Signature: *Paul Scherschligt*

To authorize facility use, call:

Name

Daytime phone number

To open facility, call:

Name

Daytime phone number

After-hours/emergency phone number

To open facility, call:

Name

Daytime phone number

Night-time if different



MEMORANDUM OF UNDERSTANDING (MOU) FOR USE OF FACILITIES IN THE EVENT OF A MASS CARE EMERGENCY

Yankton County OEM, and The Center, agree that:

In the event of a catastrophic emergency in Yankton County, the Office of Emergency Management, OEM, resources will be quickly committed to providing a necessary gathering center.

Yankton County OEM and The Center, enter into this partnership as follows:

1. Facility Space: Yankton County OEM accepts designation of The Center, located at 900 Whiting, Yankton, SD as a gathering center in the event the need arises.
2. Use of the Facility: Request to use facility as a gathering center will occur as soon as possible through the local Office of Emergency Management. Designation and use of The Center, will be mutually agreed upon by all parties to this agreement.
3. Indemnification: Yankton County OEM shall defend, indemnify and hold the City of Yankton harmless from any claims of third parties related to or arising from Yankton County OEM's use or control of the City Hall.
4. Costs: All reasonable and eligible costs associated with the emergency and the operation of the gathering center that include, but are not limited to, modifications or damages to the facility structure, equipment and associated systems directly related to their use in support of the gathering center are submitted for consideration and reimbursement through established disaster assistance programs. No damage or modification to the facility structure, equipment or associated systems shall be permitted without written permission from the City of Yankton. In the event reimbursement through established disaster assistance is not available, Yankton County OEM shall be responsible for reimbursing the City of Yankton for any and all such costs, unless otherwise agreed upon by the parties in writing.
5. Contact Information: The Center, will provide Yankton County OEM, the appropriate facility 24 hour/7 day contact information, and update this information as necessary.
6. Duration of Agreement: The minimum term of this MOU is two years from the date of the initial agreement. Subsequent terms may be longer with the concurrence of all parties.
7. Agreement Review: A review will be initiated by Yankton County OEM, and conducted following a disaster event or within two years after the effective date of this agreement. At that time, this agreement may be negotiated for renewal. Any



changes at the facility that could impact the execution of this agreement will be conveyed to the identified primary contacts or their designees of this agreement as soon as possible. All significant communications between the Parties shall be made through the primary contacts or their designees.

- 8. Amendments: This agreement may be amended at any time by signature approval of the parties' signatories or their respective designees.
- 9. Termination of Agreement: Any Party may withdraw at any time from this MOU, except as stipulated above, by transmitting a signed statement to that effect to the other Parties. This MOU and the partnership created thereby will be considered terminated thirty (30) days from the date the non-withdrawing Party receives the notice of withdrawal from the withdrawing Party.
- 10. Capacity to Enter into Agreement: The persons executing this MOU on behalf of their respective entities hereby represent and warrant that they have the right, power, legal capacity, and appropriate authority to enter into this MOU on behalf of the entity for which they sign.

Facility Official: _____ Date: _____

Signature: _____

YCOEM Official: Paul Scherschligt Date: 2-14-2021

Signature: *Paul Scherschligt*

To authorize facility use, call:

Name

Daytime phone number

To open facility, call:

Name

Daytime phone number

After-hours/emergency phone number

To open facility, call:

Name

Daytime phone number

Night-time if different

Memorandum #24-43

To: Amy Leon, City Manager
From: Todd Larson, Director of Parks, Recreation, & City Events
Subject: Purchase Two Kubota Mowers for Parks Department
Date: February 15, 2024

The 2024 budget provides for the purchase of mowers for the Department of Parks and Recreation. The Department has \$30,000.00 budgeted plus carry-over of unspent funds from 2023 of \$40,000.00 for mowers.

The City of Yankton participates in the cooperative purchasing agreements through its membership in Sourcewell and the State of SD Sourcewell contract. These cooperative purchasing agreements were established through a competitive bidding process.

Entities eligible to make purchases from these cooperative purchasing agencies include all agencies, institutions, officers, boards, commissions and public universities of the State of South Dakota, and all political subdivisions of the State including counties, municipalities and public school corporations within the State of South Dakota.

The two mowers to purchase will be Kubota F2690 mowers at the Sourcewell bid price of \$23,910.90 for each mower. After dealer assembly, inspection, and freight charges the total mower price is \$25,294.65 each.

The Parks Department will trade in two mowers. The first is a 2015 Kubota F2690 with a value of \$8,794.65. The second will be a 2016 Kubota F2690 with a value of \$7,294.65. The final price paid for each mower will be \$16,500.00 and 18,000.00 for a total price of \$34,500.00.

Respectfully submitted,

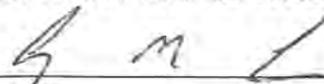


Todd R Larson
 Director of Parks, Recreation, & City Events

Recommendation: It is recommended that the Commission approve the purchase of two Kubota F2690 mowers, and adopt Resolution #24-12 allowing the trade-in of two mowers, for a net price of \$34,500.00.

I concur with this recommendation.

I do not concur with this recommendation.



 Amy Leon
 City Manager

____ Roll Call

RESOLUTION #24-12

WHEREAS, SDCL 6-13-1 requires a municipality owning personal property which is no longer necessary, useable or suitable for municipal purposes shall, by resolution, declare it surplus and may, by resolution, order the sale, trade-in, destruction or other disposal of said personal property.

NOW, THEREFORE, BE IT RESOLVED that the following personal property be declared no longer necessary or suitable for municipal purposes and said property shall be disposed of in accordance with SDCL 6-13-1, et sequential:

SURPLUS PROPERTY TO BE TRADED IN

Year	Description	Division
2016	Kubota F2690 with serial number ending: 11010	Parks
2015	Kubota F2690 with serial number ending: 10068	Parks

Adopted:

Stephanie Moser
Mayor

Attest:

Lisa Yardley
Finance Officer

Sourcewell
 Utility Tractors & Mowers - 033121
 CE and AG - 040919
 Utility Vehicles 122220
 NPA Arkansas 4600041718
 NPA Delaware 855-12673
 Nebraska 14777 (OC)
 Mississippi 8209087338

F2690 WEB QUOTE #2743126
 Date: 2/2/2024 1:10:42 PM
 - Customer Information -
 WALSH, JAY
 CITY OF YANKTON
 jwalsh@cityofyankton.org
 605-665-4501

Quote Provided By
 Koletzky Implement
 Leroy Pedersen
 BOX 589
 YANKTON, SD 57078
 email: leroy@koletzkyimplement.com
 phone: 6056653872

- Standard Features -

- Custom Options -



F Series

F2690

*** EQUIPMENT IN STANDARD MACHINE ***

DIESEL ENGINE

Model #D1105
 3 Cyl., 1123 cu. cm.
 +24.8 Gross Eng. HP
 @3000 Eng. RPM
 CARB Certified
 Alternator - 40 Amps
 Hand Throttle
 Dual Element Air Cleaner

OPERATING FEATURES

Tilt Steering Wheel
 Power Steering
 Deluxe Suspension Seat
 w/ 4 Adj. Controls

HYDRAULICS

Open Center - Gear Type
 2 Point Hitch Lift
 Cap at Lift Point - 573 lbs
 8.6 GPM Hyd. Pump Cap.
 8 GPM Remote Outlet

HYD. INDEPENDENT PTO

Hyd. Multi-Disc PTO
 Single Speed PTO
 2545 rpm @ 3000 Eng. rpm

+ Manufacturer Estimate

TRANSMISSION

Hydrostatic Drive (F2/R2)
 Forward Speed - 0 - 12.5 mph
 Reverse Speed - 0 - 6.8 mph
 Front Differential Lock

FLUID CAPACITY

Fuel Tank 16.1 gal
 Cooling System 4.9 qts
 Engine Oil 3.7 qts
 Transmission and Hydraulics 14.8 qts

SAFETY EQUIPMENT

2 Post Foldable ROPS w/
 Retractable Seat Belt
 ROPS meet ISO and OSHA
 Safety Start Switch
 Operator Presence Control
 Parking Brake
 Overheat Alarm Buzzer

INSTRUMENTS

Liquid Crystal Display (LCD) Panel
 Hour Meter
 Electric Fuel Gauge
 Temperature Gauge
 Easy Checker™
 Oil Light
 Charge Light
 Glow Plug Light

SELECTED TIRES

AR8641 & AF9398A
 FRONT - 24x12.00-12 R3 Maxxis Pro Tech
 REAR - 18x9.50-8 R3 Kenda Super Turf K500

F2690 Base Price: \$24,709.00

(1) SUSPENSION SEAT / F2690/F3680	inc.
F2690-SUSPENSION SEAT / F2690/F3680	
(1) 72" MOWER DECK FOR F SERIES TRACTOR	\$5,688.00
RCK72P-F39-72" MOWER DECK FOR F SERIES TRACTOR	
(1) 2 LIGHT HAZARD LIGHT KIT/F80-SERIES	\$258.00
F8272-2 LIGHT HAZARD LIGHT KIT/F80-SERIES	
Configured Price:	\$30,655.00
Sourcewell Discount:	(\$6,744.10)
SUBTOTAL:	\$23,910.90
Dealer Assembly:	\$440.00
Freight Cost:	\$543.75
PDI:	\$400.00
TRADE IN 15 2690 4WD # 11010	(\$8,794.65)

Total Unit Price: \$16,500.00
 Quantity Ordered: 1
 Final Sales Price: \$16,500.00

Final pricing will be based upon pricing at the time of final delivery to Sourcewell members. Purchase Order Must Reflect Final Sales Price.

To order, place your Purchase Order directly with the quoting dealer

*Some series of products are sold out for 2022. All equipment specifications are as complete as possible as of the date on the quote. Additional attachments, options, or accessories may be added (or deleted) at the discounted price. All specifications and prices are subject to change. Taxes are not included. The PDI fees and freight for attachments and accessories quoted may have additional charges added by the delivering dealer. These charges will be billed separately. Prices for product quoted are good for 60 days from the date shown on the quote. All equipment as quoted is subject to availability.

Sourcewell
 Utility Tractors & Mowers - 031121
 CE and AG - 040519
 Utility Vehicles 122220
 NAPA Arkansas 4606041716
 NAPA Delaware 655-17673
 Nebraska 14777 (OC)
 Mississippi 620067336

F2690 WEB QUOTE #2743124
 Date: 2/2/2024 1:08:31 PM
 -- Customer Information --
 WALSH, JAY
 CITY OF YANKTON
 jwalsh@cityofyankton.org
 605-665-4501

Quote Provided By
 Kolatzky Implement
 Leroy Pedersen
 BOX 589
 YANKTON, SD 57078
 email: leroy@kolatzkyimplement.com
 phone: 6056653872

Standard Features -

- Custom Options -



F Series

F2690

*** EQUIPMENT IN STANDARD MACHINE ***

DIESEL ENGINE

Model #D1105
 3 Cyl., 1123 cu. cm.
 124.8 Gross Eng. HP
 @3000 Eng. RPM
 CARB Certified
 Alternator - 40 Amps
 Hand Throttle
 Dual Element Air Cleaner

OPERATING FEATURES

Tilt Steering Wheel
 Power Steering
 Deluxe Suspension Seat
 w/ 4 Adj. Controls

HYDRAULICS

Open Center - Gear Type
 2 Point Hitch Lift
 Cap at Lift Point - 573 lbs
 8.8 GPM Hyd. Pump Cap.
 6 GPM Remote Outlet

HYD. INDEPENDENT PTO

Hyd. Multi-Disc PTO
 Single Speed PTO
 2545 rpm @ 3000 Eng. rpm

- Manufacturer Estimate

TRANSMISSION

Hydrostatic Drive (F2/R2)
 Forward Speed - 0 - 12.5 mph
 Reverse Speed - 0 - 6.8 mph
 Front Differential Lock

FLUID CAPACITY

Fuel Tank 16.1 gal
 Cooling System 4.9 qts
 Engine Oil 3.7 qts
 Transmission and Hydraulics 14.8 qts

SAFETY EQUIPMENT

2 Post, Foldable ROPS w/
 Retractable Seat Belt
 ROPS meet ISO and OSHA
 Safety Start Switch
 Operator Presence Control
 Parking Brake
 Overheat Alarm Buzzer

INSTRUMENTS

Liquid Crystal Display (LCD) Panel
 Hour Meter
 Electric Fuel Gauge
 Temperature Gauge
 Easy Checker™
 Oil Light
 Charge Light
 Glow Plug Light

SELECTED TIRES

AR8641 & AF9398A
 FRONT - 24x12.00-12 R3 Maxxis Pro Tech
 REAR - 18x8.50-8 R3 Kenda Super Turf K500

F2690 Base Price: \$24,709.00

(1) SUSPENSION SEAT / F2680/F3680	inc.
F2690-SUSPENSION SEAT / F2680/F3680	
(1) 72" MOWER DECK FOR F SERIES TRACTOR	\$5,888.00
ROK72P-F39-72" MOWER DECK FOR F SERIES TRACTOR	
(1) 2 LIGHT HAZARD LIGHT KIT/F80-SERIES	\$258.00
FR272-2 LIGHT HAZARD LIGHT KIT/F80-SERIES	
Configured Price:	\$30,655.00
Sourcewell Discount:	(\$6,744.10)
SUBTOTAL:	\$23,910.90
Dealer Assembly:	\$440.00
Freight Cost:	\$543.75
PDI:	\$400.00
TRADE 13 2690 2WD #10068	(\$7,294.65)

Total Unit Price: \$18,000.00
 Quantity Ordered: 1
 Final Sales Price: \$18,000.00

Final pricing will be based upon pricing at the time of final delivery to Sourcewell members. Purchase Order Must Reflect Final Sales Price.

To order, place your Purchase Order directly with the quoting dealer

*Some series of products are sold out for 2022. All equipment specifications are as complete as possible as of the date on the quote. Additional attachments, options, or accessories may be added (or deleted) at the discounted price. All specifications and prices are subject to change. Taxes are not included. The PDI fees and freight for attachments and accessories quoted may have additional charges added by the delivering dealer. These charges will be billed separately. Prices for product quoted are good for 60 days from the date shown on the quote. All equipment as quoted is subject to availability.

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Memorandum #24-47

To: Amy Leon, City Manager
From: Brad Bies, Community Development Manager
Subject: Brownfield Asbestos Abatement Bid Award-Sacred Heart Church and Link Auditorium
Date: February 16, 2024

As you may recall, the City Commission previously authorized staff to work with the South Dakota Department of Agriculture and Natural Resources (DANR) to help local businesses and non-profit organizations access funding for asbestos testing and abatement. DANR has awarded \$350,000 for abatement work at Sacred Heart Church and Link Auditorium. To allow a non-profit organization to access these federal funds, the City Commission previously authorized the City of Yankton to act as the grant sub-recipient.

The scope of this project includes abatement of asbestos in the ceilings, pipe fitting, and various other applications in Sacred Heart Church and Link Auditorium. The City of Yankton is the pass-through only, and will not be responsible for any costs associated with the project other than minor grant administration tasks. Planning and Development District III is performing the bulk of the grant administration work on the project, and GeoTek, working on behalf of DANR, is overseeing the abatement process and supervising the abatement contractor.

Bids for the asbestos abatement project were opened on February 15, 2024. Two bids received meet the minimum specifications. The eligible bids are listed below:

Bidder	Church Base Bid	Link Auditorium Base Bid	Church Alternate Bid	Unit Price Mobilize	Unit Price Pipe Fittings	Unit Price Light Fixtures
Horsley Specialties, Rapid City, SD	\$311,400	\$8,200	\$228,700	\$3,500	\$125	\$45
VCI Environmental, Lino Lakes, MN	\$177,000	\$6,700	\$156,000	\$2,000	\$150	\$60

City Staff recommends that the Church Base Bid and Link Auditorium Base Bid be awarded to VCI Environmental of Lino Lakes, MN in the amount of \$183,700. The bid also included unit pricing and mobilization for additional unseen or unknown asbestos materials that may be uncovered during the interior demolition phase of the renovation to be addressed as a change order if needed.

Respectfully submitted,



Brad Bies
Community Development Manager

Recommendation: It is recommended that the City Commission approve Memorandum #24-47 awarding the contract to VCI Environmental in the amount of \$183,700.

I concur with the recommendation.

I do not concur with the recommendation.



Amy Leon
City Manager

Memorandum #24-48

To: Amy Leon, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Land Acquisition Adjacent to Street Shop Property
Date: February 21, 2024

You may remember that when the City bought the former Hardscapes / Clarks Rentals property in 2020, there was significant discussion about the need for some additional land to the north. The structure is close enough to the property line that access to the north doors without crossing onto the neighbor's property is very difficult. (See the attached air photo.) Staff were asked to monitor the ownership status of the property to the north and try to identify a window of opportunity to resolve the access situation at a reasonable price. It was determined that an additional 50 feet would provide the access needed for the building. And, even if the building were to be removed someday, the additional 50 feet would significantly enhance future uses of the site.

The property to the north changed hands in 2021 and staff immediately contacted the new owner to discuss possibilities. The new owner, Chad Soulek, was receptive to the idea of helping the City with the access issues but wanted to wait until they were further along with their thought process for future use of the property. They have contemplated multiple scenarios including building themselves or selling the property to someone else. At that time, staff met internally and determined that it would be beneficial to acquire 50 feet of additional property to the north of the City's property to make the access functional. Staff also discussed scenarios where the existing structure may not be there in the future and determined that an additional 50 feet would still provide the optimal flexibility for the City's future use of the site.

Since that time, staff has had multiple conversations with Chad and Ty Soulek about the price of the property should they choose to sell the desired 50 feet for the City's use. All the discussions have been very amicable, and it is evidence that they want to provide what the City needs. The discussions started at the square foot price they paid for the entire lot in 2021 which would put the proportional value of the 50-foot strip at about \$18,500. They were not interested in selling at that amount because of the impact on the future development of their land. After multiple discussions, the Souleks determined that \$2.00 per square foot is their sale price. That would put the value at \$36,852.

While that amount does appear to be over the market, the price is understandable from their perspective because giving up the 50 feet does limit the amount of development that can occur on their lot. From the City's perspective, the acquisition of the 50 feet will have a positive impact on what we can do at the site in perpetuity so there is value beyond the land price in that.

If approved, the purchase would be through Yankton Thrive to provide us with the flexibility needed for this type of transfer. As always, we are appreciative that Yankton Thrive is willing to serve as a pass through and not benefit financially from the transactions.

In a separate but somewhat related matter, because it deals with property, there are some long outstanding receivables, for both entities, between the City of Yankton and Yankton Thrive that

_____ Roll Call (requires super majority for approval)

we would like to address. The type of City land acquisition described above through Thrive, having no pending development plans, provides us with an opportunity to take care of those issues.

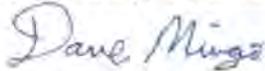
The details of the receivables:

- Per a 1999 agreement related to the City providing property for a spec building, Yankton Thrive owes the City \$46,400. Although not specified in the agreement, the size of the property and timing indicate that the project was the current location of Truxedo.
- Per a 2003 process involving improvements at the City Commission meeting chambers paid for by Yankton Thrive, the City owes Thrive \$29,534.86

While the City of Yankton and Yankton Thrive currently have staff that are aware of the receivables and are certain of their validity, the staff from both entities that were involved in the intricacies of the agreements at the time are no longer working for either entity. Current staff from both entities wish to remove these items from the books through this action.

The difference between the two leaves us with Thrive owing the City of Yankton \$16,865.14. Staff's proposal is to reconcile the entire situation and acquire the above-described property with the City's payment of \$19,986.86 (\$36,852 - \$16,865.14) to Yankton Thrive. It is recommended funding for the purchase come from the Capital Budget line item that is in place for the site. The budget references the line item as "building upgrade" that was planned for the former Hardscapes location. We feel this is appropriate because the addition of 50 feet for access to the north would improve the ability to use the building. City ordinance requires a vote of two-thirds of the City Commission to approve a land acquisition of this nature.

Respectfully submitted,



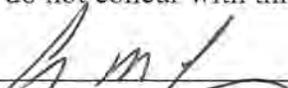
Dave Mingo, AICP
Community and Economic Development Director

Recommendation: It is recommended that the City Commission consider Resolution #24-13 and, if approved, further authorize the City Manager to execute all associated documents.

It is further recommended that the City Commission approve the reconciliation of the past debts between Thrive and the City of Yankton in the manner described herein with the final amount paid to Yankton Thrive being \$19,986.86.

I concur with this recommendation.

I do not concur with this recommendation.



Amy Leon, City Manager

Roll Call (requires super majority for approval)

RESOLUTION #24-13

WHEREAS, the City of Yankton desires to acquire a 50-foot strip of land in Lot 2 of East Cornerstone Subdivision to the City of Yankton, Yankton County, South Dakota containing 0.42 acres more or less, and

WHEREAS, if approved by the Board of City Commissioners, the recorded legal description of the newly platted parcel will be Lot 2A, of East Cornerstone Subdivision to the City of Yankton, Yankton County, South Dakota, and

WHEREAS, Yankton Thrive will offer to purchase the described property from the current owner for the amount described in the associated Memorandum #24-48, and

WHEREAS, Yankton Thrive will transfer the described property to the City of Yankton for the amount described in the associated Memorandum #24-48.

NOW, THEREFORE BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, South Dakota, hereby agrees to acquire the described property as herein identified, and

BE IT FURTHER RESOLVED that the City Manager is authorized to execute all documents associated with the described transfer of:

A 50-foot strip of land in Lot 2 of East Cornerstone Subdivision to the City of Yankton, Yankton County, South Dakota as depicted on the attached "Exhibit A" to be platted and known in the future as Lot 2A, of East Cornerstone Subdivision to the City of Yankton, Yankton County, South Dakota

Adopted:

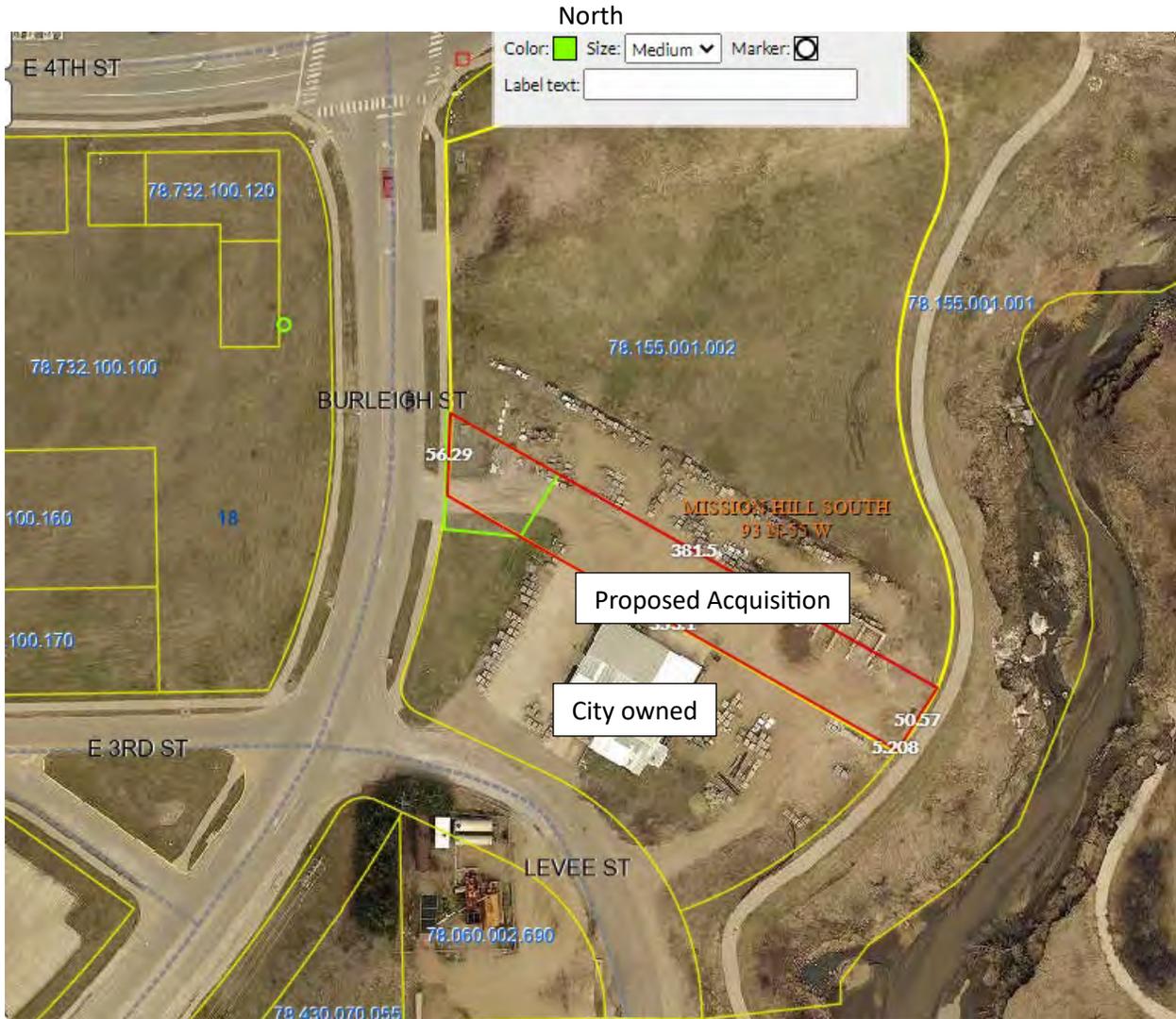
Stephanie Moser, Mayor

ATTEST:

Lisa Yardley, Finance Officer

Proposed Land Acquisition Location Map

Future Lot 2A, of East Cornerstone Subdivision to the City of Yankton, Yankton County, South Dakota



 Land Recommended to Acquire (Future Lot 2A)
Exact dimensions on the Associated Plat

 Location of Future Ingress / Egress Easement Area

PLAT OF LOT 2A OF EAST CORNERSTONE SUBDIVISION

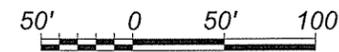
TO THE CITY OF YANKTON, YANKTON COUNTY, SOUTH DAKOTA

(A portion of Lot 2 of East Cornerstone Subdivision to the City of Yankton,
Yankton County, South Dakota recorded in Book S18 of Plats on Page 278)

CONTAINING 0.42 ACRES MORE OR LESS



BASIS OF BEARING
City of Yankton Datum



1" = 100'

LEGEND

- Set 5/8" x 18" Rebar Stamped "KENNEDY 5350"
- Found Corner As Noted
- Platted Property Line
- (65.33') Record Dimension from deed or plat

This survey was performed without the benefit of a Title Report and does not purport to show easements of record, if any.

KEY MAP

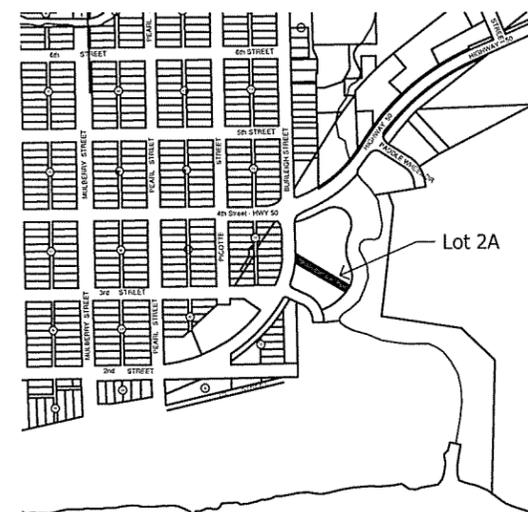
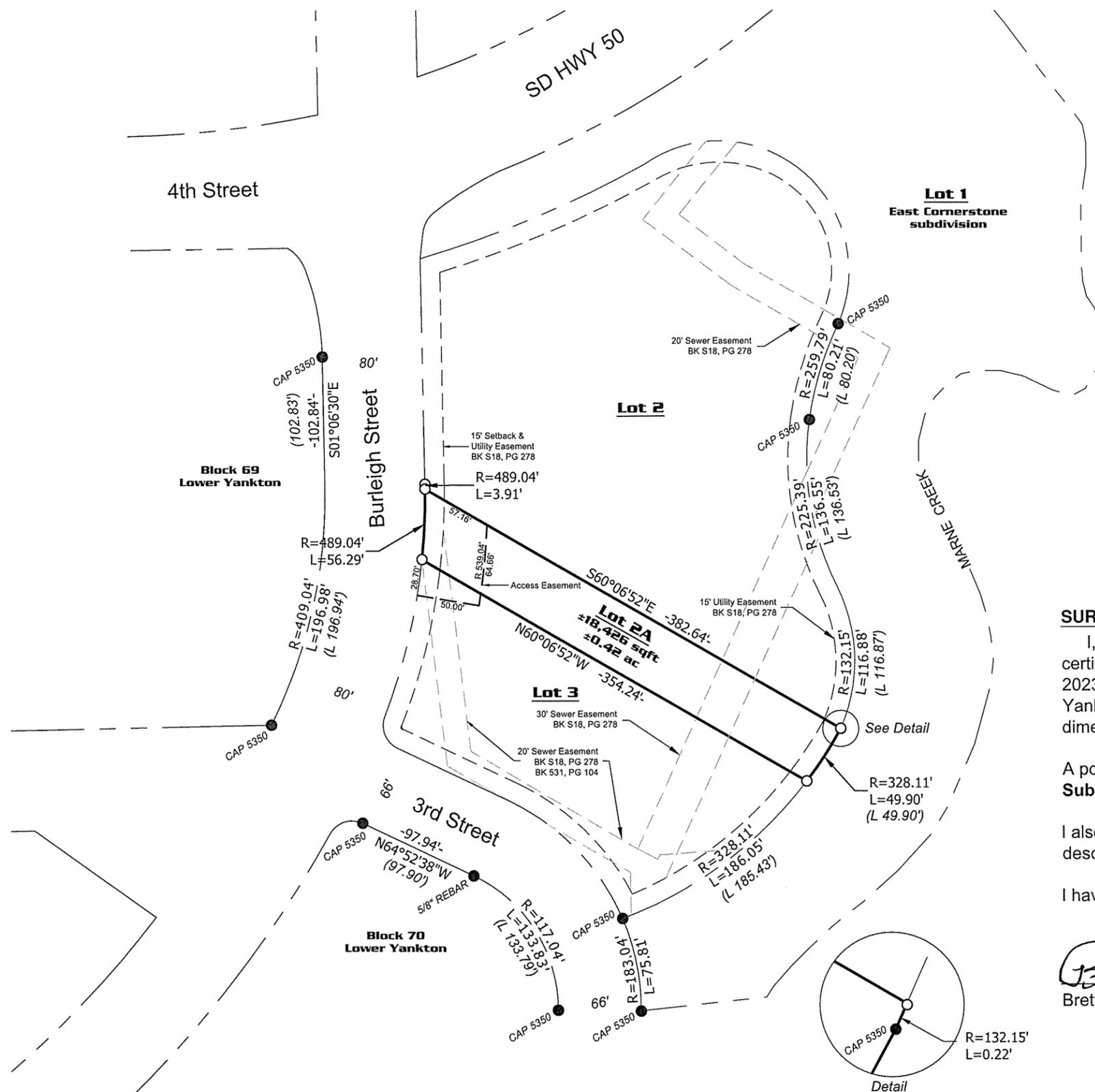


Exhibit A



SURVEYOR'S CERTIFICATE

I, Brett R. Kennedy, a Registered Land Surveyor in the State of South Dakota, do hereby certify that at the request of the owners, and under their direction, did on or prior to March 6, 2023 I have surveyed Lots 2 and 3 of East Cornerstone Subdivision to the City of Yankton, Yankton County, South Dakota recorded in Book S18 of Plats on Page 278, with area and dimensions as shown on the plat:

A portion of said Lot 2 shall hereafter be known and described as **Lot 2A of East Cornerstone Subdivision to the City of Yankton, Yankton County, South Dakota.**

I also hereby certify that this plat is to the best of my knowledge and belief, in all respects, a true description of said property.

I have executed this document this 13th day of March 2023.

Brett R. Kennedy
Brett R. Kennedy, LS 5350



STOCKWELL
 STOCKWELL ENGINEERS, INC.
 201 WALNUT STREET
 YANKTON, SD 57078
 PH: 605.665.8092
 FAX: 605.665.0523

LOT 2A
EAST CORNERSTONE SUBDIVISION
YANKTON, SOUTH DAKOTA

REVISION SCHEDULE	DATE
ISSUE/REVISION	

SEI PROJECT #: 23049

CITY OF YANKTON, SOUTH DAKOTA

ANNUAL FINANCIAL REPORT

Year Ended

December 31, 2022



CITY OF YANKTON, SOUTH DAKOTA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022

PREPARED BY:
FINANCE DEPARTMENT

AL VIERECK
FINANCE OFFICER

Member of Government Finance Officers Association of the United States and Canada

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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

To the Honorable Mayor and
Members of the City Council
City of Yankton, South Dakota

Report on the Audit of the Financial Statements

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the 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, as of December 31, 2022, 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.

We did not audit the financial statements of the Yankton Housing and Redevelopment Commission, the discretely presented component unit, as of and for the year ended June 30, 2022. Those 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 19 to the financial statements, the City adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 87, Leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in the City's total OPEB liability, related notes and ratios, schedule of proportionate share of the net pension liability (asset), and schedule of contributions to the South Dakota Retirement System on pages 4–12 and 55–63 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 accompanying combining nonmajor fund financial statements, budgetary compliance schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 our report dated February 6, 2024, on our consideration of the City'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'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's internal control over financial reporting and compliance.

Williams & Company, P.C.
Certified Public Accountants
Le Mars, Iowa
February 6, 2024

Management Discussion and Analysis December 31, 2022

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, 2022. 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 on December 31, 2022 by \$164,630,486. Of this amount \$50,795,951 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net position increased by \$12,677,934 during the year. Of this amount the net position of our Governmental Activities increased \$5,111,864 and the net position of our Business-Type Activities increased by \$7,566,070. The governmental net position increased in large part due to increases in capital grants and program revenues, and the business-type net position increased in large part due to increases in charges for services.
- The City's Governmental Fund Balances decreased slightly by (\$111,096) in 2022. While revenue increased by \$1,870,673, the expenditures increased by \$2,822,170 mostly in capital expenses. Exhibit 4 details the decreases.
- The City's long-term debt decreased (\$6,218,700) in 2022 offset slightly by \$400,620 in Wastewater SRF borrowing. This decrease occurred from the normal annual debt service payments for outstanding loan obligations.

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 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, deferred outflows of resources, liabilities, and deferred inflows of resources. 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, deferred outflows of resources, liabilities, and deferred inflows of resources 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, deferred outflows of resources, liabilities, and deferred inflows of resources, 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 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			
	2022	(not restated) 2021	2022	(not restated) 2021	2022	(not restated) 2021
Current and Other Assets	\$ 34,744,898	\$ 36,537,028	\$ 28,083,295	\$ 28,058,758	\$ 62,828,193	\$ 64,595,786
Capital Assets	<u>87,607,852</u>	<u>83,405,491</u>	<u>82,535,713</u>	<u>78,275,548</u>	<u>170,143,565</u>	<u>161,681,039</u>
Total Assets	<u>122,352,750</u>	<u>119,942,519</u>	<u>110,619,008</u>	<u>106,334,306</u>	<u>232,971,758</u>	<u>226,276,825</u>
Pension Related						
Deferred Outflows	<u>2,599,045</u>	<u>3,012,248</u>	<u>639,022</u>	<u>748,326</u>	<u>3,238,067</u>	<u>3,760,574</u>
Long-term Liabilities Outstanding	14,347,009	15,198,411	45,841,378	50,299,869	60,188,387	65,498,280
Other Liabilities	<u>3,018,259</u>	<u>2,404,684</u>	<u>6,300,582</u>	<u>4,513,775</u>	<u>9,318,841</u>	<u>6,918,459</u>
Total Liabilities	<u>17,365,268</u>	<u>17,603,095</u>	<u>52,141,960</u>	<u>54,813,644</u>	<u>69,507,228</u>	<u>72,416,739</u>
Pension Related						
Deferred Inflows	<u>1,663,187</u>	<u>4,540,196</u>	<u>408,924</u>	<u>1,127,912</u>	<u>748,326</u>	<u>5,668,108</u>
Net Position:						
Net Investment in						
Capital Assets	73,711,742	69,353,808	33,992,109	25,679,953	107,703,851	95,033,761
Restricted	2,330,890	2,228,990	3,799,794	3,943,653	6,130,684	6,172,643
Unrestricted	<u>29,880,708</u>	<u>29,228,678</u>	<u>20,915,243</u>	<u>21,517,470</u>	<u>50,795,951</u>	<u>50,746,148</u>
Ending Net Position	<u>\$ 105,923,340</u>	<u>\$ 100,811,476</u>	<u>\$ 58,707,146</u>	<u>\$ 51,141,076</u>	<u>\$ 164,630,486</u>	<u>\$ 151,952,552</u>

This summary reflects an increase in net position of 5.07% for the Governmental Activities and an increase of 14.79% in the Business-Type Activities. The increase in Business-Type Activities net position was largely an increase in Capital Assets and a decrease in Long-term Liabilities. The overall liabilities of the City of Yankton decreased by (\$2,909,511) or (4.02%), due mainly to annual long term debt service payments.

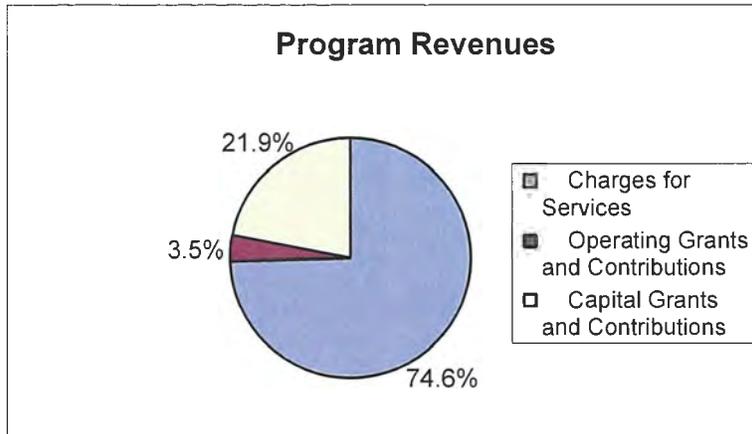
Total revenue reported in 2022 were \$47,330,435, an increase of \$7,737,604 or 19.54%. The largest increase in revenues was in Capital Grants and Contributions; an increase of \$4,119,735 or 231.13%, and Charges for Services increased \$1,147,785 or 6.07%. The Property Tax revenues increased \$187,725 or 4.14%, and Sales Tax revenues increased \$887,400 or 7.39%. 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	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	\$ 3,966,020	\$ 3,864,726	\$ 16,100,444	\$ 15,053,953	\$ 20,066,464	\$ 18,918,679
Operating Grants and Contributions	936,111	978,569	-	-	936,111	978,569
Capital Grants and Contributions	1,698,772	1,730,845	4,203,360	51,552	5,902,132	1,782,397
General Revenues:						
Property Taxes	4,725,596	4,537,871	-	-	4,725,596	4,537,871
Sales Taxes	12,899,000	12,011,600	-	-	12,899,000	12,011,600
Other Taxes	930,208	888,269	-	-	930,208	888,269
Other	1,270,058	325,910	600,866	149,536	1,870,924	475,446
Total Revenues	26,425,765	24,337,790	20,904,670	15,255,041	47,330,435	39,592,831
Expenses:						
General Government	2,401,286	2,191,998	-	-	2,401,286	2,191,998
Public Safety	4,672,820	4,213,075	-	-	4,672,820	4,213,075
Public Works	7,431,240	7,269,471	-	-	7,431,240	7,269,471
Culture & Recreation	4,937,454	4,331,842	-	-	4,937,454	4,331,842
Community & Economic Development	1,413,434	902,849	-	-	1,413,434	902,849
Interest on Long-term Debt	439,059	463,107	-	-	439,059	463,107
Water	-	-	6,657,493	6,541,272	6,657,493	6,541,272
Wastewater	-	-	3,378,428	3,243,931	3,378,428	3,243,931
Golf	-	-	159,394	139,212	159,394	139,212
Non-Major Enterprise Funds	-	-	3,161,893	2,941,181	3,161,893	2,941,181
Total Expenses	21,295,293	19,372,342	13,357,208	12,865,596	34,652,501	32,237,938
Increase (Decrease) in Net Position						
Before Transfers	5,130,472	4,965,448	7,547,462	2,389,445	12,677,934	7,354,893
Transfers	(18,608)	(169,581)	18,608	169,581	-	-
Special Item Change in SDPAA reserve	-	(161,907)	-	(268,463)	-	(430,370)
Increase in Net Position	5,111,864	4,633,960	7,566,070	2,290,563	12,677,934	6,924,523
Net Position January 1	100,811,476	96,177,516	51,141,076	48,850,513	151,952,552	145,028,029
Net Position December 31	\$105,923,340	\$100,811,476	\$ 58,707,146	\$ 51,141,076	\$164,630,486	\$151,952,552

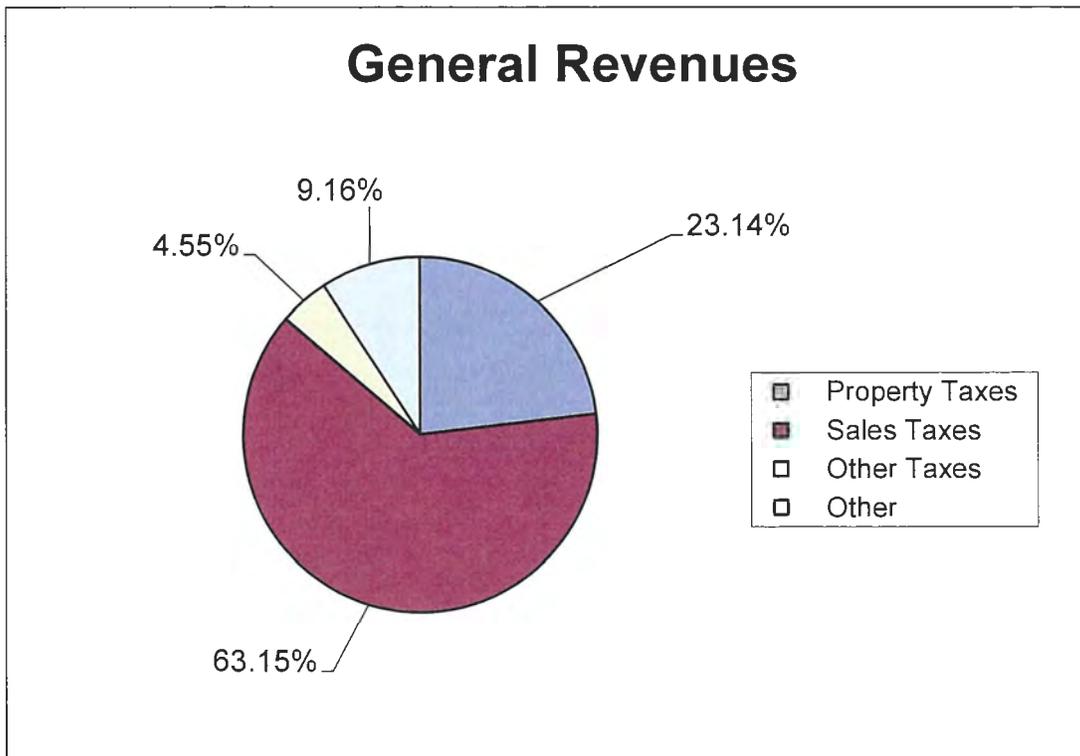
Charges for Services in the Business-Type Activities increased \$1,046,491 or 6.95% due in most part to increased consumption in Water and Wastewater. Business-Type Activities Total Expenses increased by \$491,612 or 3.82%. Governmental Activities Total Expenses increased \$1,922,951 or 9.93%.

Program Revenues total \$26,904,707 for 2022. Governmental Activities provided \$6,600,903 and Business-Type Activities provided \$20,303,804. Revenue collected for Charges for Services during 2022 was \$20,066,464 accounting for 74.58% of the total program revenues. Revenue collected for Capital Grants and Contributions accounts for 21.94% of the total program revenues. The following chart breaks down program revenues by sources:



General Revenues for 2022 totaled \$20,425,728. Governmental Activities provided \$19,824,862 and Business-Type Activities provided \$600,866. Sales Tax Revenues for 2022 totaled \$12,899,000 and Property Tax Revenue totaled \$4,725,596. The Sales Tax Revenues accounted for 63.15% and Property Tax Revenues were 23.14% of General Revenues. The following chart breaks down General Revenues by source:

GENERAL REVENUES



Expenses for 2021 totaled \$34,652,501, an increase of 7.49%. Expenses for Governmental Activities totaled \$21,295,293 accounting for 61.45% of the total expenses. Expenses for Business-Type Activities totaled \$13,357,208 accounting for 38.55% 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 General Government in 2022, the City spent \$2,401,286 and received \$2,083,864 in charges for services, \$4,900 in capital grants and contributions, thus leaving a cost to the taxpayers of (\$312,522) 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 \$21,295,293. Of these costs, \$3,966,020 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 \$936,111, and costs paid by other governments and organizations that subsidized certain programs with capital grants and contributions were \$1,698,772, leaving a Net Expense of (\$14,694,390) 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 \$127,218,633, consisting of Net Position January 1, 2022 of \$100,811,476, General Revenues and transfers of \$19,806,254, and Program Revenues of \$6,600,903. Total Governmental Activities during the year expended \$21,295,293; thus, Net Position was increased by \$5,111,864 to \$105,923,340.

Business Type Activities

Business-Type Activities increased the City's net position by \$7,566,070.

The cost of all Business-Type Activities this year was \$13,357,208. As shown in the Statement of Activities, the amounts paid by users of the systems were \$16,100,444 and \$4,203,360 was funded from capital grants and contributions, and \$619,474 was funded by other revenues and transfers, resulting in a net gain for Business-Type Activities of \$7,566,070.

Total resources available during the year to finance Business-Type Activities were \$72,064,354 consisting of Net Position January 1, 2022 of \$51,141,076, Program Revenues of \$20,303,804, other General Revenues of \$600,866 and Transfers of \$18,608. Total Business-Type Activities during the year expended \$13,357,208; thus Net Position was increased by \$7,566,070 to \$58,707,146.

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 2022 of \$32,117,052 (11.77% non-spendable, 4.13% restricted, 52.72% committed, 8.41% assigned, and 22.97% unassigned). The combined Governmental Funds fund balance decreased (\$111,096) from the prior year. The fund balance amount consists of \$3,781,600 of non-spendable funds committed for 1) perpetual care for cemetery \$50,000, 2) \$42,208 of inventories, and 3) long term advances \$3,689,392; \$1,325,465 of restricted funds; \$16,932,211 of committed funds; \$2,701,573 of assigned funds, and \$7,376,203 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 \$16,276,048, an increase of \$1,201,509. 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 79.86% of total general fund expenditures, while total fund balance represents 103.62% of that same amount.

General fund revenues in 2022 increased \$517,333 or 3.20% due mostly to increases in sales tax revenues. Expenditures increased \$284,972 or 1.85%. The increase in expenditures included an increase of \$536,692 in current expenditures, an increase of 4.35%, a decrease of (\$252,780) in capital outlay, a decrease of (12.62%) from 2021's expenditures and a decrease of (\$1,060) in debt service, an decrease of (0.1)% from 2021.

The Special Capital Improvements Fund showed an increase in fund balance of \$2,211,882. This reflects an increase in revenues of \$593,596, and an increase in expenditures of \$2,124,349.

The TID #5 Fund balance remained a negative fund balance to end 2022 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 ended 2022 with a decrease in combined balance of (\$3,524,487) to \$2,598,185.

GENERAL FUND BUDGETARY HIGHLIGHTS

Comparing the 2022 original (adopted) General Fund budget of \$24,138,481 to the final budget amount of \$25,208,240 shows a net increase of \$1,069,759. However, actual expenditures were \$9,500,905 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, 2022 was \$107,703,851 (net of accumulated depreciation and outstanding financings). This was an increase of \$12,670,090 or 13.33%. The comparative totals for capital assets for 2021 and 2022 are as follows:

CITY OF YANKTON CAPITAL ASSETS (net of depreciation/amortization)

	Governmental Activities		Business-Type Activities		Total	
	(not restated)		(not restated)		(not restated)	
	2022	2021	2022	2021	2022	2021
Land	\$ 5,015,772	\$ 3,358,821	\$ 814,623	\$ 814,623	\$ 5,830,395	\$ 4,173,444
Construction in Progress	2,885,360	14,162,757	7,775,154	1,028,084	10,660,514	15,190,841
Buildings & Structures /						
Infrastructure	70,446,341	56,508,664	70,183,389	73,066,044	140,629,730	129,574,708
Land Improvements	-	-	2,106,414	2,109,521	2,106,414	2,109,521
Furniture and Equipment	9,175,818	9,375,249	1,656,133	1,257,276	10,831,951	10,632,525
Right of Use Leased Assets	<u>84,561</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,561</u>	<u>-</u>
Total	<u>\$87,607,852</u>	<u>\$83,405,491</u>	<u>\$82,535,713</u>	<u>\$78,275,548</u>	<u>\$170,143,565</u>	<u>\$161,681,039</u>

Land and Buildings & Structures / Improvements were the major increases in capital outlays for Governmental Activities. Construction in Progress was the major increase in capital outlays for 2022 for Business-Type Activities. See note 6 in the financial statements for more information on the City's capital assets.

DEBT ADMINISTRATION

At 2022 year end the City had \$62,433,904 of debt outstanding, a decrease of (\$5,705,983) (total debt not offset by funds restricted to debt service).

Of the total debt, \$14,751,715 or 23.63% is to be paid from Governmental Activities including \$1,321,572 specifically from sales tax funds, \$82,846 of lease obligations and \$13,347,297 from property tax opt-out dollars; and \$47,682,189 or 76.37% in Business Type Activities including \$43,860,551 to be repaid from water user fees, \$570,375 to be paid from landfill revenues and \$3,251,263 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 \$58,518,891 with outstanding debt of \$18,490,508, leaving an unused balance of \$40,028,383 or 68.40% 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 \$43,860,551 of outstanding debt backed by surcharges with the legal debt capacity being \$117,037,782 leaving \$73,177,231 or 65.94% 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 2022 was \$37,503,852. It was a decrease of (\$7,276,094) or (16.25%) of the 2021 total of \$44,779,946. The average annual building permit value for the last ten years was \$32,991,545 and the 2022 total value was 113.68% of that average. There were forty-two new home-building permits issued during the year, a decrease of one from 2021. There were also 48 apartments in three new apartment complexes.

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 finishing construction on 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 2022 sales were up 8.42% over 2021's figures and totaled \$686,821,674, an increase of \$53,324,545.

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.

BASIC FINANCIAL STATEMENTS

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF NET POSITION
December 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Housing & Redevelopment
Assets				
Cash and Cash Equivalents	\$ 30,973,724	\$ 17,657,322	\$ 48,631,046	\$ 124,327
Receivables (Net where applicable, of allowance for uncollectibles):				
Taxes	38,300	-	38,300	-
Accounts	406,070	1,801,436	2,207,506	-
Special Assessments	32,024	-	32,024	-
Other Receivables	-	-	-	11,380
Internal Balances	(235,519)	235,519	-	-
Due from Other Governmental Agencies	2,216,125	3,905,870	6,121,995	-
Prepaid Expenses	169,207	84,214	253,421	1,683
Inventories	293,995	585,167	879,162	-
Property Held for Resale, at Cost	651,937	-	651,937	-
Restricted Assets:				
Cash and Cash Equivalents	170,439	3,806,736	3,977,175	15,762
Net Pension Asset	28,596	7,031	35,627	-
Land	5,015,772	814,623	5,830,395	-
Construction in Progress	2,885,360	7,775,154	10,660,514	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation/Amortization	79,706,720	73,945,936	153,652,656	765
Total Assets	<u>122,352,750</u>	<u>110,619,008</u>	<u>232,971,758</u>	<u>153,917</u>
Deferred Outflows of Resources				
Pension Related Deferred Outflows	2,599,045	639,022	3,238,067	-
Liabilities				
Accounts Payable	1,532,524	1,283,543	2,816,067	1,525
Accrued Expenses	16,875	-	16,875	-
Accrued Wages	362,855	91,825	454,680	4,048
Accrued Interest Payable	19,907	244,071	263,978	-
Unearned Revenue	-	2,662,414	2,662,414	-
Due to Other Governments	67	-	67	-
Customer Deposits	26,790	7,067	33,857	-
Noncurrent Liabilities:				
Due within one year:				
Accrued Compensated Absences	130,413	34,169	164,582	1,691
Revenue Bonds Payable	-	1,977,493	1,977,493	-
General Obligation Bonds Payable	175,261	-	175,261	-
Notes Payable	720,783	-	720,783	-
Lease Agreements	30,311	-	30,311	-
Other Postemployment Benefit Obligation	2,473	-	2,473	-
Due in more than one year:				
Accrued Compensated Absences	521,649	136,682	658,331	3,267
Revenue Bonds Payable	-	45,704,696	45,704,696	-
General Obligation Bonds Payable	1,146,311	-	1,146,311	-
Notes Payable	12,626,514	-	12,626,514	-
Lease Agreements	52,535	-	52,535	-
Total Liabilities	<u>17,365,268</u>	<u>52,141,960</u>	<u>69,507,228</u>	<u>10,531</u>
Deferred Inflows of Resources				
Pension Related Deferred Inflows	1,663,187	408,924	2,072,111	-
Total Deferred Inflows of Resources	<u>1,663,187</u>	<u>408,924</u>	<u>2,072,111</u>	<u>-</u>
Net Position				
Net Investment in Capital Assets	73,711,742	33,992,109	107,703,851	765
Restricted:				
SDRS Pension Purposes	964,454	237,129	1,201,583	-
Debt Service	188,597	3,562,665	3,751,262	-
Perpetual Care				
Nonexpendable	50,000	-	50,000	-
Expendable	111,045	-	111,045	-
Lodging Sales Tax	742,692	-	742,692	-
Other Purposes	274,102	-	274,102	15,762
Unrestricted	29,880,708	20,915,243	50,795,951	126,859
Total Net Position	<u>\$ 105,923,340</u>	<u>\$ 58,707,146</u>	<u>\$ 164,630,486</u>	<u>\$ 143,386</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		Program Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 2,401,286	\$ 2,083,864	\$ -	\$ 4,900
Public Safety	4,672,820	5,049	69,045	-
Public Works	7,431,240	931,544	324,853	1,051,817
Culture and Recreation	4,937,454	945,563	542,213	480,521
Community Development	1,413,434	-	-	161,534
Debt Service	439,059	-	-	-
Total Governmental Activities	21,295,293	3,966,020	936,111	1,698,772
Business-Type Activities:				
Water	6,657,493	7,948,384	-	168,275
Wastewater	3,378,428	4,541,683	-	4,035,085
Solid Waste	1,311,021	1,322,336	-	-
Joint Powers / Transfer Station	1,850,872	2,288,041	-	-
Golf Course	159,394	-	-	-
Total Business-Type Activities	13,357,208	16,100,444	-	4,203,360
Total Primary Government	\$ 34,652,501	\$ 20,066,464	\$ 936,111	\$ 5,902,132
Component Unit:				
Housing & Redevelopment	\$ 655,843	\$ -	\$ 668,614	\$ -
General Revenues:				
Property Taxes				
Sales and Other Taxes				
Lodging Sales Tax				
Interest				
Reimbursements				
Miscellaneous				
Gain on Sale of Capital Assets				
Proceeds from Sale of Uncapitalized Assets				
Interfund Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning				
Net Position - Ending				

EXHIBIT 2

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total	Component Unit Housing & Redevelopment
\$ (312,522)	\$ -	\$ (312,522)	\$ -
(4,598,726)	-	(4,598,726)	-
(5,123,026)	-	(5,123,026)	-
(2,969,157)	-	(2,969,157)	-
(1,251,900)	-	(1,251,900)	-
(439,059)	-	(439,059)	-
(14,694,390)	-	(14,694,390)	-
-	1,459,166	1,459,166	-
-	5,198,340	5,198,340	-
-	11,315	11,315	-
-	437,169	437,169	-
-	(159,394)	(159,394)	-
-	6,946,596	6,946,596	-
\$ (14,694,390)	\$ 6,946,596	\$ (7,747,794)	\$ -
			12,771
4,725,596	-	4,725,596	-
12,899,000	-	12,899,000	-
930,208	-	930,208	-
634,887	439,789	1,074,676	-
116,606	-	116,606	-
523	97,027	97,550	18,580
132,659	64,050	196,709	-
385,383	-	385,383	-
(18,608)	18,608	-	-
19,806,254	619,474	20,425,728	18,580
5,111,864	7,566,070	12,677,934	31,351
100,811,476	51,141,076	151,952,552	112,035
\$ 105,923,340	\$ 58,707,146	\$ 164,630,486	\$ 143,386

CITY OF YANKTON, SOUTH DAKOTA
BALANCE SHEET
Governmental Funds
December 31, 2022

	General	Special Capital Improvements	TID #5 Menards	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 12,481,570	\$ 14,043,224	\$ -	\$ 4,370,222	\$ 30,895,016
Receivables (Net where applicable, of allowance for uncollectibles):					
Taxes	38,300	-	-	-	38,300
Accounts	53,130	3,100	-	349,840	406,070
Special Assessments	14,429	-	-	17,595	32,024
Due from Other Funds	6,455	1,764,713	-	-	1,771,168
Due from Other Governmental Agencies	1,326,331	514,358	-	366,051	2,206,740
Inventories	42,208	-	-	-	42,208
Advances to Other Funds	3,689,392	828,515	-	-	4,517,907
Property Held for Resale, at Cost	-	-	-	651,937	651,937
Restricted Assets:					
Cash and Cash Equivalents	17,192	-	-	153,247	170,439
Total Assets	<u>17,669,007</u>	<u>17,153,910</u>	<u>-</u>	<u>5,908,892</u>	<u>40,731,809</u>
Liabilities					
Accounts Payable	524,574	184,439	-	770,010	1,479,023
Accrued Expenses	16,875	-	-	-	16,875
Accrued Wages	323,149	-	-	34,467	357,616
Due to Other Governments	67	-	-	-	67
Due to Other Funds	349,732	-	-	1,650,500	2,000,232
Customer Deposits	26,790	-	-	-	26,790
Advances from Other Funds	-	-	3,689,392	828,515	4,517,907
Total Liabilities	<u>1,241,187</u>	<u>184,439</u>	<u>3,689,392</u>	<u>3,283,492</u>	<u>8,398,510</u>
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	38,300	-	-	-	38,300
Unavailable Revenue - Special Assessments	14,429	-	-	16,337	30,766
Unavailable Revenue - Other Taxes	49,392	37,260	-	10,878	97,530
Unavailable Revenue - Other	49,651	-	-	-	49,651
Total Deferred Inflows of Resources	<u>151,772</u>	<u>37,260</u>	<u>-</u>	<u>27,215</u>	<u>216,247</u>
Fund Balances					
Non-Spendable:					
Perpetual Care	-	-	-	50,000	50,000
Inventories	42,208	-	-	-	42,208
Long Term Advances	3,689,392	-	-	-	3,689,392
Restricted:					
Debt Service	-	-	-	208,504	208,504
TID	-	-	-	3,054	3,054
Perpetual Care	-	-	-	111,045	111,045
Lodging Sales Tax	-	-	-	731,814	731,814
Library	-	-	-	30,373	30,373
Road and Bridge Funds	-	-	-	150,173	150,173
Historic Easement Trust	-	-	-	24,218	24,218
Dispatch	-	-	-	66,284	66,284
Committed:					
Special Capital Improvements (Sales Tax)	-	16,932,211	-	-	16,932,211
Assigned:					
Capital Projects	-	-	-	2,701,573	2,701,573
Unassigned	12,544,448	-	(3,689,392)	(1,478,853)	7,376,203
Total Fund Balances	<u>16,276,048</u>	<u>16,932,211</u>	<u>(3,689,392)</u>	<u>2,598,185</u>	<u>32,117,052</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 17,669,007</u>	<u>\$ 17,153,910</u>	<u>\$ -</u>	<u>\$ 5,908,892</u>	<u>\$ 40,731,809</u>

CITY OF YANKTON, SOUTH DAKOTA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2022

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balance - Governmental Funds (page 16)	\$ 32,117,052
Infrastructure, property, and equipment used in governmental activities are not financial resources and, therefore, are not reported in the funds:	87,436,199
Unavailable revenues that do not provide current financial resources for governmental activities:	216,247
Accrued expenses from the balance sheet that do not require current financial resources for governmental activities:	(19,907)
Prepaid expenses are reported in the governmental activities but are not reported in the funds as they do not provide current economic resources:	167,099
Pension related deferred outflows of resources and deferred inflows of resources related to pensions and pension expens, are not due and payable in the current year and therefore are not reported in the governmental funds:	921,125
Long-term liabilities, including bonds payables, notes payable, lease agreements, and accrued compensated absences, are not due and payable in the current period and therefore are not reported in the funds	(15,394,226)
Other postemployment benefit liabilities are not due and payable in the current period and therefore are not reported in the funds:	(2,473)
The net pension liability (asset) does not provide resources in the current period and therefore is not reported in the funds	28,146
Internal service funds are used by management to charge the costs of certain activities, such as the central garage to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service fund are included in governmental activities in the Statement of Net Position.	454,078
Total Net Position - Governmental Activities (page 13)	<u>\$ 105,923,340</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Funds
For the Year Ended December 31, 2022

	General	Special Capital Improvements	TID #5 Menards	Other Governmental Funds	Total Governmental Funds
Revenue:					
Property Taxes	\$ 4,065,278	\$ -	\$ 175,515	\$ 482,457	\$ 4,723,250
Sales and Other Taxes	7,666,678	5,187,612	-	947,219	13,801,509
Special Assessments	-	-	-	34,006	34,006
Licenses and Permits	365,255	-	-	-	365,255
Intergovernmental	798,384	550,906	-	845,744	2,195,034
Charges for Services	3,360,005	-	-	24,576	3,384,581
Fines and Forfeits	4,520	-	-	-	4,520
Interest on Investments	226,184	314,645	-	93,413	634,242
Contributions	66,052	-	-	472,899	538,951
Miscellaneous	156,805	-	-	1,289	158,094
Total Revenue	16,709,161	6,053,163	175,515	2,901,603	25,839,442
Current Expenditures:					
General Government	2,402,178	-	-	-	2,402,178
Public Safety	3,482,697	-	-	748,064	4,230,761
Public Works	3,195,966	-	-	482,975	3,678,941
Culture and Recreation	3,776,067	-	-	103,254	3,879,321
Community Development	-	-	-	1,211,858	1,211,858
Capital Outlay:					
Public Works	627,871	3,621,935	-	876,566	5,126,372
Culture and Recreation	746,199	-	-	3,330,859	4,077,058
General Government	97,264	-	-	-	97,264
Public Safety	271,212	-	-	-	271,212
Community Development	-	-	-	195,816	195,816
Debt Service	1,107,881	-	-	207,904	1,315,785
Total Expenditures	15,707,335	3,621,935	-	7,157,296	26,486,566
Excess (Deficiency) of Revenues Over Expenditures	1,001,826	2,431,228	175,515	(4,255,693)	(647,124)
Other Financing Sources (Uses):					
Lease Agreements	20,403	-	-	-	20,403
Proceeds from Sale of Capitalized Assets	148,850	-	-	-	148,850
Proceeds from Sale of Uncapitalized Assets	-	-	-	385,383	385,383
Transfers In	2,193,600	-	-	2,455,071	4,648,671
Transfers Out	(2,163,170)	(219,346)	(175,515)	(2,109,248)	(4,667,279)
Total Other Financing Sources (Uses)	199,683	(219,346)	(175,515)	731,206	536,028
Net Changes in Fund Balances	1,201,509	2,211,882	-	(3,524,487)	(111,096)
Fund Balances (Deficits) - Beginning of Year	15,074,539	14,720,329	(3,689,392)	6,122,672	32,228,148
Fund Balances (Deficits) - End of Year	\$ 16,276,048	\$ 16,932,211	\$ (3,689,392)	\$ 2,598,185	\$ 32,117,052

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, 2022

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

Net change in fund balances - total governmental funds (page 18) \$ (111,096)

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/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current year:

Expenditures for capital assets	\$ 8,388,465	
Depreciation/amortization Expense	<u>(4,239,435)</u>	4,149,030

Revenues reported in the funds that are not available to provide current financial resources: 71,075

Accrued interest expense that does not require current financial resources: 1,303

Governmental funds report special assessments as revenue when it becomes available, but the statement of activities includes special assessments as revenue when levied: 9,128

The issuance of indebtedness provides current financial resources to the governmental funds without affecting net position. The statement of activities does not reflect the proceeds from the issuance of long-term debt. The proceeds from the issuance of long-term debt for the year was: (20,403)

Pension expenses reported in the Statement of Activities do not require the use of current financial resources: (143,474)

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: 282,282

Governmental funds report the proceeds from the sale of capital assets as revenue whereas the statement of activities reports the loss on the sale of capital assets. This is the effect on the change in net position on the statement of activities. (16,191)

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: (11,921)

Prepaid expenses are not reported in the governmental funds as they are not available to provide current financial resources: (8,018)

Other postemployment benefits that do not require current financial resources: 4,484

Compensated absences that do not require current financial resources: 991

The repayment of principal on bonded long-term debt consumes the current financial resources of governmental funds without affecting the net position. 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: 904,674

Change in net position of governmental activities (page 15) \$ 5,111,864

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF NET POSITION
Proprietary Funds
December 31, 2022

	Business-Type			
	Water	Wastewater	Joint Powers / Transfer Station	Nonmajor Enterprise Funds
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 13,041,815	\$ 3,188,745	\$ 146,495	\$ 1,280,267
Receivables (Net where applicable, of allowance for uncollectibles):				
Accounts	846,684	625,538	92,522	236,692
Due from Other Funds	235,519	-	-	-
Due from Other Governmental Agencies	7,153	3,898,717	-	-
Prepaid Expenses	27,903	29,712	7,273	19,326
Inventories	439,588	145,579	-	-
Total Current Assets	<u>14,598,662</u>	<u>7,888,291</u>	<u>246,290</u>	<u>1,536,285</u>
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	3,571,545	108,843	72,976	53,372
Net Pension Asset	1,913	2,690	1,279	1,149
Land	128,117	66,666	11,414	608,426
Construction in Progress	391,587	7,383,567	-	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	60,022,983	9,669,396	1,400,825	2,852,732
Total Noncurrent Assets	<u>64,116,145</u>	<u>17,231,162</u>	<u>1,486,494</u>	<u>3,515,679</u>
Total Assets	<u>78,714,807</u>	<u>25,119,453</u>	<u>1,732,784</u>	<u>5,051,964</u>
Deferred Outflows of Resources				
Pension Related Deferred Outflows	<u>173,833</u>	<u>244,517</u>	<u>116,216</u>	<u>104,456</u>
Liabilities				
Current Liabilities:				
Accounts Payable	112,180	1,086,459	60,591	24,313
Accrued Wages	29,052	28,433	12,778	21,562
Accrued Interest Payable	221,663	21,362	545	501
Accrued Compensated Absences	10,946	9,550	6,683	6,990
Unearned Revenue	-	2,656,084	6,330	-
Due to Other Funds	-	-	-	-
Customer Deposits	7,067	-	-	-
Current Portion of Revenue Bonds Payable	1,284,260	578,777	66,853	47,603
Total Current Liabilities	<u>1,665,168</u>	<u>4,380,665</u>	<u>153,780</u>	<u>100,969</u>
Noncurrent Liabilities:				
Accrued Compensated Absences	43,786	38,201	26,733	27,962
Revenue Bonds Payable	42,576,291	2,672,486	203,172	252,747
Total Noncurrent Liabilities	<u>42,620,077</u>	<u>2,710,687</u>	<u>229,905</u>	<u>280,709</u>
Total Liabilities	<u>44,285,245</u>	<u>7,091,352</u>	<u>383,685</u>	<u>381,678</u>
Deferred Inflows of Resources				
Pension Related Deferred Inflows	<u>111,240</u>	<u>156,472</u>	<u>74,369</u>	<u>66,843</u>
Net Position				
Net Investment in Capital Assets	16,682,136	13,006,951	1,142,214	3,160,808
Restricted for:				
SDRS Pension Purposes	64,506	90,735	43,126	38,762
Debt Service	3,349,882	87,481	72,431	52,871
Unrestricted	14,395,631	4,930,979	133,175	1,455,458
Total Net Position	<u>\$ 34,492,155</u>	<u>\$ 18,116,146</u>	<u>\$ 1,390,946</u>	<u>\$ 4,707,899</u>

EXHIBIT 5

Business-Type	Governmental Activities- Internal Service Fund
Totals	Fund
\$ 17,657,322	\$ 78,708
1,801,436	-
235,519	-
3,905,870	9,385
84,214	2,108
585,167	251,787
<u>24,269,528</u>	<u>341,988</u>
3,806,736	-
7,031	450
814,623	7,000
7,775,154	-
<u>73,945,936</u>	<u>164,653</u>
<u>86,349,480</u>	<u>172,103</u>
<u>110,619,008</u>	<u>514,091</u>
<u>639,022</u>	<u>40,916</u>
1,283,543	53,501
91,825	5,239
244,071	-
34,169	1,910
2,662,414	-
-	6,455
7,067	-
1,977,493	-
<u>6,300,582</u>	<u>67,105</u>
136,682	7,641
45,704,696	-
<u>45,841,378</u>	<u>7,641</u>
<u>52,141,960</u>	<u>74,746</u>
<u>408,924</u>	<u>26,183</u>
33,992,109	171,653
237,129	15,183
3,562,665	-
20,915,243	267,242
<u>\$ 58,707,146</u>	<u>\$ 454,078</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Proprietary Funds
For the Year Ended December 31, 2022

	Business-Type			
	Water	Wastewater	Joint Powers / Transfer Station	Nonmajor Enterprise Funds
Operating Revenues:				
Charges for Services	\$ 7,948,384	\$ 4,541,683	\$ 2,288,041	\$ 1,322,336
Operating Expenses:				
Personal Services	705,959	719,560	373,357	509,106
Insurance	103,032	111,429	19,153	15,805
Professional Services	60,147	116,288	50,901	73,606
Tipping Fees	-	-	-	224,966
State Fees	5,062	723	-	-
Repairs and Maintenance	380,797	308,351	312,770	170,295
Cost of Sales and Service	-	-	835,312	44,686
Supplies and Materials	557,077	50,270	2,082	1,690
Travel and Conference	6,844	5,531	-	-
Utilities	509,538	232,792	33,728	984
Billing and Administration	688,700	658,092	-	267,653
Depreciation	2,485,225	1,069,227	215,942	154,994
Total Operating Expenses	5,502,381	3,272,263	1,843,245	1,463,785
Operating Income (Loss)	2,446,003	1,269,420	444,796	(141,449)
Nonoperating Income (Expense):				
Interest Income	336,920	74,928	-	27,941
Gain on Disposition of Assets	1,300	2,200	60,550	-
Miscellaneous, net	14,654	1,204	17,582	63,587
Interest Expense	(1,155,112)	(106,165)	(7,627)	(6,630)
Total Nonoperating Income (Expenses)	(802,238)	(27,833)	70,505	84,898
Income (Loss) Before Contributions and Transfers	1,643,765	1,241,587	515,301	(56,551)
Transfers In	-	-	-	150,000
Transfers Out	(71,346)	(60,046)	-	-
Capital Grants and Contributions	168,275	4,035,085	-	-
Net Changes in Net Position	1,740,694	5,216,626	515,301	93,449
Net Position - Beginning	32,751,461	12,899,520	875,645	4,614,450
Net Position - Ending	\$ 34,492,155	\$ 18,116,146	\$ 1,390,946	\$ 4,707,899

EXHIBIT 6

Business-Type	Governmental Activities- Internal Service
Totals	Fund
\$ 16,100,444	\$ 975,851
2,307,982	139,764
249,419	-
300,942	7,292
224,966	-
5,785	-
1,172,213	16,351
879,998	-
611,119	772,480
12,375	-
777,042	20,119
1,614,445	-
3,925,388	31,766
<u>12,081,674</u>	<u>987,772</u>
4,018,770	(11,921)
439,789	-
64,050	-
97,027	-
(1,275,534)	-
<u>(674,668)</u>	<u>-</u>
3,344,102	(11,921)
150,000	-
(131,392)	-
<u>4,203,360</u>	<u>-</u>
7,566,070	(11,921)
<u>51,141,076</u>	<u>465,999</u>
<u>\$ 58,707,146</u>	<u>\$ 454,078</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF CASH FLOWS
Proprietary Funds
For the Year Ended December 31, 2022

	Business-Type				Totals	Governmental
	Water	Wastewater	Joint Powers / Transfer Station	Nonmajor Enterprise Funds		Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received from Customers	\$ 7,922,510	\$ 4,524,903	\$ 2,300,606	\$ 1,302,393	\$ 16,050,412	\$ 581,321
Cash Received from Interfund Services Provided	32,700	2,334	-	2,130	37,164	392,508
Cash Paid to Suppliers for Goods and Services	(2,333,522)	(526,809)	(1,032,640)	(673,305)	(4,566,276)	(823,341)
Cash Paid to Employees for Services	(702,070)	(727,966)	(376,671)	(497,006)	(2,303,713)	(142,467)
Cash Paid for Interfund Services	(35,741)	(29,861)	(229,038)	(132,557)	(427,197)	(2,476)
Other Nonoperating Revenues	14,654	1,204	17,582	63,585	97,025	-
Net Cash Provided by Operating Activities	<u>4,898,531</u>	<u>3,243,805</u>	<u>679,839</u>	<u>65,240</u>	<u>8,887,415</u>	<u>5,545</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING						
Acquisition and Construction of Capital Assets	(525,663)	(6,708,132)	(419,049)	(228,066)	(7,880,910)	(9,594)
Proceeds from Sale of Capital Assets	1,300	2,200	60,550	-	64,050	-
Principal Paid on Notes, Bonds and Leases	(4,653,141)	(148,388)	(65,213)	(46,664)	(4,913,406)	-
Proceeds from Grants	-	1,342,871	-	-	1,342,871	-
Interest Paid on Notes and Bonds	(1,184,083)	(108,098)	(7,763)	(6,708)	(1,306,652)	-
Net Cash (Used) by Capital and Related Financing Activities	<u>(6,361,587)</u>	<u>(5,619,547)</u>	<u>(431,475)</u>	<u>(281,438)</u>	<u>(12,694,047)</u>	<u>(9,594)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interfund Balances--Payments from Other Funds	-	-	-	-	-	6,455
Interfund Balances--Payments (to) Other Funds	(235,519)	-	(218,029)	-	(453,548)	-
Transfers In (Out)	(71,346)	(60,046)	-	150,000	18,608	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(306,865)</u>	<u>(60,046)</u>	<u>(218,029)</u>	<u>150,000</u>	<u>(434,940)</u>	<u>6,455</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and Dividends on Investments	336,920	74,928	-	27,941	439,789	-
Net Cash Provided from Investing Activities	<u>336,920</u>	<u>74,928</u>	<u>-</u>	<u>27,941</u>	<u>439,789</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,433,001)	(2,360,860)	30,335	(38,257)	(3,801,783)	2,406
Cash and Cash Equivalents at Beginning of Year	18,046,361	5,658,448	189,136	1,371,896	25,265,841	76,302
Cash and Cash Equivalents at End of Year	<u>\$ 16,613,360</u>	<u>\$ 3,297,588</u>	<u>\$ 219,471</u>	<u>\$ 1,333,639</u>	<u>\$ 21,464,058</u>	<u>\$ 78,708</u>

(continued)

**CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF CASH FLOWS
Proprietary Funds
For the Year Ended December 31, 2022**

	Business-Type				Totals	Governmental
	Water	Wastewater	Joint Powers / Transfer Station	Nonmajor Enterprise Funds		Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 2,446,003	\$ 1,269,420	\$ 444,796	\$ (141,449)	\$ 4,018,770	\$ (11,921)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Depreciation	2,485,225	1,069,227	215,942	154,994	3,925,388	31,766
Other Nonoperating Income	14,654	1,204	17,582	63,587	97,027	-
(Increase) Decrease in Assets:						
Accounts Receivable	13,979	(14,446)	6,235	(17,815)	(12,047)	-
Due from Other Governmental Agencies	(7,153)	-	-	-	(7,153)	(2,022)
Prepaid Expenses	1,046	(17)	(409)	(3,250)	(2,630)	265
Inventories	(34,430)	5,409	-	-	(29,021)	(10,828)
Net Pension Asset	168,864	197,849	94,783	115,300	576,796	32,925
Pension Related Deferred Outflows	45,062	12,526	6,912	44,804	109,304	1,863
Increase (Decrease) in Liabilities:						
Accounts Payable	(26,046)	921,414	(7,323)	(2,927)	885,118	988
Accrued Wages	1,551	2,885	(166)	2,457	6,727	844
Accrued Compensated Absences	7,100	9,289	6,373	7,668	30,430	510
Unearned Revenue	-	-	6,330	-	6,330	-
Customer Deposits	1,364	-	-	-	1,364	-
Other Postemployment Benefit Obligation	-	-	-	-	-	(550)
Pension Related Deferred Inflows	(218,688)	(230,955)	(111,216)	(158,129)	(718,988)	(38,295)
Net Cash Provided by Operating Activities	<u>\$ 4,898,531</u>	<u>\$ 3,243,805</u>	<u>\$ 679,839</u>	<u>\$ 65,240</u>	<u>\$ 8,887,415</u>	<u>\$ 5,545</u>
Supplemental Schedule of Noncash Capital and Related Financing Activities:						
Developers and City Contribution of Capital Assets	\$ 168,275	\$ 136,368	\$ -	\$ -	\$ 304,643	\$ -
	<u>\$ 168,275</u>	<u>\$ 136,368</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 304,643</u>	<u>\$ -</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:						
Cash and Cash Equivalents	\$ 13,041,815	\$ 3,188,745	\$ 146,495	\$ 1,280,267	\$ 17,657,322	\$ 78,708
Restricted Cash and Cash Equivalents	3,571,545	108,843	72,976	53,372	3,806,736	-
	<u>\$ 16,613,360</u>	<u>\$ 3,297,588</u>	<u>\$ 219,471</u>	<u>\$ 1,333,639</u>	<u>\$ 21,464,058</u>	<u>\$ 78,708</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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 are 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 Component Unit – The Yankton Housing and Redevelopment Commission is a proprietary fund-type and is required to be reported as a discretely presented component unit. 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 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 operates on a fiscal year, therefore financial statements presented herein are reported for the year ended June 30, 2022. Separately issued financial statements of the Housing and Redevelopment Commission may be obtained by writing to the Commission at 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 in 1994. 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, fees establishment and collection 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 Yankton and Vermillion, and one citizen chosen by

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 position 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.

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

The 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 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

CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, deferred outflows of resources, liabilities, deferred inflows of resources, 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 has 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 capital assets or construction of major capital projects not being financed by proprietary funds or fiduciary funds.

Permanent Fund – 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.

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 nonoperating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating 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 – The central garage fund is used 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 – The copies and postage fund is used to record charges for copies and postage from all departments prior to allocating these charges to the each respective department.

The City reports the following major governmental funds:

General Fund – See 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 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.

The City reports the following major enterprise funds:

CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

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.

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.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 Net 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.

In addition to liabilities, the Statement of Net 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 unrecognized items not yet charged to pension expense.

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.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 and corresponding employee benefits are 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, 2022. 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 fund. 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 gross 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.

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/amortization (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 or (b) law through constitutional provisions or enabling legislation.
3. Unrestricted Net Position – All other net position that does 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.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In accordance with Government Accounting Standards Board (GASB) No.54, Fund Balance Reporting and Governmental Fund Type Definitions, the City 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 that do 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 that has not been classified within the aforementioned categories and negative fund balances in other governmental funds.

The City 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 City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Q. Capital 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 acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. 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

R. Leases

City as Lessee: The City is the lessee for noncancellable leases of copier machines and a conference room. The City has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the City determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

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, 2022 were \$52,838,563. 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.

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.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

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, 2022, consisted of the following:

<u>Fund</u>	<u>Utility Accounts Receivable</u>
Water	\$ 52,848
Wastewater	23,629
Solid Waste	22,311
	<u>\$ 98,788</u>

NOTE 5 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at December 31, 2022 include the following:

<u>Description</u>	<u>General</u>	<u>Special Capital Improvement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Water</u>	<u>Wastewater</u>	<u>Internal Service</u>	<u>Total</u>
County Remitted Taxes	\$ 23,116	\$ -	\$ 69,324	\$ -	\$ -	\$ -	\$ 92,440
County Garage Charges	-	-	-	-	-	9,385	9,385
County Share of Senior Center and Others	10,102	-	-	-	-	-	10,102
State Remitted Sales Tax	681,824	514,358	66,012	-	-	-	1,262,194
State Remitted Liquor and Other Taxes	27,318	-	-	-	-	-	27,318
State Road Aid	63,191	-	-	-	-	-	63,191
Grants	505,905	-	222,375	-	3,898,717	-	4,626,997
Other	14,875	-	8,340	7,153	-	-	30,368
	<u>\$ 1,326,331</u>	<u>\$ 514,358</u>	<u>\$ 366,051</u>	<u>\$ 7,153</u>	<u>\$ 3,898,717</u>	<u>\$ 9,385</u>	<u>\$ 6,121,995</u>

NOTE 6 – CAPITAL ASSETS

A summary of the changes in the capital assets for the year ended December 31, 2022 is as follows:

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 – CAPITAL ASSETS (CONTINUED)

	(as restated) Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
Governmental Activities:				
Capital assets not being depreciated/amortized:				
Land	\$ 3,358,821	\$ 1,656,951	\$ -	\$ 5,015,772
Construction in progress	14,162,757	2,521,011	13,798,408	2,885,360
Total capital assets not being depreciated/amortized	<u>17,521,578</u>	<u>4,177,962</u>	<u>13,798,408</u>	<u>7,901,132</u>
Capital assets being depreciated/amortized:				
Buildings and structures	91,941,269	16,812,519	350,981	108,402,807
Furniture and equipment	21,292,498	1,185,583	405,067	22,073,014
Right-of-use leased equipment	91,694	20,403	-	112,097
Total capital assets being depreciated/amortized	<u>113,325,461</u>	<u>18,018,505</u>	<u>756,048</u>	<u>130,587,918</u>
Less: accumulated depreciation/amortization for:				
Buildings	35,432,605	2,874,842	350,981	37,956,466
Furniture and equipment	11,917,249	1,368,823	388,876	12,897,196
Right-of-use leased equipment	-	27,536	-	27,536
Total accumulated depreciation/amortization	<u>47,349,854</u>	<u>4,271,201</u>	<u>739,857</u>	<u>50,881,198</u>
Total capital assets being depreciated/amortized, net	<u>65,975,607</u>	<u>13,747,304</u>	<u>16,191</u>	<u>79,706,720</u>
Governmental activities capital assets, net	<u>\$ 83,497,185</u>	<u>\$ 17,925,266</u>	<u>\$ 13,814,599</u>	<u>\$ 87,607,852</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 – CAPITAL ASSETS (CONTINUED)

	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 814,623	\$ -	\$ -	\$ 814,623
Construction in progress	1,028,084	6,951,393	204,323	7,775,154
Total capital assets not being depreciated	<u>1,842,707</u>	<u>6,951,393</u>	<u>204,323</u>	<u>8,589,777</u>
Capital assets being depreciated:				
Buildings and structures	117,086,711	698,438	768	117,784,381
Land improvements	2,190,048	-	-	2,190,048
Furniture and equipment	5,969,318	740,045	196,795	6,512,568
Total capital assets being depreciated	<u>125,246,077</u>	<u>1,438,483</u>	<u>197,563</u>	<u>126,486,997</u>
Less: accumulated depreciation for:				
Buildings and structures	44,020,667	3,581,093	768	47,600,992
Land improvements	80,527	3,107	-	83,634
Furniture and equipment	4,712,042	341,188	196,795	4,856,435
Total accumulated depreciation	<u>48,813,236</u>	<u>3,925,388</u>	<u>197,563</u>	<u>52,541,061</u>
Total capital assets being depreciated, net	<u>76,432,841</u>	<u>(2,486,905)</u>	<u>-</u>	<u>73,945,936</u>
Business-type activities capital assets, net	<u>\$ 78,275,548</u>	<u>\$ 4,464,488</u>	<u>\$ 204,323</u>	<u>\$ 82,535,713</u>

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

Governmental Activities:	
General Government	\$ 110,667
Public Safety	535,568
Public Works	2,633,284
Culture and Recreation	986,488
Community Development	5,194
Total depreciation/amortization expense - governmental activities	<u>\$ 4,271,201</u>

Depreciation expense of \$31,766 was charged to the internal service fund and is included in the public works total displayed above.

Business-Type Activities:	
Water	\$ 2,485,225
Wastewater	1,069,227
Solid Waste	73,124
Golf Course	81,870
Joint Powers Landfill	215,942
Total depreciation expense - business-type activities	<u>\$ 3,925,388</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
Component Unit:				
Capital assets being depreciated:				
Equipment and furniture	\$ 6,733	\$ -	\$ -	\$ 6,733
Total capital assets being depreciated	6,733	-	-	6,733
Less: accumulated depreciation for:				
Equipment and furniture	5,262	706	-	5,968
Total accumulated depreciation	5,262	706	-	5,968
Total capital assets being depreciated, net	1,471	(706)	-	765
Component unit capital assets, net	\$ 1,471	\$ (706)	\$ -	\$ 765

Reconciliation of Net Investment in Capital Assets:

	Governmental Activities	Business-Type Activities
Land	\$ 5,015,772	\$ 814,623
Construction in Progress	2,885,360	7,775,154
Capital Assets, net of accumulated depreciation/amortization	79,706,720	73,945,936
Less: Revenue Bonds	-	47,682,189
Notes Payable	13,347,297	-
Lease Agreements	82,846	-
Accounts Payable	388,454	262,337
Retainage Payable	77,513	599,078
Net Investment in Capital Assets	<u>\$ 73,711,742</u>	<u>\$ 33,992,109</u>

NOTE 7 – COMMITMENTS

During the year ended December 31, 2022, the City entered into several construction contracts totaling \$14,834,360. Of this amount, \$10,756,062 has been expended to date. The remaining balance will be paid as work progresses.

NOTE 8 – LONG-TERM LIABILITIES

Notes Payable – Direct Borrowing

The following is a summary of the notes payable activity for the year:

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

	Beginning Balance	Additions	Reductions	Ending Balance
Notes Payable - Direct Borrowing	\$ 14,051,683	\$ -	\$ 704,386	\$ 13,347,297

The City entered into an agreement with First Dakota National Bank in Sioux Falls (Lessor/Trustee) for financing to construct a new fire station. The declaration of trust agreement, purchase agreement, and ground lease agreement between the City and 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 financed 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 at a 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 on 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 payments over the term of the lease.

The City entered into an agreement with Branch Banking and Trust Company (Lessor/Trustee) for financing to construct a new aquatic center. The declaration of trust Agreement, purchase agreement, and ground lease agreement between the City and Branch Banking and Trust Company, along with the issuance of \$14,000,000 of certificates of participation, were completed in July 2019. The certificates bear interest at 2.91% and mature in December 2039. These agreements are evidence of the Bank's ownership interest in the financed purchase assets with the City of Yankton. The City is the agent for the Bank for the construction of the aquatic center. The bid was awarded, and construction began on the new aquatic center, in 2019.

The following is a schedule of future minimum payments under the notes payable as of December 31, 2022:

Year Ending December 31,	Principal	Interest	Total
2023	\$ 720,783	\$ 383,341	\$ 1,104,124
2024	737,660	362,911	1,100,571
2025	765,032	341,770	1,106,802
2026	782,913	319,626	1,102,539
2027	806,318	296,803	1,103,121
2028 - 2032	3,657,113	1,143,545	4,800,658
2033 - 2037	4,075,246	595,410	4,670,656
2038 - 2039	1,802,232	66,030	1,868,262
Totals	\$ 13,347,297	\$ 3,509,436	\$ 16,856,733

Bonds Payable:

The following is a summary of debt transactions for the year:

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

	<u>Governmental</u>	<u>Business-Type</u>				<u>Total</u>
		<u>Joint Powers</u>				
		<u>Landfill</u>				
		<u>Wastewater</u>	<u>Revenue Loans</u>	<u>Solid Waste</u>		
	<u>2019 Sales Tax</u>	<u>Water Revenue</u>	<u>Revenue (SRF) -</u>	<u>(SWMP) (RLA)</u>	<u>REC Loan -</u>	
	<u>Bond</u>	<u>(SRF) - Direct</u>	<u>Direct</u>	<u>- Direct</u>	<u>Direct</u>	
		<u>Borrowing</u>	<u>Borrowing</u>	<u>Borrowing</u>	<u>Borrowing</u>	
Beginning Bonds Payable	\$ 1,492,609	\$ 48,513,692	\$ 3,399,651	\$ 335,238	\$ 347,014	\$ 54,088,204
Add: Issuances	-	-	400,620	-	-	400,620
Less: Retirements	(171,037)	(4,653,141)	(549,008)	(65,213)	(46,664)	(5,485,063)
Ending Bonds Payable	<u>\$ 1,321,572</u>	<u>\$ 43,860,551</u>	<u>\$ 3,251,263</u>	<u>\$ 270,025</u>	<u>\$ 300,350</u>	<u>\$ 49,003,761</u>

Bonds outstanding on December 31, 2022 are comprised of the following individual issues:

	<u>Due Within</u>	<u>Due After One</u>	<u>Total</u>
	<u>One Year</u>	<u>Year</u>	
2019 Sales Tax Revenue Bonds – Dated June 1, 2019, maturing December 1, 2019 – 2029 with an average interest rate of 2.47%. Funds were used to provide economic development incentives and are to be paid by the Debt Service Fund using TID generated taxes.	\$ 175,261	\$ 1,146,311	\$ 1,321,572
Solid Waste Management Program (SWMP) and Regional Landfill Assistance (RLA) loans maturing June 1, 2012 – 2027 with an interest rate of 3% per annum, paid by the Joint Powers Landfill Fund.	66,853	203,172	270,025
Water Revenue Bonds (SRF) maturing October 1, 2023 – 2048 with interest rates of 3.5%, 3.25% and 3.0% per annum, paid by the Water Fund.	1,284,260	42,576,291	43,860,551
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.	578,777	2,672,486	3,251,263
Solid Waste REC Loan Maturing December 1, 2028 With an interest rate of 2.1% per Annum, paid by Solid Waste Fund.	47,603	252,747	300,350
Totals	<u>\$ 2,152,754</u>	<u>\$ 46,851,007</u>	<u>\$ 49,003,761</u>

The City issues general obligation bonds to provide funds for the construction of major capital projects or provide economic development assistance to local companies. The City has issued general obligations bonds for governmental activities.

On November 25, 2014, the City issued clean water state revolving fund loans not to exceed \$11,048,805 for sewer improvements. The bonds carry an interest rate of 3.0%. At December 31, 2022, \$10,313,545 had been drawn on the bonds.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

On November 17, 2014, the City issued \$12,850,000 of drinking water state revolving fund bonds to be used to finance waterworks improvements. The bonds have an interest rate of 3.0%. As of December 31, 2022, \$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, 2022, \$36,950,000 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.

For direct borrowing purposes, each contract includes a provision that in an event of default, all or a portion of the outstanding balance may become immediately due for the water revenue bonds (SRF), wastewater revenue bonds (SRF), solid waste REC loan, and Solid Waste Management Program (SWMP) and Regional Landfill Assistance (RLA) loans.

A. Annual Debt Service Requirements

The annual requirements to amortize all debt outstanding as of December 31, 2022, including interest payments of \$15,656,713 are as follows:

Year Ending December 31,	2019 Sales Tax Bonds		Wastewater Revenue - Direct Borrowing		Water Revenue - Direct Borrowing	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 175,261	32,643	\$ 578,777	\$ 92,380	\$ 1,284,260	\$ 1,052,368
2024	179,590	28,314	166,870	78,309	1,315,676	1,020,953
2025	184,026	23,878	171,932	73,246	1,347,873	988,756
2026	188,571	19,333	177,149	68,030	1,380,872	955,757
2027	193,229	14,675	182,523	62,655	1,414,693	921,936
2028 - 2032	400,895	14,913	999,118	226,776	7,611,040	4,072,102
2033 - 2037	-	-	974,894	67,116	8,592,531	3,090,611
2038 - 2042	-	-	-	-	9,703,103	1,980,039
2043 - 2047	-	-	-	-	10,350,731	729,851
2048	-	-	-	-	859,772	7,261
Total	\$ 1,321,572	\$ 133,756	\$ 3,251,263	\$ 668,512	\$ 43,860,551	\$ 14,819,634

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

Year Ending December 31,	Joint Power landfill (RLA) (SWMP) - Direct Borrowing		Solid Waste REC - Direct Borrowing		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2023	\$ 66,853	\$ 6,122	\$ 47,603	\$ 5,770	\$ 2,152,754
2024	68,536	4,440	48,558	4,814	1,779,230	1,136,830
2025	60,555	2,714	49,534	3,837	1,813,920	1,092,431
2026	49,876	1,384	50,530	2,842	1,846,998	1,047,346
2027	24,205	272	51,545	1,826	1,866,195	1,001,364
2028 - 2032	-	-	52,580	790	9,063,633	4,314,581
2033 - 2037	-	-	-	-	9,567,425	3,157,727
2038 - 2042	-	-	-	-	9,703,103	1,980,039
2043 - 2047	-	-	-	-	10,350,731	729,851
2048	-	-	-	-	859,772	7,261
Total	\$ 270,025	\$ 14,932	\$ 300,350	\$ 19,879	\$ 49,003,761	\$ 15,656,713

B. Accrued Compensated Absences

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities: Compensated Absences	\$ 652,543	\$ 130,027	\$ 130,508	\$ 652,062	\$ 130,413
Business-Type Activities: Compensated Absences	140,421	58,515	28,085	170,851	34,169
Total Accrued Compensated Absences	\$ 792,964	\$ 188,542	\$ 158,593	\$ 822,913	\$ 164,582

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

C. Lease Agreements

On March 14, 2016, the City signed a five-year lease as lessee for the use of a conference room with the option to renew for an additional five-year period. The agreement requires annual payments of \$17,600 at a rate of 1.86%. As of December 31, 2022, the City reported a lease liability of \$50,879. During the fiscal year, the City paid principal of \$16,967 and interest of \$633.

On May 9, 2020, the City signed a four-year lease as lessee for the use of Xerox copier machines. The agreement requires monthly payments of \$837 at a rate of 1.50%. As of December 31, 2022, the City reported a lease liability of \$14,067. During the fiscal year, the City paid principal of \$9,781 and interest of \$162.

On January 31, 2022, the City signed a 63 month lease as lessee for the use of a A&B Business copier machine. The agreement requires monthly payments of \$341 at a rate of 2.00%. As of December 31, 2022, the City reported a lease liability of \$17,900. During the fiscal year, the City paid principal of \$2,504 and interest of \$223.

The following is a summary of lease agreement transactions for the year:

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

	Governmental Activities			
	Conference	A&B Business		
	Room	Xerox Copiers	Copier	Total
Restated Beginning				
Lease Agreements	\$ 67,846	\$ 23,848	\$ -	\$ 91,694
Add: Issuances	-	-	20,403	20,403
Less: Retirements	(16,967)	(9,781)	(2,503)	(29,251)
Ending Lease Agreements	<u>\$ 50,879</u>	<u>\$ 14,067</u>	<u>\$ 17,900</u>	<u>\$ 82,846</u>
Due Within One Year	<u>\$ 16,646</u>	<u>\$ 9,898</u>	<u>\$ 3,767</u>	<u>\$ 30,311</u>

The remaining obligations associated with these leases are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2023	\$ 30,311	\$ 1,421	\$ 31,732
2024	24,969	905	25,874
2025	21,196	494	21,690
2026	3,999	91	4,090
2027	2,371	16	2,387
	<u>\$ 82,846</u>	<u>\$ 2,927</u>	<u>\$ 85,773</u>

NOTE 9 – INTERFUND ASSETS/LIABILITIES

The purpose of the City's interfund balances is to help finance the short-term cash flow shortages of various funds. Individual short-term interfund receivable and payable balances at December 31, 2022 were as follows:

	Interfund Receivables	Interfund Payables
Due From/To Other Funds:		
General Fund	\$ 6,455	\$ 349,732
Capital Projects – Special Capital Improvements	1,764,713	-
Capital Projects – Public Improvement	-	1,414,981
Special Revenue – East Yankton TID	-	13,000
Special Revenue – Mead Property Development	-	222,519
Enterprise – Water	235,519	-
Enterprise – Internal Service	-	6,455
	<u>\$ 2,006,687</u>	<u>\$ 2,006,687</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 9 – INTERFUND ASSETS/LIABILITIES (CONTINUED)

As of December 31, 2022, long-term advances were as follows:

	Interfund Receivables	Interfund Payables
Advances From/To Other funds:		
General Fund	\$ 3,689,392	\$ -
Capital Projects – Special Capital Improvement	828,515	-
Special Revenue – TID #5	-	3,689,392
Special Revenue – TID #8 Westbrook Estates Phase II	-	828,515
	\$ 4,517,907	\$ 4,517,907

The long-term advances were used as internal financing for equipment purchases for the general fund and special capital improvement funds and interim borrowing to the TID #5 and TID #8 funds until property tax revenues are available for repayment. Currently, the equipment loan carries a repayment term of ten years and interest rates of 6.0% and the TID loan is variable.

NOTE 10 – DEFICIT FUND BALANCES/NET POSITIONS

As of December 31, 2022, the following funds had deficit fund balances:

Special Revenue:		
TID #5	\$	3,689,392
TID #8 Westbrook Estates Phase II		828,828
East Yankton TID		13,000
Mead Property Development		74,839
Capital Projects:		
Public Improvement		414,183
Park Capital Projects	\$	148,003

The special revenue deficits will be refunded through future tax collections whereas the capital project deficit will be refunded through internal transfers.

NOTE 11 – PENSION PLAN

Plan Information

All employees, working more than 20 hours per week during the year, participate in the South Dakota Retirement System (SDRS), a cost sharing, multiple employer hybrid 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 survivor 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.aspx> or by writing to the SDRS, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731.

Benefits Provided

SDRS has four classes of members: Class A general members, Class B public safety and judicial members, Class C Cement Plant Retirement Fund members, and Class D Department of Labor and Regulation members.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 11 – PENSION PLAN (CONTINUED)

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 benefit is also available after age 55 for Class A Foundation members where the sum of age and 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 retirement benefits that do not meet the above criteria may be payable at a reduced level. Class A and B eligible spouses of Foundation members will receive a 60 percent joint survivor benefit when the member dies.

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 CPI-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.

Legislation enacted in 2021 reduced the minimum COLA from 0.5 percent to 0.0 percent.

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.

The City's share of contributions to the SDRS for the years ended 2022, 2021, and 2020 were \$558,725, \$529,729, and \$492,393, respectively, equal to the required contributions each year.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 11 – PENSION PLAN (CONTINUED)

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

At June 30, 2022, SDRS is 100.1% funded and accordingly has a net pension asset. The proportionate share of the components of the net pension asset of South Dakota Retirement System, for the Municipality as of this measurement period ending June 30, 2022 and reported by the Municipality as of December 31, 2022 are as follows:

Proportionate share of net position restricted for pension benefits	\$ 53,217,537
Less: proportionate share net pension restricted for pension benefits	<u>53,253,164</u>
Proportionate share of net pension liability (asset)	<u>\$ (35,627)</u>

At December 31, 2022, the Municipality reported an asset of \$35,627 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022 and the total pension asset used to calculate the net pension asset was based on a projection of the Municipality's share of contributions to the pension plan relative to the contributions of all participating entities. At June 30, 2022, the Municipality's proportion was 0.376985%, which is a decrease of 0.006118% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Municipality recognized a reduction in pension expense of \$175,202. At December 31, 2022, the Municipality 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	\$ 678,196	\$ 2,313
Changes in assumption	2,264,371	1,984,418
Net difference between projected and actual earnings on pension plan investments	-	85,380
Changes in proportion and difference between City contributions and proportionate share of contributions	13,218	-
City contributions subsequent to the measurement date	282,282	-
Total	\$ 3,238,067	\$ 2,072,111

\$282,282 reported as deferred outflow of resources related to pensions resulting from Municipality contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (reduction of pension expense) as follows:

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 11 – PENSION PLAN (CONTINUED)

<u>Year Ending December 31</u>	
2023	\$ 240,218
2024	498,081
2025	(561,534)
2026	706,909
Total	<u>\$ 883,674</u>

Actuarial Assumptions

The total pension liability (asset) in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	Graded by years of service, from 7.66% at entry to 3.15% after 25 years of service
Discount Rate	6.50% net of plan investment expense. This is composed of an average inflation rate of 2.50% and real returns of 4.00%.
Future COLAs	2.10%

Mortality Rates

- All mortality rates based on Pub-2010 amount-weighted mortality tables, projected generationally with improvement scale MP-2020
- Active and Terminated Vested Members:
 - Teachers, Certified Regents, and Judicial: PubT-2010
 - Other Class A Members: PubG-2010
 - Public Safety Members: PubS-2010
- Retired Members:
 - Teachers, Certified Regents, and Judicial Retirees: PubT-2010, 108% of rates above age 65
 - Other Class A Retirees: PubG-2010, 93% of rates through age 74, increasing by 2% per year until 111% of rates at age 83 and above
 - Public Safety Retirees: PubS-2010, 102% of rates at all ages
- Beneficiaries: PubG-2010 contingent survivor mortality table
- Disabled Members:
 - Public Safety: PubS-2010 disabled member mortality table
 - Others: PubG-2010 disabled member mortality table

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period of July 1, 2016 to June 30, 2021.

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 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-

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 11 – PENSION PLAN (CONTINUED)

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, 2022 (see the discussion of the pension plan's investment policy) are summarized in the following table using geometric means:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	58.0%	3.7%
Fixed Income	30.0%	1.1%
Real Estate	10.0%	2.6%
Cash	2.0%	0.4%
Total	100.0%	

Discount Rate

The discount rate used to measure the total pension liability (asset) was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that matching employer contributions 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 Municipality's proportionate share of net pension liability (asset) calculated using the discount rate of 6.50 percent, as well as what the Municipality's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset)	\$ 7,397,712	\$ (35,627)	\$ (6,110,630)

Pension Plan Fiduciary Net Position

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

NOTE 12 – TRANSFERS

The following is a summary of transfers between funds:

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 12 – TRANSFERS (CONTINUED)

	General	Nonmajor Governmental	Enterprise Nonmajor	Total Transfer Out
General	\$ -	\$ 2,013,170	\$ 150,000	\$ 2,163,170
Nonmajor Governmental	1,842,862	266,386	-	2,109,248
Special Capital Improvements	219,346	-	-	219,346
TID #5	-	175,515	-	175,515
Wastewater	60,046	-	-	60,046
Water	71,346	-	-	71,346
Transfer In	<u>\$ 2,193,600</u>	<u>\$ 2,455,071</u>	<u>\$ 150,000</u>	<u>\$ 4,798,671</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 13 – 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, 2022, 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.

Effective October 5, 2021, the SDPAA adopted a new policy on member departures. Departing Members will no longer be eligible for any partial refund of the calculated portion of their contributions which was previously allowed. The prior policy provided the departing Member with such a partial refund because the departing Member took sole responsibility for all claims and claims expenses whether reported or unreported at the time of their departure from the SDPAA. With such partial refund being no longer available, the SDPAA will now assume responsibility for all reported claims of a departing Member pursuant to the revised IGC.

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.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 13 – RISK MANAGEMENT (CONTINUED)

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 14 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City of Yankton's other postemployment 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 paying 50% of the premium 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 postemployment 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 one participant, 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 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, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1	
Active employees	-	-
Total	1	1

The City's total OPEB liability of \$2,473 was measured as of December 31, 2022, using the alternative measurement method.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

	OPEB Liability
Total OPEB liability beginning of year	\$ 7,507
Changes for the year:	
Service cost	-
Interest	-
Differences between expected and actual experiences	-
Changes in assumptions	-
Benefit payments	(5,034)
Net changes	(5,034)
Total OPEB liability end of year	\$ 2,473

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.

	1% Decrease (4.0%)	Healthcare Cost Trend Rate (5.0%)	1% Increase (6.0%)
Total OPEB liability	\$ 2,424	\$ 2,473	\$ 2,523

For the year ended December 31, 2022, the City did not recognize any OPEB expense.

NOTE 15 – 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, this first of which is that there is an operations and maintenance cost component where the County and City share the costs of facility operations and maintenance at a rate of 89.25% and 10.75%, respectively. These percentages are 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 a different cost allocation will be approved by both parties. The amount paid by the City to the County for 2022 for this component was \$42,717.

The second component is related to capital improvements. The City's payment for this component is 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.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 15 – SAFETY CENTER AGREEMENT (CONTINUED)

Lastly, the City agreed to provide dispatch services for the County with the County paying the City an annually agreed upon amount associated with the costs of providing the service. For 2022, the parties agreed the County would pay \$132,568 per for dispatch services, which was appropriately paid.

NOTE 16 – RESTRICTED NET POSITION

Restricted Net Position for the year ended December 31, 2022 was as follows:

Major Purposes:		
Lodging Sales Tax – Enabling Legislation	\$ 742,692	
Debt Service – External Creditors	3,751,262	
SDRS Pension Purposes	1,201,583	
Total Major Purposes		\$ 5,695,537
Permanently Restricted Purposes:		
Cemetery Perpetual Care – Expendable	111,045	
Cemetery Perpetual Care – Nonexpendable	50,000	
Total Permanently Restricted Purposes		161,045
Other Purposes:		
Historic Easement Trust	24,218	
Library – Enabling Legislation	30,373	
TID	3,054	
Roads and Bridges – Enabling Legislation	150,173	
Dispatch	66,284	
Total Other Purposes		274,102
Total Restricted Net Position		<u>\$ 6,130,684</u>

NOTE 17 – 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, 2022, the City abated \$136,857 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.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 17 – TAX ABATEMENTS (CONTINUED)

For the year ended December 31, 2022, the City abated \$429,658 of municipal retail occupation sales and service tax under said agreements.

NOTE 18 – VIOLATIONS OF FINANCE-RELATED LEGAL REQUIREMENTS

The City is prohibited by statute from spending in excess of appropriated amounts at the department level in the general fund and at the fund level for the special revenue funds, capital projects funds, and permanent funds. The City did not spend in excess of appropriated amounts at the department level in the general fund. The following represents the overdrafts of the expenditures compared to appropriations at the fund level for the special revenue funds, capital projects funds, and permanent funds:

	Year End 12/31/22
Special Revenue Fund:	
East Yankton TID	
Community Development	\$ 13,000
 Capital Project Funds:	
Park Capital Projects	
Culture and Recreation	75,540
 Public Improvement	
Culture and Recreation	1,544,736
Community Development	\$ 195,816

NOTE 19 – ACCOUNTING CHANGE

The Governmental Accounting Standards Board Statement No. 87, Leases, was implemented during fiscal year 2022. The new requirements required the reporting of certain lease assets and liabilities which were previously not reported. The result of these changes had no effect on the beginning net position.

	Capital Assets	Governmental Activities Long-Term Liabilities Lease Agreements Payable
Balances December 31, 2021, as previously reported	\$ 83,405,491	\$ -
Change to implement GASB No. 87	91,694	91,694
Balances January 1, 2022, as restated	\$ 83,497,185	\$ 91,694

Fiscal year 2021's financial statements reported capital leases of \$14,051,683. These were deemed finance purchase agreements and are reported as note payables on fiscal year 2022's financial statements.

NOTE 20 – PROSPECTIVE ACCOUNTING CHANGE

The Governmental Accounting Standards Board has issued Statement No. 96, Subscription-Based Information Technology Arrangements. This statement will be implemented for the fiscal year ending December 31, 2023. The revised requirements of this statement will require reporting certain assets and liabilities for the right-to-use another party's information technology software alone or in combination with tangible capital assets that are not currently reported.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 21 – SUBSEQUENT EVENTS

In July 2023, the City approved a \$1,066,775 Clean Water State Revolving Fund (SRF) loan draw for water infrastructure improvements. The City approved a subsequent draw in November 2023 for \$110,514. For both disbursements, the City drew on an existing loan that requires quarterly payments at a rate of 2.9902% until its maturity in 2046.

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 ACTUAL
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 2,999,551	\$ 2,999,551	\$ 4,065,278	\$ 1,065,727
Sales and Other Taxes	7,727,831	7,727,831	7,666,678	(61,153)
Licenses and Permits	333,507	333,507	365,255	31,748
Intergovernmental	5,331,228	5,331,228	798,384	(4,532,844)
Charges for Service	3,061,530	3,061,530	3,360,005	298,475
Fines and Forfeits	4,250	4,250	4,520	270
Interest	1,180	1,180	226,184	225,004
Contributions	61,000	61,000	66,052	5,052
Miscellaneous	87,720	87,720	156,805	69,085
Total Revenues	<u>19,607,797</u>	<u>19,607,797</u>	<u>16,709,161</u>	<u>(2,898,636)</u>
Expenditures:				
General Government:				
Board of City Commission	158,084	183,084	167,374	15,710
Office of City Manager	277,926	277,926	229,103	48,823
City Attorney	130,984	130,984	93,283	37,701
Department of Finance	744,747	826,747	685,163	141,584
Information Systems	506,789	699,587	449,717	249,870
Community Development	643,565	643,565	483,689	159,876
Human Resources	245,493	245,493	213,787	31,706
Contingency	300,000	300,000	-	300,000
Casualty Reserve Fund	5,000	5,000	3,000	2,000
Special Appropriations	138,206	183,206	174,326	8,880
Total General Government	<u>3,150,794</u>	<u>3,495,592</u>	<u>2,499,442</u>	<u>996,150</u>
Public Safety:				
Police Department	4,016,505	4,056,359	3,137,840	918,519
Fire Department	854,307	929,307	781,212	148,095
Civil Defense	4,960	8,960	8,607	353
Total Public Safety	<u>4,875,772</u>	<u>4,994,626</u>	<u>3,927,659</u>	<u>1,066,967</u>
Public Works:				
Engineering and Inspection	814,131	814,131	534,996	279,135
Streets and Highways	2,285,666	2,505,666	1,612,019	893,647
Snow and Ice Removal	234,353	234,353	-	234,353
City Hall	349,014	474,247	409,172	65,075
Traffic Control	554,494	554,494	515,869	38,625
Chan Gurney Airport	789,238	939,238	751,781	187,457
Total Public Works	<u>5,026,896</u>	<u>5,522,129</u>	<u>3,823,837</u>	<u>1,698,292</u>

(continued)

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Culture and Recreation:				
Marne Creek	5,636,509	5,636,509	528,654	5,107,855
Summit Activities Center	930,984	930,984	682,242	248,742
Memorial Park Pool	1,696,011	1,696,011	1,614,358	81,653
Parks and Recreation	1,896,393	1,972,267	1,759,193	213,074
Senior Citizens Center	63,723	98,723	86,171	12,552
Community Library	861,399	861,399	785,779	75,620
Total Culture and Recreation	<u>11,085,019</u>	<u>11,195,893</u>	<u>5,456,397</u>	<u>5,739,496</u>
Total Expenditures	<u>24,138,481</u>	<u>25,208,240</u>	<u>15,707,335</u>	<u>9,500,905</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,530,684)</u>	<u>(5,600,443)</u>	<u>1,001,826</u>	<u>6,602,269</u>
Other Financing Sources (Uses):				
Lease Agreements	-	-	20,403	20,403
Proceeds from Sale of Capitalized Assets	-	-	148,850	148,850
Transfers In	1,251,623	1,251,623	2,193,600	941,977
Transfers Out	(2,868,195)	(3,539,926)	(2,163,170)	1,376,756
Total Other Financing Sources (Uses)	<u>(1,616,572)</u>	<u>(2,288,303)</u>	<u>199,683</u>	<u>2,487,986</u>
Net Change in Fund Balance	<u>(6,147,256)</u>	<u>(7,888,746)</u>	<u>1,201,509</u>	<u>\$ 9,090,255</u>
Fund Balance - Beginning of Year	<u>15,074,539</u>	<u>15,074,539</u>	<u>15,074,539</u>	
Fund Balance - End of Year	<u>\$ 8,927,283</u>	<u>\$ 7,185,793</u>	<u>\$ 16,276,048</u>	

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
Major Special Revenue Fund - TID #5 Menards
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 143,675	\$ 143,675	\$ 175,515	\$ 31,840
Total Revenues	<u>143,675</u>	<u>143,675</u>	<u>175,515</u>	<u>31,840</u>
Other Financing Sources (Uses):				
Transfers In	70,000	70,000	-	(70,000)
Transfers Out	<u>(194,610)</u>	<u>(194,610)</u>	<u>(175,515)</u>	<u>19,095</u>
Total Other Financing Sources (Uses)	<u>(124,610)</u>	<u>(124,610)</u>	<u>(175,515)</u>	<u>(50,905)</u>
Net Change in Fund Balance	<u>19,065</u>	<u>19,065</u>	<u>-</u>	<u>\$ (19,065)</u>
Fund (Deficits) - Beginning of Year	<u>(3,689,392)</u>	<u>(3,689,392)</u>	<u>(3,689,392)</u>	
Fund (Deficits) - End of Year	<u>\$ (3,670,327)</u>	<u>\$ (3,670,327)</u>	<u>\$ (3,689,392)</u>	

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

EXHIBIT 10

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, 2022 to the original appropriations by fund were as follows for the general fund:

	<u>Original Appropriations</u>	<u>Total Revisions</u>	<u>Revised Appropriations</u>
General Fund:			
General Government			
Board of City Commission	\$ 158,084	\$ 25,000	\$ 183,084
Department of Finance	744,747	82,000	826,747
Information Systems	506,789	192,798	699,587
Special Appropriations	138,206	45,000	183,206
Public Safety			
Police Department	4,016,505	39,854	4,056,359
Fire Department	854,307	75,000	929,307
Civil Defense	4,960	4,000	8,960
Public Works			
Streets and Highways	2,285,666	220,000	2,505,666
City Hall	349,014	125,233	474,247
Chan Gurney Airport	789,238	150,000	939,238
Culture and Recreation			
Senior Citizens Center	63,723	35,000	98,723
Transfers Out	2,868,195	671,731	3,539,926

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.
7. 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, 2022.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

EXHIBIT 10

8. 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.
9. Budgets for the general fund, special revenue funds, and capital projects funds are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).
10. The City is prohibited by statute from spending in excess of appropriated amounts at the department level in the general fund. Expenditures did not exceed appropriations within the general fund for the year ended December 31, 2022.
11. GAAP/Budgetary Accounting Basis Differences

The financial statements prepared in conformity with U.S. generally accepted accounting principles 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 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, 2022
Required Supplementary Information

EXHIBIT 11

	2022	2021	2020	2019	2018
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Cost	-	-	-	-	-
Difference between expected and actual experiences	-	-	-	(5,240)	(2,468)
Changes in assumptions	-	-	-	-	-
Benefit payments	(5,034)	(11,100)	(15,699)	(18,458)	(24,513)
Net change in total OPEB liability	(5,034)	(11,100)	(15,699)	(23,698)	(26,981)
Total OPEB liability beginning of year	7,507	18,607	34,306	58,004	84,985
Total OPEB liability end of year	\$ 2,473	\$ 7,507	\$ 18,607	\$ 34,306	\$ 58,004
Covered-employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Total OPEB liability as a percentage of covered-employee payroll	0.0%	0.0%	0.0%	0.0%	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)
South Dakota Retirement System
 Last 9 Fiscal Years*
 (Dollar amounts in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Municipality's proportion of the net pension liability (asset)	0.37698500%	0.38310300%	0.36648290%	0.36945880%	0.37324390%	0.38897970%	0.38265660%	0.38171770%	0.37916180%
Municipality's proportionate share of net pension liability (asset)	\$ (36)	\$ (2,934)	\$ (16)	\$ (39)	\$ (9)	\$ (35)	\$ 1,293	\$ (1,619)	\$ (2,732)
Municipality's covered payroll	\$ 8,319	\$ 7,908	\$ 7,465	\$ 7,319	\$ 7,229	\$ 7,360	\$ 6,764	\$ 6,487	\$ 6,257
Municipality's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-0.43%	-37.10%	-0.21%	-0.53%	-0.12%	-0.48%	19.12%	-24.96%	-43.66%
Plan fiduciary net position as a percentage of the total pension liability (asset)	100.1%	105.5%	100.0%	100.1%	100.0%	100.1%	96.9%	104.1%	107.3%

*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
 Last 10 Years
 (Dollar amounts in thousands)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 559	\$ 530	\$ 492	\$ 473	\$ 472	\$ 460	\$ 449	\$ 441	\$ 404	\$ 406
Contributions in relation to the contractually required contribution	<u>559</u>	<u>530</u>	<u>492</u>	<u>473</u>	<u>472</u>	<u>460</u>	<u>449</u>	<u>441</u>	<u>404</u>	<u>406</u>
Contribution deficiency (excess)	<u>\$ -</u>									
Municipality's covered payroll	\$ 8,616	\$ 8,156	\$ 7,602	\$ 7,348	\$ 7,335	\$ 7,141	\$ 6,973	\$ 6,843	\$ 6,257	\$ 6,286
Contributions as a percentage of covered payroll	6.48%	6.49%	6.48%	6.44%	6.44%	6.45%	6.44%	6.45%	6.46%	6.46%

CITY OF YANKTON
Notes to Required Supplementary Information
for the Year Ended December 31, 2022
Schedule of the Proportionate Share of the Net Pension Liability (Asset) and
Schedule of Pension Contributions.

Changes from Prior Valuation

The June 30, 2022 Actuarial Valuation reflects numerous changes to the actuarial assumptions as a result of an experience analysis completed since the June 30, 2021 Actuarial Valuation. In addition, two changes in actuarial methods have been implemented since the prior valuation.

The details of the changes since the last valuation are as follows:

Benefit Provision Changes

During the 2022 Legislative Session no significant SDRS benefit changes were made and gaming enforcement agents became Class B Public Safety Members.

Actuarial Assumption Changes

As a result of an experience analysis covering the period from July 1, 2016 to June 30, 2021 and presented to the SDRS Board of Trustees in April and June, 2022, significant changes to the actuarial assumptions were recommended by the SDRS Senior Actuary and adopted by the Board of Trustees first effective for this June 30, 2022 actuarial valuation.

The changes to economic assumptions included increasing the price inflation to 2.50% and increasing the wage inflation to 3.15%. The current assumed investment return assumption of 6.50% was retained, lowering the assumed real investment return to 4.00%. The baseline COLA assumption of 2.25% was also retained. Salary increase assumptions were modified to reflect the increase in assumed wage inflation and recent experience. The assumed interest on accumulated contributions was decreased to 2.25%

The demographic assumptions were also reviewed and revised. The mortality assumption was changed to the Pub-2010 amount-weighted tables using separate tables for teachers, general, and public safety retirees, with assumptions for retirees adjusted based on credible experience. The mortality assumption for active and terminated vested members was changed to the unadjusted amount-weighted Pub-2010 tables, again by member classification and the assumption for beneficiaries was changed to the amount-weighted Pub-2010 general contingent survivor table. Adjustments based on experience were also made to the assumptions regarding retirement, termination, disability, age of spouses for married Foundation members, percentage of terminated vested members electing a refund, and benefit commencement age for terminated vested Public Safety members with 15 or more years of service

The SDRS COLA equals the percentage increase in the most recent third calendar quarter CPI-W over the prior year, no less than 0% (0.5% prior to 2021) 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%.

As of June 30, 2021, the FVFR assuming the long-term COLA is equal to the baseline COLA assumption (2.25%) was greater than 100% and the full 0% to 3.5% COLA range was payable. For the June 30, 2021 Actuarial Valuation, future COLAs were assumed to equal the baseline COLA assumption of 2.25%.

As of June 30, 2022, the FVFR assuming future COLAs equal to the baseline COLA assumption of 2.25% is less than 100% and the July 2023 SDRS COLA is limited to a restricted maximum of 2.10%. The July 2023 SDRS COLA will equal inflation, between 0% and 2.10%. For this June 30, 2022 Actuarial Valuation, future COLAs were assumed to equal the restricted maximum COLA of 2.10%.

Actuarial assumptions are reviewed for reasonability annually and reviewed in depth periodically, with the next experience analysis anticipated before the June 30, 2027 Actuarial Valuation and any recommended 7 changes approved by the Board of Trustees are anticipated to be first implemented in the June 30, 2027 Actuarial Valuation.

Actuarial Method Changes

Actuarial method changes with minor impact were implemented for this valuation after recommendation by Cavanaugh Macdonald Consulting as part of their reviews of prior valuations. As a result, liabilities and normal costs for refund benefits and the Generational Variable Retirement Account are now calculated using the entry age normal cost method with normal costs based on the expected value of these accounts rather than the actual balance.

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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 Menards – 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.

Nonmajor Funds:

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

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.

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.

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 #7 West 10th Street – This fund is used to account for expenditures for improvements in the West 10th Street TIF district and the corresponding TIF revenues.

Tax Increment District #9 Mall Improvements – This fund is used to account for expenditures for improvements in the Mall Improvements TIF district and the corresponding TIF revenues.

Tax Increment District #11 East Yankton – This fund is used to account for expenditures for improvements in the East Yankton TIF district and the corresponding TIF revenues.

Tax Increment District #12 Meade Property Development – This fund is used to account for expenditures for improvements in the Meade Property Development TIF district and the corresponding TIF revenues.

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.

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

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:

Nonmajor 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 PROJECT 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).

Nonmajor 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.

Park Capital Projects – 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.

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

Pool Capital Construction Fund – This fund is used to account for the construction and equipping of the new aquatics center of the City.

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.

Nonmajor 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, 2022

	Special Revenue								
	Debt Service	Dispatch	Business Improvement District	TID #8 Westbrook Estates Phase II	TID #6 Westbrook Estates	TID #7 West 10th Street	TID #9 Mall Improvements	TID #11 East Yankton	TID #12 Meade Property Development
Assets									
Cash and Cash Equivalents	\$ 208,504	\$ 31,227	\$ 230,015	\$ 34,561	\$ 160,774	\$ 19,479	\$ 517	\$ -	\$ 7,240
Receivables (Net where applicable, of allowance for uncollectibles):									
Accounts	-	-	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-
Due from Other Governmental Agencies	-	66,284	8,340	-	3,040	-	-	-	160,034
Property Held for Resale, at Cost	-	-	-	-	-	-	-	-	-
Restricted Assets:									
Cash and Cash Equivalents	-	-	-	-	-	-	-	-	-
Total Assets	208,504	97,511	238,355	34,561	163,814	19,479	517	-	167,274
Liabilities									
Accounts Payable	-	124	129,829	34,874	160,760	19,479	517	-	19,594
Accrued Wages	-	31,103	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	13,000	222,519
Advances from Other Funds	-	-	-	828,515	-	-	-	-	-
Total Liabilities	-	31,227	129,829	863,389	160,760	19,479	517	13,000	242,113
Deferred Inflows of Resources									
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-	-	-
Unavailable Revenue - Other Taxes	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Fund Balances (Deficits)									
Non-Spendable:									
Perpetual Care	-	-	-	-	-	-	-	-	-
Restricted:									
Debt Service	208,504	-	-	-	-	-	-	-	-
TID	-	-	-	-	3,054	-	-	-	-
Perpetual Care	-	-	-	-	-	-	-	-	-
Lodging Sales Tax	-	-	108,526	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-	-
Road and Bridge Funds	-	-	-	-	-	-	-	-	-
Historic Easement Trust	-	-	-	-	-	-	-	-	-
Dispatch	-	66,284	-	-	-	-	-	-	-
Assigned:									
Capital Projects	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(828,828)	-	-	-	(13,000)	(74,839)
Total Fund Balances (Deficits)	208,504	66,284	108,526	(828,828)	3,054	-	-	(13,000)	(74,839)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 208,504	\$ 97,511	\$ 238,355	\$ 34,561	\$ 163,814	\$ 19,479	\$ 517	\$ -	\$ 167,274

EXHIBIT A-1

	Capital Projects			Permanent		Total
Bridge & Street	Lodging Sales Tax	Library Trust	Historic Easement Trust	Nonmajor Capital Projects	Perpetual Care Cemetery	Governmental Nonmajor Funds
\$ 150,173	\$ 569,370	\$ 30,847	\$ 24,218	\$ 2,891,967	\$ 11,330	\$ 4,370,222
-	-	-	-	348,861	979	349,840
-	-	-	-	17,595	-	17,595
-	66,012	-	-	62,341	-	366,051
-	-	-	-	651,937	-	651,937
-	-	-	-	-	153,247	153,247
150,173	635,382	30,847	24,218	3,972,701	165,556	5,908,892
-	1,216	474	-	401,996	1,147	770,010
-	-	-	-	-	3,364	34,467
-	-	-	-	1,414,981	-	1,650,500
-	-	-	-	-	-	828,515
-	1,216	474	-	1,816,977	4,511	3,283,492
-	-	-	-	16,337	-	16,337
-	10,878	-	-	-	-	10,878
-	10,878	-	-	16,337	-	27,215
-	-	-	-	-	50,000	50,000
-	-	-	-	-	-	208,504
-	-	-	-	-	-	3,054
-	-	-	-	-	111,045	111,045
-	623,288	-	-	-	-	731,814
-	-	30,373	-	-	-	30,373
150,173	-	-	-	-	-	150,173
-	-	-	24,218	-	-	24,218
-	-	-	-	-	-	66,284
-	-	-	-	2,701,573	-	2,701,573
-	-	-	-	(562,186)	-	(1,478,853)
150,173	623,288	30,373	24,218	2,139,387	161,045	2,598,185
\$ 150,173	\$ 635,382	\$ 30,847	\$ 24,218	\$ 3,972,701	\$ 165,556	\$ 5,908,892

CITY OF YANKTON, SOUTH DAKOTA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 Governmental Nonmajor Funds
 For the Year Ended December 31, 2022

Special Revenue

	Debt Service	Dispatch	Business Improvement District	TID #8 Westbrook Estates Phase II	TID #6 Westbrook Estates	TID #7 West 10th Street	TID #9 Mall Improvements	TID #11 East Yankton	TID #12 Meade Property Development
Revenue:									
Property Taxes	\$ -	\$ -	\$ -	\$ 77,990	\$ 351,777	\$ 51,655	\$ 1,035	\$ -	\$ -
Sales and Other Taxes	-	-	134,566	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-	-
Intergovernmental	-	134,997	-	-	-	-	-	-	160,034
Charges for Services	-	-	-	-	-	-	-	-	-
Interest on Investments	-	2,899	4,133	-	13	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-
Miscellaneous	-	329	-	-	-	-	-	-	-
Total Revenue	-	138,225	138,699	77,990	351,790	51,655	1,035	-	160,034
Current Expenditures:									
Public Safety	-	748,064	-	-	-	-	-	-	-
Public Works	-	-	-	81,991	349,220	51,764	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	6,180	13,000	434,004
Capital Outlay:									
Public Works	-	-	212,029	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-	-	-
Debt Service	207,904	-	-	-	-	-	-	-	-
Total Expenditures	207,904	748,064	212,029	81,991	349,220	51,764	6,180	13,000	434,004
Excess (Deficiency) of Revenues Over (Under) Expenditures	(207,904)	(609,839)	(73,330)	(4,001)	2,570	(109)	(5,145)	(13,000)	(273,970)
Other Financing Sources (Uses):									
Proceeds from Sale of Uncapitalized Assets	-	-	-	-	-	-	-	-	-
Transfers In	207,304	644,584	-	-	-	-	-	-	199,131
Transfers Out	-	-	(2,774)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	207,304	644,584	(2,774)	-	-	-	-	-	199,131
Net Changes in Fund Balance	(600)	34,745	(76,104)	(4,001)	2,570	(109)	(5,145)	(13,000)	(74,839)
Fund Balances (Deficits) - Beginning of Year	209,104	31,539	184,630	(824,827)	484	109	5,145	-	-
Fund Balances (Deficits) - End of Year	\$ 208,504	\$ 66,284	\$ 108,526	\$ (828,828)	\$ 3,054	\$ -	\$ -	\$ (13,000)	\$ (74,839)

EXHIBIT A-2

	Capital Projects			Permanent		Total
Bridge & Street	Lodging Sales Tax	Library Trust	Historic Easement Trust	Non-Major Capital Projects	Perpetual Care Cemetery	Governmental Nonmajor Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 482,457
21,397	791,256	-	-	-	-	947,219
-	-	-	-	34,006	-	34,006
-	-	-	-	550,713	-	845,744
-	-	-	-	-	24,576	24,576
3,726	14,384	597	462	63,712	3,487	93,413
-	1,500	14,941	-	456,458	-	472,899
-	-	-	-	500	460	1,289
25,123	807,140	15,538	462	1,105,389	28,523	2,901,603
-	-	-	-	-	-	748,064
-	-	-	-	-	-	482,975
-	-	14,964	-	-	88,290	103,254
-	758,674	-	-	-	-	1,211,858
5,116	-	-	-	659,421	-	876,566
-	-	-	-	3,330,859	-	3,330,859
-	-	-	-	195,816	-	195,816
-	-	-	-	-	-	207,904
5,116	758,674	14,964	-	4,186,096	88,290	7,157,296
20,007	48,466	574	462	(3,080,707)	(59,767)	(4,255,693)
-	-	-	-	385,383	-	385,383
-	-	-	-	1,343,466	60,586	2,455,071
-	(71,789)	-	-	(2,034,685)	-	(2,109,248)
-	(71,789)	-	-	(305,836)	60,586	731,206
20,007	(23,323)	574	462	(3,386,543)	819	(3,524,487)
130,166	646,611	29,799	23,756	5,525,930	160,226	6,122,672
\$ 150,173	\$ 623,288	\$ 30,373	\$ 24,218	\$ 2,139,387	\$ 161,045	\$ 2,598,185

**CITY OF YANKTON, SOUTH DAKOTA
COMBINING BALANCE SHEET
Nonmajor Capital Projects Funds
December 31, 2022**

	Public Improvement	Infrastructure Improvement	Park Capital Projects	Infrastructure Improvement Revolving
Assets				
Cash and Cash Equivalents	\$ 1	\$ 320,933	\$ 247,816	\$ -
Receivables (Net where applicable, of allowance for uncollectibles):				
Accounts	348,861	-	-	-
Special Assessments	-	-	-	17,595
Due from Other Governmental Agencies	-	-	-	-
Property Held for Resale, at Cost	651,937	-	-	-
Total Assets	1,000,799	320,933	247,816	17,595
Liabilities				
Accounts Payable	1	-	395,819	-
Due to Other Funds	1,414,981	-	-	-
Total Liabilities	1,414,982	-	395,819	-
Deferred Inflows of Resources				
Unavailable Revenue - Special Assessments	-	-	-	16,337
Total Deferred Inflows of Resources	-	-	-	16,337
Fund Balances (Deficits)				
Assigned:				
Capital Projects	-	320,933	-	1,258
Unassigned	(414,183)	-	(148,003)	-
Total Fund Balances (Deficits)	(414,183)	320,933	(148,003)	1,258
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 1,000,799	\$ 320,933	\$ 247,816	\$ 17,595

EXHIBIT A-3

Airport Capital Improvement	Pool Capital Construction	Totals
\$ 70,022	\$ 2,253,195	\$ 2,891,967
-	-	348,861
-	-	17,595
62,341	-	62,341
-	-	651,937
<u>132,363</u>	<u>2,253,195</u>	<u>3,972,701</u>
6,176	-	401,996
-	-	1,414,981
<u>6,176</u>	<u>-</u>	<u>1,816,977</u>
-	-	16,337
-	-	16,337
126,187	2,253,195	2,701,573
-	-	(562,186)
<u>126,187</u>	<u>2,253,195</u>	<u>2,139,387</u>
<u>\$ 132,363</u>	<u>\$ 2,253,195</u>	<u>\$ 3,972,701</u>

**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, 2022**

	Public Improvement	Infrastructure Improvement	Park Capital Projects
Revenue:			
Special Assessments	\$ -	\$ -	\$ -
Intergovernmental	196,777	-	-
Interest on Investments	-	-	-
Contributions	237,243	-	8,600
Miscellaneous	500	-	-
Total Revenue	<u>434,520</u>	<u>-</u>	<u>8,600</u>
Current Expenditures:			
Capital Outlay:			
Public Works	306,217	92	-
Culture and Recreation	1,544,736	-	1,683,540
Community Development	195,816	-	-
Total Expenditures	<u>2,046,769</u>	<u>92</u>	<u>1,683,540</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,612,249)</u>	<u>(92)</u>	<u>(1,674,940)</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Uncapitalized Assets	385,383	-	-
Transfers In	-	35,466	1,308,000
Transfers Out	(199,131)	-	-
Total Other Financing Sources (Uses)	<u>186,252</u>	<u>35,466</u>	<u>1,308,000</u>
Net Changes in Fund Balances	(1,425,997)	35,374	(366,940)
Fund Balances - Beginning of Year	<u>1,011,814</u>	<u>285,559</u>	<u>218,937</u>
Fund Balances (Deficits) - End of Year	<u>\$ (414,183)</u>	<u>\$ 320,933</u>	<u>\$ (148,003)</u>

EXHIBIT A-4

Infrastructure Improvement Revolving	Airport Capital Improvement	Pool Capital Construction	Totals
\$ 34,006	\$ -	\$ -	\$ 34,006
-	353,936	-	550,713
-	-	63,712	63,712
-	-	210,615	456,458
-	-	-	500
<u>34,006</u>	<u>353,936</u>	<u>274,327</u>	<u>1,105,389</u>
-	353,112	-	659,421
-	-	102,583	3,330,859
-	-	-	195,816
<u>-</u>	<u>353,112</u>	<u>102,583</u>	<u>4,186,096</u>
<u>34,006</u>	<u>824</u>	<u>171,744</u>	<u>(3,080,707)</u>
-	-	-	385,383
-	-	-	1,343,466
<u>(35,466)</u>	<u>-</u>	<u>(1,800,088)</u>	<u>(2,034,685)</u>
<u>(35,466)</u>	<u>-</u>	<u>(1,800,088)</u>	<u>(305,836)</u>
<u>(1,460)</u>	<u>824</u>	<u>(1,628,344)</u>	<u>(3,386,543)</u>
<u>2,718</u>	<u>125,363</u>	<u>3,881,539</u>	<u>5,525,930</u>
<u>\$ 1,258</u>	<u>\$ 126,187</u>	<u>\$ 2,253,195</u>	<u>\$ 2,139,387</u>

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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.

Nonmajor Enterprise Funds:

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

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, 2022

	Golf Course	Solid Waste	Totals
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 30,692	\$ 1,249,575	\$ 1,280,267
Receivables (Net where applicable, of allowance for uncollectibles):			
Accounts	13,032	223,660	236,692
Prepaid Expenses	1,302	18,024	19,326
Total Current Assets	<u>45,026</u>	<u>1,491,259</u>	<u>1,536,285</u>
Noncurrent Assets:			
Restricted Assets:			
Cash and Cash Equivalents	-	53,372	53,372
Net Pension Asset	-	1,149	1,149
Land	533,787	74,639	608,426
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	<u>2,518,789</u>	<u>333,943</u>	<u>2,852,732</u>
Total Noncurrent Assets	<u>3,052,576</u>	<u>463,103</u>	<u>3,515,679</u>
Total Assets	<u>3,097,602</u>	<u>1,954,362</u>	<u>5,051,964</u>
Deferred Outflows of Resources			
Pension Related Deferred Outflows	-	104,456	104,456
Liabilities			
Current Liabilities:			
Accounts Payable	343	23,970	24,313
Accrued Wages	-	21,562	21,562
Accrued Interest Payable	-	501	501
Accrued Compensated Absences	-	6,990	6,990
Current Portion of Revenue Bonds Payable	-	47,603	47,603
Total Current Liabilities	<u>343</u>	<u>100,626</u>	<u>100,969</u>
Noncurrent Liabilities:			
Accrued Compensated Absences	-	27,962	27,962
Revenue Bonds Payable	-	252,747	252,747
Total Noncurrent Liabilities	<u>-</u>	<u>280,709</u>	<u>280,709</u>
Total Liabilities	<u>343</u>	<u>381,335</u>	<u>381,678</u>
Deferred Inflows of Resources			
Pension Related Deferred Inflows	-	66,843	66,843
Net Position			
Net investment in capital assets,	3,052,576	108,232	3,160,808
Restricted for:			
Debt Service	-	52,871	52,871
SDRS Pension Purposes	-	38,762	38,762
Unrestricted	44,683	1,410,775	1,455,458
Total Net Position	<u>\$ 3,097,259</u>	<u>\$ 1,610,640</u>	<u>\$ 4,707,899</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, 2022

	Golf Course	Solid Waste	Totals
Operating Revenues:			
Charges for Services	\$ -	\$ 1,322,336	\$ 1,322,336
Operating Expenses:			
Personal Services	-	509,106	509,106
Insurance	7,674	8,131	15,805
Professional Services	-	73,606	73,606
Tipping Fees	-	224,966	224,966
Repairs and Maintenance	25,035	145,260	170,295
Cost of Sales and Service	44,686	-	44,686
Supplies and Materials	-	1,690	1,690
Utilities	129	855	984
Billing and Administration	-	267,653	267,653
Depreciation	81,870	73,124	154,994
Total Operating Expenses	159,394	1,304,391	1,463,785
Operating Income (Loss)	(159,394)	17,945	(141,449)
Nonoperating Income (Expense):			
Interest Income	-	27,941	27,941
Miscellaneous, net	63,587	-	63,587
Interest Expense	-	(6,630)	(6,630)
Total Nonoperating Income (Expenses)	63,587	21,311	84,898
Income (Loss) Before Contributions and Transfers	(95,807)	39,256	(56,551)
Transfers In	150,000	-	150,000
Net Changes in Net Position	54,193	39,256	93,449
Net Position - Beginning	3,043,066	1,571,384	4,614,450
Net Position - Ending	\$ 3,097,259	\$ 1,610,640	\$ 4,707,899

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF CASH FLOWS
Nonmajor Enterprise Funds
For the Year Ended December 31, 2022

	Business-Type		
	Golf Course	Solid Waste	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ -	\$ 1,302,393	\$ 1,302,393
Cash Received from Interfund Services Provided	-	2,130	2,130
Cash Paid to Suppliers for Goods and Services	(77,339)	(595,966)	(673,305)
Cash Paid to Employees for Services	-	(497,006)	(497,006)
Cash Paid for Interfund Services	-	(132,557)	(132,557)
Other Nonoperating Revenues	63,585	-	63,585
Net Cash Provided (Used) by Operating Activities	(13,754)	78,994	65,240
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(228,066)	-	(228,066)
Interest Paid on Bonds	-	(6,708)	(6,708)
Principal Paid on Notes, Bonds, and Leases	-	(46,664)	(46,664)
Net Cash (Used) by Capital and Related Financing Activities	(228,066)	(53,372)	(281,438)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers In	150,000	-	150,000
Net Cash Provided by Noncapital Financing Activities	150,000	-	150,000
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends on Investments	-	27,941	27,941
Net Cash Provided from Investing Activities	-	27,941	27,941
Net Increase (Decrease) in Cash and Cash Equivalents	(91,820)	53,563	(38,257)
Cash and Cash Equivalents at Beginning of Year	122,512	1,249,384	1,371,896
Cash and Cash Equivalents at End of Year	\$ 30,692	\$ 1,302,947	\$ 1,333,639
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (159,394)	\$ 17,945	\$ (141,449)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	81,870	73,124	154,994
Other Nonoperating Income	63,587	-	63,587
(Increase) Decrease in Assets:			
Accounts Receivable	(2)	(17,813)	(17,815)
Prepaid Expenses	(137)	(3,113)	(3,250)
Net Pension Asset	-	115,300	115,300
Pension Related Deferred Outflows	-	44,804	44,804
Increase (Decrease) in Liabilities:			
Accounts Payable	322	(3,249)	(2,927)
Accrued Wages	-	2,457	2,457
Accrued Compensated Absences	-	7,668	7,668
Pension Related Deferred Inflows	-	(158,129)	(158,129)
Net Cash Provided by Operating Activities	\$ (13,754)	\$ 78,994	\$ 65,240
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:			
Cash and Cash Equivalents	\$ 30,692	\$ 1,249,575	\$ 1,280,267
Restricted Cash and Cash Equivalents	-	53,372	53,372
	\$ 30,692	\$ 1,302,947	\$ 1,333,639

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF NET POSITION
Internal Service Funds
December 31, 2022

	Copier- Fax- Postage	Central Garage	Totals
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ -	\$ 78,708	\$ 78,708
Receivables (Net where applicable, of allowance for uncollectibles):			
Due from Other Governmental Agencies	-	9,385	9,385
Prepaid Expenses	-	2,108	2,108
Inventories	6,455	245,332	251,787
Total Current Assets	6,455	335,533	341,988
Noncurrent Assets:			
Net Pension Asset	-	450	450
Land	-	7,000	7,000
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	-	164,653	164,653
Total Noncurrent Assets	-	172,103	172,103
Total Assets	6,455	507,636	514,091
Deferred Outflows of Resources			
Pension Related Deferred Outflows	-	40,916	40,916
Liabilities			
Current Liabilities:			
Accounts Payable	-	53,501	53,501
Accrued Wages	-	5,239	5,239
Accrued Compensated Absences	-	1,910	1,910
Due to Other Funds	6,455	-	6,455
Total Current Liabilities	6,455	60,650	67,105
Noncurrent Liabilities:			
Accrued Compensated Absences	-	7,641	7,641
Total Noncurrent Liabilities	-	7,641	7,641
Total Liabilities	6,455	68,291	74,746
Deferred Inflows of Resources			
Pension Related Deferred Inflows	-	26,183	26,183
Net Position			
Net investment in capital assets,	-	171,653	171,653
Restricted for:			
SDRS Pension Purposes	-	15,183	15,183
Unrestricted	-	267,242	267,242
Total Net Position	\$ -	\$ 454,078	\$ 454,078

**CITY OF YANKTON, SOUTH DAKOTA
 COMBINING STATEMENT OF REVENUES
 EXPENSES, AND CHANGES IN NET POSITION
 Internal Service Funds
 For the Year Ended December 31, 2022**

	Copier- Fax- Postage	Central Garage	Totals
Operating Revenues:			
Charges for Services	\$ 1,213	\$ 974,638	\$ 975,851
Operating Expenses:			
Personal Services	-	139,764	139,764
Professional Services	-	7,292	7,292
Repairs and Maintenance	-	16,351	16,351
Supplies and Materials	1,213	771,267	772,480
Utilities	-	20,119	20,119
Depreciation	-	31,766	31,766
Total Operating Expenses	1,213	986,559	987,772
Net Changes in Net Position	-	(11,921)	(11,921)
Net Position - Beginning	-	465,999	465,999
Net Position - Ending	\$ -	\$ 454,078	\$ 454,078

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF CASH FLOWS
Internal Service Funds
For the Year Ended December 31, 2022

	Copier-Fax- Postage	Central Garage	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 1,213	\$ 580,108	\$ 581,321
Cash Received from Interfund Services Provided	-	392,508	392,508
Cash Paid to Suppliers for Goods and Services	(7,668)	(815,673)	(823,341)
Cash Paid to Employees for Services	-	(142,467)	(142,467)
Cash Paid for Interfund Services	-	(2,476)	(2,476)
Net Cash Provided (Used) by Operating Activities	(6,455)	12,000	5,545
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	-	(9,594)	(9,594)
Net Cash (Used) by Capital and Related Financing Activities	-	(9,594)	(9,594)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund Balances--Payments from Other Funds	6,455	-	6,455
Net Cash Provided by Noncapital Financing Activities	6,455	-	6,455
Net Increase in Cash and Cash Equivalents	-	2,406	2,406
Cash and Cash Equivalents Beginning of Year	-	76,302	76,302
Cash and Cash Equivalents End of Year	\$ -	\$ 78,708	\$ 78,708
RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating (Loss)	\$ -	\$ (11,921)	\$ (11,921)
Adjustments to Reconcile Net Operating (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	-	31,766	31,766
(Increase) Decrease in Assets:			
Due from Other Governmental Agencies	-	(2,022)	(2,022)
Prepaid Expenses	-	265	265
Inventories	(6,455)	(4,373)	(10,828)
Net Pension Asset	-	32,925	32,925
Pension Related Deferred Outflows	-	1,863	1,863
Increase (Decrease) in Liabilities:			
Accounts Payable	-	988	988
Accrued Wages	-	844	844
Accrued Compensated Absences	-	510	510
Other Postemployment Benefit Obligation	-	(550)	(550)
Pension Related Deferred Inflows	-	(38,295)	(38,295)
Net Cash Provided (Used) by Operating Activities	\$ (6,455)	\$ 12,000	\$ 5,545

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, 2022

	Dispatch			Business Improvement District			TID #8 Westbrook Estates Phase II		
	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)
Revenue:									
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 77,990	\$ (22,010)
Sales and Other Taxes	-	-	-	114,000	134,566	20,566	-	-	-
Intergovernmental	151,156	134,997	(16,159)	-	-	-	-	-	-
Charges for Services	1,500	-	(1,500)	-	-	-	-	-	-
Interest on Investments	120	2,899	2,779	2,000	4,133	2,133	-	-	-
Contributions	-	-	-	-	-	-	-	-	-
Miscellaneous	-	329	329	-	-	-	-	-	-
Total Revenue	152,776	138,225	(14,551)	116,000	138,699	22,699	100,000	77,990	(22,010)
Current Expenditures:									
Public Safety	1,573,466	748,064	825,402	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	100,000	81,991	18,009
Community Development	-	-	-	-	-	-	-	-	-
Capital Outlay:									
Public Works	-	-	-	218,680	212,029	6,651	-	-	-
Public Safety	4,000	-	4,000	-	-	-	-	-	-
Total Expenditures	1,577,466	748,064	829,402	218,680	212,029	6,651	100,000	81,991	18,009
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,424,690)	(609,839)	(843,953)	(102,680)	(73,330)	16,048	-	(4,001)	(40,019)
Other Financing Sources (Uses):									
Transfers In	1,424,690	644,584	(780,106)	-	-	-	-	-	-
Transfers Out	-	-	-	(1,520)	(2,774)	(1,254)	-	-	-
Total Other Financing Sources (Uses)	1,424,690	644,584	(780,106)	(1,520)	(2,774)	(1,254)	-	-	-
Net Changes in Fund Balances	\$ -	34,745	\$ (1,624,059)	\$ (104,200)	(76,104)	\$ 14,794	\$ -	(4,001)	\$ (40,019)
Fund Balances (Deficits) - Beginning of Year		31,539			184,630			(824,827)	
Fund Balances (Deficits) - End of Year		<u>\$ 66,284</u>			<u>\$ 108,526</u>			<u>(828,828)</u>	

TID #6 Westbrook Estates			TID #7 West 10th Street			TID #9 Mall Improvements			TID #11 East Yankton		
Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)
\$ 400,000	\$ 351,777	\$ (48,223)	\$ 70,000	\$ 51,655	\$ (18,345)	\$ 10,000	\$ 1,035	\$ (8,965)	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	13	13	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
400,000	351,790	(48,210)	70,000	51,655	(18,345)	10,000	1,035	(8,965)	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
400,000	349,220	50,780	70,000	51,764	18,236	10,000	6,180	3,820	-	13,000	(13,000)
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
400,000	349,220	50,780	70,000	51,764	18,236	10,000	6,180	3,820	-	13,000	(13,000)
-	2,570	(98,990)	-	(109)	(36,581)	-	(5,145)	(12,785)	-	(13,000)	13,000
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
\$ -	2,570	\$ (98,990)	\$ -	(109)	\$ (36,581)	\$ -	(5,145)	\$ (12,785)	\$ -	(13,000)	\$ 13,000
	484			109			5,145			-	
	\$ 3,054			\$ -			\$ -			\$ (13,000)	

(continued)

TID #12 Meade Property Development			Bridge & Street			Lodging Sales Tax		
Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	41,397	21,397	(20,000)	713,610	791,256	77,646
-	160,034	160,034	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	100	3,726	3,626	500	14,384	13,884
-	-	-	-	-	-	-	1,500	1,500
-	-	-	-	-	-	-	-	-
-	160,034	160,034	41,497	25,123	(16,374)	714,110	807,140	93,030
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
827,154	434,004	393,150	-	-	-	829,672	758,674	70,998
-	-	-	160,000	5,116	154,884	-	-	-
-	-	-	-	-	-	-	-	-
827,154	434,004	393,150	160,000	5,116	154,884	829,672	758,674	70,998
(827,154)	(273,970)	(233,116)	(118,503)	20,007	(171,258)	(115,562)	48,466	22,032
-	199,131	199,131	68,602	-	(68,602)	-	-	-
-	-	-	-	-	-	(110,000)	(71,789)	38,211
-	199,131	199,131	68,602	-	(68,602)	(110,000)	(71,789)	38,211
\$ (827,154)	(74,839)	\$ (33,985)	\$ (49,901)	20,007	\$ (239,860)	\$ (225,562)	(23,323)	\$ 60,243
-	-	-	-	130,166	-	-	646,611	-
\$ (74,839)	-	-	\$ 150,173	-	-	\$ 623,288	-	-

(Continued)

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, 2022

	Pool Capital Construction			Special Capital Improvements		
	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
Revenue:						
Sales and Other Taxes	\$ -	\$ -	\$ -	\$ 4,706,454	\$ 5,187,612	\$ 481,158
Special Assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	554,355	550,906	(3,449)
Charges for Services	-	-	-	-	-	-
Interest on Investments	-	63,712	63,712	10,000	314,645	304,645
Contributions	187,890	210,615	22,725	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenue	<u>187,890</u>	<u>274,327</u>	<u>86,437</u>	<u>5,270,809</u>	<u>6,053,163</u>	<u>782,354</u>
Current Expenditures:						
Culture and Recreation	-	-	-	-	-	-
Capital Outlay:						
Public Works	-	-	-	4,826,765	3,621,935	1,204,830
Culture and Recreation	2,850,771	102,583	2,748,188	-	-	-
Community Development	-	-	-	-	-	-
Total Expenditures	<u>2,850,771</u>	<u>102,583</u>	<u>2,748,188</u>	<u>4,826,765</u>	<u>3,621,935</u>	<u>1,204,830</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,662,881)</u>	<u>171,744</u>	<u>(2,661,751)</u>	<u>444,044</u>	<u>2,431,228</u>	<u>(422,476)</u>
Other Financing Sources (Uses):						
Proceeds from Sale of Uncapitalized Assets	-	-	-	-	-	-
Transfers In	55,000	-	(55,000)	-	-	-
Transfers Out	(50,088)	(1,800,088)	(1,750,000)	(992,948)	(219,346)	773,602
Total Other Financing Sources (Uses)	<u>4,912</u>	<u>(1,800,088)</u>	<u>(1,805,000)</u>	<u>(992,948)</u>	<u>(219,346)</u>	<u>773,602</u>
Net Changes in Fund Balances	<u>\$ (2,657,969)</u>	<u>(1,628,344)</u>	<u>\$ (4,466,751)</u>	<u>\$ (548,904)</u>	<u>2,211,882</u>	<u>\$ 351,126</u>
Fund Balances - Beginning of Year		<u>3,881,539</u>			<u>14,720,329</u>	
Fund Balances (Deficits) - End of Year		<u>\$ 2,253,195</u>			<u>\$ 16,932,211</u>	

Airport Capital Improvement			Public Improvement			Infrastructure Improvement		
Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,028,500	353,936	(674,564)	266,000	196,777	(69,223)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	237,243	237,243	-	-	-
-	-	-	-	500	500	-	-	-
<u>1,028,500</u>	<u>353,936</u>	<u>(674,564)</u>	<u>266,000</u>	<u>434,520</u>	<u>168,520</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
1,100,000	353,112	746,888	375,900	306,217	69,683	100,000	92	99,908
-	-	-	-	1,544,736	(1,544,736)	-	-	-
-	-	-	-	195,816	(195,816)	-	-	-
<u>1,100,000</u>	<u>353,112</u>	<u>746,888</u>	<u>375,900</u>	<u>2,046,769</u>	<u>(1,670,869)</u>	<u>100,000</u>	<u>92</u>	<u>99,908</u>
<u>(71,500)</u>	<u>824</u>	<u>(1,421,452)</u>	<u>(109,900)</u>	<u>(1,612,249)</u>	<u>1,839,389</u>	<u>(100,000)</u>	<u>(92)</u>	<u>(99,908)</u>
-	-	-	-	385,383	385,383	-	-	-
-	-	-	-	-	-	44,720	35,466	(9,254)
-	-	-	-	(199,131)	(199,131)	-	-	-
-	-	-	-	186,252	186,252	44,720	35,466	(9,254)
<u>\$ (71,500)</u>	<u>824</u>	<u>\$ (1,421,452)</u>	<u>\$ (109,900)</u>	<u>(1,425,997)</u>	<u>\$ 2,025,641</u>	<u>\$ (55,280)</u>	<u>35,374</u>	<u>\$ (109,162)</u>
	<u>125,363</u>			<u>1,011,814</u>			<u>285,559</u>	
	<u>\$ 126,187</u>			<u>\$ (414,183)</u>			<u>\$ 320,933</u>	

(continued)

Park Capital Projects			Infrastructure Improvement Revolving			Perpetual Care Cemetery		
Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	44,600	34,006	(10,594)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	25,500	24,576	(924)
-	-	-	120	-	(120)	500	3,487	2,987
300,000	8,600	(291,400)	-	-	-	-	-	-
-	-	-	-	-	-	1,100	460	(640)
<u>300,000</u>	<u>8,600</u>	<u>(291,400)</u>	<u>44,720</u>	<u>34,006</u>	<u>(10,714)</u>	<u>27,100</u>	<u>28,523</u>	<u>1,423</u>
-	-	-	-	-	-	114,186	88,290	25,896
-	-	-	-	-	-	-	-	-
1,608,000	1,683,540	(75,540)	-	-	-	23,500	-	23,500
-	-	-	-	-	-	-	-	-
<u>1,608,000</u>	<u>1,683,540</u>	<u>(75,540)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,686</u>	<u>88,290</u>	<u>49,396</u>
(1,308,000)	(1,674,940)	(215,860)	44,720	34,006	(10,714)	(110,586)	(59,767)	(47,973)
-	-	-	-	-	-	-	-	-
1,308,000	1,308,000	-	-	-	-	110,586	60,586	(50,000)
-	-	-	(44,720)	(35,466)	9,254	-	-	-
<u>1,308,000</u>	<u>1,308,000</u>	<u>-</u>	<u>(44,720)</u>	<u>(35,466)</u>	<u>9,254</u>	<u>110,586</u>	<u>60,586</u>	<u>(50,000)</u>
\$ -	(366,940)	\$ (215,860)	\$ -	(1,460)	\$ (1,460)	\$ -	819	\$ (97,973)
	<u>218,937</u>			<u>2,718</u>			<u>160,226</u>	
	<u>\$ (148,003)</u>			<u>\$ 1,258</u>			<u>\$ 161,045</u>	

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SINGLE AUDIT SECTION

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Expenditures of Federal Awards (Cash Basis)
For The Year Ended December 31, 2022

	Assistance Listing Number	Agency or Pass-through Number	Amount	Expenditures to Subrecipients
United States Department of Commerce				
Direct Federal Funding:				
Economic Development Cluster:				
Economic Adjustment Assistance	11.307	05-79-05949	\$ 3,338,191	\$ -
United States Department of Housing and Urban Development				
Indirect Federal Funding:				
South Dakota Governor's Office of Economic Development				
Community Development Block Grants/State's Program	14.228	2021-101-CV-02	28,965	28,965
Community Development Block Grants/State's Program	14.228	2021-101-CV-03	70,835	70,835
Program Subtotal			<u>99,800</u>	
United States Department of Justice				
Direct Federal Funding:				
Bullet Proof Vest Partnership Program				
	16.607	N/A	2,104	-
Public Safety Partnership and Community Policing Grants	16.710	2020VMWX0502	51,315	-
United States Department of Transportation				
Direct Federal Funding:				
Airport Improvement Program				
	20.106	3-46-0062-33-2021	56,000	-
COVID-19 Airport Improvement Program	20.106	3-46-0062-29-2019	2,983	-
COVID-19 Airport Improvement Program	20.106	3-46-0062-36-2022	259,778	-
Program Subtotal			<u>318,761</u>	
Indirect Federal Funding:				
South Dakota Department of Public Safety				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	2022-00-50	10,066	-
Institute of Museum and Library Services				
Indirect Federal Funding:				
South Dakota Department of Education Division of Library Services				
COVID-19 LSTA ARPA State Grants	45.310	LS-250237-OLS-21	3,662	-
United States Department of Agriculture				
Indirect Federal Funding:				
South Dakota Department of Agriculture and Natural Resources				
Capitalization Grants for Clean Water State Revolving Funds	66.458	C461038-04	400,620	-
United States Department of Homeland Security				
Indirect Federal Funding:				
South Dakota Department of Public Safety				
FEMA Public Assistance Grant	97.036	DR-4440-SD	186,097	-
Hazard Mitigation Grant	97.039	DR-4440-HMGP	6,668	-
Homeland Security Grant Program	97.067	2021-SS-00006-S01	5,560	-
Total Expenditures of Federal Awards			<u>\$ 4,422,844</u>	

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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 – FEDERAL LOAN PROGRAMS

The City of Yankton had the following loan balances outstanding from the South Dakota Clean Water State Revolving Fund, Assistance Listing #66.458 and the South Dakota Drinking Water State Revolving Fund, Assistance Listing #66.468 as of December 31, 2022:

	Total Amount Of Loan Outstanding	Federal Portion Of Loan Outstanding
Wastewater System #3, Series 2011 (83.33%)	\$ 416,821	\$ 347,337
Wastewater System #4, Series 2016 (14.13%)	2,834,442	400,620
Total Wastewater System	\$ 3,251,263	\$ 747,957
Water System, Services Series #5 (28.42%)	\$ 10,282,469	\$ 2,922,278
Water System, Services Series #6 (20.03%)	33,578,082	6,725,689
Total Water System	\$ 43,860,551	\$ 9,647,967

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.



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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 Council
City of Yankton, South Dakota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 6, 2024. Our report includes a reference to other auditors who audited the financial statements of Yankton Housing and Redevelopment Commission, as described in our report on the City'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.

Report on 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) as a basis for designing 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 a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Yankton's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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

Government Auditing Standards requires the auditor to perform limited procedures on the City of Yankton, South Dakota's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. City of Yankton's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

This purpose of this is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the 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
February 6, 2024



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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 Council
City of Yankton, South Dakota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Yankton, South Dakota's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Yankton, South Dakota's major federal programs for the year ended December 31, 2022. The City of Yankton, South Dakota's major federal programs are identified in the summary of independent auditors' results section of the accompanying schedule of findings and questioned costs.

The City of Yankton, South Dakota's basic financial statements include the operations of the Yankton Housing and Redevelopment Commission, which expended \$635,853 in federal awards which is not included in the City of Yankton, South Dakota's schedule of expenditures of federal awards during the year ended December 31, 2022. 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 in accordance with the Uniform Guidance.

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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United State 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Yankton, South Dakota and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Yankton, South Dakota's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of

laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Yankton, South Dakota's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Yankton, South Dakota's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Yankton, South Dakota's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Yankton, South Dakota's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Yankton, South Dakota's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City of Yankton, South Dakota's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However,

material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 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
February 6, 2024

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Findings & Questioned Costs
For the Year Ended December 31, 2022

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 programs were as follows:
 - Assistance Listing #11.307 – Economic Adjustment Assistance
- (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.

Material Weakness:

2022-001 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.

Criteria – The City is responsible for the accuracy of the financial statements.

Effect – The financial statements provided by management are not presented entirely in accordance with U.S. generally accepted accounting principles.

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.

Views of Response Officials – 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 2023 calendar year report.

**CITY OF YANKTON, SOUTH DAKOTA
Schedule of Findings & Questioned Costs
For the Year Ended December 31, 2022**

Part III: Findings and Questioned Costs Relating to Federal Awards

Instances of Non-Compliance:

No matters were noted.

Significant Deficiency:

No Matters were noted.

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CITY OF YANKTON, SOUTH DAKOTA
Schedule of Prior Year Findings
For the Year Ended December 31, 2022

**FINANCIAL STATEMENT AUDIT:
Material Weaknesses:**

2021-001 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, and revenues may not be properly reported 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.

Status – Not corrected—see finding 2022-001. 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:**

No matters were noted.

Significant Deficiency:

No matters were noted.

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EQUAL OPPORTUNITY EMPLOYER



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**Schedule of Findings and Questioned Costs
Corrective Action Plan
December 31, 2022**

The City of Yankton, South Dakota, respectfully submits the following corrective action plan for the year ended December 31, 2022.

The audit was performed by Williams & Company, P.C., P.O. Box 1010, Le Mars, Iowa, for the fiscal year ended December 31, 2022.

The findings from the December 31, 2022 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:

2022-001 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.

Criteria – The City is responsible for the accuracy of the financial statements.

Effect – Expenses, expenditures, and revenues may not be properly reported 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 and a review process to ensure statements are fairly presented. The City will attempt to implement these processes for the 2023 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

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EQUAL OPPORTUNITY EMPLOYER

the 1990s, the number of people in the world who are under 15 years of age has increased from 1.1 billion to 1.3 billion. The number of people aged 65 and over has increased from 200 million to 300 million. The number of people aged 15–64 years has increased from 2.5 billion to 3.5 billion.

There are a number of reasons for the increase in the number of people in the world. One of the main reasons is the increase in life expectancy. People are living longer and longer, and this is increasing the number of people in the world.

Another reason for the increase in the number of people in the world is the increase in the number of people who are having children. The number of children born in the world has increased from 1.1 billion in 1990 to 1.3 billion in 2000.

The increase in the number of people in the world is a result of a combination of factors. The increase in life expectancy and the increase in the number of people who are having children are the two main factors.

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