



CITY OF YANKTON

2018_08_27

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, August 27, 2018

City of Yankton Community Meeting Room

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

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

I. ROUTINE BUSINESS

1. **Roll Call**

2. **Approve Minutes of regular meeting of August 13, 2018 and budget meeting of August 14, 2018**

Attachment I-2

3. **City Manager’s Report**

Attachment I-3

4. **Public Appearances**

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

II. CONSENT ITEMS

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

1. **Possible Quorum Event**

September 7, 2018, for Spark Event, no official commission action

2. **Possible Quorum Event**

September 5, 2018, for Dive In Yankton Open Forum, no official commission action

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 new Retail (on-off Sale) Wine License**
 Consideration of Memorandum #18-178 regarding the request for a New Retail (on-off sale) Wine License for January 1, 2018, to December 31, 2018, from To Be Free, LLC (Courtney Villalobos, President), RB Beer & Burgers, 2901 Broadway, Suite C, Yankton, SD 57078.

Attachment III-1

2. **Public hearing for transfer of ownership of Retail (on-off Sale) Malt Beverage License**
 Consideration of Memorandum #18-177 regarding the transfer of ownership of a Retail (on-off sale) Malt Beverage License for July 1, 2018, to June 30, 2019, from RB Beer & Burgers (Toby Woehl, President), dba RB Beer & Burgers to To Be Free, LLC (Courtney Villalobos, President), RB Beer & Burgers, 2901 Broadway, Suite C, Yankton, SD 57078.

Attachment III-2

3. **Public hearing for CDBG Application - CNA**
 Consideration of Memorandum #18-173 in Support of Resolution #18-53 and Resolution #18-54 authorizing sponsorship of a Community Development Application for Certified Nursing Assistant training under the Governor's Workforce Initiative and designating a Project and Environmental Certifying Officer.

Attachment III-3

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

IV. NEW BUSINESS

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

1. **Presentation of 2017 City of Yankton Comprehensive Annual Financial Reports**
 Informational presentation and review by Graham Forbes, auditor with Williams & Co. P. C., of the 2017 City of Yankton Comprehensive Annual Financial Reports (CAFR)

Attachment IV-1

2. **Bid Award – Annual Supply of Bulk De-Icing Salt**
 Consideration of Memorandum #18-179 regarding Annual Supply of Bulk De-Icing Salt

Attachment IV-2

3. **Planning Commission Recommendation – Plat Review**
 Consideration of Memorandum #18-174 regarding Resolution #18-55, a plat of Lots 10 and 11 in Block 1; Lots 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 in Block 4; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 7; and Lots 1, 10 and 11 in Block 9 of Westbrook Estates in the Southeast Quarter of Section 2, Township 93 North, Range 56 West of the 5th Principal Meridian, City of Yankton, Yankton County, South Dakota. Address, 2500 Block of Colton Avenue. Yankton Development Enterprises, LLC., Kelly Nielson, President, owner.

Attachment IV-3

4. Planning Commission Recommendation – Plat Review

Consideration of Memorandum #18-175 regarding Resolution #18-56, a plat of Lots 5 - 8 in Block 10 of Ridgeway North Subdivision to the City of Yankton in the NE 1/4 of Section 6, T93N R55W of the 5th P.M., Yankton County, South Dakota. Address, East side of the 2800 Block of Woodbine Avenue. Kirby Hofer Construction Company, Inc., owner.

Attachment IV-4

5. Planning Commission Recommendation – Plat Review

Consideration of Memorandum #18-176 regarding Resolution #18-57, a plat of Lots 5 - 8 in Block 10 of Ridgeway North Subdivision to Plat review of Lot 68, Crestview Homes Subdivision in the NE 1/4 of Section 21, T93N, R56W of the 5th P.M., Yankton County, South Dakota. Address, 403 Tulip Lane. Matthew Christensen, Managing Member, White Crane Estates, L.L.C., owner.

Attachment IV-5

6. Ordinance Pertaining to Proposed 2019 Budget – Set Public Hearing

Introduction, first reading and establish September 10, 2018 as the second reading, an ordinance to appropriate monies for defraying the necessary expenses and liabilities of the City of Yankton, South Dakota, for the fiscal year beginning January 1, 2019, and ending December 31, 2019, and providing for the levy of annual taxes for all funds created by ordinance within said City

Attachment IV-6

7. Change Order – Pine Street Bridge

Consideration of Memorandum #18-180 regarding Change Order Number 2 and 3 for the Pine Street Bridge Project

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 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, LITIGATION AND PERSONNEL 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 AUGUST 27, 2018

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
August 13, 2018**

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

Roll Call: Present: Commissioners Benson, Carda, Ferdig, Gross, Hoffner, Maibaum, Miner and Moser. City Attorney Den Herder (arrived at 7:02pm) and City Manager Nelson were also present. Absent: None. Quorum present.

Action 18-237

Moved by Commissioner Gross, seconded by Commissioner Miner, to approve the Minutes of the regular meeting of July 23rd, 2018.

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

Motion adopted.

Action 18-238

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

AOx Welding Supply Co-Propane-\$68.88; Academy of Dance-Summer Program-\$672.00; Alton/Josh-Xmas Party Deposit-\$250.00; AMG Occupational Medicine-Dot CDL Alcoh/Drug Tests-\$31.50; Auto Value Parts Store-Filters-\$629.58; Automated Drive Systems-Repairs-\$4,067.76; Bartlett & West-Gravity Sewer Design-\$4,711.25; Benders Sewer & Drain-Digester Cleanout-\$8,250.00; Bierschbach Equip & Supply-Air Compressor-\$17,450.00; Bivens/Jessica-Refund-\$32.28; Bomgaars-Safety Glasses-\$383.28; Bow Creek Metal-Boiler Cover-\$650.00; Brandt Land Surveying-Supplies-\$302.00; Brandt/Todd-Uniform Allowance-\$237.18; Brenntag Great Lakes-Hydroxide-\$742.50; Brock White Company-Roadsaver Sealant-\$21,161.25; Butler Machinery-Repairs-\$13,630.50; Callaway Golf-Golf Clubs-\$223.64; Cash-Wa Distributing-Entree/Snacks-\$992.97; Cedar Knox Public Power Dist-Elect-\$2,062.88; Centurylink-Phone-\$1,219.98; Chesterman Company-Pop-\$1,384.73; Chucks Sanitary Service-Drain Cleaning-\$85.00; City Of Vermillion-Jt Power Cash Trans-\$78,505.66; City Of Yankton-Central Garage-Rubbish-\$45.50; City Of Yankton-Library Garbage-\$12.00; City Of Yankton-Parks-Landfill Charges-\$264.90; City Utilities-Utility Charges-\$25,406.13; Cleveland Golf-Golf Clubs-\$84.03; Cole Papers-Janitorial Supplies-\$916.17; Concrete Material-Asphalt Hot Mix-\$44,227.93; Conduent Enterprises Solutions-Maint Program Support-\$2,138.00; Conkling Dist/John A-Beer-\$2,813.90; Core & Main-Pipe-\$275.62; Country Pride Cooperative-Fuel-\$12,026.95; Credit Collection Service-Ut Collection-\$119.31; D & G Concrete Const-WCLR 9th To 31st-\$679,585.16; Dakota Beverage-Beer-\$4,705.05; Danko Emergency Equipment-Pump Testing-\$1,513.10; Dept Of Corrections-Doc Work Program-\$1,309.43; Dept Of Revenue-Water Samples-\$1,789.00; Design Solutions & Integration-Chlorine-\$4,014.50; Downtown Screenprinting-Flags-\$82.23; Drug Education Press-Advertisement-\$155.00; Ethanol Products-Co2-\$1,214.52; Feimer Construction-Walnut Const 2nd To 4th-\$195,709.19; Finance, Dept Of-Petty Cash-\$39.85; Flannery/Kirt-Officer Stipend-\$25.00; Frick/Adam-Officer Stipend-\$25.00; Frick/Brian-Officer Stipend-\$50.00; Gale Cengage Learning-Books-\$172.50; Geotek Eng & Testing Serv -Water Purification Exp-\$11,468.00; Gerstner Oil-Aviation Fuel-\$21,319.34; Golfworks-Grips-\$153.20; Goodland Pump-Aeration Pump-\$1,867.07; Graber/Elliott-4th Of July Music-\$400.00; Graymont Capital-Lime-\$18,676.84; Greatlife Golf & Fitness-Interim Mgt Payment-\$9,740.00; Hanson Briggs Advertising-Music At The Meridian-\$1,259.94; Hanten/Ben-Refund-\$60.00; Hawkins-Chemicals-\$24,084.99; HDR Engineering-Wtr

Treatment Construct-\$77,723.73; Heine Electric & Irrigation-Replace Meter Pump-\$7,899.95; Heritage Homes-Additional Funding-\$6,250.00; Hill/Sue-Summer Program-\$280.00; Hillyard-Repair Floor Scrubber-\$249.00; Holophane-Light Poles-\$12,940.00; Iowa League Of Cities-Classified Ad-\$130.00; J&H Care & Cleaning-Cleaning Service-\$2,800.00; Johnson/Jody-Officer Stipend-\$500.00; Jones Construction/John T-Wtr Plant Const-\$689,464.19; Larrys Heating & Cooling-Repair Ac Compressor-\$1,007.95; Larsen Carpet-Carpet Replacement-\$3,745.00; League Of Minnesota Cities-Classified Ad-\$345.00; Likness/Arlin-Summer Program-\$1,120.00; Mailfinance-Postage-\$576.00; Marks Machinery-Skid Loader-\$35,467.00; Marquardt Skyway-Ag Lime-\$7,000.00; Mcgrath North Mullin & Kratz-Professional Services-\$3,748.00; Menards-Trail Supplies-\$4.37; Merkel Electric-Route Elect Wires-\$153.06;N Midamerican Energy-Fuel-\$2,725.09; Midamerican Energy-Fuel-\$889.53; Midwest Tape-Audiobooks-\$736.79; Millenium Recycling-Single Stream Fee-\$4,599.55; Moser/Brad-Officer Stipend-\$25.00; National Field Archery Assn-Summer Program-\$1,921.60; New Deal Tire-Scrap Tires-\$4,446.20; Northwest Electric-Pool Repairs-\$342.86; Northwestern Energy-Elect-\$113,736.25; Observer-Advertismet-\$310.00; Olsons Pest Technicians-Pest Service-\$140.00; Pepsi/Cola-Pop-\$432.92; Pilger Sand And Gravel-Sand-\$709.66; Police Chiefs Assn-Tests-\$244.23; Press Dakota Mstar Solutions-Classified Ad-\$1,557.20; Printing Specialists-Office Supplies-\$32.00; Pro Track And Tennis-Repaint Tennis Court-\$17,934.50; Racom Corporation-Radio Access-\$972.83; Reinhart Foods-Entree-\$8,406.77; Ricoh USA-Printer-\$419.01; Sanitation Products-Black Roll Carts-\$9,996.00; SD Redbook Fund-Patches-\$18.00; Sealey/Chelsea-Refund-\$21.30; Sherwin Williams-Yellow Traffic Paint-\$1,511.10; Sioux City Foundry-Loader Blade-\$310.00; Sioux Equipment Company-Repairs-\$1,830.21; Slowey Construction-8th St Utility Improve-\$302,300.18; South Dakota One Call-Message Fee-\$601.64; Southeast Publications-Advertising-\$700.00; Steiner/Cody-CDL Testing & License-\$128.00; Stern Oil-Fuel-\$24,875.48; Stevens Construction/David -Sewer Repair-\$10,948.00; Stockwell Engineers-8th St Construction-\$64,441.60; Terrys Welding Service-Welding-\$3,779.10;Tma-Tires-\$10,485.60; Todd/Michael-Street Signs-\$1,352.90; Traffic Control Corp-Repairs-\$1,681.00; Tri-State Turf-Sprinkler Maintenance-\$126.94; Turfwerks-Solenoid-\$213.81; Us Post Office-Utility Postage-\$1,400.00; Ultramax Ammunition-Ammunition-\$1,710.00; United Parcel Service-Postage-\$143.69; United States Postal Service-Postage Meter-\$798.00; United Way-Sp Appropriation-\$9,275.00; Van Diest Supply Company-Insect Repellent-\$2,204.40; Wage Works-Flex Service Fee-\$135.00; Water & Env Eng Research Ctr-Water Samples-\$244.00; Whitmore/Melissa-Swimming Lesson Refund-\$21.63; Wholesale Supply-Concessions-\$2,947.65; Wiebelhaus/Jean-Taxes-\$156.43; Williams & Company Pc-Audit-\$37,170.00; Woehl/Toby-Officer Stipend-\$25.00; Xerox Corporation-Copier Lease-\$221.28; Xerox Corporation-Copier Lease-\$1,371.69; Yankton Area Convention-Sp Appropriation-\$97,582.50; Yankton Black Belt Academy-Summer Program-\$384.00; Yankton Bowl-Summer Program-\$336.00; Yankton County Ems Association-Summer Program-\$229.50; Yankton Medical Clinic-Preemployee Physicals-\$806.00; Yankton School District-Summer Program-\$7,176.00; Yankton Transit-Day Camps-\$1,795.00; Yankton Vol Fire Department-Fire Calls-\$660.00; YRAA-Promotional Products-\$652.45; Ziegler/William -Officer Stipend-\$50.00; 3d Specialties-Posts-\$4,830.00; ABM Parking Eppley Air-ESRI Conference-\$30.00; Accucut-Program Supplies-\$135.00; Acushnet Billtrust-Golf Merchandise-\$59.96; Adobe Creative Cloud-Contracted Service-\$53.24; Adobe Stock-Contracted Service-\$63.88; Aleah Cab-ESRI Conference-\$13.80; Amazon Digital Svcs Am-Summer Reading Program-\$1.05; Amazon Mktplace-Ups Batteries-\$426.82; Amazon Mktplace-Books-\$692.11; Amazon.Com-Office Supplies-\$233.08; American-NRPA Conf-\$660.81; Appeara-Towels-\$363.92; AT&T-Cell Phone-\$377.95; Autozone-Car Supplies-\$313.93; Awwa.Org-Membership Dues-\$202.00; Backupworks-Data Backup-\$348.32; Barleymash-Esri Conference-\$20.32; Bed Bath & Beyond-Sweeper-\$29.99; Beyond The Office Door-911 Fund-\$668.28; Bomgaars-Reciprocating Saw-\$1,086.96; Bookpage-Subscription-\$324.00; Coffee Cup-ESRI

Conference-\$32.75; Brownells-Gun Equipment-\$203.94; Buhl Cleaners-Contracted Service-\$20.00; Canva For Work Yearly-Contracted Service-\$119.40; Canva-Contracted Service-\$1.00; Carus Corporation-Phosphate-\$1,324.35; Caseys Gen Store-Travel Fuel-\$41.47; Caseys Gen Store-Travel Expense-\$41.15; Caseys-Travel Fuel-\$32.11; Center Point Large Pri-Books-\$134.22; Child Safety Solutions-Program Supplies-\$44.90; Clarks Rentals Custom-Equipment Rental-\$375.00; Clothing Shop Online-Uniform-\$24.55; Concrete Materials-Park Repairs-\$1,438.15; Conoco-Supplies-\$4.14; Core & Main-Pump Connection-\$346.85; Cornwell D/P Tools-Electrical Power Probe-\$173.35; Cox Auto Supply-Hardware-\$562.76; Crescent Electric-Inlet Building Repairs-\$2,039.25; Danko Emergency Equipm-Hardware-\$230.15; Davis Equipment-Maintenance-\$884.99; Dayhuff Enterprises-Janitorial Supplies-\$897.73; Department Of Environm-Permit Fees-\$100.00; Dianas Greenhouse-Flowers-\$155.88; DXP Enterprises-Air Regulator-\$113.65; Echo Electric Supply-Electrical Supplies-\$531.16; Embroidery & Screen Work-Uniform Shirts-\$123.00; Environmental Express-Glucose Glutamic Acid-\$82.69; Exxonmobil-Special Events-\$4.00; Facebk-Advertisement-\$45.24; Farm & Home Publishers-Books-\$269.50; Fastenal Company-Clarifier Repairs-\$747.27; Firehouse Subs-Out Of Town Training-\$7.00; Fred Haar Company-Sprayer-\$574.64; Fredpryor Careertrack-Training Course-\$158.69; Girton Adams-Sludge Heater Controller-\$945.07; Glock Inc-Gun Parts-\$250.00; Graham Tire-Equipment Parts-\$147.43; Grainger-Ext Cord Reel-\$240.96; Hach Company-Lab Supplies-\$1,317.96; Hard Drive Central-Copier-\$61.29; Hillyard-Floor Scrubber-\$181.20; Hilton Hotel-ESRI Conference-\$2,148.92; Starbucks Coffee-ESRI Conference-\$15.22; Hilton Vela Restaurant-ESRI Conference-\$63.98; Holiday Inn-Conference-\$138.23; Holiday Inn-Interim Police Chief-\$760.00; HyVee Gas-Water For State Shoot-\$8.50; Hyvee-Summer Reading Program-\$35.00; HyVee-Entree-\$433.43; Range Systems-Shooting Range Targets-\$2,410.98; Jj Benjis-Uniform Embroidery-\$5.33; Jacks Uniforms-Uniforms-\$6,258.71; JCL Solutions-Cleaning Supplies-\$1,783.65; Jimmy Johns-Travel-\$33.25; Johnson Controls-HVAC System Renewal-\$7,555.00; Metrofax-Fax Line-\$7.95; Kaiser Refrigeration-Park Repairs-\$440.28; Kendell Doors-Replacement Locks/Keys-\$363.32; Koletzky Implement-Hose-\$126.50; Kopetskys Ace Hdwe-Plants-\$1,025.72; La Quinta Inns-Training Lodging-\$428.12; Larrys Heating-Condensate Pump-\$175.00; Lewis And Clark Ford-Wheel Hub Assembly-\$139.49; Locators And Supplies-Locate Supplies-\$224.73; Lolitas Downtown-ESRI Conference-\$14.12; Sports Illus-Subscription-\$49.95; Marks Machinery-Mower Repairs-\$1,132.34; Mead Lumber-Bridge Repairs-\$306.12; Menards-Pump-\$2,671.10; Midwest Laboratories-Annual Wastewater Tests-\$1,520.60; Midwest Turf-Equipment Repair-\$367.90; Monster Janitorial-Equipment Repair-\$48.19; Mutt Mitt-Mutt Mitts-\$1,804.63; Myers Deli More-Conference-\$12.36; Ne Life Mag-Subscriptions-\$48.00; NRPA Housing-Hotel-\$184.86; NRPA-Congress-NRPA Annual Conference-\$765.00; Olsons Pest Technician-Contracted Service-\$78.00; One Office Solution-Office Supplies-\$204.94; Oreilly Auto-Car Parts-\$319.55; Imagewareho-Toner-\$129.99; Paypal-Toner-\$408.97; Paypal-Radio Clip-\$12.00; Paypal-Radio Console Mouse-\$29.00; Paypal-Badge-\$86.99; Pepsibeverageco-Pop-\$764.76; Ponca State Park-Summer Programs-\$379.00; Premier Biotech-Drug Testing Equipment-\$236.89; Quartermaster-K9 Equipment-\$121.38; Riverside Hydraulics-Supplies-\$262.81; The Golfworks-Merchandise-\$153.20; Rons Auto Glass-Windsheild-\$680.92; Royal Sport Shop-Softball Supplies-\$3,397.55; Rr Products-Equipment Parts-\$462.68; Safe Kids Worldwide-Child Seat Certification-\$50.00; San Diego Conv Ctr-ESRI Conference-\$18.00; Shell Oil-Travel Fuel-\$44.29; Shell Oil-Travel Expense-\$48.65; Sherwin Williams-Paint Supplies/Return-\$380.25; Sioux City Journal-Newspaper Subscription-\$558.82; Smartsign-Signs-\$405.55; Snap Geofilters-Advertisement-\$27.48; Snap On Tools-Hardware-\$18.60; South Dakota Magazine-Subscription-\$50.00; Southgate-Mower Repairs-\$190.00; Sprinklerwarehousecom-Irrigation Supplies-\$253.88; Superior Tech-Chemicals-\$2,083.50; Hansen Locksmith-Equipment Repair-\$15.00; State Hygienic Laborat-Laboratory Sampling-\$2,724.00; Tarpsnow.Com-Replacement Tarps-\$426.30; Tessman

Company Sioux-Chemicals-\$4,980.74; The Ups Store-Sample Shipping-\$508.70; The Webstaurant Store-Parts-\$37.64; Thomson West-Books-\$203.38; TMA-Equipment Repair-\$1,969.28; Tractor Supply-Hardware-\$3.58; Transource Truck-Angle Valve-\$26.92; Truck Trailer Sales-Switch-\$655.15; Turfwerks-Equipment Parts-\$744.05; USA Blue Book-Water Meter Supplies-\$702.79; USPS-Community Survey Postage-\$609.90; Viddler Inc-Video Hosting-\$40.43; Vistaprint-Business Cards-\$14.98; VWR International-Lab Supplies-\$760.70; Vzwrllss-Internet-\$516.14; Walmart-Special Events-\$578.28; Walmart-Program Supplies-\$10.88; Walgreens-Office Supplies-\$20.27; WEF Main-Membership-\$155.00; Walmart-Patrol Camera-\$1,656.31; Walmart-Summer Reading Program-\$186.07; Yankton Winnelson-Ridgeway Park Fountain-\$3,559.85; Yanktonmediainc-Police Chief Ad-\$478.21; Yourmember-Police Chief Ad-\$200.00; Zimco Supply-Chemicals-\$3,259.15; Dominos-Teen Night-\$97.82; Tacticalcom-K9 Uniforms-\$167.98

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

Administration \$40,711.12; Finance \$32,565.14; Community Development \$23,331.54; Police/Dispatch \$161,646.42; Fire \$11,941.39; Engineering / Sr. Citizens \$45,923.92; Streets \$47,853.96; Traffic Control \$3,564.77; Library \$27,140.97; Parks / SAC \$91,557.94; Memorial Pool \$25,881.35; Marne Creek \$5,956.22; Water \$37,810.33; Wastewater \$37,577.11; Cemetery \$5,704.11; Solid Waste \$20,993.54; Landfill / Recycle \$18,130.37; Golf Course \$48,629.71; Central Garage \$7,436.05

New Hires: Anna Girton \$20.00 Hr - Rec. Division; John Harris \$47.33 Hr - Interim Police Chief; Jennifer Keitel \$1,653.50 Bi-Wkly – Police; Omar Lopez \$1,654.50 Bi-Wkly – Police; Jericho Osborne \$1,655.50 Bi-Wkly - Police

Wage Changes: Matthew Hilson \$12.00 Hr - Golf Division; Jordan Kuipers \$9.75 Hr - Rec. Division; Brian Neumeyer \$1,760.35 Bi-Wkly - Police

Status Change: Dana Schmidt \$2,395.58 Bi-Wkly - Sr. Library Assistant to Library Director

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

Commissioner Gross announced that the Missouri Sedimentation Action Coalition would be holding a meeting on September 21st, 2018 in Niobrara.

Action 18-239

Moved by Commissioner Maibaum, seconded by Commissioner Hoffner, that the following items on the Consent Agenda be approved.

1. **Possible Work Session**
Setting date of August 27, 2018, at 6:00 pm in Room #114 of the Regional Technical Education Center for the next work session of the Yankton City Commission
2. **Possible Quorum Event**
August 22, 2018, for Chamber Golf Day, no official commission action

- 3. Establishing public hearing for new Retail (on-off Sale) Wine License**
Establish August 27, 2018, as the date for the public hearing on the request for a New Retail (on-off sale) Wine License for January 1, 2018, to December 31, 2018, from To Be Free, LLC (Courtney Villalobos, President), RB Beer & Burgers, 2901 Broadway, Suite C, Yankton, SD 57078.
- 4. Establishing public hearing for transfer of ownership of Retail (on-off Sale) Malt Beverage License**
Establish August 27, 2018, as the date for the public hearing on the transfer of ownership of a Retail (on-off sale) Malt Beverage License for July 1, 2018, to June 30, 2019, from RB Beer & Burgers (Toby Woehl, President), dba RB Beer & Burgers to To Be Free, LLC (Courtney Villalobos, President), RB Beer & Burgers, 2901 Broadway, Suite C, Yankton, SD 57078.
- 5. Establishing public hearing for CDBG Application - CNA**
Establish August 27, 2018, as the date for the public hearing to discuss a Community Development Block Grant funding application for a Certified Nursing Assistants Program and also discuss Community Development and Housing Needs.
- 6. Possible Quorum Event**
August 15, 2018, for Dive in Yankton Open House, no official commission action

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

Tabatha Likness, Executive Director of Onward Yankton, was present to request city funding in 2019 and answer questions. No official action was taken at this time.

Action 18-240

Moved by Commissioner Gross, seconded by Commissioner Carda, to approve the City Manager to sign the attached Agreement and any other associated Agreements with SDDOT for the 15th Street Railroad Crossing Replacement. (Memorandum 18-165)

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

Action 18-241

Moved by Commissioner Carda, seconded by Commissioner Hoffner, to approve the City Manager to sign the four documents referencing the Chan Gurney Municipal Airport Apron Expansion and Hanger Relocation. (Memorandum 18-166)

Dave Mingo, Community Development Director, was present to discuss that he received news at 5:10 pm regarding Item No. 2, grant application for the Hangar Relocation Project, may be eliminated from the project per the Federal Aviation Administration. More information and discussion on this item will be discussed at a future date.

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

Action 18-242

Moved by Commissioner Gross, seconded by Commissioner Ferdig, to adopt Resolution 18-49.
(Memorandum 18-167)

RESOLUTION 18-49

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

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

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

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

The City Finance Officer is hereby directed to certify such assessments together with the regular assessments for 2018 collectable in 2019 to the County Auditor to be collected as municipal taxes for general purposes.

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

Action 18-243

Moved by Commissioner Ferdig, seconded by Commissioner Maibaum, to adopt Resolution 18-50.
(Memorandum 18-168)

RESOLUTION 18-50

Special Events Parking Request

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

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

WHEREAS, the Live United Human Foosball Event committee has made a request to enact this no parking zone for their event on September 7, 2018.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the City of Yankton, South Dakota hereby approves the Special Event Parking Request on 3rd Street from Douglas to the alley between Walnut and Cedar to be in effect on September 8, 2018 from 6:00 am until 10:00 pm on Saturday, September 8, 2018.

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

Action 18-244

Moved by Commissioner Maibaum, seconded by Commissioner Hoffner, to adopt Resolution 18-51.

(Memorandum 18-169)

RESOLUTION 18-51

Special Events Parking Request

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

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

WHEREAS, the Art Alley committee has made a request to enact this no parking zone for their event on September 7, 2018.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the City of Yankton, South Dakota hereby approves the Special Event Parking Request on 3rd Street between Douglas and Walnut to be in effect on September 7, 2018 from noon until 10:00 pm on Friday, September 7, 2018.

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

Action 18-245

Moved by Commissioner Ferdig, seconded by Commissioner Maibaum, to adopt Resolution 18-52. (Memorandum 18-170)

RESOLUTION 18-52

Special Events Parking Request

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

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

WHEREAS, the Riverboat Days committee has made a request to enact this no parking zone for their event on August 17-19, 2018.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the City of Yankton, South Dakota hereby approves the Special Event Parking Request on Levee Street from Douglas to Pearl Street, Mulberry Street from Levee to 2nd Street and Pearl Street from Levee to 2nd Street during the three-day event and the designated parking lots.

Roll Call: Commissioners voting “Aye” were Benson, Carda, Ferdig, Gross, Maibaum, Miner, Moser and Mayor Johnson; voting “Nay:” None. Abstain: Commissioner Hoffner.
Motion adopted.

Action 18-246

Moved by Commissioner Carda, seconded by Commissioner Moser, to approve the Memorial Park Tennis Court Resurfacing Project for 2018 in the amount of \$63,185.00. (Memorandum 18-154)

Roll Call: Commissioners voting “Aye” were Benson, Carda, Ferdig, Gross, Hoffner, Miner, Moser

and Mayor Johnson; Commissioners voting “Nay” was Maibaum.
Motion adopted.

Action 18-247

Moved by Commissioner Gross, seconded by Commissioner Hoffner, to approve Change Order No. 1, for the 8th Street Reconstruction Project. (Memorandum 18-171)

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

Motion adopted.

Action 18-248

Moved by Commissioner Gross, seconded by Commissioner Ferdig, to approve the Management Agreement for 2018 with GL Management, LLC and authorize the City Manager to sign the Management Agreement. (Memorandum 18-172)

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

Motion adopted.

Action 18-249

Moved by Commissioner Miner, seconded by Commissioner Moser, to adjourn into Executive Session at 8:26 p.m. to discuss **contractual litigation** matters under SDCL 1-25-2.

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

Motion adopted.

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

Roll Call: Present: Commissioners Benson, Carda, Ferdig, Gross, Hoffner, Maibaum, Miner and Moser. City Attorney Den Herder and City Manager Nelson were also present. Absent: None. Quorum present.

Action 18-250

Moved by Commissioner Maibaum, seconded by Commissioner Benson, to adjourn at 8:59 p.m.

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

Motion adopted.

Nathan V Johnson
Mayor

ATTEST:

Al Viereck
Finance Officer

**CHAMBER OF THE BOARD OF CITY COMMISSIONERS
YANKTON, SOUTH DAKOTA
CITY COMMISSION WORK SESSION, 5:30 P.M.
August 14th, 2018**

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

Roll Call: Present: Commissioners Benson, Carda, Ferdig, Gross, Hoffner, Maibaum, Miner and Moser. City Attorney Den Herder and City Manager Nelson were also present. Absent: None. Quorum present.

Action 18-251

Moved by Commissioner Hoffner, seconded by Commissioner Miner, to allocate \$15,000 in 2019 budget for Onward Yankton.

Roll Call: Commissioners voting “Aye” were Benson, Ferdig, Gross, Hoffner, Maibaum, Miner, Moser and Mayor Johnson. Commissioners voting “Nay” was Carda. Motion adopted.

Action 18-252

Moved by Commissioner Maibaum, seconded by Commissioner Hoffner, to adjourn at 6:55 p.m.

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

Nathan V Johnson
Mayor

ATTEST:

Al Viereck
Finance Officer

Published August 22nd, 2018



OFFICE OF THE CITY MANAGER

www.cityofyankton.org

VOL. 53, NUMBER 16

Commission Information Memorandum

The Yankton City Commission meeting on Monday, August 27, 2018, will begin at 7:00 pm.

Non-Agenda Items of Interest

1) Police Department Update

The Police Department has launched its new Facebook page. Facebook is one of the social media outlets our Community Service Officer and a team of supervisors and staff will be using to engage with the community.

Officers were present at both public and private schools for the start of the school year. School Resource Officer Preston Crissey also began his duties in the High School and Middle School on Monday.

The Police Department is now operating under a different structure. Each Lieutenant is supervising two squads of Patrol. Other administrative duties are also being shared by administrators and supervisors. The goal is to provide everyone with as much exposure as possible to the various aspects of police operations.

The Police Department took part in outreach with Walmart security to learn more about how to improve security in their store. Officers also assisted the Wagner Public Schools with some active shooter training.

Police Recruit Wilson has left for Pierre for his 12-week training course.

Scott Schindler has filled the role of Patrol Sergeant.

2) Human Resources Department Update

Five applications were received from our advertising to fill the vacancy at the Transfer Station. Those applications will be reviewed and interviews scheduled.

After we fill the vacant Transfer Station Attendant position, we will start advertising for the Sanitation/Truck Operator position. This position is vacant because of the lateral transfer of Dylan Ruter to Equipment Operator.

3) Community Development Update

Joe Morrow attended South Dakota Building Official's continuing education seminars in Pierre and Sioux Falls. Topics covered included updates to the National Fire Protection Agency's building fire sprinkler code. The Federal Emergency Management Agency (FEMA) also hosted floodplain management seminar covering Letters of Map Changes and the use of Light Detection and Ranging

software for making flood elevation determinations. The code updates and the FEMA training help staff interpret building codes and comply with the FEMA mandated National Flood Insurance Programs.

4) Finance Department Update

Departments are in the process of completing their surplus property lists and submitting them to the Finance Office. Once the list has been finalized it will be determined whether or not a fall auction is warranted.

Please see the enclosed Monthly Finance Report for July.

5) Parks and Recreation Department Update

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

6) Fire Department Update

The Yankton Fire Department had a busy Riverboat Days weekend. Several accidents with injuries were reported during the Friday to Monday time period with one resulting in a fatality and 2 serious injuries. During that incident we worked with the Lesterville and Tabor Fire Departments.

The Yankton Fire Department will be covering for the Gayville Fire Department during the prayer service and funeral of local businessman and firefighter Greg Pirak.

The YFD Auxiliary received 1st place in the non-profit division for their float entry in the Riverboat Days parade.

7) Environmental Services Department Update

The water plant project continues to move forward. John T Jones has completed two of the four upper deck sections. The subcontractor has also completed a large portion of the back filling and will continue to work on the underground piping. The heavy amount of rain continues to cause minor delays putting the project a few weeks behind schedule. The contractor is still hoping to have the building erected and water tight by the first of the year.

The contractor for the gravity sewer project is onsite. The dewatering subcontractor has begun installing wells the length of the project. Discharge pipe for the dewatering is being installed from the new lift station to Archery Lane. The project work limits and pipe location have been staked for the length of the project. At this time the dewatering contractor believes the dewatering can be accomplished in a timely manner. SJ Louis Inc. plans on mobilizing equipment to begin installing pipe in the next week.

Staff is working with Bartlett and West on a case study that will be presented at the Annual South Dakota Water and Wastewater Conference in Deadwood this September. The presentation will discuss the scope of work, the need for the project, design, construction challenges, funding challenges, and the benefits of the completed project for the Lift Station and Gravity Sewer projects. The presentation will be delivered by Mike Shoup, PE, Bartlett and West and Kyle Goodmanson, City of Yankton.

8) Information Services Department Update

The 911 Advisory Board met on August 15 and considered the City's request for funding support for the radio console upgrades in the 911 Dispatch center. The board approved a motion to support the funding request. The County Commission will consider the request during September for inclusion in next year's budget. The board discussed several topic and updates about rural addressing, staffing and other items.

9) Public Works Department Update

The Street Department will be distributing plows to schools who will be participating in the 2018 Paint the Plow program the week of August 27. There are seven schools participating in the event.

The Street Department will begin the street seal coat program August 27, 2018 and should be completed in approximately one week, weather permitting. Streets scheduled for sealing include the following:

- Ferdig Avenue – Whiting Drive to E. 21st Street
- Ferdig Avenue – E. 8th Street to Whiting Drive
- Kennedy Drive – National Street to Whiting Drive
- National Street – Kennedy Drive to Ferdig Avenue
- Whiting Street – Kennedy Drive to east of Ferdig Avenue
- Ash Street – Ferdig Ave. to east of Ferdig Avenue
- Willow Lane – Whiting Drive to Peninah Street
- Burleigh Street – E. 8th Street to E. 15th Street
- E. 12th Street – Pearl Street to Burleigh Street
- E. 12th Street – Burleigh Street to Peninah Street
- Mulberry Street – E. 7th Street to E. 8th Street
- E. 7th Street – Pine Street to Mulberry Street
- Capital Street – E. 8th Street to E. 9th Street
- Pearl Street – E. 19th Street to E. 20th Street
- E. 20th Street – Pearl Street to Burleigh Street
- Burgess Road – Mulberry Street to Burleigh Street
- Burleigh Street – James Place to Peninah Street
- Hill Crest Grand – Peninah Street to Cul-de-sac
- Sawgrass Avenue – Masters Avenue to Fox Run Parkway
- Masters Avenue – Sawgrass Avenue to Cul-de-sac
- Parking Lot – Fox Run Golf Course – Lot and Roadway
- Parking Lot – Riverside Park – Boat ramp east and west of ballfield
- Alley – E. 4th Street to Douglas Ave./Douglas Ave. & Capital Street
- Alley – E. 3rd Street to E. 6th Street/Capital & Pine
- Alley – E. 3rd Street to E. 4th Street/Pearl Street & Picotte Street

The process will be to oil the road and cover it with 3/8" rock chips. The streets will be closed to traffic during the seal coat process and opened to traffic immediately after the application. After 1 week, the street sweeper will pick up the excess chips that are still loose.

“No Parking” signs will be placed on the streets the day before they are sealed. Please observe these signs and do not park on the streets until the work is done. Please do not blow grass onto the street before the streets are sealed or permit underground irrigation systems to run water onto the streets while the No Parking signs are up. In the event of rain, the process may be postponed. Thank you for your cooperation during this process.

West City Limits Road

The contractor is scheduled to pave the next portion, of the east lane, on Thursday, August 23. This will complete the concrete road section all the way south to 21st Street.

It is anticipated that there will be two more main line pours to complete the project. At the pace that D&G Concrete has been progressing, there is no reason to believe that they will not complete the project well in advance of the deadline.

8th Street

Weather has again slowed progress on this project, the contractors however, are completing the work that can be done. The concrete contractor has been on site to install another block of curb and gutter. They are currently working on sidewalk/trail installation and will be following that with main line paving. Phase I, of the project, has been opened up to traffic. This allows for local circulation and bus access to Lincoln School.

Walnut Street

The 2nd and Walnut Street intersection was opened in time for the Riverboat Days celebration. This should have provided traffic flow to the river area. Work continues on the sidewalk installation, from 2nd Street to 3rd Street. It is anticipated that this work will be completed the week of August 27. The main line paving should happen around the first week of September. Feimer Construction has started the removals from 3rd Street to 4th Street. They should complete the removals by August 24. Utility work on this block should commence the following week.

Highway 50 Sidewalk and Curbing

A preconstruction meeting for this project is scheduled for Thursday, August 23.

Broadway Avenue/Highway 81 Sidewalk

This project was advertised on Thursday, August 23. The bid opening is scheduled for September 13 with a recommendation on the September 24 City Commission agenda.

Pine Street Bridge

The concrete bridge deck and sidewalk on the sides of the bridge have been poured. Crews are now working on the wing walls of the structure. Once the wing walls are complete, the excavated areas can be backfilled. Once the bridge deck and sidewalk concrete has cured enough to meet strength requirements, the railing installation can begin.

10) Library Update

We had a new staff person begin a 21-hour position on August 20. With many of our part-time employees cutting hours and changing schedules due to school starting, it will be great to have consistent daytime help again.

August is a nice transition month between Summer Reading and Fall programming to regroup and begin planning for upcoming events. We will resume our regular programs, including story time, after-school activities, Seed Library classes and adult craft nights as well as adding some special programs into the mix. We will resume our Fall/Winter hours after Labor Day.

Amy Clare will begin as the new Senior Library Assistant on September 4. She is coming to us from Siouxland Libraries in Sioux Falls.

11) Monthly reports

Joint Powers Solid Waste monthly reports are included for your review. Minutes from Golf Advisory Board, Airport Board and Planning Commission are also included.

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 Nelson
City Manager

FINANCE MONTHLY REPORT

Activity	JULY 2018	JULY 2017	JULY 2018 YTD	JULY 2017 YTD
UTILITY BILLING:				
Water				
Water Sold (in gallons per 1,000)	69,920	106,250	345,586	385,897
Water Billed	\$588,415.35	\$744,707.42	\$3,188,300.38	\$3,185,960.86
Basic Water Fee/Rate per 1000 gal.	\$21.71/\$5.55	\$18.81/\$5.39		
Number of Accounts Billed	5,513	5,482	37,141	37,011
Number of Bills Mailed	5,513	5,482	37,141	37,011
Total Meters Read	5,698	5,646	39,760	39,409
Meter Changes/pulled	2	2	32	22
Total Days Meter Reading	1	1	7	7
Misreads found prior to billing	0	0	0	0
Customers requesting Rereads	0	2	0	2
Sewer				
Sewer Billed	\$333,261.39	\$327,936.97	\$2,119,656.76	\$2,036,357.27
Basic Sewer Fee/Rate per 1000 gal.	\$9.69/\$5.87	\$9.23/\$5.59		
Solid Waste				
Solid Waste Billed	\$99,579.45	\$96,113.70	\$690,565.77	\$667,917.39
Basic Solid Waste Fee	\$20.79	\$20.18		
Total Utility Billing:	\$1,021,256.19	\$1,168,758.09	\$5,998,522.91	\$5,890,235.52
Adjustment Total:	(\$827.00)	(\$995.30)	(\$1,116.17)	(\$5,521.33)
Misread Adjustments	\$0.00	\$0.00	\$0.00	\$0.00
Other Adjustments	(\$587.00)	(\$835.30)	(\$276.17)	(\$4,451.33)
Penalty Adjustments OFF	(\$240.00)	(\$170.00)	(\$870.00)	(\$1,100.00)
Penalty Adjustments ON	\$0.00	\$10.00	\$30.00	\$30.00
New Accounts/Connects	155	113	550	653
Accounts Finaled/Disconnects	61	64	309	418
New Accounts Set up	5	8	42	44
Delinquent Notices	421	399	2,765	2,539
Doorknockers	134	112	1,078	925
Delinquent Call List	49	75	631	556
Notice of Termination Letters	17	9	74	81
Shut-off for Non-payment	13	6	43	39
Delinquent Notice Penalties	\$4,210.00	\$3,990.00	\$27,650.00	\$25,390.00
Doorknocker Penalties	\$1,340.00	\$1,120.00	\$10,780.00	\$9,250.00
Other Office Functions:				
Interest Income	\$73,757.66	\$32,335.54	\$395,132.55	\$191,689.47
Interest Rate-Checking Account	2.37%	1.48%		
Interest Rate-CDs	N/A	N/A		
# of Monthly Vendor Checks	202	220		
Payments Issued to Vendors	\$2,539,838.59	\$2,427,492.74	\$16,020,072.11	\$13,305,044.36
# of Employees on Payroll	291	287		
Monthly Payroll	\$506,682.18	\$466,872.91	\$3,390,085.78	\$3,234,711.66

Commission Information Memorandum

PARKS, RECREATION, AND CITY EVENTS DEPARTMENT

SUMMIT ACTIVITIES CENTER and RECREATION PROGRAMS

1st - half of August information:

Fitness Classes-	
Early Bird Boot Camp class	38 participants
Power Abs	71 participants
Prime Time Senior class	65 participants
Tabata class	74 participants
Water aerobics	207 participants
Work-Out Express class	74 participants
Yoga classes	49 participants
Zumba class	22 participants
Booty Blaster class	Class will resume in the fall/winter

Rentals-

o Birthday rentals-	1 parties
o SAC courts-	0 hours
o Theater-	0 hours
o Meeting rooms-	5 hours
o City Hall courts-	3 hours
o Capital Building-	3 dates
o Riverside shelters-	3 rentals
o Memorial shelters-	2 rentals
o Westside shelter-	2 rentals
o Rotary outdoor classroom-	0 rentals
o Sertoma shelter-	0 rentals
o Tripp shelter-	0 rentals
o Meridian Bridge	0 rental

SAC members-	2,075 people
SAC memberships-	1006
SAC attendance-	2,465 visits
New members-	44 people

Summer Specials started at the SAC. 5% off quarterly memberships and 12% off annual memberships.

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

Monday, August 1- Great Day of Play South Dakota. Free swim at Memorial Pool. 297 participants.

Friday, August 3- Yankton Senior Games. 26 participants.

Saturday, August 4 & Sunday, August 5- Adult Co-ed Softball end of season tournament. 27 teams.

Friday, August 10- Late Night for Teens at Memorial Pool. 102 participants.

August 2, 5, 9, & 12- Memorial Pool Family Nights- Back to School Round-Up. Collected school supplies during family night to donate to the United Way.

The tennis courts at the Summit Activities Center were repainted. The work finished on July 30. There are concerns with some areas that have chipped already so Todd will document with photos and work with the vendor to have these areas repaired. The courts new coating has a two-year warranty.

Brittany has been working with Jessica Scott to set-up and take down the Market at the Meridian on Saturday mornings.

Brittany LaCroix has been meeting with Jessica Scott, part-time downtown coordinator, in regards to Downtown Events for the fall and to start planning for Holiday Festival of Lights.

Todd met with Eric Ambrosion, from District III office, to begin master planning for Westside Park and also The Lawn at the Plaza. Public meetings will be needed to gather input from the public.

PARKS

A thank you was received from Jane Bobzin in regards to three maple trees that the City planted on one of the islands on Donahue Blvd. The three maples replace two ash trees that were taken down by the City.

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

The Parks Staff have started installing the red recycling cans in the parks.

The Parks Staff are working on improvements that have been planned by the Keep His Smile Alive Foundation for Ridgeway Park. The basketball pole and backboard have been installed. The Keep His Smile Alive Foundation is also donating a bench for Augusta Park. A bench, donated by the Keep His Smile Alive Foundation, for the new play area in Riverside Park was installed prior to Riverboat Days.

The fountain in the Meridian Bridge Plaza was operational as of August 6. It has a bigger pump and is flowing more water than previous years.

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

The parks staff has been moving bleachers, benches, goals, trash cans, and other items for the youth baseball, youth softball, youth soccer, youth football, and swim team events which take place in Yankton on weekends in August and September.

The parks staff has been moving picnic tables, trash cans, and other items for special events that are taking place in the community (Bragging Rights on Thursday Nights, Boys and Girls Club event, Pathways Shelter, RiverCity Family Connections Family Strong Event).

TRAILS

An evaluation of the A-B trail and some areas of concern involving erosion of streamside bank in the Marne Creek have taken place. The trails staff and the parks staff will work together to address erosion areas or to re-locate the trail if the erosion is on the larger, steeper banks in the creek and in areas where the City has land to accommodate the trail relocation.

Two more benches for sitting along Paddlewheel Point have been installed. One location is by the collector well and the other location is around the curve heading back north on the east side of the property.

Description	Yankton Transfer	Vermillion Landfill	Total Joint	7 Month Budget	Legal 2018 Budget
Joint Power Transfer/Landfill					
<i>Total Revenue</i>	\$738,497.74	\$495,696.51	\$1,234,194.25	\$1,093,960.00	\$1,880,360.00
<i>Expenses:</i>					
Personal Services	167,529.24	169,670.12	337,199.36	395,320.92	677,693.00
Operating Expenses	166,429.53	224,063.72	390,493.25	441,742.00	757,272.00
Depreciation (est)	110,705.17	171,375.75	282,080.92	233,599.92	400,457.00
Trench Depletion	0.00	93,138.02	93,138.02	121,256.33	207,868.00
Closure/Postclosure Resrv	0.00	5,096.36	5,096.36	5,028.92	8,621.00
Amortization of Permit	0.00	667.62	667.62	659.17	1,130.00
<i>Total Operating Expenses</i>	444,663.94	664,011.59	1,108,675.53	1,197,607.25	2,053,041.00
<i>Non Operating Expense-Interest</i>	0.00	24,319.01	24,319.01	69,930.58	119,881.00
<i>Landfill Operating Income</i>	293,833.80	(192,634.09)	101,199.71	(173,577.83)	(292,562.00)
Joint Recycling Center					
<i>Total Revenue</i>	0.00	61,166.19	61,166.19	133,148.75	228,255.00
<i>Expenses:</i>					
Personal Services	0.00	138,565.61	138,565.61	128,534.58	220,345.00
Operating Expenses	0.00	39,969.44	39,969.44	68,366.67	117,200.00
Depreciation (est)	0.00	20,620.47	20,620.47	44,331.58	75,997.00
<i>Total Operating Expenses</i>	0.00	199,155.52	199,155.52	241,232.83	413,542.00
<i>Non Operating Expense-Interest</i>	0.00	0.00	0.00	0.00	0.00
<i>Recycling Operating Income</i>	0.00	(137,989.33)	(137,989.33)	(108,084.08)	(185,287.00)
<i>Total Operating Income</i>	\$293,833.80	(\$330,623.42)	(\$36,789.62)	(\$281,661.92)	(\$477,849.00)
Tonage in Trench:	<u>7/31/2017</u>	<u>7/31/2018</u>			
Asbestos	35.01	48.30	48.30	29.17	50.00
Centerville	135.53	137.87	137.87	163.33	280.00
Beresford	754.61	808.31	808.31	831.25	1,425.00
Clay County Garbage	7,596.50	7,962.66	7,962.66	7,758.33	13,300.00
Elk Point	602.65	605.30	605.30	659.17	1,130.00
Yankton County Garbage	13,190.40	13,602.82	13,602.82	13,416.67	23,000.00
<i>Total Tonage in Trench</i>	22,314.70	23,165.26	23,165.26	22,857.92	39,185.00
Operating Cost per ton			\$47.86	\$55.45	\$55.45

This report is based on the following:

Revenue accrual thru July 31, 2018

Expenses cash thru July 31, 2018 with August's Bills

Joint Powers Solid Waste Authority
Financial Report Thru July 31, 2018

Description	Yankton Transfer	Vermillion Landfill	Total Joint	7 Month Budget	Legal 2018 Budget
Source of Funds					
<i>Beginning Balance</i>	\$667,904.00	\$1,049,572.00	\$1,717,476.00	\$1,717,476.00	\$1,717,476.00
<i>Operating Revenue:</i>					
Net Income	293,833.80	(330,623.42)	(36,789.62)	(278,745.25)	(477,849.00)
Depreciation	110,705.17	191,996.22	302,701.39	277,931.50	476,454.00
Trench Depletion	0.00	93,138.02	93,138.02	121,256.33	207,868.00
Amortization of Permit	0.00	667.62	667.62	659.17	1,130.00
<i>Non Operating Revenue:</i>					
Grant	0.00	0.00	0.00	0.00	0.00
Loan Proceeds	0.00	0.00	0.00	0.00	0.00
Contributed Capital	0.00	0.00	0.00	0.00	0.00
Sale Proceeds	0.00	0.00	0.00	0.00	0.00
Comp. for Loss & Damage	0.00	0.00	0.00	0.00	0.00
Fire Related Expenses	0.00	0.00	0.00	0.00	0.00
Interest	5,301.37	10,088.52	15,389.89	4,550.00	7,800.00
<i>Cash Flow Transfer:</i>					
Joint Power Transfer/Landfill	(454,953.66)	454,953.66	0.00	65,346.17	112,022.00
Joint Recycling Center	0.00	0.00	0.00	0.00	0.00
<i>Total Funds Available</i>	<u>622,790.68</u>	<u>1,469,792.62</u>	<u>2,092,583.30</u>	<u>1,908,473.92</u>	<u>2,044,901.00</u>
Application of Funds Available					
<i>Joint Power Transfer/Landfill</i>					
Equipment	6.54	0.00	6.54	199,500.00	342,000.00
Trench	0.00	0.00	0.00	0.00	0.00
Closure/Postclosure Cash Res.	0.00	5,096.36	5,096.36	5,028.92	8,621.00
<i>Joint Recycling Center</i>					
Equipment	0.00	26,900.00	26,900.00	90,416.67	155,000.00
<i>Payment Principal</i>	24,477.42	56,193.13	80,670.55	138,824.58	237,985.00
<i>Appropriation to Reserve</i>	0.00	0.00	0.00	0.00	0.00
<i>Total Applied</i>	<u>24,483.96</u>	<u>88,189.49</u>	<u>112,673.45</u>	<u>433,770.17</u>	<u>743,606.00</u>
<i>Ending Balance</i>	<u>\$598,306.72</u>	<u>\$1,381,603.13</u>	<u>\$1,979,909.85</u>	<u>\$1,474,703.75</u>	<u>\$1,301,295.00</u>

Joint Power Transfer/Landfill Description	Yankton Transfer	Vermillion Landfill	Total Joint	7 Month Budget	Legal 2018 Budget
<i>Revenue: (accrual)</i>					
Asbestos	\$0.00	\$3,139.60	\$3,139.60	\$2,041.67	\$3,500.00
Elk Point	0.00	28,395.19	28,395.19	30,651.25	\$52,545.00
Centerville	0.00	6,471.18	6,471.18	7,595.00	13,020.00
Beresford	0.00	37,932.30	37,932.30	38,675.00	66,300.00
Clay County Garbage	0.00	390,058.76	390,058.76	387,012.50	663,450.00
Compost-Yd Waste-Wood	0.00	8,193.69	8,193.69	2,916.67	5,000.00
Contaminated Soil	0.00	12,124.26	12,124.26	2,333.33	4,000.00
White Goods	0.00	2,121.62	2,121.62	2,916.67	5,000.00
Tires	0.00	1,858.70	1,858.70	2,333.33	4,000.00
Electronics	0.00	3,151.80	3,151.80	2,916.67	5,000.00
Other Revenue	2,825.70	2,249.41	5,075.11	11,725.00	20,100.00
Less Recycling Tipping Fee	0.00	0.00	0.00	(67,990.42)	(116,555.00)
Cash long	(23.77)	0.00	(23.77)	0.00	0.00
Yard Waste	0.00	0.00	0.00	0.00	0.00
Rubble	20,962.62	0.00	20,962.62	30,333.33	52,000.00
Transfer Fees	713,235.89	0.00	713,235.89	640,500.00	1,098,000.00
Metal	1,497.30	0.00	1,497.30	0.00	5,000.00
Other Operational - Solid Waste	0.00	0.00	0.00	0.00	0.00
Total Revenue	738,497.74	495,696.51	1,234,194.25	1,093,960.00	1,880,360.00
<i>Expenses: (cash)</i>					
Personal Services	167,529.24	169,670.12	337,199.36	395,320.92	677,693.00
Insurance	17,680.50	4,657.14	22,337.64	15,783.25	27,057.00
Professional Service/Fees	7,163.13	43,077.64	50,240.77	42,000.00	72,000.00
Non Professional Fees	0.00	0.00	0.00	0.00	0.00
Processing- Reduction	0.00	0.00	0.00	0.00	0.00
State Fees	0.00	23,165.26	23,165.26	22,750.00	39,000.00
Professional - Legal/Audit	2,230.20	0.00	2,230.20	729.17	1,250.00
Publishing & Advertising	570.34	1,977.11	2,547.45	1,050.00	1,800.00
Rental	0.00	0.00	0.00	291.67	500.00
Hauling fee	0.00	0.00	0.00	0.00	0.00
Equipment repair	1,043.54	47,237.40	48,280.94	32,666.67	56,000.00
Motor vehicle repair	13,757.30	3,320.33	17,077.63	13,708.33	23,500.00
Vehicle fuel & maintenance	72,006.71	24,604.93	96,611.64	136,500.00	234,000.00
Equip, Mat'l & Labor	28,994.77	0.00	28,994.77	7,000.00	12,000.00
Building repair	1,539.12	1,698.63	3,237.75	14,000.00	24,000.00
Facility repair & maintenance	0.00	3,525.76	3,525.76	20,416.67	35,000.00
Postage	288.91	5.19	294.10	437.50	750.00
Office supplies	924.22	1,202.92	2,127.14	1,866.67	3,200.00
Copy supplies	59.67	3.02	62.69	218.75	375.00
Uniforms	63.92	2,438.89	2,502.81	2,741.67	4,700.00
Small Tools & Hardware	149.90	0.00	149.90	145.83	250.00
Travel & Training	0.00	1,479.73	1,479.73	2,625.00	4,500.00
Operating supply	983.75	44,708.99	45,692.74	86,100.00	147,600.00
Electricity	5,406.35	9,496.68	14,903.03	17,616.67	30,200.00
Heating Fuel - Gas	10,807.08	10,014.79	20,821.87	18,666.67	32,000.00
Water	1,289.13	282.80	1,571.93	1,750.00	3,000.00
WW service	693.31	0.00	693.31	758.33	1,300.00
Landfill	145.53	0.00	145.53	116.67	200.00
Telephone	632.15	1,166.51	1,798.66	1,802.50	3,090.00
Depreciation (est)	110,705.17	171,375.75	282,080.92	233,599.92	400,457.00
Trench Depletion		93,138.02	93,138.02	121,256.33	207,868.00
Closure/Postclosure Resrv		5,096.36	5,096.36	5,028.92	8,621.00
Amortization of Permit		667.62	667.62	659.17	1,130.00
Total Op Expenses	444,663.94	664,011.59	1,108,675.53	1,197,607.25	2,053,041.00

Joint Power Transfer/Landfill Description	Yankton Transfer	Vermillion Landfill	Total Joint	7 Month Budget	Legal 2018 Budget
<i>Non Operating Expense-Interest</i>	0.00	24,319.01	24,319.01	69,930.58	119,881.00
<i>Operating Income (Loss)</i>	\$293,833.80	(\$192,634.09)	\$101,199.71	(\$173,577.83)	(\$292,562.00)
<i>Capital:</i>					
Capital Outlay	\$6.54	\$0.00	\$6.54	\$199,500.00	\$342,000.00
Landfill Development	0.00	0.00	0.00	148,166.67	\$254,000.00
Capital Lease	0.00	0.00	0.00	0.00	\$0.00
<i>Total Capital Expenditures</i>	\$6.54	\$0.00	\$6.54	\$347,666.67	\$596,000.00
<i>Grant Reimbursement</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Equipment Sale Proceeds</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Cash Flow Transfer</i>	(\$454,953.66)	\$454,953.66	\$0.00	\$0.00	\$0.00
<i>Tonage in Trench:</i>					
Asbestos		48.30	48.30	29.17	50.00
Beresford		808.31	808.31	831.25	1,425.00
Centerville Garbage		137.87	137.87	163.33	280.00
Clay County Garbage		7,962.66	7,962.66	7,758.33	13,300.00
Elk Point		605.30	605.30	659.17	1,130.00
Yankton County Garbage		13,602.82	13,602.82	13,416.67	23,000.00
<i>Total Tonage in Trench</i>		23,165.26	23,165.26	22,857.92	39,185.00
Operating Cost per ton			\$47.86	\$55.45	\$55.45

Joint Recycling Center Description	Yankton Transfer	Vermillion Center	Total Joint	7 Month Budget	Legal 2018 Budget
<i>Revenue:</i>					
Tipping Fees	\$0.00	0.00	\$0.00	67,990.42	116,555.00
Magazines	0.00	1,418.18	1,418.18	1,750.00	3,000.00
Metal/Tin	0.00	(593.00)	(593.00)	700.00	1,200.00
Plastic	0.00	596.58	596.58	8,750.00	15,000.00
Aluminum	0.00	9,502.85	9,502.85	8,166.67	14,000.00
Newsprint	0.00	3,900.14	3,900.14	7,000.00	12,000.00
Cardboard	0.00	30,163.50	30,163.50	26,250.00	45,000.00
High Grade Paper	0.00	6,408.35	6,408.35	2,916.67	5,000.00
Other Material	0.00	9,769.59	9,769.59	4,666.67	8,000.00
Contributions/Operating Grants	0.00	0.00	0.00	4,958.33	8,500.00
Total Revenue	0.00	61,166.19	61,166.19	133,148.75	228,255.00
<i>Expenses:</i>					
Personal Services	0.00	138,565.61	138,565.61	128,534.58	220,345.00
Insurance	0.00	664.98	664.98	1,458.33	2,500.00
Professional Service/Fees	0.00	0.00	0.00	10,500.00	18,000.00
Hazardous Waste Collection	0.00	1,224.56	1,224.56	19,833.33	34,000.00
Professional-Legal	0.00	0.00	0.00	0.00	0.00
Publishing & Advertising	0.00	228.58	228.58	1,166.67	2,000.00
Rental	0.00	0.00	0.00	0.00	0.00
Equipment repair	0.00	1,744.75	1,744.75	6,270.83	10,750.00
Vehicle repair & maintenance	0.00	839.67	839.67	437.50	750.00
Vehicle fuel	0.00	2,625.98	2,625.98	2,916.67	5,000.00
Building repair & maintenance	0.00	1,736.86	1,736.86	1,750.00	3,000.00
Postage	0.00	1.30	1.30	379.17	650.00
Freight	0.00	9,900.00	9,900.00	1,166.67	2,000.00
Office supplies	0.00	385.53	385.53	583.33	1,000.00
Uniforms	0.00	233.04	233.04	291.67	500.00
Materials Purchases	0.00	2,995.35	2,995.35	2,625.00	4,500.00
Travel & Training	0.00	1,500.00	1,500.00	875.00	1,500.00
Operating Supplies	0.00	3,493.53	3,493.53	5,833.33	10,000.00
Copy Supply	0.00	3.13	3.13	204.17	350.00
Electricity	0.00	3,542.42	3,542.42	3,791.67	6,500.00
Heating Fuel-Gas	0.00	2,967.27	2,967.27	2,625.00	4,500.00
Water	0.00	304.68	304.68	379.17	650.00
WW service	0.00	828.42	828.42	700.00	1,200.00
Telephone	0.00	565.48	565.48	495.83	850.00
Revenue Sharing	0.00	4,183.91	4,183.91	4,083.33	7,000.00
Transportation to Vermillion	0.00	0.00	0.00	0.00	0.00
Processing Recyclables	0.00	0.00	0.00	0.00	0.00
Depreciation (est)	0.00	20,620.47	20,620.47	44,331.58	75,997.00
Total Op Expenses	0.00	199,155.52	199,155.52	241,232.83	413,542.00
<i>Non Operating Expense-Interest</i>	0.00	0.00	0.00	0.00	0.00
Operating Income (Loss)	\$0.00	(\$137,989.33)	(\$137,989.33)	(\$108,084.08)	(\$185,287.00)
Capital Outlay	\$0.00	\$26,900.00	\$26,900.00	\$90,416.67	\$155,000.00
Grant Reimbursement/Donations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cash Flow Transfer	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

This report is based on the following:

Revenue accrual thru July 31, 2018

Expenses cash thru July 31, 2018 with August's Bills

2018 Joint Powers Total Operations Recap

Month	Yankton Transfer	Vermillion Landfill	Total	Total Tons	\$ per ton	Recycling			Yankton Operations	Vermillion Operations	Total Operations
						Yankton	Vermillion	Total			
January	16,041.14	(32,788.43)	(16,747.29)	2,696.97	53.89	0.00	(27,733.35)	(27,733.35)	16,041.14	(60,521.78)	(44,480.64)
February	6,325.01	(39,330.29)	(33,005.28)	2,317.61	63.58	0.00	(11,367.08)	(11,367.08)	6,325.01	(50,697.37)	(44,372.36)
Subtotal	22,366.15	(72,118.72)	(49,752.57)	5,014.58	58.37	0.00	(39,100.43)	(39,100.43)	22,366.15	(111,219.15)	(88,853.00)
March	43,806.85	(31,655.77)	12,151.08	2,870.30	51.00	0.00	(14,720.58)	(14,720.58)	43,806.85	(46,376.35)	(2,569.50)
Subtotal	66,173.00	(103,774.49)	(37,601.49)	7,884.88	55.69	0.00	(53,821.01)	(53,821.01)	66,173.00	(157,595.50)	(91,422.50)
April	49,973.11	(27,616.80)	22,356.31	3,519.39	46.68	0.00	(19,972.52)	(19,972.52)	49,973.11	(47,589.32)	2,383.79
Subtotal	116,146.11	(131,391.29)	(15,245.18)	11,404.27	53.23	0.00	(73,793.53)	(73,793.53)	116,146.11	(205,184.82)	(89,038.71)
May	67,659.98	4,508.29	72,168.27	4,081.03	35.51	0.00	(20,031.38)	(20,031.38)	67,659.98	(15,523.09)	52,136.89
Subtotal	183,806.09	(126,883.00)	56,923.09	15,485.30	48.56	0.00	(93,824.91)	(93,824.91)	183,806.09	(220,707.91)	(36,901.82)
June	54,839.64	(31,103.52)	23,736.12	3,745.78	48.39	0.00	(21,365.79)	(21,365.79)	54,839.64	(52,469.31)	2,370.33
Subtotal	238,645.73	(157,986.52)	80,659.21	19,231.08	48.53	0.00	(115,190.70)	(115,190.70)	238,645.73	(273,177.22)	(34,531.49)
July	54,781.27	(10,328.56)	44,452.71	3,934.18	44.58	0.00	(22,798.63)	(22,798.63)	54,781.27	(33,127.19)	21,654.08
Subtotal	293,427.00	(168,315.08)	125,111.92	23,165.26	47.86	0.00	(137,989.33)	(137,989.33)	293,427.00	(306,304.41)	(12,877.41)

8/1/2018

City of Yankton Transfer Station
Recap of Customer Tonnage

Date	City	Licensed Haulers						Sub-Total	All Other	Total Transfer
	Compactors (577)	Janssen (547)	Arts (586)	Fischer (590)	Independence (627)	Loren Fischer (648)	Kortan (673)			
January 2017	227.38	502.19	367.33	35.07	0.00	65.26	7.51	977.36	273.30	1,478.04
February 2017	202.70	484.93	336.77	29.14	0.00	59.30	11.20	921.34	288.46	1,412.50
March 2017	237.30	616.06	434.47	12.48	0.00	63.43	11.30	1,137.74	417.16	1,792.20
April 2017	227.30	591.85	486.98	0.00	0.00	64.29	13.47	1,156.59	771.69	2,155.58
May 2017	252.91	693.56	536.92	0.00	0.00	75.06	7.97	1,313.51	465.54	2,031.96
June 2017	239.77	701.18	649.20	0.00	0.00	85.82	18.33	1,454.53	483.34	2,177.64
July 2017	235.82	669.19	465.38	0.00	0.00	84.20	12.77	1,231.54	509.76	1,977.12
August 2017	270.08	737.19	577.34	0.00	0.00	85.68	13.52	1,413.73	498.79	2,182.60
September 2017	235.66	641.84	464.10	0.00	0.00	83.83	18.47	1,208.24	529.19	1,973.09
October 2017	237.61	699.36	554.25	0.00	19.20	81.27	18.07	1,372.15	398.57	2,008.33
November 2017	249.77	615.69	457.07	0.00	1.69	110.42	17.48	1,202.35	400.12	1,852.24
December 2017	225.56	519.09	483.74	0.00	0.00	91.53	14.08	1,108.44	357.59	1,691.59
2017 Total	2,841.86	7,472.13	5,813.55	76.69	20.89	950.09	164.17	14,497.52	5,393.51	22,732.89
January 2018	239.65	530.30	436.12	0.00	0.00	81.67	7.84	1,055.93	252.70	1,548.28
February 2018	181.66	488.25	370.51	0.00	0.00	77.18	10.55	946.49	234.16	1,362.31
March 2018	227.12	601.25	477.74	0.00	0.00	83.07	7.49	1,169.55	415.05	1,811.72
April 2018	227.43	561.75	490.33	0.00	0.00	94.10	9.61	1,155.79	613.24	1,996.46
May 2018	273.68	715.67	609.17	0.00	0.00	72.24	8.68	1,405.76	466.41	2,145.85
June 2018	247.08	678.97	575.57	0.00	0.00	95.46	11.05	1,361.05	599.25	2,207.38
July 2018	272.18	733.32	567.02	0.00	0.00	94.97	15.23	1,410.54	626.27	2,308.99
2018 Total	1,668.80	4,309.51	3,526.46	0.00	0.00	598.69	70.45	8,505.11	3,207.08	13,380.99



The MISSION of the Yankton Department of Parks and Recreation is to enhance the quality-of-life (social, cultural, educational, and physical well-being) for the citizens of Yankton and the surrounding area through responsible, innovative, and cost-effective creation, maintenance, and management of high quality parks, facilities, programs, and community special events.

MINUTES
FOX RUN GOLF ADVISORY BOARD
Thursday, June 21, 2018

Fox Run Golf Course Clubhouse – 12:00 P.M.

I. ROUTINE BUSINESS

Roll Call:

Present: Dan Kramer, Carll Kretsinger, Jim Miner, Terry Carda, Steve Sager, Annette Kohoutek.

Absent: Commissioner Bridget Bensen.

Also present were Golf Operations Manager Tom Jeffers, Course Superintendent Rockie Wampol, Golf Course Assistance Grounds Maintenance Jason Metz, City Manager Amy Nelson, Commissioner Jake Hoffner, Commissioner Chris Ferdig, Director of Parks and Recreation Todd Larson, and Department Secretary Chasity McHenry.

Public Appearances: Doug Brooks, Karol Kittelson, Neal Anderson, Dan Kortan, Monty Goeden, Bob Sundleaf, Todd Rodig, and John Thayer.

Minutes: May 17, 2018 minutes approved. Kretsinger motioned, Carda second. Motion carried 6-0.

II. NEW BUSINESS

- A. Monthly round report and season pass report from Tom and course software. May 2018 compared to May 2017 was up \$7,000 in revenue. Golf Shop was up \$3,800. Food and beverage was up \$3,500. In 2018, weather kept golf from starting until April 25. June rain has hurt the revenues for the month. The board is concerned that the City Commission doesn't realize that weather hurts revenues at the course. (attachments)
- B. City Finance Profit-Loss report through May 31. Revenues year-to-date are only down \$3,000 from when compared to 2017. The expenses are up year-to-date by \$30,000. \$25,000 of the expense is in the pro-shop. \$10,000 of the expense is on course operations. Expenses for food and beverage are down by \$5,000 compared to 2017. There have been capital improvement expenditures in the clubhouse to help improve aesthetics. (attachments)
- C. League updates. Leagues are going well. Kellen Moser is now running the leagues and will do so once Tom leaves in July. 2nd half of leagues will be starting.
- D. 2018 events and other updates. Pro-Am June 29, 30 and July 1. Full field of Pro's at 72. 60 pros is considered full. More pros doesn't help revenue except for the food and beverage spending. Most pros don't have families or don't travel with families. There are special meal deals each day. The Calcutta will take place at Fox Run

instead of the Elks in 2018 so that will help with food and beverage revenues. Wings have been a big sell in 2018 and they have actually sold out at times. For the pro-am, wings and sauce will be monitored so nothing runs out. The pro-am is down amateur teams from last year. Planning on 30 to 35 teams for 2018. The pro-am in Vermillion was down to 20 amateur teams competing in 2018 so this is a concern for Fox Run in the future.

- E. Fox Run Interim Management Plan for 2018 and 2019 plans. Bridget Bensen is the new commissioner on the Golf Advisory Board. Tom Jeffers is moving to Grand Island, his last day is July 2nd. City is looking at options for how to operate the facility in Tom's leaving. One option is Great Life providing Interim Management for the remainder of the 2018 season, starting in August probably. Another option being discussed is a lease option with Great Life for 2019 and beyond. The discussions with Great Life have not begun yet and the City would like input to know what items are of importance to the course patrons and those living in adjoining property. Some non-negotiable items are that the City will maintain ownership and it will remain an 18-hole course. There will be nothing done that will lessen the property values of those properties around the course. Great Life must maintain quality of the course and clubhouse. The part-time staff in 2018 has been very good and will be relied on to help in the transition from 2018 to 2019. Recruiting a quality golf pro and/or an assistant golf pro, if adding full-time staff, is not always a sure bet. Full-time employees at Fox Run will continue to work at the course until something is finalized with Great Life. If Great Life would not negotiate with current full-time employees, they would be transferred to the Parks Department and continue to be full-time employees with the City of Yankton. No one will lose their employment, current wages, or benefits. The City of Yankton believes Great Life can provide more value to pass-holders than just golf. If a lease is negotiated with Great Life, it will mean some loss of control in regards to course operations but in negotiating the lease there will be an effort to minimize the loss of control. Great Life will probably not operate everything in the same manner as the City and the City understands that Great Life will operate the course as a for-profit business.

Discussion from those in attendance:

- There are 72 pros in the pro-am. Can't the City put up help wanted signs and recruit from the pros playing in the pro-am?
- Problem with recruiting pros from the pro-am is they are "playing" pros and may not be as business savvy as the City would want
- If City keeps operating the course, it will probably need to add full-time staff.
- Why doesn't City advertise for a Pro while negotiating with Great Life? It is hard to advertise for a position or two positions when there is not really a job available because of the lease negotiations.
- Use the PGA to help recruit a quality pro. The PGA was used to recruit the last two golf pros at Fox Run.
- Tom admits there couldn't be a worse time of the year to leave the course and he apologizes for the timing.
- Because of Tom's efforts, the course has been put in a better position for moving forward not matter what direction the City takes.
- In 2018, a SDGA amateur tournament participant at Fox Run spoke to Tom about how impressed he was with the course and operations since it is City owned. Usually City owned courses are not this nice or have as strong of operations as Fox Run.



The MISSION of the Yankton Department of Parks and Recreation is to enhance the quality-of-life (social, cultural, educational, and physical well-being) for the citizens of Yankton and the surrounding area through responsible, innovative, and cost-effective creation, maintenance, and management of high quality parks, facilities, programs, and community special events.

- Carll Kretsinger would like to be involved with the Great Life negotiations if a committee is formed.
- Important to keep leagues in place.
- Important to keep tournaments in place (Pro-Am, season-pass holder, city classic)
- The course needs to be viewed as a quality-of-life amenity and it is also a wellness amenity for the community.
- All patrons and citizens should keep fighting for the course, its future, but keep things positive.
- Depending on lease terms, need to be careful on course improvements. Will lease company put money into the course or just maintain it at a minimum level to maximize profits.
- Please keep open communication with GAB so everyone knows what is happening.
- The number of Great Life rounds on the course the past two years has been? Since the inception of the affiliation with Great Life: 453 18-Hole Rounds and 198 9-hole rounds. = \$5,520 dollars in green fees
- Not been impressed with Great life players and how they treat the course.
- Will Great Life really increase golfers using the course because current season pass holders will become GL members and continue to play the course. The number of other Great Life players will continue to be what the past two years has been since the course became an affiliate. There will probably not be a large increase in Great Life players from other areas outside of Yankton coming here to play on a regular basis.
- Can there be tiered memberships so Great Life members can be just members at Fox Run Golf Course? Not a part of the entire Great Life and Fitness package?
- Rates at Fox Run need to be competitive with other public courses.
- Even is the City maintains operations, the rates will need to continue to be raised to help cover expenses that continue to rise each year, including maintenance costs.
- What happens to the use of private carts? What happens to season pass holders and their private carts? Other Great Life courses may have grandfathered in private carts for those currently involved with the course, but no new private carts are allowed once Great life takes over.
- As for the negotiating with Great Life, all options will be on the table, the City views the course as an asset to the City, please give the City time to see how negotiations play out over the next few months.
- A meeting with part-time staff will be set-up to help assure them of support from the full-time staff and City management.
- Need strong support for employees on the clubhouse operations side.

- Great Life needs to keep junior golf and the teaching of young children as strong programming at Fox Run.
- Capital improvements made by the lease company would stay at the course and become property of the City of Yankton.
- If Great Life is brought to Yankton, there is a concern that more people from Yankton, who get a Great Life membership, will go to Sioux Falls to take advantage of the Great Life offers through their new memberships.
- The City of Yankton will work to have maintenance standards written into the lease. How can the City know where Great Life will cut back to save money if things are not as good on the revenue side as they projected for the golf business? Claw backs in the lease if maintenance is not meeting expectations and standards.
- If the City of Yankton continues to operate the course, need to be careful that rates do not get so high as to be competitive with Hillcrest and then season pass holders will leave Fox Run to become members at Hillcrest.

F. Course conditions and projects. The creek is flooded causing water in fairway for hole 3. Working on course for pro-am, may have to make it a 17-hole course until the course is dried out prior to the pro-am. The board gave Rockie and Jason a large amount of applause for the job they have been doing. The board also gave Tom a large ovation for the job he has done in the time he's been here. Everyone wished Tom well in his move.

III. OTHER BUSINESS

A. Next Meeting Thursday, July 19, 2018.

IV. ADJOURN

Kramer motioned, Carda second. Motion carried 6-0.

City of Yankton
Airport Advisory Board Meeting Minutes
For
August 15th, 2018
unapproved

The meeting was called to order at 8:01AM by Chairman Cox

ROLL CALL:

Present: Chairman Jim Cox, Dawn Steffes, Steve Hamilton, Roger Huntley, Mark Yonke, and City Commission Representative Jake Hoffner.

Unable to attend: George Munn, Jr.

Also present: Amy Nelson, Mike Roinstad, Dave Mingo and Chris Nelson

18-17 **MINUTES** – July 18th, 2018 minutes

MOTION -- It was moved by Roger Huntley and seconded by Steve Hamilton to approve the minutes from the July 18th, 2018 meeting.

VOTE – Voting “Aye” – all members present. Voting “Nay” –none.

MOTION – PASSED

Mike Roinstad provided the Monthly Fuel Report for July 2018. During the month of July 2018 there were 299 transactions totaling 12,119.3 gallons. In July of 2017, there was a total of 9,291.5 gallons sold.

Staff Report

Dave Mingo reported that the Barrel Hangar re-roofing project is moving along quickly. The new windows will be installed this fall by our staff, as time permits, after the re-roofing project is complete.

75th Anniversary Update:

Steve Hamilton reported that an estimated 300 people attended the 75th Anniversary Event. Some plane rides were given to kids. The Search and Rescue Drone was not flown because of the proximity locking system. This is a good opportunity for them to learn about the locking system. Jim Smith brought in his plane. It was a very successful and fun event! KLJ also surprised YKN with a Leon Basler painting. All left over cakes and supplies were used for the Oshkosh promotion. A special thank you to Mike Roinstad and his wife Lori for the delicious food and wonderful hospitality for all pilots and guests!

Oshkosh

The Oshkosh promotion was a success – very busy! There were 230 fuel transactions during the 10 days of 2018 Oshkosh traffic. During Oshkosh 2017, there were 139 fuel transactions. The “Virginia Ann” stopover was especially meaningful for the Bob Schumacher family and those in attendance when the plane was in Yankton.

Update on Apron Expansion & Hangar Relocation Project

Mingo reported that we are currently in the middle of a FONSI period (Finding of No Significant Impact) – Once through the comment period the project can move forward. We are definitely on schedule for a 2019 project.

Unfortunately, there was some bad news from the FAA. They (FAA) are not comfortable with including the hangar relocation project in the apron expansion project at this time. They are concerned with the precedent it may set. Mr. Mingo discussed the FAA’s previous direction that included the hangar relocation and that the emphasis of this project is airport economic development which is an FAA priority and therefore should include the hangar relocation costs. The FAA’s concern continues to be the perceived precedent it may set for other airports. The FAA required us (YKN) to amend the hangar relocation section in our application for the project. Staff is hopeful that we can convince the FAA to include the hangar relocation as an amendment when the issue gets resolved at the regional and national level.

Other Business

Airport Breakfast is scheduled for Sunday, September 16th, 2018. Time: TBD.

Chairman Cox discussed the additional funding (\$1 billion) that he heard the FAA will be getting. Hamilton reported that his understanding is that in South Dakota, those funds are targeted for a major project in Mobridge and possibly in Sioux Falls the next year. Staff will inquire about the availability of the funds and what they may be used for.

ADJOURNMENT

18-18 **MOTION** –It was moved by Roger Huntley and seconded by Mark Yonke to adjourn meeting.

VOTE – Voting “Aye” – all members present. Voting “Nay” – none.

Meeting adjourned at 8:32AM

CITY of YANKTON
PLANNING COMMISSION MEETING MINUTES
for
Monday, August 13th, 2018 @ 5:30PM

The meeting was called to order at 5:31p.m. by Chairman Pier

ROLL CALL:

Present – Deb Specht, Mike Healy, Marc Mooney, Lynn Peterson, Jon Economy, Dr. Scott Shindler, Brad Wenande, City Commission Liaison Dave Carda, and Chairman Steve Pier,

Bruce Viau arrived at the time noted below in the minutes.

Chairman Pier called for approval of the July 9th, 2018 meeting minutes.

18-35 **MINUTES** – July 9th, 2018

MOTION – It was moved by Commissioner Wenande and seconded by Commissioner Shindler to approve the minutes from July 9th, 2018.

VOTE – Voting “Aye” – all members present. Voting “Nay” – none.

MOTION – PASSED

CONSENT ITEMS:

Chairman Pier moved on to Consent Items to discuss establishing September 10, 2018 as the date for a public hearing to consider the formation of Tax Incremental District Number 10, a tax incremental district to be located on the following described property:

Yaggie’s 2nd Addition in the E 1/2 of the NE 1/4, Section 8, Yaggie’s 3rd Addition except Lot A, Lot B, Lot C and Lot D in the NW 1/4, Section 9, and the NW Corner (approximately 1.53 acres) of the N 1/2, N 1/2, SW 1/4, Section 9, and Doris Schenk Addition except Lot 1, Section 8; and Outlot 100 and Block 1 of East Industrial Subdivision in Section 9, inclusive of identified right-of-ways as shown on the attached City of Yankton TID #10 Map; all in T93N, R55W of the 5th P.M., City and County of Yankton, South Dakota. Location, east industrial area adjacent to Bill Baggs Road and E. 15th Street.

Bruce Viau arrived at 5:35PM.

18-36 **MOTION** – It was moved by Commissioner Economy and seconded by Commissioner Specht to approve September 10th, 2018 as the date for a public hearing.

VOTE – Voting “Aye” – all members present. Voting “Nay” – none.

MOTION – PASSED

Chairman Pier stated there was no Old Business.

Chairman Pier moved on to New Business to discuss the review of the Plat review of Lots 10 and 11 in Block 1; Lots 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 in Block 4; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 7; and Lots 1, 10 and 11 in Block 9 of Westbrook Estates in the Southeast Quarter of Section 2, Township 93 North, Range 56 West of the 5th Principal Meridian, City of Yankton, Yankton County, South Dakota. Address, 2500 Block of Colton Avenue. Yankton Development Enterprises, LLC., Kelly Nielson, President, owner.

Dave Mingo explained that the proposed plat and associated Developer's Agreement meet the requirements of the City's Subdivision Ordinance and Zoning Ordinance. Phase II of the Westbrook Estates Subdivision will create 30 new single family lots. The phase does not require consideration of any "Provisions Specific to this Subdivision." It will consist of a standard R-2 single family development. The version of the plat included in the packet is missing one easement that we will require before consideration by the City Commission. There is a need for an east — west easement through the center of Block 9, south of Lot 1 and north of Lots 10 and 11. Staff recommends approval of the plat and associated Developer's Agreement contingent upon the above described easement being in the final version of the plat prior to City signatures.

There was general discussion about the subdivision and some questions about the location of the phase, progress on Phase I and projected build-out time of Phase II. Mr. Mingo stated that Phase I is sold out. The build-out pace varies throughout the development of a subdivision. Usually there is considerable activity the first couple of years and then things even out some for the remainder of the development. He predicts a three to five year process for Phase II.

18-37 **MOTION** – It was moved by Commissioner Peterson and seconded by Commissioner Shindler to recommend approval of the proposed plat and associated Developer's Agreement contingent upon the described easement being in the final version of the plat prior to City Signatures.

VOTE – Voting "Aye" – Members Mooney, Economy, Shindler, Viau, Wenande, Healy, Peterson and Pier. Commissioner Deb Specht – Abstained.

Voting "Nay" – none.

MOTION – PASSED

HEARING SCHEDULE:

August 27th, 2018: City Commission reviews the plat and makes final decision.

Chairman Pier continued on to discuss the Plat review of Lots 5 - 8 in Block 10 of Ridgeway North Subdivision to the City of Yankton in the NE 1 4 of Section 6, T93N R55W of the 5th P.M., Yankton County, South Dakota. Address, East side of the 2800 Block of Woodbine Avenue. Kirby Hofer Construction Company, Inc., owner.

Dave Mingo provided background on the project and stated the proposed plat creates four large single family residential lots. The property is located within the City of Yankton's water service area. All applicable engineering documentation has been submitted by the Developer and approved by the City Engineering staff. The proposed plat meets all the requirements of the Subdivision Ordinance and previously approved Developer's

Agreements associated with the property. The proposal also meets the requirements of the adopted Planned Unit Development Ordinance that applies to the location. There is a section of asphalt street that must be installed prior to the issuance of building permits for construction on the lots. Staff recommends approval of the proposed plat.

- 18-38 **MOTION** – It was moved by Commissioner Wenande and seconded by Commissioner Economy to recommend approval of the Plat of Lots 5 - 8 in Block 10 of Ridgeway North Subdivision to the City of Yankton in the NE 1/4 of Section 6, T93N R55W of the 5th P.M., Yankton County, South Dakota. Address, East side of the 2800 Block of Woodbine Avenue. Kirby Hofer Construction Company, Inc., owner.

VOTE – Voting “Aye” – All Members Present

Voting “Nay” – none.

MOTION – PASSED

HEARING SCHEDULE:

August 27th, 2018: City Commission reviews the plat and makes final decision.

Chairman Pier continued on to discuss Plat review of Lot 68, Crestview Homes Subdivision in the NE 1/4 of Section 21, T93N, R56W of the 5th P.M., Yankton County, South Dakota.

Dave Mingo provided background on the project and stated the location of the proposed plat is in the City’s three mile plating jurisdiction. This allows the City to require the dedication of right-of-way along the extension of the planned street grid. The proposed plat is located in a previously approved subdivision with identified right-of-way corridors serving as the primary access to the property. The previous right-of-way dedications meet the requirements of the City’s review process for the location. The plat is not adjacent to the City’s corporate limits so the Subdivision Ordinance requirements do not apply. The proposal will be subject to county platting and land use approval requirements as it moves forward through that process. Staff recommends approval of the proposed plat.

- 18-39 **MOTION** – It was moved by Commissioner Shindler and seconded by Commissioner Healy to recommend approval of the plat Lot 68, Crestview Homes Subdivision in the NE 1/4 of Section 21, T93N, R56W of the 5th P.M., Yankton County, South Dakota.

VOTE – Voting “Aye” – all members present.

Voting “Nay” – none.

HEARING SCHEDULE:

August 27th, 2018: City Commission reviews the plat and makes final decision.

Chairman Pier moved on to discuss the July 2018 Building Report. The total valuation for July 2018 was \$1,447,380.00 which is lower than July 2017 which was \$2,424,380.80. Overall year to date for 2018 is ahead of 2017 if the 2017 Water Treatment Plant Project is not included.

ADJOURNMENT

18-40 **MOTION** – It was moved by Commissioner Wenande and seconded by Commissioner Peterson to adjourn at 5:53PM

VOTE – Voting “Aye” – all members present. Voting “Nay” – none.

MOTION – PASSED

Respectfully submitted,

Dave Mingo, Secretary

Memorandum #18-178

To: City Manager
From: Finance Officer
Date: August 17, 2018
Subject: New Retail (on-off sale) Wine License-RB Beer & Burgers

We have received an application for a New Retail (on-off sale) Wine License for January 1, 2018 to December 31, 2018 from To Be Free, LLC (Courtney Villalobos, President), RB Beer & Burgers, 2901 Broadway, Suite C, Yankton, SD 57078.

The above application is in compliance with the City Code of Ordinances, as checked by the Department of Finance. A Police check on the applicant revealed no felony convictions or wants. An inspection by the Building Inspector and Fire Marshal has been done and the premises are in compliance with building and fire codes.



Al Viereck
Finance Officer

Memorandum #18-177

To: City Manager
From: Finance Department
Date: August 17, 2018
Subject: Transfer Retail (on-off sale) Malt Bev. – RB Beer & Burgers

We have received an application for the for a transfer of ownership of a Retail (on-off sale) Malt Beverage License for July 1, 2018, to June 30, 2019, from RB Beer & Burgers (Toby Woehl, President), dba RB Beer & Burgers to To Be Free, LLC (Courtney Villalobos, President), RB Beer & Burgers, 2901 Broadway, Suite C, Yankton, SD 57078.

The above applicant is in compliance with the City Code of Ordinances, as checked by the Department of Finance. A police check on the applicant revealed no felony convictions or wants. The applicant is in compliance with all building and fire codes.



Al Viereck
Finance Officer

Memorandum #18-173

To: Amy Nelson, City Manager
From: Dave Mingo, Community Development Director
Date: August 17, 2018
Subject: Community Development Block Certified Nursing Assistant (CNA) training under the Governor's Workforce Initiative

Yankton Area Progressive Growth (YAPG) is assisting a local consortium of health care providers with their need for Certified Nursing Assistants (CNA) to be trained and available for work in the area. If an application is approved by the Governor's Office of Economic Development, the Community Development Block Grant (CDBG) program could assist Yankton Area Progressive Growth in providing CNA training under the Governor's Workforce Initiative. The attached summary and budget provides more information about the proposed project. The Yankton School District is also participating with in-kind match.

The CDBG program requires a local governmental entity to sponsor the application. If this Memorandum is approved, it authorizes the City Manager to execute all documents associated with the submittal of the application and also the administration of the project if funded. The City of Yankton expects to apply for up to \$205,000 of CDBG funds. The total cost for the proposed CNA training program is estimated to be over \$383,000. The City of Yankton is not being asked to participate in funding the project.

Additionally, part of the application includes conducting a Community Development and Housing Needs Hearing. Eric Ambrosion from Planning and Development District III will be at the meeting to guide the Commission through the hearing process.

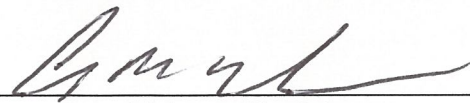
Respectfully submitted,



Dave Mingo, AICP
Community Development Director

Recommendation: It is recommended that the City Commission approve Memorandum #18-173 including associated Resolutions #18-53 and #18-54 in support of the proposed CDBG application and designating and Environmental and Project Certifying Officer for the project.

I concur with this recommendation.
 I do not concur with this recommendation.



Amy Nelson, City Manager

Yankton CNA Program Summary

In response to a growing need for Certified Nursing Assistants (CNA) in the Yankton area, several community stakeholders have come together to develop a program proposal for consideration of Community Development Block Grant (CDBG) funds from the Governor's Office of Economic Development (GOED). Turnover among direct healthcare workers is a drain on employers such as long term care and mental health facilities. The turnover rate among nursing facility direct care staff in South Dakota was 56.8% in 2011, which was four points above the national average.

The team includes representatives from the South Dakota Human Services Center, Mount Marty College, Avera Education & Staffing Solutions, Yankton School District, South Dakota Department of Labor, and Yankton Area Progressive Growth. The team has developed a systems approach to CNA recruitment, training, and retention. The program involves exposing students in the middle and high school to the world of health care and, more specifically, the certified nursing assistant career. Training will be provided for high school seniors to become a CNA if they choose this career path. People in the workforce who wish to enter the nursing field can get trained to be a CNA through this program, which will be facilitated by Avera Education & Staffing Solutions and Mount Marty College. Incentives for recently trained CNAs to remain in the Yankton workforce will be included as part of the program in cooperation with area employers.

The estimated cost of the CNA program is approximately \$380,000. The team is seeking support from the City of Yankton to sponsor a CDBG application to the state for approximately \$200,000. Local stakeholders and employers are anticipated to provide local match for the program.

RESOLUTION #18-53

**COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION
AUTHORIZING RESOLUTION**

WHEREAS, The City of Yankton of has identified the need to provide CNA training to its workforce, and

WHEREAS, The City of Yankton proposes to assist Yankton Area Progressive Growth (YAPG) in the provision of CNA training by submitting a Community Development Block Grant (CDBG) application; and

WHEREAS, the City of Yankton is eligible for federal assistance for the proposed project; and

WHEREAS, with the submission of the CDBG application The City of Yankton assures and certifies that all CDBG program requirements will be fulfilled; and

WHEREAS, The City of Yankton has published the required publications for the CDBG application.

THEREFORE, BE IT RESOLVED, that the City of Yankton of duly authorizes the submission of the CDBG application requesting approximately \$205,000 for the CNA Training project.

THEREFORE, BE IT RESOLVED, that the Mayor be authorized to execute the CDBG application for The City of Yankton.

Dated this _____ day of _____, 2018.

Nathan V. Johnson, Mayor

ATTEST:

Al Viereck, Finance Officer

RESOLUTION #18-54

**DESIGNATING CDBG PROJECT CERTIFYING OFFICER
AND
ENVIRONMENTAL CERTIFYING OFFICER
CNA Training project.**

WHEREAS, the City of Yankton is applying to the Community Development Block Grant from the U.S. Department of Housing and Urban Development as administered by the State of South Dakota, and;

WHEREAS, the City of Yankton is required to designate a certifying officer for the purpose of signing required documents pertaining to these grants, and;

WHEREAS, the City of Yankton is required to designate an environmental certifying officer for the purpose of signing required environmental documents pertaining to these grants, and;

NOW THEREFORE, BE IT RESOLVED, that the City Manager of the City of Yankton be hereby designated as the City's Certifying Officer for the purpose of signing correspondence, pay requests, and other required documents.

AND BE IT FURTHER RESOLVED, that the City Manager of the City of Yankton be hereby designated as the City's Environmental Certifying Officer for all environmental review procedures associated with these CDBG projects.

Dated this _____ day of _____, 2018.

Nathan V. Johnson, Mayor

ATTEST:

Al Viereck, Finance Officer

Uses				Annual	18 Month	GOED		Local Match	
				Cost	Project Total				
Industry Training									
<i>Number of Applicants/Year</i>				<i>Cost per Student</i>	<i>Cost</i>				Total Sources
60	18 months	90	\$ 1,800.00	\$ 108,000.00	\$ 162,000.00	\$ 140,000.00	\$ 22,000.00	\$ 162,000.00	\$ -
<i>Student Scholarships/Year</i>				<i>Cost per student</i>					
15	18 months	23	\$ 1,000.00	\$ 15,000.00	\$ 22,500.00	\$ 17,500.00	\$ 5,000.00	\$ 22,500.00	\$ -
<i>Camps/Year</i>				<i>Cost per Event</i>					
2	18 months	3	\$ 10,000.00	\$ 20,000.00	\$ 30,000.00	\$ 20,000.00	\$ 10,000.00	\$ 30,000.00	\$ -
75		113	Training Total	\$ 143,000.00	\$ 214,500.00	\$ 177,500.00	\$ 37,000.00	\$ 214,500.00	\$ -
High School Exposure									
HOSA Advisor				\$ 5,000.00	\$ 7,500.00	\$ -	\$ 7,500.00	\$ 7,500.00	\$ -
Middle School HOSA Programming				\$ 1,250.00	\$ 1,875.00	\$ -	\$ 1,875.00	\$ 1,875.00	\$ -
High School HOSA Programming				\$ 1,250.00	\$ 1,875.00	\$ -	\$ 1,875.00	\$ 1,875.00	\$ -
High School World of Health Care Programming				\$ 15,000.00	\$ 22,500.00	\$ -	\$ 22,500.00	\$ 22,500.00	\$ -
Internship (10 hrs/week/semester)				\$ 2,500.00	\$ 3,750.00	\$ -	\$ 3,750.00	\$ 3,750.00	\$ -
World of Work (2 periods/day/semester)				\$ 2,500.00	\$ 3,750.00	\$ -	\$ 3,750.00	\$ 3,750.00	\$ -
Early Exposure Total				\$ 27,500.00	\$ 41,250.00	\$ -	\$ 41,250.00	\$ 41,250.00	\$ -
Career Advancement									
<i>Advance Yankton Scholarship</i>									
<i>Number of Students</i>				<i>Cost each</i>	<i>Cost</i>				
3	18 months	5	\$ 10,000.00	\$ 30,000.00	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 45,000.00	\$ -
Career Advancement Total				\$ 30,000.00	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 45,000.00	\$ -
Employee Attraction/Retention									
<i>Signing Bonus-Retnetion Stipend</i>									
<i>Number of CNAs</i>				<i>Cost each</i>	<i>Cost</i>				
30	18 months	45	\$ 1,000.00	\$ 30,000.00	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 45,000.00	\$ -
Attraction/Retention Total				\$ 30,000.00	\$ 45,000.00	\$ -	\$ 45,000.00	\$ 45,000.00	\$ -
Administration									
CNA Coordinator				\$ 20,000.00	\$ 30,000.00	\$ 20,000.00	\$ 10,000.00	\$ 30,000.00	\$ -
Administration Total				\$ 20,000.00	\$ 30,000.00	\$ 20,000.00	\$ 10,000.00	\$ 30,000.00	\$ -
Total/Year									
		Total 18 Months							
108		162	Total Uses	\$ 250,500.00	\$ 375,750.00	\$ 197,500.00	\$ 178,250.00	\$ 375,750.00	\$ -

Published 8-17-18

NOTICE OF PUBLIC HEARING

The City of Yankton anticipates submitting an application to the State of South Dakota for a Community Development Block Grant (CDBG) to assist Yankton Area Progressive Growth in providing Certified Nursing Assistant (CNA) training under the Governor's Workforce Initiative.

The City of Yankton expects to apply for up to **\$205,000** of CDBG funds. The total cost for the proposed CNA training program is estimated to be over **\$383,000**. The purpose of the hearing is to receive comments from the public regarding the application.

The City will also obtain the views of its citizens with respect to community development and housing needs. The City will then rank the identified needs and specify activities that may be undertaken to meet these needs.

The public hearing will be held on August 27, 2018 at 7:00 p.m., or as soon thereafter as can be heard by the Board of City Commissioners in the Yankton City Commission Meeting Room at the Career and Manufacturing Technical Education Academy, 1200 W. 21st Street, Yankton South Dakota. The meeting is open to the public and interested persons are encouraged to attend. Additional information about handicapped accessibility to the hearing can be obtained by calling (605) 668-5251.

Dave Mingo
Community and Economic Development Director

CITY OF YANKTON, SOUTH DAKOTA

ANNUAL FINANCIAL REPORT

Year Ended

December 31, 2017



CITY OF YANKTON,
SOUTH DAKOTA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017

PREPARED BY:
FINANCE DEPARTMENT

AL VIERECK
FINANCE OFFICER

CITY OF YANKTON
 ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2017
 TABLE OF CONTENTS

	<u>Page Number</u>
FINANCIAL SECTION	
Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-13
 Basic Financial Statement	
 Government-wide Financial Statements	
Exhibit 1 Statement of Net Position	14
Exhibit 2 Statement of Activities	15-16
 Fund Financial Statements	
 Governmental Funds Financial Statements	
Exhibit 3 Balance Sheet	17-18
Exhibit 3A Reconciliation of the Balance sheet to the statement of Net Position	19
Exhibit 4 Statement of Revenues, Expenditures and Changes in Fund Balances	20-21
Exhibit 4A Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	22
 Proprietary Funds Financial Statements	
Exhibit 5 Statement of Net Position	23-24
Exhibit 6 Statement of Revenues, Expenses and Changes in Net Position	25-26
Exhibit 7 Statement of Cash Flows	27-28

Fiduciary Funds Financial Statements

Exhibit 8	Statement of Net Position	29
-----------	---------------------------	----

Notes to Financial Statements

Note 1	Summary of Significant Accounting Policies	30-38
Note 2	Cash and Cash Equivalents	38-39
Note 3	Property Taxes	39
Note 4	Estimated Uncollectible Receivables	39
Note 5	Due from other Governments	40
Note 6	Capital Assets	41-43
Note 7	Commitments	44
Note 8	Capital Lease	44
Note 9	Long-Term Debt	45-47
Note 10	Interfund Assets/Liabilities	47-48
Note 11	Deficit Fund Balances/Retained Earnings	48
Note 12	Pension Plan	48-51
Note 13	Transfers	52
Note 14	Risk Management	52-53
Note 15	Violations of Finance – Related Legal Requirements	53
Note 16	Other Post Employment Benefits	53-54
Note 17	Safety Center Agreement	55
Note 18	Restricted Net Position	55
Note 19	Tax Abatements	56
Note 20	Subsequent Events	56

	<u>Page Number</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Exhibit 9	57-58
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General Fund	
Exhibit 10	59
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Major Special Revenue Fund	
Exhibit 11	60-61
Notes to Required Supplementary Budget Information	
Exhibit 12	62
Post Employment Health Care Benefits Schedule of Funding Progress	
Exhibit 13	63
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)	
Exhibit 14	64
Schedule of the City Contributions	
OTHER SUPPLEMENTARY INFORMATION	
Governmental Non-Major Funds Combining Statements	
Exhibit A-1	65-66
Balance Sheet	
Exhibit A-2	67-68
Statement of Revenues, Expenditures and Changes in Fund Balances	
Exhibit A-3	69-70
Balance Sheet – Capital Projects Funds	
Exhibit A-4	71-72
Statement of Revenues, Expenditures and Changes in Fund Balances – Capital Projects Funds	
Proprietary Non-Major Funds Combining Statements	
Exhibit B-1	73
Statement of Net Position – Enterprise Funds	
Exhibit B-2	74
Statement of Revenues, Expenses and Changes in Net Position- Enterprise Funds	
Exhibit B-3	75
Statement of Cash Flows – Enterprise Funds	
Exhibit B-4	76
Statement of Net Position – Internal Service Funds	

	<u>Page Number</u>
Exhibit B-5 Statement of Revenue, Expenses and Changes in Net Position – Internal Service Funds	77
Exhibit B-6 Statement of Cash Flows – Internal Service Funds	78
Fiduciary Funds Combining Statements	
Exhibit C-1 Statement of Net Position	79
Exhibit C-2 Statement of Changes in Assets and Liabilities	80
BUDGETORY COMPLIANCE SCHEDULES	
Exhibit D-1 Schedule of Revenues, Expenditures and Changes In Fund Balances – Budget and Actual – Nonmajor Special Revenue Funds	81-82
Exhibit D-2 Schedule of Revenues, Expenditures and Changes In Fund Balances – Budget and Actual – Capital Project Funds and Permanent Fund	83-85
COMPLIANCE SECTION	
Schedule of Expenditures of Federal Awards (Cash Basis)	86
Notes to Schedule of Expenditures of Federal Awards	87
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 <i>Government Auditing Standards</i>	88-89
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	90-92
Schedule of Findings and Questioned Costs for the Year Ended December 31, 2017	93-95
Schedule of Prior Year Findings	96
Corrective Action Plan	97-98

FINANCIAL SECTION

This Section Contains the Following Subsections:

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



614 Broadway
P.O. Box 36
Yankton, SD 57078-0036
Phone (605) 665-9401
Fax (605) 665-9418

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the CITY OF YANKTON, SOUTH DAKOTA, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Yankton Housing and Redevelopment Commission (a discretely presented component unit), which statements reflect total assets of \$182,823 and total revenues of \$608,879 as of and for the year ended June 30, 2017. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion insofar as it relates to the amounts included for the Yankton Housing and Redevelopment Commission, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

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

Opinions

In our opinion, based on our audit, and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Yankton, South Dakota as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, OPEB schedule of funding progress, schedules of net pension proportionate share and required contributions and budgetary comparison information found on pages 4-13 and 57-64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 23, 2018, on our consideration of the City of Yankton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Yankton's internal control over financial reporting and compliance.

Yankton, South Dakota
July 23, 2018


Certified Public Accountants

Management Discussion and Analysis December 31, 2017

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, 2017. We encourage the readers to consider the information presented here in conjunction with the City's financial statements, which follow this report, as well as the separately issued financial statements of the Yankton Housing and Redevelopment Commission, a discretely presented component unit of the City.

Financial Highlights

- The assets and deferred outflows of resources of the City of Yankton exceeded liabilities and deferred inflows of resources at December 31, 2017 by \$119,735,682. Of this amount \$24,240,058 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net position increased by \$7,105,195 during the year. Of this amount the net position of our Governmental Activities increased \$2,788,575 and the net position of our Business-Type Activities increased by \$4,316,620. The governmental net position increased in large part due to decreases in expenses, and the business type net position increases in large part due to increases in charges for services.
- The City's Governmental Fund Balances increased \$2,028,752 in 2017. Exhibit 4 details the increases.
- The City's long-term debt decreased \$110,348 in 2017. This decrease occurred from net increases in the Water Revenue Bonds and Solid Waste Management Loans offset by decreases in long term debt Wastewater Revenue Bonds, the Sales Tax Revenue Bonds, and the Certificates of Participation from annual debt service payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities

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

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

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

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

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

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

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

THE CITY AS TRUSTEE

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

THE CITY AS A WHOLE

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

CITY OF YANKTON'S NET POSITION

	Governmental		Business-Type		Total	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 22,449,424	\$ 20,574,451	\$ 8,841,070	\$ 13,850,155	\$ 31,290,494	\$ 34,424,606
Capital Assets	<u>58,946,350</u>	<u>59,202,936</u>	<u>56,046,581</u>	<u>46,218,724</u>	<u>114,992,931</u>	<u>105,421,660</u>
Total Assets	<u>81,395,774</u>	<u>79,777,387</u>	<u>64,887,651</u>	<u>60,068,879</u>	<u>146,283,425</u>	<u>139,846,266</u>
Pension Related						
Deferred Outflows	<u>2,725,745</u>	<u>2,222,301</u>	<u>808,714</u>	<u>681,276</u>	<u>3,534,459</u>	<u>2,903,577</u>
Long-term Liabilities Outstanding	3,891,928	5,151,868	20,242,545	20,584,043	24,134,473	25,735,911
Other Liabilities	<u>1,008,211</u>	<u>949,355</u>	<u>4,237,369</u>	<u>3,424,747</u>	<u>5,245,580</u>	<u>4,374,102</u>
Total Liabilities	<u>4,900,139</u>	<u>6,101,223</u>	<u>24,479,914</u>	<u>24,008,790</u>	<u>29,380,053</u>	<u>30,110,013</u>
Pension Related						
Deferred Inflows	<u>541,491</u>	<u>7,151</u>	<u>160,658</u>	<u>2,192</u>	<u>702,149</u>	<u>9,343</u>
Net Position:						
Net Investment in						
Capital Assets	57,416,350	57,562,936	32,463,155	23,971,769	89,879,505	81,534,705
Restricted	3,849,364	2,974,338	1,766,755	1,223,420	5,616,119	4,197,758
Unrestricted	<u>17,414,175</u>	<u>15,354,040</u>	<u>6,825,883</u>	<u>11,543,984</u>	<u>24,240,058</u>	<u>26,898,024</u>
Ending Net Position	<u>\$ 78,679,889</u>	<u>\$ 75,891,314</u>	<u>\$ 41,055,793</u>	<u>\$ 36,739,173</u>	<u>\$ 119,735,682</u>	<u>\$ 112,630,487</u>

This summary reflects an increase in net position of 3.67% for the Governmental Activities and an increase of 11.75% in the Business-Type Activities. The increase in Business-Type Activities net position was largely Capital Assets. The overall liabilities of the City of Yankton decreased by (\$729,960) or (2.42%), due mainly to decreases in long term debt Wastewater Revenue Bonds, the Sales Tax Revenue Bonds, and the Certificates of Participation.

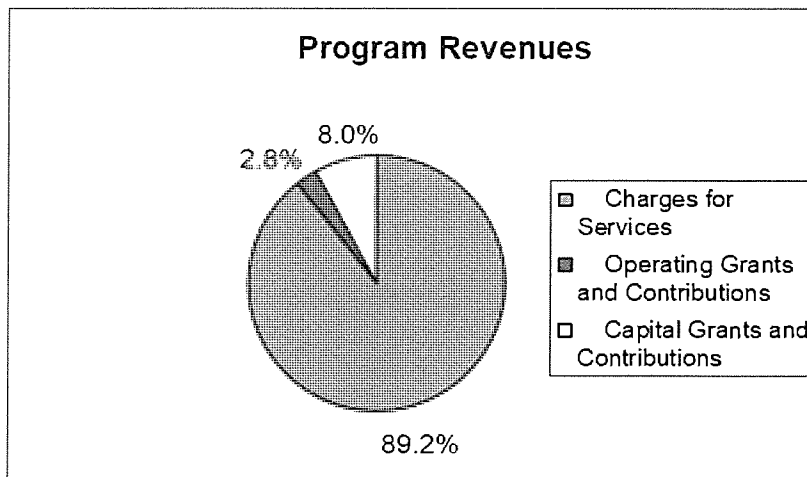
Total revenue reported in 2017 was \$32,299,158, a decrease of (\$2,787,659) or (8.63%). The largest decrease in revenues was in Capital Grants and Contributions; an decrease of (\$3,465,539) or (70.30%). The Property Tax revenues increased \$18,367 or 0.63%, and Sales Tax revenues increased \$249,284 or 2.61%. 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	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for Services	\$ 3,446,071	\$ 3,673,532	\$ 12,782,320	\$ 12,059,275	\$ 16,228,391	\$ 15,732,807
Operating Grants and Contributions	501,267	821,714	-	-	501,267	821,714
Capital Grants and Contributions	343,733	2,121,993	1,120,548	2,807,827	1,464,281	4,929,820
General Revenues:						
Property Taxes	2,953,544	2,935,177	-	-	2,953,544	2,935,177
Sales Taxes	9,793,170	9,543,886	-	-	9,793,170	9,543,886
Other Taxes	781,617	771,235	-	-	781,617	771,235
Other	377,807	241,287	199,081	100,377	576,888	352,178
Total Revenues	18,197,209	20,108,824	14,101,949	14,967,479	32,299,158	35,086,817
Expenses:						
General Government	1,729,472	1,913,534	-	-	1,684,413	1,913,534
Public Safety	3,490,579	3,730,048	-	-	3,133,037	3,730,048
Public Works	6,283,356	7,039,397	-	-	2,706,186	7,039,397
Culture & Recreation	3,190,623	3,543,709	-	-	2,778,728	3,543,709
Community & Economic Development	496,196	1,255,196	-	-	496,196	1,255,196
Interest on Long-term Debt	149,115	166,279	-	-	149,115	166,279
Water	-	-	3,334,393	3,191,494	3,334,393	3,191,494
Wastewater	-	-	2,894,857	2,939,520	2,894,857	2,939,520
Golf	-	-	838,430	922,031	838,430	922,031
Non-Major Enterprise Funds	-	-	2,786,942	2,238,164	2,786,942	2,238,164
Total Expenses	15,339,341	17,648,163	9,854,622	9,291,209	25,193,963	26,939,372
Increase (Decrease) in Net Position						
Before Transfers	2,857,868	2,460,661	4,247,327	5,686,784	7,105,195	8,147,445
Transfers	(69,293)	(394,412)	69,293	394,412	-	-
Increase in Net Position	2,788,575	2,066,249	4,316,620	6,081,196	7,105,195	8,147,445
Net Position January 1	75,891,314	73,825,065	36,739,173	30,657,977	112,630,487	104,483,042
Net Position December 31	\$ 78,679,889	\$ 75,891,314	\$ 41,055,793	\$ 36,739,173	\$ 119,735,682	\$ 112,630,487

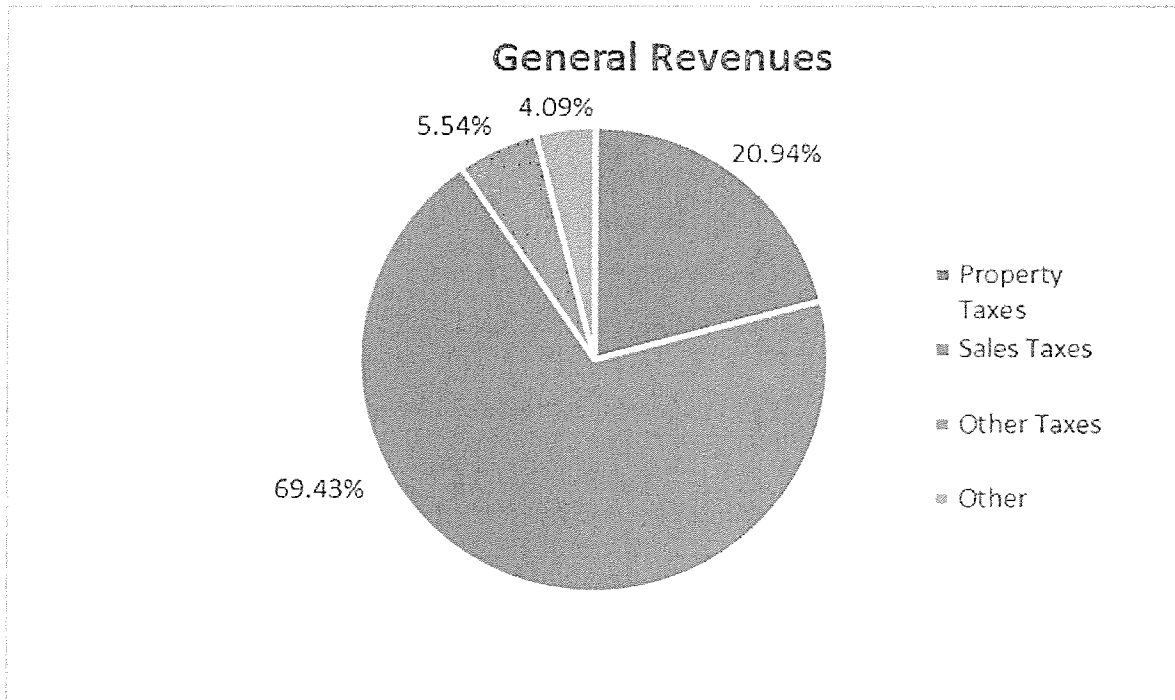
Charges for Services in the Business-Type Activities increased \$723,045 or 6.0% due in most part to a modest 3% rate increase in Water, a 5% increase in Wastewater, and a 17.8% in Solid Waste Collections (reflective of a City Commission decision to implement single stream recycling). Business-Type Activities Total Expenses increased by \$563,413 or 6.06%. Governmental Activities Total Expenses decreased (\$2,308,822) or (13.08%).

Program Revenues total \$18,193,939 for 2017. Governmental Activities provided \$4,291,071 and Business-Type Activities provided \$13,902,868. Revenue collected for Charges for Services during 2017 was \$16,228,391 accounting for 89.2% of the total program revenues. Revenue collected for Capital Grants and Contributions accounts for 8.0% of the total program revenues. The following chart breaks down program revenues by sources:



General Revenues for 2017 totaled \$14,105,219. Governmental Activities provided \$13,906,138 and Business-Type Activities provided \$199,081. Sales Tax Revenues for 2017 totaled \$9,793,170 and Property Tax Revenue totaled \$2,953,544. The Sales Tax Revenues accounted for 69.43% and Property Tax Revenues were 20.94% of General Revenues. The following chart breaks down General Revenues by source:

GENERAL REVENUES



Expenses for 2017 totaled \$25,193,963, a decrease of (6.48%). Expenses for Governmental Activities totaled \$15,339,341 accounting for 60.9% of the total expenses. Expenses for Business-Type Activities totaled \$9,854,622 accounting for 39.1% of total expenses.

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

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

Governmental Activities

To aid in the understanding of the Statement of Activities (Exhibit 2) some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses and Changes in Fund Balance. Please note that the expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense) Revenue calculation. This format highlights the respective financial burden that each of the functions place on the taxpayers. For example, for Public Safety in 2017, the City spent \$3,490,579 and received \$94,566 in charges for services, \$119,677 in operating grants and contributions, thus leaving a cost to the taxpayers of (\$3,276,336) 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 \$15,339,341. Of these costs, \$3,446,071 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 \$501,267, and costs paid by other governments and organizations that subsidized certain programs with capital grants and contributions were \$343,733, leaving a Net Expense of (\$11,048,270) 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 \$94,019,230, consisting of Net Position January 1, 2017 of \$75,891,314, General Revenues and transfers of \$13,836,845, and Program Revenues of \$4,291,071. Total Governmental Activities during the year expended \$15,339,341; thus, Net Position was increased by \$2,788,575 to \$78,679,889.

Business Type Activities

Business-Type Activities increased the City's net position by \$4,316,620.

The cost of all Business-Type Activities this year was \$9,854,622. As shown in the Statement of Activities, the amounts paid by users of the systems were \$12,782,320 and \$1,120,548 was funded from capital grants and contributions, resulting in a net gain for Business-Type Activities of \$4,048,246.

Total resources available during the year to finance Business-Type Activities were \$50,910,415 consisting of Net Position January 1, 2017 of \$36,739,173, Program Revenues of \$13,902,868 and General Revenues and Transfers of \$268,374. Total Business-Type Activities during the year expended \$9,854,622; thus Net Position was increased by \$4,316,620 to \$41,055,793.

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 2017 of \$20,958,835 (30.5% non-spendable, 6.35% restricted, 59.51% committed, 3.11% assigned, and 0.53% unassigned). The combined Governmental Funds fund balance increased \$2,028,752 from the prior year. The fund balance amount consists of \$6,392,489 of non-spendable funds committed for 1) perpetual care for cemetery \$50,000, 2) \$9,416 of inventories, 3) \$270,270 in vested reserve in our insurance carrier the South Dakota Public Assurance Association or SDPAA, 4) inventory of land for resale \$2,373,411 and 5) long term advances \$3,689,392; \$1,329,920 of restricted funds; \$12,473,448 of committed funds; \$651,436 of assigned funds, and \$111,542 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 \$9,815,635, an increase of \$346,122. 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 50.2% of total general fund expenditures, while total fund balance represents 84.5% of that same amount.

General fund revenues in 2017 increased \$28,885 or 0.23% due mostly to increases in property taxes, sales taxes, and licenses and permits. Expenditures increased \$349,181 or 3.1%. The increase in expenditures included an increase of \$137,958 in current expenditures, an increase of 13.35%, an increase of \$213,933 in capital outlay, an increase of 20.47% from 2016's expenditures and a decrease of \$2,710 in debt service, a decrease of 1.42% from 2016.

The Special Capital Improvements Fund showed an increase in fund balance of \$1,504,421. This reflects a decrease in revenues of (\$262,614), an increase in expenditures of \$1,078,037, and a decrease in transfers out of (\$1,901,966).

The Public Improvements Fund showed an increase in fund balance of \$29,393. This reflects a decrease in revenues of (\$535,124), an increase in expenditures of (\$534,375), and a decrease in transfers in of (\$175,000).

The Infrastructure Improvements Fund showed an increase in fund balance of \$22,778. This reflects zero change in revenues, an increase in expenditures of \$2,074,963, an increase in transfers in of (\$1,464,367) and a decrease in transfers out of (\$20,223).

Financial Analysis of the City's Funds (Continued)

The TID #5 Fund balance remained a negative fund balance to end 2017 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 end of year balance increased \$126,038 to \$2,031,338.

GENERAL FUND BUDGETARY HIGHLIGHTS

Comparing the 2017 original (adopted) General Fund budget of \$14,408,650 to the final budget amount of \$14,906,455 shows a net increase of \$497,805. However, actual expenditures were \$2,789,555 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, 2017 was \$89,879,505 (net of accumulated depreciation and outstanding financings). This was an increase of \$8,344,800 or 10.23%. The comparative totals for capital assets for 2016 and 2017 are as follows:

CITY OF YANKTON CAPITAL ASSETS (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 3,623,276	\$ 3,623,276	\$ 814,623	\$ 814,623	\$ 4,437,899	\$ 4,437,899
Construction in Progress	4,046,774	3,748,548	13,003,921	18,719,577	17,050,695	22,468,125
Buildings & Structures / Infrastructure	43,433,868	44,219,194	38,548,043	23,067,299	81,981,911	67,286,493
Land Improvements	-	-	2,121,948	2,125,054	2,121,948	2,125,054
Furniture and Equipment	<u>7,842,432</u>	<u>7,611,918</u>	<u>1,558,046</u>	<u>1,492,171</u>	<u>9,400,478</u>	<u>9,104,089</u>
Total	<u>\$ 58,946,350</u>	<u>\$ 59,202,936</u>	<u>\$ 56,046,581</u>	<u>\$ 46,218,724</u>	<u>\$ 114,992,931</u>	<u>\$ 105,421,660</u>

Buildings and Structures / Infrastructure was the major increase in capital outlays for 2017 for Business-Type Activities; and the only decrease (slight) in capital assets in Governmental Activities. See note 6 in the financial statements for more information on the City's capital assets.

DEBT ADMINISTRATION

At 2017 year end the City had \$25,280,557 of debt outstanding, an decrease of \$110,000. This increase in debt was due to increases in the Water Revenue Bonds and Solid Waste Management Loans offset by decreases in long term debt Wastewater Revenue Bonds, the Sales Tax Revenue Bonds, and the Certificates of Participation from annual debt service payments.

Of the total debt, \$3,585,000 or 14.18% is to be paid from governmental activities including \$2,055,000 specifically from sales tax funds, and \$1,530,000 from property tax opt-out dollars; and \$21,695,557 or 85.82% in business type activities including \$16,781,388 to be repaid from water user fees, \$580,492 to be paid from landfill revenues and \$4,333,677 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 \$46,773,179 with outstanding debt (less debt service reserves) of \$12,453,703, leaving an unused balance of \$34,319,476 or 73.3% 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 \$11,519,782 of outstanding debt backed by surcharges with the legal debt capacity being \$93,546,359 leaving \$82,026,578 or 87.6% 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 2017 was \$58,597,456. It was an increase of \$40,320,536 or 320.7% of the 2016 total of \$18,276,920. The average annual building permit value for the last ten years was \$27,902,801 and the 2017 total value was 210% more than that average. New construction building permits included a new Wells Fargo Bank, Yankton Water Treatment Plant, the 70-unit Westbrook Estates Apartments, the new 4-unit Larry's Rental Apartments and a Jimmy John's Restaurant. Commercial additions and remodels included Bomgaar's Supply renovation, Northtown Motors addition, Crane-Youngworth Field renovations, National Field Archery Association addition, and Perkin's Family Restaurant renovation. There were thirty-three new home-building permits issued during the year, a decrease of five from 2016. There were also 30 new Housing units in town home situations and 78 apartments with 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 beginning construction on an estimated \$34 million water treatment facility. The City also completed construction of a new Collector Well to replace and supplement our current water supplies and completed construction on a replacement Lift Station on the East side of Yankton.

Another indicator of economic activity is the taxable sales for Yankton that are reported by the South Dakota Department of Revenue. Our 2017 sales were up 2.53% over 2016's figures and totaled \$522,446,543.

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.

(THIS PAGE INTENTIONALLY LEFT BLANK)

BASIC FINANCIAL STATEMENTS

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF NET POSITION
December 31, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Housing & Redevelopment
ASSETS				
Cash and Cash Equivalents	\$ 17,512,663	\$ 5,233,662	\$ 22,746,325	\$ 168,377
Receivables:				
Taxes	28,285	-	28,285	-
Accounts	50,954	1,507,069	1,558,023	5,736
Special Assessments	157,426	-	157,426	-
Due from Other Governmental Agencies	1,546,953	349,755	1,896,708	-
Prepaid Expenses	154,976	83,989	238,965	7,977
Property Held for Resale, At Cost	2,373,411	-	2,373,411	-
Inventories	174,016	410,848	584,864	-
Restricted Assets:				
Cash and Cash Equivalents	153,247	1,247,670	1,400,917	-
Deposits	270,270	-	270,270	-
Net Pension Asset	27,223	8,077	35,300	-
Land	3,623,276	814,623	4,437,899	-
Construction in Progress	4,046,774	13,003,921	17,050,695	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	51,276,300	42,228,037	93,504,337	733
Total Assets	<u>81,395,774</u>	<u>64,887,651</u>	<u>146,283,425</u>	<u>182,823</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows	2,725,745	808,714	3,534,459	-
LIABILITIES				
Accounts Payable	496,683	2,413,877	2,910,560	145
Accrued Wages	179,700	50,733	230,433	-
Accrued Interest Payable	12,303	137,048	149,351	-
Revenue Collected in Advance	-	-	-	3,020
Payables from Restricted Assets:				
Customer Deposits	1,020	4,070	5,090	-
Noncurrent Liabilities:				
Due within one year:				
Revenue Bonds Payable	-	1,603,307	1,603,307	-
General Obligation Bonds	120,000	-	120,000	-
Capital Lease	115,000	-	115,000	-
Compensated Absences	83,505	28,334	111,839	2,637
Due in more than one year:				
Revenue Bonds Payable	-	20,097,212	20,097,212	-
Capital Lease	1,415,000	-	1,415,000	-
General Obligation Bonds	1,935,000	-	1,935,000	-
Estimated Postemployment Benefit Obligation	68,731	16,254	84,985	-
Compensated Absences	473,197	129,079	602,276	1,563
Total Liabilities	<u>4,900,139</u>	<u>24,479,914</u>	<u>29,380,053</u>	<u>7,365</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows	541,491	160,658	702,149	-
Total Deferred Inflows of Resources	<u>541,491</u>	<u>160,658</u>	<u>702,149</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	57,416,350	32,463,155	89,879,505	733
Restricted for:				
Housing Vouchers	-	-	-	24,639
Debt Service	184,147	1,110,622	1,294,769	-
SDRS Pension Purposes	2,211,477	656,133	2,867,610	-
Lodging Sales Tax	960,272	-	960,272	-
Cumulative Reserve-SDPAA	270,270	-	270,270	-
Other Purposes	65,652	-	65,652	-
Expendable	107,546	-	107,546	-
Nonexpendable	50,000	-	50,000	-
Unrestricted	17,414,175	6,825,883	24,240,058	150,086
Total Net Position	<u>\$ 78,679,889</u>	<u>\$ 41,055,793</u>	<u>\$ 119,735,682</u>	<u>\$ 175,458</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Governmental Activities:			
General Government	\$ 1,729,472	\$ 1,989,683	\$ -
Public Safety	3,490,579	94,566	119,677
Public Works	6,283,356	731,368	279,753
Culture and Recreation	3,190,623	630,454	101,837
Community Development	496,196	-	-
Interest on Long-Term Debt	149,115	-	-
Total Governmental Activities	<u>15,339,341</u>	<u>3,446,071</u>	<u>501,267</u>
Business-Type Activities:			
Water	3,334,393	6,113,359	-
Wastewater	2,894,857	3,640,266	-
Solid Waste	1,509,658	1,105,793	-
Joint Powers- Landfill	1,277,284	1,210,946	-
Golf Course	838,430	711,956	-
Total Business-Type Activities	<u>9,854,622</u>	<u>12,782,320</u>	<u>-</u>
Component Units:			
Housing & Redevelopment	610,559	-	608,382
Total Component Unit	<u>\$ 610,559</u>	<u>\$ -</u>	<u>\$ 608,382</u>
General Revenues:			
Property taxes			
Sales and other Taxes			
Lodging Sales Tax			
Interest			
Reimbursements			
Miscellaneous			
Proceeds from Sale of Non Capitalized Assets			
Interfund Transfers			
Total General Revenues and Transfers			
Change in Net Position			
Net Position - Beginning			
Net Position - Ending			

EXHIBIT 2

Program Revenues Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position			Component Unit Housing & Redevelopment
	Governmental Activities	Business-Type Activities	Total	
\$ -	\$ 260,211	\$ -	\$ 260,211	\$ -
-	(3,276,336)	-	(3,276,336)	-
242,983	(5,029,252)	-	(5,029,252)	-
100,000	(2,358,332)	-	(2,358,332)	-
750	(495,446)	-	(495,446)	-
-	(149,115)	-	(149,115)	-
<u>343,733</u>	<u>(11,048,270)</u>		<u>(11,048,270)</u>	<u>-</u>
99,543		2,878,509	2,878,509	-
1,019,076		1,764,485	1,764,485	-
-		(403,865)	(403,865)	-
1,929		(64,409)	(64,409)	-
-		(126,474)	(126,474)	-
<u>1,120,548</u>		<u>4,048,246</u>	<u>4,048,246</u>	<u>-</u>
-	-	-	-	(2,177)
<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,177)</u>
	2,953,544	-	2,953,544	-
	9,793,170	-	9,793,170	-
	781,617	-	781,617	-
	232,360	128,990	361,350	332
	116,244	-	116,244	-
	-	67,091	67,091	1,165
	29,203	3,000	32,203	-
	(69,293)	69,293	-	-
	<u>13,836,845</u>	<u>268,374</u>	<u>14,105,219</u>	<u>1,497</u>
	2,788,575	4,316,620	7,105,195	(680)
	<u>75,891,314</u>	<u>36,739,173</u>	<u>112,630,487</u>	<u>176,138</u>
	<u>\$ 78,679,889</u>	<u>\$ 41,055,793</u>	<u>\$ 119,735,682</u>	<u>\$ 175,458</u>

CITY OF YANKTON, SOUTH DAKOTA
BALANCE SHEET
Governmental Funds
December 31, 2017

	General	Special Capital Improvements	Public Improvement
<u>Assets</u>			
Cash and Cash Equivalents	\$ 5,573,402	\$ 10,044,264	\$ -
Receivables (Net where applicable, of allowance for uncollectibles):			
Taxes	28,285	-	-
Accounts	34,815	-	-
Special Assessments	28,005	-	-
Due from Other Funds	-	2,026,590	-
Due from Other Governmental Agencies	774,186	658,972	-
Advances to Other Funds	3,689,392	-	-
Inventories	9,416	-	-
Property Held for Resale, At Cost	19,033	-	2,354,378
Restricted Assets:			
Cash and Cash Equivalents	-	-	-
Deposits	270,270	-	-
Total Assets	10,426,804	12,729,826	2,354,378
 <u>Liabilities</u>			
Accounts Payable	248,133	156,956	-
Accrued Wages	157,158	-	-
Due to Other Funds	-	-	1,611,670
Customer Deposits	1,020	-	-
Advances from Other Funds	-	-	-
Total Liabilities	406,311	156,956	1,611,670
 <u>Deferred Inflows of Resources</u>			
Unavailable revenue- property taxes	28,285	-	-
Unavailable revenue- special assessments	28,005	-	-
Unavailable revenue- other taxes	131,791	99,422	-
Unavailable revenue- other	16,777	-	-
Total Deferred Inflows of Resources	204,858	99,422	-
 <u>Fund Balances</u>			
Non-Spendable:			
Perpetual Care	-	-	-
Inventories	9,416	-	-
Cumulative Reserve-SDPAA	270,270	-	-
Property Held for Resale	19,033	-	2,354,378
Long Term Advances	3,689,392	-	-
Restricted:			
Debt Service	-	-	-
Lodging Sales Tax	-	-	-
Perpetual Care	-	-	-
Other Purposes	-	-	-
Committed:			
Special Capital Improvements (sales tax)	-	12,473,448	-
Assigned:			
Capital Projects	-	-	-
Unassigned	5,827,524	-	(1,611,670)
Total Fund Balances (Deficits)	9,815,635	12,473,448	742,708
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 10,426,804	\$ 12,729,826	\$ 2,354,378

EXHIBIT 3

TID #5	Infrastructure Improvement	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 1,781,085	\$ 17,398,751
-	-	-	28,285
-	-	16,139	50,954
-	-	129,421	157,426
-	-	-	2,026,590
-	-	104,989	1,538,147
-	-	-	3,689,392
-	-	-	9,416
-	-	-	2,373,411
-	-	153,247	153,247
-	-	-	270,270
-	-	2,184,881	27,695,889
-	-	20,305	425,394
-	-	19,280	176,438
-	414,902	18	2,026,590
-	-	-	1,020
3,689,392	-	-	3,689,392
3,689,392	414,902	39,603	6,318,834
-	-	-	28,285
-	-	102,054	130,059
-	-	11,886	243,099
-	-	-	16,777
-	-	113,940	418,220
-	-	50,000	50,000
-	-	-	9,416
-	-	-	270,270
-	-	-	2,373,411
-	-	-	3,689,392
-	-	196,450	196,450
-	-	960,272	960,272
-	-	107,546	107,546
-	-	65,652	65,652
-	-	-	12,473,448
-	-	651,436	651,436
(3,689,392)	(414,902)	(18)	111,542
(3,689,392)	(414,902)	2,031,338	20,958,835
\$ -	\$ -	\$ 2,184,881	\$ 27,695,889

(THIS PAGE INTENTIONALLY LEFT BLANK)

CITY OF YANKTON, SOUTH DAKOTA
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION
 December 31, 2017

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

Total Fund Balance - Governmental Funds (page 18)	\$ 20,958,835
Infrastructure, property, and equipment used in governmental activities are not financial resources and, therefore, are not reported in the funds	58,786,046
Unavailable revenues that do not provide current financial resources for governmental activities	418,220
Accrued expenses from the balance sheet that do not require current financial resources for governmental activities	(12,303)
Prepaid expenses are reported in the governmental activities but are not reported in the funds as they do not provide current economic resources.	152,442
Pension related deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, are not due and payable in the current year and, therefore are not reported in the governmental funds.	2,150,924
Long-term liabilities, such as Bonds and Notes Payable as well as Capital Leases and Accrued Compensated Absences are not due and payable in the current period and therefore are not reported in the funds	(4,134,575)
Other Post Employment Benefit Liabilities are not due and payable in the current period and therefore are not reported in the funds	(55,281)
The Net Pension Asset does not provide resources in the current period and therefore is not reported in the funds	26,808
Internal Service Funds are used by management to charge the costs of certain activities, such as the central garage to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	388,773
Total Net Position - Governmental Activities (page 14)	<u>\$ 78,679,889</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Funds
For the Year Ended December 31, 2017

	<u>General</u>	<u>Special Capital Improvements</u>	<u>Public Improvement</u>
Revenue:			
Property Taxes	\$ 2,733,551	\$ -	\$ -
Sales and Other Taxes	5,827,059	3,926,223	-
Special Assessments	-	-	-
Licenses and Permits	437,955	-	-
Intergovernmental	504,565	180,859	11,928
Charges for Services	2,844,950	-	-
Fines and Forfeits	7,394	-	-
Interest on Investments	59,867	141,221	6
Contributions	8,771	-	-
Miscellaneous	71,591	24,400	-
Total Revenue	<u>12,495,703</u>	<u>4,272,703</u>	<u>11,934</u>
Current Expenditures:			
General Government	1,887,855	-	-
Public Safety	2,775,560	-	-
Public Works	2,737,636	-	-
Culture and Recreation	2,770,297	-	-
Community Development	-	-	-
Capital Outlay:			
Public Works	516,282	2,743,936	7,541
Culture and Recreation	340,256	-	-
General Government	45,059	-	-
Public Safety	357,542	-	-
Debt Service	188,608	-	-
Total Expenditures	<u>11,619,095</u>	<u>2,743,936</u>	<u>7,541</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>876,608</u>	<u>1,528,767</u>	<u>4,393</u>
Other Financing Sources (Uses):			
Proceeds From Sale of Capital Assets	29,203	-	-
Transfers In	201,515	-	25,000
Transfers Out	(761,204)	(24,346)	-
Total Other Financing Sources (Uses)	<u>(530,486)</u>	<u>(24,346)</u>	<u>25,000</u>
Net Change in Fund Balance	346,122	1,504,421	29,393
Fund Balances (Deficits)-Beginning of Year	<u>9,469,513</u>	<u>10,969,027</u>	<u>713,315</u>
Fund Balances (Deficits)- End of Year	<u>\$ 9,815,635</u>	<u>\$ 12,473,448</u>	<u>\$ 742,708</u>

EXHIBIT 4

Infrastructure Improvement	TID #5	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 140,281	\$ 78,481	\$ 2,952,313
-	-	802,568	10,555,850
-	-	249,443	249,443
-	-	-	437,955
-	-	161,483	858,835
-	-	48,803	2,893,753
-	-	-	7,394
-	-	25,907	227,001
-	-	11,806	20,577
-	6,000	1,940	103,931
-	146,281	1,380,431	18,307,052
-	-	-	1,887,855
-	-	578,247	3,353,807
-	-	78,499	2,816,135
-	-	106,380	2,876,677
-	-	562,943	562,943
1,719	-	307,692	3,577,170
-	-	71,639	411,895
-	-	-	45,059
-	-	-	357,542
-	-	193,865	382,473
1,719	-	1,899,265	16,271,556
(1,719)	146,281	(518,834)	2,035,496
-	-	-	29,203
44,720	-	795,415	1,066,650
(20,223)	(146,281)	(150,543)	(1,102,597)
24,497	(146,281)	644,872	(6,744)
22,778	-	126,038	2,028,752
(437,680)	(3,689,392)	1,905,300	18,930,083
\$ (414,902)	\$ (3,689,392)	\$ 2,031,338	\$ 20,958,835

(THIS PAGE INTENTIONALLY LEFT BLANK)

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, 2017

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

Net change in fund balances - total governmental funds (page 21) \$ 2,028,752

Governmental funds report capital outlays, including infrastructure, as expenditures. However, in the statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current year:

Expenditures for capital assets	\$ 2,591,018	
Depreciation Expense	<u>(2,897,220)</u>	(306,202)

Governmental fixed assets are not recorded in governmental funds. In the current year, an asset was transferred from governmental activities to business type activities. The net book value of the asset was recorded as a transfer out on the Statement of Activities (33,346)

Revenues reported in the funds that are not available to provide current financial resources: (73,572)

Capital contributions reported in the Statement of Activities do not provide current financial resources and are not reported as revenues in the funds 100,000

Accrued interest expense that does not require current financial resources: 577

Governmental funds report special assessments as revenue when it becomes available, but the statement of activities includes special assessments as revenue when levied. (195,691)

Pension expenses reported in the Statement of Activities do not require the use of current financial resources. 798,095

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 173,150

Governmental funds report the proceeds from the sale of fixed assets as revenue, whereas the statement of activities reports the (Loss) on the sale of fixed assets. This is the effect on the change in net position on the statement of activities. (4,613)

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. 29,640

Prepaid insurance is not reported in the governmental funds as it is not available to provide current financial resources: 19,867

The effect of bond issuance premiums are shown in the governmental funds when new debt is issued, whereas, these amounts are deferred and accreted in the Statement of Activities: 8,358

Other Post-Employment Benefits that do not require current financial resources. 32,794

Compensated absences that do not require current financial resources. (14,234)

The repayment of the principal of bonded long-term debt consumes the current financial resources of governmental funds without affecting the net assets. The statement of activities does not reflect the payment of principal on bonded long-term debt. The principal paid on bonded long-term debt during the current year was: 225,000

Change in net position of governmental activities (page 16) \$ 2,788,575

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF NET POSITION
Proprietary Funds
December 31, 2017

	Business-Type	
	Water	Wastewater
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 3,841,296	\$ 592,439
Receivables (Net where applicable, of allowance for uncollectibles):		
Accounts	732,958	525,194
Due from Other Governmental Agencies	-	349,755
Prepaid Insurance	23,921	26,558
Inventories	197,538	156,805
Total Current Assets	4,795,713	1,650,751
Noncurrent Assets:		
Restricted Assets:		
Cash and Cash Equivalents	655,831	518,863
Net Pension Asset	2,151	2,209
Land	128,117	66,666
Construction in Progress	13,003,921	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	25,829,330	11,928,480
Total Noncurrent Assets	39,619,350	12,516,218
Total Assets	44,415,063	14,166,969
 DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferred Outflows	215,345	221,216
 LIABILITIES		
Current Liabilities:		
Accounts Payable	2,101,006	237,704
Accrued Wages	17,416	11,923
Accrued Interest Payable	108,500	27,357
Accrued Compensated Absences	9,473	6,545
Customer Deposits	4,070	-
Revenue Bonds Payable- Current	696,564	847,691
Total Current Liabilities	2,937,029	1,131,220
Noncurrent Liabilities:		
Revenue Bonds Payable	16,084,824	3,490,948
Accrued Compensated Absences	43,153	29,815
Estimated Postemployment Benefit Obligation	-	7,132
Total Noncurrent Liabilities	16,127,977	3,527,895
Total Liabilities	19,065,006	4,659,115
 DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferred Inflows	42,780	43,946
 NET POSITION		
Net investment in capital assets,	20,321,753	7,631,827
Restricted for:		
Debt Service	547,331	491,506
SDRS Pension Purposes	174,716	179,479
Unrestricted	4,478,822	1,382,312
Total Net Position	\$ 25,522,622	\$ 9,685,124

EXHIBIT 5

<u>Business-Type</u>		<u>Governmental</u>
<u>Non-Major</u>		<u>Activities-</u>
<u>Enterprise Funds</u>	<u>Totals</u>	<u>Internal</u>
		<u>Service Fund</u>
\$ 799,927	\$ 5,233,662	\$ 113,912
248,917	1,507,069	-
-	349,755	8,806
33,510	83,989	2,534
56,505	410,848	164,600
<u>1,138,859</u>	<u>7,585,323</u>	<u>289,852</u>
72,976	1,247,670	-
3,717	8,077	415
619,840	814,623	7,000
-	13,003,921	-
<u>4,470,227</u>	<u>42,228,037</u>	<u>153,304</u>
<u>5,166,760</u>	<u>57,302,328</u>	<u>160,719</u>
<u>6,305,619</u>	<u>64,887,651</u>	<u>450,571</u>
<u>372,153</u>	<u>808,714</u>	<u>41,593</u>
75,167	2,413,877	71,289
21,394	50,733	3,262
1,191	137,048	-
12,316	28,334	1,069
-	4,070	-
59,052	1,603,307	-
<u>169,120</u>	<u>4,237,369</u>	<u>75,620</u>
521,440	20,097,212	-
56,111	129,079	6,058
9,122	16,254	13,450
<u>586,673</u>	<u>20,242,545</u>	<u>19,508</u>
<u>755,793</u>	<u>24,479,914</u>	<u>95,128</u>
<u>73,932</u>	<u>160,658</u>	<u>8,263</u>
4,509,575	32,463,155	160,304
71,785	1,110,622	-
301,938	656,133	33,745
964,749	6,825,883	194,724
<u>\$ 5,848,047</u>	<u>\$ 41,055,793</u>	<u>\$ 388,773</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Proprietary Funds
For the Year Ended December 31, 2017

	<u>Business-Type</u>	
	<u>Water</u>	<u>Waste-water</u>
Operating Revenues:		
Charges for Services	\$ 6,113,359	\$ 3,640,266
Operating Expenses:		
Personal Services	586,598	508,497
Insurance	65,461	89,053
Professional Services	34,721	63,261
Tipping Fees	-	-
State Fees	5,000	12,500
Repairs and Maintenance	195,727	207,253
Cost of Sales and Service	-	-
Supplies and Materials	254,523	40,005
Travel and Conference	1,007	798
Utilities	311,776	172,798
Billing and Administration	655,905	626,754
Depreciation	867,219	1,030,693
Total Operating Expenses	<u>2,977,937</u>	<u>2,751,612</u>
Operating Income (Loss)	3,135,422	888,654
Non-Operating Income (Expense):		
Interest Income	108,506	8,562
Intergovernmental Revenue	99,543	994,746
Gain on Disposition of Assets	-	-
Miscellaneous, net	2,622	912
Interest Expense	(356,456)	(143,245)
Total Non-Operating Income (Expenses)	<u>(145,785)</u>	<u>860,975</u>
Income Before Contributions and Transfers	2,989,637	1,749,629
Transfers In	-	-
Transfers (Out)	(71,346)	(60,047)
Capital Contributions	-	24,330
Change in Net Position	2,918,291	1,713,912
Net Position - Beginning	<u>22,604,331</u>	<u>7,971,212</u>
Net Position - Ending	<u>\$ 25,522,622</u>	<u>\$ 9,685,124</u>

EXHIBIT 6

<u>Business-Type</u>		<u>Governmental</u>
<u>Non-Major</u>		<u>Activities-</u>
<u>Enterprise Funds</u>	<u>Totals</u>	<u>Internal</u>
		<u>Service Fund</u>
\$ 3,028,695	\$ 12,782,320	\$ 743,416
946,068	2,041,163	102,123
26,685	181,199	-
619,531	717,513	36,594
165,209	165,209	-
-	17,500	-
288,675	691,655	4,941
822,028	822,028	-
87,899	382,427	504,155
1,561	3,366	-
56,330	540,904	17,282
254,908	1,537,567	-
343,082	2,240,994	23,338
<u>3,611,976</u>	<u>9,341,525</u>	<u>713,776</u>
(583,281)	3,440,795	29,640
11,922	128,990	-
1,929	1,096,218	-
3,000	3,000	-
63,557	67,091	-
(13,396)	(513,097)	-
<u>67,012</u>	<u>782,202</u>	<u>-</u>
(516,269)	4,222,997	29,640
167,340	167,340	-
-	(131,393)	-
<u>33,346</u>	<u>57,676</u>	<u>-</u>
(315,583)	4,316,620	29,640
<u>6,163,630</u>	<u>36,739,173</u>	<u>359,133</u>
<u>\$ 5,848,047</u>	<u>\$ 41,055,793</u>	<u>\$ 388,773</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF CASH FLOWS
Proprietary Funds
For the Year Ended December 31, 2017

	Business-Type	
	Water	Waste- Water
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 6,034,248	\$ 3,569,820
Cash Received from Interfund Services Provided	-	23,540
Cash Paid to Suppliers for Goods and Services	(2,134,988)	(1,890,028)
Cash Paid to Employees for Services	(661,114)	(591,847)
Cash Paid for Interfund Services	(13,690)	(28,930)
Other Nonoperating Revenues	2,622	911
Net Cash Provided (Used) from Operating Activities	<u>3,227,078</u>	<u>1,083,466</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(7,943,444)	(1,725,688)
Proceeds from Sale of Fixed Assets	-	-
Proceeds from Bond Issuance	1,268,047	-
Principal Paid on Notes, Bonds and Leases	(637,168)	(814,632)
Interest Paid on Notes and Bonds	(349,971)	(148,276)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(7,662,536)</u>	<u>(2,688,596)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Due to Other Funds	-	-
Due from Other Governments	-	994,746
Transfers (Out)	(71,346)	(60,047)
Receipts from Other Governments	-	209,733
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(71,346)</u>	<u>1,144,432</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and Dividends on Investments	108,506	8,562
Net Cash Provided from Investing Activities	<u>108,506</u>	<u>8,562</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,398,298)	(452,136)
Cash and Cash Equivalents at Beginning of Year	8,895,425	1,563,438
Cash and Cash Equivalents at End of Year	<u>4,497,127</u>	<u>1,111,302</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	3,135,422	888,654
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	867,219	1,030,693
Other Non-Operating Income (Expense)	2,622	911
(Increase) Decrease in Assets:		
Accounts Receivable	(79,111)	(46,906)
Prepaid Expenses	(2,464)	(2,235)
Net Pension Asset / Liability	(82,459)	(85,558)
Pension Related Deferred Outflows	(34,946)	(33,986)
Inventories	(6,420)	8,290
Increase (Decrease) in Liabilities:		
Accounts Payable	(617,049)	(712,591)
Customer Deposits	1,376	-
Accrued Wages	618	(545)
Accrued Compensated Absences	1,479	1,785
Estimated Postemployment Benefit Obligation	(1,409)	(8,390)
Pension Related Deferred Inflows	42,200	43,344
Unearned Revenue	-	-
Total Adjustments	<u>91,656</u>	<u>194,812</u>
Net Cash Provided by Operating Activities	<u>3,227,078</u>	<u>1,083,466</u>
Supplemental Schedule of Noncash Capital and Related Financing Activities:		
Transfer of Asset from Governmental Activities to Business Type Activities	\$ -	\$ -
Developers and City Contribution of Capital Assets	-	24,330
	<u>\$ -</u>	<u>\$ 24,330</u>
Reconciliation of Cash and Cash Equivalents to the Balance Sheet:		
Cash and Cash Equivalents	3,841,296	592,439
Restricted Cash and Cash Equivalents	655,831	518,863
	<u>\$ 4,497,127</u>	<u>\$ 1,111,302</u>

EXHIBIT 7

Business-Type		Governmental
Nonmajor		Activities-
Enterprise Funds	Totals	Internal
		Service Fund
\$ 3,008,684	\$ 12,612,752	\$ 93,000
6,669	30,209	623,547
(2,103,671)	(6,128,687)	(548,874)
(1,082,726)	(2,335,687)	(122,667)
(223,876)	(266,496)	23,839
63,557	67,090	-
<u>(331,363)</u>	<u>3,979,181</u>	<u>68,845</u>
(341,523)	(10,010,655)	(10,913)
3,000	3,000	-
436,200	1,704,247	-
(38,254)	(1,490,054)	-
(12,661)	(510,908)	-
<u>46,762</u>	<u>(10,304,370)</u>	<u>(10,913)</u>
(148,749)	(148,749)	-
288,871	1,283,617	-
167,340	35,947	-
1,929	211,662	-
<u>309,391</u>	<u>1,382,477</u>	<u>-</u>
11,922	128,990	-
<u>11,922</u>	<u>128,990</u>	<u>-</u>
36,712	(4,813,722)	57,932
<u>836,191</u>	<u>11,295,054</u>	<u>55,980</u>
<u>872,903</u>	<u>6,481,332</u>	<u>113,912</u>
(583,281)	3,440,795	29,640
343,082	2,240,994	23,338
63,557	67,090	-
(13,342)	(139,359)	(1,189)
(4,354)	(9,053)	(365)
(143,341)	(311,358)	(16,059)
(58,506)	(127,438)	(6,452)
127	1,997	7,571
(494)	(1,330,134)	30,411
-	1,376	-
(825)	(752)	520
(1,777)	1,487	(742)
(5,131)	(14,930)	(5,978)
72,922	158,466	8,150
-	-	-
<u>251,918</u>	<u>538,386</u>	<u>39,205</u>
<u>(331,363)</u>	<u>3,979,181</u>	<u>68,845</u>
\$ -	\$ -	\$ -
<u>33,346</u>	<u>57,676</u>	<u>-</u>
<u>\$ 33,346</u>	<u>\$ 57,676</u>	<u>\$ -</u>
799,927	5,233,662	113,912
72,976	1,247,670	-
<u>\$ 872,903</u>	<u>\$ 6,481,332</u>	<u>\$ 113,912</u>

CITY OF YANKTON, SOUTH DAKOTA
STATEMENT OF NET POSITION
Fiduciary Funds
December 31, 2017

	Agency Funds
Assets	
Cash and Cash Equivalents	\$ 29,725
Total Assets	29,725
 Liabilities	
Accounts Payable	483
Other Accrued Expenses	29,242
Total Liabilities	29,725
 Net Position	
Unrestricted	-
Total Net Position	\$ -

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

Proprietary Fund-type Discretely Presented The Yankton Housing and Redevelopment Commission is a proprietary fund-type discretely presented component unit of the City of Yankton whose year end is June 30, 2017. In October of 1994, the City of Yankton adopted a resolution to establish the Yankton Housing and Redevelopment Commission to administer the United States Department of Housing and Urban Development, Section 8 Existing Certificate, Voucher, and Moderate Rehabilitation Program. The program became operational in November 1994. The governing board of the commission is made up of five residents of the City of Yankton who have been appointed by the Mayor of the City of Yankton and with the approval of the City Commission. The City of Yankton retains the statutory authority to approve or deny or otherwise modify the Commission's plans to construct low-income housing units, or to enter into any housing development involving the use of eminent domain, which gives the City the ability to impose its will on the Commission. The Commission had a June 30, 2017 Year End and the report may be obtained by writing to the Yankton Housing and Redevelopment Commission, PO Box 176, Yankton, South Dakota 57078.

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

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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

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

B. Basic Financial Statements – Government-Wide Statement

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

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

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

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

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

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

C. Basis of Accounting

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

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

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

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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

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

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

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

D. Fund Accounting

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

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

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

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

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

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

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

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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

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

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

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

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

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

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

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

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

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

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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

The City has the following agency funds:

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

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

The City reports the following major governmental funds:

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

Special Revenue Fund:

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

Capital Projects Funds:

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

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.

The City reports the following major enterprise funds:

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

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

E. Cash and Investments

The City combines all cash to participate in an entity-wide cash and investment pool except for specific bond indenture investments required to be separately invested. In general, SDCL 4-5-6 permits municipal funds to be invested in (a) securities of the United States and securities guaranteed by the United States government either directly or indirectly, including, without limitations, United States treasury bills, notes, bonds, and other obligations issued or directly or indirectly guaranteed by the United States government, or otherwise directly or indirectly backed by the full faith and credit of the United States government; provided that, for other than permanent, trust, retirement, building, and depreciation reserve funds, such securities shall either mature within eighteen months from the date of purchase or be

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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

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.

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.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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

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

J. Deferred Outflow/Inflows of Resources

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

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

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

K. Restricted Assets

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

L. Compensated Absences

City employees accumulate a limited amount of earned but unused vacation and compensation time hours for subsequent use or for payment upon termination, death or retirement. This liability as well as the corresponding employee benefits, is recorded when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for the portion which is expected to be liquidated with expendable available financial resources. This amount normally consists of payments to employees who had resigned or retired at year end, but had not yet been compensated for the accrued absences. The compensated absences liability has been computed based on rates of pay in effect at December 31, 2017. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund, with small portions being paid by the Central Garage. All accrued sick leave time accumulated is forfeited upon separation from service. Such amounts therefore do not constitute a liability. Sick leave earned over maximum accumulation is paid for, on the basis of one hour pay for each two hours earned, with the first pay day in the next January. These amounts have been accrued at year end.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

M. Amortization of Bond Discounts and Premiums

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

N. Equity Classifications

Government-wide Financial Statements:

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

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

O. Application of Net Position

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

P. Fund Equity

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

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

- Nonspendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that can only be used for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

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

- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balances may be assigned by action of the City Commission.
- Unassigned – includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

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

Q. Fixed Assets

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

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

Interest costs for capital-asset construction within enterprise funds are capitalized. Interest costs incurred during 2017 were \$453,022 of which \$168,393 has been capitalized.

NOTE 2 - CASH AND CASH EQUIVALENTS

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

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

At year-end, the City's deposits in banks were covered by federal depository insurance, and the accounts which exceeded FDIC coverage were properly collateralized per state statutes. The City's bank deposits,

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 2 - CASH AND CASH EQUIVALENTS – (CONTINUED)

per banks, at December 31, 2017 were \$24,410,062. 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.

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, 2017, consisted of the following:

	Utility Accounts Receivable	Special Assessment Receivable
Fund:		
Infrastructure Improvement Revolving	\$ -	\$ 42,000
Water Fund	24,313	-
Wastewater Fund	12,835	-
Solid Waste Fund	12,316	-
	\$ 49,464	\$ 42,000

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 5 - DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at December 31, 2017, include the following:

	General	Special Capital Improvement Fund	Non-Major Governmental Funds
County Remitted Taxes	\$ 6,148	\$ -	\$ -
County share of Senior Center and Others	7,068	-	-
County and Other Garage Charges	-	-	-
State Remitted Sales Tax	662,170	658,972	71,824
State Remitted Liquor and Other Taxes	27,319	-	-
State Road Aid	53,376	-	-
Grants	-	-	7,563
Other	18,105	-	25,602
	<u>\$ 774,186</u>	<u>\$ 658,972</u>	<u>\$ 104,989</u>

	Internal Service	Wastewater	Total
County Remitted Taxes	\$ -	\$ -	\$ 6,148
County share of Senior Center and Others	-	-	7,068
County and Other Garage Charges	8,806	-	8,806
State Remitted Sales Tax	-	-	1,392,966
State Remitted Liquor and Other Taxes	-	-	27,319
State Road Aid	-	-	53,376
Grants	-	349,755	357,318
Other	-	-	43,707
	<u>\$ 8,806</u>	<u>\$ 349,755</u>	<u>\$ 1,896,708</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 6 - CAPITAL ASSETS

A summary of the changes in the capital assets for the year ended December 31, 2017, is as follows:

	Balance January 1, 2017	Additions	Deletions	Reclassification	Balance December 31, 2017
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 3,623,276	\$ -	\$ -	\$ -	\$ 3,623,276
Construction in Progress	3,748,548	1,415,800	1,117,574	-	4,046,774
Total capital assets not being depreciated	7,371,824	1,415,800	1,117,574	-	7,670,050
Capital assets being depreciated:					
Buildings & Structures/Infrastructure	70,102,246	1,117,574	157,012	-	71,062,808
Furniture & Equipment	16,611,949	1,292,795	285,694	(83,364)	17,535,686
Total capital assets being depreciated:	86,714,195	2,410,369	442,706	(83,364)	88,598,494
Less: Accumulated Depreciation for:					
Buildings & Structures/Infrastructure	25,883,052	1,902,900	157,012	-	27,628,940
Furniture & Equipment	9,000,031	1,017,658	274,417	(50,018)	9,693,254
Total Accumulated Depreciation	34,883,083	2,920,558	431,429	(50,018)	37,322,194
Total Capital Assets being depreciated, net	51,831,112	(510,189)	11,277	(33,346)	51,276,300
Governmental activities capital assets, net	\$ 59,202,936	\$ 905,611	\$ 1,128,851	\$ (33,346)	\$ 58,946,350

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 6 - CAPITAL ASSETS – (CONTINUED)

	Balance January 1, 2017	Additions	Deletions	Reclassification	Balance December 31, 2017
Business-Type Activities:					
Capital Assets not being depreciated:					
Land	\$ 814,623	\$ -	\$ -	\$ -	\$ 814,623
Construction in Progress	18,719,577	11,664,131	17,379,787	-	13,003,921
Total capital assets not being depreciated:	<u>19,534,200</u>	<u>11,664,131</u>	<u>17,379,787</u>	<u>-</u>	<u>13,818,544</u>
Capital Assets being depreciated:					
Buildings and Structures	54,429,200	17,379,787	71,015	-	71,737,972
Land Improvements	2,190,048	-	-	-	2,190,048
Furniture & Equipment	5,769,255	371,374	189,240	83,364	6,034,753
Total capital assets, being depreciated	<u>62,388,503</u>	<u>17,751,161</u>	<u>260,255</u>	<u>83,364</u>	<u>79,962,773</u>
Less: Accumulated Depreciation for:					
Buildings and Structures	31,361,901	1,899,043	71,015	-	33,189,929
Land Improvements	64,994	3,106	-	-	68,100
Furniture & Equipment	4,277,084	338,845	189,240	50,018	4,476,707
Total Accumulated Depreciation	<u>35,703,979</u>	<u>2,240,994</u>	<u>260,255</u>	<u>50,018</u>	<u>37,734,736</u>
Total Capital Assets, being depreciated, net	<u>26,684,524</u>	<u>15,510,167</u>	<u>-</u>	<u>33,346</u>	<u>42,228,037</u>
Business-type activities capital assets, net	<u>\$ 46,218,724</u>	<u>\$ 27,174,298</u>	<u>\$ 17,379,787</u>	<u>\$ 33,346</u>	<u>\$ 56,046,581</u>

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

Governmental Activities:	
General Government	\$ 21,395
Community Development	2,273
Public Safety	322,507
Public Works	1,988,480
Culture & Recreation	<u>585,903</u>
Total depreciation expense - governmental activities	<u>\$ 2,920,558</u>

Depreciation expense of \$23,338 was charged to the Internal Service Fund and is included in the Public Works total shown above.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 6 - CAPITAL ASSETS – (CONTINUED)

Business-Type Activities:	
Water	\$ 867,219
Wastewater	1,030,693
Solid Waste	83,187
Golf Course	65,699
Joint Powers Landfill	<u>194,196</u>
Total depreciation expense - business-type activities	<u>\$ 2,240,994</u>

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

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Component Unit:				
Capital Assets, being depreciated				
Furniture & Equipment	\$ 4,615	\$ -	\$ -	\$ 4,615
Total capital assets, being depreciated	<u>4,615</u>	<u>-</u>	<u>-</u>	<u>4,615</u>
Less: Accumulated Depreciation	<u>3,482</u>	<u>400</u>	<u>-</u>	<u>3,882</u>
Component unit capital assets, net	<u>\$ 1,133</u>	<u>\$ (400)</u>	<u>\$ -</u>	<u>\$ 733</u>

Reconciliation of Net Investment in Capital Assets:

	Governmental Activities	Business-Type Activities
Land	\$ 3,623,276	\$ 814,623
Construction in Progress	4,046,774	13,003,921
Capital Assets (Net of Accumulated Depreciation)	51,276,300	42,228,037
Less: Revenue Bonds	-	21,700,519
Capital Leases	1,530,000	-
Retainage Payable	-	815,151
Accounts Payable	-	<u>1,067,756</u>
Net Investment in Capital Assets	<u>\$ 57,416,350</u>	<u>\$ 32,463,155</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 7 - COMMITMENTS

During the year ended December 31, 2017, the City had entered into several construction contracts totaling approximately \$53,077,169 of which approximately \$24,712,952 had been expended to date. The remaining balance will be paid as work progresses.

NOTE 8 - CAPITAL LEASE

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

	Beginning Balance	Additions	Reductions	Ending Balance
Capital Leases Payable	\$1,640,000	\$ -	\$ (110,000)	\$1,530,000

An agreement was entered with The First Dakota National Bank in Sioux Falls (Lessor/Trustee) for the financing to construct a new city fire station. The Declaration of Trust Agreement, the Lease-Purchase Agreement and Ground Lease Agreement between the City and The First Dakota National Bank along with the issuance of \$2,420,000 of Certificates of Participation were completed in February 2009. These agreements are evidence of the Bank's ownership interest in the lease-purchase assets with the City of Yankton. The City is the agent for the Bank for the construction of the fire station building. The bid was awarded and construction began on the fire station building in January 2009 and was completed in 2010. The interest rate on the Certificates of Participation varies from 2.10% to 5.00% and the lease payment terms match the terms of the certificates with final payment December 1, 2028. Property tax funds have been pledged to make the lease payments over the term of the lease.

The following is a schedule of future minimum lease payments under capital lease, together with the net present value of the minimum lease payments as of December 31, 2017.

Year Ending December 31,	Principal	Interest	Total
2018	\$ 115,000	\$ 71,780	\$ 186,780
2019	120,000	67,065	187,065
2020	120,000	61,785	181,785
2021	130,000	56,505	186,505
2022	135,000	50,525	185,525
2023 – 2027	770,000	151,518	921,518
2028	140,000	7,000	147,000
Totals	\$1,530,000	\$ 466,178	\$ 1,996,178

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 9 - LONG-TERM DEBT

A. Bonds Payable/Notes Payable:

The following is a summary of debt transactions of the City for the year ended December 31, 2017 (in thousands of dollars):

	Governmental		Enterprise			Total
	2011 Sales Tax Bond	Water Revenue (SRF)	Wastewater Revenue (SRF)	2011 Wastewater Refunding Bonds	Joint Power Landfill Revenue Loans (SWMP) (RLA)	
Notes/Bonds Payable at January 1, 2017	\$ 2,170	\$ 16,250	\$ 3,228	\$ 1,920	\$ 183	\$ 23,751
Notes/Bonds Issued	-	1,268	-	-	436	1,704
Notes/Bonds Retired	(115)	(737)	(354)	(460)	(38)	(1,704)
Notes/Bonds Payable at December 31, 2017	\$ 2,055	\$ 16,781	\$ 2,874	\$ 1,460	\$ 581	\$ 23,751

Debt outstanding at December 31, 2017, is comprised of the following individual issues:

	Due Within One Year	Due After One Year	Total
2011 Sales Tax Revenue Bonds – Dated June 1, 2011, maturing December 1, 2012-2031, with an average interest rate of 3.71%. Funds were used to provide economic development incentives and are to be paid by the Debt Service Fund, using TID generated taxes.	\$ 120,000	\$ 1,935,000	\$ 2,055,000
2011 Wastewater Revenue Refunding Bonds – Dated April 1, 2011, maturing December 1, 2011-2020, with an average interest rate of 2.63%, paid by the Wastewater Fund.	475,000	985,000	1,460,000
Solid Waste Management Program (SWMP) and Regional Landfill Assistance (RLA) loans maturing June 1, 2012, June 1, 2025, and June 1, 2026 with an interest rate of 3% per annum, paid by the Joint Powers Landfill Fund.	59,052	521,440	580,492
Water Revenue Bonds (SRF) maturing October 1, 2023, through 2046 with interest rates of 3.5%, 3.25% and 3.0% per annum, paid by the Water Fund.	696,564	16,084,824	16,781,388
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.	372,691	2,500,986	2,873,677
Totals	\$1,723,307	\$ 22,027,250	\$ 23,750,557

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 9 - LONG-TERM DEBT – (CONTINUED)

The business-type activity revenue bonds are shown net of \$4,962 of unaccreted bond premiums on the Statement of Net Position.

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

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

On November 25, 2014, the City issued not to exceed \$3,330,000 of Clean Water State Revolving Fund loans for sewer improvements. The bonds carry an interest rate of 3.0%. At December 31, 2017, \$593,805 had been drawn on the bonds.

On November 17, 2014, the City issued \$12,850,000 of Drinking Water State Revolving Fund Bonds, to be used to finance improvements to its system of waterworks. The bonds have an interest rate of 3%. As of December 31, 2017, \$11,519,782 had been drawn on the loan.

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

B. Annual Debt Service Requirements

The annual requirements to amortize all debt outstanding as of December 31, 2017, including interest payments of \$8,059,075 are as follows:

Year Ending December 31	2011 Sales Tax Bonds		Wastewater Revenue		Water Revenue	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 120,000	\$ 75,850	\$ 372,691	\$ 92,878	\$ 696,564	\$ 503,346
2019	120,000	72,850	385,792	79,777	718,839	481,071
2020	125,000	69,610	399,355	66,214	741,830	458,080
2021	130,000	65,845	413,394	52,175	765,561	434,349
2022	130,000	62,085	427,928	37,641	790,053	409,856
2023-2027	730,000	237,695	555,760	68,172	3,297,424	1,720,530
2028-2032	700,000	77,530	161,334	36,619	2,976,276	1,234,219
2033-2037	-	-	157,423	10,838	2,107,902	872,964
2038-2042	-	-	-	-	2,447,663	533,204
2043-2046	-	-	-	-	2,239,276	145,420
	<u>\$2,055,000</u>	<u>\$ 661,465</u>	<u>\$2,873,677</u>	<u>\$ 444,314</u>	<u>\$16,781,388</u>	<u>\$ 6,793,039</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 9 - LONG-TERM DEBT (CONTINUED)

Year Ending December 31	Joint Power Landfill (RLA) (SWMP)		Wastewater Refunding		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 59,052	\$ 13,924	\$ 475,000	\$ 43,862	\$ 1,723,307	\$ 729,860
2019	60,534	12,442	485,000	30,800	1,770,165	676,940
2020	62,054	10,921	500,000	16,250	1,828,239	621,075
2021	63,614	9,362	-	-	1,372,569	561,731
2022	65,213	7,763	-	-	1,413,194	517,345
2023-2027	270,025	14,933	-	-	4,853,209	2,041,330
2028-2032	-	-	-	-	3,837,610	1,348,368
2033-2037	-	-	-	-	2,265,325	883,802
2038-2042	-	-	-	-	2,447,663	533,204
2043-2046	-	-	-	-	2,239,276	145,420
	<u>\$ 580,492</u>	<u>\$ 69,345</u>	<u>\$ 1,460,000</u>	<u>\$ 90,912</u>	<u>\$ 23,750,557</u>	<u>\$ 8,059,075</u>

C. Accrued Compensated Absences and OPEB Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 543,210	\$ 96,181	\$ 82,689	\$ 556,702	\$ 83,505
Other Post Employment Benefit Obligation	107,485	-	38,754	68,731	-
Business-Type Activities:					
Compensated Absences	155,928	24,874	23,389	157,413	28,334
Other Post Employment Benefit Obligation	31,184	-	14,930	16,254	-
Total Accrued Compensated Absences and OPEB Liabilities	<u>\$ 837,807</u>	<u>\$ 121,055</u>	<u>\$ 159,762</u>	<u>\$ 799,100</u>	<u>\$ 111,839</u>

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

NOTE 10 - INTERFUND ASSETS/LIABILITIES

The purpose of the City's interfund balances is to help finance short-term cash flow shortages of various funds. Individual short-term interfund receivable and payable balances at December 31, 2017 were as follows:

	Interfund Receivables	Interfund Payables
Due From/To Other Funds:		
Capital Projects – Special Capital Improvements	\$ 2,026,590	\$ -
Capital Projects – Public Improvement	-	1,611,670
Infrastructure Improvement	-	414,902
Special Revenue – TID #5	-	18
	<u>\$ 2,026,590</u>	<u>\$ 2,026,590</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 10 - INTERFUND ASSETS/LIABILITIES – (CONTINUED)

As of December 31, 2017, long-term advances were as follows:

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

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

NOTE 11 - DEFICIT FUND BALANCES/RETAINED EARNINGS

As of December 31, 2017, the following funds had deficit fund balances:

Special Revenue:	
TID #5	\$ 3,689,392
TID #8	18
Capital Projects:	
Infrastructure Improvement	\$ 414,902

The TID #5 deficit will be refunded through future TID property tax collections.
The TID #8 deficit will be refunded through future TID property tax collections.
The Capital Projects funds will be funded through assessment collections and other financing.

NOTE 12 - PENSION PLAN

Plan Information

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

Benefits Provided

SDRS has three different classes of employees, Class A, Class B public safety and Class B judicial. Class A retirement benefits are determined as 1.7 percent prior to 2008 and 1.55 percent thereafter of the employee's final 3-year average compensation times the employee's years of service. Employees with 3 years of service are eligible to retire at age 55. Class B public safety benefits are determined as 2.4 percent for service prior to 2008 and 2.0 percent thereafter of employee final average compensation. Class B judicial benefits are determined as 3.733 percent for service prior to 2008 and 3.333 percent thereafter of employee final average compensation. All Class B employees with 3 years of service are eligible to retire at age 45. Employees are eligible for service-related disability benefits regardless of length of service. Three years of service is required for nonservice-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits are a percent of the employee's final average salary.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 12 - PENSION PLAN (CONTINUED)

The annual increase in the amount of the SDRS benefits payable on each July 1st is indexed to the consumer price index (CPI) based on SDRS funded status:

- If the SDRS market value funded ratio is 100% or more – 3.1% COLA
- If the SDRS market value funded ratio is 80.0% to 99.9%, index with the CPI
- 90.0% to 99.9% funded — 2.1% minimum and 2.8% maximum COLA
- 80.0% to 90.0% funded — 2.1% minimum and 2.4% maximum COLA
- If the SDRS market value funded ratio is less than 80% -- 2.1% COLA

The 2017 legislation modified the COLA, effective for the July 1, 2018 increase:

- Baseline actuarial accrued liabilities will be calculated assuming the COLA is equal to the 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.

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

Contributions:

Per SDCL 3-12, contribution requirements of the active employees and the participating employers are established and may be amended by the SDRS Board. Covered employees are required by state statute to contribute the following percentages of their salary to the plan; Class A Members, 6.0% of salary; Class B Judicial Members, 9.0% of salary; and Class B Public Safety Members, 8.0% of salary. State statute also requires the employer to contribute an amount equal to the employee's contribution. State statute also requires the employer to make an additional contribution in the amount of 6.2 percent for any compensation exceeding the maximum taxable amount for social security for general employees only. The City's share of contributions to the SDRS for the years ended 2017, 2016, and 2015 were \$460,571, \$449,258, and \$441,414, respectively, equal to the required contributions each year.

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

At June 30, 2017, SDRS is 100.1% funded and, accordingly, has a net pension liability. The proportionate shares of the components of the net pension asset of South Dakota Retirement System, for the City as of the measurement period ending June 30, 2017 and reported by the City as of December 31, 2017 are as follows:

Proportionate share of net position restricted for pension benefits	\$ 45,257,646
Less: proportionate share Net Pension restricted for pension benefits	<u>45,292,946</u>
Proportionate share of net pension liability (asset)	<u>\$ (35,300)</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 12 - PENSION PLAN (CONTINUED)

At December 31, 2017, the City reported an (asset) of \$(35,300) for its proportionate share of the net pension (asset). The net pension (asset) was measured as of June 30, 2017 and the total pension (asset) used to calculate the net pension (asset) was based on a projection of the City's share of contributions to the pension plan relative to the contributions of all participating entities. At June 30, 2017, the City's proportion was 0.38897970%, which is an increase of .00063231% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the City recognized pension expense of \$805,384. At December 31, 2017 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between expected and actual experience	\$ 565,607	\$ -
Changes in assumption	2,740,850	-
Net Difference between projected and actual earnings on pension plan investments	-	678,684
Changes in Proportion and difference between City contributions and proportionate share of contributions	-	23,465
City contributions subsequent to the measurement date	228,002	-
TOTAL	\$ 3,534,459	\$ 702,149

\$228,002 reported as deferred outflow of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

<u>Year Ended</u>	
<u>December 31</u>	
2018	\$ 704,218
2019	1,189,345
2020	874,264
2021	(163,519)
Total	\$ 2,604,308

Actuarial Assumptions:

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary Increases	6.5 percent at entry to 3.00 percent after 30 years of service
Discount Rate	6.5 percent net of plan investment expense

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

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 12 - PENSION PLAN (CONTINUED)

Investment portfolio management is the statutory responsibility of the South Dakota Investment Council (SDIC), which may utilize the services of external money managers for management of a portion of the portfolio. SDIC is governed by the Prudent Man Rule (i.e., the council should use the same degree of care as a prudent man). Current SDIC investment policies dictate limits on the percentage of assets invested in various types of vehicles (equities, fixed income securities, real estate, cash, private equity, etc.). The long-term expected rate of return on pension plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2017 (see the discussion of the pension plan's investment policy) are summarized in the following table using geometric means:

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

Discount Rate:

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

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

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability (asset)	\$ 6,465,245	\$ (35,300)	\$(5,328,859)

Pension Plan Fiduciary Net Position:

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

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 13 - TRANSFERS

The following is a summary of transfers between funds:

	General	Public Improvement	Infrastructure Improvement	Nonmajor Governmental	Nonmajor Enterprise	Total Transfer Out
General	\$ -	\$ -	\$ -	\$ 593,864	\$ 167,340	\$ 761,204
Nonmajor						
Governmental	30,553	25,000	44,720	50,270	-	150,543
Infrastructure						
Improvement	19,346	-	-	5,000	-	24,346
Special Capital						
Improvements	20,223	-	-	-	-	20,223
TID #5	-	-	-	146,281	-	146,281
Wastewater	60,047	-	-	-	-	60,047
Water	71,346	-	-	-	-	71,346
Transfer In	<u>\$201,515</u>	<u>\$ 25,000</u>	<u>\$ 44,720</u>	<u>\$ 795,415</u>	<u>\$ 167,340</u>	<u>\$ -</u>

Transfers are used to:

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

NOTE 14 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the period ended December 31, 2017, the City managed its risks as follows:

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

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

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

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 14 - RISK MANAGEMENT (CONTINUED)

End of City's First Full Year	50%
End of City's Second Full Year	60%
End of City's Third Full Year	70%
End of City's Fourth Full Year	80%
End of City's Fifth Full Year	90%
End of City's Sixth Full Year and Thereafter	100%

As of December 31, 2017, the City has vested balance in the cumulative reserve fund of \$270,270.

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

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

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

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

NOTE 15 - VIOLATIONS OF FINANCE-RELATED LEGAL REQUIREMENTS

The City is prohibited by statute from spending in excess of appropriated amounts at the department/fund level. In 2017, expenditures did not exceed the appropriated amounts in any department of the General Fund.

NOTE 16 - OTHER POST EMPLOYMENT BENEFITS

Plan Description. The City of Yankton's Other Post-Employment Benefit Plan is a single-employer defined benefit healthcare plan administered by the Municipality. Under the plan an employee who has a minimum of 15 years' service and who has been insured through the City's group health insurance for a minimum of 5 years is eligible to continue with the City's health insurance plan until they reach the age of Medicare eligibility with the City paying 50% of the premium. The retiree's spouse may also continue on the City's plan with the City paying 50% of the premium. The retiree's spouse may also continue on the City's plan with the City paying 50% if the spouse was added to the group prior to retirement. Authority for providing such benefits are found in South Dakota Codified Law 6-1-16 and 9-14-35. Benefit provisions were established and may be amended by the City Board of Commissioners. Premiums are based on the full active employee premium rate. The plan does not issue separately stated standalone financial statements. Following January 1, 2014, no new retirees shall be admitted into the program.

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

Annual OPEB Cost and NET OPEB Obligation. The City's annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution. Because the Plan was terminated as of December 31, 2013, allowing no new participants, the liability was calculated based upon known premium costs for the 13 participants. The following table shows the components of the City's annual OPEB for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the plan:

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

<i>Annual required contribution</i>	\$ -
<i>Interest on net OPEB obligation</i>	-
<i>Adjustment to annual required contribution</i>	<u>(8,304)</u>
<i>Annual OPEB cost</i>	(8,304)
<i>Contributions made</i>	<u>(45,380)</u>
<i>Decrease in net OPEB obligation</i>	(53,684)
<i>Net OPEB obligation – beginning of year</i>	<u>138,669</u>
<i>Net OPEB obligation – end of year</i>	<u>\$ 84,985</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2008 - 2017 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2008	\$ 289,513	24.02%	\$ 219,973
2009	289,511	24.02%	439,944
2010	289,511	24.02%	659,915
2011	(34,999)	-	626,349
2012	(34,995)	-	592,779
2013	(34,995)	-	559,211
2014	(257,314)	-	249,302
2015	(9,522)	-	190,500
2016	(8,304)	-	138,669
2017	(8,304)	-	84,985

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2017 as follows:

Accrued liability	\$ 84,985
Value of plan assets	-
Unfunded accrued liability	<u>\$ 84,985</u>
Funded ratio (value of plan assets/AL)	0%
Covered payroll (active plan members)	\$ 0
UAAL as a percentage of covered payroll	N/A

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the value of plan assets are increasing or decreasing over time relative to the accrued liabilities for benefits.

The assumptions included an annual medical healthcare cost trend rate of 5%.

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 17 – SAFETY CENTER AGREEMENT

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

There are two components to the lease. The first being an operations and maintenance cost component in which the County and City will share the costs of operations and maintenance of the facility at a rate of 89.25% and 10.75% respectively. This percentage is based upon the actual square footage used by the City as well as one half of various mutually agreed upon shared areas. Changes to the space allocation will be reviewed each April, and any changes resulting in cost changes will be approved by both parties. The amount paid by the City to the County for 2017 for this component was \$30,143.

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

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

NOTE 18 – RESTRICTED NET POSITION

Restricted Net Position for the year ended December 31, 2017 was as follows:

Major Purposes:

Lodging Sales Tax – Enabling Legislation	\$ 960,272	
Debt Service – External Creditors	1,294,769	
Library – Enabling Legislation	24,608	
Road and Bridges – Enabling Legislation	399	
Total Major Purposes	\$ 2,280,048	

Permanently Restricted Purposes:

Cemetery Perpetual Care – Expendable	107,546	
Cemetery Perpetual Care – Nonexpendable	50,000	
Total Permanently Restricted Purposes	157,546	

Other Purposes:

Dispatch	18,249	
Historic Easement Trust	22,396	
Cumulative Reserve – SDPAA	270,270	
SDRS Pension	2,867,610	
Total Other Purposes	3,178,525	

Total Restricted Net Position	\$ 5,616,119	
-------------------------------	--------------	--

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 19 – TAX ABATEMENTS

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

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

For the year ended December 31, 2017, the City abated \$13,884 of property tax under the urban renewal and economic development projects.

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

For the year ended December 31, 2017, the City abated \$305,594 of municipal retail occupation sales and service tax under said agreements.

NOTE 20 – SUBSEQUENT EVENTS

On February 12, 2018, the City issued \$1,585,000 of certificates of participation refunding bonds series 2018. Interest rates range from 4.4% to 5% over the life of the bond. Proceeds are to be used to refund the certificates issued for the construction of the North Fire Station.

(THIS PAGE INTENTIONALLY LEFT BLANK)

REQUIRED SUPPLEMENTARY INFORMATION
(unaudited)

In accordance with the Governmental Accounting Standards Statements No. 25, No. 27, No. 34, No. 45, No. 68 and No. 77, the following information is a required part of the financial statements.

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACUTAL
General Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
Revenues:				
Taxes - Current Property	\$ 2,556,526	\$ 2,556,526	\$ 2,733,551	\$ 177,025
Taxes - Sales and Other	5,608,091	5,608,091	5,827,059	218,968
Licenses and Permits	352,675	352,675	437,955	85,280
Intergovernmental	1,573,867	1,573,867	504,565	(1,069,302)
Charges for Service	2,317,762	2,317,762	2,844,950	527,188
Fines and Forfeits	14,500	14,500	7,394	(7,106)
Interest	-	--	59,867	59,867
Miscellaneous	35,500	35,500	80,362	44,862
Total Revenues	12,458,921	12,458,921	12,495,703	36,782
Expenditures:				
General Government:				
Board of City Commission	159,446	159,446	154,738	4,708
Office of City Manager	397,965	397,965	299,243	98,722
City Attorney	57,081	57,081	49,490	7,591
Department of Finance	629,447	629,447	578,086	51,361
Information Systems	383,403	497,160	326,910	170,250
Community Development	458,255	476,522	395,576	80,946
Contingency	160,000	160,000	-	160,000
Casulty Reserve Fund	5,000	5,000	-	5,000
Special Appropriations	130,064	130,064	128,871	1,193
Total General Government	2,380,661	2,512,685	1,932,914	579,771
Public Safety:				
Police Department	3,395,506	3,585,796	2,734,077	851,719
Animal Control	74,748	74,748	34,163	40,585
Fire Department	897,956	923,961	550,429	373,532
Civil Defense	5,415	5,415	1,218	4,197
Total Public Safety	4,373,625	4,589,920	3,319,887	1,270,033
Public Works:				
Engineering and Inspection	638,649	638,649	489,181	149,468
Streets and Highways	1,933,651	1,933,651	1,501,596	432,055
Snow and Ice Removal	199,020	256,506	179,881	76,625
City Hall	205,426	215,426	150,259	65,167
Traffic Control	402,103	452,103	419,083	33,020
Chan Gurney Airport	710,559	710,559	515,741	194,818
Total Public Works	4,089,408	4,206,894	3,255,741	951,153

(continued)

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACUTAL
General Fund
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
Culture and Recreation:				
Marne Creek	209,861	223,861	156,868	66,993
Summit Activities Center	791,342	791,342	733,328	58,014
Memorial Park Pool	230,312	234,312	198,285	36,027
Parks and Recreation	1,476,341	1,487,341	1,300,741	186,600
Senior Citizens Center	65,706	68,706	52,684	16,022
Yankton Community Library	791,394	791,394	668,647	122,747
Total Culture and Recreation	<u>3,564,956</u>	<u>3,596,956</u>	<u>3,110,553</u>	<u>486,403</u>
Total Expenditures	<u>14,408,650</u>	<u>14,906,455</u>	<u>11,619,095</u>	<u>3,287,360</u>
Excess of Revenues over Expenditures	<u>(1,949,729)</u>	<u>(2,447,534)</u>	<u>876,608</u>	<u>3,324,142</u>
Other Financing Sources (Uses):				
Operating Transfers In	258,379	258,379	201,515	(56,864)
Operating Transfers (Out)	(3,690,438)	(3,785,057)	(761,204)	3,023,853
Proceeds from Sale of Fixed Assets	-	-	29,203	29,203
Total Other Financing Sources (Uses)	<u>(3,432,059)</u>	<u>(3,526,678)</u>	<u>(530,486)</u>	<u>2,996,192</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	<u>(5,381,788)</u>	<u>(5,974,212)</u>	<u>346,122</u>	<u>6,320,334</u>
Fund Balances at Beginning of Year	<u>9,469,513</u>	<u>9,469,513</u>	<u>9,469,513</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 4,087,725</u>	<u>\$ 3,495,301</u>	<u>\$ 9,815,635</u>	<u>\$ 6,320,334</u>

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACUTAL
Major Special Revenue Fund- TID #5
For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive (Negative)
Revenues:				
Taxes - Current Property	\$ 140,000	\$ 140,000	\$ 140,281	\$ 281
Miscellaneous	-	-	6,000	6,000
Total Revenues	<u>140,000</u>	<u>140,000</u>	<u>146,281</u>	<u>6,281</u>
Expenditures:				
Community Development	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over Expenditures	<u>140,000</u>	<u>140,000</u>	<u>146,281</u>	<u>6,281</u>
Other Financing Sources (Uses):				
Operating Transfers In	53,265	53,265	-	(53,265)
Operating Transfers (Out)	(193,265)	(193,265)	(146,281)	46,984
Total Other Financing Sources (Uses)	<u>(140,000)</u>	<u>(140,000)</u>	<u>(146,281)</u>	<u>(6,281)</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances at Beginning of Year	<u>(3,689,392)</u>	<u>(3,689,392)</u>	<u>(3,689,392)</u>	-
Fund Balances at End of Year	<u>\$ (3,689,392)</u>	<u>\$ (3,689,392)</u>	<u>\$ (3,689,392)</u>	<u>\$ -</u>

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017**

Exhibit 11

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

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

Revisions made during the fiscal year ending December 31, 2017 to the original appropriations by fund were as follows for the General Fund:

	Original Appropriations	Total Revisions	Revised Appropriations
General Fund:			
General Government			
Information Systems	\$ 383,403	\$ 113,757	\$ 497,160
Community Development	458,255	18,267	476,522
Public Safety			
Police Department	3,395,506	190,290	3,585,796
Fire Department	897,956	26,005	923,961
Public Works			
Snow & Ice Removal	199,020	57,486	256,506
City Hall	205,426	10,000	215,426
Traffic Control	402,103	50,000	452,103
Culture and Recreation			
Parks & Recreation	1,476,341	11,000	1,487,341
Memorial Park Pool	230,312	4,000	234,312
Marne Creek	209,861	14,000	223,861
Senior Citizens Center	65,706	3,000	68,706
Transfers Out	3,690,438	94,619	3,785,057

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

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is

CITY OF YANKTON, SOUTH DAKOTA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017

Exhibit 11

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, 2017.

7. Formal budgetary integration is employed as a management control device during the year for the General Fund, capital projects funds, and all special revenue funds, with the exception of the Library Trust and Historic Easement Trust Funds. Formal budgetary integration is not employed for debt service funds because effective budgetary control is alternatively achieved through bond indenture provisions. The City Manager is authorized to transfer budgeted amounts between departments within any fund, except the General Fund. The component unit does not have a formal budget.
8. Budgets for the General Fund, special revenue funds, and capital projects funds are adopted on a basis consistent with U.S. generally accepted accounting principals (GAAP).
9. The City is prohibited by statute from spending in excess of appropriated amounts at the department level in the General Fund. There were no departments where expenditures exceeded appropriations in the General Fund for the year ended December 31, 2017.
10. GAAP/Budgetary Accounting Basis Differences

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

CITY OF YANKTON, SOUTH DAKOTA
 POST EMPLOYMENT HEALTHCARE BENEFITS
 SCHEDULE OF FUNDING PROGRESS
 FOR THE YEAR ENDED DECEMBER 31, 2017

EXHIBIT 12

Audit Period	Actuarial Valuation Date	Value of Assets (a)	Accrued Liability (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
12/31/2008	1/1/2008 *	\$ -	\$ 2,605,358	\$ 2,605,358	0.00%	\$ 5,036,433	51.7%
12/31/2009	1/1/2008	-	2,605,358	2,605,358	0.00%	5,583,033	46.6%
12/31/2010	1/1/2008	-	2,605,358	2,605,358	0.00%	5,912,008	44.1%
12/31/2011	1/1/2011	-	670,952	670,952	0.00%	5,887,184	11.3%
12/31/2012	1/1/2011	-	670,952	670,952	0.00%	6,079,945	11.0%
12/31/2013	1/1/2011	-	670,952	670,952	0.00%	6,285,630	10.7%
12/31/2014	N/A	-	249,302	249,302	0.00%	-	N/A
12/31/2015	N/A	-	190,500	190,500	0.00%	-	N/A
12/31/2016	N/A	-	138,669	138,669	0.00%	-	N/A
12/31/2017	N/A	-	84,985	84,985	0.00%	-	N/A

* Fiscal 2008 was the first year for calculating the Post Employment Benefit Obligation so information from previous years is not available.

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

EXHIBIT 13

South Dakota Retirement System

Last 10 Fiscal Years *
(Dollar amounts in thousands)

	2014	2015	2016	2017
Municipality's proportion of the net pension liability (asset)	0.37916180%	0.38171770%	0.38265660%	0.38897970%
Municipality's proportionate share of net pension liability (asset)	\$ (2,732)	\$ (1,619)	\$ 1,293	\$ (35)
Municipality's covered-employee payroll	\$ 6,257	\$ 6,487	\$ 6,764	\$ 7,360
Municipality's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-43.66%	-24.96%	19.12%	-0.48%
Plan fiduciary net position as a percentage of the total pension liability (asset)	107.3%	104.1%	96.9%	100.1%

* 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**

Exhibit 14

South Dakota Retirement System

Last 10 Years
(Dollar amounts in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Contractually required contribution	\$ 460	\$ 449	\$ 441	\$ 404	\$ 406	\$ 393	\$ 381	\$ 382	\$ 361	\$ 354
Contributions in relation to the contractually required contribution	<u>460</u>	<u>449</u>	<u>441</u>	<u>404</u>	<u>406</u>	<u>393</u>	<u>381</u>	<u>382</u>	<u>361</u>	<u>354</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Municipality's covered-employee payroll	\$ 7,141	\$ 6,973	\$ 6,843	\$ 6,257	\$ 6,286	\$ 6,080	\$ 5,887	\$ 5,912	\$ 5,583	\$ 5,480
Contributions as a percentage of covered-employee payroll	6.45%	6.44%	6.45%	6.46%	6.46%	6.46%	6.47%	6.46%	6.47%	6.46%

OTHER SUPPLEMENTARY INFORMATION

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

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

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

Major Funds:

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

Non-Major Funds:

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

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

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

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

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

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

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

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

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

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

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

Non-Major Fund:

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

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

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

Major Fund:

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

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.

Non-Major Funds:

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

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

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

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

Non-Major Fund:

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

(THIS PAGE INTENTIONALLY LEFT BLANK)

CITY OF YANKTON, SOUTH DAKOTA
 COMBINING BALANCE SHEET
 Governmental Nonmajor Funds
 December 31, 2017

	Special Revenue				
	Debt Service	Dispatch	Business Improvement District	TID #2 Morgan Square	TID #8 Westbrook Estates Phase II
Assets					
Cash and Cash Equivalents	\$ 196,450	\$ 20,000	\$ 365,292	\$ -	\$ -
Receivables (Net where applicable, of allowance for uncollectibles):					
Accounts	-	-	-	-	-
Special Assessments	-	-	-	-	-
Due from Other Governmental Agencies	-	16,532	9,070	-	-
Restricted Assets:					
Cash and Cash Equivalents	-	-	-	-	-
Total Assets	<u>196,450</u>	<u>36,532</u>	<u>374,362</u>	<u>-</u>	<u>-</u>
Liabilities					
Accounts Payable	-	1,242	-	-	-
Accrued Wages	-	17,041	-	-	-
Due to Other Funds	-	-	-	-	18
Total Liabilities	<u>-</u>	<u>18,283</u>	<u>-</u>	<u>-</u>	<u>18</u>
Deferred Inflows of Resources					
Unavailable revenue- special assessments	-	-	-	-	-
Unavailable revenue- other taxes	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Non-Spendable:					
Perpetual Care	-	-	-	-	-
Restricted:					
Debt Service	196,450	-	-	-	-
Dispatch	-	18,249	-	-	-
Perpetual Care	-	-	-	-	-
Lodging Sales Tax	-	-	374,362	-	-
Library	-	-	-	-	-
Road and Bridge Funds	-	-	-	-	-
Historic Easement Trust	-	-	-	-	-
Assigned:					
Capital Projects	-	-	-	-	-
Unassigned	-	-	-	-	(18)
Total Fund Balances	<u>196,450</u>	<u>18,249</u>	<u>374,362</u>	<u>-</u>	<u>(18)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 196,450</u>	<u>\$ 36,532</u>	<u>\$ 374,362</u>	<u>\$ -</u>	<u>\$ -</u>

	Special Revenue				Capital Projects	Permanent	Total Governmental Nonmajor Funds
TID #6 Westbrook Estates	Bridge & Street	Lodging Sales Tax	Library Trust	Historic Easement Trust	Non-Major Capital Projects	Perpetual Care Cemetery	
\$ 7,450	\$ 399	\$ 526,897	\$ 25,506	\$ 22,396	\$ 610,794	\$ 5,901	\$ 1,781,085
-	-	9,449	-	-	5,712	978	16,139
-	-	-	-	-	129,421	-	129,421
-	-	71,824	-	-	7,563	-	104,989
-	-	-	-	-	-	153,247	153,247
<u>7,450</u>	<u>399</u>	<u>608,170</u>	<u>25,506</u>	<u>22,396</u>	<u>753,490</u>	<u>160,126</u>	<u>2,184,881</u>
7,450	-	10,374	898	-	-	341	20,305
-	-	-	-	-	-	2,239	19,280
-	-	-	-	-	-	-	18
<u>7,450</u>	<u>-</u>	<u>10,374</u>	<u>898</u>	<u>-</u>	<u>-</u>	<u>2,580</u>	<u>39,603</u>
-	-	-	-	-	102,054	-	102,054
-	-	11,886	-	-	-	-	11,886
-	-	11,886	-	-	102,054	-	113,940
-	-	-	-	-	-	50,000	50,000
-	-	-	-	-	-	-	196,450
-	-	-	-	-	-	-	18,249
-	-	-	-	-	-	107,546	107,546
-	-	585,910	-	-	-	-	960,272
-	-	-	24,608	-	-	-	24,608
-	399	-	-	-	-	-	399
-	-	-	-	22,396	-	-	22,396
-	-	-	-	-	651,436	-	651,436
-	-	-	-	-	-	-	(18)
-	399	585,910	24,608	22,396	651,436	157,546	2,031,338
<u>\$ 7,450</u>	<u>\$ 399</u>	<u>\$ 608,170</u>	<u>\$ 25,506</u>	<u>\$ 22,396</u>	<u>\$ 753,490</u>	<u>\$ 160,126</u>	<u>\$ 2,184,881</u>

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Governmental Nonmajor Funds
For the Year Ended December 31, 2017

	<u>Special Revenue</u>				
	<u>Debt Service</u>	<u>Dispatch</u>	<u>Business Improvement District</u>	<u>TID #2 Morgan Square</u>	<u>TID #8 Westbrook Estates Phase II</u>
Revenue:					
Taxes	\$ -	\$ -	\$ -	\$ 50,393	\$ -
Sales and Other Taxes	-	-	140,884	-	-
Special Assessments	-	-	-	-	-
Intergovernmental	-	150,816	-	-	-
Charges for Services	-	-	-	-	-
Interest on Investments	-	9,361	5,697	-	-
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenue	<u>-</u>	<u>160,177</u>	<u>146,581</u>	<u>50,393</u>	<u>-</u>
Expenditures:					
Current:					
Public Safety	-	578,247	-	-	-
Public Works	-	-	-	50,393	18
Culture and Recreation	-	-	-	-	-
Community Development	-	-	-	-	-
Capital Outlay:					
Public Works	-	-	229,890	-	-
Culture-Recreation	-	-	-	-	-
Debt Service	193,865	-	-	-	-
Total Expenditures	<u>193,865</u>	<u>578,247</u>	<u>229,890</u>	<u>50,393</u>	<u>18</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(193,865)</u>	<u>(418,070)</u>	<u>(83,309)</u>	<u>-</u>	<u>(18)</u>
Other Financing Sources (Uses):					
Transfers In	196,550	418,684	-	-	-
Transfers Out	-	-	(2,949)	-	-
Total Other Financing Sources (Uses)	<u>196,550</u>	<u>418,684</u>	<u>(2,949)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	2,685	614	(86,258)	-	(18)
Fund Balances - Beginning of Year	193,765	17,635	460,620	-	-
Fund Balances- End of Year	<u>\$ 196,450</u>	<u>\$ 18,249</u>	<u>\$ 374,362</u>	<u>\$ -</u>	<u>\$ (18)</u>

		Special Revenue			Capital Projects		Permanent	Total
TID #6	Bridge	Lodging	Library	Historic	Non-Major	Perpetual	Governmental	
Westbrook	& Street	Sales Tax	Trust	Easement	Capital	Cemetery	Nonmajor	
Estates				Trust	Projects		Funds	
\$ 28,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,481	
-	21,397	640,287	-	-	-	-	802,568	
-	-	-	-	-	249,443	-	249,443	
-	-	-	-	-	10,667	-	161,483	
-	-	19,104	-	-	-	29,699	48,803	
-	309	7,167	312	284	-	2,777	25,907	
-	-	-	11,806	-	-	-	11,806	
-	-	750	-	-	-	1,190	1,940	
<u>28,088</u>	<u>21,706</u>	<u>667,308</u>	<u>12,118</u>	<u>284</u>	<u>260,110</u>	<u>33,666</u>	<u>1,380,431</u>	
-	-	-	-	-	-	-	578,247	
28,088	-	-	-	-	-	-	78,499	
-	-	-	10,342	-	-	96,038	106,380	
-	-	562,943	-	-	-	-	562,943	
-	61,281	-	-	-	16,521	-	307,692	
-	-	-	-	-	71,639	-	71,639	
-	-	-	-	-	-	-	193,865	
<u>28,088</u>	<u>61,281</u>	<u>562,943</u>	<u>10,342</u>	<u>-</u>	<u>88,160</u>	<u>96,038</u>	<u>1,899,265</u>	
-	(39,575)	104,365	1,776	284	171,950	(62,372)	(518,834)	
-	5,000	-	-	-	110,000	65,181	795,415	
-	-	(102,874)	-	-	(44,720)	-	(150,543)	
-	5,000	(102,874)	-	-	65,280	65,181	644,872	
-	(34,575)	1,491	1,776	284	237,230	2,809	126,038	
-	34,974	584,419	22,832	22,112	414,206	154,737	1,905,300	
<u>\$ -</u>	<u>\$ 399</u>	<u>\$ 585,910</u>	<u>\$ 24,608</u>	<u>\$ 22,396</u>	<u>\$ 651,436</u>	<u>\$ 157,546</u>	<u>\$ 2,031,338</u>	

CITY OF YANKTON, SOUTH DAKOTA
COMBINING BALANCE SHEET
Nonmajor Capital Projects Funds
December 31, 2017

	Park Capital Projects
<u>Assets</u>	
Cash and Cash Equivalents	\$ 24,397
Accounts Receivable	-
Due from Other Governments	-
Special Assessments	-
Total Assets	24,397
 <u>Deferred Inflows of Resources</u>	
Unavailable revenue- special assessments	-
Total Deferred Inflows of Resources	-
 <u>Fund Balances</u>	
Assigned:	
Capital Projects	24,397
Total Fund Balances	24,397
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 24,397

EXHIBIT A-3

Airport Capital Improvement	Infrastructure Improvement Revolving	Totals
\$ 69,068	\$ 517,329	\$ 610,794
-	5,712	5,712
7,563	-	7,563
-	129,421	129,421
<u>76,631</u>	<u>652,462</u>	<u>753,490</u>
-	102,054	102,054
-	<u>102,054</u>	<u>102,054</u>
76,631	550,408	651,436
<u>76,631</u>	<u>550,408</u>	<u>651,436</u>
<u>\$ 76,631</u>	<u>\$ 652,462</u>	<u>\$ 753,490</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, 2017

	<u>Park Capital Projects</u>	<u>Airport Capital Improvement</u>
Revenues:		
Special Assessments	\$ -	\$ -
Intergovernmental	-	10,667
Total Revenues	<u>-</u>	<u>10,667</u>
Expenditures:		
Capital Outlay:		
Public Works	-	16,521
Culture-Recreation	71,639	-
Total Expenditures	<u>71,639</u>	<u>16,521</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(71,639)</u>	<u>(5,854)</u>
Other Financing Sources (Uses):		
Transfers In	110,000	-
Transfers (out)	-	-
Total Other Financing Sources (Uses)	<u>110,000</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	38,361	(5,854)
Fund Balances at Beginning of Year	<u>(13,964)</u>	<u>82,485</u>
Fund Balances at End of Year	<u>\$ 24,397</u>	<u>\$ 76,631</u>

EXHIBIT A-4

Infrastructure Improvement Revolving	Totals
\$ 249,443	\$ 249,443
-	10,667
<u>249,443</u>	<u>260,110</u>
-	16,521
-	71,639
<u>-</u>	<u>88,160</u>
 <u>249,443</u>	 <u>171,950</u>
-	110,000
(44,720)	(44,720)
<u>(44,720)</u>	<u>65,280</u>
 204,723	 237,230
<u>345,685</u>	<u>414,206</u>
 <u>\$ 550,408</u>	 <u>\$ 651,436</u>

(THIS PAGE INTENTIONALLY LEFT BLANK)

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

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

Non-Major Enterprise Funds:

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

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

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

Internal Service Funds:

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

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

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF NET POSITION
Nonmajor Enterprise Funds
December 31, 2017

	Golf Course	Solid Waste	Joint Powers Landfill	Totals
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 18,359	\$ 262,641	\$ 518,927	\$ 799,927
Accounts Receivable (Net of allowance for uncollectibles)	13,484	171,835	63,598	248,917
Prepaid Expenses	4,939	21,534	7,037	33,510
Inventory	56,505	-	-	56,505
Total Current Assets	<u>93,287</u>	<u>456,010</u>	<u>589,562</u>	<u>1,138,859</u>
Noncurrent Assets:				
Restricted Assets : Cash and Cash Equivalents	-	-	72,976	72,976
Net Pension Asset	1,406	1,202	1,109	3,717
Property, Plant and Equipment:				
Land	533,787	74,639	11,414	619,840
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	<u>2,489,185</u>	<u>512,509</u>	<u>1,468,533</u>	<u>4,470,227</u>
Total Noncurrent Assets	<u>3,024,378</u>	<u>588,350</u>	<u>1,554,032</u>	<u>5,166,760</u>
Total Assets	<u>3,117,665</u>	<u>1,044,360</u>	<u>2,143,594</u>	<u>6,305,619</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows	<u>140,734</u>	<u>120,356</u>	<u>111,063</u>	<u>372,153</u>
Liabilities				
Current Liabilities:				
Accounts Payable	8,064	20,220	46,883	75,167
Accrued Interest Payable	-	-	1,191	1,191
Accrued Wages Payable	5,996	8,546	6,852	21,394
Accrued Compensated Absences	2,830	5,295	4,191	12,316
Revenue Bonds Payable	-	-	59,052	59,052
Total current liabilities	<u>16,890</u>	<u>34,061</u>	<u>118,169</u>	<u>169,120</u>
Noncurrent liabilities:				
Accrued Compensated Absences	12,895	24,124	19,092	56,111
Estimated Postemployment Benefit Obligation	-	9,122	-	9,122
Revenue Bonds (net of current portion)	-	-	521,440	521,440
Total noncurrent liabilities	<u>12,895</u>	<u>33,246</u>	<u>540,532</u>	<u>586,673</u>
Total Liabilities	<u>29,785</u>	<u>67,307</u>	<u>658,701</u>	<u>755,793</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows	<u>27,958</u>	<u>23,910</u>	<u>22,064</u>	<u>73,932</u>
Net Position				
Net Investment in Capital Assets	3,022,972	587,148	899,455	4,509,575
Restricted for:				
Debt Service	-	-	71,785	71,785
SDRS Pension Purposes	114,182	97,648	90,108	301,938
Unrestricted	<u>63,502</u>	<u>388,703</u>	<u>512,544</u>	<u>964,749</u>
Total Net Position	<u>\$3,200,656</u>	<u>\$1,073,499</u>	<u>\$1,573,892</u>	<u>\$5,848,047</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, 2017

	<u>Golf Course</u>	<u>Solid Waste</u>	<u>Joint Powers Landfill</u>	<u>Totals</u>
Operating Revenues - Charges for Service	\$ 711,956	\$ 1,105,793	\$ 1,210,946	\$ 3,028,695
Operating Expenses:				
Personal Services	329,573	347,821	268,674	946,068
Insurance	5,461	6,801	14,423	26,685
Professional Services	35,724	569,868	13,939	619,531
Tipping Fees	-	163,769	1,440	165,209
Repairs and Maintenance	52,779	65,900	169,996	288,675
Cost of Sales and Service	245,810	-	576,218	822,028
Supplies and Materials	66,058	16,712	5,129	87,899
Travel and conference	1,561	-	-	1,561
Utilities	35,765	692	19,873	56,330
Billing and Administration	-	254,908	-	254,908
Depreciation	65,699	83,187	194,196	343,082
Total Operating Expenses	<u>838,430</u>	<u>1,509,658</u>	<u>1,263,888</u>	<u>3,611,976</u>
Operating Income (Loss)	<u>(126,474)</u>	<u>(403,865)</u>	<u>(52,942)</u>	<u>(583,281)</u>
Nonoperating Revenues:				
Interest Income	3	5,902	6,017	11,922
Intergovernmental	-	-	1,929	1,929
Interest Expense	-	-	(13,396)	(13,396)
Miscellaneous, net	59,679	-	3,878	63,557
Gain on disposition of assets	-	3,000	-	3,000
Total Nonoperating Revenues	<u>59,682</u>	<u>8,902</u>	<u>(1,572)</u>	<u>67,012</u>
(Loss) before Transfers	<u>(66,792)</u>	<u>(394,963)</u>	<u>(54,514)</u>	<u>(516,269)</u>
Other Financing Sources (Uses):				
Transfers In	167,340	-	-	167,340
Contributed Capital Revenue	-	33,346	-	33,346
Total Other Financing Sources (Uses):	<u>167,340</u>	<u>33,346</u>	<u>-</u>	<u>200,686</u>
Change in Net Position	100,548	(361,617)	(54,514)	(315,583)
Total Net Position - Beginning	<u>3,100,108</u>	<u>1,435,116</u>	<u>1,628,406</u>	<u>6,163,630</u>
Total Net Position - Ending	<u>\$ 3,200,656</u>	<u>\$ 1,073,499</u>	<u>\$ 1,573,892</u>	<u>\$ 5,848,047</u>

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF CASH FLOWS
Nonmajor Enterprise Funds
For the Year Ended December 31, 2017

	Business-Type			
	Golf Course	Solid Waste	Joint Powers Landfill	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	\$ 710,260	\$ 1,089,721	\$ 1,208,703	\$ 3,008,684
Cash Received for Interfund Services	-	6,669	-	6,669
Cash Paid to Suppliers for Goods and Services	(428,439)	(1,016,757)	(658,475)	(2,103,671)
Cash Paid to Employees for Services	(381,072)	(394,405)	(307,249)	(1,082,726)
Cash Paid for Interfund Services	(19,505)	(62,701)	(141,670)	(223,876)
Other Nonoperating Revenues	59,679	-	3,878	63,557
Net Cash Provided (Used) from Operating Activities	<u>(59,077)</u>	<u>(377,473)</u>	<u>105,187</u>	<u>(331,363)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and Construction of Capital Assets	(91,307)	(179,058)	(71,158)	(341,523)
Proceeds from Sale of Fixed Assets	-	3,000	-	3,000
Proceeds from Bond Sales	-	-	436,200	436,200
Interest Paid on Bonds	-	-	(12,661)	(12,661)
Principal Paid on Notes, Bonds and Leases	-	-	(38,254)	(38,254)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(91,307)</u>	<u>(176,058)</u>	<u>314,127</u>	<u>46,762</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Change in Due to Other Funds	-	-	(148,749)	(148,749)
Receipts from Other Governments	-	-	1,929	1,929
Transfers In	167,340	-	-	167,340
Change in Due From Other Governments	-	-	288,871	288,871
Net Cash Provided from Non-Capital Financing Activities	<u>167,340</u>	<u>-</u>	<u>142,051</u>	<u>309,391</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and Dividends on Investments	3	5,902	6,017	11,922
Net Cash Provided from Investing Activities	<u>3</u>	<u>5,902</u>	<u>6,017</u>	<u>11,922</u>
Net increase (decrease) in Cash and Cash Equivalents	16,959	(547,629)	567,382	36,712
Cash and Cash Equivalents at Beginning of Year	1,400	810,270	24,521	836,191
Cash and Cash Equivalents at End of Year	<u>\$ 18,359</u>	<u>\$ 262,641</u>	<u>\$ 591,903</u>	<u>\$ 872,903</u>
Reconciliation of Operating (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (126,474)	\$ (403,865)	\$ (52,942)	\$ (583,281)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	65,699	83,187	194,196	343,082
Other Non-Operating Income	59,679	-	3,878	63,557
(Increase) Decrease in Assets:				
Accounts Receivable	(1,696)	(9,403)	(2,243)	(13,342)
Inventory	127	-	-	127
Net Pension Asset / Liability	(59,037)	(42,727)	(41,577)	(143,341)
Pension Related Deferred Outflow	(11,274)	(27,075)	(20,157)	(58,506)
Prepaid Expenses	(614)	(2,985)	(755)	(4,354)
Increase (Decrease) in Liabilities:				
Accounts Payable	(4,299)	2,176	1,629	(494)
Accrued Wages Payable	(1,682)	627	230	(825)
Estimated Postemployment Benefit Obligation	-	(5,131)	-	(5,131)
Pension Related Deferred Inflow	27,541	23,610	21,771	72,922
Accrued Compensated Absences	(7,047)	4,113	1,157	(1,777)
Total Adjustments	<u>67,397</u>	<u>26,392</u>	<u>158,129</u>	<u>251,918</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (59,077)</u>	<u>\$ (377,473)</u>	<u>\$ 105,187</u>	<u>\$ (331,363)</u>
Supplemental Schedule of Noncash Capital and Related Financing Activities:				
Developers and City Contribution of Capital Assets	<u>\$ -</u>	<u>\$ 33,346</u>	<u>\$ -</u>	<u>\$ 33,346</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:				
Cash and Cash Equivalents	\$ 18,359	\$ 262,641	\$ 518,927	\$ 799,927
Restricted Cash and Cash Equivalents	-	-	72,976	72,976
	<u>\$ 18,359</u>	<u>\$ 262,641</u>	<u>\$ 591,903</u>	<u>\$ 872,903</u>

CITY OF YANKTON, SOUTH DAKOTA
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 DECEMBER 31, 2017

	<u>Copier- Fax- Postage</u>	<u>Central Garage</u>	<u>Totals</u>
ASSETS:			
Current Assets:			
Cash	\$ 888	\$ 113,024	\$ 113,912
Inventory	-	164,600	164,600
Due from Other Governments	-	8,806	8,806
Prepaid Expenses	-	2,534	2,534
Total Current Assets	<u>888</u>	<u>288,964</u>	<u>289,852</u>
Noncurrent Assets:			
Net Pension Asset	-	415	415
Capital Assets:			
Land	-	7,000	7,000
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	-	153,304	153,304
Total Noncurrent Assets	<u>-</u>	<u>160,719</u>	<u>160,719</u>
Total Assets	<u>888</u>	<u>449,683</u>	<u>450,571</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Deferred Outflows	-	41,593	41,593
	<u>-</u>	<u>41,593</u>	<u>41,593</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	888	70,401	71,289
Accrued Wages	-	3,262	3,262
Accrued Compensated Absences	-	1,069	1,069
Total Current Liabilities	<u>888</u>	<u>74,732</u>	<u>75,620</u>
Noncurrent Liabilities:			
Estimated Postemployment Benefit Obligation	-	13,450	13,450
Accrued Compensated Absences	-	6,058	6,058
Total Noncurrent Liabilities	<u>-</u>	<u>19,508</u>	<u>19,508</u>
Total Liabilities	<u>888</u>	<u>94,240</u>	<u>95,128</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable - Other	-	-	-
Pension Related Deferred Inflows	-	8,263	8,263
	<u>-</u>	<u>8,263</u>	<u>8,263</u>
NET POSITION			
Net Investment in Capital Assets	-	160,304	160,304
Restricted for SDRS Pension Purposes	-	33,745	33,745
Unrestricted	-	194,724	194,724
Total Net Position	<u>\$ -</u>	<u>\$ 388,773</u>	<u>\$ 388,773</u>

CITY OF YANKTON, SOUTH DAKOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES
EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017

	<u>Copier- Fax- Postage</u>	<u>Central Garage</u>	<u>Totals</u>
Operating Revenues:			
Charges for Goods and Services	\$ 25,343	\$ 718,073	\$ 743,416
Total Operating Revenue	<u>25,343</u>	<u>718,073</u>	<u>743,416</u>
Operating Expenses:			
Personnel Services	-	102,123	102,123
Professional Services	-	36,594	36,594
Repairs and Maintenance	-	4,941	4,941
Supplies and Materials	-	504,155	504,155
Utilities	-	17,282	17,282
Other Current Expenses	25,343	-	25,343.00
Depreciation	-	23,338	23,338
Total Operating Expenses	<u>25,343</u>	<u>688,433</u>	<u>713,776</u>
Operating Income	<u>-</u>	<u>29,640</u>	<u>29,640</u>
Change in Net Position	-	29,640	29,640
Total Net Position - Beginning	<u>-</u>	<u>359,133</u>	<u>359,133</u>
Total Net Position - Ending	<u>\$ -</u>	<u>\$ 388,773</u>	<u>\$ 388,773</u>

CITY OF YANKTON, SOUTH DAKOTA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017

	Copier- Fax- Postage	Central Garage	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customer Services Provided	\$ -	\$ 93,000	\$ 93,000
Cash Received from Interfund Services Provided	-	623,547	623,547
Cash Paid to Employees for Services	-	(122,667)	(122,667)
Cash Received/ (Paid) from/to Suppliers	(24,777)	(524,097)	(548,874)
Cash Paid for Interfund Services	25,665	(1,826)	23,839
Net Cash Provided by Operating Activities	<u>888</u>	<u>67,957</u>	<u>68,845</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	-	(10,913)	(10,913)
Net Cash (Used for) Capital and Related Financing Activities	<u>-</u>	<u>(10,913)</u>	<u>(10,913)</u>
Net Increase in Cash and Cash Equivalents	888	57,044	57,932
Cash and Cash Equivalents Beginning of Year	-	55,980	55,980
Cash and Cash Equivalents End of Year	<u>\$ 888</u>	<u>\$ 113,024</u>	<u>\$ 113,912</u>
RENCONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income	\$ -	\$ 29,640	\$ 29,640
Adjustments to Renconcile Net Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	-	23,338	23,338
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:			
Accounts Receivable	322	(1,511)	(1,189)
Unearned Revenue	-	-	-
Prepaid Expenses	-	(365)	(365)
Inventory	-	7,571	7,571
Net Pension Asset / Liability	-	(16,059)	(16,059)
Pension Related Deferred Outflow	-	(6,452)	(6,452)
Accounts Payable	566	29,845	30,411
Accrued Wages Payable	-	520	520
Estimated Postemployment Benefit Obligation	-	(5,978)	(5,978)
Pension Related Deferred Inflows	-	8,150	8,150
Accrued Compensated Absences	-	(742)	(742)
Net Cash Provided (used) by Operating Activities	<u>\$ 888</u>	<u>\$ 67,957</u>	<u>\$ 68,845</u>

(THIS PAGE INTENTIONALLY LEFT BLANK)

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

AGENCY FUNDS

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

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

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF NET POSITION
Agency Funds
December 31, 2017

	<u>Employee Benefits</u>	<u>Sales Tax</u>	<u>Totals</u>
Assets			
Cash and Cash Equivalents	\$ 29,242	\$ 483	\$ 29,725
Total assets	<u>29,242</u>	<u>483</u>	<u>29,725</u>
Liabilities			
Other accrued expenses	29,242	-	29,242
Accounts Payable	-	483	483
Total liabilities	<u>29,242</u>	<u>483</u>	<u>29,725</u>
Net Position			
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF YANKTON, SOUTH DAKOTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Agency Funds
For the Year Ended December 31, 2017

	<u>Balance January 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2017</u>
<u>Employee Benefits</u>				
ASSETS				
Cash and Cash Equivalents	\$ 106,710	\$ 4,466,989	\$ 4,544,457	\$ 29,242
Total Assets	<u>106,710</u>	<u>4,466,989</u>	<u>4,544,457</u>	<u>29,242</u>
LIABILITIES				
Accrued Taxes Payable	-	1,977,592	1,977,592	-
Accrued Fringe Benefit Payable	106,710	2,510,627	2,588,095	29,242
Total Liabilities	<u>106,710</u>	<u>4,488,219</u>	<u>4,565,687</u>	<u>29,242</u>
<u>Sales Tax</u>				
ASSETS				
Cash and Cash Equivalents	626	2,569	2,712	483
LIABILITIES				
Accounts Payable	626	483	626	483
Due to State Government	-	2,569	2,569	-
Total Liabilities	<u>626</u>	<u>3,052</u>	<u>3,195</u>	<u>483</u>
<u>Totals - All Agency Funds</u>				
ASSETS				
Cash and Cash Equivalents	107,336	4,469,558	4,547,169	29,725
Total Assets	<u>107,336</u>	<u>4,469,558</u>	<u>4,547,169</u>	<u>29,725</u>
LIABILITIES				
Accounts Payable	626	483	626	483
Accrued Taxes Payable	-	1,977,592	1,977,592	-
Accrued Fringe Benefit Payable	106,710	2,510,627	2,588,095	29,242
Due to State Government	-	2,569	2,569	-
Total Liabilities	<u>\$ 107,336</u>	<u>\$ 4,491,271</u>	<u>\$ 4,568,882</u>	<u>\$ 29,725</u>

CITY OF YANKTON, SOUTH DAKOTA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Dispatch			Business Improvement District			TID #2 Morgan Square		
	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)
REVENUES									
Taxes									
General Sales & Use	\$ -	\$ -	\$ -	\$ 120,000	\$ 140,884	\$ 20,884	\$ -	\$ -	\$ -
Property Tax	-	-	-	-	-	-	57,000	50,393	(6,607)
Intergovernmental	213,163	150,816	(62,347)	-	-	-	-	-	-
Charges for goods & services	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Interest earned	120	9,361	9,241	1,000	5,697	4,697	-	-	-
Total revenue	<u>213,283</u>	<u>160,177</u>	<u>(53,106)</u>	<u>121,000</u>	<u>146,581</u>	<u>25,581</u>	<u>57,000</u>	<u>50,393</u>	<u>(6,607)</u>
EXPENDITURES									
Current									
Public works	-	-	-	-	-	-	57,000	50,393	6,607
Public Safety	1,426,343	578,247	848,096	-	-	-	-	-	-
Community Development	-	-	-	247,900	229,890	18,010	-	-	-
Total Expenditures	<u>1,426,343</u>	<u>578,247</u>	<u>848,096</u>	<u>247,900</u>	<u>229,890</u>	<u>18,010</u>	<u>57,000</u>	<u>50,393</u>	<u>6,607</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,213,060)</u>	<u>(418,070)</u>	<u>794,990</u>	<u>(126,900)</u>	<u>(83,309)</u>	<u>43,591</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES(USES)									
Transfers in	1,213,090	418,684	(794,406)	-	-	-	-	-	-
Transfer (out)	-	-	-	(2,400)	(2,949)	(549)	-	-	-
Total other financing sources(uses)	<u>1,213,090</u>	<u>418,684</u>	<u>(794,406)</u>	<u>(2,400)</u>	<u>(2,949)</u>	<u>(549)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>30</u>	<u>614</u>	<u>584</u>	<u>(129,300)</u>	<u>(86,258)</u>	<u>43,042</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning		<u>17,635</u>			<u>460,620</u>				
Fund balances - ending	\$	<u><u>18,249</u></u>		\$	<u><u>374,362</u></u>		\$	<u><u>-</u></u>	

(Continued)

TID #8 Westbrook Estates Phase II			TID #6 Westbrook Estates			Bridge & Street			Lodging Sales Tax		
Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)	Final Budgeted	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 876,302	\$ 21,397	\$ (854,905)	\$ 624,436	\$ 640,287	\$ 15,851
-	-	-	75,000	28,088	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	19,104	19,104
-	-	-	-	-	-	-	-	-	-	750	750
-	-	-	-	-	-	225	309	84	1,750	7,167	5,417
-	-	-	<u>75,000</u>	<u>28,088</u>	-	<u>876,527</u>	<u>21,706</u>	<u>(854,821)</u>	<u>626,186</u>	<u>667,308</u>	<u>41,122</u>
100	18	82	75,000	28,088	(46,912)	1,482,321	61,281	1,421,040	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	644,621	562,943	81,678
<u>100</u>	<u>18</u>	<u>82</u>	<u>75,000</u>	<u>28,088</u>	<u>(46,912)</u>	<u>1,482,321</u>	<u>61,281</u>	<u>1,421,040</u>	<u>644,621</u>	<u>562,943</u>	<u>81,678</u>
(100)	(18)	82	-	-	(46,912)	(605,794)	(39,575)	566,219	(18,435)	104,365	122,800
-	-	-	-	-	-	652,130	5,000	(647,130)	-	-	-
-	-	-	-	-	-	-	-	-	(75,410)	(102,874)	27,464
-	-	-	-	-	-	652,130	5,000	(647,130)	(75,410)	(102,874)	27,464
<u>(100)</u>	<u>(18)</u>	<u>82</u>	<u>-</u>	<u>-</u>	<u>(46,912)</u>	<u>46,336</u>	<u>(34,575)</u>	<u>(80,911)</u>	<u>(18,435)</u>	<u>1,491</u>	<u>150,264</u>
-	-	-	-	-	-	-	34,974	-	-	584,419	-
\$ <u>(18)</u>			\$ <u>-</u>			\$ <u>399</u>			\$ <u>585,910</u>		

(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, 2017

	Special Capital Improvement Fund			Airport Capital Improvement		
	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$ 3,841,572	\$ 3,926,223	\$ 84,651	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Intergovernmental	1,454,328	180,859	(1,273,469)	760,000	10,667	(749,333)
Charges for Services	-	-	-	-	-	-
Interest	25,000	141,221	116,221	-	-	-
Contributions	-	-	-	-	-	-
Miscellaneous	-	24,400	24,400	-	-	-
Total revenue	<u>5,320,900</u>	<u>4,272,703</u>	<u>(1,048,197)</u>	<u>760,000</u>	<u>10,667</u>	<u>(749,333)</u>
EXPENDITURES						
Current						
Culture and Recreation	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Public Works	6,020,100	2,743,936	3,276,164	800,000	16,521	783,479
Total expenditures	<u>6,020,100</u>	<u>2,743,936</u>	<u>3,276,164</u>	<u>800,000</u>	<u>16,521</u>	<u>783,479</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(699,200)</u>	<u>1,528,767</u>	<u>2,227,967</u>	<u>(40,000)</u>	<u>(5,854)</u>	<u>34,146</u>
OTHER FINANCING SOURCES(USES)						
Proceeds From Sale of Assets	-	-	-	-	-	-
Transfers (out)	(625,364)	(24,346)	601,018	-	-	-
Transfer in	-	-	-	-	-	-
Total other financing sources(uses)	<u>(625,364)</u>	<u>(24,346)</u>	<u>601,018</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,324,564)</u>	<u>1,504,421</u>	<u>2,828,985</u>	<u>(40,000)</u>	<u>(5,854)</u>	<u>34,146</u>
Fund balances - beginning		<u>10,969,027</u>			<u>82,485</u>	
Fund balances - ending		<u>\$ 12,473,448</u>			<u>\$ 76,631</u>	

Public Improvement Cap. Project			Infrastructure Improvement			Park Capital		
Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
100	11,928	11,828	-	-	-	-	-	-
-	6	6	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>100</u>	<u>11,934</u>	<u>11,834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	132,400	71,639	60,761
-	-	-	-	-	-	-	-	-
100	7,541	(7,441)	100,000	1,719	98,281	-	-	-
<u>100</u>	<u>7,541</u>	<u>(7,441)</u>	<u>100,000</u>	<u>1,719</u>	<u>98,281</u>	<u>132,400</u>	<u>71,639</u>	<u>60,761</u>
-	4,393	4,393	(100,000)	(1,719)	98,281	(132,400)	(71,639)	60,761
-	-	-	-	-	-	-	-	-
-	-	-	-	(20,223)	(20,223)	-	-	-
-	25,000	25,000	44,720	44,720	-	132,400	110,000	(22,400)
-	25,000	25,000	44,720	24,497	(20,223)	132,400	110,000	(22,400)
-	29,393	29,393	(55,280)	22,778	78,058	-	38,361	38,361
-	713,315	-	-	(437,680)	-	-	(13,964)	-
<u>\$</u>	<u>742,708</u>	<u>-</u>	<u>\$</u>	<u>(414,902)</u>	<u>-</u>	<u>\$</u>	<u>24,397</u>	<u>-</u>

(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, 2017

	Infrastructure Improvement Revolving			Permanent Fund Perpetual Care Cemetery		
	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Final Budgeted	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	44,600	249,443	204,843	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	24,300	29,699	5,399
Interest	120	-	(120)	450	2,777	2,327
Contributions	-	-	-	-	-	-
Miscellaneous	-	-	-	-	1,190	1,190
Total revenue	<u>44,720</u>	<u>249,443</u>	<u>204,723</u>	<u>24,750</u>	<u>33,666</u>	<u>8,916</u>
EXPENDITURES						
Current						
Culture and Recreation	-	-	-	149,931	96,038	53,893
Economic Development	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,931</u>	<u>96,038</u>	<u>53,893</u>
Excess (deficiency) of revenues over (under) expenditures	<u>44,720</u>	<u>249,443</u>	<u>204,723</u>	<u>(125,181)</u>	<u>(62,372)</u>	<u>62,809</u>
OTHER FINANCING SOURCES(USES)						
Proceeds From Sale of Real Estate	-	-	-	-	-	-
Transfers (out)	(44,720)	(44,720)	-	-	-	-
Transfer in	-	-	-	125,181	65,181	(60,000)
Total other financing sources(uses)	<u>(44,720)</u>	<u>(44,720)</u>	<u>-</u>	<u>125,181</u>	<u>65,181</u>	<u>(60,000)</u>
Net change in fund balances	<u>-</u>	<u>204,723</u>	<u>204,723</u>	<u>-</u>	<u>2,809</u>	<u>2,809</u>
Fund balances - beginning		<u>345,685</u>			<u>154,737</u>	
Fund balances - ending		<u>\$ 550,408</u>			<u>\$ 157,546</u>	

SINGLE AUDIT SECTION

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Expenditures of Federal Awards (Cash Basis)
For The Year Ended December 31, 2017

	Federal CFDA Number	Agency or Pass-through Number	Amount	Expenditures to Subrecipients
United States Department of Agriculture:				
Direct Federal Funding:				
Economic Adjustment Assistance	11.307	05-79-05291	\$ 983,197	\$ -
Economic Development Cluster subtotal			983,197	
Department of Housing and Urban Development:				
Indirect Federal Funding:				
SD Governor's Office of Economic Development, Community Development Block Grants/ State's Program	14.228	CDBG-1414-111	4,428	4,428
State's Program	14.228	CDBG 1515-301	7,500	-
Program subtotal			11,928	
National Park Service				
Indirect Federal Funding:				
SD Department of Game, Fish, & Parks Outdoor Recreation Acquisition, Development and Planning	15.916	46-01467	40,000	-
Department of Justice:				
Direct Federal Funding:				
Bullet Proof Vest Partnership	16.607		4,516	-
Department of Transportation:				
Direct Federal Funding:				
Airport Improvement Program	20.106	3-46-0062-025-2014	1,384	-
Airport Improvement Program	20.106	3-46-0062-26-2015	11,821	-
Airport Improvement Program	20.106	3-46-4600-22-2016	21,446	-
Program subtotal			34,651	
Indirect Federal Funding:				
SD Department of Transportation State and Community Highway Safety	20.600	2017-00-78	1,600	-
National Priority Safety Programs	20.616	2017-00-79	3,912	-
Program subtotal			5,512	
Department of Homeland Security				
Indirect Federal Funding:				
SD Department of Public Safety Homeland Security Grant Program	97.067	FY16HLSLLE0202	5,990	-
Homeland Security Grant Program	97.067	HLS-2017-00187	8,500	-
Program subtotal			14,490	
Total Expenditures of Federal Awards			<u>\$ 1,094,294</u>	

**CITY OF YANKTON, SOUTH DAKOTA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

NOTE 2 - The City of Yankton had the following loan balances outstanding from the SD Clean Water State Revolving Fund, CFDA #66.458 and the SD Drinking Water State Revolving Fund, CFDA #66.468 at December 31, 2017.

	Total Amount Of Loan Outstanding	Federal Portion Of Loan Outstanding
Wastewater System #3, Series 2011 (83.33%)	\$ 2,296,328	\$ 1,913,530
Total Wastewater System	\$ 2,296,328	\$ 1,913,530
Water System Services 2001 (76.97%)	\$ 1,322,878	\$ 1,018,220
Water System, Services Series #2 (50.06%)	595,790	298,252
Water System, Services Series #3 (62.25%)	1,881,939	1,171,507
Water System, Services Series #4 (56.05%)	1,460,999	818,890
Water System, Services Series #5 (28.42%)	11,519,782	3,273,922
Total Water System	\$ 16,781,388	\$ 6,580,791

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

NOTE 4 - The City expended \$4,428 of CDBG Funds, through CFDA number 14.228 as a pass-through, to the sub recipient Regional Technical Education Center, who received \$4,428 from grant identification number 1414-111.

See accompanying independent auditors' report.



614 Broadway
P.O. Box 36
Yankton, SD 57078-0036
Phone (605) 665-9401
Fax (605) 665-9418
www.williamscpas.com

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the CITY OF YANKTON, SOUTH DAKOTA as of and for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 23, 2018. Our report includes a reference to other auditors who audited the financial statements of the Yankton Housing and Redevelopment Commission, as described in our report on the City of Yankton's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting:

In planning and performing our audit of the financial statements, we considered the City of Yankton's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Yankton's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Yankton's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control described in the accompanying schedule of findings and questioned costs, as item 2017-001 that we consider to be a material weakness.

Compliance and Other Matters:

As part of obtaining reasonable assurance about whether the City of Yankton's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Yankton's Response to Findings

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

Purpose of this Report

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

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

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


Certified Public Accountants

Yankton, South Dakota
July 23, 2018



614 Broadway
P.O. Box 36
Yankton, SD 57078
Phone (605) 665-9401
Fax (605) 665-9418
www.williamscpas.com

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

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

Report on Compliance for Each Major Federal Program

We have audited the City of Yankton, South Dakota's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2017. The City's major federal program is identified in the summary of the independent auditors' results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of the Yankton Housing and Redevelopment Commission, which received \$537,427 in federal awards which is not included in the City's schedule of expenditures of federal awards during the year ended December 31, 2017. Our audit, described below, did not include the operations of the Yankton Housing and Redevelopment Commission because the Commission engaged other auditors to perform an audit of compliance.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Basis for Qualified Opinion on Economic Adjustment Assistance

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding CFDA 11.307 Economic Adjustment Assistance as described in finding number 2017-002 related to cash management. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

Qualified Opinion on Economic Adjustment Assistance

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Economic Adjustment Assistance Program for the year ended December 31, 2017.

Other Matters

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2017-003 to be a significant deficiency.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. As required by South Dakota Codified Law 4-11-11, this report and our report on compliance for each major federal program are matters of public record and their distribution is not limited.

Williams + Company, P.C.
Certified Public Accountants

Yankton, South Dakota
July 23, 2018

(THIS PAGE INTENTIONALLY LEFT BLANK)

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Findings & Questioned Costs
For the Year Ended December 31, 2017

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) A significant deficiency in internal control over major programs was disclosed in the audit of the financial statements.
- (e) The auditors' report on compliance for the major federal award programs expresses a qualified opinion regarding the Economic Adjustment Assistance Program.
- (f) The audit disclosed an audit finding which was required to be reported in accordance with the Uniform Guidance, Section 200.516(a).
- (g) The major program was as follows:
 - CFDA #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. There were no prior year audit findings.

Material Weakness:

2017-001 Financial Reporting

Condition - During the audit, we identified material adjustments required to be made to the City's financial statements. Adjustments were made by the City to properly include these changes to the financial statements. A similar condition was noted in the prior audit.

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

Effect – Expenses/Expenditures/Revenues may not be properly reported and/or balance sheet amounts may be misstated.

Cause – Due to the limited number of employees, the City does not have sufficient controls in place to ensure that all entries are properly recorded and that all other applicable adjustments are made.

Recommendation – The City should implement procedures to ensure all entries are identified and included in the City's financial statements and that any required adjustments are made.

Response – We will double check the financial statements in the future and all supporting schedules to verify that all adjustments are made properly.

Conclusion – Response accepted.

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Findings & Questioned Costs
For the Year Ended December 31, 2017

Part III: Findings and Questioned Costs Relating to Federal Awards

Instances of Non-Compliance:

**CFDA Number 11.307 – Economic Adjustment Assistance
Federal Award Year 2012
U.S. Department of Commerce
Questioned Cost: \$66,414
Prior Year’s Audit Reference number: N/A**

2017-002 Cash Management

Condition and Criteria – It was found that the final reimbursement request included retainage amounts that had not been paid at the time the reimbursement request was submitted. Although the invoice was for allowable expenditures, being reimbursed for the outstanding retainage amounts creates a cash management condition as the drawdown was requested prior to that portion of the invoice being expended.

Effect – As a result, the City had requested reimbursement for expenditures that had been incurred, but had not yet been paid, which would make them currently not an allowable grant expenditure.

Cause – This was caused by those completing reimbursement requests failure to properly remove unpaid retainage from the request.

Recommendation – The City should ensure all involved with the grant program are well trained on grant requirements as well as have adequate knowledge concerning the financial information used to complete reimbursement requests.

Views of Responsible Officials – The City will immediately work to quickly and effectively resolve the issue and will also strive to fully obtain understanding and stay compliant with all grant requirements.

Significant Deficiency:

**CFDA Number 11.307 – Economic Adjustment Assistance
Federal Award Year 2012
U.S. Department of Commerce
Prior Year’s Audit Reference number: N/A**

2017-003 Cash Management

Condition and Criteria – It was found that the final reimbursement request included retainage amounts that had not been paid at the time the reimbursement request was submitted. Although the invoice was for allowable expenditures, being reimbursed for the outstanding retainage amounts creates a cash management condition as the drawdown was requested prior to that portion of the invoice being expended.

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Findings & Questioned Costs
For the Year Ended December 31, 2017

Part III: Findings and Questioned Costs Relating to Federal Awards (Continued)

Effect – As a result, the City had requested reimbursement for expenditures that had been incurred, but had not yet been paid, which would make them currently not an allowable grant expenditure.

Cause – This was caused by those completing reimbursement requests failure to properly remove unpaid retainage from the request.

Recommendation – The City should ensure all involved with the grant program are well trained on grant requirements as well as have adequate knowledge concerning the financial information used to complete reimbursement requests. The City should also review control procedures to ensure only paid expenditures are included on the grant reimbursement forms in the future.

Views of Responsible Officials – The City will immediately work to quickly and effectively resolve the issue and will also strive to fully obtain understanding and stay compliant with all grant requirements.

CITY OF YANKTON, SOUTH DAKOTA
Schedule of Prior Year Findings
For the Year Ended December 31, 2017

Material Weaknesses:

2016-001 Financial Reporting

Condition - During the audit, we identified material adjustments required to be made to the City's financial statements. Adjustments were made by the City to properly include these changes to the financial statements. A similar condition was noted in the prior audit.

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

Effect - Expenses/Expenditures/Revenues may not be properly reported and/or balance sheet amounts maybe misstated.

Cause - Due to the limited number of employees, the City does not have sufficient controls in place to ensure that all entries are properly recorded and that all other applicable adjustments are made.

Recommendation – The City should implement procedures to ensure all entries are identified and included in the City's financial statements and that any required adjustments are made.

Response – We will double check the financial statements in the future and all supporting schedules to verify that all adjustments are made properly.

Status – Not corrected. 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.

Schedule of Findings and Questioned Costs
Corrective Action Plan
December 31, 2017

The City of Yankton, South Dakota, respectfully submits the following corrective action plan for the year ended December 31, 2017.

The audit was performed by Williams & Company, P.C., P.O. Box 36, Yankton, South Dakota, for the fiscal year ended December 31, 2017.

The findings from the December 31, 2017 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:

2017-001 Financial Reporting

Condition – During the audit, we identified material adjustments required to be made to the City’s financial statements. Adjustments were made by the City to properly include these changes to the financial statements. A similar condition was noted in the prior audit.

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

Effect – Expenses/Expenditures/Revenues may not be properly reported and/or balance sheet amounts 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.

Responses – 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 2018 calendar year report.

FINDINGS – FEDERAL AWARD PROGRAMS AUDIT

INSTANCES OF NON-COMPLIANCE:

2017-002 Cash Management

Condition and Criteria – It was found that the final reimbursement request included retainage amounts that had not been paid at the time the reimbursement request was submitted. Although the invoice was for allowable expenditures, being reimbursed for the outstanding retainage amounts creates a cash management condition as the drawdown was requested prior to that portion of the invoice being expended.

416 Walnut St

PO Box 176

Yankton, SD 57078-0176

Phone (605) 668-5221

www.cityofyankton.org

EQUAL OPPORTUNITY EMPLOYER

Effect – As a result, the City had requested reimbursement for expenditures that had been incurred, but had not yet been paid, which would make them currently not an allowable grant expenditure.

Cause – This was caused by those completing reimbursement requests failure to properly remove unpaid retainage from the request.

Recommendation – The City should ensure all involved with the grant program are well trained on grant requirements as well as have adequate knowledge concerning the financial information used to complete reimbursement requests.

Response – The City will immediately work to quickly and effectively resolve the issue and will also strive to fully obtain understanding and stay compliant with all grant requirements.

SIGNIFICANT DEFICIENCY:

CFDA Number 11.307 – Economic Adjustment Assistance

Federal Award Year 2012

U.S. Department of Commerce

Prior Year's Audit Reference number: N/A

2017-003 Cash Management

Condition and Criteria – It was found that the final reimbursement request included retainage amounts that had not been paid at the time the reimbursement request was submitted. Although the invoice was for allowable expenditures, being reimbursed for the outstanding retainage amounts creates a cash management condition as the drawdown was requested prior to that portion of the invoice being expended.

Effect – As a result, the City had requested reimbursement for expenditures that had been incurred, but had not yet been paid, which would make them currently not an allowable grant expenditure.

Cause – This was caused by those completing reimbursement requests failure to properly remove unpaid retainage from the request.

Recommendation – The City should ensure all involved with the grant program are well trained on grant requirements as well as have adequate knowledge concerning the financial information used to complete reimbursement requests. The City should also review control procedures to ensure only paid expenditures are included on the grant reimbursement forms in the future.

Response – The City will immediately work to quickly and effectively resolve the issue and will also strive to fully obtain understanding and stay compliant with all grant requirements.

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

Memorandum #18-179

To: Amy Nelson, City Manager
From: Corey Potts, Public Works Manager
Subject: Bid Award 2018-2019 Annual Supply of Bulk De-Icing Salt
Date: August 13, 2018

Ten bid packets were sent out for bids and four bids were received for the 2018-2019 Annual Supply of Bulk De-Icing Salt required during winter snow removal operations. The four bids that were received and the respective unit prices are listed as follows:

Johnson Feed, Canton, South Dakota	\$65.97 per ton
Blackstrap Inc., Neligh, Nebraska	\$62.25 per ton
Central Salt, Lyons, Kansas	\$67.00 per ton
Meridian Grain, Freeman, South Dakota	\$73.50 per ton

The lowest bid received is from Blackstrap Inc., Neligh, NE and does meet specifications. Therefore, staff recommends that the contract for the 2018-2019 Annual Supply of Bulk De-Icing Salt be awarded to Blackstrap, Inc. in the amount of \$62.25 per ton. The 2017-2018 winter season salt price paid by the City was \$52.31 per ton. Approximately 700 tons are used in an average year for de-icing efforts.

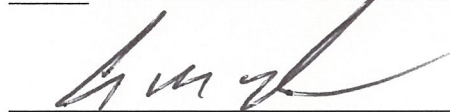
Respectfully submitted,



Corey Potts
Public Works Manager

Recommendation: It is recommended that the City Commission approve Memorandum #18-173 and the contract be awarded to Blackstrap Inc., Neligh, Nebraska, in the amount of \$62.25 per ton for the Annual Supply of Bulk De-Icing Salt in the 2018-2019 winter season.

I concur with this recommendation.
 I do not concur with this recommendation.



Amy Nelson
City Manager

_____ Roll call

Memorandum #18-174

To: Amy Nelson, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Planning Commission Action #18-37 / Resolution #18-55
Date: August 20, 2018



PLAT REVIEW

ACTION NUMBER: 18-37

E.T.J. MEMBER ACTION REQUIRED: No

OWNER / APPLICANT: Yankton Development Enterprises, LLC., Kelly Nielson, President.

ADDRESS / LOCATION: West side of the 2400 – 2600 Blocks West City Limits Road.

PROPERTY DESCRIPTION: Lots 10 and 11 in Block 1; Lots 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 in Block 4; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 7; and Lots 1, 10 and 11 in Block 9 of Westbrook Estates in the Southeast Quarter of Section 2, Township 93 North, Range 56 West of the 5th Principal Meridian, City of Yankton, Yankton County, South Dakota.

ZONING DISTRICT: R-2 Single Family Residential.

PREVIOUS ACTION: Phase I annexation and rezoning in 2015. Phase II annexation in 2017.

COMMENTS: The proposed plat and associated Developer's Agreement meet the requirements of the City's Subdivision Ordinance and Zoning Ordinance. Phase II of the Westbrook Estates Subdivision will create 30 new single family lots. The phase does not require consideration of any "Provisions Specific to this Subdivision." It will consist of a standard R-2 single family development.

The version of the plat included in the packet is missing one easement that we will require before consideration by the City Commission. There is a need for an east – west easement through the center of Block 9, south of Lot 1 and north of Lots 10 and 11.

Staff recommends approval of the plat and associated Developer's Agreement contingent upon the above described easement being in the final version of the plat prior to City signatures.

MEETING SCHEDULE:

August 13, 2018: Planning Commission reviews plat and makes recommendation to the City Commission.

August 27, 2018: City Commission reviews the plat and makes a final decision.

Planning Commission results: The Planning Commission recommended approval of the plat and associated Developer's Agreement contingent upon the described easement in Block 9 being added prior to recording.

Post Planning Commission Meeting Staff note: The adjusted plat cover sheet is scheduled to arrive prior to Monday's meeting. Staff recommends approval of the proposed plat and Developer's Agreement contingent upon the plat cover sheet being adjusted prior to release of the documents for recording.

RESOLUTION #18-55

WHEREAS, it appears from an examination of the plat of Lots 10 and 11 in Block 1; Lots 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 in Block 4; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 7; and Lots 1, 10 and 11 in Block 9 of Westbrook Estates in the Southeast Quarter of Section 2, Township 93 North, Range 56 West of the 5th Principal Meridian, City of Yankton, Yankton County, South Dakota prepared by Paul A. Sandman, a registered land surveyor in the state of South Dakota, and

WHEREAS, such plat has been prepared according to law and is consistent with the City's overall Comprehensive Development Plan.

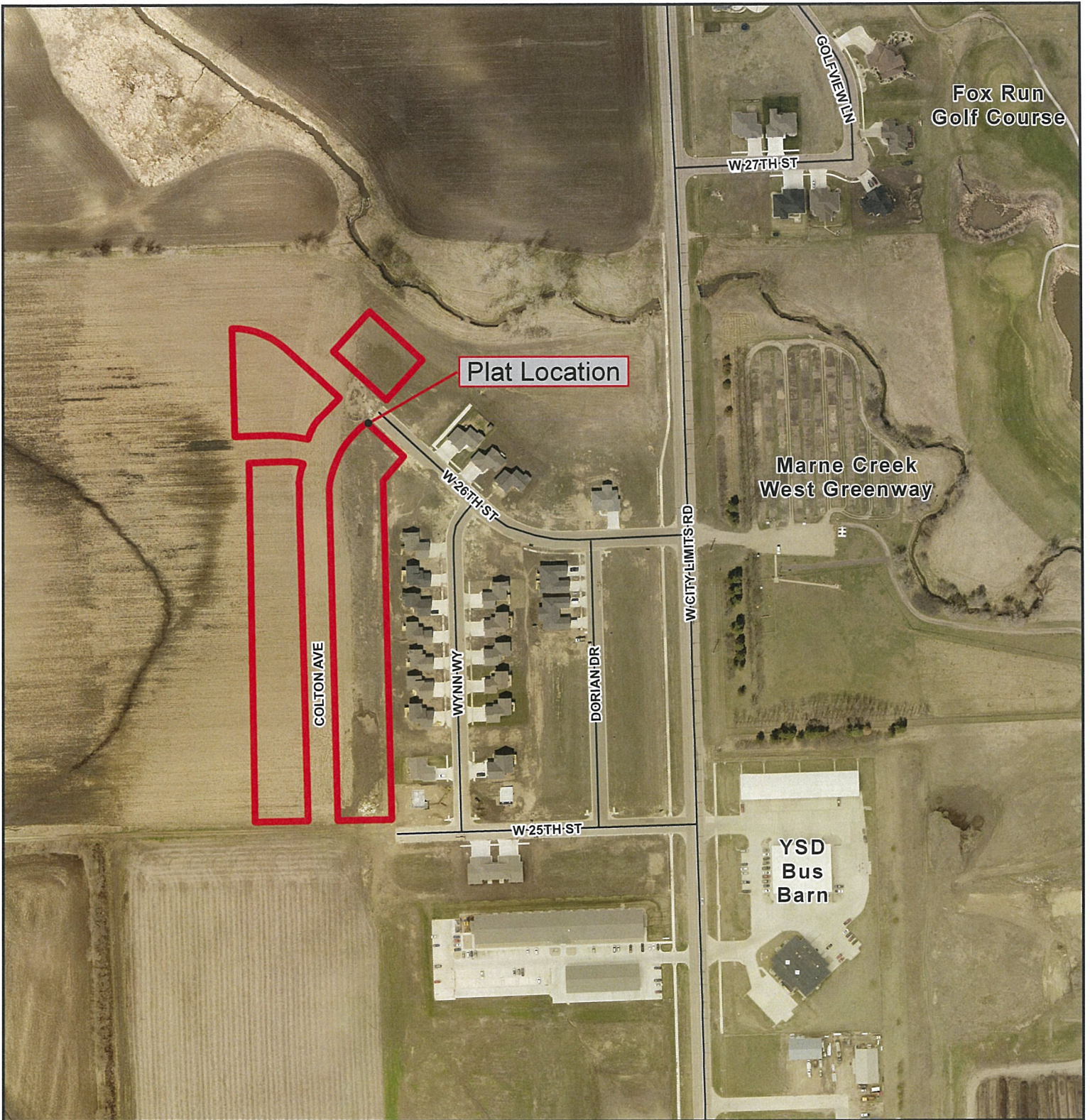
NOW, THEREFORE BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, South Dakota, that the plat and associated Developer's Agreement for the above described property is hereby approved.

Adopted:

Nathan V. Johnson, Mayor

ATTEST:

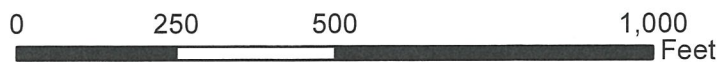
Al Viereck, Finance Officer



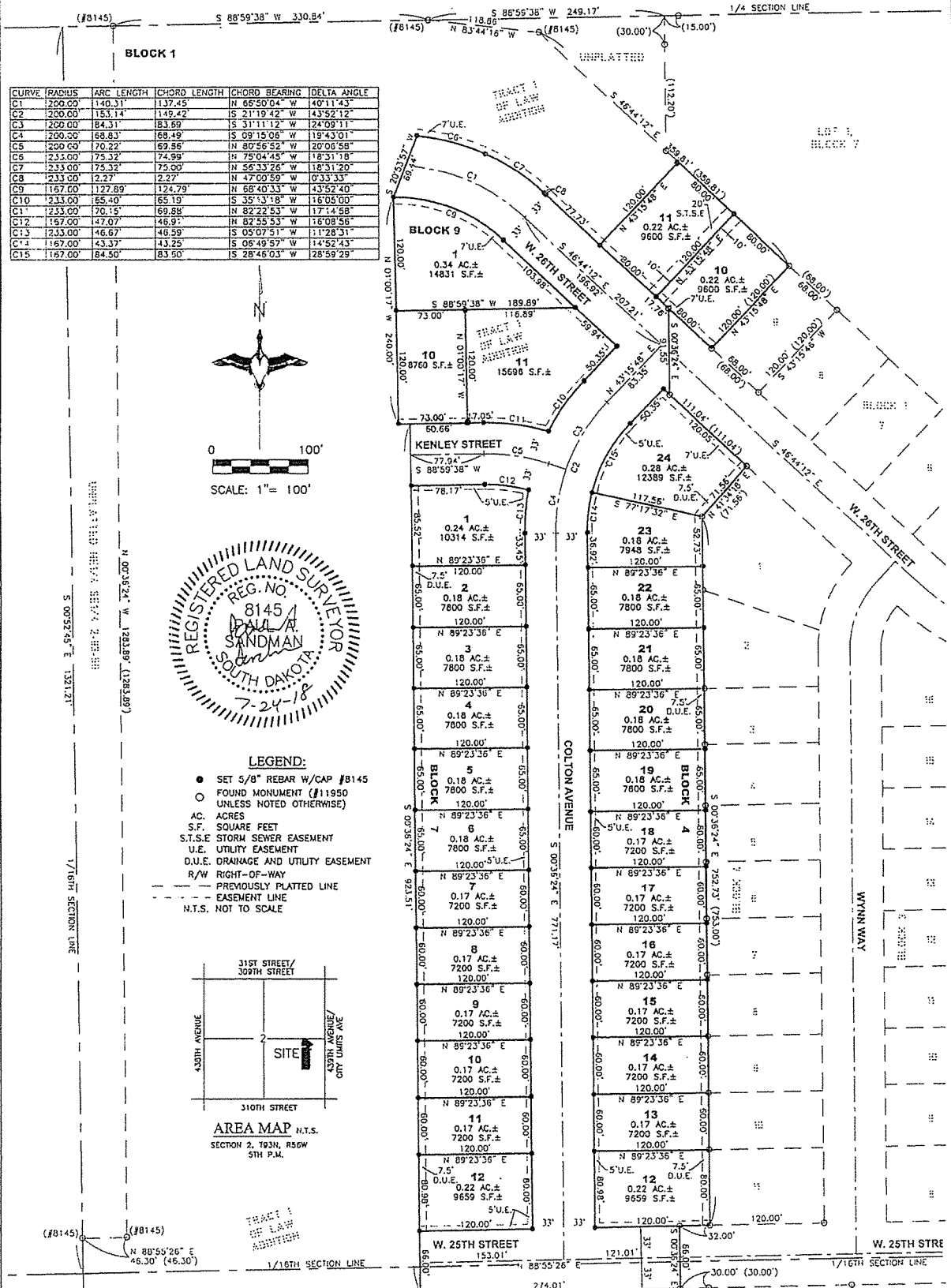
City of Yankton

Plat Location Map

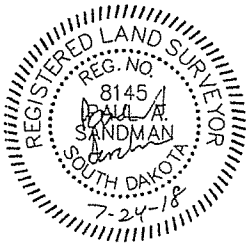
Plat of Lots 10-11 in Block 1, Lots 12-24 in Block 4, Lots 1-12 in Block 7,
and Lots 1, 10, & 11 in Block 9 of Westbrook Estates Addition
in the City of Yankton, Yankton County, South Dakota



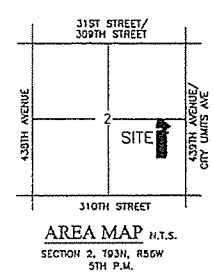
PLAT OF LOTS 10 AND 11 IN BLOCK 1; LOTS 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 AND 24 IN BLOCK 4; LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 AND 12 IN BLOCK 7; AND LOTS 1, 10 AND 11 IN BLOCK 9 OF WESTBROOK ESTATES
 IN THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 93 NORTH, RANGE 56 WEST OF THE 5TH PRINCIPAL MERIDIAN,
 CITY OF YANKTON, YANKTON COUNTY, SOUTH DAKOTA.



CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	200.00	140.31	137.45	N 69°50'04" W	40°11'43"
C2	200.00	153.14	149.42	S 21°19'42" W	43°52'12"
C3	200.00	84.31	83.69	S 31°11'12" W	24°09'11"
C4	200.00	68.83	68.49	S 09°15'06" W	19°43'01"
C5	200.00	70.22	69.96	N 80°56'52" W	20°06'58"
C6	233.00	75.32	74.99	N 75°04'45" W	18°31'18"
C7	233.00	75.32	75.00	N 56°33'26" W	18°31'20"
C8	233.00	12.27	12.27	N 47°00'59" W	0°33'33"
C9	167.00	127.89	124.79	N 68°40'33" W	43°52'40"
C10	233.00	65.40	65.19	S 35°3'18" W	16°05'00"
C11	233.00	70.15	69.88	N 82°22'53" W	17°14'58"
C12	157.00	47.07	46.97	N 82°35'33" W	16°08'56"
C13	233.00	46.67	46.59	S 05°07'51" W	11°28'51"
C14	167.00	43.37	43.25	S 06°49'57" W	14°52'43"
C15	167.00	84.50	83.50	S 28°46'03" W	28°59'29"



- LEGEND:**
- SET 5/8" REBAR W/CAP #8145
 - FOUND MONUMENT (#81950 UNLESS NOTED OTHERWISE)
 - AC. ACRES
 - S.F. SQUARE FEET
 - S.T.S.E. STORM SEWER EASEMENT
 - U.E. UTILITY EASEMENT
 - D.U.E. DRAINAGE AND UTILITY EASEMENT
 - R/W RIGHT-OF-WAY
 - PREVIOUSLY PLATTED LINE
 - - - EASEMENT LINE
 - N.T.S. NOT TO SCALE



NOTES:
 BASIS OF BEARINGS IS UTM-ZONE 14
 THIS PLAT WAS PREPARED WITHOUT THE BENEFIT OF A TITLE COMMITMENT.
 EASEMENTS OF RECORD WERE NOT RESEARCHED AND ARE NOT SHOWN ON THE PLAT.

PREPARED BY:

 Land Surveying and GPS Consulting
 214 E. 14th Street Suite 100
 Sioux Falls, South Dakota 57104
 Phone: (605) 339-8901 FAX: (605) 274-8951

Prepared by:
The City of Yankton
PO Box 176
Yankton, SD 57078
(605) 668-5252

Developer's Agreement

Lots 10 and 11 in Block 1; Lots 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 in Block 4; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 7; and Lots 1, 10 and 11 in Block 9 of Westbrook Estates in the Southeast Quarter of Section 2, Township 93 North, Range 56 West of the 5th Principal Meridian, City of Yankton, Yankton County, South Dakota

This agreement made this 20 day of August, 2018, between Yankton Development Enterprises, LLC., Kelly Nielson, President, hereinafter called "Developer" and the City of Yankton, a municipal corporation of the State of South Dakota, located in Yankton County, hereinafter called the "City".

WHEREAS, the Developer is the owner of approximately 29 acres of land in the City, said land being described as follows to wit:

Lots 10 and 11 in Block 1; Lots 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 in Block 4; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 7; and Lots 1, 10 and 11 in Block 9 of Westbrook Estates in the Southeast Quarter of Section 2, Township 93 North, Range 56 West of the 5th Principal Meridian, City of Yankton, Yankton County, South Dakota.

WHEREAS, the Developer desires to improve land for residential purposes; and

WHEREAS, the City approval process will include a recommendation by the Planning Commission to the City Commission and action by the City Commission thereof related to the associated plat and this Developer's Agreement defining the manner and method by which said land is to be developed; that the developer not be in default as to said agreement and all laws and regulations governing said development; and

WHEREAS, the Developer agrees to develop said land as herein described in accordance with this agreement, all City Ordinances, and all laws, plans and regulations governing said development.

Section VII. Issuance of Occupancy Permits.

The Developer hereby agrees no occupancy shall be permitted until all streets, public utilities and improvements have been installed and are approved for connection by the City of Yankton.

The Developer agrees to cooperate with the City to prevent the occupancy of any dwelling units before required improvements have been accepted. The City will not be obligated to provide any services to any unit built in the Subdivision until all required improvements have been accepted and may terminate any services provided during construction if a unit is occupied before an occupancy permit is issued by the City.


Section VIII. City Responsibility.

The Developer hereby agrees the City will perform no repair, maintenance or snow removal or provide utility services on any improvements until accepted by the City.

Section IX. Transferability.

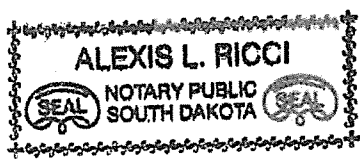
The Developer hereby agrees that it is further acknowledged that this agreement shall be binding upon any grantees, heirs, devisees, legatees or assigns of the undersigned with the same force and effect and validity as agreed by the undersigned personally.


IN WITNESS WHEREOF, the Developer has caused this Agreement to be signed this 20 day of August, 2018.

by: 
Signature, Kelly Nielson, President, Yankton Development Enterprises, LLC

ss: State of South Dakota
County of Yankton Lincoln

Be it remembered that on this 20 day of August, 2018, before me the undersigned, a notary public within and for the County and State aforesaid, personally appeared Kelly Nielson, President, Yankton Development Enterprises, LLC known to me to be the person described in and who executed the within and foregoing instrument and certificate and acknowledged to me that they executed the same.




Notary Public
Lincoln
Yankton County, South Dakota
My commission expires on: 4.6.23

seal

Accepted pursuant to Resolution adopted by the Board of City Commissioners of the City of Yankton this _____ day of _____, 2018.

Nathan V. Johnson, Mayor

ATTEST:

Al Viereck, Finance Officer

Memorandum #18-175

To: Amy Nelson, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Planning Commission Action #18-38 / Resolution #18-56
Date: August 20, 2018



PLAT REVIEW

ACTION NUMBER: 18-38

E.T.J. MEMBER ACTION REQUIRED: No

APPLICANT / OWNER: Kirby Hofer Construction Company, Inc.

ADDRESS / LOCATION: East Side of the 2800 Block of Woodbine Avenue.

PROPERTY DESCRIPTION: Lots 5 - 8 in Block 10 of Ridgeway North Subdivision to the City of Yankton in the NE 1/4 of Section 6, T93N R55W of the 5th P.M., Yankton County, South Dakota.

ZONING DISTRICT: R-2 Single Family Residential.

PREVIOUS ACTION: Willow Ridge North Planned Unit Development Plan and Agreement.

COMMENTS: The proposed plat creates four large single family residential lots. The property is located within the City of Yankton's water service area. All applicable engineering documentation has been submitted by the Developer and approved by the City Engineering staff.

The proposed plat meets all the requirements of the Subdivision Ordinance and previously approved Developer's Agreements associated with the property. The proposal also meets the requirements of the adopted Planned Unit Development Ordinance that applies to the location. There is a section of asphalt street that must be installed prior to the issuance of building permits for construction on the lots.

Staff recommends approval of the proposed plat.

HEARING SCHEDULE:

August 13, 2018: The Planning Commission reviews the plat and makes a recommendation to the City Commission.

August 27, 2018: The City Commission reviews the plat and makes a final decision.

Planning Commission results: The Planning Commission recommended approval of the proposed plat.

RESOLUTION #18-56

WHEREAS, it appears from an examination of the plat of Lots 5 - 8 in Block 10 of Ridgeway North Subdivision to the City of Yankton in the NE 1/4 of Section 6, T93N R55W of the 5th P.M., Yankton County, South Dakota prepared by Brett R. Kennedy, a registered land surveyor in the state of South Dakota, and

WHEREAS, such plat has been prepared according to law and is consistent with the City's overall Comprehensive Development Plan.

NOW, THEREFORE BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, South Dakota, that the plat for the above described property is hereby approved.

Adopted:

Nathan V. Johnson, Mayor

ATTEST:

Al Viereck, Finance Officer



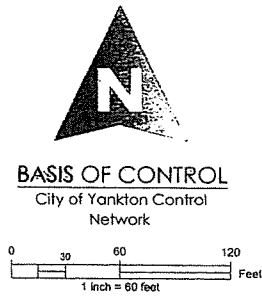
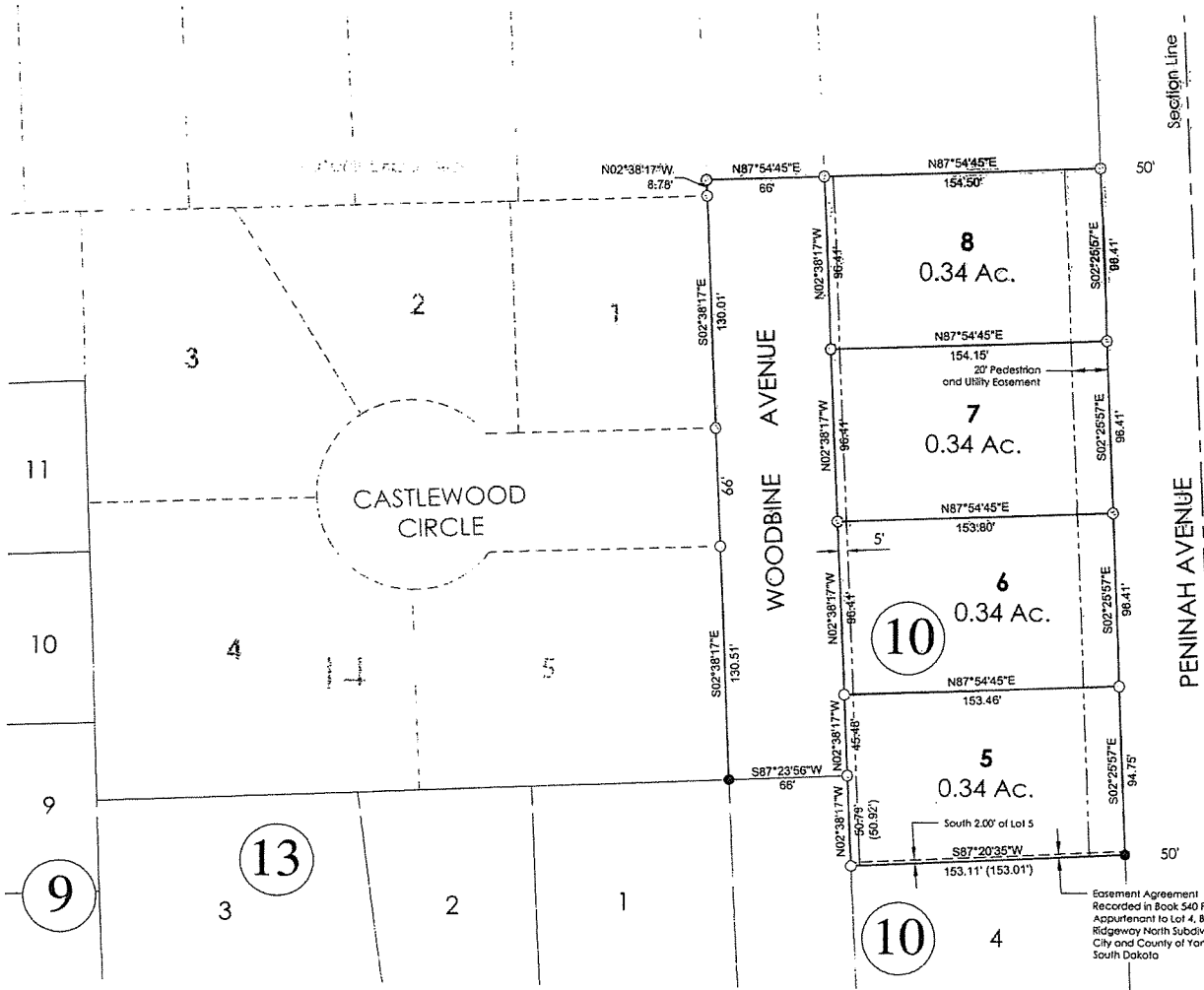
City of Yankton

Plat Location Map

Plat of Lots 5 - 8 in Block 10 of Ridgeway North Subdivision to the City of Yankton in the NE 1/4 of Section 6, T93N, R55W of the 5th P.M., Yankton County, South Dakota.



A PLAT OF LOTS 5 - 8 IN BLOCK 10 OF RIDGEWAY NORTH SUBDIVISION TO THE CITY OF YANKTON IN THE NE 1/4 OF SECTION 6, T93N, R55W OF THE 5TH P.M., YANKTON COUNTY, SOUTH DAKOTA.



BASIS OF CONTROL
City of Yankton Control Network

- LEGEND**
- ⊙ Found 5/8" Rebar W/ Cap Stamped "GOBEL LS12491"
 - Found 5/8" Rebar W/ Cap Stamped "KENNEDY LS 5350"

EASEMENT NOTE
5.0' Along all Lot Lines of Corner Lots
5.0' Along Platted Streets

Building Setbacks
25' Front Yard
25' Rear Yard
5' Side Yard

Dedicated Right-of-Way Area
Woodbine Avenue ± 0.51 Acres

Easement Agreement Recorded in Book 540 Page 081 Appurtenant to Lot 4, Block 10 in Ridgeway North Subdivision, City and County of Yankton, South Dakota

SURVEYOR'S CERTIFICATE

I, Brett R. Kennedy, a Licensed Land Surveyor in the State of South Dakota, do hereby certify that at the request of the Kirby Hofer Construction Company, Inc., as owner, and under his direction, did on or prior to July 11, 2018 survey the land described as follows:

A PLAT OF LOTS 5 - 8 IN BLOCK 10 OF RIDGEWAY NORTH SUBDIVISION TO THE CITY OF YANKTON IN THE NE 1/4 OF SECTION 6, T93N, R55W OF THE 5TH P.M., 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 11th day of July, 2018.

Brett R. Kennedy
Brett R. Kennedy, L.S. 5350



RESOLUTION OF APPROVAL

Whereas it appears that the owner thereof has caused a plat to be made of the following described real property:

A PLAT OF LOTS 5 - 8 IN BLOCK 10 OF RIDGEWAY NORTH SUBDIVISION TO THE CITY OF YANKTON IN THE NE 1/4 OF SECTION 6, T93N, R55W OF THE 5TH P.M., YANKTON COUNTY, SOUTH DAKOTA; and

Whereas such plat has been submitted to the Planning Commission of the City of Yankton, South Dakota for a report and recommendations thereon to the City Commission as required by law; now

Therefore be it resolved that such plat has been executed according to the law and the same is hereby approved and the City Finance Officer is hereby authorized and directed to endorse on such plat a copy of this resolution and certify the same.

Mayor, City of Yankton, South Dakota

_____, City Finance Officer of the City of Yankton, South Dakota, do hereby certify that the within and foregoing is a true copy of the resolution passed by the City Commission of the City of Yankton, South Dakota on this _____ day of _____.

Memorandum #18-176

To: Amy Nelson, City Manager
From: Dave Mingo, AICP Community and Economic Development Director
Subject: Planning Commission Action #18-39 / Resolution #18-57
Date: August 20, 2018



PLAT REVIEW

ACTION NUMBER: 18-39

E.T.J. MEMBER ACTION REQUIRED: No

APPLICANT / OWNER: Matthew Christensen, Managing Member, White Crane Estates, L.L.C.

ADDRESS / LOCATION: 403 Tulip Lane.

PROPERTY DESCRIPTION: Lot 68, Crestview Homes Subdivision in the NE 1/4 of Section 21, T93N, R56W of the 5th P.M., Yankton County, South Dakota.

ZONING DISTRICT: County jurisdiction.

PREVIOUS ACTION: Approval of Subdivision layout and prior development phases in 2007 - 2018.

COMMENTS: The location of the proposed plat is in the City's three mile plating jurisdiction. This allows the City to require the dedication of right-of-way along the extension of the planned street grid. The proposed plat is located in a previously approved subdivision with identified right-of-way corridors serving as the primary access to the property. The previous right-of-way dedications meet the requirements of the City's review process for the location. The plat is not adjacent to the City's corporate limits so the Subdivision Ordinance requirements do not apply.

The proposal will be subject to county platting and land use approval requirements as it moves forward through that process.

Staff recommends approval of the proposed plat

HEARING SCHEDULE:

August 13, 2018: The Planning Commission reviews the plat and makes a recommendation to the City Commission.

August 27, 2018: The City Commission reviews the plat and makes a final decision.

Planning Commission results: The Planning Commission recommended approval of the proposed plat.

_____ Roll Call

RESOLUTION #18-57

WHEREAS, it appears from an examination of the plat of Lot 68, Crestview Homes Subdivision in the NE 1/4 of Section 21, T93N, R56W of the 5th P.M., Yankton County, South Dakota prepared by John L. Brandt, a registered land surveyor in the state of South Dakota, and

WHEREAS, such plat has been prepared according to law and is consistent with the City's overall Comprehensive Development Plan.

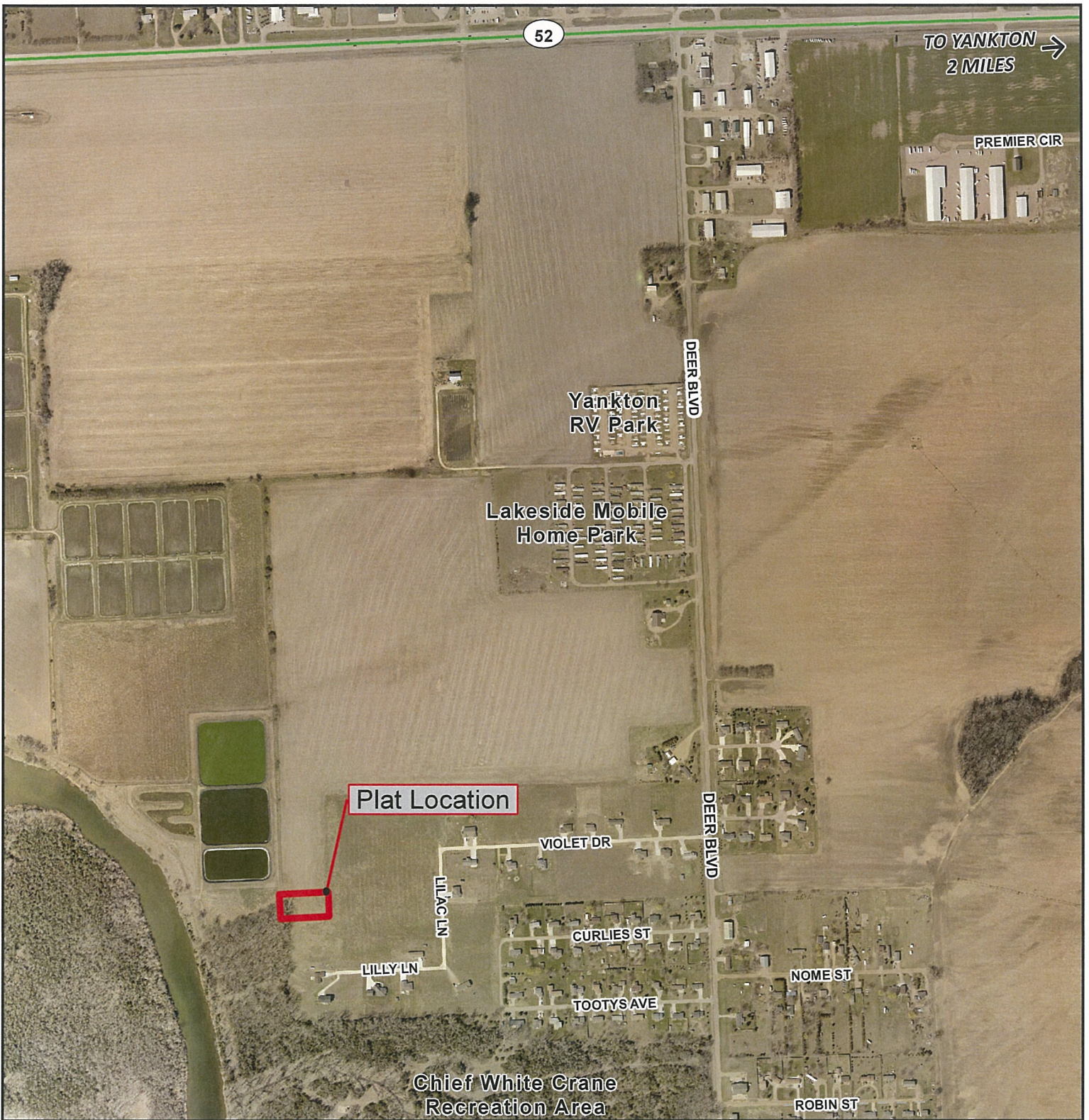
NOW, THEREFORE BE IT RESOLVED by the Board of City Commissioners of the City of Yankton, South Dakota, that the plat for the above described property is hereby approved.

Adopted:

Nathan V. Johnson, Mayor

ATTEST:

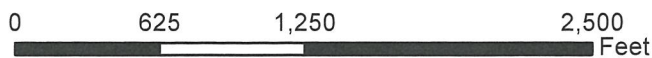
Al Viereck, Finance Officer



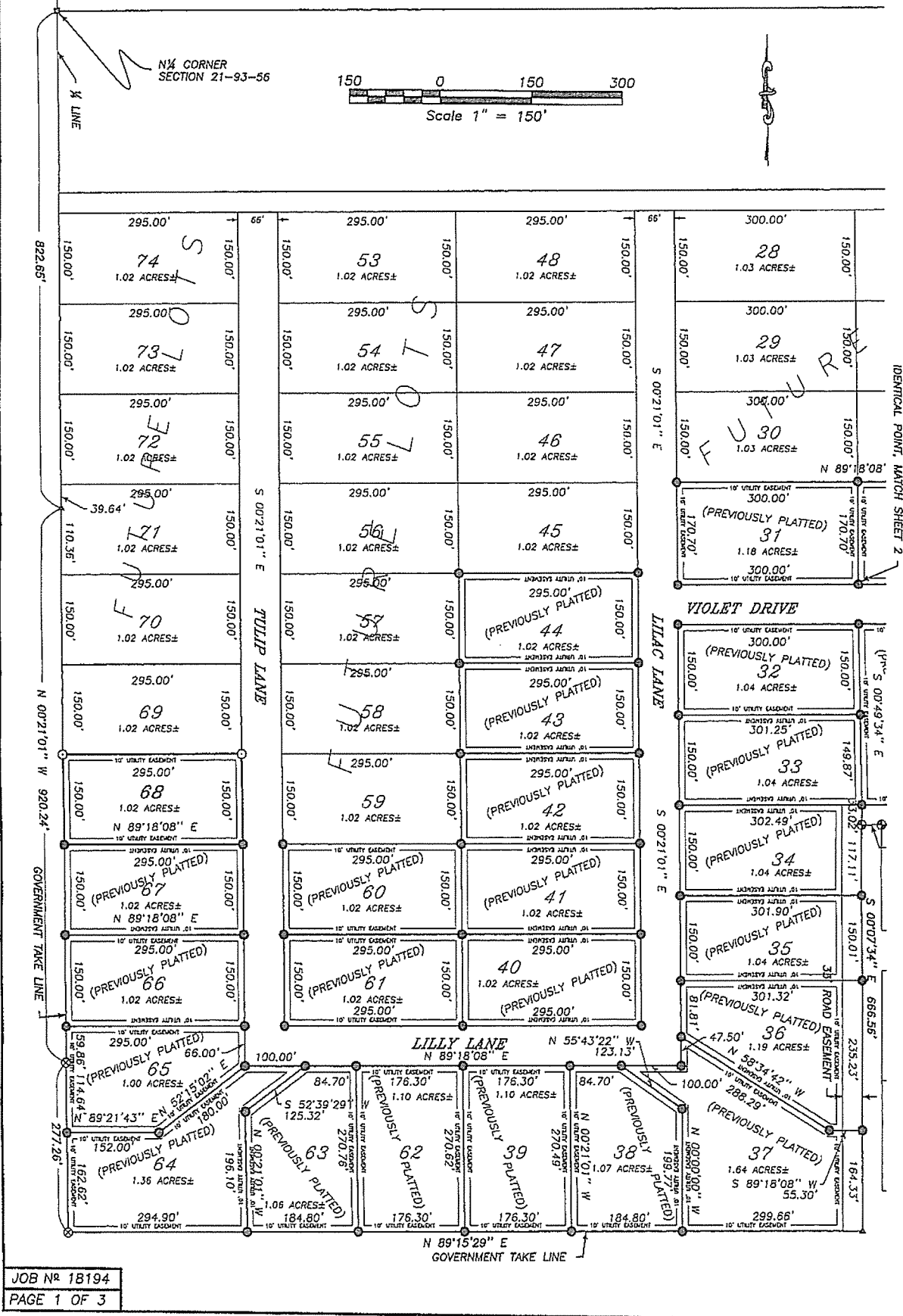
City of Yankton

Plat Location Map

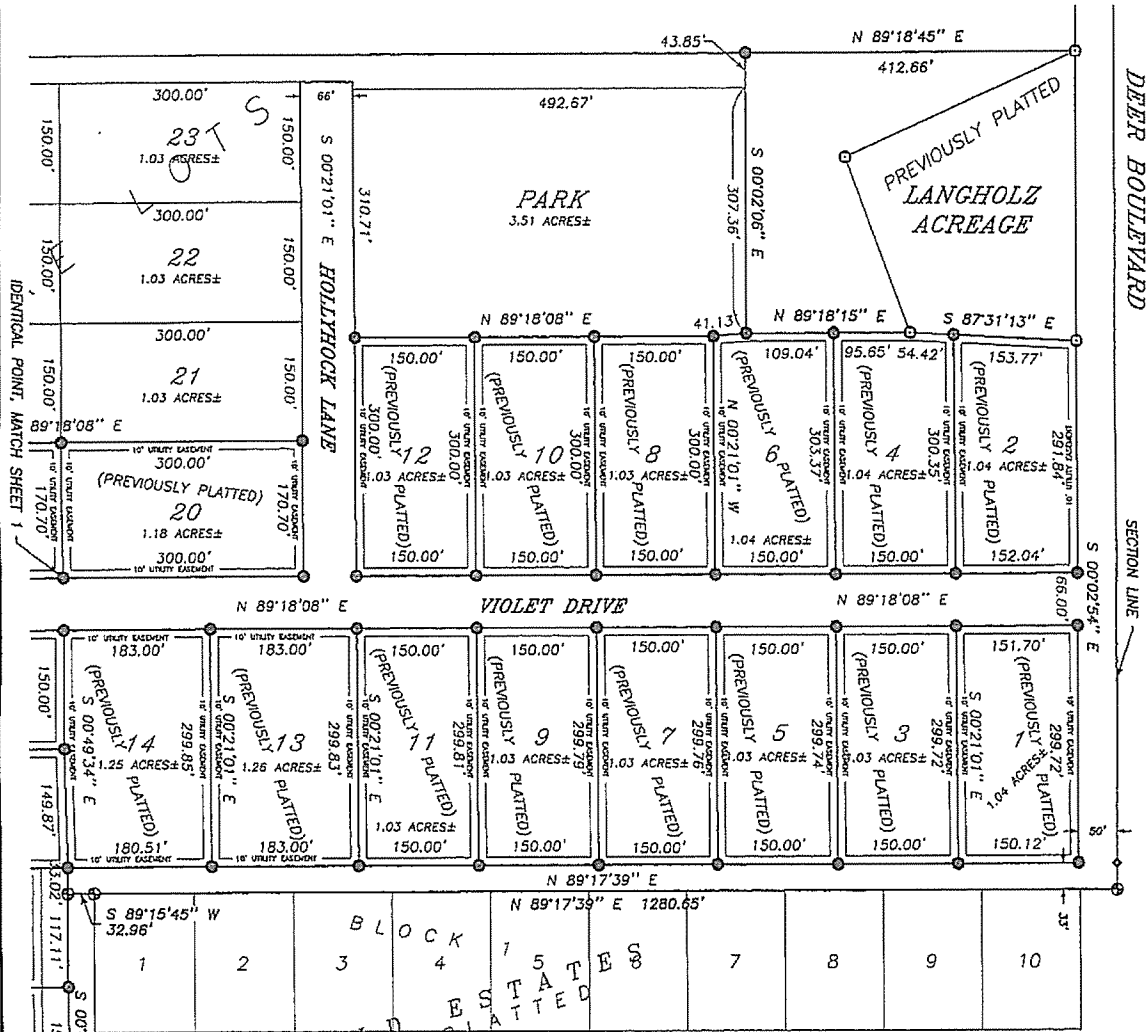
Plat of Lot 68 of the Crestview Homes Subdivision located in the NE 1/4 of Section 21, T93N, R56W of the 5th P.M., Yankton County, South Dakota



PLAT OF LOT 68, CRESTVIEW HOMES SUBDIVISION IN THE NE¼ OF SECTION 21, T93N, R56W OF THE 5TH P.M., YANKTON COUNTY, SOUTH DAKOTA.



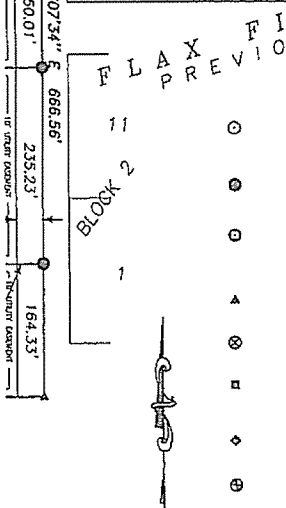
PLAT OF LOT 68, CRESTVIEW HOMES SUBDIVISION IN THE NE¼ OF SECTION 21, T93N, R56W OF THE 5TH P.M., YANKTON COUNTY, SOUTH DAKOTA.



IDENTICAL POINT, MATCH SHEET 1

DEER BOULEVARD

SECTION LINE

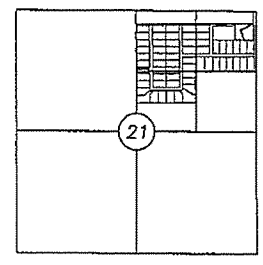


LEGEND

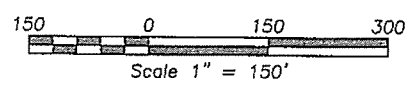
- SET 5/8" REBAR WITH L.S. CAP STAMPED "J. BRANDT R.L.S. 5349"
- ⊙ FOUND 5/8" REBAR WITH L.S. CAP STAMPED "J. BRANDT R.L.S. 5349"
- ⊙ FOUND 5/8" REBAR WITH L.S. CAP STAMPED "TOM WEEK PELS 2912"
- ▲ FOUND T-BAR
- ⊗ FOUND T-BAR WITH CAP
- ⊠ FOUND T-BAR WITH CAP INSIDE IRON PIPE
- ◇ FOUND IRON PIPE WITH L.S. CAP
- ⊕ FOUND 5/8" REBAR
- FUTURE LOT LINES

PREPARED BY:
BRANDT LAND SURVEYING
1202 WILLOWDALE ROAD
YANKTON, SD 57078
(605) 665-8455

NOTE:
BASIS OF BEARING
BY GPS OBSERVATION



LOCATION (N.T.S.)



ORDINANCE NO . 1011

AN ORDINANCE APPROPRIATING MONIES FOR
DEFRAYING THE NECESSARY EXPENSES AND
LIABILITIES OF THE CITY OF YANKTON, SOUTH
DAKOTA, FOR THE FISCAL YEAR BEGINNING JANUARY 1,
2019, AND ENDING DECEMBER 31, 2019, AND PROVIDING
FOR THE LEVY OF THE ANNUAL TAX FOR ALL FUNDS
CREATED BY THE ORDINANCE WITHIN SAID CITY.

BE IT ORDAINED by the City of Yankton, South Dakota

That thereby and hereby is appropriated by the Board of Commissioners of the City Yankton, South Dakota, for the year commencing the first moment of the first day of January 2019, the following sums of money for the purposes, which are deemed necessary to defray all necessary expenses and liabilities of the City of Yankton, South Dakota, to wit:

SECTION I - GENERAL FUND

A. Appropriations

General Government:

Board of City Commissioners	\$ 159,133
City Manager	369,191
City Attorney	96,604
Finance Office	653,233
Information Services	445,275
Community Development	486,746
Contingency	<u>300,000</u>
TOTAL GENERAL GOVERNMENT	<u>2,510,182</u>

Public Safety:

Police Department	3,204,890
Fire Department	946,850
Civil Defense	<u>9,290</u>
TOTAL PUBLIC SAFETY	<u>4,161,030</u>

Public Works:

Engineering & Inspection	660,456
Street & Highways	2,084,122
Snow & Ice Removal	343,200
City Hall	216,947
Traffic Control	492,550
Chan Gurney Airport	<u>605,490</u>
TOTAL PUBLIC WORKS	<u>4,402,765</u>

Special Appropriations	<u>123,912</u>
TOTAL SPECIAL APPROPRIATIONS	<u>123,912</u>

Culture - Recreation:	
Senior Citizens Center	62,647
Community Library	<u>808,856</u>
TOTAL CULTURE - RECREATION	<u>871,503</u>

Other Financing Uses / Transfers Out	<u>5,146,874</u>
TOTAL OTHER FINANCING USES	<u>5,146,874</u>

TOTAL APPROPRIATIONS	<u>\$ 17,216,266</u>
----------------------	----------------------

B. Means of finance

Unappropriated Fund Balances	<u>\$ 2,838,788</u>
------------------------------	---------------------

Current Property Taxes	2,684,845
Sales & Other Taxes	6,035,197
Licenses & Permits	349,675
Intergovernmental Revenue	692,087
Charges for Goods & Services	2,308,850
Fines & Forfeits	6,500
Miscellaneous Revenues	<u>59,000</u>
TOTAL REVENUE	<u>12,136,154</u>

Other Financing Sources / Transfers In	<u>2,241,324</u>
--	------------------

TOTAL MEANS OF FINANCE	<u>\$ 17,216,266</u>
------------------------	----------------------

SECTION II - SPECIAL REVENUE

A. Appropriations		
Parks & Recreation		\$ 1,412,942
Memorial Park Pool		2,215,460
Summit Activies Center		811,195
Marne Creek		206,171
Casualty Reserve Fund		5,000
Bridge & Street Fund		70,000
911/Dispatch		813,112
Business Improvement District		128,800
Lodging Sales Tax		712,837
Infrastructure Improvement Revolving - Transfer to Infr. Imp. Constr.		<u>44,720</u>
TOTAL APPROPRIATIONS		<u>\$ 6,420,237</u>
B. Means Of Finance		
Unappropriated Fund Balance		<u>\$ 1,166,281</u>
Parks & Recreation Revenue		15,230
Memorial Pool Revenue		57,600
Summit Activies Center Revenue		469,120
Marne Creek Revenue		300
Casualty Reserve - Interest		250
Bridge & Street Revenue		21,497
911/Dispatch		144,013
Business Improvement District		142,500
Lodging Tax		661,640
Infrastructure Improvement Revolving		<u>44,720</u>
TOTAL REVENUE		<u>1,556,870</u>
Transfer From General Fund		<u>4,705,617</u>
Transfer From Special Capital Fund		<u>108,602</u>
TOTAL MEANS OF FINANCE		<u>\$ 7,537,370</u>

SECTION III - CAPITAL PROJECT FUNDS

A. Appropriations	
Public Improvement	\$ -
Airport Capital Projects	1,850,000
Park Capital Projects	97,000
Infrastructure Improvement Construction	100,000
Special Capital Improvement	5,509,840
Tax Incr. District #2 Morgan Square	50,393
Tax Incr. District #5 Menards	192,850
Tax Incr. District #6 Westbrook Estates	94,746
Tax Incr. District #7 West 10th Street	10,000
Tax Incr. District #8 Westbrook Phase 2	5,000
TOTAL APPROPRIATIONS	<u>\$ 7,909,829</u>
B. Means of Finance	
Unappropriated Fund Balance	\$ (450,471)
Public Improvement Revenue	-
Airport Capital Projects	1,215,000
Park Capital Revenue	-
Infrastructure Improvement Construction	-
Special Capital Improvement	4,596,838
TID #2 Morgan Square	50,393
TID #5 Menards	136,936
TID #6 Westbrook Estates	94,746
TID #7 West 10th Street	10,000
TID #8 Westbrook Phase 2	5,000
TOTAL REVENUE	<u>6,108,913</u>
Transfer from General Fund	166,669
Transfer from Park Improvement Fund	-
Transfer from BBB Fund	65,914
Transfer from Infrastructure Impr. Fund	44,720
Transfer from Special Capital Fund	-
Loan from General Fund	-
Loan from Special Capital Fund	500,000
TOTAL OTHER FINANCING SOURCES	<u>777,303</u>
TOTAL MEANS OF FINANCE	<u>\$ 6,435,745</u>

SECTION IV - ENTERPRISE FUNDS
MEMO ONLY

	Solid Waste					
	Water	Waste- Water	Cemetary	Collection	Joint Powers (Yankton Only)	Golf Course
Unappropriated Fund Balance	\$ 4,168,853	\$ 824,012	\$ 4,301	\$ 779,168	\$ 302,011	\$ 47,573
Estimated Revenues:						
Operations	6,740,313	3,997,146	27,000	1,505,060	1,375,000	734,650
Other	<u>12,000</u>	<u>14,900</u>	<u>1,750</u>	<u>1,000</u>	<u>2,900</u>	<u>1,200</u>
TOTAL REVENUE	<u>6,752,313</u>	<u>4,012,046</u>	<u>28,750</u>	<u>1,506,060</u>	<u>1,377,900</u>	<u>735,850</u>
Operating Transfer In	-	-	<u>74,588</u>	-	-	<u>200,000</u>
Depreciation	<u>565,318</u>	<u>899,353</u>	-	<u>56,577</u>	<u>194,196</u>	<u>46,407</u>
Amortization	-	-	-	-	-	-
Revolving Loan Funds	<u>17,500,000</u>	-	-	-	-	-
Grant Funds	-	-	-	-	-	-
TOTAL FUNDS AVAILABLE	<u>\$ 28,986,484</u>	<u>\$ 5,735,411</u>	<u>\$ 107,639</u>	<u>\$ 2,341,805</u>	<u>\$ 1,874,107</u>	<u>\$ 1,029,830</u>
Appropriations:						
Operating	\$ 3,024,796	\$ 3,028,777	\$ 100,838	\$ 1,141,611	\$ 1,615,921	\$ 879,190
Non-Operating	1,156,071	193,191	-	9,730	12,442	-
Operating Transfer Out	71,346	60,046	-	10,705	-	-
Improvement & Exts/Capital	12,175,639	1,343,587	2,500	58,926	236,534	107,000
Unobligated	<u>12,558,632</u>	<u>1,109,810</u>	<u>4,301</u>	<u>1,120,833</u>	<u>9,210</u>	<u>43,640</u>
TOTAL APPROPRIATIONS	<u>\$ 28,986,484</u>	<u>\$ 5,735,411</u>	<u>\$ 107,639</u>	<u>\$ 2,341,805</u>	<u>\$ 1,874,107</u>	<u>\$ 1,029,830</u>

SECTION V - INTERNAL SERVICE FUNDS
CENTRAL GARAGE

Unappropriated Fund Balance	\$ 217,560
Estimated Revenue - Billings	<u>919,343</u>
TOTAL ESTIMATED BALANCE & REVENUES	\$ 1,136,903
Less Appropriations	<u>905,055</u>
Estimated Surplus	<u>\$ 231,848</u>

SECTION VI - TAX LEVY

That there is hereby levied upon all taxable property within said City of Yankton, South Dakota, for the purposes of providing funds to meet the lawful expenses and liabilities of the City of Yankton, South Dakota, as herein set forth for the fiscal year of 2019, a tax sufficient to raise \$2,684,845 in regular property taxes, which as received by the Finance Officer shall be credited to the General Fund, and an additional \$175,000 in opt-out property taxes which will be used for the annual debt service requirement for the Second Fire Station.

That the Finance Officer of the City of Yankton be and hereby is authorized and directed to certify the said regular tax levy, \$2,684,845 and the opt-out levy, \$175,000 to the County Auditor of the County of Yankton, South Dakota, to the end that the same may be spread and assessed as provided by law.

SECTION VII - EFFECTIVE DATE

This Ordinance being necessary for the support of the government of the City of Yankton and its existing institutions shall take effect upon its passage and publication.

Adopted:

Nathan V. Johnson
Mayor

ATTEST :

Al Viereck
Finance Officer

Introduction and first reading: August 27, 2018

Second reading : September 10, 2018

Published in the Yankton Daily Press and Dakotan, Official Newspaper: Sept., 2018

I so certify

Al Viereck
Finance Officer

Memorandum #18-180

To: Amy Nelson, City Manager
From: Adam Haberman, PE, Public Works Director
Subject: Change Order No. 2 and No. 3 Pine Street Bridge Replacement Project
Date: August 20, 2018

Work continues on the Pine Street Bridge Replacement Project, PCN 05RN, Project No. BRO 8068(00)16-1 Yankton County. The existing structure was removed earlier this summer and work is taking place to construct the replacement structure. The deck of the new structure has been formed and the concrete poured. Work is now being done to form the sidewalks on the sides of the new bridge.

The South Dakota Department of Transportation (SDDOT) has submitted Change Orders No. 2 and No. 3 to the City of Yankton for approval.

The attached Change Order No. 2 increases the project cost by \$4,562.85. The largest increase was due to changes made to the reinforcing steel quantity due to errors in the plans by Brosz Engineering. Also included in the increased costs were a bike trail detour, which was requested by the City, and a pile splice, which was required to extend a bearing piling.

The attached Change Order No. 3 decreases the project cost by \$7,161.00. The decrease was due to electrical work included in the contract, which was found to not be the contractor's responsibility. The electric utility was owned by Northwestern Energy; therefore, Northwestern removed the existing streetlights and electric lines. Change Order No. 3 also includes the installation of safety fence, which was not included in the plans to keep the public away from the excavated area of the project.

The combined Change Order No. 2 and No. 3 amounts result in a decrease of \$2,598.15. However, the net change to date for all the project change orders combined increases the original contract amount by \$1,224.95.

City staff has reviewed the project change orders submitted by the SDDOT and recommend the approval of Change Order No. 2 and No. 3.

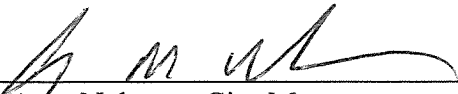
Respectfully submitted,



Adam Haberman, PE
Public Works Director

Recommendation: It is recommended that the City Commission approve Memorandum #18-xx for Change Order No. 2 and No. 3 for the Pine Street Bridge Replacement Project in the combined decreased amount of \$2,598.15.

I concur with this recommendation.
 I do not concur with this recommendation.



Amy Nelson – City Manager

____ Roll call

PCN 05R9

Project No BRO 8068(00)16-1 County Yankton Contract Amt \$1,709,466.10
 Type of Work Structure Replacement (50'-8" Rigid Frame Bridge)
 Contractor Swingen Construction Company

The following change in plans and/or specifications for the subject project is hereby made:

Floating Silt Curtain

This item added on CCO #01 should have been a non-participating item.

Line No. 071 P Floating Silt Curtain -150.000 @ 19.950 / Ft
 Line No. 078 N Floating Silt Curtain 150.000 @ 19.950 / Ft New

Lighting Extra Work

Instruction: The 2 existing street lights on the project shall be removed and reset by Northwestern Power due to the street lights are their property. The unit price of \$407.00 Lump Sum for Extra Work includes mobilization, labor, equipment and overhead required for mobilizing to the project.

Reason: The extra work was due to Muth Electric mobilized onto the project to complete the work but discovered that Northwestern Power was responsible for the removal and resetting of the street lights. The cost to mobilize was negotiated with the Contractor and seems reasonable for the work required. See Sheet 4 of 4.

Line No. 054 N Miscellaneous, Electrical -5,100.000 @ 1.000 / LS
 Line No. 055 N Remove and Reset Luminaire Pole -2.000 @ 1,654.000 / Each
 Line No. 077 N Extra Work 407.000 @ 1.000 / LS New

Safety Fence

Instructions: An orange safety fence shall be placed from Sta. 8+20 to Sta. 9+60 on the right side of the project. The unit price for the Orange Plastic Safety Fence includes mobilization, labor, equipment and overhead required to install and remove the Orange Plastic Safety Fence.

Reason: At the request of the Assisted Living Staff, an orange safety fence was placed along the project to keep the residents away from the excavated area for abutment #1. The cost to install and remove the Orange Plastic Safety Fence negotiated with the Contractor and seems reasonable for the work required. See Sheet 3 of 4.

Line No. 079 N Orange Plastic Safety Fence 140.000 @ 6.000 / Ft New

Line No	Std Bid Item No	Item Description	Qty As Now Ordered	Current Change in Qty	Unit Price	Unit	Current Change in Amt
054N	635E6200	Miscellaneous, Electrical	0.000	(5,100.000)	1.000	LS	-5,100.00
055N	635E7500	Remove and Reset Luminaire Pole	0.000	(2.000)	1,654.000	Each	-3,308.00
071P	734E0630	Floating Silt Curtain	0.000	(150.000)	19.950	Ft	-2,992.50
077N	009E0700	Extra Work	407.000	407.000	1.000	LS	407.00
078N	734E0630	Floating Silt Curtain	150.000	150.000	19.950	Ft	2,992.50
079N	900E1080	Orange Plastic Safety Fence	140.000	140.000	6.000	Ft	840.00

Increase This Order	\$4,239.50
Decrease This Order	(\$11,400.50)
Net Change This Order	(\$7,161.00)
Net Change To Date	\$1,224.95

South Dakota Department of Transportation
Construction Change Order No 3

PCN 05R9

Project No BRO 8068(00)16-1 County Yankton
Type of Work Structure Replacement (50'-8" Rigid Frame Bridge)
Contractor Swingen Construction Company

Contract Amt \$1,709,466.10

All standard specifications apply unless otherwise noted.

Additional substantial calendar days:

Additional field work calendar days:

Additional substantial working days:

Additional field work working days:

New substantial completion date:

New field work completion date:

No time will be added for these changes as they do not physically extend the time it takes to complete the project.

The net change due to this CCO is a decrease of \$7,161.00

Prepared by Greg Putnam

Date 07/11/2018

Contractor Acceptance

The changes contained in this construction change order are made in accordance with the provisions of the contract for subject project and when accepted by the Contractor and upon approval by the South Dakota Department of Transportation shall become a part of said contract.

On July 11, 2018
By JASON ODEBARD
Title VICE PRESIDENT

Engineering Supervisor Recommend

On _____
By _____

Yankton Area Engineer Approval

On _____
By _____

Division Administrator Federal Highway Administration

Contingent upon funds being available under the existing project agreement or upon additional Federal Aid Funds being made available by a modified project agreement.

On _____
By _____

City Approval

On _____
By _____

Putnam, Greg

From: Jason Odegard <jason.odegard@swingenconstruction.com>
Sent: Friday, July 6, 2018 9:18 AM
To: Putnam, Greg
Subject: RE: [EXT] Safety Fence

Greg,

We will be covered at \$6.00 per LF.

140 LF @ \$6.00 for \$840.00 for all material, incidentals, and labor.



Jason Odegard V.P. Estimating
Phone 701-775-5359
Fax 701-775-7631
Cell 701-741-3397
jason.odegard@swingenconstruction.com

BRO 8068(00)16-1
PCN 05R9
CCO # 3
Sheet 3 of 4

From: Putnam, Greg [mailto:Greg.Putnam@state.sd.us]
Sent: Thursday, July 05, 2018 3:57 PM
To: Jason Odegard <jason.odegard@swingenconstruction.com>
Subject: Safety Fence

Jason, Jim installed 140' of Orange Plastic Safety Fence on the project. Please submit a cost per foot for the fence. The average bid item cost is \$4.88 but you may need to charge a little more since you had to purchase some of the fence. Thanks.

Greg Putnam
Project Engineer
605-661-2424

Approved
Rube DL
7/8/18



Muth Electric Inc.



1717 N Sanborn • PO Box 1400 • Mitchell, SD 57301
PHONE (605) 996-3983 • FAX (605) 996-2203
www.muthelectric.com

BRO 8068(00) 16-1
PCN 05R9

CCO # 3
Sheet 4 of 4

Project: Yankton Pine St Ltg

INVOICE NUMBER: 2659A01
DATE: June 13, 2018

REMIT TO:
MUTH ELECTRIC, INC.
PO BOX 1400
MITCHELL, SD 57301

BILL TO:
Swigen Construction Compa
PO Box 13456
Grand Forks, NC 58208

Attn: Laurie Christianson

ITEM NO.	DESCRIPTION OF WORK	CONTRACT AMOUNT	PREVIOUS BILLED	COMPLETED TO DATE	MATERIALS STORED	TOTAL COMPLETED	PERCENT COMPLETED	BALANCE TO FINISH
1	Project Mobilization Costs	\$ 370.00	\$ -	\$ 370.00	\$ -	\$ 370.00	100%	\$ -

SUB MARK-UP 10%

\$ 37.00

\$407.00

TOTALS	\$ 370.00	\$ -	\$ 370.00	\$ -	\$ 370.00	\$ -
--------	-----------	------	-----------	------	-----------	------

WORK COMPLETED & MATERIALS TO DATE	\$ 370.00
	\$ -
BALANCE DUE THIS INVOICE	\$ 370.00

MUTH ELECTRIC, INC.
VERIFIED BY:

Shawn Fieseler

Shawn Fieseler
Muth Electric, Inc. - Cost Accountant

DATE: 06/13/18

Approved
Rod Hall
6/18/18

"Professional Answers For All Your Electrical Needs"

Print Date: 6/13/2018

Mitchell, SD (605) 996-7300 Sioux Falls, SD (605) 338-6586 Rapid City, SD (605) 341-3554 Watertown, SD (605) 882-2680 Huron, SD (605) 352-8579 Aberdeen, SD (605) 228-8424 Brookings, SD (605) 692-0800 Omaha, NE (402) 551-7780 Williston, ND (701) 577-7300

PCN 05R9

Project No BRO 8068(00)16-1 County Yankton Contract Amt \$1,709,466.10
 Type of Work Structure Replacement (50'-8" Rigid Frame Bridge)
 Contractor Swingen Construction Company

The following change in plans and/or specifications for the subject project is hereby made:

Detour of Bike Trail

Instructions: A detour shall be placed for the Bike Trail as designed by the Engineer. Cost for the additional signs and barricades shall be paid for under project bid items. The negotiated unit price of \$752.00 Lump Sum for Extra Work includes mobilization, labor, equipment and overhead required to mobilize to the project and place the detour.

Reason: At the request of the City of Yankton, a detour was done on the bike trail to direct pedestrians around the work site. The cost to mobilize was negotiated with the Contractor and seemed reasonable for the work required. See Sheet 3 of 3.

Line No. 076 N Extra Work 752.000 @ 1.000 / LS New

Piling Splice

Instruction: Bearing Pile No. 11 in Abutment #02 shall have an additional steel pile splice installed above the bearing pile length ordered.

Reason: Due to the bearing pile not getting the required bearing at the pile length ordered, a pile splice was required to add additional piling. The cost for this splice was from the Price Schedule for Miscellaneous Items in the Special Provisions.

Line No. 074 N HP 10 Steel Pile Vertical Splice 1.000 @ 300.000 / Each New

Reinforcing Steel

Instructions: On Sheet 39, the T6 bars should be labeled T5 bars. The number of T5 bars in the Reinforcing Schedule is correct but the bars shall be 38' 4" not 5' 0" as shown. Also, the G3 bars on Sheet 39 are not in the Reinforcing Schedule but they are #4 bars and 1' 8" long.

Adjustment to the quantity of reinforcing Steel:

T5 Bars: $38.33' - 5.0' = 33.33' \times 24 \text{ bars} \times 1.502 \text{ lbs/ft} = 1201 \text{ lbs.}$

G3 Bars: $1.67' \times 208 \text{ bars} \times 0.668 \text{ lbs/ft} = 232 \text{ lbs.}$

Total adjustment = 1433 lbs.

Reason: Changes were made to the Reinforcing Schedule and total weight due to errors in the plans.

Line No. 045 N Reinforcing Steel 1,433.000 @ 2.450 / Lb

Line No	Std Bid Item No	Item Description	Qty As Now Ordered	Current Change in Qty	Unit Price	Unit	Current Change in Amt
045N	480E0100	Reinforcing Steel	27,601.000	1,433.000	2.450	Lb	\$3,510.85
074N	510E3260	HP 10 Steel Pile Vertical Splice	1.000	1.000	300.000	Each	\$300.00
076N	009E0700	Extra Work	752.000	752.000	1.000	LS	\$752.00

Increase This Order	\$4,562.85
Decrease This Order	\$0.00
Net Change This Order	\$4,562.85
Net Change To Date	\$8,385.95

PCN 05R9
 Project No BRO 8068(00)16-1 County Yankton Contract Amt \$1,709,466.10
 Type of Work Structure Replacement (50'-8" Rigid Frame Bridge)
 Contractor Swingen Construction Company

All standard specifications apply unless otherwise noted.

Additional substantial calendar days:	Additional field work calendar days:
Additional substantial working days:	Additional field work working days:
New substantial completion date:	New field work completion date:

No time will be added for these changes as they do not physically extend the time it takes to complete the project.

The net change due to this CCO is an increase of \$4,562.85

Prepared by Greg Putnam Date 06/13/2018

<p style="text-align: center;">Contractor Acceptance</p> <p>The changes contained in this construction change order are made in accordance with the provisions of the contract for subject project and when accepted by the Contractor and upon approval by the South Dakota Department of Transportation shall become a part of said contract.</p> <p>On <u>JUNE 28, 2018</u> By <u>JASON ODEGARD</u> Title <u>VICE PRESIDENT</u></p>	<p style="text-align: center;">Engineering Supervisor Recommend</p> <p>On _____ By _____</p> <hr/> <p style="text-align: center;">Yankton Area Engineer Approval</p> <p>On _____ By _____</p>	<p style="text-align: center;">Division Administrator Federal Highway Administration</p> <p>Contingent upon funds being available under the existing project agreement or upon additional Federal Aid Funds being made available by a modified project agreement.</p> <p>On _____ By _____</p>
		<p style="text-align: center;">City Approval</p> <p>On <u>July 6, 2018</u> By <u>[Signature]</u></p>