

**FALL RIVER COUNTY RESOLUTION #2017-01**

WHEREAS, the Division of Purchasing and Printing of the State of South Dakota has competitively bid state contracts for the purchase of necessary supplies, equipment and materials for state and local governments, and

WHEREAS, the Fall River County Board of Commissioners is authorized to purchase necessary supplies, equipment and materials for its use, and

NOW THEREFORE, BE IT RESOLVED, that the Board of Fall River County Commissioners enter into an agreement with the Division of Purchasing and Printing of the State of South Dakota to purchase equipment, supplies and materials.

Dated this 3rd day of January, 2017.

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Fall River County Commission

ATTEST:

/s/ Sue Ganje

Sue Ganje

Fall River County Auditor

**FALL RIVER COUNTY RESOLUTION #2017-02**

WHEREAS, pursuant to SDCL 7-7-9.1, 7-7-12 and 7-12-15 the Board of Commissioners by Resolution may establish the salary payable to the County Treasurer, County Auditor, County Register of Deeds, County State's Attorney and County Sheriff; and

WHEREAS, the salary may not be less than the following schedule and is based upon the most recent decennial federal census. The Fall River Census is 7,094.

Treasurer, Auditor, Register of Deeds - Population under 10,000: \$29,270.00;

State's Attorney - Population under 10,000: \$32,600.00

County Sheriff – Population under 10,000: \$41,256 plus 10% for jail admin

BE IT RESOLVED, that the Fall River Board of County Commissioners set the salaries as follows, effective January 1, 2017:

Treasurer, Kelli Rhoe:	\$39,840.00
Auditor, Sue Ganje:	\$48,390.68
Reg. of Deeds, Mel Engebretson:	\$43,392.48
State's Attorney, James Sword:	\$45,838.08
Sheriff, Bob Evans	\$48,800.04

Passed and approved this 3rd day of January, 2017.

\_\_\_\_\_  
Fall River Board of County Commissioners

ATTEST:

\_\_\_\_\_  
Sue Ganje  
Fall River County Auditor

**FALL RIVER COUNTY RESOLUTION #2017-3**

WHEREAS, the Fall River County Board of Commissioners did adopt the following 2017 ANNUAL LOAD RESTRICTIONS:

Fall River County will impose load and speed limits as follows in coordination with the State of South Dakota Highway's Annual Load Restrictions:

All oil roads will be posted at 7 Ton and 40 mph, with the exception of County Road 6N, also known as Look Out Road, to be posted at 10 Ton. These are seasonal Spring Load Limits and the restrictions will take effect with the signs are in place.

NOW THEREFORE, BE IT RESOLVED this amendment was approved and passed on this 3rd day of January, 2017.

ATTEST:

\_\_\_\_\_  
Sue Ganje  
Fall River County Auditor

\_\_\_\_\_  
Fall River County Board of Commissioners



## Department of Veterans Affairs

Soldiers & Sailors Bldg  
425 E Capitol Avenue  
Pierre, SD 57501  
Phone 605.773.3269  
Fax 605.773.5380

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Subject: Veterans Service Officer Salary Reimbursement

Dear County Auditor,

With the end of the year rapidly approaching, we would like to bring to your attention the matter of the state reimbursement for salary paid to your Veterans Service Officer.

In order for us to reimburse you, we will need a copy of the payroll ledger or individual earnings record for your Veterans Service Officer covering the period of January 1, 2016, through December 31, 2016. This copy must be CERTIFIED by you, the County Auditor, as a true and factual statement of salary payments.

Please mail the requested document(s) to:

Audry Ricketts  
SD Department of Veterans Affairs  
425 E. Capitol Avenue  
Pierre, SD 57501

If you have any questions, please feel free to contact me at 605-773-8242.



### Appointed Officials

Cullen, Dan	\$38,320.08
Jensen, Lyle	\$39,480.00
Maynard, Frank	\$52,042.44
Seiler, Randy	\$57,918.36
Simkins, Susan	\$42,880.08
Stacey Martin	\$34,881.60
Steinmetz, Nina	\$39,041.04

### Elected Officials

Abbott, Ann	\$9,600.00
Allen, Joe	\$9,600.00
Behrens, Donna	\$150.00 per call
Engbretson, Melody	\$43,392.48
Evans, Robert	\$48,800.04
Falkenburg, Joe	\$9,600.00
Ganje, Sue	\$48,390.68
Paul Nabholz	\$9,600.00
Rhoe, Kelli	\$39,840.00
Russell, Deb	\$9,600.00
Sword, Jim	\$45,838.08

# MEMORANDUM OF UNDERSTANDING

Between

## SDSU Extension and Counties of South Dakota 2017

In accordance with Chapter 4.05, Section 4.0504, Revised Code of 1939 and as subsequently amended to conduct Extension educational programs in Agriculture and Natural Resources, Family and Consumer Sciences, Community Development and 4H/Youth Development with the complete understanding of all parties concerned. SDSU Extension, the United States Department of Agriculture and the Board of County Commissioners of **Fall River County** enter in the following agreement:

### COOPERATIVE EDUCATIONAL PROGRAM DEVELOPMENT

SDSU Extension agrees to give guidance and active assistance to the 4-H Advisor in determining and carrying out 4-H and Youth Development educational programs that will be of greatest benefit to the people in the county. SDSU Extension agrees to assist the 4-H Advisor in the conduct of their work by providing program planning and development, leadership, training, supervision, and subject matter support through Extension specialists, field specialists, publications, and technology information services.

### PERSONNEL AND FINANCIAL RESPONSIBILITY OF COOPERATING COUNTY

The Board of County Commissioners agrees to furnish an office suitable to all parties of the Memorandum. The Board of County Commissioners further agrees to provide sufficient funds for qualified office administrative support, 4-H Advisor travel expenses, office supplies, and equipment, postage, demonstration and educational supplies, telephone/internet and related charges and computer/related equipment, subject to the county's budgetary authority.

The Board of County Commissioners agrees to pay annually to South Dakota State University for partial salary support of the 4-H Advisor position. Payments must be made by the 31<sup>st</sup> day of March in this calendar year. For the calendar year 2017, this is in the amount of \$9,435. This position will work 50% of time in Fall River County. Should the position become vacant during the 2017 calendar year, or portions thereof, the county shall be reimbursed on a pro-rata basis for such period(s) of vacancy at the close of the calendar year.

The Board of County Commissioners agrees to reimburse the 4-H Advisor for official use of their personal vehicle, meals and lodging on official business away from their county office headquarters at rates and policies equal to or above those established by the State Board of Finance. The 4-H Advisor will submit itemized vouchers for official travel expenses to the County Auditor for presentation to the Board of County Commissioners for payment.

The 4-H Advisor will travel within the county to serve clientele and conduct educational programming. Furthermore, the 4-H Advisor will participate in some out-of-county activities that are related to their duties for the county, e.g. State Fair and State 4-H Horse Show, for which the Board of County Commissioners agrees to reimburse travel expenses. The Board of County Commissioners further agrees to allow the 4-H Advisor to participate in some training and special events outside of the county which are related to their duties and continued professional development. For these specific mandated professional development events, SDSU Extension will provide travel reimbursement to the 4-H Advisor.

### ACCESS TO CONFIDENTIAL DATA

Access to SDSU Extension data and communications, whether it resides on county-owned or SDSU Extension-owned equipment, shall be restricted to South Dakota State University personnel or their respective designees. As stated in the South Dakota Board of Regents Acceptable Use Policy, information resources and technology should be used to support the operations and missions of the South Dakota Regental System. Accordingly, the Chief Information Technology Office at South Dakota State University will investigate any and all allegations of misuse of technology by SDSU Extension personnel. Allegations of misuse of technology on county-owned equipment by SDSU Extension personnel will be investigated jointly by the SDSU Office of Information Technology, the Vice President of Information

Technology and the appropriate county personnel. SDSU will work with individual counties as requested to establish a standard Third Party Agreement to address network access concerns.

**COOPERATIVE PERSONNEL EMPLOYMENT POLICY**

It shall be the responsibility of SDSU Extension to screen and certify the qualifications of applicants for a vacant position. The County Commission will be represented in interviewing candidate(s) for the open position and participate in recommending approval or rejection of the candidate's employment by SDSU Extension. Salary will be determined by SDSU Extension with approval of South Dakota State University and the South Dakota Board of Regents.

If the performance of a 4-H Advisor becomes unsatisfactory, his/her employment may be terminated in accordance with South Dakota State University and Board of Regents Personnel policies. In addition, SDSU Extension may need to remove a 4-H Advisor when either appropriated State or Federal funds or the County funds are not adequate to satisfactorily carry on effective 4-H and Youth Development Extension educational programs in the county.

The employment policies of SDSU Extension and parties to this cooperative agreement are required to conform to provisions of the Civil Rights Act of 1964 and related amendments thereto prohibiting discrimination.

**APPROVAL AND/OR MODIFICATION OF MEMORANDUM**

This memorandum will be in effect when the Board of County Commissioners and SDSU Extension approve it. It supersedes all previously signed agreements and shall remain in effect until it is expressly terminated in writing by one or more of the parties concerned. This agreement should be reviewed at the first meeting of the County Commission each year for purposes of informing new members and reacquainting experienced members with its provisions.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
CHAIRPERSON, BOARD OF COUNTY COMMISSIONERS

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DIRECTOR, SDSU EXTENSION



- 1) The Fall River Investment Policy is standard boilerplate for SD towns and counties. As per the attached, page 1, it is policy set and approved by the county commission for the treasurer to follow. US Treasury Bills, also page 1, are the safest securities in the world according to Andrew Tobias. Note, that the interest rate risk on Treasury notes, 2-10 year Treasuries, is less than normally assumed.
- 2) After a conversation with a member of Sioux Falls Investment Advisory Board, I contacted Tom Huber, Assistant Director of Finance, who sent me a copy of the 2016 Third Quarter Investments Report. They have their funds invested primarily in Treasuries. See page 2, showing them holding 128 million dollars of Treasuries.
- 3) The current draft of the FR Policy, including modifications discussed at the Dec 20<sup>th</sup> commission meeting is on pages 3 and 4. It retains available use of county banks and the credit union, with the addition of Highmark FCU in Custer, and brokerage Charles Schwab for the purchase of Treasuries. It requires one report to the commission per year, encourages laddering of maturities, and likely keeping about 20% of investable funds, about 1M\$, in Treasuries. It is possible that Schwab would not approve our application for an account.
- 4) As of November 30<sup>th</sup> the county had a balance of 6.9M\$, see page 5. 62% of the funds were invested in CDs earning almost 2% interest. The remaining 38% was in checking or savings accounts earning next to nothing. Of that money, .4M needs to be held for drawdown of the checking account and 1M\$ held for forthcoming highway maintenance bills. The remaining 1.2M\$ could be placed into treasuries or CDs to earn interest. Treasuries allow running the checking account down further as they can be cashed out to supplement the checking account without penalty.
- 5) Joe Falkenberg requested a graph of investment maturities for our current CDs, I included a graph of the proposed investments as of July 2017 if we follow the suggestions of my Dec 19<sup>th</sup> letter which included Treasuries and spread them over time, see page 6.

We had over a million in CDs mature in December and have more maturing in March, May, and June. These are the maturing first batch of FI 5-yr CDs. The 2.2M\$ in CDs maturing in September 2020 are the 2.1% FI 5-yr CDs purchased on sale (normal rates were .9% at the time) thanks to Kelli and Heidi. Except for the .25M\$ 2.6% BHFCU 8-yr CD that matures in 2024, we don't have our maturities well spread out.

The second graph shows how we might purchase CDs and Treasuries to fill in the gaps in maturities. March is usually the lowest for county funds, so that is a good time to assess available funds for investment purchases. With a certain minimum level of Treasuries, maybe 1M\$ or more, purchases can generally be limited to March as the checking balance can be run lower as the treasuries can be sold to cover any shortfall. Over time we might hope to only be purchasing about 1M\$ in 5-yr investments each year in March as the oldest mature.

6) Next Joe wanted a comparison of interest rates and earnings, see page 7. Shopping banks for CDs nationally gets you 2.65%, but we can't go out of county.

Next is BHFCU with great rates, 2.2%, and low penalties, but we can only invest .25M\$ as our funds are only insured to that amount. Highmark at 2.1% and higher penalties is also limited to .25M\$.

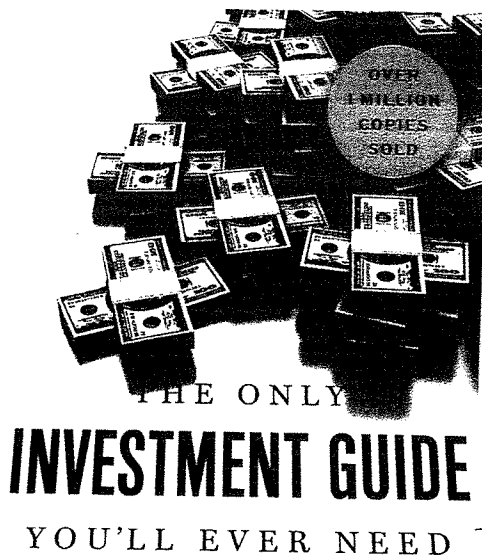
Treasuries at 2.11% currently have good rates, no penalty, and we can buy all we want.

Finally, FI at 1.25% currently is an average rate, a two-year penalty, but we can buy all we want. When on sale they have good rates.

At this time, based on a 5M\$ investment in 5-yr CDs or Treasuries, the Treasuries would earn \$105,000 per year in interest and FI would earn \$62,000 per year in interest. The other can't be bought or only a limited amount can be bought. However, we can put an additional 1.1M\$ into our existing FI CDs at 2.1%, which matches the 5-yr Treasury rate. The drawbacks to that are the two-year penalties and having even more of our CDs mature at the same time. Highmark only makes sense if they raise their interest rates.

4-5-8. Investment policies for local funds determined by governing board. Investments of public funds as defined in § 4-5-5 shall be made only after the adoption of a proper resolution by the governing board of such county, municipality, township, or school district. Such resolution shall state the investment policies to be followed by the treasurer thereof.

**Source:** SL 1945, ch 359, § 2; SDC Supp 1960, § 48.0507; SL 1961, ch 258, § 1; SL 1967, ch 237, § 1; SL 1972, ch 25.



THE ONLY  
**INVESTMENT GUIDE**  
YOU'LL EVER NEED

**ANDREW TOBIAS**  
COMPLETELY UPDATED

### *Treasury Bills*

The safest short-term securities in the world—free of state and local income tax, to boot—are United States Treasury bills, now issued in \$100 increments for three, six, and twelve months. You can purchase (and sell) them via Treasury Direct—[treasurydirect.gov](http://treasurydirect.gov).

Even so, I have never bought a Treasury bill in my life. For me, it's easier just to use money-market funds.

### *Treasury Notes*

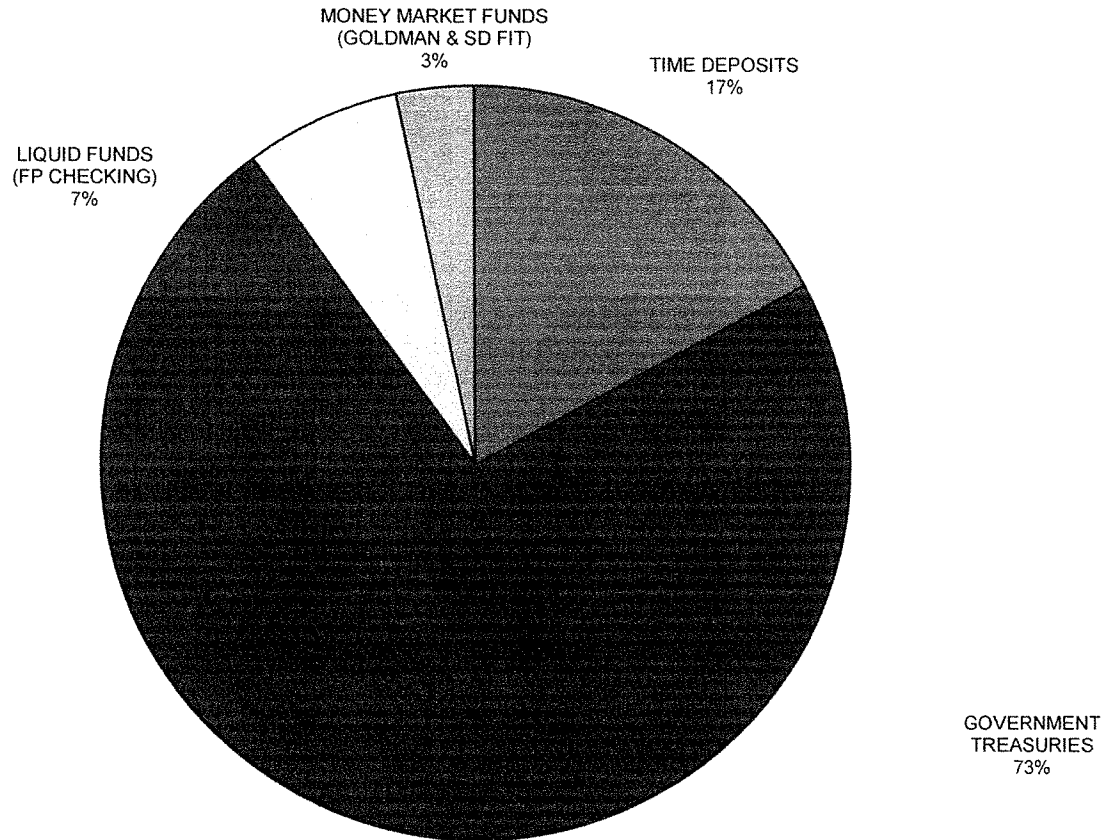
These are “intermediate-term” bonds, issued with lives between two and ten years. They compare nicely with CDs you’d get at your bank, especially because the interest they pay is exempt from state and local income taxes. Like Treasury bills, they can be bought through Treasury Direct with a minimum purchase of just \$100.

Once issued, Treasury notes trade actively, so you can easily

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buy or sell them any time. Unlike bank CDs, there’s no penalty for selling early, other than the commission you pay your bank or broker. Because of the interest-rate seesaw, you’ll make a profit if interest rates have declined since you bought them, or suffer a loss if rates have risen. (A nice twist here, often overlooked, is that Treasury notes tend to rise in value slightly as time goes by; so if you do sell early, you’re less likely to suffer a loss. This is because the market generally demands a higher rate of return to make a long-term loan than a short-term loan. And as time passes, the Treasury note you bought has a shorter and shorter remaining term. Someone thinking of buying your note doesn’t think of it as the five-year note you originally bought; she thinks of it as a two-year note, if that’s how long it has left to run. When she sees that your “two-year” note yields 5%, that may be enough to entice her to pay you full price, even though the rate on newly issued five-year notes might now be 6%.)

**EXHIBIT A  
CITY OF SIOUX FALLS  
INVESTMENTS BY ASSET CLASS  
September 30, 2016**



<u>ASSET CLASS</u>	<u>MARKET VALUE + ACCRUED INTEREST</u>	<u>PERCENT</u>	<u>MAXIMUM ALLOWED</u>
TIME DEPOSITS	\$ 30,211,268	17.10%	N/A
GOVERNMENT TREASURIES	128,602,875	72.78%	N/A
LIQUID FUNDS (FP CHECKING)	11,865,743	6.72%	20%
MONEY MARKET FUNDS	6,002,012	3.40%	20%
(GOLDMAN SACHS)	\$ 3,000,807		
(SD FIT)	<u>3,001,205</u>		
<b>TOTAL PORTFOLIO</b>	<b>\$ 176,681,898</b>	<b>99.99%</b>	

**FALL RIVER COUNTY, SOUTH DAKOTA  
INVESTMENT POLICY**

**1. POLICY**

Pursuant to SDCL 4-5-8 it is the policy of Fall River County to invest idle public funds in a manner to meet the daily cash flow demands of Fall River County with the primary objectives, in priority order, being: a) Safety of Principal b) Liquidity and c) Return.

**2. DELEGATION OF AUTHORITY**

Authority to manage the investment program is granted to the Fall River County Treasurer, who shall refrain from personal business activity that could impair his/her ability to make impartial decisions. The Treasurer acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual investment's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion to the County Commission and the liquidity and the sale of investments are carried out in accordance with the terms of this policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

In case of extended leave of absence, the County Commission shall appoint a replacement Officer.

**3. AUTHORIZED FINANCIAL DEALER AND INSTITUTION**

The Governing Board authorizes the placement of cash resources in the following financial institutions:

- First Interstate Bank
- Wells Fargo Bank
- Bank of the West
- Any other State or National Bank located within Fall River County
- Black Hills Federal Credit Union
- Highmark Federal Credit Union
- Any other Domestic Federal Credit Union in which funds are insured by the NCUA
- South Dakota Public Funds Investment Trust (FIT)
- Charles Schwab as fiscal agent for the purchase of U.S. Treasuries

**4. AUTHORIZED AND SUITABLE INVESTMENTS**

The Fall River Treasurer is empowered by statute to invest in the following instruments:

- Interest bearing checking accounts
- United States Treasury bills, bonds, and notes (SDCL 4-5-6)
- United States Government Agencies (SDCL 4-5-6)
- Savings accounts
- Certificates of Deposit (CDs) (SDCL 7-20)\*  
Certificates of Deposit (CDs) purchased through CDARS<sup>®</sup> (Certificate of Deposit Account Registry Service) (SDCL 4-5-6.1)\*

- Local Government Investment Pool (SD FIT)
- Money Market Mutual Funds- open-end, no-load (SDCL 4-5-6)

\*When investing in Certificates of Deposit (CDs) public funds will be invested at the highest rate of interest possible after attempting to secure two (2) quotes.

## 5. COLLATERALIZATION

In accordance with the SDCL 4-6A and 51A-10-9 Qualified Public Depositories will furnish collateral in the sum equal to one hundred percent (100%) of the public deposit accounts that exceed deposit insurance. The Treasurer shall check the financial institution's status on the Legislative Audit website.

## 6. REPORTING

The Treasurer shall prepare an investment report not less than annually, that provides a clear picture of the status of the current investments.

- Dollar amount and percent invested in each security type (CD, US Treasury, checking accounts, etc).
- Dollar amount and listing of investments by maturity date.
- Dollar amount and percent held by each financial institution.

## 7. INTEREST EARNED

The interest will be credited to the general fund; however, to satisfy accounting standards, interest will be credited to the fund earning the interest and then all interest earned in the other funds, except to the 911 fund which needs to keep its interest based on state rules, will be transferred to the general fund. (SDCL 4-5-9)

## 8. DIVERSIFICATION

- It is the policy of Fall River County to get the best interest rates for the county, providing that the Treasurer check pledged collateral on any financial institution with more county funds than is insured by the FDIC or NCUA.
- Investment maturities will be staggered in such a manner that all investments will not come due at the same time.
- At least 20% of investable funds shall be available for use by the county on one business day notice.

\_\_\_\_\_, Chairman, Fall River Board of  
County Commissioners

ATTEST:

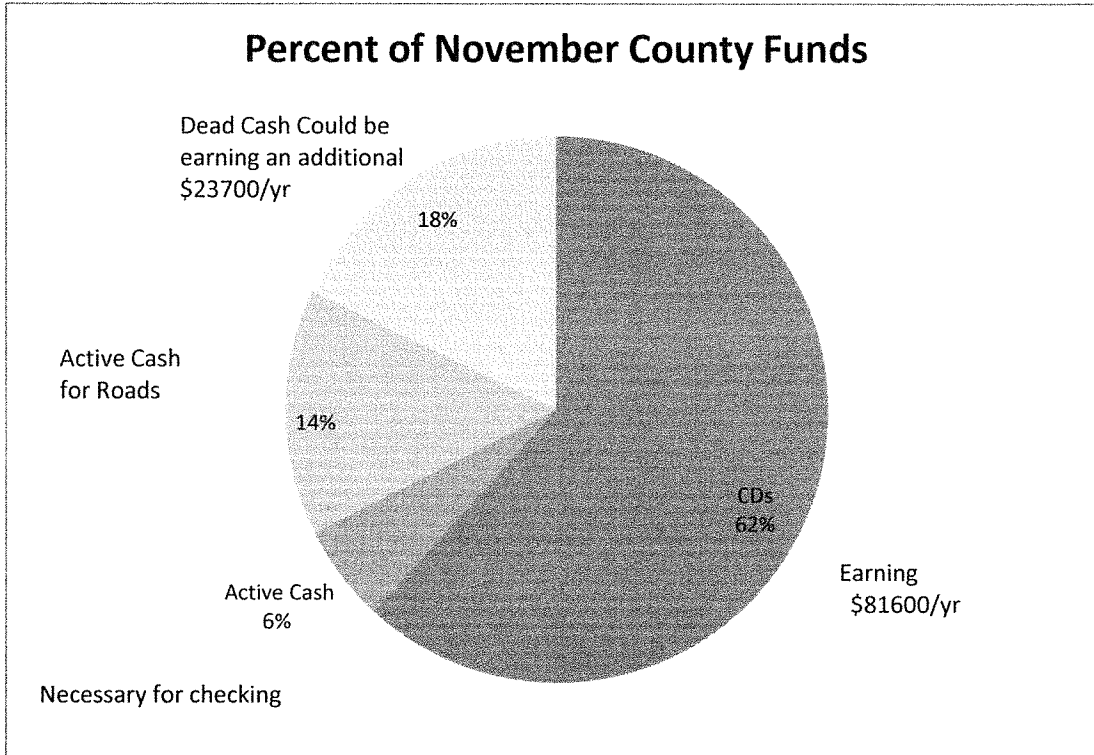
\_\_\_\_\_  
Sue Ganje, Fall River County Auditor

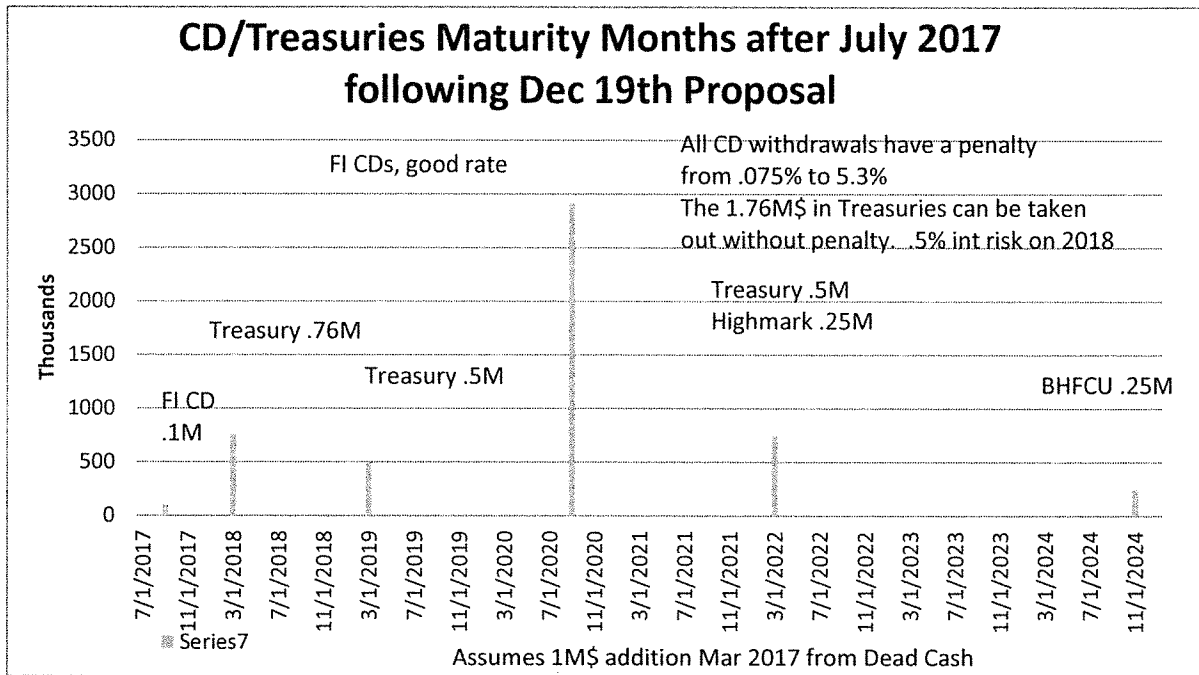
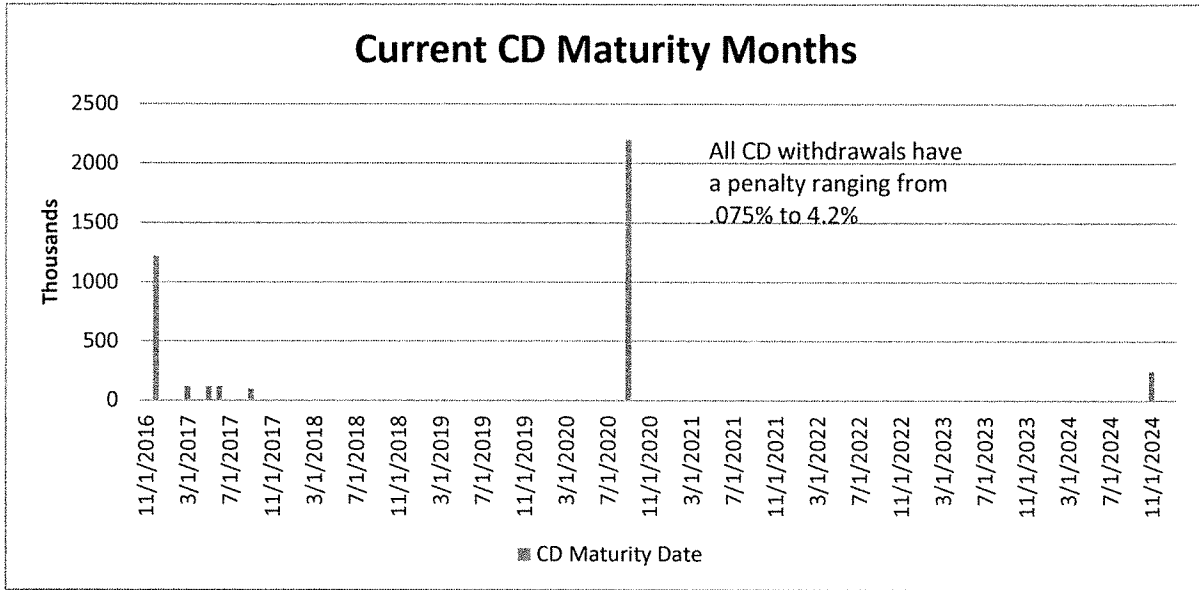
\_\_\_\_\_  
Kelli Rhoe, Fall River County Treasurer

November 2016 County Money

Total	All CDs	Active Money for Checking	Active Money for Roads	Dead Money not cking or roads
6.883M\$	4.249	0.4	1	1.234

**Percent of November County Funds**



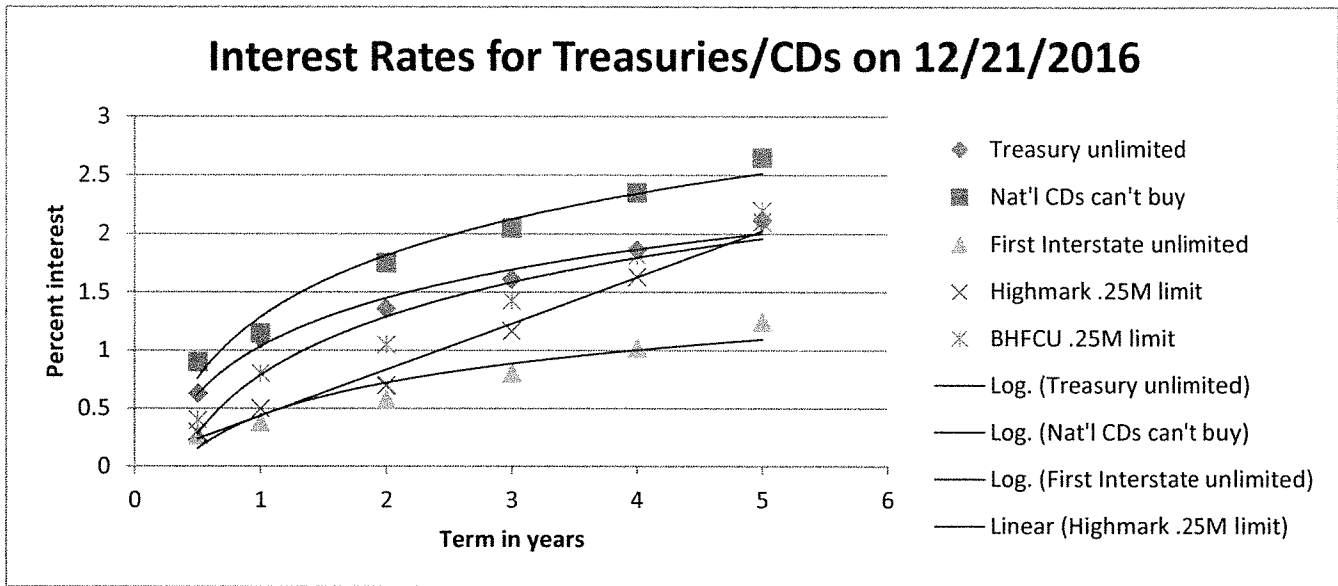




CD/Treasury rates as of 12/21/2016

	6-mo	1-yr	2-yr	3-yr*	4-yr*	5-yr	8-yr	penalty on 5-yr
Years	0.5	1	2	3	4	5		
Treasury	0.63	1.1	1.36	1.61	1.86	2.11		none
CDs Nat'l	0.9	1.15	1.75	2.05	2.35	2.65		varies
FI	0.27	0.38	0.58	0.8	1.02	1.25		2-yr, 2.5%
Highmark	0.3	0.5	0.7	1.17	1.63	2.1		1/2 term
BHFCU	0.4	0.8	1.05	1.43	1.82	2.2		2.6 6mo, 2.0%

\* interpolated



Earnings per year for County based on 5M\$ total

	1M\$ each 1, 2, 3, 4, 5-yr certs	5M\$ in 5-yr cert
Treasuries	80400	105500
National CDs	99500 cannot buy in FR	132500 cannot buy in FR
First Interstate	40300	62500
Highmark FCU	61000 can only buy .25M\$	105000 can only buy .25M\$
BHFCU	73000 can only buy .25M\$	110000 can only buy .25M\$

*For  
Commissioner  
Jan. 3*

# Weed & Pest Board Travel Request Form

**DATE OF REQUEST:** 3-Jan-17

**ATTENDEES:** Nina Steinmetz  
Board Member -

**CONFERENCE:** SD Weed and Pest Conference

**DESTINATION:** Huron, SD

**DATE OF EVENT:** February 21-24, 2017

**REGISTRATION FEE:** \$260 \$130 per person/ three days

**LODGING:** \$491.94 ( \$81.99 room- 2 rooms / 3 nights )

**MEALS:** \$40 ( Tuesday and Wed. Morning)

**TRAVEL EXPENSES:** \$180 Gas - 682 miles round trip

**TOTAL COUNTY EXPENSE:** \$972

**BENEFIT TO ATTEND:**  
**2 representatives from Fall River County must attend to be eligible for SD Weed & Pest commission Grants.**