

**FALL RIVER COUNTY
COUNTY COMMISSIONERS
COURTHOUSE
906 NORTH RIVER ST
HOT SPRINGS, SOUTH DAKOTA 57747
PHONE: (605) 745-5130 FAX: (605) 745-6835**

FALL RIVER BOARD OF COUNTY COMMISSIONERS

Second Floor Courtroom

Tuesday, December 20, 2016

- 8:30 Commission review of bills
9:00 Call Meeting to Order
Pledge of Allegiance
Conflict Of Interest Items for Board Members
Action Items for Consideration:
*Agenda
*Minutes for December 6, 2016
* Treasurer's Account with the Auditor for November 2016
*County assistance, death expense applications; CP2106-17
*November 30, 2016 General Fund Cash Surplus analysis
*Junk Treasurer electronic typewriter, asset #1120
* Review letter from Andersen Engineering
*Review letter Department of the Interior
(Move any unfinished business to the end of the meeting if needed)
- 9:10 Lyle Jensen, Building Supervisor- Quote for expanded memory with GoldenWest; Updates
9:20 Julie Tomlinson, Auditor's Office- Options for Delta Dental renewal
9:25 Bob Evans, Sheriff- Edgemont Law Enforcement agreement review and possible approval
9:35 Review of Fall River Housing and Redevelopment Committee letters of interest, appoint individual for 5 year term
9:40 Kelli Rhoe, Treasurer & Paul Nabholz- Update on interest rates; Investment proposals; Investment policy for review and changes
9:50 Frank Maynard, Emergency Management- Advise of Homeland Security grant application; Updates
10:00 Randy Seiler, Highway Superintendent- Fuel quotes; Updates
10:15 Dustin Ross, Andersen Engineering- Plat for Bent Pine Ranch (Shagala)
10:25 Approve Bills & Break
10:35 Public Comment
10:45 Consider proposals from Collection agencies for liens on Court Appointed Attorney Fees, County Assistance and Inmate Expenses
10:50 Jim Sword, State's Attorney- Request approval for Karpel Software, Updates

Executive Session as per SDCL 1-25-2 (3), legal matters with Jim Sword and Lyle Jensen regarding jail air handler
Executive Session as per SDCL 1-25-2 (1), personnel matters with Stacey Martin, Susie Simkins & Frank Maynard

Adjourn

Agendas are set 24 hours prior to a meeting, any items added at the meeting will be heard for informational purposes only, If any items require action, such action will be deferred to the next meeting.

Fall River County fully subscribes to the Americans with Disabilities Act. If you desire to attend this public meeting and are in need of accommodations, please notify the commissioners' office, (605) 745-5132, 24 hours prior to the meeting so that appropriate services and auxiliary aids are available.

AUDITOR'S ACCOUNT WITH THE COUNTY TREASURER

TO THE HONORABLE BOARD OF COUNTY COMMISSIONERS OF FALL RIVER COUNTY:

I hereby submit the following report of my examination of the cash and cash items in the hands of the County Treasurer of this County on this 30th day of November, 2016.

Total Amt of Deposit in First Interstate Bank: \$1,283,298.69

Total Amount of Cash: \$ 2,965.69

Total Amount of Treasurer's Change Fund: \$ 900.00

Total Amount of Checks in Treasurer's Possession Not Exceeding Three Days: \$73,118.80

SAVINGS:

First Interstate Bank: \$1,845,434.69

CERTIFICATES OF DEPOSIT:

First Interstate-Hot Springs: \$3,999,074.29

Black Hills Federal Credit Union: \$ 250,000.00

Itemized list of all items, checks and drafts that have been in the Treasurer's possession over three days:

Register of Deeds Change Fund: \$500.00

Highway Petty Cash: \$20.00

Election Petty Cash: \$15.00

RETURNED CHECKS:

Schoenberger, Chelsey - \$65.80, LIC (09/27/2016)

Hagen, Kara - \$5,856.66, Tax (11/23/2016)

Matsamas, Rick - \$585.00, Tax (11/16/2016)

TOTAL \$7,461,834.62

Dated This 30th Day of November, 2016.


Sue Ganje, County Auditor of Fall River County.

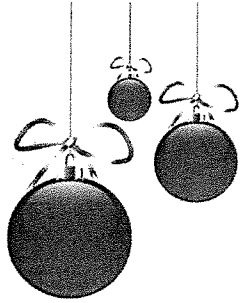
County Monies: \$6,883,165.68

Held for other Entities: \$428,453.98

Held in Trust: \$150,214.96

TOTAL: \$7,461,834.62

The Above Balance Reflects County Monies, Monies Held in Trust, and Monies Collected for and to be remitted to Other ENTITIES: SCHOOLS, TOWNS, TOWNSHIPS, FIRE AND AMBULANCE DISTRICTS, AND STATE.



We hope that this finds you and yours having a happy holiday season – and enjoying quality time with family and friends. Marie and I wanted to take this opportunity to tell you that, after 29 years, we have decided to sell our ownership in

ANDERSEN ENGINEERS, Inc. to John McBride. We have been truly blessed to work for and with some of the finest people in the world. John has been a part of building our company since we started, and will continue to operate the business with Dustin Ross under the same name. I will continue to help them out on an as-needed basis – but am planning to spend a good bit of my time spoiling our six grandkids.

The office phone numbers will continue to be 605-662-5500 in Edgemont and 605-745-5510 in Hot Springs. John's cell is 605-484-1971, and Dustin's cell is 605-891-8027.

We are very grateful to all of you for helping us build a successful company and have had fun working with you all over the years.

Merry Christmas & Happy
New Year,

Keith & Marie Andersen





United States Department of the Interior



BUREAU OF LAND MANAGEMENT
South Dakota Field Office
309 Bonanza Street
Belle Fourche, South Dakota 57717-1698
www.blm.gov/montana-dakotas

In Reply Refer To:
3100 (MTC040)
RWP

DEC 09 2016

Fall River County Commissioners
906 N River St.
Hot Springs, SD 57747

Dear Commissioners:

The BLM is conducting an oil and gas leasing Determination of NEPA Adequacy (DNA). The preliminary list of parcels and leasing recommendations is posted for your review via the internet on our home page. Please refer to the Montana/Dakotas BLM website at: <http://on.doi.gov/2g5FmzC>. Current and updated information about our DNAs, EAs, Lease Sale Notices, and corresponding information pertaining to this sale can be found at the link referenced above. Once there, search for the July 11, 2017 lease sale to review the preliminary parcel list with recommended stipulations.

If you have any comments or know of any issues that should be addressed in our analysis of the parcels, please provide comments using one of the following methods:

Email: blm_mt_south_dakotafo_lease_ea@blm.gov
Mail: South Dakota Field Office
Attention: Oil and Gas EA
309 Bonanza Street
Belle Fourche, South Dakota 57717
Contact: Russ Pigors (605) 892-7012

The 15-day scoping period will end on December 29, 2016. Please refer to the link listed above, which can also be accessed less directly at www.blm.gov/mt. Locate Appendix A within the DNA document to view the listing of parcel numbers, legal descriptions, and lease stipulations. Upon updating the DNA, parcels recommended for leasing will be listed on a competitive oil and gas lease sale scheduled for July 11, 2017.

A map of the parcel locations has also been posted to our internet web site. If your office plans to utilize GIS applications in your review of these parcels and you would like to receive shape files, please contact Randy Schardt, GIS Coordinator, at (406) 896-5141 or via email at rschardt@blm.gov. If you have any questions, or would like more information about lease sale notices or the EA process, please contact Kimberly Werven at (406) 896-5091 or via email at kwerven@blm.gov.

Sincerely,

Chip Kimball
Field Manager

Julie Tomlinson

From: Jeff Miller [jeff.miller@deltadentalsd.com]
Sent: Friday, December 09, 2016 10:46 AM
To: frcaud@gwtc.net
Subject: RE: Fall River County Delta Dental Plan

From: Jeff Miller
Sent: Friday, December 09, 2016 11:41 AM
To: 'frcaud@gwtc.net' <frcaud@gwtc.net>
Subject: Fall River County Delta Dental Plan

Julie,

As we discussed you are currently in one of our small group pools that is designed for groups of 25-50 employees that pay the full single cost. You currently have 59 employees and are eligible to move out of the pool. We usually move groups once they sustain an enrollment of 55 employees. We would move you out of the pool with the same rates you have currently in 2016. If you remain in the pool the rates will increase \$1.00 single and \$2.50 family. If you move out of the pool you will be rated on your group's experience rather than the entire pool of groups you were with. Your experience has been slightly less than the pool average and I would anticipate your rates to move up at a slower rate than the pool if your experience continues as it has. Any future rate increases would be protected by our rate stability program. 2017 will be your 21st year with us and you would be limited to a 6% increase and then 5 years from now your maximum increase would be 5%. I may have told you wrong over the phone as I didn't count the years correctly.

You would maintain the same benefits you have in place today. It would give you added flexibility if there was ever a change you wanted to make in the future. The only change for your employees would be they would get a new ID card with a new group number that the dentist would have to use to submit claims starting in 2017.

Let me know as soon as possible if this change is something you would like to take advantage of. Let me know if you have any questions. Thanks!

Jeff Miller | VP of Underwriting & Compliance
Delta Dental of South Dakota
720 N. Euclid Ave., Pierre, SD 57501
605-224-7345 | 800-627-3961
Direct Line: 605-494-2540
Fax: 605-494-0909



Commissioners, Kelli, Sue, and Jim,

Dec 19, 2016

After our last meeting November 22nd, Kelli opened an eight-year CD at the credit union which generates \$530 in interest per month. We also have five each 5-yr First Interstate CDs that mature this month, initially worth 1.22 M\$, they have accrued about \$119,000 in interest and are now worth 1.339 M\$. I looked into our options for earning interest on county funds going forward.

Our options are limited by state law that directs county banking to banks within the county or any domestic federal credit union where county funds are insured by the NCUA. Further, as I read the laws we are basically limited to highly rated bonds, the direct obligations of other counties, cities, and schools, certificates of deposit, U. S. Treasuries, and no load funds made from U. S. government insured bonds.

FI is our go-to bank as they usually have the best combination of good certificate rates and through bonding the ability to insure all our deposits. BHFCU has better certificate rates, but only has NCUA insurance for up to .25 M\$. So, we have a single eight-year 2.6% APY .25 M\$ CD, but that is all. Highmark FCU, with a branch in Custer, serves our area and is offering 2.1% APY on a 5-yr CD. Again, we are limited a single .25 M\$ CD. It appears that we can go nationwide to purchase CDs for the county in .25 M\$ pieces, however, most credit unions limit membership to a locality or other common bond.

The reasons for looking beyond FI currently are their low interest rates on 1 and 5-yr CDs, .15/.9% APY, respectively. The 2.2 M\$ worth of CDs purchased from FI in Sept 2015 included an option to add another 1.1 M\$ to those CDs at 2.1% APY for the remainder of the term, about 3-1/2 years. That is a good option, but concentrates our maturities and these CDs carry a two-year penalty. If we add the 1.1 M\$ to our existing FI CDs we only need a good place to put .239 M\$. We can do that at Highmark FCU.

Given that we are running out of places to put county funds that earn higher levels of interest, above 1.5% APY, I looked for other options.

Treasuries appear to be a good alternative to CDs. Treasuries are federal government debt and can be purchased in one thousand dollar increments and for periods of time between four weeks and thirty years. They can be purchased at auction on-line at treasurydirect.gov or through a broker.

I have used Charles Schwab, the discount broker, for my retirement accounts for the last twenty years. I asked that they mail us an application for an account. I am suggesting the county use a broker for a few reasons: They offer a fair level of person to person support, provide a way to sell a Treasury before maturity, and trade on our schedule. The numbers I have been quoted indicate an effective one way commission of about \$30 on .25 M\$ worth of Treasuries. Treasury direct is the way to go if you will not resell before maturity and are willing to trade on auction days only.

The advantage of purchasing treasuries over buying CDs is that there is no explicit penalty for early withdrawal, instead there is a bid/ask spread which is small. Currently, 1-year treasuries are yielding about .75% and the 5-yr about 1.8%*. As a comparison the above proposed Highmark 5-yr CD yields 2.1% APY, but has a half- of-the-remaining-term interest penalty. If the county had to withdraw the CD early: At one year a \$100,000 CD would be worth \$97,900 and the \$100,000 treasury would be worth \$101,790. At year three \$104,240 and \$105,490, respectively. At maturity \$110,950 and \$109,330, respectively. Generally, a treasury is like a CD with no penalty**. A CD can be better if the interest rate is higher and the penalty small.

*Treasuries have actually moved up to 1.16 and 2.18%, but that screws up the typical comparison with the CDs (which will probably move up also).

**One possible risk with longer term Treasuries is interest rate risk. Treasuries drop in value when interest rates rise. Treasuries with under five years to maturity should see little effect.

There is a good argument for having some CDs and some Treasuries. The CDs often yield a bit more than the Treasuries, so earn more money. The Treasuries can be cashed in early without a penalty to respond to a need for cash.

So, what should the county investment policy be and how should it be implemented? Using the Auditor's Account with the County Treasurer's reports for 2013-2015 shows total county funds of between 4.2 and 7.9 M\$. As Sue noted, we have large influxes of money in April and October when property taxes are paid and balances drop to lows in March and September. It appears reasonable to run the checkbook down to perhaps \$100,000 in March by buying longer term CDs and Treasuries with the excess funds. Then, as more excess funds arrive in April, those new excess funds can be put in money market, savings, or checking accounts. This results in putting almost all of the long-term steady funds in CDs and Treasuries. It keeps the variable funds in short-term vehicles. See Appendix A for a more detailed example.

Currently, we have about 1.8 M\$ in FI CDs maturing mostly this month and through the next several months until June. Following that we have 2.2 M\$ in FI CDs maturing in Sept 2020. Finally, we have the BHFCU .25 M\$ CD maturing in Nov 2024. Regarding those first 1.8 M\$ CDs, consider the following plan: Buy 1 M\$ in Treasuries with half maturing Feb 2018 and half maturing Feb 2019. This provides 1 M\$ that can be taken out at any time without penalty. With the remainder expand the existing FI CDs. At the maturity of the March FI CD, combine those funds and any in excess of 100,000 in checking (above the expected minimum) and buy a Highmark 5-yr CD (assuming the rate is above 2.1 and ~.3 above 5-yr treasuries) and up to .5 in Mar 2022 maturing Treasuries. If there is still cash on hand expand the FI CDs unless Treasuries (2019) make more sense. At the May and June maturities, add to the Treasuries trying to keep equal amounts in 2018, 2019, and 2022.

In general, we want to try and have a portfolio of Treasuries going out five years with 20% 1-yr out, another 20% 2-yr out, and so on. Without CDs, purchasing the Mar T-notes would provide maturities at the low point in the budget cycle and the Treasurer would be mainly purchasing 5-yr Treasuries (as the prior year's purchases are 4-yr, two year's prior are now 3-yr, and so on.). To support the local banks/credit unions CD's can be purchased when rates are higher than treasuries and penalties are not excessive. In a perfect world the Treasurer would only be making Treasury/CD purchases once per year in March.

It appears that we will have excess funds to invest in March. With Treasuries available without penalty, it doesn't make a lot of sense to buy 1-yr CDs at current low rates. If the 1-yr CD rates remain as low as they have been, see Appendix B showing how little interest our 1-yr CDs earned, we should be looking at perhaps 3-5-yr Treasuries and 5-8-yr CDs.

The 8-yr BHFCU is a great deal because of the high 2.6% and small 6 month or 2% penalty (larger of the two). After one year, it makes .6%, even with the penalty. After a few years it exceeds every other Treasury or CD. Because CDs can be withdrawn early, they don't have a true interest rate risk. If after a year the 8-year rate had jumped to 5.2%, you would withdraw early, pay the 2 percent, and be ahead a year after that. An 8-yr treasury would lose ~18% of its value if interest rates doubled the day after purchase. This is a good reason for staying on the shorter term end with Treasuries.

All the above is a lot to digest: For now, it would be good to apply for accounts at Schwab and Highmark and assuming those are granted, buy the 1M\$ in shorter treasuries and add to the FI CDs. If the FR Investment plan meets with your approval, it could be adopted or reviewed for improvements or corrections. It should generate perhaps \$100,000 in interest per year.

I did discuss the Treasury purchases with Matt Clark, State Inv. Officer, which he thought made sense and is done in Sioux Falls. First Interstate and Wells Fargo offer wealth management, but at a cost of about \$30,000 per year.

Appendix A: Example

If we were to follow the proposal based on the actual county balance sheets from 2013-2016, see spreadsheet, and had adopted the plan in March of 2013 and had no investments prior.

The county has 4.312 M\$ on the balance sheet. Kelli buys 2.1 M\$ total of 1,2,3,4 and 5-yr CDs in equal amounts from the local banks and credit unions. Kelli also buys 2.1 M\$ of 1 through 5-yr Treasuries. She keeps the remaining .112 M\$, \$112,000, in checking, savings, or a money market fund. April, because of property tax revenue, adds another 2.1 M\$ to the checking savings or money market fund. The balance then drops as county spending exceeds tax revenue, reaching a low of 4.395 M\$ (2.1 CDs + 2.1 Treas + .195 checking) in September of 2013.

In March 2014 the balance is now 4.701 M\$ (2.1 CDs + 2.1 Treas + .501 checking) leaving us with more in checking than we need. The above 1-yr term investments worth .840 M\$ mature. So, Kelli buys another .840+.400 M\$ in 5-yr CDs and Treasuries, dropping the checking account back to \$101,000.

In March 2015 the balance is now 4.768 M\$ (2.3 CDs + 2.3 Treas + .168 checking) leaving us with only slightly more in checking than we need. The original 2-yr term investments worth .840 M\$ mature. So, Kelli buys another .840+.068 M\$ in 5-yr CDs and Treasuries, dropping the checking account back to \$100,000.

If in some year we run short of funds we cash in the number of Treasuries needed to fill the checkbook. When the next CD matures, we get the CDs and Treasuries in closer balance if needed.

The proportion of CDs to Treasuries is not critical: It is probably good to keep at least 1M of Treasuries on hand for emergency cash needs. If Treasuries are yielding more than CDs, you would want to be mostly in Treasuries. If CDs, particularly with low penalties, are yielding half a percent over Treasuries, it is probably worthwhile to overweight CDs.

Appendix B

When we bought the 2.2 million worth of FI 2.1% APY CD in September 2015, the county allocation was roughly 4 M\$ worth of 5-yr CDs earning about \$80,000 and .5 M\$ in 1-yr CDs at .15% earning about \$750 and another .5 M\$ in savings at .03% earning about \$150. For a total interest of \$80,900. The 1-yr CDs and savings are pretty useless for earning income.

This is where the Treasuries could help: Replacing the 1-yr CDs and savings with .9 M\$ in 5-yr Treasuries and .1 M\$ in checking at zero interest gives us \$16,200 in interest for a total of \$96,200 interest. Also, the entire 1 M\$ is available for immediate use without penalty, instead of just the .5 M\$ in savings.

Another big advantage of using longer term vehicles is in saving the Treasurer's time. We may have thirty CDs in total. If they were evenly spaced throughout the year and one-year CDs the Treasurer would be buying a CD every two weeks. If we use five year CDs or Treasuries and buy principally in March, the Treasurer is only dealing with them a couple times a year.

County Cash Float/Relative
 Nab 12/8/2016

Cash on hand, on deposit, checks in the Treasurer's possession, savings acct or MMF, and CDs

Totals, including CDs.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013 Total	4556	4228	4312	6434	5667	5155	4762	4583	4395	6683	5683	4772
CDs	3720	3720	3720	3720	3720	3720	3720	3720	3720	3720	3720	3720
14 Total	4970	4742	4701	7426	5496	5495	5263	4965	4938	7587	5696	4805
CDs	3720	3720	3720	3720	3720	3720	3720	3720	3720	3720	3720	3720
15 Total	4900	5127	4768	7897	5545	6011	5572	5299	5257	7870	6600	6121
CDs	3720	3720	3720	3720	3720	3720	3720	3720	4650	4529	4529	4529
16 Total	5999	6009						6904		9706		
CDs	4529	4529								4249		

What is average monthly Total 2013-2015?

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Remove slow increase in Total, subtract 40K per month.	4809	4699	4594	7252	5569	5554	5199	4949	4863	7380	5993	5233
minus	0	40	80	120	160	200	240	280	320	360	400	440
equals	4809	4659	4514	7132	5409	5354	4959	4669	4543	7020	5593	4793
Assuming we have 4514 in CDs what is monthly variation in check book, subtract 4514 from monthly average, corrected for increase.	295	145	0	2618	895	840	445	155	29	2506	1079	279

Rough Conclusions: March is the lowest month followed by September, so these would be the best months to have interest and CDs come due.

Fall River Housing & Redevelopment Commission
201 South River Street
Hot Springs, SD 57747
(605) 745-4067

December 1, 2016

Fall River County Commissioners
906 North River Street
Hot Springs, SD 57747

Re: Housing Commissioner vacancy

Dear Commissioners:

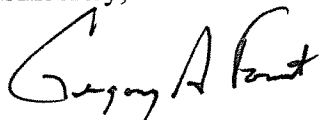
It is my pleasure to make written recommendation of a candidate to serve a full term as Housing Commissioner on the Fall River Housing & Redevelopment Commission for the five (5) year term ending on December 31, 2021.

Mrs. Connie Gerard has just completed her initial full 5-year term after serving out the remaining year of the term previously served by Terry Hollenbeck. On behalf of the other four (4) Housing Commissioners, this letter is an endorsement of Mrs. Gerard's appointment to the full term ending on December 31, 2021.

In addition to Mrs. Gerard's residence being just east of Edgemont, she has brought a unique and objective perspective to the deliberations of the Housing Commission over the last six (6) years. Her recommendations on such issues as investment of cash assets, marketing the Edgemont Hillcrest Apartments, and possible expansion / development of additional housing in Fall River County have added to the Housing Commission's improvement and planning activities.

We look forward to working with Mrs. Gerard on the Housing Commission. Thank you for your commitment to helping us maintain high quality operation of Hillcrest Apartments. Please let me know if you have any questions or concerns in this regard.

Sincerely,



Gregory A. Foust
Executive Director

December 5, 2016

Fall River County Commissioner
906 North River Street
Hot Springs, SD 57747

Re: Housing Commissioner Vacancy

Dear Commissioners:

I recently completed a term on the Fall River County Housing and Redevelopment Commission. As a commissioner, I was able to utilize my knowledge and experiences for the betterment of the people in Fall River County. I would like to continue to do this, and therefore, request your consideration in serving another term.

I am a resident of Fall River County. I live on the family ranch near Edgemont and I work at First Interstate Bank in Hot Springs. Both my previous and current careers have equipped me with substantial knowledge in the area of housing.


I have 21 years of previous experience as a loan officer with USDA Rural Development. Approximately 80% of my work experience with USDA was with the Multi-Family Housing and Single Family Housing Programs.

I am currently the Consumer Loan Officer at First Interstate Bank in Hot Springs. This keeps me well acclimated with the housing market as well as the housing needs and trends in the area.

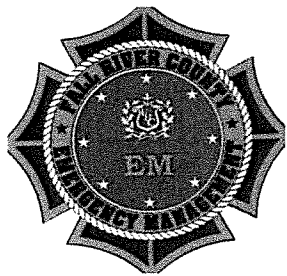
First Interstate Bank supports housing efforts in the communities it serves. Therefore, I have the flexibility and support I need to attend monthly meetings and to be a true asset to the Housing Commission.

I appreciate your consideration for the above appointment. If you have any questions, please contact me (605) 662-5689 or (605) 891-9851.

Sincerely,



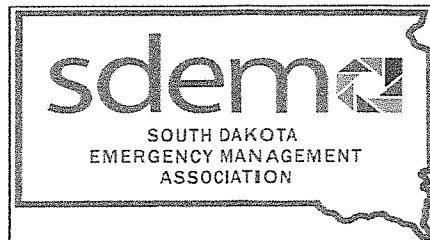
Connie Gerard
PO Box 676
Edgemont, SD 57735



*Emergency Management
Fall River County*

*Franklin W. Maynard
906 N. River St.
Hot Springs, SD 57747*

605 745-7562 605 890-7245 frem@qwtc.net



Date: December 20, 2016

Subj: Commission Update

Emergency Management

1. **2016 Homeland Security 2017 Grant:** The timeline for the 2017 HLS Grant is attached. I have forwarded this timeline to the various agencies.
2. **HLS Grant:** I am obtaining sizing information for a generator to power the basement floor of the courthouse. This information will be utilized to obtain two (2) quotes for the grant application.
3. **Rapid Tag Printer:** Fall River County received the Rapid Tag Printer from OEM on December 12th. The printer is utilized during major events to identify participants in the event. This is part of the Comprehensive Resource Management & Credentialing System (CRMS) that the State is utilizing to track resources and manpower.
4. **SLA Reimbursement:** Fall River County received a payment of \$12,215.06 for 4th quarter (July, August & September, 2016) from the State.
5. **Homeland Security Grant Reimbursement:** Fall River County received \$20,469.96 from the State for the Homeland Security Door Lock project. The total charge for the project was \$20,900.52 and the difference was for additional parts needed to complete the project and is a county expense.
6. **Fires/Incidents: 12/14/2016:** Barn & Building fire, Wild Horse Sanctuary. Hot Springs & Cascade Fire.

Franklin W. Maynard
Franklin W. Maynard, CEM, CFM
2016 Emergency Manager of the Year

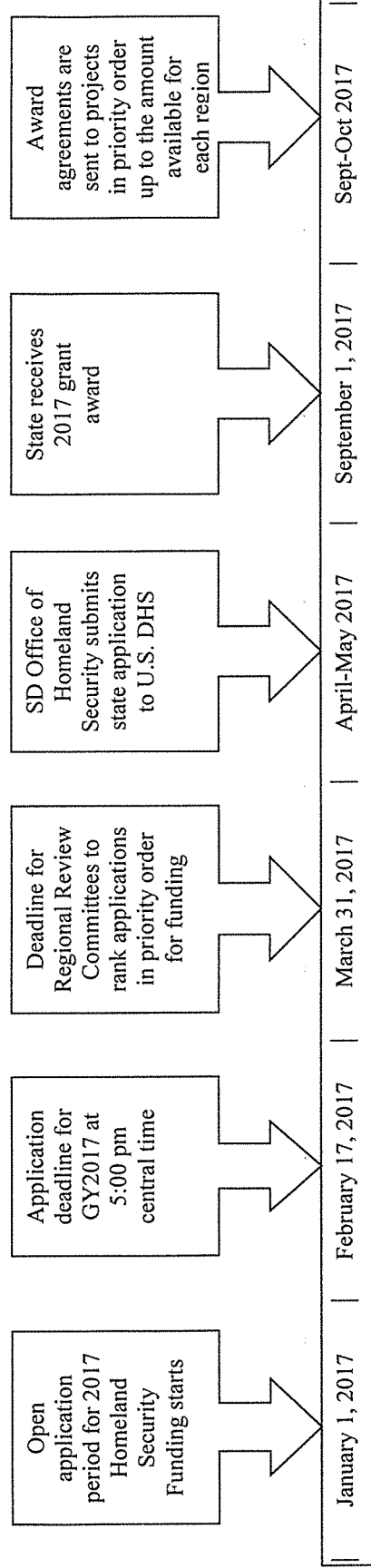
Fall River County

906 N. River Street

Hot Springs, SD 57747

2017 Homeland Security Grant Applications

All applications must be submitted in the EDGAR system



API 12054654 11

100366326 STATE OF SOUTH DAKOTA

78-859
914

Void After 180 Days From Date Of Issue
DATE: 12/14/2015

OFFICE OF STATE AUDITOR
Pierre, South Dakota

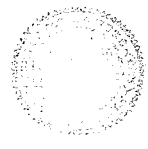
WARRANT NO: 100366326

PAY TO THE ORDER OF

FALL RIVER COUNTY AUDITOR
905 N RIVER ST
HOT SPRINGS SD 57747 1309

*****10,578.73

PAYABLE THROUGH
FIRST PREMIER BANK
SIOUX FALLS, SD 57104



Steven J. Barnett
STEVEN J. BARNETT

STATE AUDITOR

SIXTEEN THOUSAND SIX HUNDRED SEVENTY-EIGHT DOLLARS SEVENTY-THREE CENTS

⑈100366326⑈ ⑆091408598⑆ 1701269755⑈

STATE OF SOUTH DAKOTA

VOID AFTER 180 DAYS FROM DATE OF ISSUE
REMITTANCE ADVISE / NON-NEGOTIABLE

PAYEE: FALL RIVER COUNTY AUDITOR	WARRANT #:	100366326	DATE:	12/14/2015
DATE: 12/13/2015	INVOICE #	6DSU APPROVAL #	GROSS AMOUNT	NET AMOUNT
	M1470441 1451 M134136		6,463.67	6,463.67
12/01/2015	011 SUPCHARGE PAYMENT		12,215.06	12,215.06
	SLA 16 QTR 4 1431 125202			
	SLA EMERGENCY MGMT QTR 4 CFDA 97.042 EMPG16			

100365448 STATE of SOUTH DAKOTA

78-859
914

OFFICE of STATE AUDITOR
Pierre, South Dakota

Void After 180 Days From Date Of Issue

DATE: 12/09/2015

WARRANT NO.: 100365448

PAY TO THE
ORDER OF

FALL RIVER COUNTY AUDITOR
906 N RIVER ST
HOT SPRINGS SD 57747 1309

*****20,469.96

PAYABLE THROUGH
FIRST PREMIER BANK
SIOUX FALLS, SD 57104



Steven J. Barnett
STEVEN J. BARNETT

STATE AUDITOR

TWENTY THOUSAND FOUR HUNDRED SIXTY-NINE DOLLARS NINETY-SIX CENTS

⑈ 100365448 ⑈ ⑆091408598⑆ ⑆701269755⑈

VOID AFTER 180 DAYS FROM DATE OF ISSUE

STATE OF SOUTH DAKOTA

REMITTANCE ADVICE / NON-NEGOTIABLE

PAYEE: FALL RIVER COUNTY AUDITOR

WARRANT #: 100365448

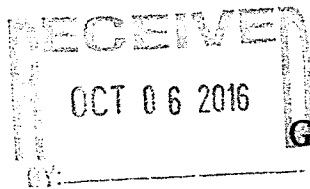
DATE: 12/09/2016

DATE	INVOICE #	POGU APPROVAL #	GROSS AMOUNT	NET AMOUNT
11/30/2016	FY15HLSLD1130	1431 124678	20,469.96	20,469.96
SHSP LOCAL DISCRETIONARY SD HLS GY15 CFDA 97.067				

DEC 14 2016

20,469.96

20,469.96



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October 5, 2016

Fall River County Commissioners
906 N. River Street
Hot Springs, SD 57747

Re: Bent Pine Ranch, LLC/ Fall River County Real Property Tax Appeal
GPNA File No. 12580.0005

Dear County Commissioners:

I am writing this letter on behalf of Jerry Shagla, Cynthia Shagla, and Bent Pine Ranch, LLC in connection with the Objection to the Real Property Assessment filed by Jerry for Bent Pine Ranch, LLC.

Bent Pine Ranch, LLC owns three lots in Sheps Canyon Estates, lots 15, 17, and 18, which total approximately 160 acres. I have attached a map of the land for your convenience. This land was purchased on a contract for deed from John Stanley. When Bent Pine Ranch, LLC paid off the contract and recorded the deed, the property was reclassified from agricultural status to non-agricultural status. Jerry Shagla, on behalf of Bent Pine Ranch, LLC, filed an Objection to Real Property Assessment on April 12, 2016, challenging the reclassification.

The use of the land did not change when the ownership of the property changed. The historical use of this land has been an agricultural use, namely, grazing cattle. All 160 contiguous acres of Bent Pine Ranch, LLC, are being used to run and graze cattle. This land is also subleased to another operator who runs 120 pairs of livestock on the land. Additionally, Bent Pine Ranch, LLC owns additional property to the west of the Sheps Canyon Estates consisting of 256 acres on which it runs a cattle grazing operation. Between these two properties is land owned by Gregory Murphy, which is leased to Bent Pine Ranch, LLC so that it may run its grazing operation as one unit between the Sheps Canyon property and the other 256 acres owned by Bent Pine Ranch, LLC. The historical use of the land was agricultural, the current use of the land is agricultural, and it will continue to be this way in the foreseeable future.

Classifying this land as agricultural land does not violate the covenants on the land. Section 3 of the "Declaration of Restrictions and Covenants to Run with Land- Sheps Canyon Estates Subdivision", dated April 22, 2004 and signed by John Stanley provides: "No retail business shall be operated on any Lot. No business shall have non-family hired employees or independent

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October 5, 2016

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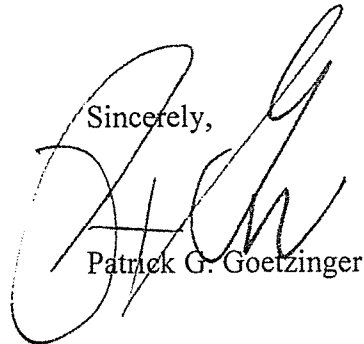
contractors on any Lot.” There is no retail business that is being operated on the land and grazing cattle does not violate Section 3 of the covenants. Section 19 of the covenants states “Declarant will have cattle grazing on the subdivision property until two-thirds of the Lots are sold.” Thus, Section 19 of the covenants specifically provides that such land is suitable for grazing and that grazing is not considered to be a “retail business.”

Additionally, the lots in question, lots 15, 17, and 18, will be re-platted and combined into one larger lot. Re-platting the three lots into one large lot will not violate the restrictive covenants. Section 5 of the restrictive covenants provides that no lot may be “subdivided” unless approved by the Declarant. The covenants do not contain any restrictions regarding re-platting, and thus such re-platting is permitted.

In summary, re-platting this land and grazing cattle on the land does not violate the covenants relating to the land. This land was used and continues to be used primarily for agricultural purposes, and it is only appropriate that this land is classified as agricultural land for real property tax purposes.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Goetzing', written over a horizontal line.

Patrick G. Goetzing

PGG:jad

C: Gerald and Cynthia Shagla

	BBB/ Years in Business	Rapid city office	# of Employees	County Info Access
Advanced Assett Alliance	A+/ 51	yes- 2 employees	62 total	yes
Credit Collection Bureau	A+/29	yes-30 employees	70 total	yes

	Collections Recovered	Percentage Kept
Advanced Assett Alliance	25-35%	23%
Credit Collection Bureau	33%	30%

	FR Total	% of Collection	% Retained	Return possible
Advanced Assett Alliance	\$ 2,365,817.68	X 25%-35%	-23%	\$455,419.97-
Credit Collection Bureau	\$ 2,365,817.68	X 33%	-30%	\$637,587.87
				\$546,503.88

Methods to transfer the information

Advanced Assett Alliance	custom coding, email, fax, mail, pick up
Credit Collection Bureau	Upload to website, manually enter, scan and email, mail

Total Fall River Liens	Cost for 1 Mailing
\$ 2,365,817.68	\$ 945.76