

**SOUTH DAKOTA HEALTH AND  
EDUCATIONAL FACILITIES  
AUTHORITY**

**2019 ANNUAL REPORT**

**330 South Poplar – Suite 102  
Pierre, South Dakota 57501  
(605) 224-9200**

---

## **CONTENTS**

Authority Members and Staff.....	3
Independent Auditor's Report.....	4
Management's Discussion and Analysis.....	7
Statement of Net Position.....	11
Statement of Revenues, Expenses and Changes in Net Position.....	12
Statement of Cash Flows.....	13
Notes to Financial Statements.....	15
Supplementary Information	
Schedule of Projects Financed.....	27
Schedule of Assisted Projects Financed.....	37

## **AUTHORITY MEMBERS**

Norbert Sebade, Chairman

Donald Scott

David Fleck, Vice Chairman

David Timpe

William Lynch, Treasurer

James Scull

Roberta Ambur

## **AUTHORITY STAFF**

Donald Templeton - Executive Director and Secretary

Dustin Christopherson - Associate Director

Steve Corbin - Finance Officer

Michael Jost - Accountant

Trish Sargent - Administrative Assistant

## **AUTHORITY COUNSEL**

Vance Goldammer  
Redstone Law Firm, LLP  
Sioux Falls, South Dakota

June 30, 2019

This section of the South Dakota Health and Educational Facilities Authority's (Authority) annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal year ended June 30, 2019 (FY 2019). This analysis should be read in conjunction with the independent auditor's report, financial statements, notes to the financial statements and supplementary information.

### **The Authority**

The Authority is a body politic and corporate and public instrumentality of the State of South Dakota created in 1972 by Chapter 1-16A of the South Dakota Codified Laws "SDCL" (the Act). The purpose of the Authority is to (i) assist private non-profit health and educational institutions in South Dakota in the construction, acquisition, financing and refinancing of projects to be undertaken for health care and higher education programs, (ii) assist South Dakota school districts and public bodies to alleviate cash flow shortages and reduce short-term borrowing costs, (iii) finance capital improvements for vocational education, (iv) assist public bodies in the financing of real property, equipment or other personal property and (v) assist public bodies, health institutions and educational institutions in the investment of funds intended for use or application in connection with any purpose, project or program authorized by the Act.

Under the Act, the Authority is authorized and empowered, among other things: to issue bonds, notes and other obligations for any of its corporate purposes and to refund the same; to charge and collect rates, rents, fees and charges for the use of projects or for services furnished by facilities in relation thereto; to construct, reconstruct, renovate, replace, maintain, repair, operate, lease or regulate projects for participating health institutions or participating educational institutions and to enter into contracts for the management or operation of projects; to refinance indebtedness of participating health institutions or participating educational institutions incurred with respect to the construction or acquisition of facilities by such institutions; to establish or cause to be established rules and regulations for the use of projects; to receive in relation to a project, loans or grants from any public agency or other source; to make loans to participating health institutions or participating educational institutions for costs of projects; to mortgage any project and the site thereof for the benefit of the holders of bonds issued to finance such project; and to do all things necessary or convenient to carry out the purpose of the Act.

The Act provides that the Authority shall consist of seven members serving five-year terms who shall be appointed by the Governor. All members of the Authority serve without compensation but are entitled to reimbursement for actual or necessary expenses incurred in the performance of their duties under the Act. The Authority annually elects one member to serve as Chairman, one member to serve as Vice Chairman and one member to serve as Treasurer.

The financial statements report information about the Authority using full accrual accounting methods as utilized by similar business activities in the private sector. The financial statements include a statement of net position; a statement of revenues, expenses and changes in net position; a statement of cash flows; and notes to the financial statements. While detailed sub-fund information is not presented, separate accounts are maintained for each institution to control and manage funds for particular purposes.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2019  
(continued)

## Financial Highlights

- Total assets of the Authority decreased \$198.7 million or 9.6%.
- Total liabilities of the Authority decreased \$197.2 million or 9.6%.
- Net position of the Authority decreased \$1.5 million or 43.0%.
- Cash and cash equivalents of the Authority decreased \$23.3 million or 61.7%.
- Investments decreased \$120.8 million or 49.9%.
- Receivables from institutions and bonds payable decreased \$53.7 million or 3.0%.

## Financial Statement Elements

### Statement of Net Position (in thousands of dollars)

	<u>2019</u>	<u>2018</u>	<u>% Change</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 14,482.0	\$ 37,764.0	(61.7%)
Investments	121,534.1	242,370.0	(49.9%)
Receivable from institutions	1,713,255.0	1,766,932.2	(3.0%)
Accrued interest receivable from institution	19,548.3	20,062.0	(2.6%)
Accrued interest	284.5	663.6	(57.1%)
Accounts receivable	0.0	5.4	(100.0%)
Other assets	2.6	2.6	0.0%
<b>Total Assets</b>	<u>\$ 1,869,106.5</u>	<u>\$ 2,067,799.8</u>	<u>(9.6%)</u>
<b>Liabilities and Net Position</b>			
Liabilities:			
Accounts payable	\$ 43.5	\$ 64.3	(32.3%)
Bonds payable	1,713,255.0	1,766,932.1	(3.0%)
Accrued interest payable	19,548.3	20,062.0	(2.6%)
Amounts held under the terms of the bond indentures	134,227.3	277,174.6	(51.6%)
<b>Total Liabilities</b>	<u>1,867,074.1</u>	<u>2,064,233.0</u>	<u>(9.6%)</u>
<b>Net Position</b>	<u>2,032.4</u>	<u>3,566.8</u>	<u>(43.0%)</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 1,869,106.5</u>	<u>\$ 2,067,799.8</u>	<u>(9.6%)</u>

## MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2019  
(continued)

**Statement of Revenues, Expenses and Changes in Net Position**  
(in thousands of dollars)

	<u>2019</u>	<u>2018</u>	<u>% Change</u>
<b>Revenues:</b>			
Planning and service fees	\$ 795.1	\$ 675.6	17.7%
Application fees	89.7	203.3	(55.9%)
Interest income on receivables from institutions	67,209.7	65,964.1	1.9%
Investment income	4,749.3	2,035.9	133.3%
Other income	219.4	208.6	5.2%
	<hr/>	<hr/>	
Total revenues	73,063.2	69,087.5	5.7%
 <b>Expenses:</b>			
Travel	15.5	20.5	(24.4%)
Contractual services	178.8	210.6	(15.1%)
Personal services and benefits	592.1	563.6	5.1%
Supplies and materials	18.9	20.5	(7.8%)
Interest	71,878.8	67,985.9	5.7%
Grant to the Board of Technical Education	1,913.4	0.0	100.0%
	<hr/>	<hr/>	
Total expenses	74,597.5	68,801.1	8.4%
	<hr/>	<hr/>	
<b>Change in net position</b>	<b>\$ (1,534.3)</b>	<b>\$ 286.4</b>	<b>(635.7%)</b>

**Analysis:**

Bond issuances for FY 2019 were \$0 million, a \$440.5 million decrease over the previous year. Bond payments for the year were \$53.7 million, a \$121.1 million decrease over the prior year. Grant to the Board of Technical Education for FY 2019 was \$1.9 million, a \$1.9 million increase over the previous year. This grant is nonrecurring and another grant is not foreseeable in the near future.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2019  
(continued)

**Debt Administration:**

The Authority is authorized to issue tax-exempt revenue bonds, notes or other obligations on behalf of non-profit institutions for the purpose of the constructing, equipping and improving of

facilities or the refinancing of outstanding debt.

The Authority paid at maturity a total of \$53.7 million of bonds in FY 2019.

The Authority's bonds are rated from AA- to A+ by Standard and Poor's, Aa1 to A1 by Moody's Investor Service, A+ to AA+ by Fitch Ratings and some bonds are unrated.

More detailed information about the Authority's debt can be found in Note 2 to the financial statements, Bonds Payable.

**Overview:**

Interest income from receivables from institutions, interest income on investments and planning and service fees are the major source of revenue for the Authority. Interest rates are at historically low levels and if they continue at such levels, the Authority would expect these revenues to be stable or decrease slightly. If short-term interest rates increase the Authority would anticipate interest payments on investments to increase as funds are invested in securities with higher rates.

This report is presented to provide additional information regarding operations of the Authority and to meet the requirements of the Governmental Accounting Standards Board (GASB).

**SOUTH DAKOTA HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY**

**STATEMENT OF NET POSITION  
June 30, 2019**

**ASSETS**

Current assets:

Cash and cash equivalents	\$	202,443
Certificates of deposit		245,000
United States Treasury and Agency securities		1,615,365
Accrued interest		10,569
Other assets		<u>2,559</u>

Total current assets	<u>2,075,936</u>
Restricted assets:	
Cash and cash equivalents	14,279,547
Corporate bonds	3,595,716
United States Treasury and Agency securities	116,077,990
Receivables from institutions	1,713,255,000
Accrued interest receivable from institutions	19,548,353
Accrued interest	<u>274,004</u>
Total restricted assets	<u>1,867,030,610</u>
 Total assets	 <u>\$ 1,869,106,546</u>

#### LIABILITIES

Current liabilities:	
Accounts payable	\$ 43,536
Bonds payable	52,450,000
Accrued interest payable	19,548,353
Amounts held under the terms of the bond indentures	<u>121,534,761</u>
Total current liabilities	<u>193,576,650</u>
Noncurrent liabilities:	
Bonds payable	1,660,805,000
Amounts held under the terms of the bond indentures	<u>12,692,495</u>
Total noncurrent liabilities	<u>1,673,497,495</u>
 Total liabilities	 <u>1,867,074,145</u>

#### NET POSITION

Net position - unrestricted	<u>2,032,401</u>
 Total liabilities and net position	 <u>\$ 1,869,106,546</u>

See Notes to Financial Statements.



**SOUTH DAKOTA HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY**

**STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
For the Year Ended June 30, 2019**

Revenues:		
Planning and service fees	\$	795,119
Application fees		89,731
Interest income on receivables from institutions		67,209,657
Investment income		4,669,189
Other interest income		80,110
Other income		<u>219,384</u>
Total operating revenues		<u>73,063,190</u>
Expenses:		
Travel		15,549
Contractual services		178,841
Personal services and benefits		592,082
Supplies and materials		18,869
Interest		<u>71,878,845</u>
Total operating expenses		<u>72,684,185</u>
Operating income		<u>379,006</u>
Non-Operating Expenses:		
Grant to the Board of Technical Education		<u>1,913,404</u>
Change in net position		(1,534,399)
Net position at beginning of year		<u>3,566,800</u>
Net position at end of year	\$	<u>2,032,401</u>

See Notes to Financial Statements.  
**SOUTH DAKOTA HEALTH AND EDUCATIONAL**

**FACILITIES AUTHORITY**

**STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2019**

Cash flows from operating activities	
Cash received from institutions for:	
Contract services and planning and application fees	\$ 1,109,634
Payment for personal services and benefits	(593,781)
Payment for other operating expenses	<u>(232,338)</u>
Net cash provided by operating activities	<u>283,515</u>
Cash flows from noncapital financing activities	
Principal payments on bonds	(53,677,169)
Interest payments on bonds	(72,427,915)
Grant to the Board of Technical Education	<u>(1,913,403)</u>
Net cash used by noncapital financing activities	<u>(128,018,487)</u>
Cash flows from investing activities	
Proceeds from sales and maturities of investment securities	272,802,206
Purchase of investment securities	(149,676,177)
Interest received	2,879,252
Interest on receivables	71,811,200
Collection of receivables	52,197,013
Receivable arising from payment of project funds for:	
Construction and equipment costs	<u>(145,560,590)</u>
Net cash provided by investing activities	<u>104,452,904</u>
Net decrease in cash and cash equivalents	(23,282,067)
Cash and cash equivalents - beginning of year	<u>37,764,058</u>
Cash and cash equivalents - end of year	<u>\$ 14,481,990</u>
Reconciliation to statement of net position	
Current cash and cash equivalents	\$ 202,443
Restricted cash and cash equivalents	<u>14,279,547</u>
Total cash and cash equivalents	<u>\$ 14,481,990</u>

See Notes to Financial Statements.

**SOUTH DAKOTA HEALTH AND EDUCATIONAL**

**FACILITIES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**(continued)**  
**For the Year Ended June 30, 2019**

Cash flows from operating activities	
Operating income	\$ 379,006
Adjustments to reconcile operating income to net cash provided in operating activities	
Investment income	(80,110)
Change in assets	
Decrease in receivables	5,400
Change in liabilities	
Decrease in accounts payable	<u>(20,781)</u>
Net cash provided by operating activities	<u>\$ 283,515</u>

# FACILITIES AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

June 30, 2019

### 1. Organization and Significant Accounting Policies

#### Organization:

The South Dakota Health and Educational Facilities Authority (the "Authority") is a public instrumentality of the State of South Dakota intended to provide an additional capital financing method for non-profit health and educational institutions within the State. The Authority's operation includes the issuance of tax-exempt revenue bonds, notes or other obligations on behalf of non-profit institutions for the purpose of constructing, equipping and improving of facilities or the refinancing of outstanding debt. These bonds, notes or other obligations and the interest thereon do not constitute a debt or liability of the State of South Dakota or any political subdivision thereof, but are limited obligations of the Authority and are payable solely from the repayments received by the Authority for each particular project and program.

The Authority is engaged in only business-type activities and as such its financial statements are presented as required for enterprise funds. The activities of the Authority are recorded under various accounts established for the administration of the Authority's programs. Substantially all of the Authority's assets are restricted pursuant to the terms of the respective bond indentures and agreements.

The various accounts maintained by the Authority are as follows:

Administrative account which accounts for planning and service fees and disbursements necessary to conduct the day-to-day business affairs of the Authority.

Facility Projects under which the Authority is providing financing for building projects for non-profit health and educational institutions:

- Avera Health
- Avera McKennan
- LifeScape
- Dakota Hospital Association
- Dells Area Health Center
- Prairie Lakes Health Care System
- Regional Health
- Sanford Health
- University of Sioux Falls
- Vocational Education Program
- Westhills Village Retirement Community

## Significant accounting policies:

### General:

The accrual basis of accounting is used, whereby revenues are recognized when earned and expenses are recognized when incurred. Net operating income includes all revenue and expenses including interest income from receivables, investment income and interest expense on bonds.

The accounting and reporting policies of the Authority included in the accompanying financial conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Government Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable).

### Cash and cash equivalents:

For purposes of the accompanying statement of net position and statement of cash flows all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

### Investments:

The Authority reports investments in certificates of deposit, United States Treasury, Agency securities, corporate bonds and government securities funds, which are short-term money market funds, at fair value. Changes in fair value are recognized in the statement of revenues, expenses and changes in net position. The Authority has historically held the treasury securities to their maturity dates.

### Receivables/concentration of credit risk from institutions:

The receivables from institutions are recorded at an amount equal to the contractual liability resulting from the related debt obligation. Management has determined that no allowance for doubtful receivables is necessary based upon periodic reviews of the financial position of the institutions and the value of the underlying collateral. Four facilities account for 95% of the receivables from institutions. At June 30, 2019 the Authority had receivables from these four facilities of \$1,623,445,000 consisting of \$509,380,000 from Avera Health, \$262,710,000 from Regional Health, \$732,045,000 from Sanford Health and \$119,310,000 from Vocational Educational Programs.

### Restricted assets:

Restricted assets include cash and cash equivalents, investments and receivables maintained in accordance with bond indentures for the purpose of funding receivable advances, bond payments and contingencies.

## NOTES TO FINANCIAL STATEMENTS

Amounts held under the terms of the bond indentures:

The amounts held under the terms of the bond indentures are comprised of various reserve accounts, payments received from institutions which have not yet been applied to the receivables from institutions and undisbursed project funds. Any amounts remaining in this liability account will be disbursed to the institution after the related project indebtedness is fully amortized. (See Note 10 for a detailed listing.)

Planning and service fee operating revenues:

The Authority's planning and service fee operating revenues are derived from fees assessed on a percentage of the outstanding debt of each issue. The institutions are billed on an annual basis and revenues are recognized over the period covered.

Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## 2. Bonds Payable

Long-term debt in the form of bonds payable and direct borrowings has been issued by the Authority. Long-term debt issue dates are from 1997 – 2017, the fixed rates of interest are from 1.25% – 6.25%, and the maturity dates are through fiscal year ending June 30, 2047. The following table represents the changes in long term debt.

	<u>Bonds Payable</u>	<u>Direct Borrowings</u>	<u>Total</u>
Balance, June 30, 2018	\$ 1,402,925,000	\$ 364,007,169	\$ 1,766,932,169
Reductions	<u>(30,700,000)</u>	<u>(22,977,169)</u>	<u>(53,677,169)</u>
Balance, June 30, 2019	<u>\$ 1,372,225,000</u>	<u>\$ 341,030,000</u>	<u>\$ 1,713,255,000</u>
Amount due within one year	<u>\$ 32,045,000</u>	<u>\$ 20,405,000</u>	<u>\$ 52,450,000</u>

Funds received under the various forms of tax-exempt indebtedness, including Certificates of Participation, issued by the Authority have been loaned to non-profit health and educational institutions which are required to make payments to the Authority or trustee sufficient to meet the principal and interest requirements of the related tax-exempt obligations.

The institutions, terms and amounts of the bonds payable at June 30, 2019 are as follows:

	<u>Maturity Date</u>	<u>Percent Interest Rate</u>	<u>Bonds Payable</u>
Avera Health			
Series 2008C	July 1, 2033	(1)	\$ 52,150,000
Series 2012A	July 1, 2042	4.00 - 5.00	60,275,000
Series 2012B	July 1, 2038	(1)	115,345,000
Series 2014	July 1, 2044	4.125 - 5.00	58,750,000
Series 2017	July 1, 2046	3.125 - 5.00	222,860,000
Dakota Hospital Association			
Series 1997	November 1, 2027	(1)	2,865,000
Dells Area Health Center			
Series 2000	November 1, 2025	(1)	2,015,000
LifeScape			
Series 2017	September 1, 2028	1.25 - 5.00	4,800,000
Prairie Lakes Health Care System			
Series 2010	April 1, 2020	5.00	2,590,000
Series 2017	February 1, 2032	2.82	32,035,000
Regional Health			
Series 2015	September 1, 2027	(1)	53,965,000
Series 2017	September 1, 2040	3.25 - 5.00	208,745,000
Sanford Health			
Series 1997	November 1, 2022	(1)	1,230,000
Series 2001B	November 1, 2020	(1)	5,975,000
Series 2001C	November 1, 2019	(1)	4,675,000
Series 2004B	November 1, 2034	(1)	14,080,000
Series 2009	November 1, 2040	5.00 - 5.50	62,520,000
Series 2012A	September 1, 2024	(1)	21,425,000
Series 2012B	September 1, 2031	(1)	28,325,000
Series 2012C Taxable	September 1, 2024	(1)	4,200,000
Series 2012D	September 1, 2032	(1)	34,150,000
Series 2012E	November 1, 2042	4.00 - 5.00	120,000,000
Series 2014A	November 1, 2034	4.00	52,000,000
Series 2014B	November 1, 2044	4.00 - 5.00	176,205,000
Series 2015	November 1, 2045	4.00 - 5.00	167,260,000
Series 2016	November 1, 2026	(1)	40,000,000
University of Sioux Falls			
Series 2010A	April 1, 2030	(1)	3,605,000
Series 2010B	April 1, 2030	3.84	2,575,000
Series 2010C	April 1, 2030	3.84	1,290,000
Series 2010D	April 1, 2030	3.84	1,290,000
Series 2010E	April 1, 2030	(1)	2,825,000

**NOTES TO FINANCIAL STATEMENTS**

	<u>Maturity Date</u>	<u>Percent Interest Rate</u>	<u>Bonds Payable</u>
Vocational Education Program			
Series 2010A Taxable			
Build America Bonds	August 1, 2035	4.25 - 6.25	15,350,000
Series 2010B Taxable			
Recovery Zone Economic			
Development Bonds	August 1, 2039	6.25	6,455,000
Series 2010C Taxable			
Build America Bonds	August 1, 2039	3.5 - 5.95	10,920,000
Series 2011A	August 1, 2046	3.20 - 5.125	19,760,000
Series 2012A	August 1, 2046	2.00 - 5.00	15,255,000
Series 2014A	August 1, 2023	1.55 - 2.5	950,000
Series 2015A	August 1, 2038	2.5 - 5.0	20,425,000
Series 2015B	August 1, 2035	3.0 - 5.0	14,390,000
Series 2015C	August 1, 2035	3.0 - 5.0	15,805,000
Westhills Village			
Retirement Community			
Series 2012	September 1, 2032	3.5 - 5.00	10,070,000
Series 2014	September 1, 2031	3.00 - 5.00	7,320,000
Series 2017	September 1, 2041	2.65 - 5.00	<u>16,530,000</u>
			<u>\$1,713,255,000</u>

(1) A variable interest rate shall be determined by the remarketing agent or bank. Under certain circumstances the interest rate may be converted to a fixed rate. At June 30, 2019 the rates ranged between 1.59 % and 4.52%.

Aggregate maturities required on bonds payable at June 30, 2019 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 32,045,000	\$ 63,899,254	\$ 95,944,254
2021	28,270,000	62,383,695	90,653,695
2022	25,120,000	61,243,919	86,363,919
2023	26,465,000	60,051,583	86,516,583
2024	26,750,000	58,795,146	85,545,146
2025-2029	168,045,000	272,016,398	440,061,398
2030-2034	259,920,000	220,519,313	480,439,313
2035-2039	316,675,000	153,890,037	470,565,037
2040-2044	357,630,000	72,395,130	430,025,130
2045-2047	<u>131,305,000</u>	<u>8,826,209</u>	<u>140,131,209</u>
	<u>\$1,372,225,000</u>	<u>\$1,034,020,684</u>	<u>\$2,406,245,684</u>

## NOTES TO FINANCIAL STATEMENTS



Aggregate maturities required on direct borrowings at June 30, 2019 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 20,405,000	\$ 6,318,282	\$ 26,723,282
2021	21,140,000	5,875,883	27,015,883
2022	24,260,000	5,366,139	29,626,139
2023	25,245,000	4,827,079	30,072,079
2024	28,035,000	4,280,619	32,315,619
2025-2029	122,700,000	14,005,946	136,705,946
2030-2034	58,520,000	4,446,271	62,966,271
2035-2039	40,725,000	1,095,884	41,820,884
2040-2044	-	-	-
2045-2047	-	-	-
	<u>\$ 341,030,000</u>	<u>\$ 46,216,103</u>	<u>\$ 387,246,103</u>

Combined aggregate maturities required on bonds payable and direct borrowings at June 30, 2019 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 52,450,000	\$ 70,217,536	\$ 122,667,536
2021	49,410,000	68,259,578	117,669,578
2022	49,380,000	66,610,058	115,990,058
2023	51,710,000	64,878,662	116,588,662
2024	54,785,000	63,075,765	117,860,765
2025-2029	290,745,000	286,022,344	576,767,344
2030-2034	318,440,000	224,965,584	543,405,584
2035-2039	357,400,000	154,985,921	512,385,921
2040-2044	357,630,000	72,395,130	430,025,130
2045-2047	<u>131,305,000</u>	<u>8,826,209</u>	<u>140,131,209</u>
	<u>\$1,713,255,000</u>	<u>\$1,080,236,787</u>	<u>\$2,793,491,787</u>

The interest maturity schedule for variable rate bonds is calculated using a benchmark rate for the term of the bond. The average benchmark rate used for the interest maturity schedule is 3.50%.

The bonds are limited obligations of the Authority and are collateralized by a combination of: first mortgages on the physical property financed (at the Authority's discretion), mortgage payments received by the Authority from the institutions, a security interest in the gross receipts of the institutions, first liens on the personal property financed, the Authority's assignment of its security interest in the mortgaged properties to the trustees of the bond issues; and, for certain institutions, assigned leases and cash and securities held by the institutions in restricted accounts.

## NOTES TO FINANCIAL STATEMENTS

### 3. Extinguishment of Debt

The proceeds from current refunding/advance refunding bonds are used to purchase money market securities and/or U.S. Treasury investments, which are sufficient to pay principal and interest when maturities come due on the defeased bonds. The defeased bonds are considered to be extinguished for financial reporting purposes and, accordingly, the bonds together with the funds held in trust are not reported in the accompanying financial statements. The U.S. Treasury securities and money market securities are deposited in various trust accounts with the trustee of the defeased bonds. The gains, losses and economic benefits of these transactions revert back to the respective institution and not the Authority. However, the Authority receives an application fee for bonds issued, as well as annual service fees on the bonds outstanding.

Advance refunded bonds not yet paid to bondholders as of June 30, 2019 are as follows:

<u>Project</u>	<u>Date of Refund</u>	<u>Series Refunded</u>	<u>Amount Refunded</u>	<u>Balance 6-30-19</u>
Regional Health	September 2017	Series 2010	\$31,565,000	\$29,410,000
	September 2017	Series 2011	\$32,245,000	\$28,670,000

### 4. Cash and Investments

The Authority invests all funds in accordance with SDCL 1-16A-19. Administrative assets of the Authority are purchased and generally held until maturity.

The Authority's cash and investments for financed projects are held and administered by a bank trust department in accordance with the SDCL investment requirements and the terms of the bond and note indentures. Separate accounts are maintained for the required debt service reserve accounts (see Note 7) and other purposes as stipulated in the indentures. All project investments are held on behalf of the Authority by the bank as trustee. As noted below, some individual projects have formal investment policies in certain risk categories.

#### *Interest Rate Risk:*

The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of June 30, 2019, the Authority had the following investments and maturities:

<u>Investments</u>	<u>Investment Maturities</u>			
	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>More Than 5 Years</u>
Federated U.S. Treasury Service Fund SS #632	\$ 14,290,985	\$ 14,290,985	\$ -	\$ -

U.S. Government Agency Securities	12,771,361	12,011,510	275,932	483,919
U.S. Government Treasury Securities	104,648,322	100,728,545	3,416,685	503,092
U.S. Government Mutual Funds	273,673	-	273,673	-
Corporate Bonds	3,595,716	3,595,716	-	-
Certificates of Deposits	<u>245,000</u>	<u>-</u>	<u>245,000</u>	<u>-</u>
Total	<u>\$ 135,825,057</u>	<u>\$ 130,626,756</u>	<u>\$ 4,211,290</u>	<u>\$ 987,011</u>

*Custodial Credit Risk-Deposits:*

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. As of June 30, 2019, \$-0- of the Authority's bank deposits balance of \$508,325 was exposed to custodial credit risk.

*Custodial Credit Risk-Investments:*

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2019, the Authority had \$104,648,322 in U.S. Government Treasury Securities, \$12,771,361 in U.S. Government Agency Securities, \$273,673 in U.S. Government Mutual Funds, \$3,595,716 in corporate bonds, all of which are held by the Trustee and in the name of the Trustee. The Authority does not have an investment policy limiting the holding of securities by an outside party.

*Credit Risk:*

Statutes authorize the Authority to invest in direct obligations of the United States of America, obligations issued by any agency or instrumentality of the United States of America, in certificates of deposit or time deposits of any bank which is a qualified public depository or any savings and loan association which is a savings and loan depository, in obligations of any solvent insurance company or other corporation existing under the laws of the United States or any state thereof provided the company or corporation is rated in one of the two highest rating classifications established by a standard rating service of insurance companies or a nationally recognized rating agency, in short-term discount obligations of the Federal National Mortgage Agency or in obligations issued by any state of the United States.

The Authority's investments in U.S. Government Agency mortgage backed securities, asset backed securities, and debentures were rated Aaa by Moody's and AA+ by Standard & Poor's. The Authority's investments in mortgage backed and asset backed securities were all issued by U.S. Government Agencies. All U. S. Treasury and Government National

Mortgage Association (Ginnie Mae) securities are issued by or explicitly guaranteed by the U.S. Government, and not considered to have credit risk.

The Authority's investments in certificates of deposit were fully insured by the Federal Deposit Insurance Company (FDIC). Insured deposits are backed by the full faith and credit of the U.S. Government. The FDIC is an independent agency of the federal government.

The Authority has investments in U.S. Government mutual funds. The mutual fund is comprised of 80% of its investment shares in Ginnie Mae securities which are issued by or explicitly guaranteed by the U.S. Government, and not considered to have credit risk. These underlying investments have average maturities of approximately 7 years. The remaining 20% of its investment shares can be invested in securities that are U.S. Treasuries, U.S. Agencies, or are collateralized by U.S. Treasuries and Agencies. U.S. Agencies were rated Aaa by Moody's and AA+ by Standard and Poor's.

The Authority has investments in bonds held by U.S. corporations. These bonds were rated AAA by Standard and Poor's and were rated Aaa by Moody's.

In addition to the previous investments, the Authority has U.S. Government Security Funds. The Federated U.S. Treasury Services Fund invests exclusively in short-term U.S. Treasury Securities issued by the United States and is rated AAAM by Standard and Poor's and Aaa-mf by Moody's which are included in cash and cash equivalents on the statement of net position.

*Concentrations of Credit Risk:*

The concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Authority does not have a policy regarding concentration of credit risk.

*The components of investment income for the year ended June 30, 2019 are as follows:*

Interest income	\$ 2,503,015
Unrealized gains on U.S. Treasury Securities And U.S. Agencies	<u>2,166,174</u>
Investment income	<u>\$ 4,669,189</u>

## **5. Fair Value Measurements**

The Authority's investments are measured and reported at fair value and are classified according to the following hierarchy:

Level 1 – Investments reflect prices quoted in active markets.

Level 2 – Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered active.

Level 3 – Investments reflect prices based upon unobservable sources.

## **NOTES TO FINANCIAL STATEMENTS**

First National Bank in Sioux Falls, which serves as the trustee, uses the pricing service Standard and Poor's Securities Evaluation Incorporated to value investments. This service uses market approach pricing which utilizes models and pricing systems as well as mathematical tools and pricing analyst judgement. All investments are priced by this service, which is not quoted prices in an active market, but rather significant other observable inputs; therefore, the investments in U.S. Government treasury securities, U.S. Government Agency securities, Federated U.S. Treasury Services Funds, corporate bonds and certificates of deposit are categorized as level 2. The U.S. Government mutual funds reflect prices quoted in active markets and are categorized as level 1.

	<u>Fair Value</u>
U.S. Government Treasury securities	\$ 104,648,322
U.S. Government Agency securities	12,771,361
Federated U.S. Treasury Services Funds	14,290,985
Certificates of deposit	245,000
U.S. Government mutual funds	273,673
Corporate bonds	<u>3,595,716</u>
Total investments by Fair Value Level	<u>\$ 135,825,057</u>

## 6. Defined Contribution Plan

The Authority provides pension benefits for all of its employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible from the date of employment. The Authority contributes 10% of each participant's compensation for the plan year. The Authority's contributions for each employee are fully vested immediately. The Authority established the plan and has the authority to amend or terminate the plan subject to the provisions set forth in ERISA.

The Authority's total payroll for the year ended June 30, 2019 was \$433,473. The Authority's contribution to the plan was \$43,347 for the year ended June 30, 2019. The plan is administered by the First National Bank in Sioux Falls.

## 7. Debt Service Reserves

The bond indentures provide that reserve accounts be established for certain programs and institutions. The balances of the debt service reserves represent a portion of amounts held under the terms of the bond indentures. The balances of the reserve accounts as of June 30, 2019 are as follows:

	<u>Required Balance</u>	<u>Balance</u>	<u>Actual Excess</u>
Debt service reserve	<u>\$ 12,427,660</u>	<u>\$ 12,729,961</u>	<u>\$ 302,301</u>

The debt service reserve contains funds held by the trustee in the event the institution is unable to meet payments. For the year ending June 30, 2019, all institutions were in compliance with the debt service requirements. The Authority maintains cash and investments in restricted accounts equal to the balances reported above which are included in the balance of the cash and investments on the statement of net position.

## 8. Arbitrage Rebate Payments

Under the terms of the bond indentures, the institutions will pay any potential obligations due to the Internal Revenue Service. As such, no obligation for arbitrage is reported within this financial statement. There were no payments made by institutions related to the bond issues on pages 28-38 in fiscal year 2019 for rebate obligations to the Internal Revenue Service as none were due.

## 9. Related Party Transactions

Representatives from certain South Dakota non-profit health and educational institutions serve as board members. The Authority complies with state law that requires board members to abstain from voting on any project resolution if the board member has any vested business interest in the project.

## 10. Amounts Held Under the Terms of the Bond Indentures

The amounts summarized below are held by the Authority under the terms of the bond indentures. The amounts are comprised of various reserve accounts, payments received from institution which have not yet been applied to the receivables from institutions, and undisbursed project funds. When an institution has paid its debt in full, any remaining amount is payable to the institution.

Avera Health	\$ 59,443,889
LifeScape	56,900
Dakota Hospital Association	176,027
Dells Area Health Center	168,997
Prairie Lakes Health Care System	478,434
Regional Health	54,229,981
Sanford Health	4,798,462
University of Sioux Falls	24,551
Vocational Education Program	9,763,698
Westhills Village Retirement Community	<u>5,086,317</u>
 Total amounts held under the Bond Indentures	 <u>\$ 134,227,256</u>

## 11. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; directors' and officers' and directors' errors and omissions; injury to

employees; and natural disasters. During the period ended June 30, 2019, the Authority managed its risks as follows:

The Authority purchased from a commercial carrier, health insurance for its employees; liability insurance for risks related to torts, theft or damage of property and errors and omissions; and liability insurance for workmen's compensation.

The Authority is a member of the South Dakota Authority Captive Insurance Company, LLC with five other Authorities in the State of South Dakota to reduce costs of general liability, employment practices liability and directors and officers liability insurance. The captive insurance has a liability limit of \$5,000,000 and a \$0 retention limit on general liability claims and a \$25,000 retention limit on all other claims.

## **12. Grant to the South Dakota Board of Technical Education**

On July 12, 2018, the Authority approved a resolution authorizing a grant of approximately \$1,913,404 of the Authority's surplus funds to the South Dakota Board of Technical Education to be used for health or educational purposes of the South Dakota Technical Institutes. Funds in the amount of \$1,913,404 were granted to the South Dakota Board of Technical Education on April 26, 2019.

## **13. Subsequent Events**

On July 19, 2019, Moody's Investor Service downgraded Sanford Health's bonds to A2 from A1.

On November 13, 2019 the Authority issued \$43,850,000 of Avera Health Series 2019A bonds and \$99,810,000 of Avera Health Series 2019B bonds. The 2019A net proceeds of approximately \$50,314,526, including other sources of funds will be used to current refund \$50,275,000 of outstanding maturities in the Avera Health Series 2008C bonds. A portion of the 2019B bonds will be used to advance refund \$58,180,000 of outstanding maturities in the Avera Health Series 2012A bonds. Of the 2019B issuance, net proceeds of approximately \$62,268,733, including other sources of funds and after payment of underwriting fees and issuance costs, were used to purchase United States Government Obligations which will provide for all future debt service payments on the defeased Series 2012A bonds.

On November 20, 2019 Sanford Health current refunded \$60,940,000 of outstanding maturities within the Sanford Health Series 2009 bonds with proceeds from non-authority debt.

**SOUTH DAKOTA HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY**

**SUPPLEMENTARY INFORMATION**  
**June 30, 2019**



**SOUTH DAKOTA HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY  
SCHEDULE OF PROJECTS FINANCED  
AS OF JUNE 30, 2019**

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
Augustana College, Series 1972A(2)	November 1, 1972	\$ 350,000
St. Joseph Hospital, Series 1973A(2)	January 1, 1973	2,045,000
St. Joseph Hospital, Series 1973B(2)	January 1, 1973	730,000
McKenna Hospital, Series 1973A(2)	April 1, 1973	15,250,000
McKenna Hospital, Series 1973B(2)	April 1, 1973	1,250,000
Rapid City Regional Hospital, Series 1976(2)	September 1, 1976	21,700,000
McKenna Hospital, Series 1976C(2)	November 1, 1976	1,060,000
Sioux Valley Hospital, Series 1976(2)	November 1, 1976	25,600,000
St. Luke's Hospital, Series 1977(2)	March 1, 1977	7,400,000
Maryhouse Nursing Home, Series 1977A & B(2)	March 1, 1977	780,000
Pioneer Memorial Hospital, Series 1977(2)	May 1, 1977	315,000
Rapid City Regional Hospital Note, 1978(2)	May 4, 1978	595,000
McKenna Hospital, Series 1978(2)	August 1, 1978	15,535,000
St. Mary's Hospital Note, 1978(2)	August 15, 1978	93,000
St. Mary's Hospital, Series 1979(2)	July 1, 1979	6,300,000
Crippled Children's Hospital & School, Series 1979(2)	July 1, 1979	5,275,000
Sacred Heart Hospital Collateralized Trust Notes, 1979(2)	September 5, 1979	3,000,000
Augustana College Note, 1980(2)	May 30, 1980	500,000
Sacred Heart Hospital, Series 1980(2)	August 1, 1980	14,900,000
St. Mary's Hospital Note, 1980(2)	August 15, 1980	500,000
St. Mary's Hospital Note, 1981(2)	February 24, 1981	115,000
Augustana College, Series 1981(2)	April 1, 1981	2,200,000
Crippled Children's Hospital & School, Series 1981(2)	April 1, 1981	700,000
McKenna Hospital, Series 1981(2)	May 1, 1981	36,970,000
St. Mary's Hospital Note, 1981(2)	August 1, 1981	175,000
St. Luke's Hospital, Series 1981(2)	October 1, 1981	1,385,000
St. Joseph's Hospital Note, 1981(2)	November 1, 1981	175,000
St. Joseph Hospital Note, 1981(2)	December 16, 1981	340,000
St. Luke's Hospital Note, 1982(2)	April 16, 1982	278,000
Western Dakota Vocational Technical Foundation, Series 1982(2)	June 1, 1982	400,000
Health Education Assistance Loan, Series 1982A(2)	November 10, 1982	4,840,000
Equipment Financing Program, Series 1982A(2)	December 1, 1982	19,070,000
Rapid City Regional Hospital, Series 1982(2)	December 1, 1982	18,255,000
Sioux Valley Hospital, Series 1982(2)	December 1, 1982	11,920,000
Augustana College, Series 1983(2)	April 1, 1983	2,200,000

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
Crippled Children's Hospital & School Note, 1983(2)	July 6, 1983	100,000
Platte Community Memorial Hospital Note, 1983(2)	September 14, 1983	70,000
St. Michael's Hospital Note, 1983(2)	September 14, 1983	250,000
St. Benedict Hospital Note, 1983(2)	September 14, 1983	175,000
Pioneer Memorial Hospital, Series 1984(2)	January 1, 1984	200,000
St. Joseph Hospital Note, 1984(2)	January 13, 1984	198,242
Rapid City Regional Hospital, Series 1984(2)	March 1, 1984	37,370,000
Black Hills Rehabilitation Hospital, Series 1984(2)	March 1, 1984	5,050,000
Sioux Valley Hospital, Series 1984(2)	May 1, 1984	10,000,000
Northern Hills General Hospital, 1984(2)	August 15, 1984	355,000
Health Education Assistance Loan, Series 1984(2)	November 30, 1984	6,000,000
United Cerebral Palsy Note, 1985(2)	January 5, 1985	400,000
McKenna Hospital, Series 1985A(2)	February 1, 1985	40,855,000
McKenna Hospital Note, 1985(2)	May 31, 1985	1,780,000
McKenna Hospital, Series 1985B(2)	May 15, 1985	11,120,000
Pooled Loan Program, Series 1985A(2)	July 15, 1985	45,000,000
Sacred Heart Hospital, Series 1985(2)	December 1, 1985	15,075,000
Northeastern Mental Health Center, Series 1985(2)	December 15, 1985	600,000
School District Tax Anticipation Promissory Note Program, Series 1986(2)	August 14, 1986	55,135,000
St. Joseph Hospital Note, 1986(2)	August 22, 1986	400,000
Sioux Falls College, Series 1986(2)	November 19, 1986	1,225,000
Westhills Village Retirement Community, Series 1986(2)	December 15, 1986	10,550,000
Bethany Lutheran Home for the Aged, Series 1987(2)	April 1, 1987	1,190,000
School District Cash Flow Financing Promissory Note Program, Series 1987A(2)	June 30, 1987	33,225,000
Rummel Memorial Home, Inc., Series 1987(2)	August 1, 1987	700,000
School District Cash Flow Financing Promissory Note Program, Series 1987B(2)	August 1, 1987	6,485,000
Vocational Education Program Revenue Bonds, Series 1987(2)	September 1, 1987	5,595,000
St. Mary's Hospital, Series 1988(2)	March 1, 1988	2,000,000
Health Education Assistance Loan Program Note, 1988(2)	March 31, 1988	4,500,000
Sioux Valley Hospital Note, 1988(2)	April 25, 1988	8,110,000
St. Luke's Hospital, Series 1988A(2)	May 3, 1988	10,000,000
McKenna Hospital, Series 1988A(2)	June 1, 1988	12,000,000
School District Cash Flow Financing Program, Series 1988(2)	July 13, 1988	32,945,000
Vocational Education Program, Series 1988(2)	August 1, 1988	11,120,000

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
St. Luke's Midland Regional Medical Center, Series 1988(2)	September 1, 1988	17,200,000
Sioux Valley Hospital, Series 1989(2)	January 15, 1989	54,000,000
School District Capital Outlay Lease Program, Series 1989A(2)	February 15, 1989	1,485,000
School District Capital Outlay Lease Program, Series 1989B(2)	February 15, 1989	8,650,000
McKenna Hospital, Series 1989A(2)	April 1, 1989	68,450,000
Prince of Peace Retirement Community Inc., Series 1989B(2)	April 1, 1989	8,700,000
Sioux Falls School District No. 49-5, 1989 Lease(2)	April 20, 1989	2,168,000
School District Cash Flow Financing Program, Series 1989(2)	July 11, 1989	34,990,000
School District Capital Outlay Lease Program, Series 1989C(2)	October 1, 1989	4,575,000
Rapid City Regional Hospital, Series 1989(2)	December 1, 1989	52,180,000
Southeastern Mental Health Center, Series 1990(2)	May 1, 1990	970,000
Vocational Education Program, Series 1990(2)	June 1, 1990	1,315,000
Dakota Wesleyan University, Series 1990(2)	June 1, 1990	800,000
Dakota Hospital Association, Series 1990(2)	June 26, 1990	275,000
McKenna Hospital, Series 1990(2)	July 1, 1990	32,836,717
School District Cash Flow Financing Program, Series 1990(2)	July 12, 1990	28,390,000
Sioux Falls School District No. 49-5, Series 1990(2)	August 9, 1990	3,844,858
School District Capital Outlay Lease Program, Series 1990A(2)	December 20, 1990	1,220,000
Community Disabilities Services, Series 1991(2)	May 1, 1991	1,525,000
Hill City School District No. 51-2, Series 1991A(2)	May 16, 1991	400,000
Sioux Valley Hospital, Series 1991(2)	June 1, 1991	34,300,000
Milbank School District No. 25-4, Series 1991B(2)	June 12, 1991	810,000
Health Education Assistance Loan Program Note, Series 1991(2)	June 12, 1991	1,500,000
Augustana College Association, Series 1991(2)	June 13, 1991	550,000
School District Cash Flow Financing Program, Series 1991(2)	July 9, 1991	35,265,000
Black Hills Workshop and Training Center, Inc., Series 1991(2)	August 1, 1991	2,270,000
St. Luke's Midland Regional Medical Center, Series 1991(2)	August 1, 1991	34,685,000

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
St. Joseph Hospital, Series 1991(2)	August 1, 1991	3,210,000
McKenna Hospital, Series 1991(2)	August 1, 1991	3,690,000
East Dakota Cooperative Educational Service Unit, Series 1991(2)	August 1, 1991	275,000
Hot Springs School District No. 23-2, Series 1991C(2)	October 8, 1991	350,000
Queen of Peace Hospital, Series 1992(2)	March 1, 1992	14,698,145
Miller School District No. 29-1, Series 1992A(2)	March 24, 1992	1,900,000
East Dakota Cooperative Educational Service Unit, Series 1992(2)	April 1, 1992	275,000
Prairie Lakes Health Care Center, Series 1992(2)	May 1, 1992	24,000,000
School District Cash Flow Financing Program, Series 1992(2)	July 14, 1992	40,670,000
Mitchell School District, No. 17-2, Series 1992B(2)	July 14, 1992	4,140,000
Rapid City Regional Hospital, Series 1992(2)	August 1, 1992	54,835,000
St. Mary's Healthcare Center, Series 1992(2)	August 1, 1992	7,190,000
East Dakota Cooperative Educational Service Unit, Series 1992B(2)	September 1, 1992	275,000
Sioux Valley Hospital, Series 1992A(2)	November 18, 1992	16,500,000
Dakota Wesleyan University, Series 1992(2)	November 25, 1992	5,180,000
Vocational Education Program, Series 1992(2)	December 15, 1992	8,785,000
Mitchell School District, No. 17-2, Series 1993A(2)	January 13, 1993	850,000
Webster School District, No. 18-4, Series 1993B(2)	January 13, 1993	920,000
School District Cash Flow Financing Program, Series 1993(2)	June 29, 1993	44,315,000
Vocational Education Program, Series 1993A(2)	August 1, 1993	6,950,000
	August 1, 1993	2,830,000
Jenkins Methodist Home, Series 1993(2)	August 1, 1993	4,880,000
Prince of Peace Retirement Community, Inc., Series 1993(2)	September 1, 1993	9,165,000
Bon Homme School District, No. 04-2, Series 1993C(2)	October 26, 1993	1,240,000
East Dakota Cooperative Educational Service Unit, Series 1993(2)	November 1, 1993	175,000
Westhills Village Retirement Community, Series 1993(2)	December 1, 1993	13,095,000
Sioux Valley Hospital, Series 1993(2)	December 15, 1993	24,000,000
St. Luke's Midland Regional Medical Center, Note 1994(2)	February 23, 1994	2,266,055
Avon School District, No. 04-1, Series 1994A(2)	March 9, 1994	750,000

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
Huron Regional Medical Center, Series 1994(2)	April 1, 1994	11,315,000
Mitchell School District, No. 17-2, Series 1994B(2)	April 13, 1994	1,400,000
Winner School District, No. 59-2, Series 1994C(2)	May 26, 1994	2,695,000
Marion School District, No. 60-3, Series 1994D(2)	June 1, 1994	650,000
School District Cash Flow Financing Program, Series 1994(2)	July 14, 1994	32,755,000
Belle Fourche School District, No. 09-1, Series 1994E(2)	July 25, 1994	750,000
Rummel Memorial Home, Inc., Series 1994(2)	September 1, 1994	600,000
Northwestern School District, No. 56-3, Series 1994F(2)	November 3, 1994	1,500,000
McKenna Hospital, Series 1994(2)	January 12, 1995	28,000,000
University of Sioux Falls, Series 1995(2)	March 1, 1995	1,520,000
Spearfish School District, No. 40-2, Series 1995A(2)	July 13, 1995	700,000
Lennox School District, No. 41-4, Series 1995B(2)	July 13, 1995	1,685,000
School District Cash Flow Financing Program, Series 1995(2)	July 18, 1995	32,795,000
McKenna Hospital, Series 1996(2)	May 1, 1996	29,715,000
St. Luke's Midland Regional Medical Center, Series 1996(2)	May 1, 1996	8,140,000
Parker School District, No. 60-4, Series 1996A(2)	May 16, 1996	1,500,000
School District Cash Flow Financing Program, Series 1996(2)	July 18, 1996	24,040,000
Pioneer Memorial Hospital, Series 1996(2)	November 1, 1996	3,045,000
Sioux Valley Hospital, Series 1997(2)	July 1, 1997	14,105,000
Canton-Inwood Memorial Hospital, Series 1997(2)	July 1, 1997	2,735,000
Mid-Dakota Hospital Association, Series 1997(2)	July 1, 1997	2,085,000
Chamberlain Home for the Elderly, Inc., Series 1997(2)	July 1, 1997	615,000
Dakota Hospital Association, Series 1997	July 1, 1997	6,110,000
University Physicians, Series 1997	July 1, 1997	4,885,000
School District Cash Flow Financing Program, Series 1997(2)	July 1, 1997	12,180,000
Vocational Education Program, Series 1997(2)	December 1, 1997	10,365,000
Pioneer Memorial Hospital, Series 1998(2)	February 1, 1998	400,000
Northwestern School District, No. 56-3, Series 1998A(2)	March 17, 1998	1,150,000
Prairie Lakes Health Care System, Series 1998(2)	March 26, 1998	14,840,000

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
Rapid City Regional Hospital, Series 1998(2)	April 1, 1998	78,405,000
Vocational Education Program, Series 1998A(2)	May 1, 1998	4,705,000
Mitchell School District, No. 17-2, Series 1998B(2)	June 15, 1998	5,960,000
School District Cash Flow Financing Program, Series 1998 (2)	August 4, 1998	4,795,000
Avera McKennan Series 1998(2)	September 1, 1998	20,600,000
Miller School District, No. 29-1, Series 1998C(2)	September 11, 1998	1,390,000
Belle Fourche School District, No. 09-1, Series 1998D(2)	October 8, 1998	3,450,000
Rapid City Regional Hospital, Series 1999(2)	June 3, 1999	14,880,000
Vocational Education Program, Series 1999(2)	July 1, 1999	7,135,000
Westhills Village Retirement Community, Series 1999(2)	October 1, 1999	4,675,000
Prairie Crossings, Series 1999(2)	November 1, 1999	6,370,000
Children's Care Hospital and School, Series 1999(2)	November 1, 1999	9,315,000
University of Sioux Falls, Series 1999(2)	December 1, 1999	4,975,000
Sioux Valley Hospital, Series 2000(2)	February 29, 2000	30,000,000
Dells Area Health Center, Series 2000	February 29, 2000	5,100,000
Avera McKennan, Series 2000(2)	March 1, 2000	11,917,080
Avera St. Luke's, Series 2000(2)	March 1, 2000	6,168,465
Avera Queen of Peace, Series 2000(2)	March 1, 2000	9,259,455
Hot Springs School District, No. 23-2, Series 2000A(2)	September 26, 2000	2,000,000
Rapid City Regional Hospital, Series 2001(2)	April 1, 2001	39,750,000
Sioux Valley Hospital, Series 2001A(2)	April 26, 2001	40,000,000
Sioux Valley Hospital, Series 2001B	June 26, 2001	5,975,000
Sioux Valley Hospital, Series 2001C	June 26, 2001	30,000,000
Sioux Valley Hospital, Series 2001D(2)	June 26, 2001	31,835,000
Sioux Valley Hospital, Series 2001E(2)	September 1, 2001	40,430,000

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
University of Sioux Falls, Series 2001(2)	December 6, 2001	3,700,000
Sioux Valley Hospital, Series 2002A(2)	March 28, 2002	25,310,000
Avera McKennan, Series 2002(2)	April 11, 2002	21,677,832
Avera St. Luke's, Series 2002(2)	April 11, 2002	22,941,776
Avera Sacred Heart, Series 2002(2)	April 11, 2002	15,000,392
Sioux Valley Hospital, Series 2002B(2)	June 1, 2002	14,350,000
Prairie Lakes Health Care System, Series 2002(2)	October 1, 2002	15,000,000
Westhills Village Retirement Community, Series 2003(2)	March 1, 2003	11,790,000
Rapid City Regional Hospital, Series 2003(2)	April 1, 2003	60,000,000
Avera McKennan, Series 2004(2)	May 18, 2004	31,360,610
Avera Queen of Peace, Series 2004(2)	May 18, 2004	11,753,754
Avera St. Luke's, Series 2004(2)	May 18, 2004	15,795,636
Sioux Valley Hospital, Series 2004A(2)	September 1, 2004	52,000,000
Sioux Valley Hospital, Series 2004B	September 14, 2004	18,000,000
Vocational Education Program, Series 2004(2)	December 30, 2004	6,265,000
University of Sioux Falls, Series 2005(2)	February 23, 2005	6,000,000
Huron Regional Medical Center, Series 2005(2)	January 6, 2006	5,225,000
Avera Health, Series 2006(2)	June 22, 2006	61,075,000
Westhills Village Retirement Community, Series 2006(2)	July 1, 2006	12,055,000
Children's Care Hospital and School, Series 2007(2)	March 29, 2007	8,705,000
Sanford Health, Series 2007(2)	April 15, 2007	72,755,000
Prairie Crossings, Series 2007(2)	April 16, 2007	4,115,000
Vocational Education, Series 2007(2)	November 8, 2007	8,805,000
Avera McKennan, Series 2007	December 6, 2007	6,400,000

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
Avera Health, Series 2008A(2)	June 18, 2008	139,205,000
Series 2008B(2)	June 18, 2008	50,320,000
Avera Health System, Series 2008C	July 1, 2008	61,495,000
Rapid City Regional Hospital, Series 2008(2)	August 14, 2008	67,465,000
Vocational Education, Series 2008(2)	September 16, 2008	19,465,000
Sanford Health, Series 2009	September 10, 2009	70,565,000
University of Sioux Falls, Series 2010A	May 28, 2010	5,600,000
University of Sioux Falls, Series 2010B	May 28, 2010	4,000,000
University of Sioux Falls, Series 2010C	May 28, 2010	2,000,000
University of Sioux Falls, Series 2010D	May 28, 2010	2,000,000
University of Sioux Falls, Series 2010E	May 28, 2010	4,400,000
Vocational Education, Series 2010A Taxable Build America Bonds	July 2, 2010	17,135,000
Vocational Education, Series 2010B Taxable Recovery Zone Economic Development Bonds	July 2, 2010	6,455,000
Regional Health, Series 2010(1)	August 17, 2010	54,390,000
Vocational Education, Series 2010C Taxable Build America Bonds	November 9, 2010	12,605,000
Prairie Lakes, Series 2010	December 8, 2010	20,685,000
Vocational Education, Series 2011A	August 11, 2011	20,140,000
Regional Health, Series 2011(1)	November 22, 2011	50,460,000
Vocational Education, Series 2012A	February 16, 2012	18,810,000
Sanford Health, Series 2012A	March 29, 2012	32,955,000
Series 2012B	March 29, 2012	33,230,000
Series 2012C Taxable	March 29, 2012	10,695,000
Avera Health, Series 2012A	May 1, 2012	71,205,000
Series 2012B	May 1, 2012	131,265,000
Sanford Health, Series 2012D	June 14, 2012	45,000,000



<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
Westhills Village Retirement Community, Series 2012	June 5, 2012	15,665,000
Sanford Health, Series 2012E	November 1, 2012	120,000,000
Vocational Education, Series 2014A	June 17, 2014	1,790,000
Avera Health, Series 2014	June 26, 2014	58,750,000
Sanford Health, Series 2014A	August 5, 2014	52,000,000
Westhills Village Retirement Community, Series 2014	August 22, 2014	9,005,000
Sanford Health, Series 2014B	October 28, 2014	186,105,000
Regional Health, Series 2015	January 27, 2015	67,210,000
Vocational Education, Series 2015A	February 5, 2015	20,590,000
Vocational Education, Series 2015B	March 5, 2015	16,050,000
Vocational Education, Series 2015C	April 16, 2015	17,320,000
Sanford Health, Series 2015	October 1, 2015	176,315,000
Sanford Health, Series 2016	October 28, 2016	50,000,000
Prairie Lakes, Series 2017	January 27, 2017	36,000,000
Westhills Village Retirement Community, Series 2017	February 1, 2017	16,970,000
Regional Health, Series 2017	September 7, 2017	212,180,000
Avera Health, Series 2017	October 11, 2017	223,075,000
LifeScape, Series 2017	November 1, 2017	<u>5,195,000</u>
		<u>\$4,739,953,017</u>

- 
- (1) Issue has been advance refunded.  
(2) Debt has been retired.

**SOUTH DAKOTA HEALTH AND EDUCATIONAL  
FACILITIES AUTHORITY  
SCHEDULE OF ASSISTED PROJECTS FINANCED  
AS OF JUNE 30, 2019**

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
St. Ann's Corporation, Series 1988(2)	July 28, 1988	\$ 945,000
St. Benedict Hospital, Series 1988(2)	December 1, 1988	1,400,000
St. Joseph Hospital, Series 1988(2)	November 16, 1988	765,000
St. Michael's Hospital, Series 1989(2)	October 25, 1989	210,000
United Cerebral Palsy, Series 1989(2)	December 27, 1989	385,000
Bethel Lutheran Home, Series 1990(2)	May 31, 1990	600,000
Baptist Hospital, Series 1991(2)	April 1, 1991	2,500,000
Every Citizen Counts Organization, Inc., Series 1991(2)	July 3, 1991	350,000
Marshall County Memorial Hospital, Series 1991(2)	August 20, 1991	177,000
Dakota Hospital, Series 1991(2)	December 31, 1991	1,500,000
St. Benedict Hospital, Series 1992(2)	March 1, 1992	199,000
Bethel Lutheran Nursing Home, Series 1992(2)	May 26, 1992	400,000
Hand County Memorial Hospital, Series 1993(2)	March 15, 1993	1,100,000
St. Benedict Hospital, Series 1993(2)	October 15, 1993	1,200,000
Sun Dial Manor, Series 1994(2)	April 4, 1994	670,000
Dell Rapids Community Hospital, Series 1995(2)	September 6, 1995	1,250,000
Queen of Peace Hospital, Series 1995(2)	December 13, 1995	750,000
Bethesda of Aberdeen, Series 1996(2)	April 16, 1996	4,000,000
Bethesda Home for the Aged, Series 1996(2)	April 17, 1996	1,830,000
Eastern Star of SD, Series 1996(2)	April 18, 1996	850,000

<u>Series</u>	<u>Dated</u>	<u>Amount Issued</u>
Bethel Lutheran Home, Series 1996(2)	September 26, 1996	1,300,000
Freeman Community Hospital and Nursing Home, Series 1996(2)	October 10, 1996	300,000
St. Benedict Health Center, Series 1997(2)	April 10, 1997	610,000
Hand County Memorial Hospital, Series 1997(2)	October 15, 1997	700,000
Platte Community Memorial Hospital, Series 1997(2)	December 5, 1997	249,500
Queen of Peace Hospital, Series 1997(2)	December 29, 1997	800,000
Bethesda Home of Aberdeen, Series 1999(2)	October 14, 1999	1,200,000
Avera St. Michael's Hospital Inc., Series 2000(2)	February 23, 2000	1,435,000
Avera St. Benedict Health Center, Series 2001(2)	December 28, 2001	600,000
Avera St. Benedict Health Center, Series 2003(2)	November 4, 2003	500,000
Avera St. Benedict Health Center, Series 2005(2)	May 10, 2005	2,500,000
Children's Care Hospital & School, Series 2005(2)	October 14, 2005	2,900,000
Freeman Regional Health Services, Series 2006	September 29, 2006	750,000
Bethesda Home of Aberdeen, Series 2008(2)	February 1, 2008	2,000,000
United Retirement Center, Series 2011	July 15, 2011	6,622,000
Bethel Lutheran Home, Series 2012	June 6, 2012	<u>1,400,000</u>
		<u>\$ 44,947,500</u>

---

(2) Debt has been retired.