OFFICIAL BALLOT

Special Election
Deer Mountain Sanitary District
Thursday, December 15, 2022

Proposition to Issue Bonds

The Deer Mountain Sanitary District Board of Trustees (the "Board of Trustees") has proposed the issuance of a general obligation bond to the South Dakota Conservancy District (the "State") in an amount not to exceed $3,001,552 in connection with financing a project under the State Revolving Fund Loan program. The purpose of the proposed financing is to pay the cost of a project described in the question presented below. The proposed issuance of the bond will occur only if a majority of all registered voters voting at the election approve the proposition. The question submitted to the legal voters of Deer Mountain Sanitary District, South Dakota is as follows:

> **Should the District issue its general obligation bond in an amount not to exceed $3,001,552 for the purpose of paying the cost of expanding and making improvements to the District's existing drinking water system, including, but not limited to, a new pump house and equipment, water meters, distribution system, and booster station, and to pay legal, accounting and other costs related to the issuance of such bond?**

SAMPLE BALLOT

EXPLANATORY STATEMENT BY THE SANITARY DISTRICT'S ATTORNEY

On November 4, 2022, the Deer Mountain Sanitary District Board of Trustees adopted a resolution declaring the necessity (the "Resolution of Necessity") of issuing a general obligation bond for the purposes stated as described in the question presented above. The Resolution of Necessity provides that the bond to be issued for such purposes shall be in an amount not to exceed $3,001,552, at an average rate of interest not to exceed 2.125% per annum, and shall become due and payable over a term not to exceed 30 years following completion of the Project.

If voters approve the proposition, the bond will be issued.

If the voters disapprove, the bond will not be issued.

A vote "YES" is for authorizing Deer Mountain Sanitary District to issue its general obligation bond in an amount not to exceed $3,001,552.

A vote "NO" is against authorizing the District to issue its general obligation bond.

☐ **YES**

SHALL THE ABOVE PROPOSITION BE APPROVED AND THE BOND ISSUED?

☐ **NO**

INSTRUCTIONS TO THE VOTERS: Any voter desiring to vote in favor of the proposition will mark a cross (X) or a check mark (√) in the square before the "Yes." Any voter desiring to vote against the proposition will mark a cross (X) or a check mark (√) in the square before the word "No."