

**MONTANA-DAKOTA UTILITIES CO.
SOUTH DAKOTA GAS O&M**

Rents

Sum of Amount			Ledger Type				
Object	Charging F	Charging Responsibility Descri	2014 Actual	2015 Budget	Change	% Change	
5931	215	Mobridge District Manager	19,032	19,032	0	0.0%	not review
	302	Northern Hills District	31,200	1,200	(30,000)	-96.2%	review
	711	Customer Services, Dir	377,292	375,720	(1,572)	-0.4%	not review
	723	Information Tech, Dir	149,632	139,910	(9,723)	-6.5%	review
	752	Treas Serv Montana-Dakota Only	398,061	328,521	(69,540)	-17.5%	review
	888	Communications	6,304	10,000	3,696	58.6%	not review
	920	Office Services	14,451	234,600	220,149	1523.4%	review
	962	Buildings and Grounds	48,753	52,467	3,714	7.6%	not review
			1,044,726	1,161,450	116,724	14.4%	

		2014	Pro forma		
215	Mobridge District Manager	\$2,218	\$2,218	Dist	1/
302	Northern Hills District 1/	31,200	7,200	Dist	2/
711	Customer Services, Dir	51,614	51,614	A&G	1/
723	Information Tech, Dir	20,362	20,362	A&G	3/
752	Treas Serv Montana-Dakota Only	35,099	35,099	A&G	1/
888	Communications	5,014	5,014	A&G	1/
920	Office Services	1,274	5,737	A&G	4/
962	Buildings and Grounds	4,321	4,321	A&G	1/
		151,102	131,565		
	Distribution	\$33,418	\$9,418		
	A&G	117,683	122,147		
		\$151,101	\$131,565		

1/ No change.

2/ 2014 included expense for five year lease for Sturgis building. Reflected 1/5 of lease for pro forma.

3/ No specific reason for decrease, Jan-Feb 2015 show slight increase. No change.

4/ Increase for rent on additional office space. Reflects actual rent for 2015.

920	<u>Office Services</u>	
	Increase in 2015	\$53,350
	Allocate to gas - (#28)	42.700000%
	Allocation to SD (#27)	19.590418%
	Increase to South Dakota Gas	<u>\$4,463</u>
	Rent on property at 421 N 4th	

PAYMENT REQUEST

DATE: 12/20/13

Company Code M

A check is requested in favor of:

David L. Noonan

P.O. Box 84

Howard, South Dakota 57349

Do not send payment to this address - see below

In the amount of \$ 30,000

Explanation:

Sturgis office 5 year lease payment.

Please send payment to: Attn Toby Bordewyk, Montana-Dakota Utilities, 505 Heritage Dr, Spearfish SD 57783

Account Distribution: 302-5931-28810

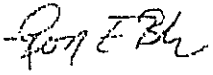
Prepared By: Toby Bordewyk

Approved By: Ron E. Blum

Beck, Donna

From: Blum, Ron
Sent: Friday, December 27, 2013 9:33 AM
To: MDU Accounts Payable
Subject: FW: lease
Attachments: Payment Request - David Noonans - Sturgis Lease - 12-20-13.xls

Approved 302-5931-28810



Ron E. Blum, PE
BH Region Director
Montana-Dakota Utilities Co.
o - (605)355-4004
c - (605)-939-1309
e - ron.blum@mdu.com

"I will not backup from my responsibility to drive and work safely"

From: Bordewyk, Toby
Sent: Friday, December 20, 2013 3:03 PM
To: Blum, Ron
Subject: RE: lease

Ron

Attached is a payment request for the Sturgis lease as we have discussed. I have not coded this for payment, this is not something we had in our O&M budget and I'm not sure how we want to account for it. Do you have any suggestions?

Toby Bordewyk
Northern Hills District Manager
Montana-Dakota Utilities
505 Heritage Dr.
Spearfish, SD 57783
605-355-4054(o)
605-484-7893(c)
toby.bordewyk@mdu.com

From: Blum, Ron
Sent: Friday, December 20, 2013 11:12 AM
To: Skabo, Jay
Cc: Kivisto, Nicole; Bordewyk, Toby
Subject: FW: lease

Jay,
The Sturgis shop space lease is ready to sign. Toby is sending in a payment request so the payment can be made according to the lease.

Please sign and return.

H-44

Ron E. Blum

Ron E. Blum, PE
BH Region Director
Montana-Dakota Utilities Co.
o - (605)355-4004
c - (605)-939-1309
e - ron.blum@mdu.com

"I will not backup from my responsibility to drive and work safely"

From: Bordewyk, Toby
Sent: Thursday, December 19, 2013 9:57 AM
To: Blum, Ron
Subject: FW: lease

Ron

Anything new on this from a signature standpoint. I did find a couple of errors that I have changed. The county had been indicated to be Lawrence and has been changed to Meade. I also adjusted the description of the lease area slightly.

I have not yet submitted a payment request, ok to do so?

Toby Bordewyk
Northern Hills District Manager
Montana-Dakota Utilities
505 Heritage Dr.
Spearfish, SD 57783
605-355-4054(o)
605-484-7893(c)
toby.bordewyk@mdu.com

From: Bordewyk, Toby
Sent: Thursday, December 12, 2013 1:37 PM
To: Blum, Ron
Subject: FW: lease

Ron

Attached is a lease agreement for the Sturgis office as we have discussed. Please take a look and let me know if you have any concerns, if not please pass along for signatures as required.

Thanks

Toby Bordewyk
Northern Hills District Manager
Montana-Dakota Utilities
505 Heritage Dr.
Spearfish, SD 57783
605-355-4054(o)
605-484-7893(c)
toby.bordewyk@mdu.com

H-45

Beck, Donna

From: Pochant, Machele
Sent: Monday, January 06, 2014 10:02 AM
To: Beck, Donna
Subject: RE: Sturgis lease

Not material enough (\$100,000 threshold, per Garret). Expense all in 2014.

Machele Pochant

*General Accounting Manager
Montana Dakota Utilities Co.
400 N. 4th St.
Bismarck, ND 58501
701-222-7626
machele.pochant@mdu.com*

From: Beck, Donna
Sent: Monday, January 06, 2014 10:00 AM
To: Pochant, Machele
Subject: RE: Sturgis lease
Importance: High

Did we get an answer on this yet?

Donna Beck
Financial Tech
Bismarck G.O.
701-222-7774

From: Pochant, Machele
Sent: Friday, December 27, 2013 1:00 PM
To: Beck, Donna
Subject: RE: Sturgis lease

Hold on to this one. We should pay in 2014 regardless since it is for 2014 business. Just waiting to hear from Garret about whether or not we should record as prepaid or if not material enough.

Machele Pochant

*General Accounting Manager
Montana Dakota Utilities Co.
400 N. 4th St.
Bismarck, ND 58501
701-222-7626
machele.pochant@mdu.com*

From: Beck, Donna
Sent: Friday, December 27, 2013 11:24 AM
To: Pochant, Machele
Subject: Sturgis lease

This is the only other payment we made to Noonan. Looks like we did pay all at once and we just went to the regular rent g/l.

Cancel Form Show Tools

This form has 1 Error & Warning Enable Error Pop-ups

Issues (click each label for more information)

Data Invalid - Closed Accounting Period

Please look for the highlighted fields, correct the entries, and resubmit your request

Document No/Type/Co	1620079	PV	05001	Batch No	951000	Prev Doc	
Company	0000:	Montana Dakota Utilities Co					
Supplier Number	604257	NOONAN ENTERPRISES			Business Unit	B	
Invoice Number	604257 8-9-11	<input type="checkbox"/> Discount %		Contract Payment Term		0	
Invoice Date	08-09-2011	GL Date	08-09-2011	Service/Tax Date	08-09-2011		

Records 1-2

Pay Item	Gross Amount	Tax Ex	Tax Rate/Area	Taxable Amount	Tax Amount	Remarks	Pymt Terms	Due Date
001	14,000.00					7-1-11 TO 12-31-13 LEASE	D	08-09-11
002								

Donna Beck
 Financial Tech
 Bismarck G.O.
 701-222-7774