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for college or to start or expand a business.

Kolton, who grew up helping his grandpa with ranch hand work, began riding bulls at the age of 10. He has since taken a particular interest in the business side of rodeo stock and has learned from a mentor-like relationship he has built with a bucking bull breeder in Colome, South Dakota. He originally purchased two bulls to practice riding on, and quickly realized his investment could generate a new stream of income if he supplied bulls to rodeos. Over the course of a year, he has sold and bought other bulls to improve and grow his herd, and while his bulls are only two years old he is currently working to get them ready for rodeos by implementing specialized training techniques with the help of a couple friends.

Anita Ecoffey, Kolton's grandmother, comments, "I am very proud of him. I think he's accomplished a lot at a young age, and he's on the road to prosper. There are a lot of places out there to help, and Lakota Funds is one of them. We are grateful for that – not just for us but for the Reservation."



Kolton Wisecarver feeds his favorite bucking bull, Oreo. Kolton states the best bulls are calm and friendly at home but rank and aggressive in the ring. Oreo, currently two years old, will be ready for rodeos next year.

YOUTH INDIVIDUAL DEVELOPMENT ACCOUNT



LAKOTA FUNDS is dedicated to enriching the lives of the Oglala Lakota Oyate through programs that educate and encourage habits of asset building. The Youth Individual Development Account (IDA) Program is a matched savings program that is based on our traditional Lakota value of wise resource management. The program provides participants with the capital, incentive, and support to achieve their financial goals and build a brighter future. At Lakota Funds, we believe in investing in our most valuable asset — our youth. It is through programs like our Youth IDA program, that we are able to break the cycle of poverty that our people have endured for generations.

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Lakota Funds
Investing in the Oyate

Quarterly chronicles of the economic resurgence movement on the Pine Ridge Reservation.

THE ECONOMIC RESURGENCE REPORT

1st YOUTH MATCHED SAVINGS PROGRAM PARTICIPANT



PINE RIDGE ELECTRICAL CONTRACTOR BREAKS INTO NEW MARKETS



FIRST-EVER DOLLAR STORE OPENS ON RESERVATION



RENTERS PREPARE FOR HOME OWNERSHIP



Spring 2012

SPRING IS THE SEASON FOR NEW GROWTH

Our Mission

Lakota Funds is a community development financial institution (CDFI) leading an economic resurgence of the Oglala Lakota Oyate on the Pine Ridge Reservation through culturally appropriate strategies reigniting the traditional Lakota spirit of productivity, commerce, and trade.

THE NUMBER FOUR is very significant in Lakota culture, and among other things, stands for the four seasons. Wétu, the Lakota word for Spring which literally translated means 'sap', was considered the year's beginning by the Lakota when they freely roamed the Great Plains. During this time of the year, men and women tapped the box elder tree for its sweet sap. Spring was known as a time when buffalo calves and foals were born and horses were broke. Those activities still serve as markers for the Spring season on the Pine Ridge Reservation today.

Lakota Funds Celebrates National Financial Literacy Month with First Youth Matched Savings Program Participant

Kolton Wisecarver, Oglala Lakota of Wounded Knee, South Dakota Plans to Use Savings to Expand Rodeo Bucking Stock Business

In the midst of National Financial Literacy Month this April, Lakota Funds celebrated with a monumental achievement. Kolton Wisecarver, 16-year-old resident of Wounded Knee, South Dakota and Oglala Sioux Tribal member, is the first participant to enroll in Lakota Funds' Youth Matched Savings Program and learn through first-hand experience the value and benefits of saving money.

Kolton, who started the program during the month of March, is attending classes to build his personal financial skills and is also receiving three dollars for every dollar he deposits into his Individual Development

Account (IDA), a special matched savings account. By the end of the program period Kolton will use up to \$2,880 in savings to enhance his bucking stock business that he started last summer. This infusion of capital will enable him to purchase more stock and equipment, getting one step closer to his dream of becoming a quality rodeo stock supplier and bull rider.

"We see Kolton as a true entrepreneur who is setting an example for other youth on the Pine Ridge Reservation to renew our traditional Lakota value of self-sufficiency, and we hope that his example will inspire others to achieve their dreams," comments

Tawney Brunsch, Executive Director of Lakota Funds. Kolton's enrollment breaks new ground for Lakota Funds' program and service offering with impeccable timing. National Financial Literacy Month, celebrated annually every April, was proclaimed by President Obama to emphasize the importance of financial education and having the knowledge and ability to make informed financial decisions. Through Lakota Funds' Youth Matched Savings Program, Kolton is learning just that.

As many reservation communities are the target of predatory lenders, this program is designed as a preventative measure and aims to instill responsible financial habits in youth. Specifically, the Lakota Funds Youth Matched Savings Program combines personal financial skills and asset-specific training with group meetings and a savings plan that enables youth participants to achieve asset-specific savings goals, such as saving

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Murdock Electric Lights Up New Markets on Pine Ridge Reservation

Utilizes Increased Line of Credit from Lakota Funds to Expand Business and Win Large-Scale Projects

Murdock Electric, electrical contractor based in Pine Ridge, South Dakota was one of only six local Native contractors selected for the new \$28.5 million justice center project that broke ground April 20, 2012. While over 20 bids were submitted from reservation-based contractors, many struggled with securing the required levels of bonding and found that the trust status of their land was a barrier.

However, Joe Murdock cites his competitive edge on the project as the recently increased line of credit to \$200,000 from Lakota Funds which enabled them to obtain the required \$2 million bond. "It was really that increase on our line of credit that got our foot in the door. This opens up more markets to us," states Murdock. He goes on to explain that previous to the line of credit increase, they would have fallen short on the bond requirement by \$1 million. This is a common obstacle that subcontractors must hurdle to be awarded projects, "A lot

of times the general contractor acts as a project manager. This puts more risk on the subcontractors and requires them to get higher levels of bonding."

"This is exactly what we intended our line of credit for," states Tawney Brunsch, Executive Director of Lakota Funds. Trust land status has been a long-standing barrier to economic development in reservation communities. Much of the land on reservations is held in trust by the Federal government, meaning the owners cannot use their property as collateral for loans. Native CDFIs have developed innovative strategies to work around these barriers and give Native entrepreneurs the opportunities they need to become successful and thriving businesses. The line of credit that Lakota Funds offers gives businesses additional credit to use for equipment purchases or working capital. In the construction trades, this is often a necessity.

Murdock attributes their success to perseverance. Since they started out of a garage in 1982, Murdock Electric has steadily been building their business. Over the years they have worked closely with Lakota Funds to secure loans for their building, vehicles, and equipment, as well as to participate in training that has helped them develop their estimating skills to be more competitive in the bidding process. "On the reservation, with all of the economic development and projects going on, we've just been expanding," says Murdock. While work has been consistently steady on the reservation, Murdock plans to use their increased bonding capabilities to position themselves in public works and off-reservation markets when local construction slows.

"Murdock Electric is a model for small business owners. We are so happy for their continued success and honored to have a small part in it," states Ms. Brunsch.



Murdock Electric Foreman, Ryan Waters, explains some of the complex lighting schematics of the Legends Room where Native American culture will be incorporated into the education system at Rockyford School.



Marjorie Murdock and her husband, Frank Sr., started Murdock Electric out of their garage in 1982.

Murdock Electric currently employs 45 individuals on several job sites throughout the reservation, including Rockyford School, Loneman School, and the Housing Administration building. As these projects wrap up, Murdock plans to transfer employees to the justice center site to complete the electrical work on the 93,642 square-foot building that will house the Oglala Sioux Tribe's jail, police force, and judicial system.



Katie Hunter, owner of Dollar Hunter in Kyle, SD, stands at cash the register with her daughter.

After completing an interior design program at South Dakota State University, Katie moved back to the Pine Ridge Indian Reservation and began looking for work. While she knew she probably wouldn't find employment within her field, she didn't expect that her Bachelor's Degree would create a barrier to securing a job. "People just kept telling me they didn't need an interior designer. They didn't understand that I had other skills too," Katie says.

When Katie discovered Lakota Funds' matched savings program, her job-seeking strategy completely changed. She saw the Lakota Tiwahe Asset Building program as a way for her to obtain start-up capital to make her own job. Katie entered into the matched savings program with a clear objective in mind: to start a dollar store on

First-Ever Dollar Store Opens on Reservation

New Dollar Store in Kyle, South Dakota Offers Inexpensive Household Items to Residents of Pine Ridge Reservation

the Pine Ridge Reservation. "I felt a dollar store would be a win-win for everybody," she says. After saving for six months and partnering with a past employer for an additional investment, Katie opened Dollar Hunter, the first-ever dollar store on the Pine Ridge Indian Reservation, on April 11, 2012.

The majority of local residents have to travel over 100 miles to purchase items needed for every day living. With already tight budgets, travel expenses can break a family budget. Now residents can avoid excessive travel costs and boost the local economy by purchasing goods and supplies for their household, baby, pets, and parties at Dollar Hunter.

Katie states that being self employed does have its perks, but there are also many challenges to being a business owner on the reservation. Finding a store front to lease was difficult in itself. Now balancing the high cost of rent while trying to keep prices low is a challenge. The reservation lacks the infrastructure necessary to build a strong retail market, and the few spaces that are available ask outrageous prices. Katie and her partner are exploring alternatives, such as purchasing or building a new location, so

they can continue to offer the lowest prices possible to their customers.

As the reservation is without a depository institution, banking is another challenge. In order to overcome this obstacle, Katie's business partner travels to the reservation once a week to pick up the deposit and bring it to a bank in Rapid City. "I can't wait until the credit union opens!" Katie refers to the Lakota Federal Credit Union scheduled to open in the near future, which will offer the first depository services on the reservation since 1935.

Despite these challenges, Katie wouldn't change her situation. As a new mother, being self-employed gives her the option of bringing her child to work and setting her own hours so that she can balance family and work. "I don't have to give up being a mother just so that I can work," she states. She feels good that she is able to contribute financially to her family while she provides much-needed products for local residents.

While only being open for a very short time, business is going incredibly well. Katie has high hopes of expanding to a larger location and being able to provide employment opportunities within the community.

COLLABORATION | WHAT BIRTHS INNOVATION

Lakota Funds has been a key partner in establishing the Great Plains Native Asset Building Coalition, whose mission is to build the capacity of each organization to bring sustainable change within the individual Native communities and reservations and to leverage our collective experience and resources to positively affect economic development and asset building in the Native communities we serve.

Through this unique collaboration, the Great Plains Native Asset Building Coalition will reach into the most rural and remote areas of reservation communities to provide a variety of financial education, entrepreneurship development, and assistance programs to 52,500 Native Americans.

Renters Prepare for Transition to Home Ownership at Eagle Nest Housing

Low-Income Rental Development Offers Current Tenants First Right of Refusal for Purchasing Units

Almost 15 years ago, Lakota Funds made history by creating the first Native American tax credit financed low-income housing project in America. Eagle Nest Housing in Wanblee, South Dakota on the Pine Ridge Indian Reservation is comprised of 30 homes, ranging from two to four bedrooms, on one-acre lots. Since 1997, Eagle Nest Housing has provided low-income families with affordable housing. Now, as the tax credit agreements are reaching maturity, the current tenants have the opportunity to purchase their homes.

For Dawney and Chris Morrison who have lived in their home in Eagle Nest Housing for six years, this is one of their wildest dreams come true. "I never thought this would happen — not here," states Dawney. Her husband, Chris once had hundreds of acres of land that was left to him by his mother but sold it for a mere \$250/acre because, "There just wasn't anything I could do with it." Because much of Indian land is held in trust by the Federal government, it makes it almost impossible for Tribal members to build a home or to utilize their land for anything at all.

The Morrison's were one of a handful of Eagle Nest Housing tenants that attended a meeting hosted by Lakota Funds at the start of the year to begin preparing for the transition from renter to home owner. All tenants in the development have been given first right of refusal to purchase their homes when they go on the market in 2014, as well as the opportunity to participate in a range of educational courses that will help them to become successful home owners.

"It was shocking how foreign the concept of home ownership is," comments Tawney Brunsch, Executive Director of Lakota Funds, on the introductory meeting. "Once the tenants were able to wrap their head around the fact that these could be their homes, we immediately saw an increased

interest in yard care, gardens, and improvements." Although, the homes are currently equipped with solar heating elements, the development is undergoing additional improvements to make the housing units more energy efficient and, in turn, more affordable to potential buyers.

The Morrison's can't wait to be able to do their own improvements. "We are looking forward to making our home our own," states Dawney. Dawney and Chris have been active in the Lakota Funds course, recently completed the financial education segment, and are also focusing on improving their credit rating. Next up is a comprehensive home owner preparedness course, which Lakota Funds plans to augment with guest speakers and demonstrations on routine home maintenance and home mortgages.

The Morrison's are most proud of the fact that they will be able to leave a legacy for their two daughters. "They will get to learn from us what this is like and how to do it," states Dawney. Not only will owning their own home create a permanent place for their family, they state, "This is something that we get to leave behind." Research shows that when even just one family member achieves self-sufficiency by going to college, starting a business, or purchasing a home, all future generations are more likely to follow in their footsteps. Home ownership is only part of their plan for a bright future. As a recent college graduate, Dawney hopes to start her own business some day — another legacy to leave her children.

In the midst of a severe housing crisis on the Pine Ridge Indian Reservation, Chris explains why this is so important, "Many people apply for housing and are on waiting lists for five or six years. In the meantime, they just stay with family." If the population of the reservation is equally spread across

the available housing units, it averages 11 people per household. Dawney says the overcrowding contributes to the outlook people of the reservation have on life, "People just live for tomorrow. They are depressed mostly for financial reasons. They just accept what is handed to them, and that is not right. They don't realize there are so many opportunities out there."

The sale of the Eagle Nest housing units will be the largest flood of homes on deeded land (without restrictions of trust status) into the Pine Ridge Reservation real estate market. In addition, Lakota Funds is examining the possibility of utilizing New Markets Tax Credits to build another housing development on a 120-acre parcel adjacent to Eagle Nest.



Dawney and Chris Morrison, currently rent in Eagle Nest Housing and are diligently preparing to purchase the home that they have lived in for the past six years.



A four-bedroom home in Eagle Nest Housing development, Wanblee, South Dakota will be for sale in 2014.

SUPPORT OUR MISSION

YOUR DONATION to Lakota Funds will help make a difference in the lives of the Lakota Oyate (People). Contributions from dedicated supporters like you help put an end to generational poverty on the Pine Ridge Reservation by reigniting the traditional Lakota spirit of productivity, commerce, and trade. To make an online donation, please visit lakotafunds.org/supportform.