

FY2016 Presentation to the Joint Committee on Appropriations

South Dakota
Bureau of Finance and Management

1/15/15

BFM Budget Team

- Jason Dilges, Chief Financial Officer
- Alex Hanson, Chief Budget Analyst
- Jim Terwilliger, State Economist
- Emily Ward, Senior Budget Analyst
- Steven Kohler, Senior Budget Analyst
- Kelsey Hanson, Budget Analyst
- Lindsey Hildebrand, Budget Analyst
- Colin Keeler, Director of Financial Systems

FY2016

Presentation Overview

- Ongoing Revenue Projections
- Property Tax Reduction Fund Repeal
- Ongoing Revenue Growth Available
- Items Affecting Multiple Agencies
- Budget Recommendations by Agency
- FY2016 Bottom Line

Ongoing Revenue Projections FY2016

Source (millions)	Rev. FY2015	Est. FY2016	Change
Sales and Use Tax	\$844.8	\$879.6	+ \$34.8
Lottery *	6.9	105.8	+ 98.9
Contractor's Excise Tax	94.9	99.9	+ 5.0
Insurance Company Tax	79.3	83.4	+ 4.1
Unclaimed Property	54.2	56.7	+ 2.5
Tobacco Taxes *	30.0	53.5	+ 23.5
Net Transfers In *	31.6	16.3	- 15.3
Telecommunications Tax *	0.0	7.0	+ 7.0
Investment Income/Interest	0.8	4.2	+ 3.4
Property Tax Red. Fund *	110.1	N/A	- 110.1
Other Ongoing Revenue	<u>128.5</u>	<u>134.8</u>	<u>6.3</u>
Total Ongoing Receipts	\$1,381.1	\$1,441.2	+ \$60.1

Re-Classification FY2016 Revenue Growth

Source (millions)	Rev. FY2015	Est. FY2016	Change
Sales and Use Tax	\$844.8	\$879.6	+ \$34.8
Lottery *	102.1	105.8	+ 3.7
Contractor's Excise Tax	94.9	99.9	+ 5.0
Insurance Company Tax	79.3	83.4	+ 4.1
Unclaimed Property	54.2	56.7	+ 2.5
Tobacco Taxes *	53.9	53.5	- 0.4
Net Transfers In *	15.9	16.3	+ 0.4
Telecommunications Tax *	6.7	7.0	+ 0.3
Investment Income/Interest	0.8	4.2	+ 3.4
Property Tax Red. Fund *	N/A	N/A	0.0
Other Ongoing Revenue	<u>128.5</u>	<u>134.8</u>	<u>6.3</u>
Total Ongoing Receipts	\$1,381.1	\$1,441.2	+ \$60.1

*Changes in Revenue

Classifications for FY2016:

Property Tax Reduction Fund Revenue

Source	Rev. FY2015	Est. FY2016	Reclassified To:
Video Lottery	\$95,276,946	\$98,611,639	Lottery
33% Tobacco > \$35M	7,847,198	7,763,657	Tobacco Taxes
Telecommunications	6,696,957	7,011,714	Telecom. Tax
Wind Energy Tax Fund	<u>285,000</u>	<u>605,000</u>	Net Transfers In
Total	\$110,106,101	\$113,992,010	

Unclaimed Property

(millions)

Source	Adopted FY2015	Revised FY2015	Change	Current FY2016 Est.	Change From Adopted FY2015
Large Holder #1	\$32.6	\$28.0	(\$4.6)	\$28.0	(\$4.6)
Large Holder #2	27.6	31.8	+4.2	31.8	+4.2
Remaining Receipts	<u>5.5</u>	<u>4.4</u>	<u>(1.1)</u>	<u>4.4</u>	<u>(1.1)</u>
Gross Receipts	65.7	64.2	(1.5)	64.2	(1.5)
Claims & Reciprocity	<u>-5.5</u>	<u>-10.0</u>	<u>(4.5)</u>	<u>-7.5</u>	<u>(2.0)</u>
Total Net	\$60.2	\$54.2	(\$6.0)	\$56.7	(\$3.5)

Reversal of 90% Interest Proration

(millions)

Current Law	FY2015	FY2016
Final 10% from previous FY	\$754,294	<u>\$423,329</u>
Est. 90% from current FY	<u>\$3,809,961</u>	<u>\$4,819,601</u>
Total GF Interest Income	\$4,564,256	\$5,242,930

Recommendation	FY2015	FY2016
Final 10% from previous FY	\$754,294	\$0
100% actual from previous FY	<u>\$0</u>	<u>\$4,233,290</u>
Total GF Interest Income	\$754,294	\$4,233,290

Ongoing Revenue Projections

Source (millions)	Adopt. FY15			
Sales and Use Tax	\$851.3			
Lottery	7.8			
Contractor's Excise Tax	95.4			
Insurance Company Tax	78.0			
Unclaimed Property	60.2			
Tobacco Taxes	30.0			
Net Transfers In	31.2			
Telecomm. Tax	0.0			
Investment Interest	2.9			
Property Tax Red. Fund	107.8			
Other Ongoing	<u>127.2</u>			
Total Ongoing Receipts	\$1,391.8			

Ongoing Revenue Projections

Source (millions)	Adopt. FY15	Rev. FY15		
Sales and Use Tax	\$851.3	\$844.8		
Lottery	7.8	6.9		
Contractor's Excise Tax	95.4	94.9		
Insurance Company Tax	78.0	79.3		
Unclaimed Property	60.2	54.2		
Tobacco Taxes	30.0	30.0		
Net Transfers In	31.2	31.6		
Telecomm. Tax	0.0	0.0		
Investment Interest	2.9	0.8		
Property Tax Red. Fund	107.8	110.1		
Other Ongoing	<u>127.2</u>	<u>128.5</u>		
Total Ongoing Receipts	\$1,391.8	\$1,381.1		

Ongoing Revenue Projections

Source (millions)	Adopt. FY15	Rev. FY15	Est. FY16	Change
Sales and Use Tax	\$851.3	\$844.8	\$879.6	+ \$34.8
Lottery	7.8	6.9	105.8	+ 98.9
Contractor's Excise Tax	95.4	94.9	99.9	+ 5.0
Insurance Company Tax	78.0	79.3	83.4	+ 4.1
Unclaimed Property	60.2	54.2	56.7	+ 2.5
Tobacco Taxes	30.0	30.0	53.5	+ 23.5
Net Transfers In	31.2	31.6	16.3	- 15.3
Telecomm. Tax	0.0	0.0	7.0	+ 7.0
Investment Interest	2.9	0.8	4.2	+ 3.4
Property Tax Red. Fund	107.8	110.1	N/A	- 110.1
Other Ongoing	<u>127.2</u>	<u>128.5</u>	<u>134.8</u>	<u>6.3</u>
Total Ongoing Receipts	\$1,391.8	\$1,381.1	\$1,441.2	+ \$60.1

Ongoing Revenue Growth Available to Fund Expenses

12

	<u>Year Ago</u>	<u>Today</u>
Structural Surplus left by Legislature	\$6M	\$0M
Current Year Revised Ongoing Revenue Growth	\$33M	-\$11M
Budgeted Year Projected Ongoing Revenue Growth	\$40M	\$60M
Total Ongoing Revenue Growth Available	\$79M	\$49M

Governor's FY2016 Budget Recommendations Overview

FY2016 Recommended Budget vs. FY2015 Adopted Budget

	FY2015 Adopted	FY2016 Recommended	Inc./ (Dec.)
Ongoing Expenditures	\$1,388,956,590	\$1,438,126,278	\$49,169,688
One-time Expenditures	\$0	\$0	\$0
Continuous Appropriations	<u>\$2,879,843</u>	<u>\$3,116,629</u>	<u>\$236,786</u>
Total	\$1,391,836,433	\$1,441,242,907	\$49,406,474

FY2016 Budget Theme

- Last year we fortified the FY2015 budget to account for a higher probability of success
- Although difficult and expensive investments, we are now seeing reduced expenses versus the budget in:
 - State Health Plan
 - Correctional Health
 - Medical Services
 - Child Care
 - State Aid
 - Technical Institutes
- This strong financial position in the FY2015 base budget allows for the incremental increases needed to fund FY2016 expenses to be lower than average

FY2016 Budget Theme

- Statutory requirement + including items in school funding formula = 2.0% for schools
- Reduced per eligible cost growth rate and lower FMAP growth = 2.0% for providers
- No increase for state health plan = 2.0% for salary policy

FY2016 Recommended Expense Overview

Major Increases/Decreases	General Funds
State Employee Salary Policy	\$11,134,753
Provider Inflation (Mandatory & Discretionary)	\$10,102,790
State Aid to General Education	\$8,962,141
Maintenance and Repair	\$5,505,118
FMAP	\$5,090,176
Juvenile Justice Reform	\$3,235,540
State Aid to Special Education	\$2,666,902
Board of Regents and Technical Institutes	\$2,429,335
Internal Service Rates and Utilities	\$2,456,713
Eligibles and Utilization	\$1,901,953
Various Increases/(Decreases)	(\$4,078,947)
Health Insurance Increase	<u>\$0</u>
Total General Fund Increase	\$49,406,474

Items Affecting Multiple Agencies

	General Funds
State Employee Salary Policy	\$11,134,753
Provider Inflation	\$10,102,790
Maintenance and Repair (M&R)	\$5,505,118
Federal Medical Assistance Percentage (FMAP)	\$5,090,176
Juvenile Justice Reform Initiative (JJRI)	\$3,235,540
Internal Service Rates and Utilities	\$2,456,713
Growth in Eligibles and Utilization	\$1,901,953
Correctional Health	\$970,133
State Employee Health Insurance	<u>\$0</u>
Total	\$40,397,176

State Employee Compensation Plan

Recommended Increases	General	Federal	Other
2% Market Adjustment	\$6,718,056	\$3,073,351	\$7,662,490
2.5% Movement Toward Market Value	\$3,858,561	\$2,040,320	\$3,265,492
0-4.5% Pay for Performance (Career Bands)	\$558,136	\$455,735	\$1,156,407
Employee Health Insurance Increase	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Cost of Recommendation	\$11,134,753	\$5,569,406	\$12,084,389
Remaining FY2015 Compensation Pool	<u>(\$935)</u>	<u>(\$741)</u>	<u>(\$3,595,785)</u>
Total Increase for Compensation Plan	\$11,133,818	\$5,568,665	\$8,488,604

2% Discretionary Provider Inflation

	General	Federal	Other
Social Services	\$7,249,299	\$6,405,342	\$16,806
Human Services	\$1,192,938	\$1,421,537	\$227,579
Corrections	\$237,689	\$106,387	
Unified Judicial System	\$24,046	\$1,078	
Veterans' Affairs	\$19,297	\$20,590	
Education		\$26,594	
Health	<u>\$0</u>	<u>\$0</u>	<u>\$21,756</u>
Total	\$8,723,269	\$7,981,528	\$266,141

Maintenance and Repair

	General	Federal
Bureau of Administration	\$3,239,806	
Board of Regents	\$2,055,512	
Military	<u>\$209,800</u>	<u>\$839,196</u>
Total	\$5,505,118	\$839,196

Calculation for Budget Increase:

$(\text{Replacement Values of Buildings} * 2\% - \text{current M\&R budget}) / 2 \text{ years} = \text{Increase}$

Federal Medical Assistance Percentage (FMAP)

	General	Federal	Other
Social Services	\$4,352,683	(\$4,352,683)	
Human Services	\$675,997	(\$794,729)	\$118,732
Corrections	\$51,524	(\$51,524)	
Veterans' Affairs	<u>\$9,972</u>	<u>(\$9,972)</u>	<u>\$0</u>
Total	\$5,090,176	(\$5,208,908)	\$118,732

Medicaid rate change: 47.88% GF to 48.38% GF

Children's Health Insurance Program (CHIP) rate change: 33.52% GF to 33.86% GF

Juvenile Justice Reform Initiative

	General
Social Services	\$2,930,540
Tribal Relations	\$5,000
Unified Judicial System	<u>\$300,000</u>
Total	\$3,235,540

Eligibles and Utilization Growth

	General	Federal
Social Services	\$920,894	\$1,151,729
Corrections	(\$1,259,388)	(\$603,285)
Human Services	<u>\$2,240,447</u>	<u>\$2,298,010</u>
Total	\$1,901,953	\$2,846,454

Utilities Increases

	General	Federal	Other
Board of Regents	\$1,230,803		
Social Services	\$325,147		
Corrections	\$214,341		(\$3,201)
Military	\$45,327	\$157,335	
Human Services	\$38,037	\$40,585	
Administration			\$81,828
Veterans Affairs	<u>\$0</u>	<u>\$0</u>	<u>\$41,266</u>
Total	\$1,853,655	\$197,920	\$119,893

Internal Service Rate Increases

	General	Federal	Other
Bureau of Info and Telecomm	\$406,963	\$348,480	\$1,201,073
Bureau of Human Resources	\$93,260	\$84,686	\$132,428
Bureau of Admin	\$74,885	\$22,338	\$52,921
Bureau of Finance and Mgmt	<u>\$27,950</u>	<u>\$58,288</u>	<u>\$157,925</u>
Total	\$603,058	\$513,792	\$1,544,347

Correctional Health

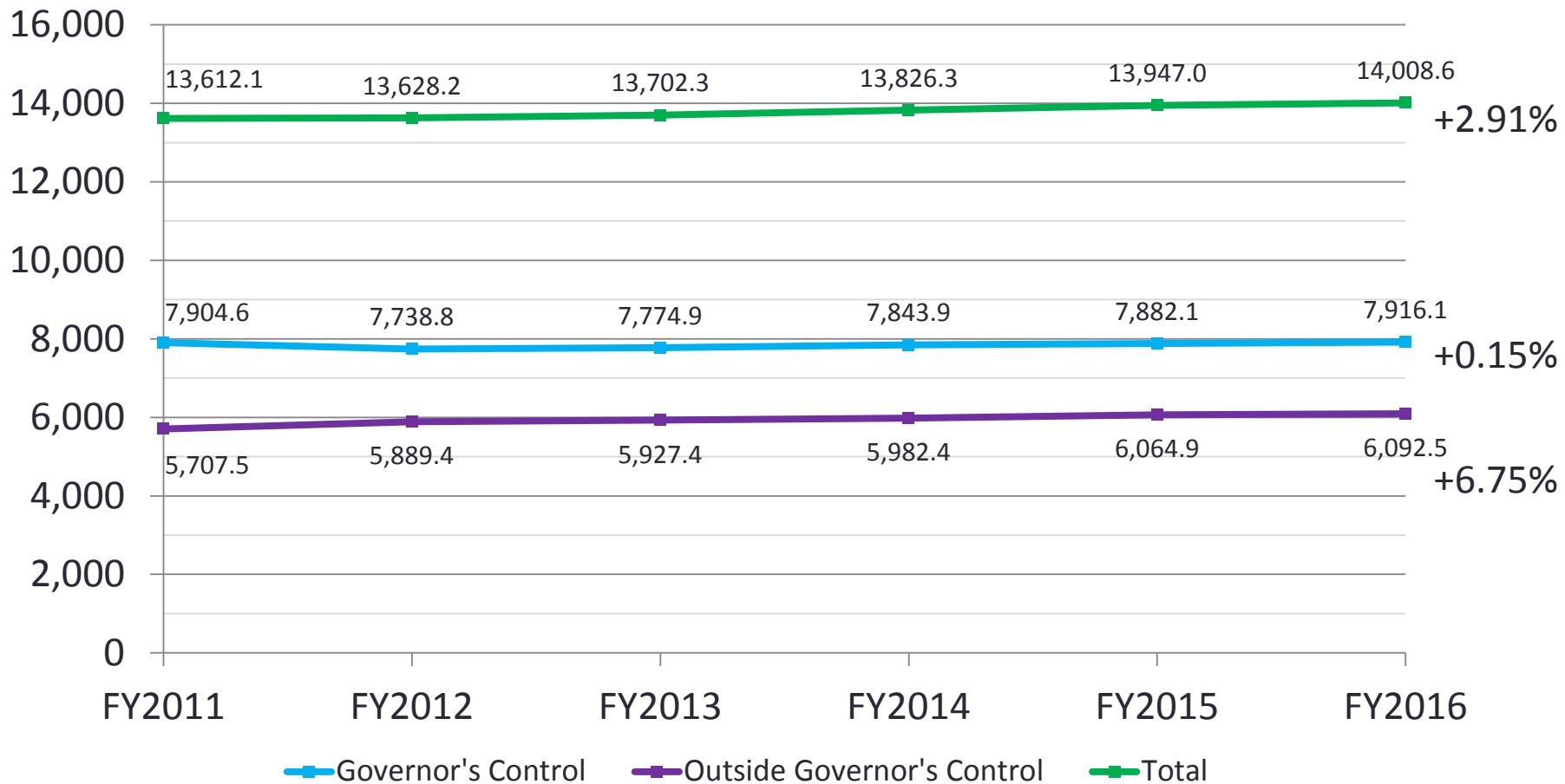
	General	Federal	Other
Corrections	\$970,133		
Social Services			\$0
Health	<u>\$0</u>	<u>\$0</u>	<u>\$812,029</u>
Total	\$970,133	\$0	\$812,029

FTE Recommendation

- 61.6 FTE Total Recommended Increase
 - 34.0 FTE under the direct control of the Governor
 - 27.6 FTE in agencies not under the Governor's control
- 1 FTE = 2,096 Hours Worked in FY2016
- Details discussed on agency slides

Budgeted FTE History

FY2011 – FY2016 Recommended



Governor's FY2016 Budget Recommendations by Agency

Department of Social Services

Recommended Changes	FTE	General	Federal	Other
Provider Inflation		\$8,628,821	\$7,132,758	\$16,806
FMAP		\$4,352,683	(\$4,352,683)	
Juvenile Justice Reinvestment Initiative		\$2,930,540		
Title XIX (Medicaid)		\$1,133,113	\$3,245,916	
Adoptions and Guardianships		\$593,634	\$62,718	
Mental Health Services		\$490,228		
Psychiatric Residential Treatment Caseloads		(\$428,227)	(\$456,905)	
Child Care Subsidies Caseloads		(\$867,854)	(\$1,700,000)	
CHIP Rate Temporary Enhancement		(\$4,665,641)	\$4,665,641	
Miscellaneous		<u>\$841,425</u>	<u>(\$21,263,386)</u>	<u>\$0</u>
FY2016 Ongoing Increase		\$13,008,722	(\$12,665,941)	\$16,806

Bureau of Finance and Management

Recommended Changes	FTE	General	Federal	Other
Employee Compensation Pool		\$11,133,818	\$5,568,665	\$8,490,280
Comprehensive Annual Financial Report	2.0			\$165,707
Bureau Billings Pool		\$603,058	\$513,792	\$1,544,347
Captive Insurance Pool		\$592,982	\$385,944	\$751,224
Sale-Leaseback		(\$530,000)		
Miscellaneous	<u>0.0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$32,834</u>
FY2016 Ongoing Increase	2.0	\$11,799,858	\$6,468,401	\$10,984,392

Department of Education

Recommended Changes	FTE	General	Federal	Other
State Aid to General Ed		\$8,962,141		
State Aid to Special Ed		\$2,666,902		
Technical Institutes		\$683,812		
Dual Credit Courses		\$802,500		
Longitudinal Data Support	1.0	\$114,637	(\$224,881)	
Federal Grant Authority			(\$2,119,451)	
Formula Savings for 2%		(\$2,605,288)		
Miscellaneous	<u>1.0</u>	<u>\$326,451</u>	<u>\$71,094</u>	<u>\$0</u>
FY2016 Ongoing Increase	2.0	\$10,951,155	(\$2,273,238)	\$0

Rolling Technology, Assessment, & Sparsity³⁴ into General Education Formula

	1.5% Inc.			
Total Need	\$663.7			
Property Tax	\$314.0			
State Share	\$349.7			
	Funded with 100% State Funds			
Technology	\$7.8			
Assessment	\$1.5			
Sparsity	<u>\$1.9</u>			
Total	\$11.2			
Total State Cost	\$360.9			

Rolling Technology, Assessment, & Sparsity³⁵ into General Education Formula

	1.5% Inc.	2.0% Inc.	Chg.	
Total Need	\$663.7	\$666.9	+3.2	
Property Tax	\$314.0	\$314.7	+0.7	
State Share	\$349.7	\$352.1	+2.4	
	Funded with 100% State Funds	Funded with 100% State Funds		
Technology	\$7.8	\$7.8		
Assessment	\$1.5	\$1.5		
Sparsity	<u>\$1.9</u>	<u>\$1.9</u>		
Total	\$11.2	\$11.2		
Total State Cost	\$360.9	\$363.3	+2.4	

Rolling Technology, Assessment, & Sparsity³⁶ into General Education Formula

	1.5% Inc.	2.0% Inc.	Chg.	2.0% Rolling In
Total Need	\$663.7	\$666.9	+3.2	\$678.1
Property Tax	\$314.0	\$314.7	+0.7	\$317.3
State Share	\$349.7	\$352.1	+2.4	\$360.8
	Funded with 100% State Funds	Funded with 100% State Funds		
Technology	\$7.8	\$7.8		Part of Total Need
Assessment	\$1.5	\$1.5		Part of Total Need
Sparsity	<u>\$1.9</u>	<u>\$1.9</u>		Part of Total Need
Total	\$11.2	\$11.2		
Total State Cost	\$360.9	\$363.3	+2.4	\$360.8

Board of Regents

Recommended Changes	FTE	General	Federal	Other
Maintenance and Repair		\$2,055,512		
SD Opportunity Scholarship		\$1,274,001		
Utilities		\$1,230,803		
DNP Preceptor Reimbursement		\$80,800		
Miscellaneous	<u>20.0</u>	<u>(\$166,785)</u>	<u>(\$10,200,000)</u>	<u>\$1,350,875</u>
FY2016 Ongoing Increase	20.0	\$4,474,331	(\$10,200,000)	\$1,350,875

Department of Human Services

Recommended Changes	FTE	General	Federal	Other
Developmental Disabilities (DD) Eligibles and Utilization growth		\$2,240,447	\$2,298,010	
2% Provider Inflation		\$1,192,938	\$1,421,537	\$227,579
FMAP		\$675,997	(\$794,729)	\$118,732
Miscellaneous		<u>\$38,037</u>	<u>\$40,585</u>	<u>\$120,000</u>
FY2016 Ongoing Increase		\$4,147,419	\$2,965,403	\$466,311

Bureau of Administration

Recommended Changes	FTE	General	Federal	Other
Maintenance & Repair		\$3,239,806		(\$1,600,000)
Sale-Leaseback		(\$40,250)		
Utilities		<u>\$0</u>	<u>\$0</u>	<u>\$81,828</u>
FY2016 Ongoing Increase		\$3,199,556	\$0	(\$1,518,172)

Unified Judicial System

Recommended Changes	FTE	General	Federal	Other
Drug/DUI Courts	7.0	\$666,815	\$30,740	\$3,000
Juvenile Justice Reinvestment Initiative		\$300,000		
Law Enforcement Officers Training Fund		\$85,805		(\$85,805)
Provider Inflation		\$24,046	\$1,078	
Miscellaneous	<u>0.3</u>	<u>\$24,999</u>	<u>\$0</u>	<u>(\$2,118,678)</u>
FY2016 Ongoing Increase	7.3	\$1,101,665	\$31,818	(\$2,201,483)

Attorney General

Recommended Changes	FTE	General	Federal	Other
Law Enforcement Officers Training Fund		\$521,996		(\$521,996)
Attorney	1.0	\$101,425		
Miscellaneous	<u>0.0</u>	<u>\$22,464</u>	<u>\$0</u>	<u>\$0</u>
FY2016 Ongoing Increase	1.0	\$645,885	\$0	(\$521,996)

Department of Corrections

Recommended Changes	FTE	General	Federal	Other
Correctional Healthcare		\$970,133		
Personal Services	4.0	\$314,151		
Provider Inflation		\$237,689	\$106,387	
Utilities		\$214,341		(\$3,201)
FMAP		\$51,524	(\$51,524)	
COMS Maintenance		\$47,841		
Food Services		(\$286,765)	(\$32,331)	(\$109,857)
Placement Services		(\$1,259,388)	(\$603,285)	
Miscellaneous	<u>(1.0)</u>	<u>\$281,718</u>	<u>(\$301,796)</u>	<u>(\$109,641)</u>
FY2016 Ongoing Increase	3.0	\$571,244	(\$882,549)	(\$222,699)

Department of the Military

Recommended Changes	FTE	General	Federal	Other
Maintenance and Repair		\$209,800	\$839,196	
Utilities		<u>\$45,327</u>	<u>\$157,335</u>	<u>\$0</u>
FY2016 Ongoing Increase		\$255,127	\$996,531	\$0

Department of Health

Recommended Changes	FTE	General	Federal	Other
Immunization Billing System		\$150,000		
Rural Experience for Healthcare Students		\$70,000		
Correctional Healthcare				\$812,030
Provider Inflation				\$21,755
Lab Bond Payment		(\$320,842)		(\$345,029)
Disease Prevention	4.0			
Miscellaneous	<u>0.0</u>	<u>\$90,258</u>	<u>\$0</u>	<u>\$91,622</u>
FY2016 Ongoing Increase	4.0	(\$10,584)	\$0	\$580,378

Department of Labor and Regulation

Recommended Changes	FTE	General	Federal	Other
Dakota Roots Activities		\$166,391		
Boards and Commissions		<u>\$0</u>	<u>\$0</u>	<u>\$73,000</u>
FY2016 Ongoing Increase		\$166,391	\$0	\$73,000

Department of Game, Fish and Parks

Recommended Changes	FTE	General	Federal	Other
Bond Repayment		\$135,557		
Miscellaneous	<u>1.0</u>	<u>\$0</u>	<u>\$2,583,093</u>	<u>(\$81,247)</u>
FY2016 Ongoing Increase	1.0	\$135,557	\$2,583,093	(\$81,247)

Auditor General

Recommended Changes	FTE	General	Federal	Other
Salaries & Benefits Increases		\$82,440		
Miscellaneous		<u>(\$100)</u>	<u>\$0</u>	<u>\$0</u>
FY2016 Ongoing Increase		\$82,340	\$0	\$0

Department of Revenue

Recommended Changes	FTE	General	Federal	Other
Revenue Agent	1.0	\$49,229		
Reclassification		\$11,365		
License Plate Production				\$1,017,000
Plate on Demand				\$268,000
Audit Travel Costs	<u>0.0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$22,125</u>
FY2016 Ongoing Increase	1.0	\$60,594	\$0	\$1,307,125

Department of Public Safety

Recommended Changes	FTE	General	Federal	Other
Weights and Measures Fees		<u>\$21,380</u>	<u>\$0</u>	<u>\$0</u>
FY2016 Ongoing Increase		\$21,380	\$0	\$0

Department of Agriculture

Recommended Changes	FTE	General	Federal	Other
Miscellaneous		\$5,325	\$4,475	(\$1,639,200)
State Fair		<u>\$0</u>	<u>\$0</u>	<u>\$275,000</u>
FY2016 Ongoing Increase		\$5,325	\$4,475	(\$1,364,200)

Department of Tribal Relations

Recommended Changes	FTE	General	Federal	Other
Juvenile Justice Reinvestment Initiative		\$5,000		
Grants		<u>\$0</u>	<u>(\$100,000)</u>	<u>(\$80,000)</u>
FY2016 Ongoing Increase		\$5,000	(\$100,000)	(\$80,000)

Department of Veterans Affairs

Recommended Changes	FTE	General	Federal	Other
Medicaid Adjustment		\$104,773	\$164,368	
Provider Inflation		\$19,297	\$20,590	
FMAP		\$9,972	(\$9,972)	
County Veterans Service Officer Reimbursement		\$3,750		
Elimination of bond payment		(\$1,589,069)		(\$42,798)
Miscellaneous		<u>\$0</u>	<u>\$0</u>	<u>\$186,920</u>
FY2016 Ongoing Increase		(\$1,451,277)	\$174,986	\$144,122

Department of Transportation

Recommended Changes	FTE	General	Federal	Other
Railroads		<u>\$0</u>	<u>\$8,686,089</u>	<u>\$5,600,000</u>
FY2016 Ongoing Increase		\$0	\$8,686,089	\$5,600,000

Governor's Office of Economic Development

Recommended Changes	FTE	General	Federal	Other
Science and Technology Authority				\$2,677,683
Building South Dakota				\$2,100,000
Housing Development Authority		<u>\$0</u>	<u>(\$100,000)</u>	<u>(\$1,878,837)</u>
FY2016 Ongoing Increase		\$0	(\$100,000)	\$6,656,520

Public Utilities Commission

Recommended Changes	FTE	General	Federal	Other
American Recovery and Reinvestment Act	(3.0)		(\$221,637)	
Miscellaneous	<u>0.0</u>	<u>\$0</u>	<u>(\$4,088)</u>	<u>(\$31,250)</u>
FY2016 Ongoing Increase	(3.0)	\$0	(\$225,725)	(\$31,250)

Bureau of Information and Telecommunications

Recommended Changes	FTE	General	Federal	Other
Development	16.0			\$1,444,600
Client Access Licenses (CAL's)				\$575,000
Data Center	4.0			\$361,150
Miscellaneous	<u>(2.0)</u>	<u>\$0</u>	<u>(\$520,783)</u>	<u>\$0</u>
FY2016 Ongoing Increase	18.0	\$0	(\$520,783)	\$2,380,750

Office of the State Treasurer

Recommended Changes	FTE	General	Federal	Other
Unclaimed Property				\$1,500,000
Capital Outlay		<u>\$0</u>	<u>\$0</u>	<u>\$2,342</u>
FY2016 Ongoing Increase		\$0	\$0	\$1,502,342

South Dakota Investment Council

Recommended Changes	FTE	General	Federal	Other
Performance Based Compensation				\$796,084
Personal Services				\$291,943
New FTE	2.3			\$179,910
Miscellaneous	<u>0.0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$46,047</u>
FY2016 Ongoing Increase	2.3	\$0	\$0	\$1,313,984

Bureau of Human Resources

Recommended Changes	FTE	General	Federal	Other
State Government Compensation System	3.0			\$167,119
Risk Pool	<u>0.0</u>	<u>\$0</u>	<u>(\$450,965)</u>	<u>(\$9,060,356)</u>
FY2016 Ongoing Increase	3.0	\$0	(\$450,965)	(\$8,893,237)

South Dakota Retirement System

Recommended Changes	FTE	General	Federal	Other
Operating Expenses		<u>\$0</u>	<u>\$0</u>	<u>\$31,000</u>
FY2016 Ongoing Increase		\$0	\$0	\$31,000

Remaining Agencies

Recommended Changes	General	Federal	Other
Office of the Governor	\$0	\$0	\$0
Tourism	\$0	\$0	\$0
Environment and Natural Resources	\$0	\$0	\$0
Legislative Research Council	\$0	\$0	\$0
School and Public Lands	\$0	\$0	\$0
Secretary of State	\$0	\$0	\$0
State Auditor	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FY2016 Ongoing Increase	\$0	\$0	\$0

FY2016 Bottom Line

	FY2015 Adopted	FY2015 Revised	FY2016 Recommended
Adopted Ongoing Receipts	\$1,391,836,433	\$1,381,085,998	\$1,441,242,907
Increased Receipts	<u>\$0</u>	<u>\$25,126,412</u>	<u>\$0</u>
Revised Receipts	\$1,391,836,433	\$1,406,212,410	\$1,441,242,907
Adopted Expenses	\$1,391,836,433	\$1,391,836,433	\$1,441,242,907
Reduced Expenses	\$0	(\$13,473,928)	\$0
One-time Expenses	<u>\$0</u>	<u>\$27,849,905</u>	<u>\$0</u>
Revised Expenses	\$1,391,836,433	\$1,406,212,410	\$1,441,242,907
Unobligated Net Balance	\$0	\$0	\$0

Summary of Medical & Inflationary Costs in FY2016

- General Funds Only -

Agency	Mandatory Inflation	Discretionary Inflation	FMAP Rate (48.38%)	Eligibles & Utilization	Total GF Cost Change
DSS	\$1,379,522	\$7,249,299	\$4,352,683	\$920,894	\$13,902,398
DHS	\$0	\$1,192,938	\$675,997	\$2,240,447	\$4,109,382
DVA	\$0	\$19,297	\$9,972	\$0	\$29,269
UJS	\$0	\$24,046	\$0	\$0	\$24,046
DOH	\$0	\$0	\$0	\$0	\$0
DOC	<u>\$0</u>	<u>\$237,689</u>	<u>\$51,524</u>	<u>(\$1,259,388)</u>	<u>(\$970,175)</u>
Total	\$1,379,522	\$8,723,269	\$5,090,176	\$1,901,953	\$17,094,920

- DOH receives other fund expenditure authority for inflationary costs related to Correctional Healthcare