

STATE TREASURER

32 STATE TREASURER

MISSION:

To offer financial management in an expedient and cost-effective manner as a working partner throughout state government on matters, in whole or in part, relating to accounting, administration and support services, banking, bond management, budget, cash management, data processing, supervision and regulation of public funds insurance, investment receipts, state agency requests, state allocations, warrants, and unclaimed property; to accurately and legally account for South Dakota citizens and taxpayers all monies received, kept, and allocated of their state's treasury according to the Constitution and as directed by law; to authorize, supervise, perform, and coordinate all responsibilities vested in the Office of the State Treasurer; to exercise state leadership on finance and accounts; to maintain the stability of the state's banking; to direct the wire transfer of funds of the state treasury; to coordinate in a central, effective, and as efficient way as possible the electronic transfer of funds by state agencies when appropriate; and, to influence the state money available by monitoring the investment of state public funds and managing cash for use by the State Investment Council.

LEGAL CITATION: South Dakota Constitution, Articles IV, XI, and XVIII, 1-10, 1-18, 1-30, 3-4, 3-5, 3-8, 3-12, 4-1, 4-3, 4-4, 4-5, 4-6, 4-6A, 4-8, 4-9, 4-10, 5, 12-5, 22-11, 23-3, 23A-40, 26-8A, 28-9, 28-11, 38-6, 43-41B, 46A-7A, 49-28, and 61-3.

	ACTUAL FY 2004	ACTUAL FY 2005	BUDGETED FY 2006	REQUESTED FY 2007	GOVERNOR'S RECOMMENDED FY 2007	RECOMMENDED INC/(DEC) FY 2007
FUNDING SOURCE:						
General Funds	\$ 459,890	\$ 458,350	\$ 478,454	\$ 478,454	\$ 486,866	\$ 8,412
Federal Funds	0	0	0	0	0	0
Other Funds	6,923,347	6,579,757	8,338,522	8,884,286	8,897,602	559,080
Total	\$ 7,383,237	\$ 7,038,107	\$ 8,816,976	\$ 9,362,740	\$ 9,384,468	\$ 567,492
EXPENDITURE DETAIL:						
Personal Services	\$ 3,440,461	\$ 3,490,592	\$ 4,980,667	\$ 5,493,077	\$ 5,514,805	\$ 534,138
Operating Expenses	3,942,776	3,547,515	3,836,309	3,869,663	3,869,663	33,354
Total	\$ 7,383,237	\$ 7,038,107	\$ 8,816,976	\$ 9,362,740	\$ 9,384,468	\$ 567,492
Staffing Level FTE:	31.2	32.3	34.5	36.5	36.5	2.0

STATE TREASURER

320 State Treasurer

MISSION:

To publicly manage and offer financial services in an expedient and cost-effective manner as a working partner throughout state government on matters, in whole or in part, relating to accounting, administration and treasury support services, banking, bond management and debt service, cash management, data processing, and collateral supervision; to insure state and local public deposits and fund transfers, including the earnings on the tuition subaccount, receipts, custody of securities for safekeeping, state agency requests and state allocations, warrants, and unclaimed property; to legally account for South Dakota citizens and taxpayers of all monies received, kept, and allocated of their state treasury according to the Constitution and as directed by law; to exercise state leadership on finance and accounts that include selecting depositories for the collection of instruments and maintaining the stability of state government's banking; to jointly determine the justification for state agencies to have local accounts; to direct the wire transfer of funds of the state treasury; to coordinate in a central, effective, and as efficient way as possible the electronic remission and disbursement of funds by state agencies when appropriate; to influence the state money available by monitoring the investment of state public funds and managing cash for use by the State Investment Office; to keep an accurate account of the principal and interest of outstanding REDI Fund loans; to oversee, for collection, veterinary student tuition assistance awards; to authorize, supervise, perform, and coordinate all responsibilities vested in the Office of the State Treasurer; and, to effectively carry out the duties of the State Treasurer, a statewide elected Constitutional Officer, to include serving as a member of the Board of Finance and the Public Deposit Protection Commission, and ex-officio voting member of the State Investment Council.

LEGAL CITATIONS: Election, terms of office, and general provisions, Constitution of South Dakota, Article IV. Duties, generally, SDCL Chapter 1-10. Accountability, SDCL 4-3-4.2. Accounts and accounting, SDCL 4-10-5. Custody and investment of state funds, SDCL Chapter 4-5. Related duties and references, Constitution of South Dakota, Article XI, Article XVIII, and SDCL Chapter 1-9, 1-16B, 1-27, 1-18, 1-30, 3-2, 3-4, 3-5, 3-8, 3-12, 4-1, 4-3, 4-4, 4-5, 4-6, 4-6A, 4-8, 4-9, 4-10, 4-12, Title 5, 9-22, 11-7, 12-5, 13-49-20, 13-51A, 13-39-68 to 71, 22-11, 23-3, 23A-40, 26-8A, 28-9, 28-10, 28-11, 38-6, 46A-7A, 47-7, 49-28, 50-14, 51A-4, 51A-10, 52-5-20, and 61-3. Unclaimed Property, SDCL 43-41B-1 to 43-41B-39.

	ACTUAL FY 2004	ACTUAL FY 2005	BUDGETED FY 2006	REQUESTED FY 2007	GOVERNOR'S RECOMMENDED FY 2007	RECOMMENDED INC/(DEC) FY 2007
FUNDING SOURCE:						
General Funds	\$ 459,890	\$ 458,350	\$ 478,454	\$ 478,454	\$ 486,866	\$ 8,412
Federal Funds	0	0	0	0	0	0
Other Funds	2,735,904	2,517,093	2,363,653	2,363,653	2,364,622	969
Total	\$ 3,195,794	\$ 2,975,443	\$ 2,842,107	\$ 2,842,107	\$ 2,851,488	\$ 9,381
EXPENDITURE DETAIL:						
Personal Services	\$ 449,781	\$ 483,937	\$ 432,374	\$ 432,374	\$ 441,755	\$ 9,381
Operating Expenses	2,746,013	2,491,506	2,409,733	2,409,733	2,409,733	0
Total	\$ 3,195,794	\$ 2,975,443	\$ 2,842,107	\$ 2,842,107	\$ 2,851,488	\$ 9,381
Staffing Level FTE:	8.0	8.1	8.5	8.5	8.5	0.0

STATE TREASURER

3201 Treasury Management

MISSION:

To have charge of and safely keep all public monies paid into the state treasury, and properly pay out the same as directed by law; to accurately account for the receipts and disbursements of all monies due the State Treasurer and remitted to the treasury by state officers and employees; to receipt federal payments for rent, or in lieu of taxes, and remit the same to county treasurers as directed by law; to allocate available monies entitled to various entities and agencies of state government and to political subdivisions for purposes specified by statute; and, to perform all other duties legally required of the State Treasurer.

	ACTUAL FY 2004	ACTUAL FY 2005	BUDGETED FY 2006	REQUESTED FY 2007	GOVERNOR'S RECOMMENDED FY 2007	RECOMMENDED INC/(DEC) FY 2007
FUNDING SOURCE:						
General Funds	\$ 459,890	\$ 458,350	\$ 478,454	\$ 478,454	\$ 486,866	\$ 8,412
Federal Funds	0	0	0	0	0	0
Other Funds	0	0	0	0	0	0
Total	\$ 459,890	\$ 458,350	\$ 478,454	\$ 478,454	\$ 486,866	\$ 8,412
EXPENDITURE DETAIL:						
Personal Services	\$ 265,613	\$ 270,317	\$ 281,006	\$ 281,006	\$ 289,418	\$ 8,412
Operating Expenses	194,277	188,033	197,448	197,448	197,448	0
Total	\$ 459,890	\$ 458,350	\$ 478,454	\$ 478,454	\$ 486,866	\$ 8,412
Staffing Level FTE:	4.8	4.5	5.5	5.5	5.5	0.0

	ACTUAL FY 2004	ACTUAL FY 2005	ESTIMATED FY 2006	ESTIMATED FY 2007
PERFORMANCE INDICATORS				
Warrants Paid from Treasurer's Account	\$1,470,266,859	\$1,432,717,610	\$1,450,000,000	\$1,450,000,000
Warrants Cleared	884,363	729,240	750,000	750,000
Cash Receipts	\$3,300,786,546	\$3,402,620,340	\$3,500,000,000	\$3,600,000,000
Cash Receipt Vouchers Processed	22,455	22,851	23,000	23,500
Checks Received from State Agencies	967,089	953,478	970,000	975,000
Wire Transfers - In and Out	1,583	1,730	1,900	2,100
Returned Items	999	1,055	1,000	1,000
Canadian Exchange	6	0	3	3
Interest Earned	\$1,715	\$3,922	\$4,000	\$4,000
ACH Out	\$1,757,665,583	\$2,006,260,270	\$2,000,000,000	\$2,100,000,000
ACH Volume	6,734	7,056	7,300	7,500
Certificates of Deposit	\$34,427,000	\$34,126,000	\$34,500,000	34,500,000
Banks/S&L/Credit Unions in CD Program	76/2/9	74/2/11	74/2/11	74/2/11
Public Deposits: All Current Collateral	\$1,249,729,142	\$654,704,435	\$1,000,000,000	\$1,200,000,000
Pledged Securities: On File	4,781	5,166	5,300	5,500
REDI Fund Portfolio (Principal Loan Balance)	\$30,412,493	\$29,676,815	\$32,000,000	\$35,000,000
Veterinary Student Grants - Since 1995	\$2,724,649	\$3,049,459	\$3,300,000	\$3,600,000

STATE TREASURER

3202 Unclaimed Property - Info

MISSION:

To carry out the duties and responsibilities of the South Dakota Uniform Unclaimed Property Act; to have charge of and custodial responsibility for all property and monies received under this chapter; to maintain unclaimed property monies in a separate trust fund, and to pay rightful owners as directed by law; to keep an accurate record of the unclaimed property accounts and disbursements of the funds; and, to reimburse various entities, holders, and service providers as directed by statute.

	ACTUAL FY 2004	ACTUAL FY 2005	BUDGETED FY 2006	REQUESTED FY 2007	GOVERNOR'S RECOMMENDED FY 2007	RECOMMENDED INC/(DEC) FY 2007
FUNDING SOURCE:						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	2,735,904	2,517,093	2,363,653	2,363,653	2,364,622	969
Total	\$ 2,735,904	\$ 2,517,093	\$ 2,363,653	\$ 2,363,653	\$ 2,364,622	\$ 969
EXPENDITURE DETAIL:						
Personal Services	\$ 184,168	\$ 213,620	\$ 151,368	\$ 151,368	\$ 152,337	\$ 969
Operating Expenses	2,551,736	2,303,473	2,212,285	2,212,285	2,212,285	0
Total	\$ 2,735,904	\$ 2,517,093	\$ 2,363,653	\$ 2,363,653	\$ 2,364,622	\$ 969
Staffing Level FTE:	3.2	3.5	3.0	3.0	3.0	0.0

	ACTUAL FY 2004	ACTUAL FY 2005	ESTIMATED FY 2006	ESTIMATED FY 2007
REVENUES				
Cash Receipts	4,544,797	5,022,747	5,000,000	5,000,000
Total	4,544,797	5,022,747	5,000,000	5,000,000
PERFORMANCE INDICATORS				
Amount of Claims Paid	\$2,322,263	\$2,039,224	\$2,000,000	\$2,000,000
Value of Stocks Returned to Owners	\$38,218	\$38,700	\$44,000	\$40,000
Claims Paid	13,410	8,398	8,000	8,000
Records in Unclaimed Property Database	101,763	112,661	123,000	135,000
Stock Portfolio Valuation	\$421,343	\$794,378	\$900,000	\$1,000,000
Outreach Presentations	8	9	10	10

STATE TREASURER

3210 Investment of State Funds

MISSION:

To professionally manage the South Dakota Retirement System and South Dakota Cement Plant Retirement Fund portfolios in order to obtain long-term maximum total returns consistent with prudent risk; to professionally manage the state's cash flow fund in order to obtain long-term maximum total returns consistent with the liquidity needs of the fund, the legal list and prudent risk; to professionally manage the investment portfolio of the School and Public Lands Fund to obtain the highest risk adjusted return over the long term to offset inflation and provide income on a yearly basis to South Dakota's school districts; to professionally manage the Dakota Cement Trust in a balanced manner, with emphasis on providing the minimum \$12 million per year distribution to the general fund, while attempting to build the principal of the fund and, therefore, potential additional distributions from the fund over the long term; to professionally manage the Health Care Trust Fund and the Education Enhancement Trust Fund to obtain a rate of return within a risk framework established by the South Dakota Investment Council with the long-term goal to provide a 4% annual distribution to the general fund and to attempt to grow the funds over time; to oversee the Higher Education Savings Plan per SDCL 13-63-1 to 13-63-31 by establishing the program and monitoring the selected program manager, Allianz Global Investors Distributors LLC; and, to comply with the requirements of SDCL 4-5-12 to 4-5-39, "Investment of State Funds Law".

	ACTUAL FY 2004	ACTUAL FY 2005	BUDGETED FY 2006	REQUESTED FY 2007	GOVERNOR'S RECOMMENDED FY 2007	RECOMMENDED INC/(DEC) FY 2007
FUNDING SOURCE:						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	4,187,443	4,062,664	5,974,869	6,520,633	6,532,980	558,111
Total	\$ 4,187,443	\$ 4,062,664	\$ 5,974,869	\$ 6,520,633	\$ 6,532,980	\$ 558,111
EXPENDITURE DETAIL:						
Personal Services	\$ 2,990,679	\$ 3,006,655	\$ 4,548,293	\$ 5,060,703	\$ 5,073,050	\$ 524,757
Operating Expenses	1,196,763	1,056,009	1,426,576	1,459,930	1,459,930	33,354
Total	\$ 4,187,443	\$ 4,062,664	\$ 5,974,869	\$ 6,520,633	\$ 6,532,980	\$ 558,111
Staffing Level FTE:	23.2	24.2	26.0	28.0	28.0	2.0

	ACTUAL FY 2004	ACTUAL FY 2005	ESTIMATED FY 2006	ESTIMATED FY 2007
REVENUES				
Investment Management Fees:				
Retirement System (SDRS)	3,303,537	3,297,868	3,363,004	5,013,210
Cement Plant	22,036	23,023	22,371	32,553
Cash Flow Fund (CFF)	504,868	492,496	476,844	709,662
School and Public Lands (S&PL)	103,140	92,166	89,320	136,724
Dakota Cement Trust (DCT)	174,912	155,733	147,845	221,363
Education Enhancement Trust (EET)	208,503	225,482	212,404	319,022
Health Care Trust (HCT)	57,619	55,039	52,213	78,128
Total	4,374,615	4,341,807	4,364,001	6,510,662

PERFORMANCE INDICATORS

SDRS Year-End Assets (Millions)	\$5,486	\$6,147
SDRS Investment Income (Millions)	\$786	\$727
SDRS Total Fund Return	16.6%	13.3%
SDRS Capital Market Benchmark	15.5%	9.6%
SDRS Russell/Mellon Corp Universe	16.9%	10.2%
CFF Average Amount Invested (Millions)	\$807.3	\$821.7
CFF Investment Income (Millions)	\$23.4	\$22.1
CFF Average Yield / Benchmark Yield	2.93%/0.958%	2.88%/2.08%
S&PL Yr-End Assets/Invest Income (Millions)	\$146.7/\$10.0	\$157.8/\$12.1
S&PL Total Fund Return/Benchmark Return	7.1%/8.8%	8.2%/8.1%
DCT Yr-End Assets/Invest Income (Millions)	\$240.7/\$18.5	\$254.4/\$26.6
DCT Total Fund Return/Benchmark Return	8.0%/8.7%	11.1%/11.4%
EET Yr-End Assets/Invest Income (Millions)	\$361.8/\$22.4	\$378.7/\$31.8
EET Total Fund Return/Benchmark Return	6.7%/9.0%	9.2%/10.2%
HCT Yr-End Assets/Invest Income (Millions)	\$88.9/\$6.1	\$93.3/\$7.7
HCT Total Fund Return/Benchmark Return	7.4%/9.0%	9.1%/10.5%