

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 2005	ACTUAL FY 2006	BUDGETED FY 2007	REQUESTED FY 2008	GOVERNOR'S RECOMMENDED FY 2008	RECOMMENDED INC/(DEC) FY 2008
FUNDING SOURCE:						
General Funds	\$ 458,350	\$ 457,099	\$ 486,866	\$ 486,866	\$ 497,568	\$ 10,702
Federal Funds	0	0	0	0	0	0
Other Funds	6,579,757	7,170,160	8,897,602	9,914,816	9,926,435	1,028,833
Total	\$ 7,038,107	\$ 7,627,259	\$ 9,384,468	\$ 10,401,682	\$ 10,424,003	\$ 1,039,535
EXPENDITURE DETAIL:						
Personal Services	\$ 3,490,592	\$ 3,755,681	\$ 5,533,190	\$ 6,305,499	\$ 6,325,786	\$ 792,596
Operating Expenses	3,547,515	3,871,578	3,851,278	4,096,183	4,098,217	246,939
Total	\$ 7,038,107	\$ 7,627,259	\$ 9,384,468	\$ 10,401,682	\$ 10,424,003	\$ 1,039,535
Staffing Level FTE:	32.3	33.8	37.0	37.0	37.0	0.0

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 2005	ACTUAL FY 2006	BUDGETED FY 2007	REQUESTED FY 2008	GOVERNOR'S RECOMMENDED FY 2008	RECOMMENDED INC/(DEC) FY 2008
FUNDING SOURCE:						
General Funds	\$ 458,350	\$ 457,099	\$ 486,866	\$ 486,866	\$ 497,568	\$ 10,702
Federal Funds	0	0	0	0	0	0
Other Funds	2,517,093	2,749,378	2,364,622	2,364,622	2,370,442	5,820
Total	\$ 2,975,443	\$ 3,206,477	\$ 2,851,488	\$ 2,851,488	\$ 2,868,010	\$ 16,522
EXPENDITURE DETAIL:						
Personal Services	\$ 483,937	\$ 507,978	\$ 460,140	\$ 460,140	\$ 474,628	\$ 14,488
Operating Expenses	2,491,506	2,698,499	2,391,348	2,391,348	2,393,382	2,034
Total	\$ 2,975,443	\$ 3,206,477	\$ 2,851,488	\$ 2,851,488	\$ 2,868,010	\$ 16,522
Staffing Level FTE:	8.1	8.6	9.0	9.0	9.0	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 2005	ACTUAL FY 2006	BUDGETED FY 2007	REQUESTED FY 2008	GOVERNOR'S RECOMMENDED FY 2008	RECOMMENDED INC/(DEC) FY 2008
FUNDING SOURCE:						
General Funds	\$ 458,350	\$ 457,099	\$ 486,866	\$ 486,866	\$ 497,568	\$ 10,702
Federal Funds	0	0	0	0	0	0
Other Funds	0	0	0	0	0	0
Total	\$ 458,350	\$ 457,099	\$ 486,866	\$ 486,866	\$ 497,568	\$ 10,702
EXPENDITURE DETAIL:						
Personal Services	\$ 270,317	\$ 287,064	\$ 307,803	\$ 307,803	\$ 317,488	\$ 9,685
Operating Expenses	188,033	170,035	179,063	179,063	180,080	1,017
Total	\$ 458,350	\$ 457,099	\$ 486,866	\$ 486,866	\$ 497,568	\$ 10,702
Staffing Level FTE:	4.5	4.7	5.5	5.5	5.5	0.0

	ACTUAL FY 2005	ACTUAL FY 2006	ESTIMATED FY 2007	ESTIMATED FY 2008
PERFORMANCE INDICATORS				
Warrants Paid from Treasurer's Account	\$1,432,717,610	\$1,336,727,457	\$1,400,000,000	\$1,400,000,000
Warrants Cleared	729,240	620,411	650,000	650,000
Cash Receipts	\$3,402,620,340	\$3,625,843,829	\$3,650,000,000	\$3,850,000,000
Cash Receipt Vouchers Processed	22,851	23,629	24,000	25,000
Checks Received from State Agencies	953,478	916,579	930,000	950,000
Wire Transfers - In and Out	1,730	2,005	2,100	2,200
Returned Items	1,055	810	1,000	1,000
Interest Earned	\$3,922	\$8,245	\$5,000	\$5,000
ACH Out	\$2,006,260,270	\$2,280,130,937	\$2,300,000,000	\$2,500,000,000
ACH Volume	7,056	6,990	7,500	8,000
Certificates of Deposit	\$34,126,000	\$34,191,000	34,500,000	34,500,000
Banks/S&L/Credit Unions in CD Program	74/2/11	73/2/11	74/2/11	74/2/11
Public Deposits: All Current Collateral	\$1,404,287,645	\$1,478,891,724	\$1,500,000,000	\$1,550,000,000
Pledged Securities: On File	5,166	4,334	4,500	4,500
REDI Fund Portfolio (Principal Loan Balance)	\$29,676,815	\$38,191,493	\$40,000,000	\$41,000,000
Veterinary Student Grants - Since 1995	\$3,049,459	\$3,494,569	\$3,900,000	\$4,400,000

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 2005	ACTUAL FY 2006	BUDGETED FY 2007	REQUESTED FY 2008	GOVERNOR'S RECOMMENDED FY 2008	RECOMMENDED INC/(DEC) FY 2008
FUNDING SOURCE:						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	2,517,093	2,749,378	2,364,622	2,364,622	2,370,442	5,820
Total	\$ 2,517,093	\$ 2,749,378	\$ 2,364,622	\$ 2,364,622	\$ 2,370,442	\$ 5,820
EXPENDITURE DETAIL:						
Personal Services	\$ 213,620	\$ 220,914	\$ 152,337	\$ 152,337	\$ 157,140	\$ 4,803
Operating Expenses	2,303,473	2,528,464	2,212,285	2,212,285	2,213,302	1,017
Total	\$ 2,517,093	\$ 2,749,378	\$ 2,364,622	\$ 2,364,622	\$ 2,370,442	\$ 5,820
Staffing Level FTE:	3.5	4.0	3.5	3.5	3.5	0.0

	ACTUAL FY 2005	ACTUAL FY 2006	ESTIMATED FY 2007	ESTIMATED FY 2008
REVENUES				
Cash Receipts	5,022,747	7,428,116	7,000,000	5,500,000
Total	5,022,747	7,428,116	7,000,000	5,500,000
PERFORMANCE INDICATORS				
Amount of Claims Paid	\$2,039,224	\$2,223,337	2,300,000	2,400,000
Value of Stocks Returned to Owners	\$38,700	\$211,132	\$50,000	\$75,000
Claims Paid	8,398	6,138	8,000	8,500
Records in Unclaimed Property Database	112,661	132,198	152,000	175,000
Stock Portfolio Valuation	\$794,378	1,373,004	1,500,000	1,600,000
Outreach Presentations	9	9	9	9

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 2005	ACTUAL FY 2006	BUDGETED FY 2007	REQUESTED FY 2008	GOVERNOR'S RECOMMENDED FY 2008	RECOMMENDED INC/(DEC) FY 2008
FUNDING SOURCE:						
General Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0	0	0	0
Other Funds	4,062,664	4,420,782	6,532,980	7,550,194	7,555,993	1,023,013
Total	\$ 4,062,664	\$ 4,420,782	\$ 6,532,980	\$ 7,550,194	\$ 7,555,993	\$ 1,023,013
EXPENDITURE DETAIL:						
Personal Services	\$ 3,006,655	\$ 3,247,703	\$ 5,073,050	\$ 5,845,359	\$ 5,851,158	\$ 778,108
Operating Expenses	1,056,009	1,173,079	1,459,930	1,704,835	1,704,835	244,905
Total	\$ 4,062,664	\$ 4,420,782	\$ 6,532,980	\$ 7,550,194	\$ 7,555,993	\$ 1,023,013
Staffing Level FTE:	24.2	25.2	28.0	28.0	28.0	0.0

	ACTUAL FY 2005	ACTUAL FY 2006	ESTIMATED FY 2007	ESTIMATED FY 2008
REVENUES				
Investment Management Fees:				
Retirement System (SDRS)	3,297,868	3,363,004	3,871,553	5,933,854
Cement Plant	23,023	22,371	24,841	38,073
Cash Flow Fund (CFF)	492,496	476,844	498,114	763,449
School and Public Lands (S&PL)	92,166	89,320	96,694	148,203
Dakota Cement Trust (DCT)	155,733	147,845	155,633	238,535
Education Enhancement Trust (EET)	225,482	212,404	223,285	342,225
Health Care Trust (HCT)	55,039	52,213	56,014	85,852
Total	4,341,807	4,364,001	4,926,134	7,550,191

PERFORMANCE INDICATORS

SDRS Year-End Assets (Millions)	\$6,147	\$6,833
SDRS Investment Income (Millions)	\$727	\$798
SDRS Total Fund Return	13.3%	13.1%
SDRS Capital Market Benchmark	9.6%	10.7%
SDRS Russell/Mellon Corp Universe	10.2%	10.7%
CFF Average Amount Invested (Millions)	\$821.7	\$839.8
CFF Investment Income (Millions)	\$22.1	\$25.9
CFF Average Yield / Benchmark Yield	2.88%/2.08%	3.41%/4.10%
S&PL Yr-End Assets/Invest Income (Millions)	\$157.8/\$12.1	\$163.2/\$9.7
S&PL Total Fund Return/Benchmark Return	8.2%/8.1%	6.1%/7.3%
DCT Yr-End Assets/Invest Income (Millions)	\$254.4/\$26.6	\$255.8/\$14.9
DCT Total Fund Return/Benchmark Return	11.1%/11.4%	5.9%/7.6%
EET Yr-End Assets/Invest Income (Millions)	\$378.7/\$31.8	\$385.8/\$22.8
EET Total Fund Return/Benchmark Return	9.2%/10.2%	6.3%/8.1%
HCT Yr-End Assets/Invest Income (Millions)	\$93.3/\$7.7	\$97.8/\$5.7
HCT Total Fund Return/Benchmark Return	9.1%/10.5%	6.3%/7.8%