

SUMMARY OF RECOMMENDED BUDGET ADJUSTMENTS

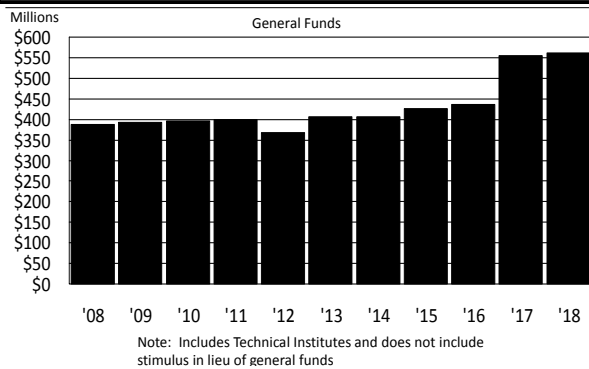
STATE AID, TECHNICAL INSTITUTES, HIGHER EDUCATION, AND EDUCATION

The budgets included in this category include State Aid to K-12 Education and Technical Institutes, Higher Education, and the Department of Education. General funds in this budget account for a \$6.4 million increase out of the \$19.5 million in ongoing general fund increases. In terms of the total ongoing budget, the education category is 48.9% of the general funds and 33.8% of the total ongoing funds, which amounts to \$1.6 billion in total ongoing funding for education.

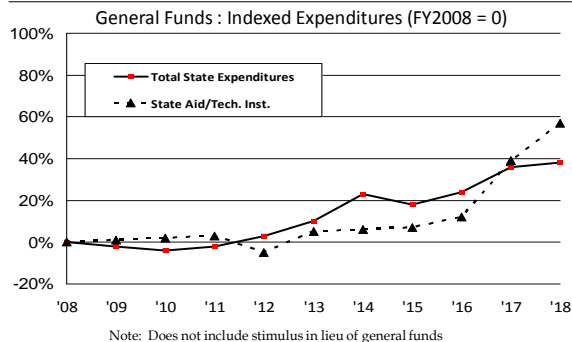
STATE AID TO K-12 EDUCATION AND TECHNICAL INSTITUTES

This category includes State Aid to K-12 General Education, Special Education, Technical Institutes, sparse school district funding, Technology in Schools and National Board Certified Teachers.

State Aid to Schools



State Aid to Schools



STATE AID TO K-12 EDUCATION

The Governor's recommendation for State Aid to K-12 Education reflects an increase of \$6,846,447 in general funds. The total recommended budget for FY2018 is \$534,337,239 in general funds and \$4,372,827 in other fund expenditure authority.

The Governor is recommending a 1.0% inflationary increase to the target teacher salary for FY2018. This brings the target teacher salary to \$48,985 for FY2018.

The Governor is recommending an increase of \$5,892 in general funds for payments to sparse school districts. An estimated 28 schools will be eligible for sparse payments in FY2018. Also recommended is an increase of \$527,700 in general funds for Every Student Succeeds Act (ESSA) accountability compliance database support.

The State Aid to Special Education budget is recommended to remain at \$63,646,857 in FY2018. Funding for each disability level is recommended to increase 1.0%. Due to child count projections and anticipated valuation growth, the state share is anticipated to decrease. No change is recommended due to the maintenance of effort requirement.

STATE AID TO TECHNICAL INSTITUTES

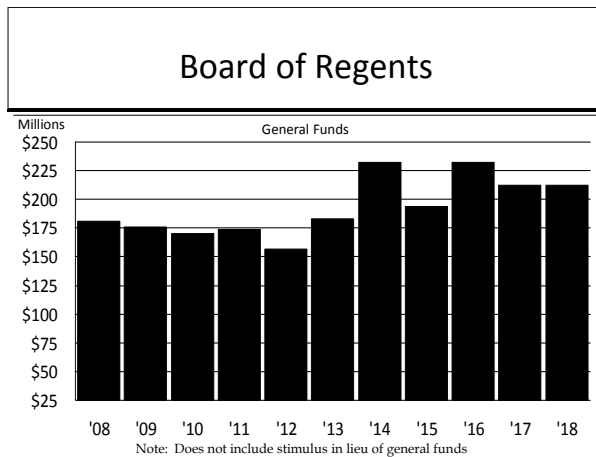
The Governor's recommendation for State Aid to Technical Institutes reflects a decrease of \$390,212 in general funds. The total recommended budget for FY2018 is \$27,518,584 in general funds.

The increase in general funds is based on a per student funding level of \$3,549.82 for FY2018, which is a 1.0% increase from FY2017. The estimated number of students for the FY2018 budget is a decrease of 170 for a total of 5,735. The Governor recommends an increase of \$5,696 in general funds for the state share of the postsecondary technical institute bond payment.

BOARD OF REGENTS

The budget for the Board of Regents provides funding for the six state universities (Black Hills State University, Dakota State University, Northern State University, South Dakota School of Mines and Technology, South Dakota State University, and the University of South Dakota). Within the university budgets is funding for the University Center-Sioux Falls, Black Hills State University-Rapid City, and Capital University Center Pierre. The state's two special schools, the South

Dakota School for the Deaf and the South Dakota School for the Blind and Visually Impaired, are also included in the Regental system.



The budget for the Board of Regents contains a net decrease of \$92,681,803 in total funds and an increase of 14.0 FTE over the FY2017 budget. The changes consist of decreases of \$314,915 in general funds, \$46,559,356 in federal fund expenditure authority, and \$45,807,532 in other fund expenditure authority. The total FY2018 recommended budget for the Board of Regents consists of \$211,782,362 in general funds, \$83,647,760 in federal fund expenditure authority, and \$483,444,548 in other fund expenditure authority, for a total FY2018 budget of \$778,874,670 and 5,154.4 FTE.

The Governor's recommended budget includes \$146,493 in general funds to increase instructor salaries at the South Dakota School for the Blind and Visually Impaired and the South Dakota School for the Deaf, as these teachers are similar to K-12 teachers who received an increase as part of the 2017 legislation to improve teacher salaries.

The Governor is also recommending \$918,737 in general funds to sustain an M&R budget, which is 2% of the replacement value of the buildings. An increase of \$800,000 is recommended to support the operations at the State Animal Disease and Diagnostic Laboratory. Also included in the recommendation is a decrease of \$2,592,943 in general funds and an increase of \$656,535 in other fund expenditure authority due to utility projections and lease adjustments.

Other recommendations in the Governor's budget include an increase of \$412,798 in general funds to support the South Dakota Opportunity Scholarship awards, which include funding the third class of students at \$6,500. Decreases of \$46,559,356 in federal fund expenditure authority and \$46,464,067 in other fund expenditure authority are recommended to align the budget with anticipated utilization within research

grant informational centers. Also, FTE increases of 12.0 FTE at Northern State University are related to funding appropriated during the 2017 Legislative Session for additional e-Learning capabilities, and 2.0 FTE at the School for the Deaf are related to outreach expansion.

EDUCATION

The Governor's recommendation for the Department of Education reflects increases of 3.0 FTE and \$290,097 in general funds, as well as decreases of \$1,676,852 in federal fund expenditure authority and \$150,000 in other fund expenditure authority. The total recommended budget for FY2018 is \$16,375,872 in general funds, \$186,342,326 in federal fund expenditure authority, \$3,591,466 in other fund expenditure authority, and 187.0 FTE.

GENERAL ADMINISTRATION

The Governor recommends an increase of \$67,307 in general funds and 1.0 FTE to monitor grants and contracts in the department. A decrease of \$1,681,743 in federal fund expenditure authority is recommended to align the budget with anticipated utilization. The total recommended FY2018 budget for this division is \$2,589,674 in general funds, \$4,658,606 in federal fund expenditure authority, \$212,999 in other fund expenditure authority, and 34.0 FTE.

EDUCATION SERVICES AND RESOURCES

This budget includes the Division of Accountability Systems, the Division of Educational Services and Support, the Division of Career and Technical Education, and the Division of Learning and Instruction. The Governor recommends increases of \$222,790 in general funds, \$4,891 in federal fund expenditure authority and 2.0 FTE, as well as a decrease of \$150,000 in other fund expenditure authority. The total recommended FY2018 budget is \$9,668,567 in general funds, \$179,216,148 in federal fund expenditure authority, \$1,011,170 in other fund expenditure authority, and 86.5 FTE. An increase of \$132,146 in general funds and 2.0 FTE is recommended to oversee the design and development of the accountability system. An increase of \$90,569 in general funds is due to a growth in utilization of the dual credit program. A funding change of \$4,891 from general funds to federal fund expenditure authority in the birth to three program is due to the decrease in the state's share in the Federal Medical Assistance Percentage (FMAP). A decrease of \$150,000 in other fund expenditure authority is to align the budget with anticipated utilization.

HISTORY

The total recommended FY2018 History budget consists of \$2,202,382 in general funds, \$1,222,054 in federal fund expenditure authority, \$2,339,397 in other fund expenditure authority, and 44.0 FTE.

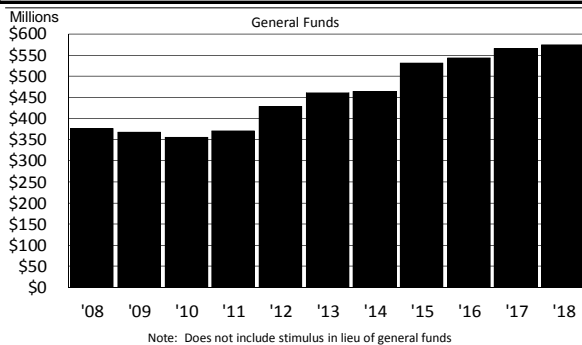
STATE LIBRARY

The Governor's recommendation for the State Library is \$1,915,249 in general funds, \$1,245,518 in federal fund expenditure authority, \$27,900 in other fund expenditure authority, and 22.5 FTE.

HEALTH, HUMAN, AND SOCIAL SERVICES

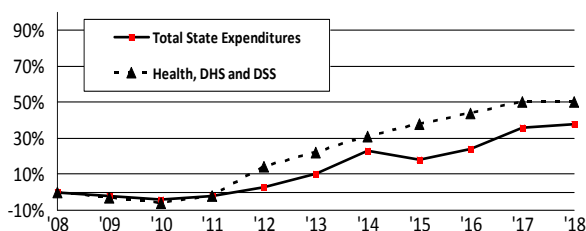
The budgets included in this category are the Department of Health, Department of Human Services, and Department of Social Services. General funds account for an \$8.3 million increase out of the \$19.5 million in total ongoing general fund increases. In terms of the total ongoing budget, this category is 35.6% of the general funds and 32.2% of the total ongoing funds, which amounts to nearly \$1.5 billion in total ongoing funding.

Health, Human, and Social Services



Health, Human, and Social Services

General Funds : Indexed Expenditures (FY2008 = 0)



HEALTH

The total recommended budget is \$9,070,129 in general funds, \$42,147,094 in federal fund expenditure authority, and \$46,618,421 in other fund expenditure authority, for a total of \$97,835,644 and 437.4 FTE. This includes increases of \$376,889 in general funds, \$483,238 in federal fund expenditure authority, \$2,335,650 in other fund expenditure authority, and 6.0 FTE.

ADMINISTRATION

The total recommended budget for Administration is \$959,706 in general funds, \$1,718,848 in federal fund expenditure authority, \$1,514,661 in other fund expenditure authority, and 32.0 FTE.

HEALTH SYSTEMS DEVELOPMENT AND REGULATION

The total recommended budget for Health Systems Development and Regulation is \$3,819,896 in general funds, \$10,674,745 in federal fund expenditure authority, \$3,166,044 in other fund expenditure authority, and 70.0 FTE. This includes an increase of \$236,889 in general funds and \$292,354 in federal fund expenditure authority to support the first year of a rural family medicine track.

FAMILY AND COMMUNITY HEALTH

The total recommended budget for Family and Community Health is \$4,290,527 in general funds, \$24,849,030 in federal fund expenditure authority, \$6,000,072 in other fund expenditure authority, and 191.5 FTE. This includes an increase of \$140,000 in general funds for the Cribs for Kids Program. Also included is an increase of \$51,935 in federal fund expenditure authority and 1.0 FTE for an epidemiologist to manage the Opioid Surveillance Grant. Additionally, \$138,949 in federal fund expenditure authority and 2.0 FTE is included to manage the Woman, Infants and Children Electronic Benefits Transfer and Pregnancy Risk Assessment Monitoring System programs.

LABORATORY SERVICES

The total recommended budget for Laboratory Services is \$3,341,820 in federal fund expenditure authority, \$3,490,359 in other fund expenditure authority, and 29.0 FTE. This includes an increase of 1.0 FTE for an additional Forensic Chemist.

CORRECTIONAL HEALTH

The total recommended budget for Correctional Health is \$23,564,581 in other fund expenditure authority and

89.0 FTE. This includes an increase of \$14,915 in other fund expenditure authority for a 1.0% provider inflation increase, \$2,161,212 for other inflationary costs, and \$146,798 and 2.0 FTE for additional nurses at the Jameson Annex.

TOBACCO PREVENTION

The total recommended budget for Tobacco Prevention is \$1,562,651 in federal fund expenditure authority, \$4,500,223 in other fund expenditure authority, and 3.0 FTE.

PROFESSIONAL AND OCCUPATIONAL LICENSING - INFORMATIONAL

This division is comprised of the informational budgets of the professional and occupational licensing boards. There are twelve boards including the Board of Chiropractic Examiners, Board of Dentistry, Board of Hearing Aid Dispensers, Board of Funeral Service, Board of Medical and Osteopathic Examiners, Board of Nursing, Board of Nursing Home Administrators, Board of Optometry, Board of Pharmacy, Board of Podiatry Examiners, Board of Massage Therapy, and Board of Speech-Language Pathology. The Governor is recommending an increase of \$12,725 in other fund expenditure authority in the Board of Dentistry for consultants, rent, and telecommunication costs. The total recommended budget for the Boards is \$4,382,481 in other fund expenditure authority and 22.9 FTE.

HUMAN SERVICES

The Governor is recommending a decrease of \$452,716 in general funds, an increase of \$4,066,681 in federal fund expenditure authority, a decrease of \$27,895 in other fund expenditure authority, and a decrease of 12.0 FTE. This budget includes a funding change of \$1,720,373 from general funds to federal fund expenditure authority due to the decrease in the state's share in the Federal Medical Assistance Percentage (FMAP). For FY2018, a total budget consisting of \$79,025,586 in general funds, \$115,689,423 in federal fund expenditure authority, \$9,699,749 in other fund expenditure authority, and 533.4 FTE is recommended.

SECRETARIAT

The Governor is recommending decreases of \$56,135 in general funds and 1.0 FTE to eliminate the Juvenile Corrections Monitor position. An increase of \$1,569 in general funds is for a 1.0% provider inflation increase. The total recommended budget is \$925,804 in general funds, \$759,499 in federal fund expenditure authority,

\$1,430 in other fund expenditure authority, and 17.0 FTE.

DEVELOPMENTAL DISABILITIES

The recommendation for the Division of Developmental Disabilities includes an increase of \$97,535 in general funds, an increase of \$3,163,465 in federal fund expenditure authority, and a decrease of \$85,485 in other fund expenditure authority. Increases of \$583,101 in general funds, \$773,062 in federal fund expenditure authority, and \$56,071 in other fund expenditure authority are for a 1.0% provider inflation increase. Also, increases of \$897,345 in general funds and \$865,936 in federal fund expenditure authority are to address growth in individuals needing services who have developmental disabilities. The total recommended budget for the Division of Developmental Disabilities is \$61,122,677 in general funds, \$80,775,963 in federal fund expenditure authority, \$5,663,174 in other fund expenditure authority, and 20.5 FTE.

SOUTH DAKOTA DEVELOPMENTAL CENTER

The recommendation for the South Dakota Developmental Center includes a decrease of \$476,591 in general funds, and an increase of \$44,053 in federal fund expenditure authority. Decreases of \$53,794 in general funds and \$66,393 in federal fund expenditure authority are for utility cost adjustments. Increases of \$26,893 in general funds and \$33,190 in federal fund expenditure authority are for food service inflation. Decreases of \$162,949 in general funds, \$209,485 in federal fund expenditure authority, and 12.0 FTE align the budget with anticipated utilization. The total recommended budget is \$11,308,269 in general funds, \$14,015,974 in federal fund expenditure authority, \$794,724 in other fund expenditure authority, and 364.6 FTE.

REHABILITATION SERVICES

The Governor's recommended budget for Rehabilitation Services includes a decrease of \$19,094 in general funds, an increase of \$859,163 in federal fund expenditure authority, an increase of \$57,590 in other fund expenditure authority, and an increase of 1.0 FTE. Increases of \$29,960 in general funds and \$24,596 in federal fund expenditure authority are for a 1.0% provider inflation increase. An increase of \$337,134 in federal fund expenditure authority is for Disability Determination Services operating cost increases, and an increase of \$57,590 in other fund expenditure authority is for deaf services. Also included are increases of \$444,655 in federal fund expenditure authority and 1.0 FTE for the Cooperative Disability Investigations Unit, as well as \$1,667 in general funds and \$2,057 in federal

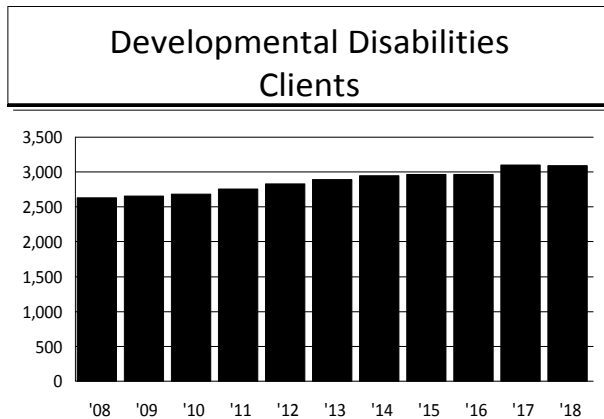
fund expenditure authority for year two of the Governor's plan to increase provider reimbursement rates to at least 90% of methodology target over three years. The total recommended budget is \$4,699,326 in general funds, \$17,473,841 in federal fund expenditure authority, \$1,551,015 in other fund expenditure authority, and 102.1 FTE.

TELECOMMUNICATION DEVICES FOR THE DEAF

The total recommended FY2018 budget is \$1,301,680 in other fund expenditure authority.

SERVICE TO THE BLIND AND VISUALLY IMPAIRED

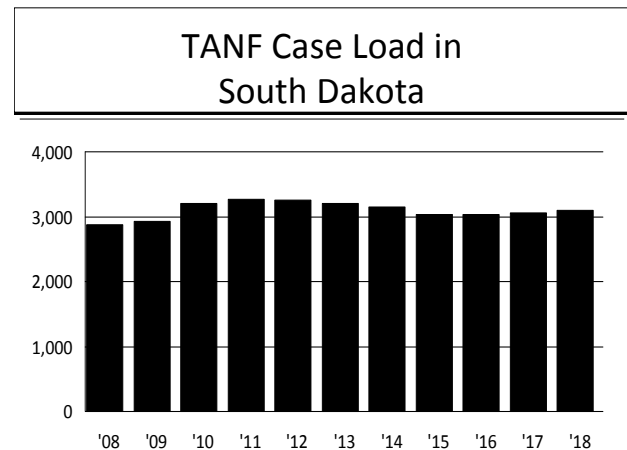
The total recommended budget is \$969,510 in general funds, \$2,664,146 in federal fund expenditure authority, \$387,726 in other fund expenditure authority, and 29.2 FTE.



funds along with an increase of a like amount in federal fund expenditure authority due to the FMAP change.

ECONOMIC ASSISTANCE

The Governor's recommended budget for Economic Assistance includes decreases of \$116,098 in general funds and \$83,471 in federal fund expenditure authority. A decrease of \$7,315 in general funds with a matching federal fund expenditure authority increase are due to the FMAP change. Increases of \$126,163 in general funds and \$5,078 in federal fund expenditure authority are for a provider inflation increase of 1.0%. Also included is a decrease of \$234,946 in general funds and \$95,864 in federal fund expenditure authority for a reduction in Auxiliary Placement due to decreased utilization. The total recommended budget is \$26,205,439 in general funds, \$60,513,129 in federal fund expenditure authority, \$341,252 in other fund expenditure authority, and 320.5 FTE.



SOCIAL SERVICES

The Governor's recommended budget for the Department of Social Services is \$486,470,228 in general funds, \$679,975,373 in federal fund expenditure authority, and \$10,555,355 in other fund expenditure authority for a total FY2018 budget of \$1,177,000,956 and 1,653.3 FTE. This recommendation includes increases of \$8,336,173 in general funds, \$24,382,195 in federal fund expenditure authority, \$8,547 in other fund expenditure authority, as well as a decrease of 9.0 FTE. This budget includes a funding change of \$7,678,573 from general funds to federal fund expenditure authority due to the decrease in the state's share of the Federal Medical Assistance Percentage (FMAP).

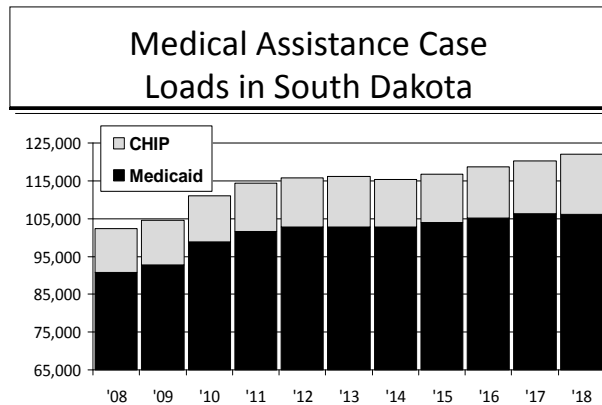
ADMINISTRATION

The Governor's recommended changes within Administration include a decrease of \$6,749 in general

MEDICAL AND ADULT SERVICES

The Governor's recommended budget for Medical and Adult Services includes increases of \$7,039,256 in general funds, \$24,733,943 in federal fund expenditure authority, and 2.0 FTE. The FY2018 recommended budget is \$323,332,585 in general funds, \$517,283,673 in federal fund expenditure authority, \$1,801,787 in other fund expenditure authority, and 153.0 FTE. Increases of \$5,486,989 in general funds and \$4,432,004 in federal fund expenditure authority are for inflationary increases required by federal regulations. Increases of \$2,845,178 in general funds and \$3,495,341 in federal fund expenditure authority are recommended for a 1.0% provider inflation increase. Increases of \$4,430,101 in general funds and \$8,476,330 in federal fund expenditure authority are due to changes in utilization and the projected number of participants in the Medicaid program. Also included are increases of \$648,799 in general funds and \$800,709 in federal fund expenditure authority for year two of the Governor's

plan to increase provider reimbursement rates to at least 90% of methodology target over three years.



CHILDREN'S SERVICES

The Governor's recommended FY2018 budget for Children's Services includes increases of \$51,418 in general funds, \$285,800 in federal fund expenditure authority, and \$5,031 in other fund expenditure authority. This includes increases of \$487,200 in general funds and \$67,691 in federal fund expenditure authority for additional subsidized adoptions and guardianships. In addition, increases of \$232,466 in general funds, \$231,972 in federal fund expenditure authority, and \$5,031 in other fund expenditure authority are recommended for a provider inflation increase of 1.0%. Also included is a reduction of \$616,215 in general funds due to decreased utilization of child care subsidies. Additionally, a decrease of \$262,276 in general funds and \$323,684 in federal fund expenditure authority is recommended due to decreased placements at Psychiatric Residential Treatment Facilities. An increase of \$27,042 in general funds for year two of the Governor's plan to increase provider reimbursement rates to at least 90% of methodology target over three years is also included. The total recommended budget for Children's Services is \$45,914,602 in general funds, \$47,865,251 in federal fund expenditure authority, \$4,803,665 in other fund expenditure authority, and 359.8 FTE.

BEHAVIORAL HEALTH

The Governor recommends increases of \$1,368,346 in general funds and \$3,516 in other fund expenditure authority, as well as decreases of \$560,826 in federal fund expenditure authority and 17.0 FTE for Behavioral Health. Increases of \$486,147 in general funds, \$136,126 in federal fund expenditure authority, and \$3,516 in other fund expenditure authority are recommended for a 1.0% provider inflation increase. Recommended changes at the Human Services Center (HSC) include \$293,604 in general funds for medical supplies and increased operating expenses; and

decreases of \$12,517 in general funds and \$11,979 in federal fund expenditure authority for utility usage and rate changes. Also, included in the HSC budget is a funding change of \$727,000 from federal fund expenditure authority to general funds due to a decrease of federal revenue. A decrease of \$97,143 in general funds, \$344,653 in federal fund expenditure authority and 10.0 is recommended due to the closure of the Adolescent Chemical Dependency Unit at HSC. A decrease of \$389,748 in general funds and 7.0 FTE is recommended due to the closure of STAR Academy. The total recommended FY2018 budget is \$81,810,139 in general funds, \$37,421,642 in federal fund expenditure authority, and \$3,146,433 in other fund expenditure authority for a total of \$122,378,214 and 636.0 FTE.

BOARDS – INFORMATIONAL

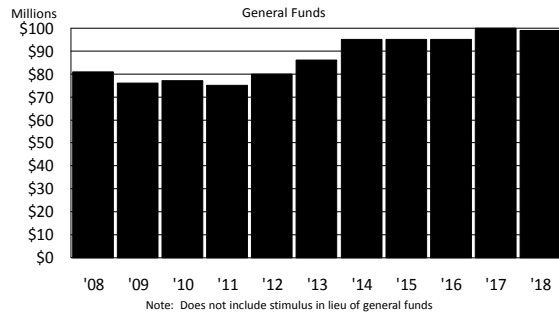
Included in the Department of Social Services are the informational budgets of four boards. The boards are the Board of Counselor Examiners, Board of Psychology Examiners, Board of Social Work Examiners, and the Board of Addiction and Prevention Professionals. The total recommended budget for FY2018 for the boards is \$442,314 in other fund expenditure authority and 1.3 FTE.

CORRECTIONS

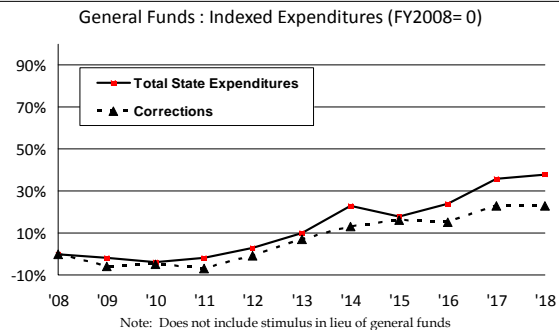
The Governor's FY2018 budget recommendation for the Department of Corrections includes \$99,491,344 in general funds, \$6,681,643 in federal fund expenditure authority, and \$3,703,784 in other fund expenditure authority for a total FY2018 budget of \$109,876,771 and 750.0 FTE. This budget recommendation includes increases of \$252,335 in general funds and \$668,967 in federal fund expenditure authority, as well as a decrease of 39.0 FTE.

The average daily population (ADP) of adult inmates is projected to be 3,845 in FY2018. This represents an increase of 259 inmates over the actual FY2016 ADP of 3,586 inmates and an increase of 50 inmates over the budgeted FY2017 ADP of 3,795. The ADP of juveniles is projected to be 392 in FY2017 and 350 in FY2018. This represents a decrease of 123 juveniles when compared to the actual FY2016 ADP of 473.

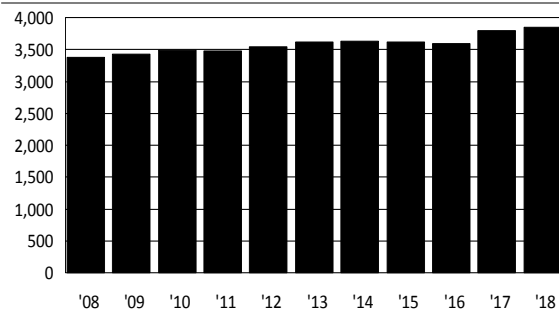
Corrections



Corrections



Average Daily Population of Adult Inmates



ADMINISTRATION

The Governor is recommending a net increase of \$46,205 in general funds relating to software upgrades. The FY2018 recommended budget for Administration is \$2,868,447 in general funds, \$969,182 in federal fund expenditure authority, and 22.0 FTE.

MIKE DURFEE STATE PRISON

The Governor is recommending an increase of \$89,246 in total funds. Included in this budget is a net increase of \$17,373 in general funds for food services and an Electronics Specialist position, as well as a decrease in general funds for utilities and contractual services. Also

included is an increase of \$71,873 in federal fund expenditure authority for a Corrections Specialist. The FY2018 recommended budget for Mike Durfee State Prison is \$18,021,365 in general funds, \$154,935 in federal fund expenditure authority, and 210.0 FTE.

STATE PENITENTIARY

The Governor is recommending an increase of \$516,485 in total funds. Included in this budget is an increase of \$458,863 in general funds associated with food services, Correctional Officer pay, and contractual services. This budget also includes an increase of \$57,622 in federal fund expenditure authority for a Native American Inmate Mentor Program Manager. The FY2018 recommended budget for the State Penitentiary is \$24,635,935 in general funds, \$178,840 in federal fund expenditure authority, and 309.0 FTE.

WOMEN'S PRISON

The Governor is recommending an increase of \$106,391 in general funds for food services. The FY2018 recommended budget for the Women's Prison is \$5,673,950 in general funds, \$69,179 in federal fund expenditure authority, and 70.0 FTE.

PHEASANTLAND INDUSTRIES

The FY2018 recommended budget for Pheasantland Industries is \$3,703,784 in other fund expenditure authority and 16.0 FTE.

INMATE SERVICES

The Governor is recommending an increase of \$3,705,529 in total funds. Included in this budget is an increase of \$3,005,529 in general funds due to Correctional Healthcare. Also included is an increase of \$700,000 in federal fund expenditure authority for a Justice Reinvestment Initiative Grant. The FY2018 recommended budget for Inmate Services is \$28,613,550 in general funds, \$1,076,244 in federal fund expenditure authority, and 27.0 FTE.

PAROLE SERVICES

The Governor is recommending an increase of \$85,626 in general funds for contractual services. The FY2018 recommended budget for Parole Services is \$5,601,687 in general funds and 57.0 FTE.

JUVENILE COMMUNITY CORRECTIONS

The Governor is recommending a net increase of \$291,575 in total funds. Included in this budget is a net decrease of \$15,840 in general funds and 5.0 FTE due to

a decrease in juvenile placements. Also included is an increase of \$307,415 in federal fund expenditure authority due to provider inflation and the change in the State's share of the Federal Medical Assistance Percentage (FMAP). The FY2018 recommended budget for Juvenile Community Corrections is \$13,535,526 in general funds, \$4,233,263 in federal fund expenditure authority, and 35.0 FTE.

YOUTH CHALLENGE CENTER

The Governor is recommending a decrease of \$525,168 in general funds and 5.0 FTE due to the closure of the State Treatment and Rehabilitation Academy (STAR). The FY2018 recommended budget for the Youth Challenge Center is \$0 in total funds.

PATRICK HENRY BRADY ACADEMY

The Governor is recommending a decrease of \$508,753 in general funds and 5.0 FTE due to the closure of STAR Academy. The FY2018 recommended budget for Patrick Henry Brady Academy is \$0 in total funds.

STATE TREATMENT AND REHABILITATION ACADEMY

The Governor is recommending a decrease of \$2,685,551 in total funds and 22.0 FTE. Included in this budget are decreases of \$2,217,608 in general funds and \$467,943 in federal fund expenditure authority due to the closure of STAR Academy. The FY2018 recommended budget for the State Treatment and Rehabilitation Academy is \$540,887 in general funds and 4.0 FTE.

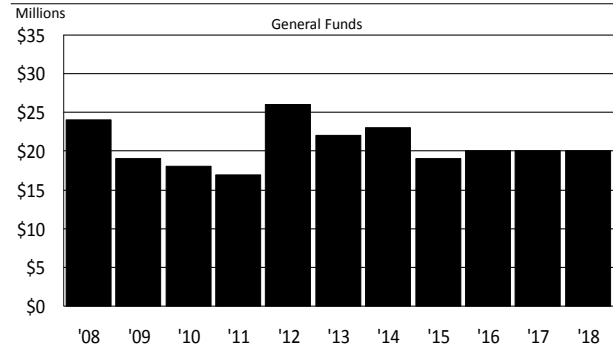
QUEST

The Governor is recommending a decrease of \$200,283 in general funds and 2.0 FTE due to the closure of STAR Academy. The FY2018 recommended budget for QUEST is \$0 in total funds.

AGRICULTURE; ENVIRONMENT AND NATURAL RESOURCES; AND, GAME, FISH, AND PARKS

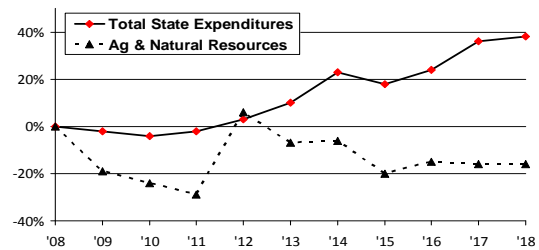
The budgets included in this category are the Department of Agriculture, Department of Environment and Natural Resources, and Department of Game, Fish, and Parks. General funds account for an increase of \$0.2 million out of the \$19.5 million in total ongoing general fund increases. In terms of the total ongoing state budget, this category is 1.3% of the general funds and 3.6% of the total ongoing funds, which amounts to \$164.6 million in total ongoing funding.

Agriculture, Natural Resources and Game, Fish, and Parks



Agriculture, Natural Resources and Game, Fish, and Parks

General Funds : Indexed Expenditures (FY2007 = 0)



AGRICULTURE

The total recommended budget for the Department of Agriculture is \$49,132,222, consisting of \$7,441,300 in general funds, \$6,968,798 in federal fund expenditure authority, \$34,722,124 in other fund expenditure authority, and 223.9 FTE. The Governor is recommending total increases of \$201,714 in general funds and \$2,868,134 in other fund expenditure authority, along with decreases of \$350,810 in federal fund expenditure authority and 2.0 FTE.

OFFICE OF THE SECRETARY

The total recommended budget for the Office of the Secretary is \$1,126,594, consisting of \$892,555 in general funds, \$62,078 in federal fund expenditure authority, \$171,961 in other fund expenditure authority, and 9.5 FTE.

AGRICULTURAL SERVICES AND ASSISTANCE

The Governor is recommending a net decrease of \$149,096 in total funds. A decrease of \$350,810 in federal fund expenditure authority and 2.0 FTE is due to a reduction in federal grant awards in the Wildland Fire division. An increase of \$201,714 in general funds is to replace a portion of the lost federal funds and to fund a

capital asset replacement plan. The total recommended budget for Agricultural Services and Assistance includes \$2,327,680 in general funds, \$3,547,388 in federal fund expenditure authority, and \$3,094,632 in other fund expenditure authority, for a total budget of \$8,969,700 and 79.9 FTE.

AGRICULTURAL DEVELOPMENT AND PROMOTION

The total recommended budget for Agricultural Development and Promotion is \$4,238,675, consisting of \$1,775,910 in general funds, \$1,622,973 in federal fund expenditure authority, \$839,792 in other fund expenditure authority, and 29.0 FTE.

ANIMAL INDUSTRY BOARD

The total recommended budget for the Animal Industry Board is \$4,137,859 and 41.0 FTE. This budget is comprised of \$2,122,558 in general funds, \$1,736,359 in federal fund expenditure authority, and \$278,942 in other fund expenditure authority.

BOARDS AND COMMISSIONS – INFORMATIONAL

The Agricultural Boards and Commissions are as follows: the American Dairy Association, the Wheat Commission, the Oilseeds Council, the Soybean Research and Promotion Council, the Brand Board, the Corn Utilization Council, the Board of Veterinary Medical Examiners, and the Pulse Crops Council. The total recommended budget for the Agricultural Boards and Commissions is \$27,113,268 in other fund expenditure authority and 45.0 FTE. The Governor is recommending increases in other fund expenditure authority of \$2,659,204 for the Corn Utilization Council, \$341,066 for the American Dairy Association, \$55,518 for the Brand Board, and \$30,190 for the Oilseeds Council. The Governor is also recommending a decrease in other fund expenditure authority of \$217,844 for the Wheat Commission. The total increase in other fund expenditure authority for the boards and commissions is \$2,868,134.

STATE FAIR

The total recommended budget for the State Fair is \$322,597 in general funds and \$3,223,529 in other fund expenditure authority for a total budget of \$3,546,126 and 19.5 FTE.

ENVIRONMENT AND NATURAL RESOURCES

The total recommended budget for the Department of Environment and Natural Resources is \$24,572,867 and

consists of \$6,626,659 in general funds, \$8,333,257 in federal fund expenditure authority, \$9,612,951 in other fund expenditure authority, and 180.5 FTE. This budget recommendation includes an increase of \$162,000 in other fund expenditure authority and a decrease of a like amount in federal fund expenditure authority.

FINANCIAL AND TECHNICAL ASSISTANCE

The total recommended budget for Financial and Technical Assistance is \$5,903,285 and 56.5 FTE, consisting of \$2,557,306 in general funds, \$2,315,115 in federal fund expenditure authority, and \$1,030,864 in other fund expenditure authority.

ENVIRONMENTAL SERVICES

The Governor is recommending an increase of \$162,000 in other fund expenditure authority and a decrease of a like amount in federal fund expenditure authority for administration of the Drinking Water Program. The total recommended budget for Environmental Services is \$13,570,933 and 119.0 FTE, consisting of \$4,069,353 in general funds, \$6,018,142 in federal fund expenditure authority, and \$3,483,438 in other fund expenditure authority.

REGULATED RESPONSE FUND – INFORMATIONAL

The Regulated Response Fund budget is informational and continuously appropriated with \$1,750,002 in other fund expenditure authority.

LIVESTOCK CLEANUP FUND – INFORMATIONAL

The Livestock Cleanup Fund budget is informational and continuously appropriated with \$765,000 in other fund expenditure authority.

PETROLEUM RELEASE COMPENSATION

The total recommended budget for Petroleum Release Compensation is \$2,583,647 in other fund expenditure authority and 5.0 FTE.

GAME, FISH, AND PARKS

The total recommended budget for the Department of Game, Fish, and Parks is \$90,902,377, including \$6,280,153 in general funds, \$25,792,835 in federal fund expenditure authority, \$58,829,389 in other fund expenditure authority, and 578.9 FTE. This budget reflects an overall increase of \$2,307,202, including increases of \$634,587 in federal fund expenditure authority and \$1,688,551 in other fund expenditure authority, and a decrease of \$15,936 in general funds.

ADMINISTRATION

The total recommended budget for Administration includes \$959,444 in general funds, \$3,263,534 in other fund expenditure authority, and 27.6 FTE, for a total budget of \$4,222,978. This includes a decrease of \$406 in general funds resulting from changes in bond payments related to the Division of Wildlife's fish hatcheries.

WILDLIFE – INFORMATIONAL

The Governor is recommending increases of \$204,878 in federal fund expenditure authority and \$94,055 in other fund expenditure authority for operating expenses. The total recommended budget for the Division of Wildlife is \$48,385,447, composed of \$17,947,306 in federal fund expenditure authority, \$30,438,141 in other fund expenditure authority, and 294.0 FTE.

WILDLIFE DEVELOPMENT AND IMPROVEMENT – INFORMATIONAL

The total recommended budget for the Wildlife Development and Improvement Division is \$3,032,135, including \$1,552,350 in federal fund expenditure authority, and \$1,479,785 in other fund expenditure authority. This includes increases of \$474,100 in federal fund expenditure authority and \$785,450 in other fund expenditure authority to align the budget with the capital development project list.

STATE PARKS AND RECREATION

The total recommended budget for the Division of State Parks and Recreation is \$24,728,614 and 248.2 FTE, consisting of \$5,320,709 in general funds, \$3,620,429 in federal fund expenditure authority, and \$15,787,476 in other fund expenditure authority. This includes a decrease of \$15,530 in general funds due to changes in bond payments related to the State Parks. A decrease of \$22,191 in federal fund expenditure authority and an increase of \$308,953 in other fund expenditure authority reflect activity based cost increases in the maintenance and operations budget of the state parks system.

STATE PARKS AND RECREATION DEVELOPMENT AND IMPROVEMENT

The total recommended budget for the State Parks and Recreation Development and Improvement Division is \$9,204,500, composed of \$2,672,750 in federal fund expenditure authority and \$6,531,750 in other fund expenditure authority. This includes a decrease of \$22,200 in federal fund expenditure authority and an increase of \$478,093 in other fund expenditure

authority to align the budget with anticipated costs from the capital development project list.

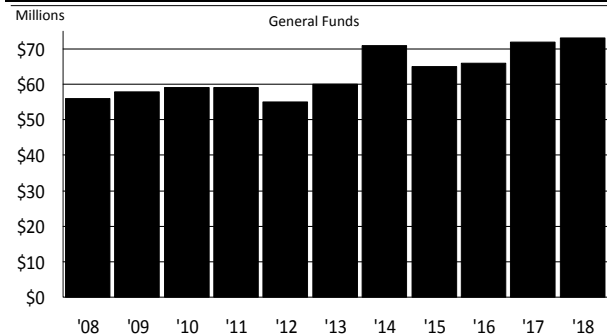
SNOWMOBILE TRAILS – INFORMATIONAL

The Governor is recommending an increase of \$22,000 in other fund expenditure authority to reflect changes in the capital asset budget. The total recommended budget for the Snowmobile Trails Program is \$1,328,703 in other fund expenditure authority and 9.1 FTE.

LEGISLATURE, UNIFIED JUDICIAL SYSTEM, PUBLIC UTILITIES COMMISSION, AND ELECTED OFFICIALS

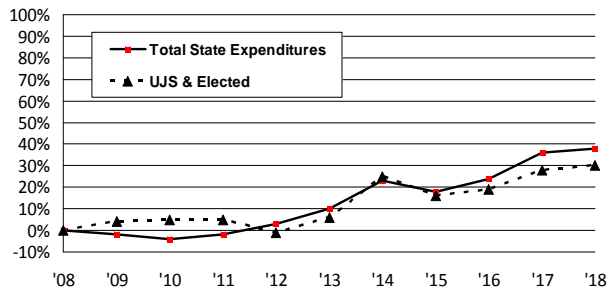
The budgets included in this category are the Legislature, Unified Judicial System, Public Utilities Commission, Office of the Attorney General, Secretary of State, School and Public Lands, Office of the State Auditor, and Office of the State Treasurer. General funds account for an increase of \$0.8 million out of the \$19.5 million in total ongoing general fund increases. In terms of the total ongoing state budget, this category is 4.3% of the general funds and 3.1% of the total ongoing funds, which amounts to \$143.5 million in total ongoing funding.

UJS, Legislature and Elected Officials



UJS, Legislature and Elected Officials

General Funds : Indexed Expenditures (FY2007= 0)



LEGISLATURE

The FY2018 budget for the Legislature is \$9,594,430 in general funds, \$1,000,000 in other fund expenditure authority, and 71.6 FTE.

The Legislative Research Council's budget includes decreases of \$173,594 in general funds and \$6,000 in other fund expenditure authority. The overall FY2018 budget for the Legislative Research Council is \$5,892,018 in general funds, \$1,000,000 in other fund expenditure authority, and 31.6 FTE.

The Governor's recommended changes for Legislative Audit include an increase of \$78,635 in general funds, a decrease of \$132,000 in other fund expenditure authority, and a decrease of 1.0 FTE. A general fund increase of \$61,213 and 1.0 FTE is for an additional staff person in the Pierre office. An increase of \$17,422 in general funds is for ongoing operating expenses. Also included in the recommendation are decreases of \$132,000 in other fund expenditure authority and 2.0 FTE for unutilized positions. The overall FY2018 budget for Legislative Audit is \$3,702,412 in general funds and 40.0 FTE.

UNIFIED JUDICIAL SYSTEM

The Governor's recommended changes for the Unified Judicial System include increases of \$631,872 in general funds, \$25,543 in federal fund expenditure authority, and 2.0 FTE.

This recommendation includes increases of \$348,386 in general funds, \$25,543 in federal fund expenditure authority, and 1.0 FTE, for Drug/DUI/Specialty Courts. Also included is \$207,627 in general funds for community based services; \$42,059 in general funds and 1.0 FTE for a secretarial position within the State Court Administrator's Office; and \$33,800 in general funds to

align the budget with anticipated operating expenditures.

The total recommended budget for the Unified Judicial System is \$55,015,672, consisting of \$44,606,941 in general funds, \$818,070 in federal fund expenditure authority, \$9,590,661 in other fund expenditure authority, and 581.4 FTE.

PUBLIC UTILITIES COMMISSION

The Governor's total recommended budget for the Public Utilities Commission is \$576,859 in general funds, \$296,723 in federal fund expenditure authority, \$3,853,451 in other fund expenditure authority, and 31.2 FTE. This includes a decrease of \$2,970 in federal fund expenditure authority to align the budget with anticipated expenses. Also included is an increase of \$95,946 in other fund expenditure authority for the One Call Board for increases in contractual services.

ATTORNEY GENERAL

The Governor's FY2018 budget recommendation for the Office of the Attorney General consists of \$11,613,659 in general funds, \$4,099,781 in federal fund expenditure authority, and \$10,744,861 in other fund expenditure authority for a total FY2018 budget of \$26,458,301 and 190.0 FTE. This budget recommendation includes increases of \$241,408 in general funds, \$496,503 in other fund expenditure authority, and 9.0 FTE; as well as a decrease of \$78,984 in federal fund expenditure authority.

LEGAL SERVICES

The FY2018 recommended budget for the Legal Services Program is \$8,435,123 in total funds and 70.0 FTE. Included in this budget recommendation is a decrease of \$78,984 in federal fund expenditure authority to align the budget with anticipated utilization, as well as an increase of \$100,632 in other fund expenditure authority for a Prisoner Litigation attorney.

CRIMINAL INVESTIGATION

The FY2018 recommended budget for the Department of Criminal Investigation is \$15,211,128 in total funds and 103.5 FTE. Included in this budget are increases of \$241,408 in general funds and \$395,871 in other fund expenditure authority for operating expenses and the Cooperative Disability Investigation Unit.

LAW ENFORCEMENT TRAINING

The FY2018 recommended budget for the Law Enforcement Training Program is \$2,319,663 in total funds and 11.5 FTE.

911 TRAINING

The FY2018 recommended budget for the 911 Training Program is \$227,700 in total funds and 2.0 FTE.

INSURANCE FRAUD UNIT - INFORMATIONAL

The FY2018 budget for the Insurance Fraud Unit is \$264,687 in total funds and 3.0 FTE.

SECRETARY OF STATE

The total recommended budget for FY2018 is \$1,253,706 in general funds, \$1,955,960 in federal fund expenditure authority, \$474,019 in other fund expenditure authority, and 15.6 FTE. Included in this budget are decreases of \$22,802 in general funds, \$54,986 in federal fund expenditure authority, and \$99,246 in other fund expenditure authority to align the budget with anticipated expenditures.

SCHOOL AND PUBLIC LANDS

The Governor's recommendation for the FY2018 School and Public Lands' budget is \$557,196 in general funds, \$273,492 in other fund expenditure authority, and 6.0 FTE.

STATE AUDITOR

The Governor's recommendation for the State Auditor's FY2018 budget is \$1,283,279 in general funds, \$100,000 in other fund expenditure authority, and 16.0 FTE.

STATE TREASURER

The total FY2018 recommended budget is \$40,759,237 consisting of \$541,831 in general funds, \$40,217,406 in other fund expenditure authority, and 43.3 FTE. This includes a total increase of \$4,967,737 in other fund expenditure authority.

TREASURY MANAGEMENT

The total FY2018 recommended budget within Treasury Management is \$541,831 in general funds and 5.2 FTE.

UNCLAIMED PROPERTY - INFORMATIONAL

The total recommended budget for Unclaimed Property is \$20,920,157 in other fund expenditure authority and 3.8 FTE. This includes an increase of \$3,998,800 in other fund expenditure authority to align the budget with anticipated expenditures for claim payments and capital outlay.

INVESTMENT OF STATE FUNDS

The Governor is recommending an increase of \$354,671 in other fund expenditure authority for the Investment of State Funds for the South Dakota Investment Council (SDIC). This includes increases of \$142,669 and 2.0 FTE for two entry level positions, \$151,690 for promotional development and salary adjustments for staff, and a net increase of \$60,312 to align the budget with anticipated expenditures. The total recommended budget for the Investment of State Funds is \$8,530,259 in other fund expenditure authority and 34.3 FTE.

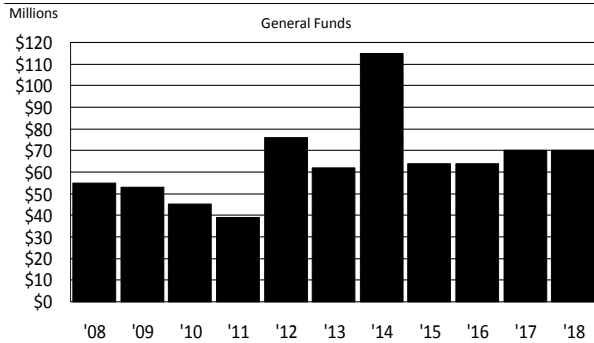
PERFORMANCE BASED COMPENSATION

The Governor is recommending an increase of \$614,266 in other fund expenditure authority within Performance Based Compensation for the SDIC. The total recommended budget for the Performance Based Compensation is \$10,766,990 in other fund expenditure authority.

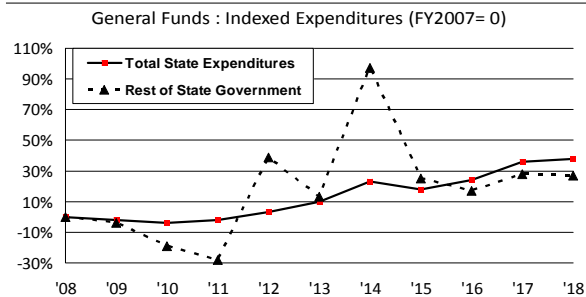
REMAINDER OF STATE GOVERNMENT

The budgets included in this category are the Departments of Executive Management, Military, Veterans' Affairs, Revenue, Tourism, Tribal Relations, Transportation, Labor and Regulation, and Public Safety. General funds account for an increase of \$3.6 million out of the \$19.5 million in total ongoing increases. Included in this category is the Employee Compensation pool budgeted in Executive Management, totaling \$6.1 million in general funds and \$15.5 million in total funds. In terms of the total ongoing state budget, this category is 3.7% of the general funds and 25.0% of the total ongoing funds, which amounts to \$1.1 billion in total ongoing funding.

Remainder of State Government



Remainder of State Government



EXECUTIVE MANAGEMENT

The Governor's recommendation for the Department of Executive Management includes increases of \$2,584,885 in general funds, \$2,975,613 in federal fund expenditure authority, \$10,200,130 in other fund expenditure authority, and 3.6 FTE. The total FY2018 budget includes \$43,669,174 in general funds, \$15,824,844 in federal fund expenditure authority, \$166,723,882 in other fund expenditure authority, and 801.9 FTE.

GOVERNOR'S OFFICE

The total recommended budget for the Governor's Office, including the Lt. Governor, is \$2,472,612 in general funds and 22.0 FTE.

OFFICE OF ECONOMIC DEVELOPMENT

The Governor's total recommended FY2018 budget is \$7,073,091 in general funds, \$11,491,092 in federal fund expenditure authority, \$56,339,727 in other fund expenditure authority, and 107.9 FTE. This includes an increase of \$300,000 in general funds to support the South Dakota Ellsworth Development Authority. This recommendation also includes an increase of \$65,445 in other fund expenditure authority for increases in

insurance and contract costs in the in the South Dakota Ellsworth Development Authority. Decreases of \$189,095 in federal fund expenditure authority and \$742,343 in other fund expenditure authority are recommended due to changes in the Governor's House program. Also recommended is an increase of \$1,306,337 in other fund expenditure authority and a decrease of 0.4 FTE for the South Dakota Science and Technology Authority to reflect anticipated expenses for xenon gas purchases and facility upgrades as well as to align the budget with anticipated utilization.

BUREAU OF FINANCE AND MANAGEMENT

The total recommended FY2018 budget is \$7,549,073 in general funds, \$3,198,632 in federal fund expenditure authority, \$15,435,394 in other fund expenditure authority, and 42.0 FTE. This includes increases of \$2,467,914 in general funds, \$3,164,708 in federal fund expenditure authority, and \$6,671,104 in other fund expenditure authority. A general fund decrease of \$4,000,000 is attributable to the Bureau of Finance and Management's sale-leaseback payment schedule. Also recommended are general fund increases of \$20,000 for economic consulting and \$50,000 for a municipal financial advisor contract. A decrease of \$86,384 in other fund expenditure authority is recommended to move annual software maintenance costs for imaging software to the Bureau of Human Resources.

The Governor recommends \$6,542,004 in general funds, \$3,198,632 in federal fund expenditure authority, and \$7,078,663 in other fund expenditure authority for the employee compensation and billing pools.

Decreases in other fund expenditure authority of \$16,668 for the South Dakota Building Authority, \$45,977 for the Health and Educational Facilities Authority, and \$44,424 for the Education Enhancement Funding Corporation are to align the budget with anticipated expenditures.

BUREAU OF ADMINISTRATION

The Governor recommends a decrease of \$183,029 in general funds and an increase of \$703,777 in other fund expenditure authority. This recommendation includes an increase of \$26,421 in general funds to sustain an M&R budget, which is 2% of the replacement value of the buildings. A decrease of \$289,450 in general funds is for the Bureau of Administration's sale-leaseback payments. An increase of \$703,777 in other fund expenditure authority is recommended to replace older vehicles in the State fleet. Also included is an increase of \$80,000 in general funds to cover the costs of special assessments, interest, and penalties, which are currently covered in an annual appropriation. The FY2018

recommended budget is \$19,076,253 in general funds, \$500,000 in federal fund expenditure authority, \$38,809,906 in other fund expenditure authority, and 162.0 FTE.

BUREAU OF INFORMATION AND TELECOMMUNICATIONS

The Governor recommends increases of \$2,109,426 in other fund expenditure authority and 4.0 FTE. An increase of \$1,991,698 in other fund expenditure authority is recommended to purchase Windows 10 and Office 365 licenses for all users. An increase of 2.0 FTE is for technology engineers focused on security. An increase of \$117,728 in other fund expenditure authority and 2.0 FTE is for digital content producers in South Dakota Public Broadcasting. The Governor's total recommended FY2018 budget for the Bureau of Information and Telecommunications is \$7,216,565 in general funds, \$635,120 in federal fund expenditure authority, \$49,354,556 in other fund expenditure authority, and 394.5 FTE.

BUREAU OF HUMAN RESOURCES

The total FY2018 budget consists of \$281,580 in general funds, \$6,784,299 in other fund expenditure authority, and 73.5 FTE. The Governor recommends an increase of \$86,384 in other fund expenditure authority to move annual software maintenance costs for imaging software from the Bureau of Finance and Management.

MILITARY

The Governor's FY2018 budget recommendation for the Department of Military includes \$4,114,165 in general funds, \$20,722,929 in federal fund expenditure authority, \$29,254 in other fund expenditure authority, and 107.4 FTE. The budget reflects an increase of \$108,742 in general funds and 2.0 FTE, as well as a decrease of \$33,618 in federal fund expenditure authority.

OFFICE OF THE ADJUTANT GENERAL

The Governor's FY2018 budget recommendation for the Office of the Adjutant General includes \$565,094 in general funds, \$10,306 in federal fund expenditure authority, \$29,254 in other fund expenditure authority, and 5.3 FTE.

ARMY GUARD

The Governor's recommendation for the Army Guard includes increases of \$132,974 in general funds, \$39,078 in federal fund expenditure authority, and 2.0 FTE for statewide maintenance and repair (M&R) and the

Captive Insurance program on South Dakota National Guard armories, and for converting two contractual positions into state employees. The overall FY2018 budget for the Army Guard division is \$18,398,757 in total funds and 54.1 FTE.

AIR GUARD

The Governor's FY2018 total recommended budget for the Air Guard includes \$416,665 in general funds, \$5,446,272 in federal fund expenditure authority, and 48.0 FTE.

VETERANS' AFFAIRS

The Governor's FY2018 budget recommendation for the Department of Veterans' Affairs includes \$4,083,911 in general funds, \$3,231,546 in federal fund expenditure authority, and \$4,547,500 in other fund expenditure authority for a total of \$11,862,957 and 138.2 FTE. This budget recommendation consists of increases of \$885,344 in general funds and \$1,064,595 in federal fund expenditure authority, as well as a decrease of \$1,705,639 in other fund expenditure authority.

VETERANS' BENEFITS AND SERVICES

The recommended FY2018 budget for Veterans' Benefits and Services includes an increase of \$32,352 in general funds for Veteran outreach activities and the county reimbursement program. Also included are decreases of \$78,459 in federal fund expenditure authority and \$45,000 in other fund expenditure authority due to a reduction in education grants and a funding change for the Honor Guard Funeral stipend. The overall FY2018 budget for Veterans' Benefits and Services is \$1,862,388 in total funds and 20.0 FTE.

STATE VETERAN'S HOME

The Governor's recommendation for the State Veteran's Home includes increases of \$852,992 in general funds and \$1,143,054 in federal fund expenditure authority, as well as a decrease of \$1,660,639 in other fund expenditure authority. The changes are related to the number of Medicaid eligible beds, food services, and utility costs. The overall FY2018 budget for the State Veteran's Home is \$10,000,569 in total funds and 118.2 FTE.

REVENUE

The Governor's recommended FY2018 budget for the Department of Revenue totals \$75,249,999, consisting of \$1,301,766 in general funds, \$300,000 in federal fund expenditure authority, \$73,648,233 in other fund

expenditure authority, and 249.5 FTE. This budget includes increases of \$300,000 in federal fund expenditure authority, \$52,878 in other fund expenditure authority, and 1.0 FTE.

SECRETARIAT

The total FY2018 Governor's recommended budget for the Secretariat division consists of \$3,801,251 in other fund expenditure authority and 28.0 FTE.

BUSINESS TAX

The total FY2018 Governor's recommended budget for Business Tax consists of \$4,585,044 in other fund expenditure authority and 57.5 FTE.

MOTOR VEHICLES

The total FY2018 Governor's recommended budget for Motor Vehicles consists of \$9,234,697 in other fund expenditure authority and 47.0 FTE. This budget includes an increase of \$300,000 in federal fund expenditure authority to support ongoing maintenance costs for the International Registration Plan and International Fuel Agreement systems. Also included is an increase of \$52,878 in other fund expenditure authority and 1.0 FTE for a revenue agent to investigate title and odometer fraud.

PROPERTY AND SPECIAL TAXES

The total FY2018 Governor's recommended budget for Property and Special Taxes consists of \$1,301,766 in general funds and 15.0 FTE.

AUDITS

The total FY2018 Governor's recommended budget consists of \$4,609,711 in other fund expenditure authority and 55.0 FTE.

LOTTERY

The total FY2018 Governor's recommended budget for Lottery is \$41,037,420 of other fund expenditure authority and 31.0 FTE.

COMMISSION ON GAMING – INFORMATIONAL

The total FY2018 Governor's recommended budget for the Commission on Gaming is \$10,680,110 in other fund expenditure authority and 16.0 FTE.

TOURISM

The Governor's recommended budget for the Department of Tourism consists of \$878,000 in federal fund expenditure authority, \$16,656,848 in other fund expenditure authority, and 28.0 FTE. This includes an increase of \$918,218 in other fund expenditure authority.

TOURISM

The Tourism budget is funded by revenues generated from Deadwood Gaming, a gross receipts tax on hotel rooms and other tourist activities, and the Co-op Revolving Fund. The total FY2018 recommended budget consists of \$15,710,143 in other fund expenditure authority and 25.0 FTE. Included in this budget is an increase of \$817,148 in other fund expenditure authority due to projected revenue increases from promotion and gaming taxes.

ARTS

The total recommended FY2018 Arts budget consists of \$878,000 in federal fund expenditure authority, \$946,705 in other fund expenditure authority, and 3.0 FTE. This budget includes an increase of \$101,070 in other fund expenditure authority due to projected revenue increases from the promotion tax.

TRIBAL RELATIONS

The total recommended budget for the Department of Tribal Relations is \$524,651 in general funds, \$20,000 in other fund expenditure authority, and 6.0 FTE.

TRANSPORTATION

The recommended FY2018 budget for the Department of Transportation is \$688,648,286 consisting of \$547,589 in general funds, \$388,523,246 in federal fund expenditure authority, \$299,577,451 in other fund expenditure authority, and 1,014.3 FTE. The budget includes decreases of \$656,789 in other fund expenditure authority and 12.0 FTE.

GENERAL OPERATIONS

The Governor's total FY2018 recommended budget for General Operations includes \$547,589 in general funds, \$41,454,373 in federal fund expenditure authority, \$155,033,166 in other fund expenditure authority, and 1,014.3 FTE. This includes a decrease of \$166,337 in other fund expenditure authority for utilities. Also included in the recommendation are decreases of

\$490,452 in other fund expenditure authority, and 12.0 FTE to align the budget with anticipated utilization.

CONSTRUCTION CONTRACTS - INFORMATIONAL

The total budget for Construction Contracts is \$491,613,158, consisting of \$347,068,873 in federal fund expenditure authority and \$144,544,285 in other fund expenditure authority.

LABOR & REGULATION

The Governor's FY2018 recommendation for the Department of Labor and Regulation is \$2,039,124 in general funds, \$30,495,249 in federal fund expenditure authority, and \$11,648,086 in other fund expenditure authority for \$44,182,459 in total funds and 419.3 FTE. This includes decreases of \$1,242,046 in federal fund expenditure authority and \$103,454 in other fund expenditure authority, as well as a decrease of 5.0 FTE.

ADMINISTRATION

The recommended budget is \$658,743 in general funds, \$11,475,908 in federal fund expenditure authority, and \$301,515 in other fund expenditure authority. This budget includes a decrease of \$500,000 in federal fund expenditure authority due to the completion of the SDWORKS software upgrade. The FY2018 budget for Administration is \$12,435,896 in total funds and 52.5 FTE.

UNEMPLOYMENT INSURANCE

The recommended budget is \$6,808,594 in federal fund expenditure authority and 74.0 FTE. This budget includes a decrease of \$608,857 in federal fund expenditure authority and 2.0 FTE to align the budget with anticipated utilization.

EMPLOYMENT SERVICES

The total recommended budget is \$655,578 in general funds, \$11,813,044 in federal fund expenditure authority, and 166.0 FTE.

STATE LABOR LAW ADMINISTRATION

The total recommended budget is \$725,073 in general funds, \$357,221 in federal fund expenditure authority, \$501,107 in other fund expenditure authority, and 16.0 FTE. This budget includes a decrease of \$133,189 in federal fund expenditure authority and 3.0 FTE due to vacancies within the division.

PROFESSIONAL AND OCCUPATIONAL LICENSING - INFORMATIONAL

This division is comprised of the informational budgets of nine professional and occupational licensing boards including: Board of Accountancy, Board of Barber Examiners, Cosmetology Commission, Plumbing Commission, Board of Technical Professions, the Electrical Commission, the Abstractors Board of Examiners, the Real Estate Commission, and the South Dakota Athletic Commission. The Governor's FY2018 recommendation for the Boards and Commissions include other fund expenditure authority increases to match projected expenditures within the Board of Accountancy for \$2,500 and the Cosmetology Commission for \$2,000. The recommended FY2018 budget is \$4,019,857 in other fund expenditure authority and 43.6 FTE.

BANKING

The recommended FY2018 budget is \$23,479,499 in other fund expenditure authority and 29.5 FTE.

SECURITIES

The FY2018 recommended budget consists of \$433,810 in other fund expenditure authority and 5.7 FTE. This budget includes a decrease of \$107,954 in other fund expenditure authority due to reorganization within the department.

INSURANCE

The Governor's FY2018 recommended budget consists of \$40,482 in federal fund expenditure authority and \$2,912,298 in other fund expenditure authority for \$2,952,780 in total funds and 32.0 FTE.

PUBLIC SAFETY

The Governor's FY2018 budget recommendation for the Department of Public Safety includes \$3,763,050 in general funds, \$17,352,753 in federal fund expenditure authority, and \$37,310,078 in other fund expenditure authority for \$58,425,881 in total funds and 410.5 FTE. This includes an increase of \$43,500 in general funds, \$302,096 in federal fund expenditure authority, and \$539,668 in other fund expenditure authority, as well as a decrease of 1.0 FTE.

ADMINISTRATION

The Governor's FY2018 budget recommendation for Administration is \$146,144 in general funds, \$94,986 in federal fund expenditure authority, and \$628,673 in

other fund expenditure authority for \$869,803 in total funds and 8.5 FTE.

HIGHWAY PATROL

The Division of Highway Patrol includes the South Dakota Highway Patrol, Accident Records, Highway Safety, and State Radio. The FY2018 recommendation includes \$1,408,615 in general funds, \$7,256,785 in federal fund expenditure authority, and \$24,700,708 in other fund expenditure authority. The overall FY2018 budget for Highway Patrol is \$33,366,108 in total funds and 275.0 FTE. This budget includes increases of \$302,096 in federal fund expenditure authority and \$539,668 in other fund expenditure authority due to an increase in the Motor Carrier Safety Alliance Program grant, increases for capital outlay, and for additional troopers needed for the Smart on Crime Initiative.

EMERGENCY SERVICES AND HOMELAND SECURITY

The Division of Emergency Services and Homeland Security includes: Emergency Management, the State Fire Marshal, and the Office of Homeland Security. The FY2018 budget recommendation for the Division of Emergency Services and Homeland Security includes \$1,374,978 in general funds, \$9,670,450 in federal fund expenditure authority, and \$277,725 in other fund expenditure authority for \$11,323,153 in total funds and 30.5 FTE.

LEGAL AND REGULATORY SERVICES

The Division of Legal and Regulatory Services includes Weights and Measures, Driver Licensing, and Inspections. The FY2018 recommended budget includes \$833,313 in general funds, \$330,532 in federal fund expenditure authority, and \$7,794,380 in other fund expenditure authority. The Governor is recommending an increase of \$43,500 in general funds for the State Metrology Lab. The overall FY2018 budget for Legal and Regulatory Services is \$8,958,225 in total funds and 95.5 FTE.

911 COORDINATION BOARD - INFORMATIONAL

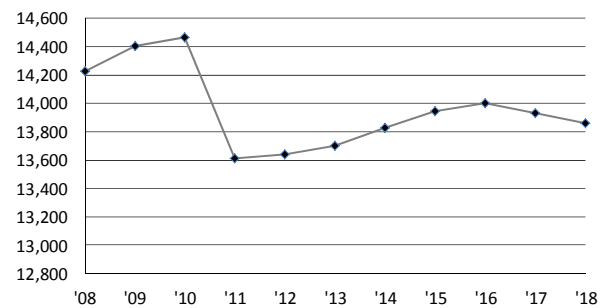
The FY2018 budget for the 911 Coordination Board is \$3,905,592 in other fund expenditure authority and 1.0 FTE.

SOUTH DAKOTA RETIREMENT SYSTEM

The Governor's FY2018 recommended budget for the South Dakota Retirement System is \$4,391,342 in other fund expenditure authority, and 33.0 FTE.

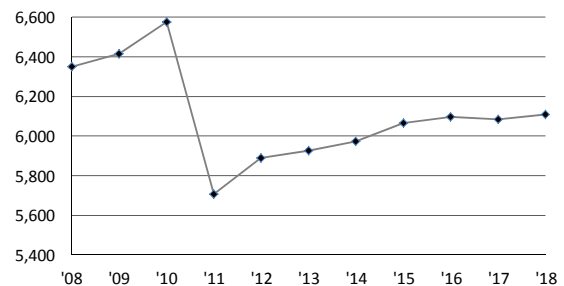
FTE CHANGE

FTE History All of State Government



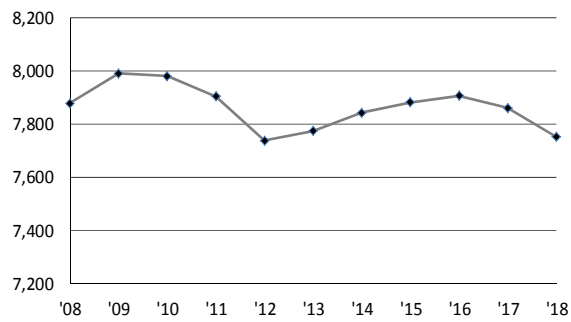
The total appropriated FTE decreased from 14,226.9 in FY2008 to a recommended level of 13,862.0 for FY2018. This is a decrease of 364.9 FTE, or 2.6%, over the decade. The recommended change in FTE for FY2018 is a decrease of 38.4 across state government.

FTE History for Offices Outside Control of Governor



For offices outside the control of the Governor, total appropriated FTE changed from 6,348.9 in FY2008 to a recommended level of 6,109.5 for FY2018 for a net decrease of 239.4 FTE. The recommended changes for these offices in the FY2018 budget are a net increase of 26.0 FTE. This includes increases of 14.0 FTE in the Board of Regents, 9.0 FTE in the Attorney General's Office, 2.0 FTE in the Investment Council, and 2.0 FTE within the Unified Judicial System. Also included is a decrease of 1.0 FTE in the Auditor General's Office.

FTE History for Offices Under Control of Governor



The agencies under direct control of the Governor had total appropriated FTE of 7,878.0 in FY2008. The FY2018 budget recommendation brings the FTE to a level of 7,752.5. This is a decrease of 125.5 FTE, or 1.6%, over the decade. The recommended decrease of 64.4 FTE in the FY2018 budget includes increases of 6.0 FTE in the Department of Health, 4.0 FTE in the Bureau of Information and Telecommunications, 3.0 FTE in the Department of Education, 2.0 FTE in the Department of the Military, and 1.0 FTE in the Department of Revenue. Decreases include 0.4 FTE in the Governor's Office, 1.0 FTE in the Department of Public Safety, 2.0 FTE in the Department of Agriculture, 5.0 FTE in the Department of Labor and Regulation, 9.0 FTE in the Department of Social Services, 12.0 FTE in the Department of Transportation, 12.0 FTE in the Department of Human Services, and 39.0 FTE in the Department of Corrections.