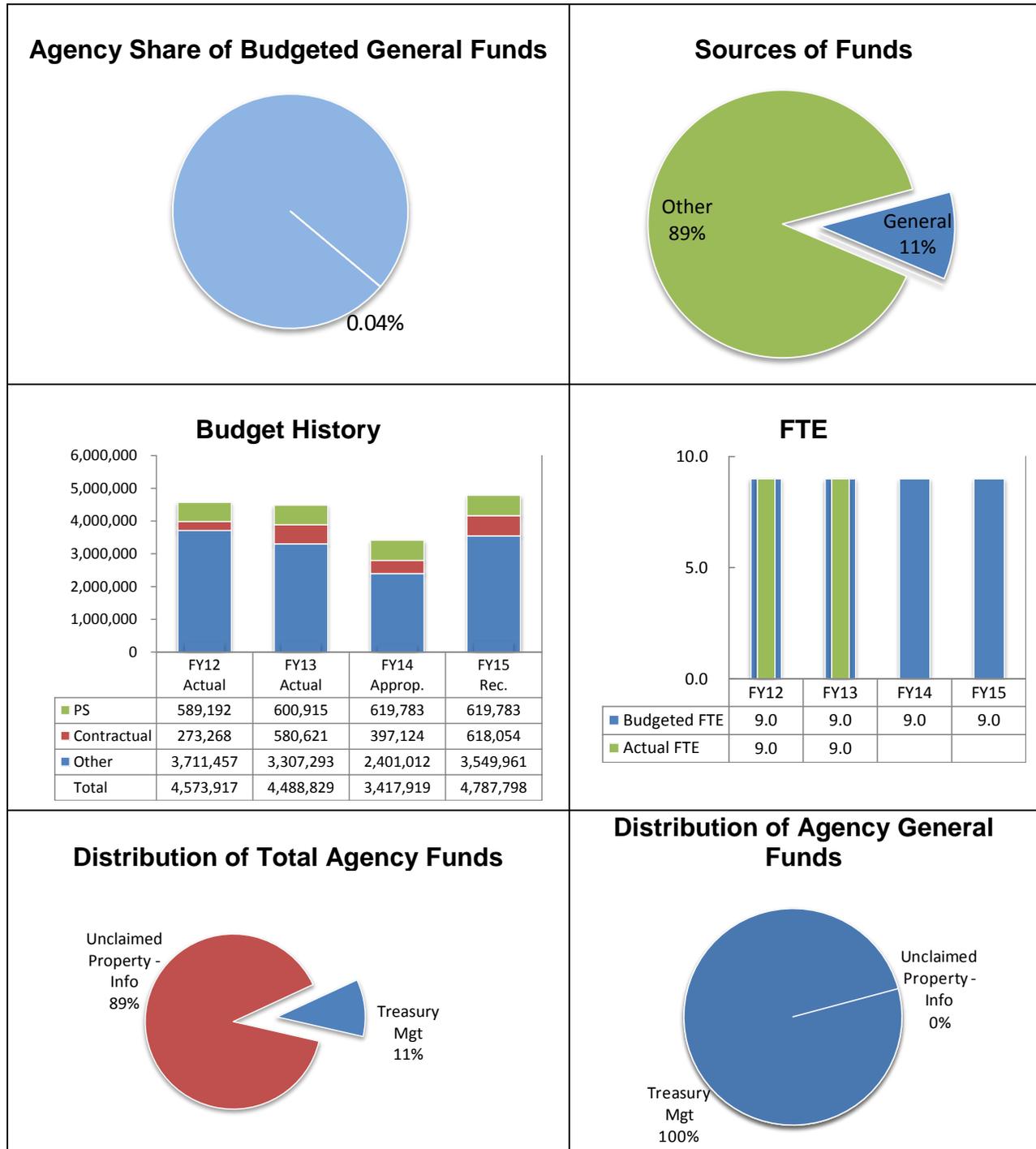


FY15 Budget Briefing

State Treasurer

Excluding Investment Council

Information contained in this document is based on the Governor's original recommended FY15 budget.
This document may not correspond with the FY15 budget adopted by the Legislature.



Key Personnel

- Richard Sattgast, State Treasurer
- Lee DeJabet, Administrator
Unclaimed Property
- Rik Drewes, Deputy Treasurer

Department Total

The State Treasurer is responsible for the management of the state's treasury. Duties include accounting, support of other state agencies, banking, bond management, data processing, supervision and regulation of public funds insurance, coordination with the State Auditor for payment of warrants, and unclaimed property management. The State Treasurer also is a member of the State Investment Council, monitoring the investment of public funds.

	Actual FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Inc/Dec FY15	% Change From FY14
Personal Services						
Employee Salaries	470,796	466,749	487,421	487,081	(340)	(0.1%)
Employee Benefits	118,396	134,167	132,362	132,702	340	0.3%
FTE	9.0	9.0	9.0	9.0	0.0	0.0%
Funding Types						
General	345,133	353,263	363,169	363,169	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	244,059	247,653	256,614	256,614	0	0.0%
Total PS	589,192	600,915	619,783	619,783	0	0.0%
Operating Expenses						
Travel	16,886	21,747	26,507	29,007	2,500	9.4%
Contractual Services	273,268	580,621	397,124	618,054	220,930	55.6%
Supplies & Materials	15,510	20,028	16,796	18,296	1,500	8.9%
Capital Outlay	9,856	7,532	7,709	2,658	(5,051)	(65.5%)
Other	3,669,205	3,257,986	2,350,000	3,500,000	1,150,000	48.9%
Funding Types						
General	101,802	135,330	142,386	141,932	(454)	(0.3%)
Federal	0	0	0	0	0	0.0%
Other	3,882,922	3,752,584	2,655,750	4,026,083	1,370,333	51.6%
Total OE	3,984,724	3,887,914	2,798,136	4,168,015	1,369,879	49.0%
Totals						
Funding Types						
General	446,935	488,592	505,555	505,101	(454)	(0.1%)
Federal	0	0	0	0	0	0.0%
Other	4,126,981	4,000,237	2,912,364	4,282,697	1,370,333	47.1%
Total	4,573,917	4,488,829	3,417,919	4,787,798	1,369,879	40.1%

Department Object Detail

Item	Actual FY2012	Actual FY2013	Budgeted FY2014	Governor Rec FY2015	Inc/Dec Over FY2014	% Change Over FY2014
PERSONAL SERVICES						
General	345,133	353,262	363,169	363,169	0	0.0%
Federal	0	0	0	0	0	0.0%
Other Funds	244,059	247,653	256,614	256,614	0	0.0%
Total Personal Services	589,192	600,915	619,783	619,783	0	0.0%
FTE	9.0	9.0	9.0	9.0	0.0	0.0
TRAVEL						
General	6,668	10,462	12,507	12,507	0	0.0%
Federal	0	0	0	0	0	0.0%
Other Funds	10,218	11,285	14,000	16,500	2,500	17.9%
Total Travel	16,886	21,747	26,507	29,007	2,500	9.4%
CONTRACTUAL SERVICES						
General	86,623	111,131	120,262	121,329	1,067	0.9%
Federal	0	0	0	0	0	0.0%
Other Funds	186,645	469,490	276,862	496,725	219,863	79.4%
Total Contractual Services	273,268	580,621	397,124	618,054	220,930	55.6%
SUPPLIES AND MATERIALS						
General	4,686	9,468	5,996	5,996	0	0.0%
Federal	0	0	0	0	0	0.0%
Other Funds	10,824	10,560	10,800	12,300	1,500	13.9%
Total Supplies and Materials	15,510	20,028	16,796	18,296	1,500	8.9%
CAPITAL OUTLAY						
General	3,825	4,269	3,621	2,100	(1,521)	(42.0%)
Federal	0	0	0	0	0	0.0%
Other Funds	6,031	3,263	4,088	558	(3,530)	(86.4%)
Total Capital Outlay	9,856	7,532	7,709	2,658	(5,051)	(65.5%)
OTHER						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other Funds	3,669,205	3,257,986	2,350,000	3,500,000	1,150,000	48.9%
Total Other	3,669,205		2,350,000	3,500,000	1,150,000	48.9%
TOTAL						
General	446,935	488,592	505,555	505,101	(454)	(0.1%)
Federal	0	0	0	0	0	0.0%
Other Funds	4,126,982	4,000,237	2,912,364	4,282,697	1,370,333	47.1%
Total All Funds	4,573,917	4,488,829	3,417,919	4,787,798	1,369,879	40.1%

Major Expansions and Reductions

Governor's Recommendation					
	General Funds	Federal Funds	Other Funds	TOTAL Funds	FTE
A. Unclaimed Property Program					
Outreach Travel			2,500	2,500	
Audit Expenses			200,000	200,000	
Advertising			10,000	10,000	
National Assn. Dues Increase			1,050	1,050	
Web/Database Services			8,000	8,000	
Postage			1,500	1,500	
Zero Base Capital Asset Budget			(3,530)	(3,530)	
Unclaimed Property Claims			1,150,000	1,150,000	
B. Treasury Management Misc.	(1,521)			(1,521)	
C. Bureau Billings	1,067		813	1,880	
TOTAL	(454)	-	1,370,333	1,369,879	-

Budget Notes

- A. Unclaimed Property Program – Funding for this program comes from the Unclaimed Property trust fund. This budget is for informational purposes and the money in the trust fund is continuously appropriated (SDCL43-41B-24 and 43-41B-24.1).

The majority of the increased expenses associated with this budget are due to the heightened public awareness of the Unclaimed Property program which will require additional outreach, travel, advertising, computer services, and postage.

In addition to the increases listed above, two other large and unpredictable expenses are audits and claims. Third party audits, which are performed in conjunction with other states, cost approximately 12% of the reported property and stock value. The Office is estimating this expense to be approximately \$306,000, an increase of \$200,000.

The Office estimates an increase of \$1,150,000 for payment claims made on the Trust funds. The total estimated claims payable in FY2015 is \$3.5M.

- B. Budget adjustments in Treasury Management include budget realignments and zero basing the Capital Outlay budget.

Governor's Recommended State Employee Compensation Plan – BFM Pool

For FY15, the Governor recommends the state employee compensation plan be distributed from a pool in the BFM. *Therefore, individual agency budgets do not reflect the changes for the compensation plan.*

	<u>General</u>	<u>Federal</u>	<u>Other</u>	<u>Total</u>
Across the Board Increase and Market Adjustments	\$10,192	\$0	\$7,235	\$17,427
Health Insurance	\$7,361	\$0	\$5,206	\$12,567
Movement Toward Job Worth (PACE)	\$0	\$0	\$0	\$0
Pay for Performance (Career Band Families)	\$0	\$0	\$0	\$0
Targeted Compensation Adjustments	\$0	\$0	\$0	\$0
Total of all Components	\$17,553	\$0	\$12,441	\$29,994

- Recommended FY15 - 3.0% PACE; 0%-4.5% Pay for Performance for Career Banding; 3% Across-the-Board/Market; 18.6% Health Insurance; Targeted compensation adjustments for a small number of hard-to-fill, below market vocational jobs.
- FY14 – 3.5% PACE; 0%-4.5% Pay for Performance for Career Banding; 3% Across-the-Board; 3.5%-4% Market Adjustment for Career Banding; 14.7% Health Insurance
- FY13 – 2.5% PACE; up to 7.0% Market Adjustment for Career Banding; 3% Across-the-Board; 3.3% Health Insurance.

Interagency Billings

FY13 Actual Expenditures	General Funds	Federal Funds	Other Funds	Total Funds
Bureau of Administration	21,489	-	27,470	48,958
Bureau of Finance and Management	-	-	8,108	8,108
Bureau of Human Resources	-	-	-	-
Bureau of Information and Telecommunications	9,594	-	49,567	59,161
<i>Total Bureau Billings</i>	31,083	-	85,145	116,228

Other Fund Balances

Company and Fund Name	Blue Book Page			60-Month Average	Lowest Monthly Cash Balance in Past Five Years	
		FY2012	FY2013	Cash Balance	Amount	Month
Company 3062 - Teen Court Grant Program Fund	303	\$ 7,576	\$ 102,753	\$ 43,243	\$ 5,670	December 2009
Company 8000 - Agency Fund	304	\$ 730,301	\$ 690,879	N/A	N/A	N/A
Company 8324 - Unclaimed Property Trust Fund	305	\$ 50,000	\$ 598	\$ 666,214	\$ (312,793)	February 2011

TREASURY MANAGEMENT

The mission of the Division of Treasury Management is to have charge of and keep all public monies paid into the state treasury, and pay out the same as directed by law; to 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 FY12	Actual FY13	Budgeted FY14	Gov Rec FY15	Inc/Dec FY15	% Change From FY14
Personal Services						
Employee Salaries	277,505	276,638	286,777	286,642	(135)	(0.0%)
Employee Benefits	67,628	76,624	76,392	76,527	135	0.2%
FTE	5.0	5.0	5.2	5.2	0.0	0.0%
Funding Types						
General	345,133	353,263	363,169	363,169	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	0	0	0	0	0	0.0%
Total PS	345,133	353,263	363,169	363,169	0	0.0%
Operating Expenses						
Travel	6,668	10,462	12,507	12,507	0	0.0%
Contractual Services	86,623	111,131	120,262	121,329	1,067	0.9%
Supplies & Materials	4,686	9,468	5,996	5,996	0	0.0%
Capital Outlay	3,825	4,269	3,621	2,100	(1,521)	(42.0%)
Funding Types						
General	101,802	135,330	142,386	141,932	(454)	(0.3%)
Federal	0	0	0	0	0	0.0%
Other	0	0	0	0	0	0.0%
Total OE	101,802	135,330	142,386	141,932	(454)	(0.3%)
Totals						
Funding Types						
General	446,935	488,592	505,555	505,101	(454)	(0.1%)
Federal	0	0	0	0	0	0.0%
Other	0	0	0	0	0	0.0%
Total	446,935	488,592	505,555	505,101	(454)	(0.1%)

UNCLAIMED PROPERTY - INFORMATIONAL

The mission of the Division of Unclaimed Property is 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.

	<u>Actual</u> <u>FY12</u>	<u>Actual</u> <u>FY13</u>	<u>Budgeted</u> <u>FY14</u>	<u>Gov Rec</u> <u>FY15</u>	<u>Inc/Dec</u> <u>FY15</u>	<u>% Change</u> <u>From</u> <u>FY14</u>
Personal Services						
Employee Salaries	193,291	190,111	200,644	200,439	(205)	(0.1%)
Employee Benefits	50,768	57,542	55,970	56,175	205	0.4%
FTE	4.0	4.0	3.8	3.8	0.0	0.0%
Funding Types						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	244,059	247,653	256,614	256,614	0	0.0%
Total PS	244,059	247,653	256,614	256,614	0	0.0%
Operating Expenses						
Travel	10,218	11,285	14,000	16,500	2,500	17.9%
Contractual Services	186,645	469,490	276,862	496,725	219,863	79.4%
Supplies & Materials	10,824	10,560	10,800	12,300	1,500	13.9%
Capital Outlay	6,031	3,263	4,088	558	(3,530)	(86.4%)
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Funding Types						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other	3,882,922	3,752,584	2,655,750	4,026,083	1,370,333	51.6%
Total OE	3,882,922	3,752,584	2,655,750	4,026,083	1,370,333	51.6%