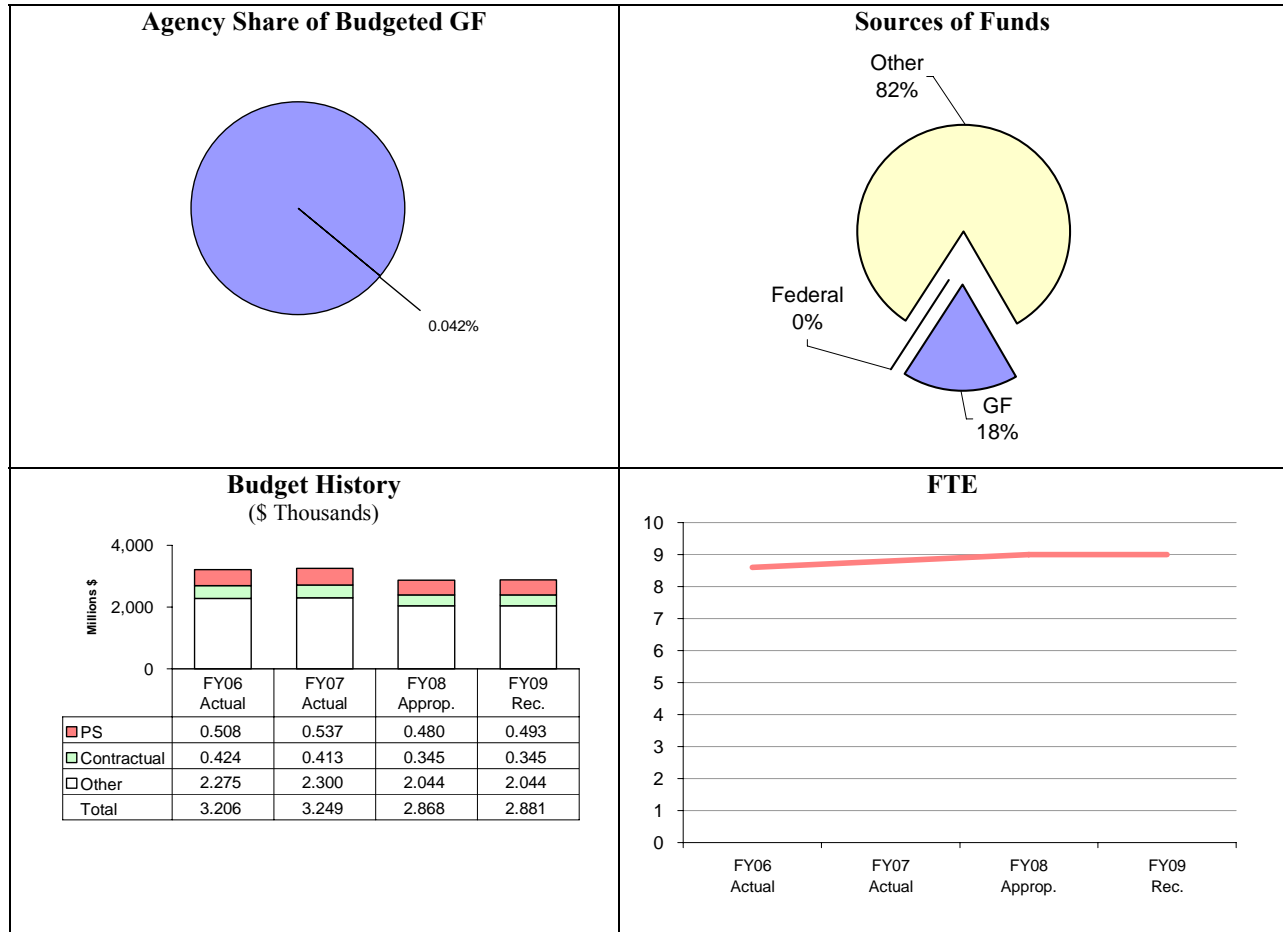


FY 2009 Budget Briefing

State Treasurer

Excluding the Investment Council



Key Responsibilities

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.

Key Personnel

- Vern Larson, State Treasurer
- Mike Mehlhaff, Deputy State Treasurer
- Sandra Tillman, Cash Manager
- Claudean Hluchy, Finance Officer

Department Total (excluding the Investment Council)

The State Treasurer requested \$2,868,010 and 9.0 FTEs which is the same as budgeted in FY08. Addition of the Governors uniform salary policy of \$13,295 brings the total request to \$2,881,305 (\$505,55478 from the State General Fund) and 9.0 FTEs.

	Actual FY07	Budgeted FY08	Agency Req. FY09	Gov Rec. FY09	Inc/Dec FY09	% Change From FY08
Personal Services	536,572	479,628	479,628	492,923	13,295	2.8%
Travel	25,632	16,395	16,395	16,395	-	0.0%
Contractual Services	412,682	344,681	344,681	344,681	-	0.0%
Supplies & Materials	17,101	18,646	18,646	18,646	-	0.0%
Grants And Subsidies				0	-	0.0%
Capital Outlay	21,187	8,660	8,660	8,660	-	0.0%
Other	2235949	2000000	2000000	2000000	-	0.0%
Total	3,249,123	2,868,010	2,868,010	2,881,305	13,295	0.5%
Funding Types						
General	486,006	497,568	497,568	505,547	7,979	1.6%
Federal	0	0	0	0	-	0.0%
Other	2,763,117	2,370,442	2,370,442	2,375,758	5,316	0.2%
Total	3,249,123	2,868,010	2,868,010	2,881,305	13,295	0.5%
FTE	8.8	9.0	9.0	9.0	-	0.0%

The Governor's recommendation throughout this analysis also includes funding for Performance And Compensation Equity (PACE) movement of 2.5% for those employees who are paid under the job-worth of their pay range, a 2.5% across-the-board increase for all permanent employees, and an increase in the employer paid portion of the state health insurance plan. The recommended amounts for each segment of the compensation package are as follows:

	General Funds	Federal Funds	Other Funds	Total
2.5% PACE Movement	0	0	0	0
2.5% Across-the-Board	6,562	0	4,484	11,046
Health Insurance	1,417	0	832	2,249
	7,979	0	5,316	13,295

Division of 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.

The Governor recommends \$505,547 from the State General Fund and 5.5 FTEs. This is an increase of \$7,979 (1.6%) from FY2008 and the agency's request which is the unit's share of allocated salary, health insurance, and space allocation costs.

	Actual FY07	Budgeted FY08	Agency Req. FY09	Gov Rec. FY09	Inc/Dec FY09	% Change From FY08
Personal Services	312,906	322,488	322,488	330,467	7,979	2.5%
Travel	13,901	8,332	8,332	8,332	-	0.0%
Contractual Services	141,977	154,442	154,442	154,442	-	0.0%
Supplies & Materials	5,172	8,646	8,646	8,646	-	0.0%
Grants And Subsidies					-	0.0%
Capital Outlay	12,051	3,660	3,660	3,660	-	0.0%
Other					-	0.0%
Total	486,007	497,568	497,568	505,547	7,979	1.6%
Funding Types						
General	486,006	497,568	497,568	505,547	7,979	1.6%
Federal	0	0	0	0	-	0.0%
Other	0	0	0	0	-	0.0%
Total	486,006	497,568	497,568	505,547	7,979	1.6%
FTE	4.9	5.5	5.5	5.5	-	0.0%

Selected Performance Indicators

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estm.	Original Estimate	Revised Estimate	Change in Estimate	Estimate
Warrants Paid from Treasurer's Account	1,450,000,000	1,190,039,192	(259,960,808)	1,400,000,000	1,300,000,000	(100,000,000)	1,300,000,000
Warrants Cleared	750,000	629,314	(120,686)	650,000	630,000	(20,000)	635,000
Cash Receipts	3,600,000,000	3,705,225,863	105,225,863	3,850,000,000	3,850,000,000	0	3,900,000,000
Cash Receipt Vouchers Processed	23,500	23,126	(374)	25,000	24,000	(1,000)	24,000
Checks Received from State Agencies	975,000	964,958	(10,042)	950,000	970,000	20,000	990,000
Wire Transfers - In and Out	2,100	2,153	53	2,200	2,200	0	2,300
Returned Items	1,000	841	(159)	1,000	850	(150)	850
Interest Earned	4,000	6,596	2,596	5,000	5,000	0	5,000
ACH Out	2,100,000,000	2,536,515,260	436,515,260	2,500,000,000	2,700,000,000	200,000,000	2,800,000,000
ACH Volume	7,500	7,318	(182)	8,000	7,600	(400)	8,000
Certificates of Deposit	34,500,000	34,033,000	(467,000)	34,500,000	34,500,000	0	34,500,000
Credit Unions in CD Program	11	12	1	11	11	0	11
Public Deposits: All Current Collateral	1,200,000,000	1,495,681,563	295,681,563	1,550,000,000	1,500,000,000	(50,000,000)	1,500,000,000
Pledged Securities: On File	5,500	3,725	(1,775)	4,500	4,000	(500)	4,500
REDI Fund Port. (Principal Loan Bal.)	35,000,000	42,372,025	7,372,025	41,000,000	43,000,000	2,000,000	44,000,000
Vet. Student Grants - Since 1995	3,600,000	3,924,186	324,186	4,400,000	4,400,000	0	4,800,000

Division of 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.

The State Treasurer requested \$2,370,442 from other funds and 3.5 FTEs. This is the same amount as the Legislature approved for FY 2008. The Governor recommends \$2,375,758 from the other funds and 3.5 FTEs. This is an increase of \$5,316 (0.2%) from FY2008 and the agency's request which is the unit's share of allocated salary, health insurance, and space allocation costs.

	Actual FY07	Budgeted FY08	Agency Req. FY09	Gov Rec. FY09	Inc/Dec FY09	% Change From FY08
Personal Services	223,666	157,140	157,140	162,456	5,316	3.4%
Travel	11,731	8,063	8,063	8,063	-	0.0%
Contractual Services	270,705	190,239	190,239	190,239	-	0.0%
Supplies & Materials	11,929	10,000	10,000	10,000	-	0.0%
Grants And Subsidies	0	0	0	0	-	0.0%
Capital Outlay	9,136	5,000	5,000	5,000	-	0.0%
Other	2,235,949	2,000,000	2,000,000	2,000,000	-	0.0%
Total	2,763,116	2,370,442	2,370,442	2,375,758	5,316	0.2%
Funding Types						
General	0	0	0	0	-	0.0%
Federal	0	0	0	0	-	0.0%
Other	2,763,117	2,370,442	2,370,442	2,375,758	5,316	0.2%
Total	2,763,117	2,370,442	2,370,442	2,375,758	5,316	0.2%
FTE	3.9	3.5	3.5	3.5	-	0.0%

Revenues

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estm.	Original Estimate	Revised Estimate	Change in Estimate	Estimate
Cash Receipts	5,000,000	9,823,973	4,823,973	5,500,000	7,500,000	2,000,000	7,500,000

Selected Performance Indicators

	FY07			FY08			FY09
	Original Estimate	Actual	Difference Over (Under) Estm.	Original Estimate	Revised Estimate	Change in Estimate	Estimate
Amount of Claims Paid	2,000,000	2,235,949	235,949	2,400,000	2,300,000	(100,000)	2,400,000
Value of Stocks Returned to Owners	40,000	69,387	29,387	75,000	75,000	0	75,000
Claims Paid	8,000	5,084	(2,916)	8,500	6,000	(2,500)	6,500
Records in Unclaimed Property Data	135,000	165,379	30,379	175,000	180,000	5,000	195,000
Stock Portfolio Valuation	1,000,000	1,712,272	712,272	1,600,000	1,800,000	200,000	1,900,000
Outreach Presentations	10	9	(1)	9	9	0	9

Other Departmental Issues

Transfers

\$5,200 No FTE	One-time transfer of general funds within treasury management	06/29/07
<p>This is a one-time transfer involving both operating expenses and personal services. This transfer will be used to cover the shortfall in personal services at the end of FY07. The shortfall occurred as one employee is spending less time with Unclaimed Property Division. This is expected to continue on FY08 and a base transfer will be requested for FY08 to correct the problem. The funds are available due to lower than expected legal contract services related to delinquent vet loans.</p>		