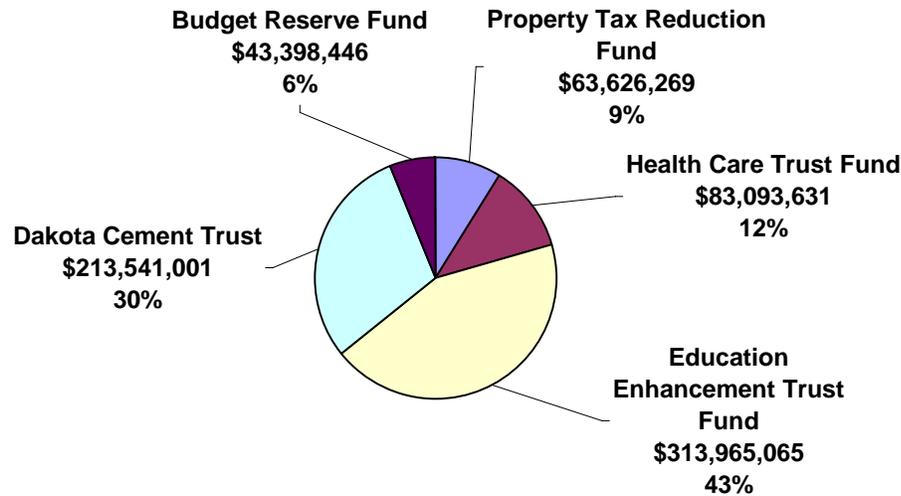


**State of South Dakota
Cash and Investment Balances in State Reserve
and Trust Funds as of October 31, 2008**

Total Balance \$717,624,412



Reserve and Trust Fund Balance Breakdown

	<u>(A)</u> <u>Principal</u> <u>Balance</u>	<u>(B)</u> <u>Earnings</u> <u>Balance</u>	<u>(A + B)</u> <u>Total Accumulated</u> <u>Balance</u>
Property Tax Reduction Fund ①	\$ 63,626,269	\$ -	\$ 63,626,269
Health Care Trust Fund ②	\$ 85,631,024	\$ (2,537,393)	\$ 83,093,631
Education Enhancement Trust Fund ②	\$ 329,329,930	\$ (15,364,865)	\$ 313,965,065
Dakota Cement Trust Fund ③	\$ 238,000,000	\$ (24,458,999)	\$ 213,541,001
Budget Reserve Fund ④	\$ 43,398,446	\$ -	\$ 43,398,446
	\$ 759,985,669	\$ (42,361,257)	\$ 717,624,412

①= Money may be transferred to the General Fund by BFM commissioner for State Aid to Education. Money may also be transferred to the General Fund through an act of the Legislature by a simple majority.

②= Principal and Earnings balance requires a three-fourths vote of the Legislature to be appropriated.

③= There is no provision to appropriate the principal balance per the state's Constitution.

④= Balance requires a two-thirds vote of the Legislature to be appropriated.

It Should be Noted:

- The cash and investment balances in these funds are subject to restrictions imposed by law through constitutional provisions or enabling legislation on how they can be used.
- Spending of these balances will reduce future revenue generated through investing activities.

Reserve and Trust Fund Earnings in FY2008

	<u>(A)</u> <u>Change to</u> <u>Principle Balance</u>	<u>(B)</u> <u>Change to</u> <u>Earnings Balance</u>	<u>(C)</u> <u>Amounts Transferred</u> <u>To General Fund</u>	<u>(A + B + C)</u> <u>Total</u> <u>Earnings</u>
Trust Funds				
Health Care Trust Fund	\$ -	\$ (10,062,804)	\$ 3,656,091	\$ (6,406,713)
Education Enhancement Trust Fund	\$ -	\$ (43,272,341)	\$ 14,766,915	\$ (28,505,426)
Dakota Cement Trust Fund	\$ -	\$ (30,687,284)	\$ 13,184,338	\$ (17,502,946)
Reserve Funds				
Property Tax Reduction Fund	\$ (25,650,000)	\$ -	\$ 152,255,981	\$ 126,605,981
Budget Reserve Fund	\$ 247,214	\$ -	\$ -	\$ 247,214
	\$ (25,402,786)	\$ (84,022,429)	\$ 183,863,325	\$ 74,438,110

State of South Dakota
Cash and Investment Balances in State Reserve and Trust Funds
FY 2006 to October 31, 2008

Property Tax Reduction Fund (3033)	FY2006	FY2007	FY2008	as of October 31, 2008
Total Cash Balance	① \$94,189,480	\$89,276,269	\$63,626,269	\$63,626,269
Change from Prior Period		(\$4,913,211)	(\$25,650,000)	\$0

Operating Transfers to General Fund to Provide Property Tax Relief through State Aid to Education.	\$150,088,667	\$125,178,593	\$152,255,981	\$38,245,919
Health Care Trust Fund (3004)	FY2006	FY2007	FY2008	as of October 31, 2008
Principal Balance (accumulated to date)	\$81,668,419	\$85,631,024	\$85,631,024	\$85,631,024
Earnings Balance (accumulated to date)	\$16,125,692	\$25,974,837	\$15,912,033	(\$2,537,393)
Total FMV Balance	② \$97,794,111	\$111,605,861	\$101,543,057	\$83,093,631
Change from Prior Period		\$13,811,750	(\$10,062,804)	(\$18,449,427)

Operating Transfers to General Fund for Health Care Related Programs which include, per General Bill:				
- Dept of Social Services - Medical Services.	\$3,681,850	\$3,801,228	\$3,656,091	\$3,896,330
Education Enhancement Trust Fund (3005)	FY2006	FY2007	FY2008	as of October 31, 2008
Principal Balance (accumulated to date)	\$325,483,873	\$329,329,930	\$329,329,930	\$329,329,930
Earnings Balance (accumulated to date)	\$60,321,982	\$97,764,349	\$54,492,008	(\$15,364,865)
Total FMV Balance	② \$385,805,855	\$427,094,279	\$383,821,938	\$313,965,065
Change from Prior Period		\$41,288,424	(\$43,272,341)	(\$69,856,873)

Operating Transfers to General Fund for Education Enhancement Programs which include, per General Bill:				
- Dept of Health - Tobacco Prevention and Reduction Plan				
- Dept of Education - State Aid to General Education	\$10,141,998			
- Dept of Education - State Aid to Special Education	\$1,309,880			
- Dept of Education - Education Service Agencies				
- Dept of Education - Technology in Schools	\$3,553,385			
- Dept of Education - Postsecondary Vocational Education				
- Dept of Education - State Aid to Ed. & School Technology		\$14,986,028	\$14,766,915	\$15,453,422
- Board of Regents - Opportunity Scholarships				
Total Transfers to General Fund	\$15,005,263	\$14,986,028	\$14,766,915	\$15,453,422
Dakota Cement Trust (3003)	FY2006	FY2007	FY2008	as of October 31, 2008
Principal Balance	\$238,000,000	\$238,000,000	\$238,000,000	\$238,000,000
Earnings Balance (accumulated to date)	\$17,805,408	\$43,584,258	\$12,896,974	(\$24,458,999)
Total FMV Balance	② \$255,805,408	\$281,584,258	\$250,896,974	\$213,541,001
Change from Prior Period		\$25,778,850	(\$30,687,284)	(\$37,355,973)

Operating Transfers to General Fund for:				
- General Government	③ \$12,000,000	\$12,000,000	\$12,000,000	\$0
- Board of Regents - Opportunity Scholarships	③ \$1,322,171	\$571,476	\$1,184,338	\$0
Total Transfers to General Fund	\$13,322,171	\$12,571,476	\$13,184,338	\$0
Budget Reserve Fund (1000 - 0119)	FY2006	FY2007	FY2008	as of October 31, 2008
Total Cash Balance	① \$42,682,740	\$43,000,275	\$43,247,488	\$43,398,446
Change from Prior Period		\$317,535	\$247,214	\$150,957
Total Cash and Investment Balances				
	\$876,277,594	\$952,560,942	\$843,135,727	\$717,624,412
Transfers to General Fund in Support of State Programs				
- From Property Tax Reduction Fund	\$150,088,667	\$125,178,593	\$152,255,981	\$38,245,919
- From State Trust Funds	\$32,009,284	\$31,358,732	\$31,607,343	\$19,349,752
Total Transfers to General Fund	\$182,097,951	\$156,537,324	\$183,863,325	\$57,595,671

NOTES:

- ① = Property Tax Reduction Fund and Budget Reserve Fund are shown based on balances reported on the state's accounting system.
 ② = Trust Fund amounts are shown at the actual fair market value of the investment accounts held with the South Dakota Investment Council.
 ③ = Transfer of \$12 million and \$1.5 million has not been made yet for FY2009.

It Should Be Further Noted:

- The cash and investment balances in these funds are subject to restrictions imposed by law through constitutional provisions or enabling legislation on how they can be used.
- Spending of these balances will reduce future revenue generated through investing activities.