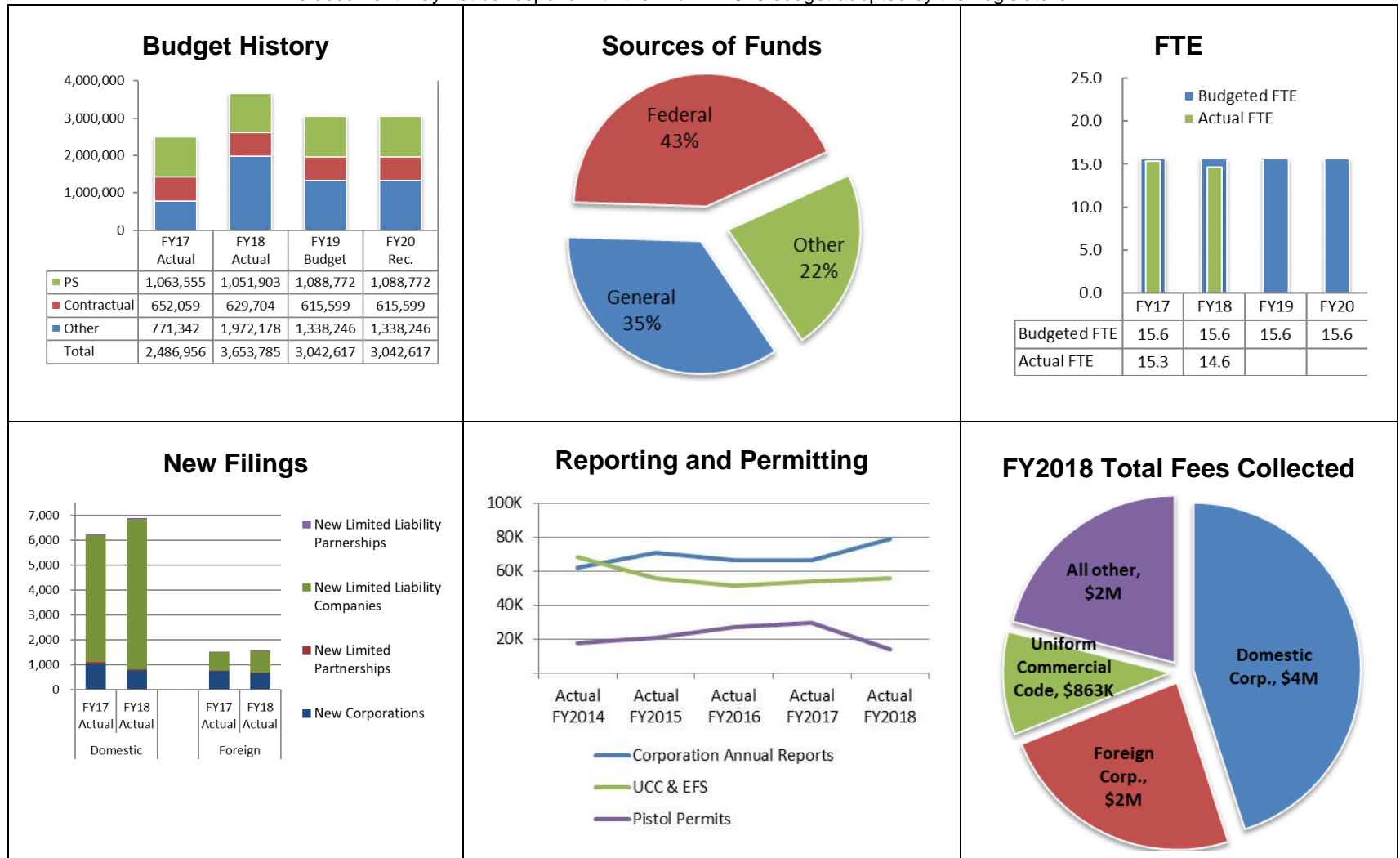


# FY2020 Budget Briefing

## Secretary of State

Information contained in this document is based on the Governor's December recommended FY2020 budget.  
This document may not correspond with the final FY2020 budget adopted by the Legislature.



## Key Personnel

- Steve Barnett, Secretary of State
- Jason Lutz, Deputy Secretary of State
- Kea Warne, Director, Division of Election Services

## Mission of the Secretary of State

Provide leadership for the taxpayers of South Dakota in business services, elections, and general services through superior customer service and efficiency.

## Secretary of State Budget Request

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Secretary of State	2,486,956	3,653,785	3,042,617	3,167,617	3,042,617	0
<b>Total</b>	<b>2,486,956</b>	<b>3,653,785</b>	<b>3,042,617</b>	<b>3,167,617</b>	<b>3,042,617</b>	<b>0</b>
<b>BY FUND CATEGORY</b>						
General	1,174,284	1,064,188	1,062,794	1,062,794	1,062,794	0
Federal	591,889	1,858,088	1,301,146	1,426,146	1,301,146	0
Other	720,783	731,509	678,677	678,677	678,677	0
<b>Total</b>	<b>2,486,956</b>	<b>3,653,785</b>	<b>3,042,617</b>	<b>3,167,617</b>	<b>3,042,617</b>	<b>0</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>1,063,555</b>	<b>1,051,903</b>	<b>1,088,772</b>	<b>1,088,772</b>	<b>1,088,772</b>	<b>0</b>
Salaries	825,478	808,334	846,796	846,796	846,796	0
Benefits	238,078	243,569	241,976	241,976	241,976	0
<b>Operating Expenditures</b>	<b>1,423,401</b>	<b>2,601,882</b>	<b>1,953,845</b>	<b>2,078,845</b>	<b>1,953,845</b>	<b>0</b>
Travel	12,706	10,030	21,322	21,322	21,322	0
Contractual Services	652,059	629,704	615,599	615,599	615,599	0
Supplies and Materials	156,691	131,184	202,084	202,084	202,084	0
Grants and Subsidies	362,171	1,650,190	1,094,040	1,094,040	1,094,040	0
Capital Outlay	239,766	180,774	20,800	145,800	20,800	0
Other	8	0	0	0	0	0
<b>Total</b>	<b>2,486,957</b>	<b>3,653,785</b>	<b>3,042,617</b>	<b>3,167,617</b>	<b>3,042,617</b>	<b>0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>15.3</b>	<b>14.6</b>	<b>15.6</b>	<b>15.6</b>	<b>15.6</b>	<b>0.0</b>

### Major Items Summary - Secretary of State

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2020 Base Budget</b>	1,062,794	1,301,146	678,677	3,042,617	15.6	1,062,794	1,301,146	678,677	3,042,617	15.6
<b>Maintenance of Current Operations</b>										
<b>Total Maintenance Adjustments</b>	0	0	0	0	0.0	0	0	0	0	0.0
<b>FY 2020 Program Maintenance Budget</b>	1,062,794	1,301,146	678,677	3,042,617	15.6	1,062,794	1,301,146	678,677	3,042,617	15.6
<b>Program Line Items</b>										
1. Voter Registration System Upgrade	0	125,000	0	125,000	0.0	0	0	0	0	0.0
<b>Total Program Line Items</b>	0	125,000	0	125,000	0.0	0	0	0	0	0.0
<b>FY 2020 Total Budget</b>	1,062,794	1,426,146	678,677	3,167,617	15.6	1,062,794	1,301,146	678,677	3,042,617	15.6
Change from Base Budget	0	125,000	0	125,000	0.0	0	0	0	0	0.0
% Change from Base Budget	0.0%	9.6%	0.0%	4.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

### Prior and Current Year Budget Recap - Secretary of State

	FTE	General	Federal	Other	Total
<b>Prior Year Recap</b>					
<b>FY 2018 Original Budget</b>	15.6	1,055,184	1,300,197	674,867	3,030,248
<b>Legislative Adjustments</b>					
Supplemental Bill - Health Insurance				PS	9,593
			736		2,623
Supplemental Bill			0	OE	2,044,315
			353		87,000
Supplemental Bill - Health Insurance			109	OE	324
					786
<b>Total Legislative Adjustments</b>	0.0	9,946	2,045,160	89,947	2,145,053
<b>Agency Adjustments</b>					
Prior Year Base Transfer		(28,069)	0	PS	28,069
			0	OE	(28,069)
Prior Year Base Transfer		28,069	0		0
			0		0
<b>Total Agency Adjustments</b>	0.0	0	0	0	0
<b>FY 2018 Adjusted Budget</b>	15.6	1,065,130	3,345,357	764,814	5,175,301
<b>Reversions</b>					
Prior Year Reversions		(231)	(28,417)	PS	(9,541)
				OE	(38,189)
Prior Year Reversions		(712)	(1,458,852)		(23,764)
					(1,483,328)
<b>Total Reversions</b>	0.0	(943)	(1,487,269)	(33,305)	(1,521,517)
<b>Unused FTE</b>	(1.0)				
<b>FY 2018 Percent Reverted</b>	6.5%	(0.1%)	(114.4%)	(4.9%)	(50.2%)

<b>Current Year Recap</b>		<b>FTE</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>FY 2019 Original Budget</b>		<b>15.6</b>	<b>1,055,184</b>	<b>1,300,197</b>	<b>674,867</b>	<b>3,030,248</b>
<b>Legislative Adjustments</b>						
Market Adjustment	PS		7,261	841	3,531	11,633
Market Adjustment	OE		349	108	279	736
<b>Total Legislative Adjustments</b>		<b>0.0</b>	<b>7,610</b>	<b>949</b>	<b>3,810</b>	<b>12,369</b>
<b>Agency Adjustments</b>						
<b>Total Agency Adjustments</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FY 2019 Adjusted Budget</b>		<b>15.6</b>	<b>1,062,794</b>	<b>1,301,146</b>	<b>678,677</b>	<b>3,042,617</b>

**SECRETARY OF STATE (3101)**

**BUDGET REQUEST: SECRETARY OF STATE (3101)**

	<b>FY 2017 Actual</b>	<b>FY 2018 Actual</b>	<b>FY 2019 Budget</b>	<b>FY 2020 Agency Request</b>	<b>FY 2020 Governors Recommended</b>	<b>Change From FY 2019</b>
<b>BY PROGRAM</b>						
Secretary of State	2,486,956	3,653,785	3,042,617	3,167,617	3,042,617	0
<b>Total</b>	<b>2,486,956</b>	<b>3,653,785</b>	<b>3,042,617</b>	<b>3,167,617</b>	<b>3,042,617</b>	<b>0</b>
<b>BY FUND CATEGORY</b>						
General	1,174,284	1,064,188	1,062,794	1,062,794	1,062,794	0
Federal	591,889	1,858,088	1,301,146	1,426,146	1,301,146	0
Other	720,783	731,509	678,677	678,677	678,677	0
<b>Total</b>	<b>2,486,956</b>	<b>3,653,785</b>	<b>3,042,617</b>	<b>3,167,617</b>	<b>3,042,617</b>	<b>0</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>1,063,555</b>	<b>1,051,903</b>	<b>1,088,772</b>	<b>1,088,772</b>	<b>1,088,772</b>	<b>0</b>
Salaries	825,478	808,334	846,796	846,796	846,796	0
Benefits	238,078	243,569	241,976	241,976	241,976	0
<b>Operating Expenditures</b>	<b>1,423,401</b>	<b>2,601,882</b>	<b>1,953,845</b>	<b>2,078,845</b>	<b>1,953,845</b>	<b>0</b>
Travel	12,706	10,030	21,322	21,322	21,322	0
Contractual Services	652,059	629,704	615,599	615,599	615,599	0
Supplies and Materials	156,691	131,184	202,084	202,084	202,084	0
Grants and Subsidies	362,171	1,650,190	1,094,040	1,094,040	1,094,040	0
Capital Outlay	239,766	180,774	20,800	145,800	20,800	0
Other	8	0	0	0	0	0
<b>Total</b>	<b>2,486,957</b>	<b>3,653,785</b>	<b>3,042,617</b>	<b>3,167,617</b>	<b>3,042,617</b>	<b>0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>15.3</b>	<b>14.6</b>	<b>15.6</b>	<b>15.6</b>	<b>15.6</b>	<b>0.0</b>
<b>FUNDING SOURCES (Governor's Recommended)</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>%General</b>	<b>%Federal</b>	<b>%Other</b>
STATE GENERAL FUND	1,062,794	0	0	100.0%	0.0%	0.0%
HAVA GRANT FUND	0	1,301,146	0	0.0%	100.0%	0.0%
SECRETARY OF STATE OTHER FUNDS	0	0	678,677	0.0%	0.0%	100.0%

**MAJOR ITEMS SUMMARY: SECRETARY OF STATE (3101)**

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2020 Base Budget</b>	1,062,794	1,301,146	678,677	3,042,617	0.0	1,062,794	1,301,146	678,677	3,042,617	0.0
<b>Maintenance of Current Operations</b>										
<b>Total Maintenance Adjustments</b>	0	0	0	0	0.0	0	0	0	0	0.0
<b>FY 2020 Program Maintenance Budget</b>	1,062,794	1,301,146	678,677	3,042,617	0.0	1,062,794	1,301,146	678,677	3,042,617	0.0
<b>Program Line Items</b>										
1. Voter Registration System Upgrade	0	125,000	0	125,000	0.0	0	0	0	0	0.0
<b>Total Program Line Items</b>	0	125,000	0	125,000	0.0	0	0	0	0	0.0
<b>FY 2020 Total Budget</b>	1,062,794	1,426,146	678,677	3,167,617	15.6	1,062,794	1,301,146	678,677	3,042,617	15.6
Change from Base Budget	0	125,000	0	125,000	15.6	0	0	0	0	15.6
% Change from Base Budget	0.0%	9.6%	0.0%	4.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**BUDGET DETAIL: SECRETARY OF STATE (3101)**

Prior Year Recap		FTE	General	Federal	Other	Total
<b>FY 2018 Original Budget</b>		<b>15.6</b>	<b>1,055,184</b>	<b>1,300,197</b>	<b>674,867</b>	<b>3,030,248</b>
<b>Legislative Adjustments</b>						
Supplemental Bill - Health Insurance	PS		9,593	736	2,623	12,952
Supplemental Bill	OE		0	2,044,315	87,000	2,131,315
Supplemental Bill - Health Insurance	OE		353	109	324	786
<b>Total Legislative Adjustments</b>		<b>0.0</b>	<b>9,946</b>	<b>2,045,160</b>	<b>89,947</b>	<b>2,145,053</b>
<b>Agency Adjustments</b>						
Prior Year Base Transfer	PS		(28,069)	0	28,069	0
Prior Year Base Transfer	OE		28,069	0	(28,069)	0
<b>Total Agency Adjustments</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FY 2018 Adjusted Budget</b>		<b>15.6</b>	<b>1,065,130</b>	<b>3,345,357</b>	<b>764,814</b>	<b>5,175,301</b>
<b>Reversions</b>						
Prior Year Reversions	PS		(231)	(28,417)	(9,541)	(38,189)
Prior Year Reversions	OE		(712)	(1,458,852)	(23,764)	(1,483,328)
<b>Total Reversions</b>		<b>0.0</b>	<b>(943)</b>	<b>(1,487,269)</b>	<b>(33,305)</b>	<b>(1,521,517)</b>
<b>Unutilized FTE</b>		<b>(1.0)</b>				
FY 2018 Percent Reverted		6.5%	(0.1%)	(114.4%)	(4.9%)	(50.2%)

**Prior Year Transfers Between Programs**

Transferred \$28,069 in general funds and \$28,069 in other fund expenditure authority within the Secretary of State. This is a base transfer from personal services to operating expenses and operating expenses to personal services. Funds will be used to accommodate the shift in expenditures from general funds to other funds.

**Prior Year Supplemental Adjustments**

An increase of \$2,044,315 in federal fund expenditure authority and was appropriated for the purpose of granting Help America Vote Act (HAVA) funds to counties to upgrade voting machines for disabled voters.

An increase of \$87,000 in other fund expenditure authority was approved for one-time software and website programming for document digitalization.

Current Year Recap	FTE	General	Federal	Other	Total
<b>FY 2019 Original Budget</b>	<b>15.6</b>	<b>1,055,184</b>	<b>1,300,197</b>	<b>674,867</b>	<b>3,030,248</b>
<b>Legislative Adjustments</b>					
Market Adjustment	PS	7,261	841	3,531	11,633
Market Adjustment	OE	349	108	279	736
<b>Total Legislative Adjustments</b>	<b>0.0</b>	<b>7,610</b>	<b>949</b>	<b>3,810</b>	<b>12,369</b>
<b>Agency Adjustments</b>					
<b>Total Agency Adjustments</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FY 2019 Adjusted Budget</b>	<b>15.6</b>	<b>1,062,794</b>	<b>1,301,146</b>	<b>678,677</b>	<b>3,042,617</b>
<b>FY 2020 Base</b>					
Agency Request	15.6	1,062,794	1,301,146	678,677	3,042,617
<i>Governor's Recommendation</i>	15.6	1,062,794	1,301,146	678,677	3,042,617
<b>FY 2020 Maintenance of Current Operations</b>					
Agency Request	15.6	1,062,794	1,301,146	678,677	3,042,617
<i>Governor's Recommendation</i>	15.6	1,062,794	1,301,146	678,677	3,042,617

### 1. Voter Registration System Upgrade

The Secretary of State requested an increase of \$125,000 in federal fund expenditure authority for a geographic information system upgrade to the TotalVote Statewide Voter Registration System. The total cost for the upgrade is \$250,000, with half requested in FY2020 one-time budget and half if the FY2020 base budget. The upgrades must be completed and in production by January 1, 2020 to be used for the 2020 federal elections.

*The Governor recommended that the entire \$250,000 in federal fund expenditure authority be included as an amendment to the FY2019 (current year) General Appropriations Act.*

Agency Request	0.0	0	125,000	0	125,000
<i>Governor's Recommendation</i>	0.0	0	0	0	0

<b>FY 2020 Total</b>					
Agency Request	15.6	1,062,794	1,426,146	678,677	3,167,617
<i>Governor's Recommendation</i>	15.6	1,062,794	1,301,146	678,677	3,042,617

Agency Request					
Change from Original Appropriation	0.0	0	125,000	0	125,000
% Change from Original Appropriation	0.0%	0.0%	9.6%	0.0%	4.1%

<i>Governor's Recommendation</i>					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%



**REVENUES: SECRETARY OF STATE (3101)**

<b>REVENUES</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Estimated FY 2019</b>	<b>Estimated FY 2020</b>
Annual Report Late Filing (GF)	343,400	568,650	325,000	325,000
Apostilles / Authentications (GF)	25,560	26,925	25,000	25,000
Photocopies (GF)	75,382	128,237	85,000	85,000
Domestic Corporations (GF)	3,268,559	3,906,335	3,200,000	3,200,000
Election Services Fees (GF)		2,837	1,000	1,000
Foreign Corporations (GF)	1,989,255	2,077,664	1,300,000	1,300,000
Lobbyists (GF)	23,680	23,760	24,000	24,000
Miscellaneous (GF)	5,834	4,316	4,500	4,500
Notaries Public (GF)	100,320	85,335	90,000	90,000
Paper Filing Fee (GF)	35,170	53,110	35,000	30,000
Pistol Permits - Regular (GF)	187,143	86,562	105,000	105,000
Trademark Registrations (GF)	55,340	45,560	47,000	45,000
Uniformed Commercial Code (GF)	866,589	862,923	850,000	850,000
Voter Registration Lists (FF)	65,030	57,555	50,000	50,000
Amended Annual Reports (OF)	7,575	9,975	7,500	7,500
Annual Subscriber Fees (OF)	224,971	198,600	192,500	191,000
Database Downloads (OF)	147,160	176,892	162,500	161,000
Delivery Fees (OF)	3,570	3,070	3,000	3,000
Domestic AR Filing Fee (OF)	50,652	61,500	52,000	52,000
Expedite Filing Fee (OF)	59,050	38,700	30,000	30,000
Fictitious Business Name (OF)	35,780	48,180	42,000	45,000
Foreign AR Filing Fee (OF)	17,178	16,929	15,000	15,000
Pistol Permits- Enhanced (OF)	100,061	78,550	75,000	75,000
Pistol Permits - Gold Card (OF)	942	936	900	900
Pistol Permits - Replacement Fee (OF)		1,254	800	800
Return Check Fee (OF)	240	160	150	150
Uniformed Commercial Code Filing Fee (OF)	121,125	107,643	100,000	100,000
<b>Total</b>	<b>7,809,566</b>	<b>8,672,158</b>	<b>6,822,850</b>	<b>6,815,850</b>

*In FY 2018 revenue type for Election Services Fees (GF) was added.*

**SELECTED STATISTICS: SECRETARY OF STATE (3101)**

<b>PERFORMANCE INDICATORS</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Estimated FY 2019</b>	<b>Estimated FY 2020</b>
<b>DOMESTIC/FOREIGN:</b>				
Corporations in File	24,200/11,523	17,279/11,763	15,000/11,000	14,000/11,000
Limited Partnerships in File	2,402/548	2,500/575	2,400/550	2,400/550
Limited Liability Companies in File	29,020/5,663	37,122/6,901	33,000/6,000	33,000/6,200
Limited Liability Partnerships in File	775/93	901/108	800/95	800/95
New Corporations	1,021/739	757/666	700/650	650/600
New Limited Partnerships	78/19	60/16	60/15	60/15
New Limited Liability Companies	5,106/752	6,015/874	6,000/800	6,200/850
New Limited Liability Partnerships	55/15	51/13	50/10	50/10
Corporations Annual Reports	66,634	79,079	63,000	65,000
UCC Subscribers	568	510	485	480
UCC & EFS	54,282	55,646	52,000	52,000
Trademark Registration	369	363	365	365
Pistol Permits - Regular	27,655	12,540	15,000	15,000
Pistol Permits - Enhanced	1,912	1,558	1,500	1,500
Pistol Permits - Gold Card	169	163	150	150
Notary Commissions	3,327	2,865	3,000	3,000
Voter Registration List	129	310	110	110
PAC, Ballot Question, Party Committees	167	264	264	264
Candidate Committees	261	333	333	333
Statewide Initiative and Referendum Petitions	20	11	10	10

**Other Fund Balance History**

<b>Company</b>	<b>60 Month Average</b>	<b>Minimum Balance</b>	<b>Most Recent Occurrence of Minimum</b>	<b>Balance on June 30</b>				
				<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
3013 - FILING FEE FUND	56,191	(4,071)	July 2013	23,945	24,799	25,000	24,995	25,000
8000 - SECRETARY OF STATE	11,253	-	December 2017		4,350	3,150	3,270	