

State Board of Finance

Minutes

Tuesday, December 19, 2017
2:00 p.m.

Governor's Small Conference Room
Capitol Building

Board members present: Tony Venhuizen, Office of the Governor; Teresa Bray, Office of the Secretary of State; Ann Holzhauser, Office of the Attorney General; Jason Lutz, Office of the State Auditor; Leah Svendsen, Bureau of Administration; and Colin Keeler, Bureau of Finance and Management. Guests included; Bob Mercer, Newspapers; John Ponselet, Governors Inn; Anthony Galbraith, The Lodge at Deadwood; Michele Brich, South Dakota Hotel & Lodging Association; Debbie Lancaster, Bureau of Information and Telecommunications; and Kayla Dowling, Office of the Secretary of State.

Call to order: Tony Venhuizen called the meeting to order at 2:00 p.m.

Agenda: Jason Lutz moved and Leah Svendsen seconded to approve the agenda as presented. A voice vote was taken. Motion carried.

Minutes: Colin Keeler moved and Jason Lutz seconded to approve the minutes from the meeting on November 21, 2017 with a correction to Michele Brich's last name in the Action Items. A voice vote was taken. Motion carried.

State Transfers: Leah Svendsen moved and Teresa Bray seconded to approve the following State Transfers. A roll call vote was taken and the motion carried unanimously.

- Department of Game, Fish, and Parks
 - Travis March

Professional Recruitment: Colin Keeler moved and Jason Lutz seconded to approve the following Professional Recruitments. A roll call vote was taken and the motion carried unanimously.

- Bureau of Information and Telecommunications
 - Mark Freund
- Department of Game, Fish, & Parks
 - Chalis Bird
 - Nathan Huysman
- South Dakota School of Mines and Technology
 - James Rankin
- South Dakota State University
 - Dr. Florencio Aranda
- University of South Dakota
 - Kristin Berg

State Hosting Reimbursement Request – SDCL 3-9-2.1: A motion was made by Teresa Bray and seconded by Leah Svendsen to approve the following State Hosting Reimbursement requests. A roll call vote was taken and the motion carried unanimously.

- Governor's Office of Economic Development
 - Kristen Honey
 - Steve Watson
- Department of Tourism
 - Alexa Steiner (Dorn)

Home Station Per Diem Reimbursement Request – SDCL 3-9-2.2: A motion was made by Jason Lutz and seconded by Colin Keeler to approve the following Home Station Per Diem Reimbursement requests. A roll call vote was taken and the motion carried unanimously.

- Department of Game, Fish, and Parks
 - Game, Fish, and Parks leadership and strategic plan meetings held on November 30, 2017 in Pierre.
 - Wildlife training held October 5, 2017 to October 27, 2017 across the state.
 - Wildlife training held on October 3, 2017 in Sioux Falls.
 - Post academy training held June 2, 2017 to June 30, 2017 in Pierre.

NOTE: *This meeting is being held in a physically accessible place. Individuals needing assistance, pursuant to the Americans with Disabilities Act, should contact the Secretary of State's Office at (605) 773.3537 in advance of the meeting to make any necessary arrangements.*

A motion was made by Colin Keeler and seconded by Leah Svendsen to approve the following Home Station Reimbursement Requests. A substitute motion was made by Jason Lutz and seconded by Leah Svendsen to only approve the request for the employee listed on the request form and the other employees would need to submit requests individually for approval. A roll call vote was taken and the motion carried unanimously.

- Department of Game, Fish, and Parks
 - Calley Worth has resubmitted a reimbursement request this month as a Home Station request instead of a State Hosting request for a meeting with Game, Fish, and Parks website vendors that was held in Pierre on June 29, 2017.

A motion was made by Jason Lutz and seconded by Teresa Bray to only approve the request for the employee listed on the request form and the other employees would need to submit requests individually for approval. A roll call vote was taken and the motion carried unanimously.

- Department of Game, Fish, and Parks
 - Review bridge 44 building plans meeting held on November 28, 2017 in Pierre.
 - Game, Fish, and Parks operations team meeting and working lunch held on November 29, 2017 in Pierre.

A motion was made by Jason Lutz and seconded by Teresa Bray to only approve the request for only four Pierre employees. A roll call vote was taken and the motion carried unanimously.

- Department of Tourism
 - South Dakota Arts board meeting held on November 3, 2017 in Pierre.

Debt Write Offs: A motion was made by Colin Keeler and seconded by Leah Svendsen to approve the following debt write offs. A roll call vote was taken and the motion carried unanimously.

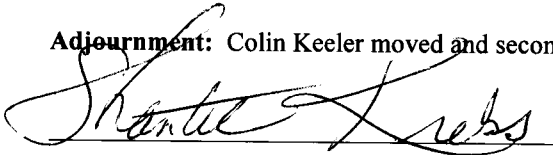
- Department of Human Services submitted 1 debt write off totaling \$245,185.25.

Action Items:

A follow-up discussion was held regarding the request from the SD Hotels and Lodging Association to reconsider tying the state lodging rate to the current federal lodging rate. Colin Keeler reported that he reran the cost projections based on actual numbers from FY 2017. He ran the numbers by month and zip code to account for seasonal differences, as well as location. At 100% of the federal rate, the increase to the budget would be between \$1.76 to \$2 million. The cost neutral amount is 63.5% of the federal rate, which is lower than the current summer rate at 65% of the federal rate. There is approximately a 3.7% increase per year to the federal rate. With the current state of the state revenue and budget, and the fact that schools and state employees have not been given increases for FY 2018 and proposed for FY 2019, the Board agreed that action would not be taken at this time to increase the state rate for lodging. The request would be deferred until the revenue and budget projections were more favorable.

Continued discussion was held regarding the Board accepting electronic, scanned or faxed signatures on requests. Ann Holzhauser stated her review of the statutes did not identify any legislation that needed to be brought during this session. Debbie Lancaster, Bureau of Information and Telecommunications, provided an overview of the DocuSign contract the Department of Education uses for its contract process and how this might be used in state government. The Board asked that arrangements be made for scheduling a demonstration from the company. She did state that DocuSign was the state standard. Tony Venhuizen stated that discussion on accepting a scanned or faxed signature would need to specifically state on the agenda action may be taken. Further discussion was deferred to next month.

Adjournment: Colin Keeler moved and seconded by Teresa Bray to adjourn the meeting. The meeting was adjourned at 2:40 p.m.



Shantel Krebs, Secretary of State