



Division of Finance & Management

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TO: South Dakota Railroad Board  
FROM: Jack Dokken, Office of Air, Rail and Transit  
DATE: May 21, 2025  
SUBJECT: Consideration of Funds Transfer

The South Dakota Railroad Board (the "Board") and the Department of Transportation (SDDOT) use two different funds to pay for railroad activities.

[SDCL 1-44-31](#) creates the railroads administration fund, which is used to accumulate income received from railroad property and pay for the administrative and maintenance expenditures listed in the statute.

[SDCL 49-16C-1](#) creates the railroad trust fund, which is used for the broad purposes of planning, enlarging, maintaining, equipping, and protecting railroads and road facilities. The Board has used railroad trust funds to provide match for federal railroad rehabilitation grants, to provide loans to regional railroad authorities, and for other activities the Board and Governor have deemed appropriate.

With the changes in state railroad ownership, the railroad administration fund has had a drastic decrease in annual income. Because of this decrease, the administration fund will need an income adjustment provided by the trust fund.

In 2021, the Board approved transferring \$540,000 to the railroad administration fund for FY2021 to FY2025 administration and maintenance expenditures. SDDOT is requesting that the Board authorize a transfer of \$600,000 from the railroad trust fund to the administration fund for FY2026 through FY2028. SDDOT expects the requested amount to last three years.

A six-year history of administration funds is included on the next page.

**DEPARTMENT OF TRANSPORTATION  
RAILROAD ADMIN FUND  
CONDITION STATEMENT (3042)**

	ACTUAL FY2020	ACTUAL FY2021	ACTUAL FY2022	ACTUAL FY2023	ACTUAL FY2024	YTD thru April 2025 ACTUAL FY2025
41 Taxes						
42 Licenses, Permits & Fees	62,197	21,379	33,369	31,332	29,641	30,302
44 Rev/Use of Money/Property	103,867	74,472	36,529	38,300	50,352	48,136
48 Other Revenues	0	0	0	0	0	0
49 Nonoperating Revenues	0	540,000	0	0	0	0
<b>TOTAL RECEIPTS</b>	<b>\$166,064</b>	<b>\$635,851</b>	<b>\$69,898</b>	<b>\$69,632</b>	<b>\$79,993</b>	<b>\$78,438</b>
5101 Salaries	125,898	110,642	115,498	115,957	131,021	112,917
5102 Benefits	57,160	56,194	53,247	51,554	54,861	50,156
5203 Travel	10,712	4,775	5,212	5,001	5,819	4,901
5204 Contractual Services	20,142	16,042	16,252	19,930	30,320	21,739
5205 Supplies	5,612	2,075	3,606	4,968	3,509	840
5206 Grants	0	0	0	0	0	0
5207 Capital Outlay	53	104	365	374	522	3,632
5208 Other	0	0	0	0	0	0
<b>TOTAL DISBURSEMENTS</b>	<b>\$219,576</b>	<b>\$189,831</b>	<b>\$194,180</b>	<b>\$197,783</b>	<b>\$226,052</b>	<b>\$194,185</b>
<b>ENDING BALANCE</b>	<b>\$97,465</b>	<b>\$693,789</b>	<b>\$542,204</b>	<b>\$386,669</b>	<b>\$213,266</b>	<b>\$38,465</b>