



# SOUTH DAKOTA INVESTMENT COUNCIL

4009 West 49th Street, Suite 300  
Sioux Falls, SD 57106-3784 USA  
Phone: (605) 362-2820

## MEMORANDUM

TO: Matthew L. Clark  
FROM: Sherry Z. Nelson  
DATE: July 28, 2020  
RE: South Dakota CD Program 2020-2021

The following is proposed for this year's South Dakota Cash Flow Fund Certificate of Deposit Program.

- Size of the Program -- \$35 million
- Time and Date for Setting the Rate – 11:00 a.m. (CST) on September 28, 2020.
- Method of Determining Interest Rate – Yield of Treasury note 1.125% due 9/30/21 with a floor of 0%, plus .15% to compensate for illiquidity and an additional .10% to compensate for collateral risk (agency risk premium versus treasuries).
- Terms for CDs – Issued 9/30/20 to mature on 9/30/21 (365/365 days).
- Reallocation – as defined in codified law

Discussion and potential action on the CD Program will take place at the August 27, 2020 Council meeting.

szn