



## **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: August 8, 2019  
RE: South Dakota CD Program 2019-2020

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 26, 2019.
- Method of Determining Interest Rate – Yield of Treasury note 2% due 9/30/20 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 9/30/19 to mature on 9/30/20 (366/366 days).
- Reallocation – as defined in codified law

Discussion and potential action on the CD Program will take place at the August 26, 2019 Council meeting.

szn