

SOUTH DAKOTA BANKING COMMISSION
Minutes of the regular meeting of Tuesday, October 13, 2009

The South Dakota Banking Commission held a regular meeting on Tuesday, October 13, 2009, at Capitol Building, Meeting Room 412, in Pierre, South Dakota.

The meeting was called to order at 11:00 am.

In attendance: Acting Chairman John Lillibridge; Commissioners Paul Christen, Doyle Estes, and Richard Westra; Commission Legal Counsel Curt Jensen; Director of Banking Roger Novotny;; Division Legal Counsel Bret Afdahl; Secretary to the Commission Lynda Fratzke; Financial Institution Examiner Brock Jense, Dr. Sharon Paranto and Dr. Hillar Neum ann, NSU, Aberdeen; Jim Terwilliger, BFM, Pierre and Curt Everson, SDBA, Pierre. Chairmain Jeff Erickson was present by teleconference.

Agenda Items:

1. Welcome and Introductions
2. Approval of meeting minutes from April 30, 2009
3. Rules Hearing
4. Application Report
5. Other Business
6. Division Budget Review
7. Legislative Update
8. Policy Considerations
9. Other Business
10. Executive Session
11. Adjournment

AGENDA ITEM #1 WELCOME AND INTRODUCTIONS

Acting Chairman Lillibridge welcomed all those in attendance. Roger Novotny introduced Brock Jensen, a new financial examiner with the Division. Mr. Jensen gave a brief background of himself.

AGENDA ITEM #2 APPROVAL OF MEETING MINUTES FROM APRIL 30, 2008

Motion: by Erickson, 2nd by Estes to approve the meeting minutes from April 30, 2008

Approved by the following vote:

ACTION: 5-0 AYE (Erickson, Lillibridge, Christen, Estes, Westra)

AGENDA ITEM #3 RULES HEARING ON REPEAL OF ARTICLE 20:02 AND AMENDING ARSD 20:07:10:02, 20:07:19:02, 20:07:19:03, 20:07:19:03.01, 20:07:19:11, 20:07:19:12, 20:07:19:13; 20:07:19:14, 20:07:21:02 AND 20:07:22:01 20:07:06:03, 20:07:20:01 AND 20:07:20:02

Acting-Chairman Lillibridge opened the hearing at 11:05 am. Bret Afdahl gave brief overview of the changes in the rules.

Motion: by Christen, 2nd by Westra to approve amending repeal of Article 20:02 and amending ARSD 20:07:10:02, 20:07:19:02, 20:07:19:03, 20:07:19:03.01, 20:07:19:11, 20:07:19:12, 20:07:19:13; 20:07:19:14, 20:07:21:02 and 20:07:22:01 20:07:06:03, 20:07:20:01 and 20:07:20:02

Approved by the following vote:

ACTION: 4-0 AYE (Lillibridge, Westra, Christen, Estes / Erickson abstained)

AGENDA ITEM #4 APPLICATION REPORT

Director Novotny gave a brief rundown of the applications received and/or approved since January 1, 2009.

AGENDA ITEM #5 OTHER BUSINESS

Jim Terwilliger, Bureau of Finance & Management, gave a brief explanation of today's economy and how it is affecting the state's budget.

Dr. Paranto, Interim Dean, and Dr. Neumann, Coordinator of the Financial Economics, Banking and Finance Program, of Northern State University, gave brief updates on the Banking and Finance SerActings Degree along with upcoming changes in courses and degrees.

At 12:25pm, Acting Chairman Lillibridge announced that the Commission would take a five minute break.

At 12:26pm, the Commission reconvened.

AGENDA ITEM #6 DIVISION BUDGET REVIEW

Director Novotny gave a brief summary of the end of FY09 and the current and upcoming budget.

AGENDA ITEM #7 LEGISLATIVE UPDATE

Director Novotny informed the Commission that the Division of Banking will not be submitting any legislation this year.

Curt Everson, South Dakota Bankers Association, gave a brief update on what is happening in Washington regarding financial services and regulatory reform.

AGENDA ITEM #8 POLICY CONSIDERATIONS

Director Novotny stated the policy considerations would be left on the agenda for the next Commission meeting.

AGENDA ITEM #9 OTHER BUSINESS

Director Novotny informed the Commission of the North Dakota/South Dakota Training Conference went excellent. He also gave them a brief update on matters relating to the Conference of State Bank Supervisors.

Bret Afdahl gave a summary on what is happening with trust law and proposed changes.

AGENDA ITEM #10 EXECUTIVE SESSION

Acting Chairman Lillibridge entertained a motion to move into Executive Session.

Motion: by Christen, 2nd by Estes to move into Executive Session.

At 1:05 pm, the Commission went into Executive Session.

At 1:30 pm, the Commission reconvened.

Motion: by Estes, 2nd by Westra to come out of Executive Session

AGENDA ITEM #11 ADJOURNMENT

There being no further business, Acting Chairman Lillibridge asked for a motion to adjourn.


Motion: by Christen, 2nd by Westra to adjourn

Approved by the following vote:

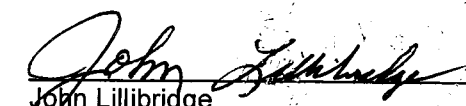
ACTION: 5-0 AYE (Erickson, Lillibridge, Christen, Estes, Westra)

At the hour of 1:30 pm. the Banking Commission adjourned.

Respectfully submitted on this
15th day of October, 2009, by:


Lynda Fratzke
Secretary to the Banking Commission

Approved on this 13th day of
May, 2010 by:


John Lillibridge
Acting Chairman, South Dakota
Banking Commission