

SDBANKER



OFFICIAL PUBLICATION OF THE SOUTH DAKOTA BANKERS ASSOCIATION | JUNE 2020

**Annual Report Issue,
and SDBA Going Virtual**



SDBANKERS
ASSOCIATION

Educate. Advocate. Grow.

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VIRTUAL TOWNHALL

Tuesday, June 9
10:30 - 11:30 am

“Live from D.C.: A Conversation with the FDIC Chairman”

Tuesday, June 9
10:30-11:30 am CT

Registration details will be available soon at www.ndba.com.
When you register, you'll have a chance to submit a question.

Jelena McWilliams was sworn in as the 21st Chairman of the FDIC on June 5, 2018. She serves a six-year term on the FDIC Board of Directors and is designated as Chairman for a term of five years.

Ms. McWilliams was Executive Vice President, Chief Legal Officer, and Corporate Secretary for Fifth Third Bank in Cincinnati, Ohio. Prior to joining Fifth Third Bank, McWilliams worked in the U.S. Senate for six years, most recently as Chief Counsel and Deputy Staff Director with the Senate Committee on Banking, Housing and Urban Affairs, and previously as Assistant Chief Counsel with the Senate Small Business and Entrepreneurship Committee.

From 2007 to 2010, Ms. McWilliams served as an attorney at the Federal Reserve Board of Governors, where she drafted consumer protection regulations, reviewed and analyzed comment letters on regulatory proposals, and responded to consumer complaints.



FDIC Chairman
Jelena McWilliams

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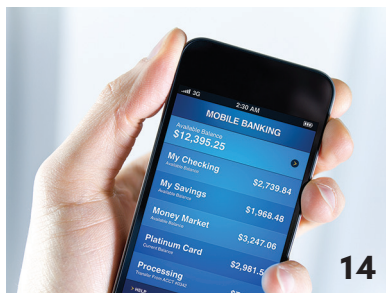
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message from the chair.....

BY SHAWN ROST | South Dakota Market President | First Interstate Bank, Rapid City

Is it the end of the world as we know it?

In June, the “Message from the Chair” article is usually a time to reminisce about the good fortune, good deeds and great accomplishments achieved by the SDBA staff, our member banks, our board of directors and the advocacy groups we support. I held great aspirations earlier this year to write such an article.

With eight months under my belt as Chair, our banking industry and our economy had achieved great results in terms of asset growth, earnings growth, healthy loan portfolios and a soaring stock market. I was ready to round the final corner of my 12-month term and start the reminiscing. Oh, the great things to discuss. I understand my personal impact on the aforementioned great things ranged from absolutely nothing to very little, but it was my article!

And then came March. My theme song for this past March is REM’s hit song, “It’s the End of the World As We Know It.” COVID-19 gets a stranglehold on America, businesses close, shelter-in-place orders are issued, 30%-plus stock market correction, unemployment soars, our ag industry continues to suffer, and most significantly and heartbreaking, people are dying and being hospitalized with a disease we don’t understand.

April rolls around, and some direction is found in the storm. Bankers start delivering PPP loans to America, and stimulus checks and unemployment benefits start arriving. People find ways to pay their rent or mortgage, buy or order online groceries, teach their kids at home, work remotely if they can, trade steaks for toilet paper and Clorox wipes, and find a new normal. OK, maybe I was the only one bartering.

In May, we were concerned about how PPP loans would be forgiven. Guidance arrived via another Interim Final Rule bulletin, and we had more questions and fears as we read through it. We finally saw some relief for our ag producers via direct assistance provisions in the Coronavirus Food Assistance Program. I expect our questions and concerns for both of these items to be resolved in the near future so we can help our clients who truly need the debt forgiven and the aid to help offset depressed commodity prices.

It is frustrating, but we have faith that somehow the bureaucracy will find a way to deliver what our senators and representatives intended—forgivable loans to businesses so they can pay their bills and provide paychecks to their employees, as well as cash

payments to ag producers to help them weather the storm, which was already scary prior to the pandemic and is now moving from a bad crisis to a severe crisis.

What does June hold for us? We will start to find resolution and get PPP loans forgiven. Ag producers will receive much needed cash payments. The SDBA/ NDBA Annual Convention has been canceled, and the SDBA’s Annual Business Meeting will be held via Zoom on June 9. (See the story on page 10 for more details.)

During the Zoom meeting, you could hear me thank our entire SDBA staff for helping us avoid any damaging legislation this session. I may also thank them for being a knowledgeable resource for our South Dakota banks as we navigated these unseen times and the PPP challenges. I might also discuss what a great organization the SDBA is and how it is always working to protect the interests of its members. I may discuss the pending retirement of Curt Everson later this year. He has been an amazing asset to the state of South Dakota and our industry, and we are all thankful to have been able to work with him and learn from him. Tune in for the meeting to see what actually happens!

This has been the craziest year of my banking career. Even in my wildest nightmares, I never thought 2020 would earn that award. I have had a great time being chair of the SDBA. I have created so many new friendships and have learned so much from so many bankers. I am thankful you all gave me this opportunity.

Moving back to my March theme song, the phrase “And I Feel Fine” is part of the full title in parentheses. In hearing the song’s full title, which phrase resonates with you? It’s the end of the world? It’s the end of the world as we know it? Or it’s the end of the world as we know it, and I feel fine?

The entire title resonates with me because I choose to believe that our world will always throw unexpected chaos at us. As leaders, we know that we always are changing and adapting to new circumstances. Success is our duty, so we always find a way to lead our employees, customers, communities and companies through the latest storm. I feel fine with that responsibility. I expect you do too. 🌈

Shawn Rost is South Dakota market president at First Interstate Bank in Rapid City. Rost can be reached at 605.716.8928 or shawn.rost@fib.com.



from the executive office.....

BY CURT EVERSON | President | South Dakota Bankers Association

An Even Stronger Advocate for the Industry

If someone had told me a year ago that an imported virus would sicken more than 1.5 million Americans, bring death to more than 90,000, threaten to overwhelm this nation's medical infrastructure, paralyze major sectors of the U.S. economy and prompt a bitterly-partisan Congress to enact economic stimulus packages totaling more than \$3 trillion, I might have suggested they should seek professional help. But that is our current reality.

Like you, every member of the SDBA and SDBIS staff has made significant adjustments in our personal and professional lives. We all feel blessed to live in sparsely-populated South Dakota where social distancing is rather easy to do. At the same time, we are anxious to return to a pre-pandemic way of life.

But none of us know when or if that will occur. Our lives and ways of doing business, post-COVID19 pandemic, will probably be different. That is true for banks and trade associations alike. Time frames surrounding the development of effective treatment protocols and preventative vaccines are uncertain. Have you noticed lately how many conversations about so many subjects end with, "I don't know?"

We will continue to learn more about COVID-19, and our understanding of the new normal will grow clearer in the months to come. That said, I want to spend the rest of my annual report highlighting association activities during the past 12 months.

State Government Relations

The 2020 State Legislature was relatively quiet for South Dakota's banking industry compared to any number of sessions past. Is that an indicator for future sessions? Probably not. 2020 is an election year, and it is likely that more than a third of South Dakota's 105 seats will likely change hands in November. New legislators generally bring new ideas. Below is a list of bills the SDBA dealt with during the 2020 Legislature.

Appraisers, Real Estate Brokers and Real Property Evaluations (HB1126 and HB1127): During the summer of 2019, discrepancies came to light regarding regulatory guidance used by bankers and used by appraisers in relation to real estate transactions. The SDBA pushed for introduction and successful passage of HB1127 to clarify that licensed, certified or

registered appraisers have the authority to conduct both appraisals and evaluations of real property. The SDBA also supported HB1126 as a companion measure to specifically authorize licensed real estate brokers to conduct evaluations of real property.

Investment of Local Government Reserves (SB133 and SJR502): Given the current state of widespread budget shortfalls facing state and local governments throughout the country, it is ironic that two measures were introduced to allow cities, counties and schools to invest their cash reserves outside of South Dakota. SJR502 proposed to amend South Dakota's constitution to allow local governments to invest up to 20% of cash reserves in a diverse portfolio of stocks, bonds, mutual funds and the like. SJR502 was tabled in committee. SB133 proposed to allow local governments to invest any amount of funds not needed for current operating expenses in brokered CDs. Opposition voiced by the SDBA, ICBS and many individual bankers led to the defeat of this measure.

Streamline Legal Publication Process for Changing Bank Branches (HB1015): Processes used by government agencies when ordering and paying for legal advertisements in newspapers are a bit inefficient. Introduced at the request of the South Dakota Division of Banking, the SDBA supported this successful measure that allows banks that apply to build a new branch or to move or close an existing branch to pay directly for the publishing of the required notice. The Division will propose rule changes to adjust current application fee schedules to make this measure cost neutral for state-chartered banks.

Disclosure of Tax Returns to Legislative Research Council (SB110): Through a tortuous legislative process in 2019, the SDBA led successful efforts to defeat several proposals designed to provide legislators and Legislative Research Council staff with access to tax returns and other confidential records filed with various state agencies. This year, SB110 proposed to add the director of the Legislative Research Council to a short list of government officials with authority to access taxpayer records and returns held by the SD Department of Revenue. Sensing little support for this year's measure, the bill's prime sponsor asked that SB110 be withdrawn from the process without debate.

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south dakota bankers insurance & services update.....

BY MIKE FEIMER | President | South Dakota Bankers Insurance & Services Inc.

Providing Products and Services to Our Members

The year started with a little above-normal claim experience through February, and then the malicious coronavirus reared its ugly head. Because of the stay-at-home recommendations and limited ancillary medical procedures, we have experienced much lower claims for the last two months—in fact record low claims. Now, as we start to get back to “normal” there will be pent-up demand, but I expect we will have a positive claims year. We possibly may even have a premium holiday this December. We will wait to see a few more months of experience, and the South Dakota Bankers Benefit Plan Board of Trustees will discuss it.

Wellmark Blue Cross Blue Shield

This is the 16th year of enjoying the strength and ease of working with Wellmark Blue Cross Blue Shield (BCBS) as the endorsed health insurance carrier for our South Dakota Bankers Benefit Plan (SDBBP). We are currently in our seventh year of being self-insured. The total number of banks on the group health plan is 36, our number of covered lives continues to average around 2,450 lives, and our premium has grown to just more than \$16,025,826. For 2020, we had a low 4% increase in premium, compared to other South Dakota large groups experiencing 3% to 12% increases.

We are always welcoming new banks and look forward to bringing more on this year. We are continuing to grow our reserves, and during the last 12 months we have done well on claims so that has allowed us to build reserves at a faster rate. The SDBBP has \$5,968,575 in reserves as of April 30, 2020. Of that, \$1,502,910 is carved out for incurred but not reported claims to pay for claims if we closed the MET.

Our Board of Trustees will meet in August to review with BCBS our last year's results and vote on recommendations for the upcoming year. If this year continues the same trend, we will be looking at a favorable single-digit renewal rate for next year.

Heart & Vascular Screening Program

At an SDBIS Board of Directors meeting last December, Lynn Thomas from Sanford Health gave a presentation on the Planet Heart Program. This February, we launched the SDBBP Heart & Vascular Screening Program in collaboration with Avera Heart

Hospital, Sanford Heart Hospital, Monument Health (former Regional Health) and Prairie Lakes Healthcare System.

All employees and covered spouses who are age 40 or older and part of the SDBBP will receive a heart and vascular screening free of charge, with the SDBBP covering exam expenses. Those not covered by SDBBP are welcome and encouraged to screen for a negotiated rate of \$50. We will continue this program into 2021. A special thanks to Mick Gibbs, president of Avera Heart Hospital in Sioux Falls, for his help with this project.

Medicare Supplement Group Program

We have a new BCBS Medicare supplement product for retiring employees. This is a unique product only available in a group health setting.

On Jan. 1, 2020, the federal government stopped providing Medicare Plan F in the individual market. Plan F was the most popular plan for both new and existing Medicare enrollees. Therefore, individuals turning age 65 after Jan. 1, 2020, are no longer able to purchase this popular plan on their own.

Fortunately for members of the SDBBP, Plan F is now available through Wellmark BCBS. This program will provide retirees with two plans—a traditional Medicare Plan F and a high-deductible Plan F. Retirees can enroll in either of these plans without any medical underwriting questions, and they will pay the same premium regardless of their age or gender. The premiums for the traditional Medicare Plan F are \$203.10 per month. The high-deductible Medicare Plan F has a premium of \$101.60 per month—a 50% savings. In exchange for low monthly premiums, the high-deductible Plan F has an annual deductible of \$2,300.

In addition to medical coverage, retirees will also be able to purchase a Medicare Part D prescription drug plan along with vision and hearing benefits directly from Wellmark BCBS. This new program was rolled out in March, and it has been well received by our member banks, both large and small.

Hypur—Marijuana-Related Business Partner

At the SDBIS Board of Directors meeting in December 2019, we received a review of a company that works with banks that have customers in the

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south dakota bankers foundation update.....

BY HALLEY LEE | Executive Director | South Dakota Bankers Foundation

Developing Banking Industry Professionals

The past couple of years, the South Dakota Bankers Foundation Board has been discussing the need to evaluate and update the Foundation's overall mission and programming.

The South Dakota Bankers Foundation (SDBF) was established in the mid-1980s with the broad purpose of promoting and supporting banking and financial education in South Dakota. Past programming has included the high school Business Plan Competition, high school and post-secondary scholarships, Personal Economic Program (PEP) which provided financial literacy materials for k-12 students, high school educational seminars and the Community Service Awards program. While we acknowledge these programs were beneficial in the past, the time has come to examine each offering to determine the current value provided to our state's banking industry.

During the Foundation's 2019 meeting, the Board of Directors unanimously agreed to update the Foundation's mission statement to: **Developing South Dakota Banking Industry Professionals.**

In support of the re-defined mission statement, the decision was made to redesign the Foundation's scholarship programs. The SDBF will be consolidating the former high school scholarships and the post-secondary scholarships into a broader scholarship opportunity that will more directly help to build and sustain South Dakota's banking workforce.

Beginning this November, the former high school scholarship program will be absorbed into this new scholarship program, along with the post-secondary funds previously given directly to seven educational institutions in the state. Each SDBA member bank will now have the opportunity to apply for one of 40, \$2,000 scholarships. Applications must be submitted through the parent bank, but may be awarded at any of the organization's locations.

The five named scholarships currently available through the Foundation (David S. Birkeland, Deb Gates, Alan M. Graff, Joyce Hazeltine and Herman Lerdal scholarships) will continue to be awarded separately.

Details of the new scholarship program have been sent to all banks and are outlined at www.sdba.com/scholarships. Internship development and career awareness resources can be found via the SDBA website at www.sdba.com/banking-career-awareness.

Quasi-Endowment

In May 2017, First Bank & Trust in Brookings assumed management of the SDBF's quasi-endowment fund. Earnings from the quasi-endowment have in the past supported the high school scholarship program for graduating seniors and post-secondary scholarships. Contributed value of the quasi-endowment fund is \$1.383 million with a market value of \$2.690 million as of Dec. 31, 2019, compared to a market value of \$2.231 million as of Dec. 31, 2018. The asset allocation of the portfolio ending Dec. 31, 2019, was approximately 70% equity, 28% fixed income and 2% cash.

The high school scholarship program continued to be popular among South Dakota banks this past year. There were 204 applications for scholarships for the 2020 program, with 180 awards being made. These \$1,000 scholarships were awarded to South Dakota high school seniors by the member banks.

Seven, \$1,500 post-secondary scholarships sponsored by the SDBF were awarded at Black Hills State University, Dakota State University, Lake Area Technical Institute, Northern State University, South Dakota State University, Southeast Technical Institute and University of South Dakota.

In addition to these seven scholarships, the SDBF directly awarded five named scholarships to students at South Dakota colleges and universities. To be eligible, students must be an undergraduate in their junior year and have expressed an interest in a career in banking, business or finance. *For a story on the 2020 named scholarship recipients, see page 8.*

Banking Chair Endowment

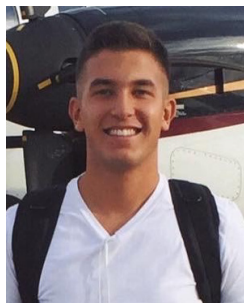
The Banking Chair Endowment fund continues to be managed by the University of South Dakota Foundation. Market value of the Banking Chair Endowment stands at \$403,979 as of Dec. 31, 2019—up from \$363,983 as of Dec. 31, 2018. The payout from the banking chair endowment has provided funding for special banking research programs and a portion of the salary and benefits for the professor of the Institute for the Study of Rural Banking, who is currently Dr. Klaus Beckmann. Discussions with Dr. Beckmann continue to identify a meaningful project moving forward.

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Bankers Foundation Awards Scholarships

The South Dakota Bankers Foundation annually awards five scholarships to students at South Dakota colleges and universities. To be eligible for these scholarships, students must be an undergraduate in their junior year and have expressed an interest in a career in banking, business or finance.

David S. Birkeland Scholarship



Claudio Escudero, a Black Hills State University student, was named the 2020 winner of the \$3,000 David S. Birkeland Scholarship. Escudero, who is from Spearfish, is pursuing a degree in business administration with a specialization in management. His career plans include working for a rural

community bank. He has been actively involved in various leadership and community service positions throughout his college career.

The David S. Birkeland Scholarship was created in memory of banker David S. Birkeland, past president of the South Dakota Bankers Association and president of First Bank of South Dakota in Sioux Falls. Birkeland was killed in a plane crash with Gov. George S. Mickelson and six others in April 1993, while serving his community and state.

Deb Gates Scholarship



Matthew Sperry, a precision agriculture and agronomy major with a minor in ag business at South Dakota State University in Brookings, is the recipient of the \$1,500 Deb Gates Scholarship. This scholarship was established to honor Deb Gates, the former executive director of the South Dakota Bankers Foundation.

Sperry, hailing from Bath, S.D., will graduate in May 2021 and plans to establish his own business in agronomy, crop consulting and tech services. His strong work ethic and leadership skills will ensure a successful career path for Sperry.

Alan M. Graff Scholarship

Garrett Kroger, an accounting major at the University of South Dakota in Vermillion, was named the recipient of the \$4,000 Alan M. Graff Scholarship. The Graff Scholarship was endowed to the South



Dakota Bankers Foundation through generous contributions from First PREMIER Bank, PREMIER Bankcard and employees of First PREMIER.

A native of Sioux City, Iowa, Kroger plans to become a community banker. Kroger has served in a variety of leadership positions and extracurricular

activities during his time at USD.

Joyce Hazeltine Scholarship



Makayla DeDeyne, a student at South Dakota State University in Brookings, was named the 2020 winner of the \$3,000 Joyce Hazeltine Scholarship. DeDeyne, who is from De Smet, is majoring in agricultural business administration with a minor in accounting. She plans to pursue a career in banking and accounting

upon graduation.

The Joyce Hazeltine Scholarship was created in honor of Hazeltine's fundraising efforts as campaign chair for the Foundation's high school scholarship program. Hazeltine served eight years as a Foundation board member and as the organization's chair, and it was during her tenure with the Foundation that she spearheaded a major fundraising campaign.

Herman Lerdal Scholarship



Blake Chesley, a student at Augustana University in Sioux Falls, was named the winner of the \$3,000 Herman Lerdal Scholarship. This scholarship was created in honor of banker Herman Lerdal for his service to the banking industry and to the South Dakota Bankers Foundation.

Chesley, from Sioux Falls, is currently pursuing a degree in finance and business administration with a minor in economics. He would like to pursue his MBA and eventually a career as a CFO.

The mission of the South Dakota Bankers Foundation is to develop South Dakota banking industry professionals. For more information on the Foundation, visit www.sdba.com. ■■■

Emerging Leader of the Month: **Sadie Bell**

As part of the SDBA's mission to grow South Dakota's future bank leaders, we are featuring a monthly emerging leader. This month's feature is on Sadie Bell with First Bank & Trust in Sioux Falls.

First-Ever Job



My first job was as a cashier at Mike's Jack & Jill, the hometown supermarket in Webster. I worked there throughout high school, where I enjoyed personally knowing the regular customers so well that I even memorized what vehicles they drove. It was unknowingly my first approach at creating a memorable and somewhat customized experience for a customer.

Emerging Leader Story

I graduated from Augustana College (now Augustana University) with a degree in business communications and a desire to explore opportunities in human resources. What I found instead was a strong interest in management at a large, regional bank located in Sioux Falls. Throughout my past 16 years in banking, I have had the unique opportunity to manage and serve in many different capacities throughout the bank. This has included retail branch management at various levels, retail operations and department specific management. These experiences have allowed me exciting opportunities and increased exposure.

I have now worked for First Bank & Trust for four years. As vice president—director of retail banking, I currently oversee retail operations, correspondent banking and business solutions sales in our Sioux Falls market. In each of these areas, we focus on growing relationships with our customers and community. I am fortunate to work directly with employees who service consumer, business and other niche clients throughout our market. In addition, I have the unique opportunity of collaborating with other departments both in Sioux Falls and throughout the organization on a multitude of topics that positively impact both our customers, our organization and the local communities we serve.

What She Most Likes About Her Job

Solving problems. Whether it is filling a customer need, developing growth strategies, creating efficiencies or challenging employees to grow, there is always a new, and often exciting, challenge waiting

around the corner. My earlier experiences in the banking industry allowed me to shift my mindset to expect and appreciate change. Adapting to this early on continues to offer me the agility and aptitude to recognize, plan, troubleshoot and resolve challenges that come my way. Banking may not sound appealing to some, but to me it has provided an ever changing, dynamic and competitive work environment where I have the privilege to grow and even thrive.

What Motivates Her

I am motivated by an endless drive to grow, learn and succeed both personally and professionally. Much of my desired success comes at a team or organizational perspective, not necessarily for me individually. I want others to flourish, and I work hard to find ways to help achieve this. I am never satisfied with what I know personally or professionally, always seeking breadth and depth of knowledge about the industry, other perspectives and the world around me.

If She Could Have Any Job

My dream job, outside of banking, has always been to be a buyer for a major department store.

In Her Spare Time

I adore my family and the time that we get to spend together. My husband, Brandon Bell, works for Avera as the director of operations for Careflight, and we have six-year-old twins, Briggs and Brinkley. We enjoy our dog Lucy, traveling, time with other family and friends, staying active, sunshine and all things summer. 🌞



Sadie and Brandon Bell and their children, Brinkley and Briggs.

SDBA to Hold Annual Business Meeting Virtually, Followed by Virtual FDIC Town Hall

The SDBA's Annual Business Meeting, traditionally held during the Annual Convention, will take place as a virtual meeting via Zoom on Tuesday, June 9, at 9-10 a.m. CDT. The meeting is being held virtually due to the cancellation of the SDBA/NDBA Annual Convention, which was scheduled for June 8-9.

The agenda of the Annual Business Meeting includes election of SDBA officers, comments from the outgoing and incoming SDBA chairs, an association update from SDBA President Curt Everson and a South Dakota Bankers Foundation update from Halley Lee. The meeting is open to all SDBA members. Be watching the SDBA eNews and website for the Zoom meeting registration link as the meeting date gets closer.

Also on June 9, South Dakota bankers are invited to join North Dakota bankers for a Virtual Town Hall with FDIC Chair Jelena McWilliams at 10:30-11:30 a.m. CDT.

McWilliams was sworn in as the 21st chair of the FDIC on June 5, 2018. She serves a six-year term on the FDIC Board of Directors and is designated as chair for a term of five years.

McWilliams was executive vice president, chief legal



Jelena McWilliams

officer and corporate secretary for Fifth Third Bank in Cincinnati, Ohio. Prior to joining Fifth Third Bank, McWilliams worked in the U.S. Senate for six years, most recently as chief counsel and deputy staff director with the Senate Committee on Banking, Housing and Urban Affairs and previously as assistant chief counsel with the Senate Small Business and Entrepreneurship Committee.

From 2007 to 2010, McWilliams served as an attorney at the Federal Reserve Board of Governors, where she drafted consumer protection regulations, reviewed and analyzed comment letters on regulatory proposals, and responded to consumer complaints.

There will be a separate registration link for the town hall, and participants will have the chance to submit a question when they register. Be watching the SDBA eNews and www.sdba.com for the registration link as the town hall date gets closer. 📺

SDBA Conducts 'Back to Normal' Survey of Banks

The SDBA in early May conducted a survey of member banks about their getting back to normal plans. A total of 37 of the SDBA's 72 member banks responded to the survey.

The survey results were made available on May 11. The SDBA hopes banks find the survey results helpful as they decide how they will operate in the coming weeks and months. The SDBA is providing several reopening resource on its website.

- SDBA's South Dakota Banks Back to Normal Survey & Resource Guide
- South Dakota Division of Banking Branch Reopening Memo
- ABA Reopening Matrix & Companion Guide
- South Dakota's "Back to Normal" Plan

All of these items and more, such as upcoming pandemic-related webinars, can be found at www.sdba.com/covid-19. 📺

Interested in forming a virtual peer group?

During this time of social distancing, are you looking for a way to connect with colleagues in your role in other banking organizations across the state? How about an opportunity to exchange thoughts and bounce ideas off one another?

The SDBA is here to assist you in connecting. If you would like to form a virtual "peer group" with your colleagues, we can help you connect and get started. Just drop an email to Halley Lee, SDBA administrative vice president, at hlee@sdba.com, and the SDBA will help you get set up.

Other groups already in progress include compliance and human resources. Other possibilities for peer groups include technology, marketing, agriculture, education and more. 📺



SDBA Ag Credit Conference Going Virtual

The SDBA's 2020 Agricultural Conference, which was set for July 8-10 in Pierre, will now be held virtually. You won't want to miss out on this opportunity to hear from leading ag experts in the fields of ag economics, technology, policy and marketing.

The virtual conference will be a series of four webinars on June 24 and July 1, 8 and 15 from 10-11 a.m. CDT. The sessions are:

- **June 24**—Dr. Chris Kuehl presenting "The COVID Economy: Where From Here?"
- **July 1**—Doug Johnson presenting "Convergence of the Big Three in Agriculture: Ag Economy, Ag Technology and Ag Experience"
- **July 8**—Troy Bockelmann and Ryan Moe presenting "Commodities Outlook and How It Impacts the Ag Economy"
- **July 15**—Ed Elfmann and Sen. Mike Rounds presenting "Fireside Chat: Washington Update"

The virtual sessions will be moderated by host Damian Mason, whom you may remember from the 2019 Ag Credit Conference. Mason is a businessman, agriculturist, speaker, podcaster, writer and consultant.

The registration fee for the series of four webinars is \$400 per person for members of a state banking association or \$500 per person for non-members. The webinars will be recorded and available for pre-registered attendees to download and watch at their convenience. Register at www.sdba.com. 🌈

Dakota School of Lending Principles Rescheduled

The Dakota School of Lending Principles, which was scheduled for April 2020, has been rescheduled for April 6-9, 2021, in Bismarck, N.D. The schedule for the school is:

- **April 6**—Consumer Lending
- **April 7**—Real Estate Lending
- **April 8**—Small Business Lending
- **April 9**—Ag Lending

The North Dakota Bankers Association, who is hosting the school, will transfer those who were registered for the 2020 school to the new 2021 dates. Those who were registered but prefer a refund should contact the NDBA office at 701.223.5303. Be watching for registration materials for the new dates. 🌈



Graduate School of Banking
at the University of Wisconsin – Madison

GSB Offering Risk-Free Enrollment, Fees Freeze

As recently as March, enrollment in the Graduate School of Banking (GSB) at the University of Wisconsin-Madison was running at a 10-year high. Then just weeks later, the 2020 session was canceled due to circumstances around the pandemic. Students who'd previously enrolled were moved to the next session—Aug. 1-13, 2021—and new applications are currently being accepted.

Given strong demand, coupled with unprecedented limits on availability, GSB encourages bankers to enroll now for 2021. The school is offering students the choice to freeze fees at the 2020 rate by paying fees in full by July 31, 2020, or to request an invoice be sent this fall after 2021 rates are set.

For peace of mind, GSB has amended its enrollment policy for the 2021 session; students may apply to secure a spot but won't risk a penny, not even the \$350 enrollment deposit that is typically non-refundable. If a student doesn't attend, they'll receive a full refund or credit on account without penalty.

"GSB's current risk-free enrollment policy, flexible payment options and the chance to freeze fees at this year's rate are some of the ways we're helping banks at this time. We understand the uncertainty, but we also know bankers are excited about these educational opportunities, which accounts for the robust enrollment we experienced earlier this year," said Kirby Davidson, president and CEO.

GSB is also offering risk-free enrollment for its 2020 fall schools, including the Sales and Marketing School, Financial Managers School and Bank Technology Security School.

The South Dakota Bankers Association has been a sponsor of the Graduate School of Banking at the University of Wisconsin-Madison since it was founded in 1945. The school, which is sponsored by state banking associations from across the central United States, as well as the University of Wisconsin-Madison, was established in 1945 to provide bankers with an opportunity for advanced study and research in economics and leadership. In addition to its flagship Graduate School of Banking, GSB offers specialty schools for human resource, technology, information security, sales, marketing and finance leaders in banking—plus online seminars across all areas of bank management. For more details on any of the schools or online seminars, visit www.gsb.org. 🌈

Are your employees ergonomically prepared to work from home?

Craig Collins, President, Financial Services, OneBeacon Financial Services

We've settled into a new normal. Because of the coronavirus, the country has been put on hold, closing restaurants and many retail stores and malls, implementing social distancing when out and strongly encouraging people to stay home. This means most workers have opened up their home offices, changing daily routines and structure, including how we work.

Moving a traditional employee to a full-time, work-from-home environment is a learning curve for most. Trying to find and set up the right place in their home to work can be challenging, and oftentimes ergonomics safety is forgotten. In most cases, people aren't prepared with the proper equipment and need to work with what they have. There can also be distractions that one might not be used to throughout the day. With so many bank employees working from home, practicing and enforcing good ergonomics is particularly important, as it could pose potential liability issues for an employer, including liability relating to workers' compensation or cyber risks.

If available, employees should utilize auxiliary equipment that works with the laptop, including a keyboard, mouse and monitor. Having a standard, adjustable office chair and a desk is helpful, but it is possible these are not accessible to all employees.

While Intact and OneBeacon have transitioned to a long-term work from home plan, we would like to share the resources we use, provided by Entrac, an Intact partner, that may help you.

Consider the following tips for working effectively and comfortably:

Set Your Schedule

- Try to maintain your regular hours. This helps maintain a work-life balance, and continue to let your manager and colleagues know when you are available.



- Continue your morning routine and prepare as if you were going into the office (shower, get dressed and enjoy your coffee).
- Create a signal that indicates the end of a workday—whatever is needed to shut down and unwind. This may be logging off to cook dinner, walk the dog or exercise.

Define Your Workspace

- Find a quiet and comfortable space that mimics an office environment as much as possible using the equipment listed above.
- Customize your space like you do in the office for motivation and inspiration. If possible, allow for daylight to keep your space bright.
- If needed, set a schedule with others in your home regarding your space when working.

Adjusting Your Workspace

- Eyes should be level with the top of the screen.
- Your screen should be at least an arm's length in front of you.

- Make sure your forearms are supported.
- Knees should be at a 90 degree angle, thighs parallel to the floor and feet flat on the floor.
- Ensure your back is fully supported in your chair.

Utilize Company Technology

- Always use a VPN to connect to the network or ensure you're on a secure connection. Increased cyber threats are expected during this time.
- If available, forward your office extension to your mobile phone.
- If available, use instant messaging or video chat tools to stay connected with teams.
- Consider offering resources for parents with children at home.

Practice Self-Care

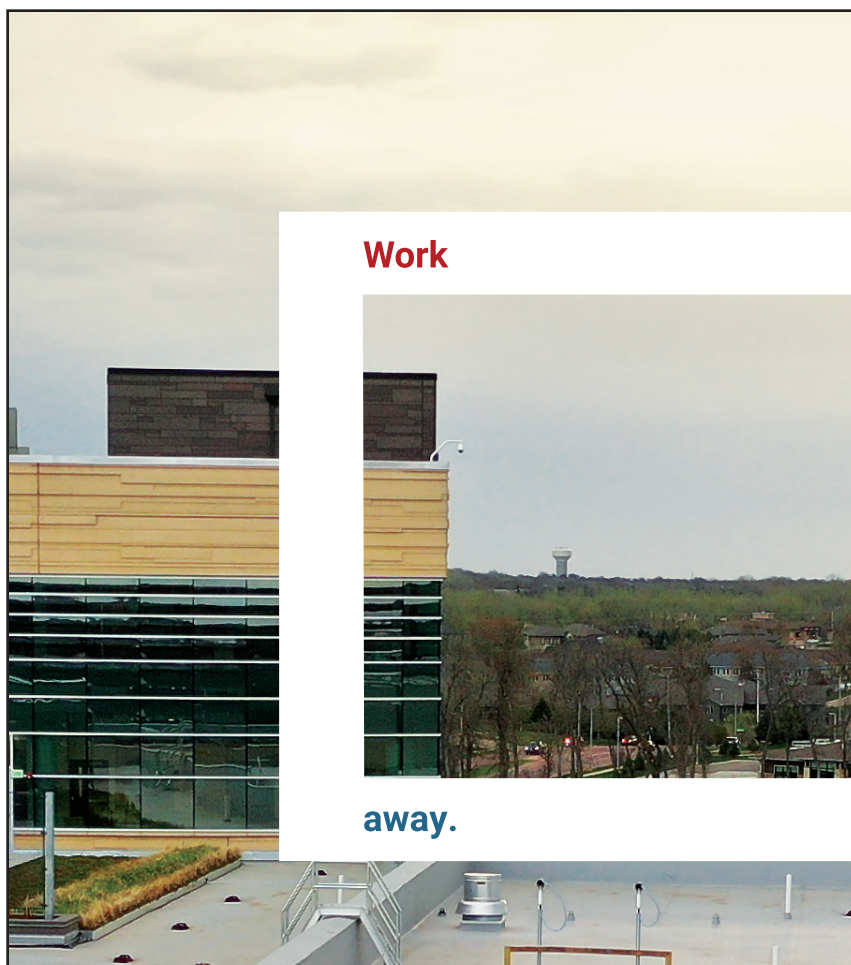
- Take breaks. Step away from your workspace by eating lunch in a different room, take a walk outside, or stand up and stretch. Get up at least once every hour and stretch several times a day.
- Try to plan social interaction in your day.
- Stay hydrated.
- Add a clock-out time to your calendar to avoid overworking.

Practicing good ergonomics is not only important to health and wellness, both physically and mentally, but it's crucial when trying to reduce risk as an employer. While it may be challenging to replicate the environment of a physical location, it is important to implement the good ergonomic practices that are already in place at the bank location.



To learn more about how OneBeacon Financial Services can help you manage your unique risks, contact Craig M. Collins, president, at ccollins@onebeacon.com or 952.852.2434. Or visit. www.onebeaconfs.com.

OneBeacon Financial Services, an SDBA associate member, offers property and casualty coverages for commercial banks, savings banks and savings and loan institutions, security broker-dealers, investment advisors, insurance companies and credit unions. Specialty coverages, including management liability, professional liability, cyber liability and financial institution bond are additionally available for institutions with less than \$3 billion in assets. OneBeacon works with South Dakota Bankers Insurance & Services. For more information, visit www.onebeaconfs.com.



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A Solemn Farewell to Reg D's Convenient Transfer Restrictions

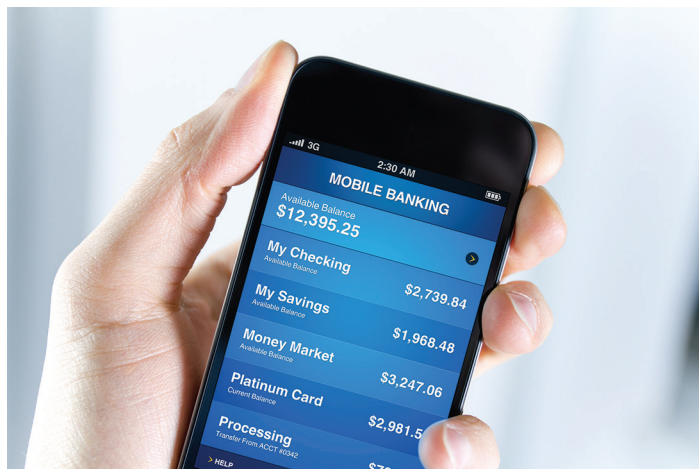
By Michael Perez, Associate General Counsel, Compliance Alliance

Effective April 24, 2020, the Board of Governors of the Federal Reserve System (Board) did away with a longstanding, and, in the opinion of some, outdated rule in Regulation D. The Interim Final Rule amended Reg D by deleting the six convenient transfers and withdrawals restriction that has become synonymous with savings accounts. Additionally, recent guidance has further clarified aspects of the rule change raised by the Interim Final Rule. Because the rule change puts the ball in each depository institution's court, in terms of whether to continue enforcing transfer restrictions, banks are now left at a crossroads with compliance considerations in proceeding down either path.

With the Reg D restrictions being antiquated for years due to changes in the industry, what precipitated Reg D's amendments now? In the Interim Final Rule, the Board noted an "ample reserves regime" monetary policy shift, which led to the Board reducing reserve requirement ratios to zero percent effective March 26, 2020. As a result of the elimination of reserve requirements on all transaction accounts, the Board stated that the distinction between transaction accounts and savings deposit accounts was no longer necessary. Lastly, the Board pointed to disruptions caused by COVID-19, which in turn has caused many depositors to have an urgent need for access to their funds by remote means.

Because the Board pointed to recent developments as a basis of the change, as well as its timing amidst the COVID-19 pandemic, has led some to question whether the Reg D changes are permanent or only temporary in order to provide relief during the current crisis. The Interim Final Rule as currently written did not indicate that these changes are temporary. Additionally, the Federal Reserve Banks further clarified in a recent FAQ that the Board does not have plans to re-impose transfer limits but may make adjustments to the definition of savings accounts in response to comments received regarding the Interim Final Rule as well as potentially in the future, if warranted.

With the question of the Interim Final Rule's permanency being somewhat clearer, it is worth noting that many changes caused by rule are indeed clearly explained. For example, the rule explains that enforcement of the changes is not mandatory. Instead,



it is completely up to each bank whether to suspend enforcement of the six transfer limit and even provides that a temporary suspension is an option. Additionally, the rule allows a certain amount of flexibility in that a bank that suspends enforcement of the transfer limits can either continue to report these accounts as savings deposits or alternatively report them as transaction accounts for purposes of the FR 2900. Further, the rule does not require reclassification or name changes for effected accounts.

Because it is up to each bank on whether to suspend enforcement of the six transfer limits, one of the most frequent questions we have received is whether notice is required when suspending enforcement. Neither the Interim Final Rule nor relevant guidance regarding the Reg D changes have specifically stated notice is required. Additionally, Regulation DD only requires advance notice in certain circumstances which suspension of transfer limits would not trigger. Even though not specifically required by regulation, providing notice is considered a best practice from a customer relationship and UDAAP perspective when significantly changing the terms of an account.

Additionally, for those institutions that will be suspending enforcement of the transfer limitations only temporarily, generally Reg DD would require advance notice when re-implementing the transfer restrictions, as this would adversely affect the consumer. We have heard from many banks that plan to temporarily suspend enforcement of restrictions plan on providing a

statement notice informing the customer of the change and indicating the date on which the restrictions will be re-implemented.

Another issue presented by the change is whether it is necessary to amend account agreements. While the Interim Final Rule does not specify the manner in which account agreements may be amended, the issue of whether they should be amended remains open. If choosing to suspend enforcement of the restrictions, this would arguably lead to a conflict between the depository institutions practices and the current terms of the account agreement. Additionally, even if not suspending enforcement of the restrictions, it is common to cite Reg D as a source of the restrictions, which is no longer the case anymore. Either of these issues could cause compliance issues for a depository institution and therefore should be taken into consideration in determining how to proceed.

Lastly, it initially appeared that the Reg D amendments had caused an unintended consequence concerning Regulation CC. Because Reg CC defines "account" by referencing Reg D's amended definition of "transaction account," it appeared that this had caused a conflict within Reg CC and presented a question of whether saving deposit accounts were now subject to Reg CC. The Board clarified the impact of the Reg D amendments on Reg CC in a recent FAQ. The Board provided that because Reg CC continues to exclude savings accounts from Reg CC's "account" definition, the amendments did not result in savings deposits now

being covered by Reg CC.

While banks still have to decide whether they will suspend enforcement of the restrictions as well as tackle compliance considerations either way, ultimately the elimination of the convenient transfer restriction will relieve banks choosing to suspend enforcement the burden of having to monitor for excessive transactions. Additionally, for bank's opting to suspend enforcement, the changes will benefit account holders by providing greater accessibility to funds. While there will be effort and resources required in implementing these changes, overall it appears the Reg. D changes have the potential of providing a net benefit to banks and account holders alike. ■■■



Michael Perez serves as associate general counsel for Compliance Alliance, an SDBA endorsed vendor and associate member. He holds a bachelor's degree in business administration in finance from the University of Texas McCombs School of Business. While attending Baylor Law School, Perez further pursued his interest in finance by taking a variety of courses that focused on transactional and business issues. After law school, he worked at a litigation firm with a specific focus on collection matters. For information on Compliance Alliance, visit www.compliancealliance.com.

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Coronavirus Strikes. America's Banks Step Up.

A new video released by the ABA on May 20 highlights the many ways America's banks have stepped up to support customers and communities facing unprecedented challenges during the coronavirus pandemic. Watch the video at <https://bit.ly/3000000>.

The world is grateful for all who have served on the front lines battling the COVID-19 crisis—the doctors and nurses who have put their lives at risk to care for the sick and dying as well as those who have kept our grocery stores and pharmacies stocked. These essential service providers are the pandemic's heroes, putting the needs of others ahead of their own.

There is another category of worker that also fits this bill. It's the women and men who work for America's banks. You, too, are first responders—not to the health crisis but to the economic crisis spawned by it. And if I could drive by your offices (home or otherwise) honking and holding up signs in appreciation, I would.

Whether working from your main office or the kitchen table, in the first several weeks of the pandemic you extended critical lifelines to countless households and small businesses suffering from the loss of income resulting from stay-at-home orders. From the loan officer who learned that the trick to getting into E-Tran (the Small Business Administration's portal for submitting Paycheck Protection Program applications) was to try at 2 a.m., to the staff who put in extra time to help customers needing forbearance or other accommodations and the employee disinfecting the ATM each day, you proved that serving your communities is not just your job, it's your calling.

Your personal efforts, combined with banks' institutional responses—waiving fees, offering low-rate personal loan programs, deferring payments and even effectively fronting customers their economic impact payments—demonstrate that banking is first and foremost about helping others.

America's banks weren't just deemed essential businesses by governors in state after state; they became essential partners in delivering massive amounts of federal government relief. Despite its faults, the SBA's unprecedented PPP program—which in its first phase processed 14 years' worth of SBA loans in less than 14 days—simply could not have been executed without banks acting as the middlemen. And thanks to the sophisticated payment system the industry has built over the years, banks have been key conduits for distributing—safely and quickly—tens of millions of economic stimulus payments to individuals.

ABA has been proud to support you in your efforts and to tout publicly all you have done, as we did through aba.com/CoronavirusResponse and the press statements, media interviews and digital ads that pointed people to that page.

As always, our efforts are carefully coordinated with the ABA-State Association Alliance, which has never been more important or more valuable to the industry as a whole. For the first several weeks of the crisis, state association and ABA leaders held daily conference calls to discuss what banks were reporting from the front lines, identify solutions and relay needed policy fixes or guidance to policymakers. The flow of information was equally important in reverse.

Sometimes the clarity we all needed from Washington was slow to arrive, but policymakers understood and appreciated that our appeals were solutions-focused and made in good faith. In fact, our most effective advocacy often involved direct phone calls, emails and texts to lawmakers, regulators and top Treasury and SBA officials, with public finger-pointing taking a back seat.

ABA's efforts throughout the crisis, like your state association's, have been focused on ensuring you have what you need to continue supporting your institutions, customers and communities through these extraordinary times.

We deeply appreciate all of your efforts and are committed to supporting you as we work to rebuild the economy. Because every hero needs a sidekick, and we are proud to be yours. 🏦

Rob Nichols is president/CEO of the American Bankers Association. You can reach Nichols at nichols@aba.com.



USDA Announces Details of Direct Assistance to Ag Producers

U.S. Secretary of Agriculture Sonny Perdue on May 19, 2020, announced details of the Coronavirus Food Assistance Program (CFAP), which will provide up to \$16 billion in direct payments to deliver relief to America's farmers and ranchers impacted by the coronavirus pandemic.

CFAP will provide financial assistance to producers of ag commodities who have suffered a 5% or greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

In addition, USDA's Farmers to Families Food Box program is partnering with regional and local distributors, whose workforces have been significantly impacted by the closure of many restaurants, hotels, and other food service entities, to purchase \$3 billion in fresh produce, dairy and meat and deliver boxes to Americans in need.

"America's farming community is facing an unprecedented situation as our nation tackles the coronavirus. President Trump has authorized USDA to ensure our patriotic farmers, ranchers and producers are supported, and we are moving quickly to open applications to get payments out the door and into the pockets of farmers," said Secretary Perdue. "These payments will help keep farmers afloat while market demand returns as our nation reopens and recovers. America's farmers are resilient and will get through this challenge just like they always do with faith, hard work and determination."

On May 26, USDA, through the Farm Service Agency, began accepting applications from agricultural producers who have suffered losses. Additional information and application forms can be found at farmers.gov/cfap.

USDA to Provide \$1 Billion in Loan Guarantees for Rural Businesses and Ag Producers

U.S. Secretary of Agriculture Sonny Perdue on May 22, 2020, announced that the Department is making available up to \$1 billion in loan guarantees to help rural businesses meet their working capital needs during the coronavirus pandemic. Additionally, agricultural producers that are not eligible for USDA Farm Service Agency loans may receive funding under USDA Business & Industry (B&I) CARES Act Program provisions included in the Coronavirus Aid, Relief and Economic Security (CARES) Act.

"Under the leadership of President Trump, USDA is committed to being a strong partner to rural businesses and agricultural producers and being a strong supporter of all aspects of the rural economy," Secretary Perdue said. "Ensuring more rural agricultural producers are able to gain access to much-needed capital in these unprecedented times is a cornerstone of that commitment."

In addition to expanding eligibility to certain ag producers, changes announced allow USDA to:

- Provide 90% guarantees on B&I CARES Act Program loans.
- Set the application and guarantee fee at 2% of the loan.
- Accept appraisals completed within two years of the loan application date.
- Not require discounting of collateral for working capital loans.
- Extend the maximum term for working capital loans to 10 years.

B&I CARES Act Program loans must be used as working capital to prevent, prepare for or respond to the effects of the coronavirus pandemic. The loans may be used only to support rural businesses, including ag producers, that were in operation on Feb. 15, 2020.

USDA intends to consider applications in the order they are received. However, the Department may assign priority points to projects if the demand for funds exceeds availability.

The Department began accepting applications for B&I loan guarantees on May 22, 2020. Applications must be received no later than midnight EDT on June 22, 2020, or until funds are expended. Program funding expires Sept. 30, 2021. Eligible applicants may contact their local USDA Rural Development State Office.

USDA is developing application guides for lenders and borrowers on the B&I CARES Act Program. For more information, visit www.rd.usda.gov/programs-services/business-and-industry-cares-act-program.

2021 Scenes of South Dakota Photo Contest

The South Dakota Bankers Association is creating a customized calendar from photographs of South Dakota submitted by South Dakota bankers, their family members and customers. These calendars are exclusive to SDBA member banks and make a great gift for your customers!

If you are an amateur photographer and would like the opportunity to have your creativity displayed in homes and businesses across South Dakota, this is your chance! So send us your photos of farms, barns, agricultural activities, historical South Dakota locations, county fairs, carnivals, parades or festivals, fall colors, winter snowfalls, spring flowers, or summer fun. Any photo that shows the history and beauty of the great state of South Dakota qualifies. All photos submitted will be judged and the top photos will be featured throughout the 2021 Scenes of South Dakota calendar.

HOW TO ENTER DIGITAL PHOTOS

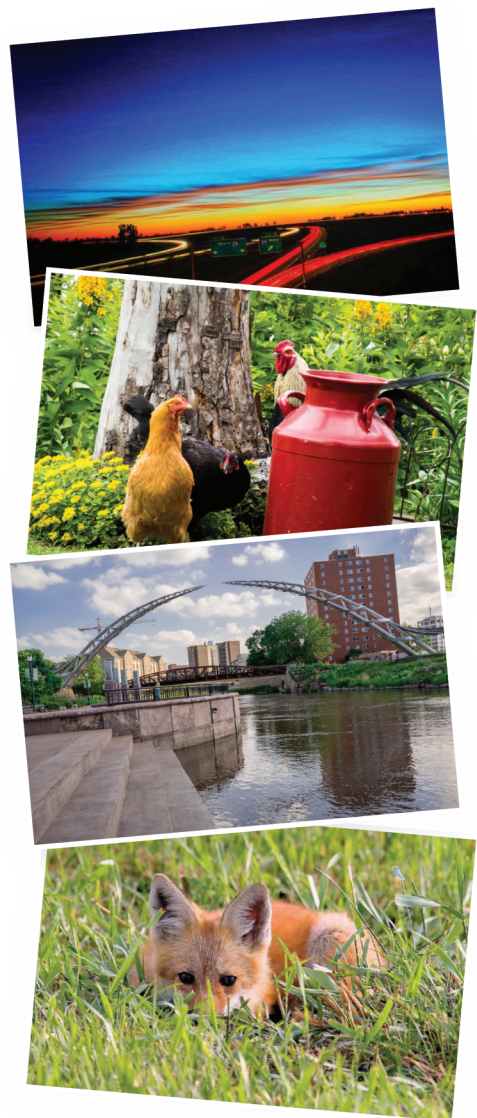
Email your digital photos to abousa@sdba.com or send a CD containing your photos to Alisa Bousa at the address listed below.

Please include one entry form for EACH picture you submit.

- Digital photos must be supplied as an Adobe Acrobat (PDF) or Adobe Photoshop (TIF or JPG) file.
- Images need to be 300 dpi and at least 11" wide x 8.5" tall.
- Digital Camera Info: Use at least a 4 megapixel digital camera. This will not automatically guarantee a high-resolution photo; please check camera settings. Images should be taken at the largest and best quality settings the camera can produce. (Most cameras have at least low, medium and high resolution choices.)

HOW TO ENTER PRINTED PHOTOS

- Complete an entry form (below) and attach it to the back of each photo you submit.
- Mail photos and entry forms to Alisa Bousa at the address listed below.
- Photographs will not be returned unless requested. Please mark the back of the photo "PLEASE RETURN" if you need it sent back to you.



2021 Scenes of South Dakota Photo Contest Entry Form

Name of Banker	_____
Bank	_____
Address	_____
City	_____ State _____ Zip _____
Banker's Phone	_____ Email _____
Photo By	_____
Photo Of	_____
Location of Photo	_____
Month Photo Taken	_____
Photographer's Address	_____
Photographer's Phone	_____ Email _____

- > **Entry Deadline: July 31, 2020**
- > If submitting a digital photo, please e-mail form to abousa@sdba.com.
- > For printed photos, please firmly affix form to the back of your photo and send to:

South Dakota Bankers Association
ATTN: Alisa Bousa
109 West Missouri Ave.
Pierre, SD 57501

For more information, contact Alisa Bousa at abousa@sdba.com or 800.726.7322.



Educate. Advocate. Grow.

South Dakota Bankers Association 2021 Scenes of South Dakota Calendar

The South Dakota Bankers Association is pleased to offer you the Scenes of South Dakota Calendar. This calendar will feature photos of South Dakota submitted by South Dakota bankers, their family members and customers. Your bank logo and name can be printed on each calendar to display in homes and businesses all year long. **Calendar orders are due by September 1, 2020, to get the low price of \$1.35* per calendar. Each order will have an additional \$25.00 production charge.**

The Scenes of South Dakota calendars are exclusive to SDBA member banks. These calendars are a great opportunity to thank your customers for their business and promote your bank. The SDBA logo is also included to emphasize the strength and security of South Dakota's banking industry. Please see the information below and order today! All orders will be shipped November 1, 2020.

Name _____
Bank _____
Email _____
Phone _____ Fax _____
Address _____
City _____ State _____ Zip _____
Quantity (minimum order 100) _____

CUSTOM IMPRINT

Please note: Imprint Area for bank logo and/or name is 10.375" wide x 1.25" tall.

Bank logo and/or name to imprint needs to be provided in an Illustrator EPS or high resolution TIF file (300 dpi) and emailed to abousa@sdba.com. Please supply all linked art and fonts required to print your file.**

- ☐ Use same imprint from the 2020 Scenes of South Dakota Calendar.
☐ Black bank logo (FREE) OR ☐ Color logo (add \$100 to order)
☐ New calendar order (Please provide bank logo/name according to file requirements above.)
☐ We've ordered before, but have changes to our imprint area.

(Please note changes in the Special Requests area.)

Would you like a proof emailed to you? ☐ Yes ☐ No, I do not need to see a proof.

Special Requests: _____

**\$65.00/hour (prorated) charge may apply if logo or imprint design changes need to be made to artwork supplied.

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605.224.7835

EMAIL TO:

abousa@sdba.com

PHONE:

800.726.7322

WEBSITE:

sdba.com/calendar

***Pricing Information:** Orders placed by September 1, 2020 receive the low price of \$1.35 per calendar. After September 1, price is \$1.61. Each order will have an additional \$25.00 production charge (layout for press run, in-house press proof, boxing, labeling), plus shipping. Logo will be black unless color is requested. Send no money now. Orders will be billed when shipped. Orders cannot be accepted after September 15, 2020.




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An Even Stronger Advocate for the Industry...continued from page 5

Streamline Local Government Zoning and Permitting Processes (SB157): The SDBA joined a large group of business interests in successful support of this measure to create a fairer, more timely process for siting and permitting various types of development projects at the county level. Driven to some degree by concerns about prolonged legal battles over some permits for concentrated animal feeding operations, supporters of SB157 believed that passage of the measure would improve pathways for progress on other development projects including power plants, wind farms and other utility projects.

National Government Relations

Admittedly, passage of the CARES Act and a challenging implementation of the Paycheck Protection Program make it easy to forget that our industry worked on other important public policy issues over the past 12 months. By mid-May, bankers across South Dakota working around the clock funded PPP loans totaling nearly \$1.7 billion to 20,315 small business borrowers. Other policy successes this past year were:

- FDIC final rule allowing banks with less than \$10 billion in assets to elect a simplified community bank leverage ratio framework under certain conditions.
- Industry push back on Current Expected Credit Loan Loss methodology resulted in FASB implementing a two-year delay in implementation for community banks to June 2023. The industry and members of Congress are still calling for FASB to conduct a quantitative impact study to better understand problems and assess measures to mitigate unintended consequences.

We continue to push Congress to level the playing field for banks competing with large, growth-focused credit unions and the federal Farm Credit System. To help banks provide additional, competitively-priced credit to ag producers, we are currently urging Congress to include ECORA (Enhancing Credit Opportunities in Rural America) provisions in the next phase of COVID-19 economic recovery legislation.

Banker Education and Training

Members continue to rely on the SDBA as a primary source for in-person conferences and web-based banker training. SDBA Administrative Vice President Halley Lee and the rest of the SDBA's dedicated staff are currently focused on developing and delivering our traditional conference offerings using virtual technology. I want to give a shout out to bankers who are leading and assisting our staff in those efforts.

Driven by banker participation in our core education and conference events, I am pleased to report that those offerings delivered a solid return above direct expenses totaling \$253,000 in 2019, compared to

\$230,000 in 2018 and \$170,000 in 2017. Halley and the rest of the staff at the SDBA work diligently to keep bankers informed of webinars, in-person seminars and specialized conferences of interest to the full spectrum of banking professionals.

It will be impossible to replicate that level of financial success in 2020 as the COVID-19 pandemic has prompted the cancellation of the SDBA/NDBA Annual Convention and National School for Experienced Ag Bankers. The SDBA's Agricultural Credit Conference has been reworked into a series of four webinars. Final decisions on format for fall events are pending. Watch the SDBA website for updated information.

Wrap Up

I want to thank every SDBA member for your continuing support of our efforts to adjust our core product offerings and our communication and member relations activities during the evolving stages of the pandemic. Not only will the South Dakota Bankers Association survive, we will emerge as an even stronger advocate and provider of support for South Dakota's diverse banking industry. Stay well! 🌱

Curt Everson is president of the South Dakota Bankers Association in Pierre. Everson can be reached at 605.224.1653 or ceverson@sdba.com.



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• Wildlife Habitat	• Mini-Storage Warehouses
• Rural Residential	• Lake Properties
• Commercial Properties	• Estates, Donations, & Trusts

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Providing Products & Services to Our Members...continued from page 6

business of manufacturing and distributing marijuana. At this time, South Dakota does not allow marijuana even for medical use. When and if the time comes for South Dakota to get into the marijuana trade, this company can help banks with all the restrictions and processing of doing business in this market. For more information on Hypur, visit <http://Hypur.com>.

Compliance Alliance—Compliance Made Easy

Compliance Alliance is an excellent resource for any bank. Four attorneys and a number of staff are waiting for your phone call to discuss compliance issues. The Texas Bankers Association developed Compliance Alliance and has 22 state associations, including the SDBA, on board providing support to community banks. Membership benefits include access to an extensive collection of resources from industry experts; a hotline for compliance-related concerns; and reviews of company advertising or marketing campaigns, policies, procedures, disclosures and new products.

We have experienced good growth with Compliance Alliance in the last 12 months. All of its products and services are included in an annual membership fee and offer unlimited access to all employees of member banks. For more information, contact Natalie Rhodes at 888.353.3933 or info@compliancealliance.com.

Central States of Omaha

We are now celebrating our 15th year since the SDBIS Board made Central States of Omaha (CSO) our endorsed provider of credit life and disability insurance for all member banks. There have been many changes in the credit business, and to answer the demands of the market, CSO is on the cutting edge as it protects your customers and your bank.

Many banks have moved to Central States because of the company's excellent service, reporting capabilities, local service, fast claims payment and vast product portfolio, including onsite banker training.

Thank you to all the banks that have shown their support in selling CSO credit life products. There is very little effort on the bank's part to start selling or transitioning to CSO. We only need the name of your bank processing software (Bankers Systems, etc.), a copy of your credit insurance license for each banker and a copy of your corporate license (tax ID).

Tyge Rowen with CSO will train your bankers on how to sell this important product, and you only need an appointment certificate to write credit life coverage. For more information contact me or Tyge at 800.826.6587 ext. 6617 or trowen@csco.com.

EMC National Life Insurance Company

We are in our fourth year of offering life insurance through EMC National Life Insurance Company, and they continue to provide excellent service. Along with any health plan, each employee has a minimum \$5,000 of life insurance coverage with a matching \$5,000 of AD&D coverage. Banks can now select the amount of coverage for all eligible employees up to five times base annual earnings maxed at \$300,000 along with \$300,000 AD&D. The rates remain the same at \$0.128 per \$1,000 for basic life and \$0.02 for AD&D. Group term life rates are now guaranteed until Jan. 1, 2022. A guaranteed issue of \$30,000 of voluntary life coverage (employee paid) and \$10,000 for spouse and children is still available for new employees. Contact me or Michelle Guthmiller at mguthmiller@sdba.com or 800.221.7551 to offer this excellent product to all of your employees.

Cyber, Liability, Property, Bond, D&O and E&O Coverage

SDBIS has always offered bond and D&O policies, as well as policies on the commercial side, and this is our seventh year of controlling the entire process of choosing companies and securing the best coverages for our member banks. Dean Franzen and Robin Feimer are the best contacts for all your P&C questions and quotes. Michelle Guthmiller and I work on all health-related issues. We are available to take your questions and provide answers.

We are now utilizing many insurance carriers to provide member banks with a truly-customized solution to all their risks, and we continue to grow this important block of business. Insurance is a complex business, and the carriers that we have selected to market to our banks have strong financial standings. Contact the SDBIS office at 800.221.7551. 📊

Mike Feimer is president of the South Dakota Bankers Insurance & Services (SDBIS) in Yankton. Feimer can be reached at 605.660.2341 or mfeimer@sdba.com.

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Developing Banking Industry Professionals...continued from page 7

I would like to thank Grant Seaman with BankNorth in Warner, whose term on the SDBF Board expired April 30, 2020.

The South Dakota Bankers Foundation is a 501(c)(3) charitable organization and your contributions are tax-deductible. We encourage you to consider contributing

to the future of South Dakota's banking industry with a generous gift to the Foundation. 📊

Halley Lee is the executive director of the South Dakota Bankers Foundation in Pierre. You can reach Lee at 605.224.1653 or hlee@sdba.com.

#Bankers4Good

The First National Bank in Sioux Falls

had 69 runners in the Virtual Avera Race Against Cancer.



Bank Midwest employees helped served guests at The Banquet in Sioux Falls.



BankStar Financial challenged people to bring joy to their communities and to "Make Today Brighter" through a series of engaging challenges, like donating food to a local animal shelter.

SDBA MEMBERS

Have information from your bank about promotions, accomplishments or branch news? Submit your Bank Notes stories and photos to Alisa Bousa at abousa@sdba.com.

Business Banker II, First Bank & Trust, Sioux Falls, S.D.

First Bank & Trust is looking for an individual to fill a business banker II position. This person should have a bachelor's degree and a minimum of four years of experience in business lending or the equivalent. This person should have strong experience in loan documentation, loan file compliance, credit/financial analysis and workout strategies. This person must possess good communication, marketing, sales and negotiation skills. For more information about this position and to apply online, please visit our website at www.bankeasy.com. ■

Mortgage Closing/Post-Closing Supervisor, First Bank & Trust, Sioux Falls or Brookings, S.D.

First Bank & Trust is looking for an individual to fill a mortgage closing/post-closing supervisor position. This person should have a bachelor's degree plus four years of prior job-related experience or the equivalent. Good communication skills and the willingness to work with others is required. This person must be familiar with mortgage lending concepts, practices and procedures. This person needs the ability to interact with customers, realtors and other professionals. For more information about this position and to apply online, please visit our website at www.bankeasy.com. ■

Mortgage Loan Operations Supervisor, First Bank & Trust, Sioux Falls or Brookings, S.D.

First Bank & Trust is looking for an individual to fill a mortgage loan operations supervisor position. This person should have a bachelor's degree, plus eight years of progressively-advanced experience in bank lending or equivalent. Good communication skills, plus the willingness to work with others is required. For more information about this position and to apply online, please visit our website at www.bankeasy.com. ■

Regional Mortgage Banking Manager, First Bank & Trust, Sioux Falls, S.D.

First Bank & Trust is looking for an individual to fill an regional mortgage banking manager position. This person must have a bachelor's degree and a minimum of eight years of experience in the bank lending area or the equivalent. This person must have demonstrated skills in real estate loan underwriting and personnel supervision. Good communications skills, plus the willingness to work with others is required. For more information about this position and to apply online, please visit our website at www.bankeasy.com. ■

CLASSIFIED LISTINGS

If you have a job opening at your bank, send your classified listing to Alisa Bousa at abousa@sdba.com or www.sdba.com and we will post it on the SDBA website and print it in SDBanker Magazine. The fee is \$50 per ad (200 word limit) for SDBA members or \$100 per ad (200 word limit) for non-members.

Seminars/Conferences/Webinars/Schools

SDBA EVENTS

SDBA Virtual Annual Business Meeting
June 9, 2020

**Virtual Town Hall with FDIC Chair
Jelena McWilliams**
June 9, 2020

SDBA Virtual Ag Credit Conference
June 24 and July 1, 8 and 15, 2020

SDBA Bank Technology Conference
Sept. 9-10, 2020 | Sioux Falls

**LEAD STRONG: Women in Banking
Conference**
Sept. 23-24, 2020 | Sioux Falls

New Accounts Seminar
Oct. 14, 2020 | Sioux Falls

NEXT STEP: Emerging Leaders Summit
Oct. 27-28, 2020 | Sioux Falls

Annual Security Seminar
Oct. 28, 2020 | Sioux Falls

ABA National Ag Bankers Conference
Nov. 8-11, 2020 | Cincinnati, Ohio

WEBINARS

For a complete list of webinars, visit
www.sdba.com/webinars.

**How to Craft an Effective Commercial
Loan Write-Up**
June 8, 2020

**Understanding Revocable and
Irrevocable Trust Documents**
June 9, 2020

Onboarding Your New Hire
June 9, 2020

**What Does the FDIC and CSBS INTREx
Entail?**
June 10, 2020

Masterful Time Management
June 10, 2020

Notary Public
June 11, 2020

**Income Opportunities: Near-Prime
Consumer Loan Takeout Programs**
June 11, 2020

**CRE Lending: Property Types, Lease
Structures and Other Non-Financial
Risks**
June 15, 2020

Records Management and Retention
June 16, 2020

**Strategies for Succession Planning and
Talent Management**
June 16, 2020

**Addressing Threats of Violence
(Prevention, Action & Cautions)**
June 17, 2020

**Collecting Government Monitoring
Information (GMI) Under Regulation B**
June 17, 2020

**Remote Banking—What Are the
Compliance Requirements**
June 17, 2020

Excel Explained: Pivot Tables 101
June 18, 2020

**What You Need to Know About
Today's Ransomware Attacks**
June 22, 2020

**Today's Information Security Officer:
Roles and Responsibilities**
June 23, 2020

Auditing Your Signature Cards
June 23, 2020

HMDA Hot Spots
June 24, 2020

New BSA Officer Training
June 24, 2020

Total TRID Training—Part I
June 25, 2020

**Handling Deceased Accounts and
Checks**
June 25, 2020

Residential Construction Lending
June 26, 2020

**CRE Appraisals: Components,
Approaches to Value & Cap Rates**
June 29, 2020

**15 Behaviors That Make Working With
You Difficult**
June 30, 2020

Total TRID Training—Part II
June 30, 2020

Total TRID Training—Part III
July 6, 2020

**Dealing with Subpoenas, Summonses,
Garnishments, Tax Levies, Etc.**
July 7, 2020

**Best-Ever Compliance Checklists for
Consumer Loans**
July 7, 2020

Escrow Accounts Compliance
July 8, 2020

**Increasing Fee Income without Raising
Fees**
July 8, 2020

BSA: CIP and CDD Update
July 9, 2020

Branch Manager Best Practices
July 10, 2020

Total TRID Training—Part IV
July 10, 2020

Introduction to Commercial Lending
July 13, 2020

Online Account Opening
July 14, 2020

What to Do When a Customer Dies
July 15, 2020

**Pros and Cons of Social Media Use by
Institutions and Their Employees**
July 15, 2020

**Checks—Endorsements, Fraud and
Compliance Issues**
July 16, 2020

SCHOOLS

MBA 2020 Bank Compliance School
July 20-23, 2020 | Bloomington, Minn.

**GSBC Workshop on Community Bank
Investments**
Sept. 16-18, 2020 | Las Vegas

GSB Financial Managers School
Sept. 20-25, 2020 | Madison, Wis.

GSB Strategic HR Forum
Sept. 24-25, 2020 | Minneapolis

GSB Sales and Marketing School
Sept. 27-Oct. 2, 2020 | Madison, Wis.

SDBA IRA School
Sept. 29-Oct. 2, 2020 | Sioux Falls

GSB Bank Technology Security School
October 11-16, 2020 | Dallas, Texas

**GSBC Executive Development Institute
for Community Bankers**
Oct. 18-21, 2020 | Broomfield, Colo.

For more details and to register for a training, visit the SDBA's online event calendar at www.sdba.com/events.
Questions, contact the SDBA's Halley Lee at hlee@sdba.com or 605.224.1653.



SDBA 2020 VIRTUAL AGRICULTURAL CREDIT CONFERENCE

June 24, July 1, July 8 & July 15, 2020

Top Level Sponsors



FARMER  **MAC**

Bell 
Bank

CONFERENCE OVERVIEW

The SDBA's 2020 Agricultural Conference is going virtual. You won't want to miss out on this opportunity to hear from leading ag experts in the fields of ag economics, ag technology, ag policy, and ag marketing. The South Dakota Bankers Association will present the 2020 Agricultural Credit Conference virtually June 24, July 1, July 8 and July 15. Join host Damian Mason as we virtually navigate through the ever-changing world of agriculture in South Dakota.

