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SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

Budget and Operations Committee

MINUTES

Thursday, July 23, 2020

10:00 A.M.

**1200 Senate Street, Wade Hampton Office Building
Treasurer's Conference Room
& via Webex Virtual Conference
Columbia, South Carolina**

The Budget and Operations Committee of the State Board of Financial Institutions met on July 23, 2020.

Members present (via virtual conference): Messrs. Pennington (Chairman), Wright, Conley and Wicker.

Others in attendance: Commissioner Ron Bodvake, Commissioner Rick Green, Deputy Commissioner Phyllis Wicker, Deputy Commissioner Kathy Bickham, Deputy General Counsel Shawn Eubanks and Board Administrator Alicia Sharpe.

The July 23, 2020 Agenda was approved by General Consent.

The April 16, 2020 Committee Meeting Minutes were approved by General Consent.

There were no member **recusals or conflicts of interest** disclosed or identified.

Commissioner Bodvake presented the following to the Committee:

Personnel Changes

- Jennifer Kinard hired as Mortgage Licensing Specialist

Quarterly Financial

- Personal services, positive variance
- Other operating, positive variance
- Unable to fully staff due to uncertainty in the market
- Travel expenditures decreased significantly due to COVID 19

IT Update

- Formalized the IT Management Project
 - Create an agency wide Information Security Policy.
 - Information Security Policies and Procedures that meet the individual needs and business process of each division.
 - Currently reviewing business process of each business unit of Consumer Finance
- Reviewing current laptop and printer inventory to find ways to improve efficiency.
- IT Manager onboarding for new Consumer Finance employee

FY21 Proposed Fee Schedule

- Mortgage Renewal fees – no changes
- Supervised lender Continuation (renewal) fee – no changes
- Deferred Presentment Exam Fee – no changes
- NMLS renewal fee of \$100 company / \$20 branch will reduce net revenue

Commissioner Green presented the following to the Committee:

Personnel Changes

- Lindsey Clamp promoted to Associate Examiner effective May 17.
- Hired Elizabeth (Ebee) Johnson as an Assistant Examiner effective June 2
- John Hammond promoted to Examiner II effective July 2.

Information Technology Update

- Purchased a secure file exchange tool for improved off-site exam capabilities
- Completed a workstation refresh project
- IT Manager is working closely with examiners and IT departments of banks to facilitate off-site loan review.

Covid-19 Pandemic Response Actions

- Developed a 3-stage re-entry plan.
 - Dept. of Admin. announced Stage 2 began July 6.
- Examination activities continue remotely
 - Offsite through at least mid-September

FY 2020 Expenditures Analysis

- Positive variance in Personal Services due to resignations of a senior staff member and a mid-level examiner, and delays in filling open positions
- Travel expenditures decreased significantly for the FY due to pandemic response actions.
- Year-end positive operating results of \$319,677

FY 2021 Budget:

- General Assembly passed a Continuing Resolution to continue funding at FY 2020 levels until the FY 2021 Appropriations Act is passed. We used the FY 2020 appropriation in calculating the FY 2021 Supervisory Fees

FY 2021 Supervisory Fee Assessment Proposal

A motion was made to approve forwarding the proposed FY2021 Supervisory Fees as discussed by Commissioner Green. The motion died for lack of a second.

The next committee meeting is scheduled for Thursday, August 20, 2020.

There being no further business, the meeting was adjourned by acclamation at **10:57 AM**.