

SOUTH DAKOTA BUILDING AUTHORITY

MINUTES OF THE ANNUAL MEETING

SEPTEMBER 22 & 23, 2011

Pursuant to due notice, the South Dakota Building Authority met on September 22 & 23, 2011. The annual meeting began September 22, 2011 at 3:30 P.M., MDT at the Creekside Inn in Custer State Park, South Dakota. Tom Graham, Chairman, instructed the Executive Secretary to call the roll.

Present: Mr. Tom Graham
Mr. Dennis Haan
Mr. Doug Hajek
Mr. Joe Lien
Mr. D. J. Mertens
Mr. Dennis Neugebauer
Mr. James Roby

Other staff and representatives of the Authority present were:

Mr. Donald Templeton, Executive Secretary
Mr. Todd Meierhenry, General Legal Counsel
Mr. Dustin Christopherson, South Dakota Health and Educational
Facilities Authority
Mr. Mick Jost, South Dakota Health and Educational
Facilities Authority
Mr. Bert Olson, Trustee
Mr. Bruce Bonjour, Bond Counsel (via telephone)
Mr. Jack Arnold, Dougherty & Company (via telephone)
Mr. Neil Pritz, BMO Capital Markets
Ms. Ann Koch, BMO Capital Markets
Mr. Justin Hoonendoom, BMO Capital Markets (via telephone)

A quorum was declared by the Chairman and the meeting was called to order.

Mr. Don Templeton advised the Authority members that the notice of the meeting had been posted at the entrance of the office of the South Dakota Building Authority on September 9, 2011. A copy of that notice is attached hereto and is an integral part of the minutes (*see Attachment #1*).

The Chairman asked for consideration of the minutes for the July 26, 2011 meeting. Mr. Dennis Haan moved to approve the minutes of the meeting as presented, seconded by Mr. Lien. All members present voted aye. Motion carried.

Election of Officers

The Chairman stated the next order of business would be the annual election of officers for the Authority. The officer's positions being considered would be Vice Chairman and Secretary. It was noted that the Chairman is appointed by the Governor.

Mr. D.J. Mertens moved to nominate Mr. Dennis Haan for the Vice Chairman's position, seconded by Mr. Doug Hajek; all members present voted aye, motion carried.

Mr. Jim Roby moved to nominate Mr. D.J. Mertens for the Secretary's position, seconded by Mr. Dennis Haan; all members present voted aye, motion carried.

Market Update

Mr. Neil Pritz of BMO Capital Markets, Mr. Justin Hoonendoom of BMO Capital Markets and Ms. Ann Koch of BMO Capital Markets gave a bond market update to the South Dakota Building Authority Board. They reported that interest rates on tax-exempt bonds were very low compared to past rates. They also reported that due to the financial strengths of the State of South Dakota, the South Dakota Building Authority bonds sell at much lower spreads to the Municipal Market Data scale than certain other states like California and Illinois which results in lower interest rates.

Project Reports

Mr. Templeton reviewed the project reports of outstanding cash balances for all bond issues with Project Fund cash balances. Mr. Templeton reviewed the August 31, 2011 financial report for the Building Authority as well as the Conservation Reserve Enhancement Program.

Post Issuance Compliance

Mr. Meierhenry reviewed the post issuance compliance book that he and Mr. Templeton published. Mr. Templeton explained that staff reviewed all bonded projects and performed many on site construction visits and he believes that all projects are compliant with bond covenants.

Adjournment

The Chairman stated that there being no further business at this meeting, the meeting would be adjourned at 3:52 p.m. MDT.

The members convened on Friday, September 23rd to tour the new Custer State Park building projects funded by the South Dakota Building Authority.

South Dakota Building Authority

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Date: September 9, 2011

To: Members of the
South Dakota Building Authority

From: Don A. Templeton, Executive Secretary

Re: Notice of Annual Meeting

You are hereby notified that the Chairman has set Thursday and Friday, September 22 & 23, 2011 as the dates for the annual meeting of the South Dakota Building Authority to be held at the Creekside Lodge located in Custer State Park (see map for driving directions). Our annual meeting will begin Thursday, September 22, 2011 at approximately 2:15 p.m. MDT after the Educational Enhancement Funding Corporation meeting. We will tour Crazy Horse monument at 5:00 p.m. MDT followed by dinner at Crazy Horse Restaurant.

You may participate in the meeting by dialing 1-877-336-1828 and enter your Participant Access Code, which is 4677196 followed by the # key.

The following members have indicated they will be available for the meeting:

Tom Graham	DJ Mertens
Dennis Haan	Dennis Neugebauer
Doug Hajek	James Roby
Joe Lien	

An agenda is enclosed. We will bring the meeting information along with us and hand out to members coming to the meeting. Please call if you have any questions.

Please take the time to review the attached schedule of events to assure we have the correct lodging and board available for all attendees. Let us know as soon as possible if your plans change so we can make the appropriate adjustments. For those who are flying, you will be flying in an Air King C 90 Twin Engine 7-seat airplane. **The dress code for the meeting will be casual.** See the attached airplane itinerary.

Cc: Todd Meierhenry
Bert Olson
Neil Pritz
Ann Koch
Bruce Bonjour
Jack Arnold