

**REGULAR STATE BANKING BOARD MEETING
OFFICE OF THE COMMISSIONER
DEPARTMENT OF FINANCIAL INSTITUTIONS
2000 SCHAFER STREET, SUITE G
BISMARCK, NORTH DAKOTA**

January 9, 2020

The regular meeting of the State Banking Board was held in the Office of the Commissioner, Department of Financial Institutions, 2000 Schafer Street, Suite G, Bismarck, North Dakota. Chair Kruse called the meeting to order at 9:00 a.m., Thursday, January 9, 2019, by conference call.

MEMBERS PRESENT: Lise Kruse, Chair *(Office)*
Linda Beall, Member *(Phone)*
Todd Heilman, Member *(Phone)*
John Schmid, Member *(Phone)*
Tom Stennes, Member *(Phone)*

MEMBERS ABSENT: Kim Larson, Member

ALSO PRESENT: Corey Krebs, Secretary *(Office)*
Ryan Spah, Chief Examiner – Banks *(Office)*
Angie Mills Fischer, Review Examiner *(Phone)*
Megan Sauer, Administrative Examiner *(Office)*

APPROVAL OF MINUTES

Chair Kruse indicated the Board received copies of the minutes of the regular meeting held on November 19, 2019 and of the special meeting held December 18, 2019.

It was moved by Member Heilman, seconded by Member Beall, and carried by a vote of 5 to 0, with Member Larson absent, to approve the minutes of the regular meeting held November 19, 2019 and the special meeting held December 18, 2019.

CHOICE FINANCIAL, FARGO, ND – REQUEST FOR RETROACTIVE APPROVAL OF A \$150,000 INVESTMENT IN THE METROPOLITAN CONSORTIUM OF COMMUNITY DEVELOPERS.

Review Examiner Mills Fischer reviewed the memorandum. The request was received on November 25, 2019.

Member Heilman asked if the bank is always required to request approval.

Chair Kruse stated that statute defines what a bank can do and if it is not mentioned, they need to request approval. Chair Kruse also stated that statute also lists specific investments in which a bank would need approval, which includes community investment.

Review Examiner Mills Fischer stated it is the opinion of the Department that the investment meets the criteria as stated in the North Dakota Century Code. Approval for Choice Financial Group to continue to hold its investment in MCCD is recommended.

It was moved by Member Stennes, seconded by Member Schmid, and carried by a vote of 5 to 0, with Member Larson absent, to approve the request for Choice Financial, Fargo, for retroactive approval of a \$150,000 investment in the Metropolitan Consortium of Community Developers.

ITEMS TO BE NOTED

Chair Kruse gave an overview of approvals that were done by the Commissioner since the last State Banking Board meeting. Bell Bank, Fargo, established an LPO in Tampa, FL; Wauwatosa, WI; and St. Louis, MO. Brockbank 5 North Dakota LLC requested to use the word “bank” in the registered trade name of the business and was approved on November 18, 2019. American Bancor, Ltd., Dickinson, obtained approval to acquire Beartooth Financial Corporation, Billings, MT from the State of Montana and the Federal Reserve Bank.

BANK BUDGET UPDATE

Chair Kruse stated the Department is still working on utilizing the new system, which will include graphs. The Department has switched systems and is now

using PowerBI, which will eliminate data entry. The data is automatically fed in from the state to the system.

Assistant Commissioner Krebs went over the different format and gave an update on the budget. The budget presented was as of January 7, 2020.

Chair Kruse stated we will have the larger expenses of CSBS dues, accreditation and the IT projects that are not yet included as an expense and aren't averaged out over the biennium.

The Board went into closed session at 9:23 a.m. to review the Supervisory Reports of Examination pursuant to North Dakota Century Code 6-01-07.0, and to discuss any confidential records pursuant to North Dakota Century Code 44-04-19.2, and returned to open session at 9:44 a.m. Those that were present during the executive session were Chair Kruse, Member Beall, Member Heilman, Member Schmid, Member Stennes, Corey Krebs, Ryan Spah, Angie Mills Fischer, and Megan Sauer.

The meeting adjourned at 9:45 a.m.



Lise Kruse, Chair



Corey Krebs, Secretary