

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

**May 13, 2021**

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. The meeting was conducted via Microsoft Teams. Chair Kruse called the meeting to order at 9:00 a.m., Thursday, May 13, 2021, by conference call.

**MEMBERS PRESENT:** Lise Kruse, Chair  
Linda Beall, Member  
Todd Heilman, Member  
Pete Jahner, Member  
John Schmid, Member  
Tom Stennes, Member  
Pao-Yueh (Claudia) Schollmeyer

**ALSO PRESENT:** Corey Krebs, Secretary  
Ryan Spah, Chief Examiner – Banks  
Angie Mills Fischer, Review Examiner  
Megan Sauer, Administrative Examiner  
Dean DePountis, Assistant Attorney General  
Jason Johnson, First International Bank & Trust  
Dave Ehlis, American Bank Center  
Scott Bullinger, American Bank Center  
Dana Ereth, Eide Bailly LLP

**APPROVAL OF MINUTES**

Chair Kruse indicated the Board received copies of the minutes of the regular meeting held on March 4, 2021.

**It was moved by Member Jahner, seconded by Member Heilman, and carried by a vote of 7 to 0 to approve the minutes of the regular meeting held March 4, 2021.**

**REQUEST FOR RETROACTIVE APPROVAL BY FIRST INTERNATIONAL BANK & TRUST, WATFORD CITY, ND, TO INVEST \$2,500,000 IN ALKAMI TECHNOLOGY, INC.**

Chief Examiner Spah reviewed the memorandum. The request was received on April 30, 2021.

Commissioner Kruse noted that during this legislative session the law was changed so that banks can invest in companies outside of North Dakota. This went into effect immediately.

Jason Johnson stated that as a growing institution, it is a space that they are wanting to be progressive in and are looking for the best technological solutions for their customers and business. He stated the bank did a lot of due diligence and looked at many vendors and felt this was the best for the bank.

There were no additional comments or questions from the Board.

Chief Examiner Spah stated it is the recommendation of the Department that the request for retroactive approval to invest \$2,500,000 in Alkami Technology, Inc., be approved, and that the Commissioner be authorized to sign the proposed Order on behalf of the Board.

**It was moved by Member Heilman, seconded by Member Stennes, and carried by a vote of 7 to 0 to approve the request by First International Bank & Trust for retroactive approval to invest \$2,500,000 in Alkami Technology, Inc.**

**APPLICATION FOR AMERICAN BANCOR, LTD., DICKINSON, ND, TO ACQUIRE CONTROL OF THE CITIZENS STATE BANK OF FINLEY, FINLEY, ND.**

Chief Examiner Spah reviewed the memorandum. The application was received on March 3, 2021. The application was deemed complete on March 12, 2021.

Dana Ereth stated there is a plan later in the year to merge the bank into American Bank Center, but for ease of the transaction until they can have the core conversion complete. Dana also went over details of the purchase transaction involving the FDIC and future plans.

Scott Bullinger stated they have done their exhaustive due diligence and are excited to expand their services and their geography.

Chief Examiner Spah stated it is the recommendation of the Department that the application to acquire control be approved, and that the Commissioner be authorized to sign the proposed Order on behalf of the Board.

**It was moved by Member Stennes, seconded by Member Schmid, and carried by a vote of 7 to 0 to approve the application for American Bancor, Ltd., Dickinson, ND to acquire control of The Citizens State Bank of Finley, Finley, ND.**

Dana Ereth and Dave Ehlis left the meeting.

## **2021 ASSESSMENT POLICY FOR STATE CHARTERED BANKS AND TRUST COMPANIES.**

Assistant Commissioner Krebs presented the Annual Assessment Policy. The legislative change from an annual assessment to a bi-annual assessment was discussed, as well as the removal of the cap on the amount of cash carry over the Department could have. A discount of 35%, excluding the PPP loans from assessments, and excluding CARES Act related deposits exceeding 20% of total bank deposits from assessments was agreed upon.

**It was moved by Member Beall, seconded by Member Heilman, and unanimously carried, to approve the 2020 Annual Assessment Policy with a 35% discount and excluding PPP loans and bank CARES Act related deposits exceeding 20% to the bank deposits from assessments.**

## **ITEMS TO BE NOTED**

Chair Kruse gave an overview of approvals that were done by the Commissioner since the last State Banking Board meeting. Just Trust Christ requested to use the word “trust” in the registered trade name of the business. Integrated Bank Technology, Inc. requested to use the word “bank” in the registered trade name of the business. Security State Bank, Wishek, requested to discontinue the facility at 121 South Main Street, Lehr, ND. First International Bank & Trust, Watford City, established an interstate facility at 4930 S Western Ave, Suite 100, Sioux Falls, SD. Bell Bank, Fargo, relocated an LPO to 11095 Metcalf Ave, Suite 11015, Overland Park, KS, and established interstate facilities at 40 South 7<sup>th</sup> Street, Suite 265, Minneapolis, MN and 8349 West Bell Road, Peoria, AZ.

Jason Johnson left the meeting.

## **BANK BUDGET UPDATE**

Assistant Commissioner Krebs gave an overview of the Department’s budget. He stated the Department budget, and what is remaining for the biennium is tracking well within budget.

Commissioner Kruse went over the most recent legislative changes that effect the Department.

Commissioner Kruse also stated that the Bismarck office is moving to the Bank of North Dakota at the end of June. The new location will have more security, a smaller space, and a better lay out. The Department is also currently in negotiations with a Fargo landlord to move to a building that is across the parking lot from the current location. There will be two other agencies in the building as well, so the IT costs can be shared.

**It was moved by Member Heilman, seconded by Member Beall, and carried by a vote of 7 to 0 to adjourn to executive session.**

**The Board went into closed session at 10:02 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 10:33 a.m. Those**

**that were present during the executive session were Chair Kruse, Member Beall, Member Heilman, Member Schmid, Member Stennes, Member Jahner, Member Schollmeyer, Corey Krebs, Ryan Spah, Angie Mills Fischer, Megan Sauer, and Dean DePountis.**

A resolution recognizing Linda Beall for her service and dedication to the State Banking Board was read and presented.

The meeting adjourned at 10:37 a.m.

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Lise Kruse, Chair

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Corey Krebs, Secretary