

REGULAR STATE BANKING BOARD MEETING  
OFFICE OF THE COMMISSIONER  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
1200 MEMORIAL HIGHWAY  
BISMARCK, NORTH DAKOTA

January 11, 2022

The regular meeting of the State Banking Board was held in the Office of the Commissioner, Department of Financial Institutions, 1200 Memorial Highway, Bismarck, North Dakota. Chair Kruse called the meeting to order at 9:02 a.m., Tuesday, January 11, 2022.

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

ALSO PRESENT: Corey Krebs, Secretary  
Ryan Spah, Chief Examiner  
Angie Mills Fischer, Review Examiner  
Megan Sauer, Administrative Examiner  
Amber Kraemer, KodaBank

## APPROVAL OF MINUTES

Chair Kruse indicated the Board received copies of the minutes of the regular meeting held on November 18, 2021.

It was moved by Member Foster, seconded by Member Heilman, and carried by a vote of 7 to 0, to approve the minutes of the regular meeting held on November 18, 2021.

## KODABANK, DRAYTON, ND – APPLICATION TO AMEND ARTICLES OF ASSOCIATION AND APPLICATION TO RESTATE ARTICLES OF ASSOCIATION

Assistant Commissioner Corey Krebs reviewed the memorandum. The complete application was received on December 30, 2021.

Amber Kraemer reiterated the reason to restate the Articles of Association is to be more concise and update them to be more flexible with adding the utilization of electronic means.

There were no comments or questions from the Board.

Assistant Commissioner Corey Krebs stated it is the recommendation of the Department that the applications be approved.

It was moved by Member Schmid, seconded by Member Foster, and carried by a vote of 7 to 0, to approve the application to amend articles of association and application to restate articles of association.

Amber Kraemer left the meeting.

## REVIEW OF COMMENTS AND APPROVAL OF CHANGES TO NORTH DAKOTA ADMINISTRATIVE CODE 13.01 AND 13.01.1

Assistant Commissioner Krebs reviewed the proposed Administrative Code changes in each section and stated the Department received no comments during the public comment period. Assistant Commissioner Krebs reviewed the expected timeline of each step of the process for the changes.

Member Stennes had a clarifying question and Commissioner Kruse elaborated on the need for unnecessary language to be stricken from the Administrative Code.

It was moved by Member Heilman, seconded by Member Stennes, and carried by a vote of 7 to 0 to approve North Dakota Administrative Code as amended, contingent upon the Attorney General's Office review and approval.

## ITEMS TO BE NOTED

Chair Kruse gave an overview of approvals that were done by the Commissioner since the last State Banking Board meeting. Dakota Heritage Bank, Hunter, established a facility at 101 2<sup>nd</sup> Ave SW, Medina, ND. Merchants Bank, Rugby established a facility at 649 Knutson St, Mapleton, ND. First International Bank & Trust, Watford City, established a facility at 4530 Memorial Hwy, Mandan, ND, and an interstate branch at 601 S Minnesota Ave, Sioux Falls, SD. Robert Sharkey and Laura Rowell, individually and acting in concert, acquired control of 25% or more of the voting stock of Peoples State Holding Company, which controls 100% of Peoples State Bank, both of Westhope. Garrison State Bank & Trust, Garrison merged Farmers Security Bank, Washburn and Bank of Turtle Lake, Turtle Lake with and into Garrison State Bank & Trust and changed the name to "TruCommunity Bank". Bravera Wealth, Dickinson (fka American Trust Center) established an interstate trust branch at 123 N Broadway, Billings, MT. Bank Forward, Hannaford relocated the main office from Hannaford, ND to Fargo, ND. TruCommunity Trust, Garrison, requested to use the word "trust" in the registered trade name of the business. Trustmark Office Center, Fargo requested to use the word "trust" in the registered trade name of the business. ND Banks Benefit Trust, Bismarck, requested to use the word "trust" and "bank" in the registered trade name of the business. Bravera Bank, Dickinson, requested to use the word "trust" and the word "bank" in the registered trade name of "American Trust Center" and American Bank Center".

## BANK BUDGET UPDATE

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

## EXECUTIVE SESSION

It was moved by Member Stennes, seconded by Member Jahner, and carried by a vote of 7 to 0 to adjourn to executive session.

The Board went into closed session at 9:24 a.m. to review the Supervisory Reports of Examination pursuant to North Dakota Century Code 6-01-07.1, and to discuss any confidential records pursuant to North Dakota Century Code 44-04-19.2. Those that were present during the executive session were Chair Kruse, Member Heilman, Member Schmid, Member Stennes, Member Schollmeyer, Member Foster, Member Jahner, Corey Krebs, Ryan Spah, Angie Mills Fischer, and Megan Sauer.

## PUBLIC SESSION

The Board returned to open session at 9:40 a.m.

Commissioner Kruse went over the unrest that has taken place on the FDIC Board and comments made by Chairman of the NCUA Board Todd Harper discouraging credit union agricultural lending and that his most recent comments indicate unofficially rescinding this stance. Commissioner Kruse stated she is bringing this the State Banking Board's attention due to concerns that it may trickle over from the credit union side to the banking side and wanted them to be aware.

Member Schmid added comments regarding the changes at the FDIC Board being political in nature and historically that has not been the case.

Commissioner Kruse congratulated Member Foster for receiving Banker of the Year by BankBeat.

The meeting adjourned at 9:56 a.m.



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Lise Kruse, Chair



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Corey Krebs, Secretary