

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

September 4, 2024

PUBLIC SESSION

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 9:30 a.m., Wednesday, September 4, 2024. Chair Kruse appointed Katie Richard as Acting Secretary, with no objections noted from the Board.

MEMBERS PRESENT: Lise Kruse, Chair
Todd Heilman, Member
Pao-Yueh (Claudia) Schollmeyer, Member
Brenda Foster, Member
Pete Jahner, Member
Steven Rehovsky, Member

MEMBERS ABSENT: Charlotte Aldinger, Member

ALSO PRESENT: Katie Richard, Acting Secretary
Ryan Spah, Chief Examiner
Angie Mills Fischer, Review Examiner
Dean DePountis, Assistant Attorney General

APPROVAL OF MINUTES

Chair Kruse indicated the Board received copies of the minutes of the regular meeting held on July 24, 2024.

It was moved by Member Jahner, seconded by Member Heilman, and carried by a vote of 6 to 0, with member Aldinger absent, to approve the minutes of the regular meeting held on July 24, 2024.

ITEMS TO BE NOTED

Chair Kruse gave an overview of approvals and denials that were done by the Commissioner since the last State Banking Board meeting:

The Special Forces Charitable Trust, Southern Pines, NC – Request to use the word “Trust” in the registered trade name. Approved by the Commissioner.

Dacotah Banks, Inc., Aberdeen, SD – Request to use the word “Bank” in the registered trademark/service mark “The Bank for Business Owners”. Approved by the Commissioner.

Marietta Mae Ganser Private Business Trust, Cleveland, ND – Request to use the word “Trust” in the registered trade name. Approved by the Commissioner.

Bell Bank, Fargo, ND – Application to close facility located at 1850 E. Northrop Blvd, Chandler, AZ 85286. Approved by the Commissioner.

BANK BUDGET UPDATE

Commissioner Kruse gave an overview of the Department's budget. She stated the Department expenditures, and that what is remaining for the biennium are tracking within budget.

DEPARTMENT OF FINANCIAL INSTITUTIONS AUDIT

Commissioner Kruse reviewed the Memorandum with the Board.

It was moved by Member Heilman, seconded by Member Rehovsky, and carried by a vote of 6 to 0, with member Aldinger absent, to approve the audit plan and request for approval, subject to any adjustments requested by the Board and Attorney General's office.

COMPENSATION TO BOARD MEMBERS FOR ADDITIONAL DUTIES PERFORMED

Commissioner Kruse noted that North Dakota Century Code 6-01-03 allows members to receive compensation of \$100 for special duties, as directed by the Board. Commissioner Kruse proposed two separate instances in which potential compensation might be appropriate.

Commissioner Kruse asked the Board to consider approving additional compensation be paid to Member Schollmeyer for time spent discussing the audit scope proposal with Assistant Commissioner Krebs on August 29, 2024.

In discussion, the Board agreed that Public Member Schollmeyer should be compensated for her time spent on the audit scope proposal.

Commissioner Kruse asked the Board to consider approving additional compensation be paid to all Board members that attend the Department of Financial Institutions Bank Summit on October 30-31, 2024.

In discussion, the Board decided that Board members that work for a bank should be not paid for attending the DFI Bank Summit, as they would attend

the event regardless of being Board members and will be paid by their respective institution to attend. However, the Board agreed that public members, such as Member Schollmeyer, should receive compensation for attending the DFI Bank Summit, as they would not attend such an event if they were not Board members.

It was moved by Member Foster, seconded by Member Rehovsky, and carried by a vote of 6 to 0, with member Aldinger absent, to approve the payment of additional compensation of \$100 to Member Schollmeyer for her time on August 29, 2024, regarding the audit scope proposal, as well as payment of \$100 per day to Member Schollmeyer as a public member to attend the DFI Bank Summit.

INCREASED COMPENSATION FOR STATE BANKING BOARD MEMBERS

Commissioner Kruse asked the Board to discuss whether State Banking Board members should consider an overall increased compensation, as this would require approval by the Legislature. She stated that the average pay of state boards appointed by the governor is \$139/ meeting.

The Board would like additional information regarding what other State Banking Boards or similar groups in other states are paid. The Board also noted that an increase in compensation is necessary to continue to recruit competent public Board members. Commissioner Kruse committed to researching other State Banking Board compensations and to provide that to the Board at the November meeting.

EXECUTIVE SESSION

It was moved by Member Foster, seconded by Member Schollmeyer, and carried by a vote of 6 to 0, to adjourn to Executive Session.

The Board went into a closed session at 9:58 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 who were present during the executive session were Chair Kruse, Member Heilman, Member Schollmeyer, Member Foster, Member Jahner, Member Rehovsky, Ryan Spah, Angie Mills Fischer, Dean DePountis, and Katie Richard.

PUBLIC SESSION

The Board returned to open session at 10:20 a.m.

Commissioner Kruse provided an update on the current pending trust company application, which has not been accepted as complete due to outstanding documents. Attorney DePountis provided additional details on how the public hearing will proceed. The hearing will be held in person in Bismarck.

The meeting adjourned at 10:26 a.m.



Lise Kruse, Chair



Katie Richard, Acting Secretary