

Community Banker

ICBND

INDEPENDENT COMMUNITY BANKS
of NORTH DAKOTA

Official Newsletter of the INDEPENDENT COMMUNITY BANKS of NORTH DAKOTA

JAN/FEB 2018 ISSUE



April showers will bring more than flowers!

ICBND announces April workshops:

Risk | Response | Reputation

A comprehensive workshop on physical and virtual risk.

9:30 a.m. – 3:00 p.m.

Thursday – April 5, 2018

Ramkota Hotel & Conference Center, Bismarck

Real Estate
Construction
Lending
Workshop
April 10-11, 2018
ND Heritage Center

Sponsored in part by: **CRESCENT** MORTGAGE



Problem Loan Workout in Today's Market

April 19, 2018

ICBND Training Room - 1136 West Divide Ave, Bismarck

See our website for more information.

Quick Look



- 3 Chairman & President Remarks
- 4,5 Logo Highlights of Associate Members/ Endorsed Associate Members
- 6 Fine Points by Camden R. Fine, President & CEO of ICBA
- 7 From the Chair by Scott Heitkamp, New Chairman of ICBA
- 8 Portfolio Management, Jim Reber, President/CEO ICBA Securities
- 9 ICBA News: "CFPB Launches HMDA Formatting Tool"; "Faster Payments Task Force Seeks Stakeholder Engagement"; "USDA Unveils Interactive Site for Ag Producers"; "Sen. Hatch Speaks Out Against Credit Union Power Grab"; "Court Upholds CFPB Structure, Overturns RESPA Penalty".
- 10 ICBA News: "CFPB Seeking Feedback on Administrative Adjudications"; "Fed Holds Rates in Yellen's Final Meeting"; "Private Sector Adds 234K Jobs in January: ACDP"; "Minn. Fed Proposes Community Bank Relief in TBTF Report"; "New Senate Bill Targets Equifax"; "Fed Paid \$80.2B to Treasury in 2017"
- 11 ICBA News: "Community Bank Earnings Rise 9.4 Percent
- 12 ICBA News: "ICBA Statement on Confirmation of Otting as Comptroller of the Currency"; "Agencies Finalize Basel III Changes"; "Treasury Issues Updated Withholding Guidelines"; "Report: GSE Reform Must Preserve Community Bank Rural Lending"; "Microsoft Issues Updates for Security Flaws"
- 14-15 Citizens State Bank of Lankin
- 16-17 "Customer Experience: The Great Differentiator" by Steve DuPerrieu, CSI
- 22 North Dakota Trade Office: "NDTO Receives Service Award for Aircraft Project with Weather Modification in South Korea"
- 24 Office of Attorney General: "Illegal Robocalls Top Consumer Complaints in 2017"
- 25 Office of ND State Tax Commissioner: "North Dakotans Will Benefit from Tax Reform"
- 26 Office of Attorney General: "US Supreme Court Sides with North Dakota in WOTUS Decision"
- 26 Greater North Dakota Chamber Member Voice
- 29-35 ICBND Members in the News
- 35-36 Classifieds
- 1,38-39 ICBND Educational Opportunities: 2018 April Workshops; 2018 Line Up of Seminars and Workshops; 2018 School of Agricultural Lending
- 40-41 ICBND Educational Opportunities: Webinars
- 42 Our Advertisers
- 42 ICBND Directory

Independent Community Banks of North Dakota

PO Box 6128
Bismarck, ND 58506-6128

701.258.7121

info@icbnd.com

www.icbnd.com

Senator John Hoeven

338 Russell Senate Office Building
Washington DC 20510
Phone: 202-224-2551
Fax: 202-224-7999

Banking Aide: Tyler Hardy
tyler_hardy@hoeven.senate.gov

Senator Heidi Heitkamp

516 Hart Senate Office Building
Washington DC 20510
Phone: 202-224-2043
Fax: 202-224-7776

Banking Aide: Craig Radcliffe
Craig_Radcliffe@heitkamp.senate.gov

Congressman Kevin Cramer

1717 Longworth House Office Building
Washington DC 20515
Phone: 202-225-2611
Fax: 202-226-0893

Banking Aide: Ryan Nelson
ryan.nelson@mail.house.gov



Tim Karsky
Choice Financial Group
Bismarck
ICBND Chairman

Greetings!

As I start to write this newsletter, I am grateful that spring is only 48 days away. With the warmer weather, that means a few months of 2018 will soon be gone and we still do not have a Reg Relief bill passed. I urge you all to keep pressure on our Washington Delegation to get this done. If you are happy with the tax bill, please let Washington know that and how it will impact your bank.

The ICBA convention will be here shortly and if you are considering attending, please get registered as I think it will be one of the best ones ever!! There will be good attendance from North Dakota and I hope to see you there.

I also encouraged you to have someone from your bank participate in the Emerging Leader program as it has been a huge success in developing our future leadership for banking in North Dakota. If there is anything that you want to see done by ICBND please let me know and we will try to make it happen. I hope you are having a profitable year and your communities are benefiting from your success.

Tim

President's Remarks



Barry D. Haugen
ICBND President

Happy New Year everyone! I hope you are enjoying a happy and prosperous 2018. And, I hope you've managed to escape the cold and flu season! I haven't unfortunately and will remember January 2018 as the month of the "hack". My wife says I'm a little annoying and should probably toughen up. But enough about me.

The ICBND calendar of events really starts to heat up in March and I encourage your participation. The Emerging Leaders Development Program schedule is set for the year and the puck drops on Friday, March 9th with a day-long session in Grand Forks followed by a joint social and hockey gathering with the ICBND Board of Directors that evening at the Ralph Engelstad Arena. A special thanks to Choice Financial and First State Bank for hosting the Board meeting and Emerging Leaders meeting, respectively, and to Bell Bank for their sponsorship support!

March also brings the ICBA Convention in Las Vegas March 13-17 at the Venetian Palazzo. We're sure to have another outstanding turnout of community bankers from North Dakota and ICBND will be co-hosting another Great Midwest Get Together at the Yard Bird Southern Table and Bar inside the Venetian on Wednesday evening of the convention. It's not

too late to still save money on your registration for this event.

Also in March is the ICBND Community Bankers for Compliance Program on March 27 and 28th. Please remember that membership in this invaluable compliance program is by bank and most benefits can be utilized by all of your bank's employees.

Before I sign off, I also want to remind everyone of the ICBA Capital Summit in Washington, DC on April 8-11. ICBA puts on a high energy event and this is our opportunity to join community bankers from across the country to advocate our cause to our Congressional delegation and regulators. I'm hopeful that Senate Bill 2155 (led in large part by Senator Heitkamp) will have at least had floor time in the Senate by the time we show up in DC!

Stay warm!

Barry

Associate Profiles

Featuring Associate Members:



Endorsed Associate Members:



FINE Points



Into the Breach

Written by: Camden R. Fine, President and CEO of ICBA

ICBA never flinches from its responsibility to stand up for the nation's community banks, so we didn't hesitate to file suit on behalf of the industry following the massive data breach at Equifax. Joined by Bank of Zachary in Zachary, La., and First State Bank in Barboursville, W.Va., the lawsuit is designed to address the long-term damage to community banks posed by the breach of 145.5 million consumer records and 209,000 payment cards.

The Equifax breach is deeply troubling not only because of its scale but also because of the failure of Equifax to take basic steps to protect itself and consumers from such a preventable catastrophe. The breach—in which hackers entered Equifax's system through a known vulnerability, gaining access to names, Social Security numbers, dates of birth and other information—was caused by Equifax's negligence. Quite simply, the credit rating agency failed to heed warnings from security experts to properly secure its US website. Further, Equifax waited nearly six weeks to report the breach to the public.

We do not yet know the full extent of the damage, but there is no doubt about the cost to community banks. ICBA's lawsuit asks the U.S. District Court for the Northern District of Georgia—Equifax is based in Atlanta—to require the credit bureau to compensate community banks for the costs they will incur in responding to the breach. That includes the costs of customer credit freezes, protective measures to deter fraud, and canceling and replacing payment cards.

For a longer-term solution, ICBA's suit also asks the court to require Equifax to improve its security infrastructure to prevent future data breaches, such as employing adequate security protocols consistent with industry standards to

protect personally identifiable information and payment card data.

ICBA filed this case on behalf of community banks, because Equifax is responsible for an unprecedented breach of sensitive, personally identifiable information. Community banks rely on this information to authenticate customers when opening accounts and conducting online, in-person and over-the-phone transactions. The effect of the breach on community banks, consumers, small businesses and the economy is sure to be substantial.

ICBA has been at the forefront in responding to the Equifax breach since the news broke in September. We called on the credit bureau to immediately notify affected customers and card issuers and to provide us with ongoing briefings regarding the breach's extent. We followed that by releasing tips for community bankers on how to respond to the breach, as well as a customizable letter for community banks to inform their customers.

Now, we are taking our response to the next level by demanding remedial action. Equifax needs to be held accountable for this massive and preventable catastrophic event to ensure the long-term security of community banks and the friends, neighbors and customers we serve.

Camden R. Fine is President and CEO of the Independent Community Bankers of America® (ICBA), a national trade association representing the interests of more than 6,500 community banks.

Follow Camden R. Fine on Twitter,
@Cam_Fine

For Us, the Season of Giving Never Ends

Written by: **Scott Heitkamp**, Chairman of ICBA

FROM THE Chair



The season of giving may have just ended, but for community bankers, another year of charitable giving has dawned. Giving and doing right by our customers and communities is at the heart of what community banking is all about. No matter the season, we are there—making our communities a better place for our fellow residents and the businesses that call it home.

This issue's Indie Banker and Main Street Focus features are prime examples of community banks' impressive charitable and nonprofit efforts. And look no further than ICBA's annual National Community Bank Service Awards, announced in August and covered in the September issue of *Independent Banker*. From helping devastated communities recover from natural disasters to broadening access to mainstream financial services for underserved communities, this year's award winners exemplified what it means to be a community bank.

The theme of helping your neighbors after a crisis—whether natural or manmade—hit home this year for us at ValueBank Texas. We know if anyone is going to step up amid chaos and disaster, it's the community bank!

And while most of our bank's efforts this year have focused on Hurricane Harvey relief, we also support charities and local entities such as the Texas State Aquarium, Driscoll Children's Hospital and Wounded Warriors of Central and South Texas. I have been on the boards of these charities, and ValueBank Texas has contributed and sponsored golf tournaments, songwriter events and donor walls.

There is such a sense of pride that comes from seeing how your bank contributes to the greater good of your community. For example, we are incredibly proud of the role

ValueBank Texas served in helping Driscoll Children's Hospital purchase new equipment for a NICU unit and in helping the Texas State Aquarium expand its space. We're also proud of the more individualized giving and receiving we do, like spending time with wounded warriors and hearing their stories.

These are the real stories. These are real relationships with people who mean something to our community and our country.

I can tell you that there is nothing like playing golf with a wounded warrior who lost a leg fighting for our freedom and experiencing his determination to live a normal life, or seeing the smiles on children's faces as they walk through our new Aquarium Caribbean wing at the Texas State Aquarium. These are the reasons I get involved. It's about the outcome: lives and situations changed because of our giving. But it doesn't have to be about donating a huge amount of money or time. These charities could also use our expertise with finances or our experience with advocating. As community bankers, we have the tools in our toolbox. Just pull them out and use them.

We have so much to give, and we must continue that spirit throughout 2018 and show the world what it means to be a community bank. We are difference makers every day for so many.

Thank you for all that you do. Best wishes for a bright and successful 2018.

R. Scott Heitkamp is chairman of the Independent Community Bankers of America® (ICBA), the only national trade association that exclusively represents community banks and is president and CEO of ValueBank Texas in Corpus Christi. Follow him on Twitter, [@sheitkamp](https://twitter.com/sheitkamp)





Portfolio Management

By Jim Reber

Who Moved My Step-Ups?

Population of agency bonds is evolving

Not so long ago, a wildly popular variety of government agency bonds was struggling to get to market fast enough to meet investor demand. Chances are your community bank owned some, or a lot, of these bonds, known as “step-ups.” Lately, the ever-changing dynamics of supply and demand have made the build-out more difficult and the attractiveness less so. Since we’re in the community banking business, and most everything we touch is somehow cyclical in nature, it bears examining why step-ups are at least temporarily on hiatus and what could spark their triumphant return.

But before we do, let us revisit the basic structure. These step-ups are issued by the usual suspects: Fannie Mae, Freddie Mac and the Federal Home Loan Bank. They have good liquidity, are pledgeable and are 20 per risk weighted, so they meet all those safety and soundness criteria. Their maturities can vary from three years to 15. Their “lockouts,” which are the periods from issue until the first call date, can be as short at three months and as long as three years. The one thing they have in common: a stated interest rate, or coupon, that will rise in the future if the bond isn’t called by the issuer.

Comparison shopping

Beyond the promise of a higher rate in the future (if the bond still exists), step-ups can have very different structures. For one, the steps can be one-time-only (which is comparatively rare), or they can be multi-steps. For another, the height of the steps can be miniscule (as small as 12.5 basis points, or .125 percent, annually) or as large as two percent annually. For still another, most step-ups can be called at any interest payment date, but a few have one only call date. Your broker should show you all the possible outcomes during the pre-purchase phase.

In the end, the reason step-ups have appeal to community banks is that they provide protection against rising rates. Portfolio managers realize that they are sacrificing yield today for some potential upside later. The trick is to buy enough yield in the future to make up for the lost revenue today, which involves guesswork, as the following illustrates.

In March 2017, Fannie Mae issued a fixed rate bond that matured 3/29/2021 with a coupon of 2.125 percent. It also issued a step-up that matured 3/29/2022 with a beginning coupon of 1.75 percent. Both bonds were callable in six months, which meant September 2017. In fact, both were called, so the first investor’s holding period yield was 37.5 basis points higher

for the same six months. The breakeven date was March 2020, which now will never happen.

Market headwinds

With that as a background, let’s examine the difficulty in launching step-ups in today’s market. As short rates rise relative to longer rates, the underwriters struggle to rob enough coupon from the front end of the cash flows to make the back coupons attractive to risk-averse investors. Remember that portfolio managers are comparing fixed rate callables with step-ups, as we saw in our example. In the two years between January 2016 and January 2018, the yield curve between one and 10 years flattened 100 basis points.

To demonstrate, we can refer back to our Fannie Mae step-up from 2017. That bond, which you remember was called in September 2017, would have had a terminal coupon of 4.00 percent had it lasted five years. Today, in a much higher short-term rate environment, a similar step-up would begin with a coupon of about 2.00 percent but would have a terminal coupon of only 3.00 percent. Plenty of portfolio managers are deciding that a fixed rate callable is a better option at the moment.

Proof in the underwriting

Now let’s look at some numbers for evidence. Back in the steep curve days of say, 2011, nearly half of all agency issues had some type of stepped-up coupon structure. Even as late as a year ago, nearly a quarter of the new bonds had built-in yield protection. In December 2017, step-ups accounted for less than five percent of newly hatched bonds.

Community banks in general own fewer agencies than before. In the past six years, the sector’s weightings have gone from about 18 percent of the total portfolio to about 11 percent today. I would suspect that given the continued rising demand for well-structured mortgage products and high-quality municipal bonds, and their attendant shrinking spreads, agency bonds can make a comeback among community banks—especially when we see the yield curve begin to steepen. The evolution of the agency bond market will continue to respond to investor demand, and that will include step-ups.

Cutting Edge Bond Accounting

Vining Sparks, ICBA Securities’ exclusive broker, offers full-service bond accounting at attractive prices. Vining Sparks currently performs these services for nearly 500 community banks, and a customized report menu is available. To learn more, contact your Vining Sparks sales rep or visit viningsparks.com.

Jim Reber is president and CEO of ICBA Securities and can be reached at 800-422-6442 or jreber@icbasecurities.com.



CFPB Launches HMDA Formatting Tool

The Consumer Financial Protection Bureau launched the 2018 Home Mortgage Disclosure Act Loan-Application Register Formatting Tool. The LAR Formatting Tool is intended to help financial institutions, typically those with small volumes of covered loans and applications, to create an electronic file that can be submitted to the HMDA platform. The CFPB also released an updated instructional guide.

[Access the Formatting Tool and Guide >](#)

Faster Payments Task Force Seeks Stakeholder Engagement

The Federal Reserve's Faster Payments Task Force allows community bankers and others to participate in the next phase of its efforts. Stakeholders can use the task force's "Engage" page to sign up to contribute to its governance framework and informal work groups or to express support for its vision. The task force is working to implement secure and ubiquitous faster payments by 2020.

[Learn More and Engage >](#)

USDA Unveils Interactive Site for Ag Producers

The USDA unveiled Farmers.gov, the new interactive website for agricultural producers. The site will add features in the coming months to allow producers to make appointments with USDA offices, file forms, and apply for USDA programs.

[Visit the Website >](#)

Sen. Hatch Speaks Out Against Credit Union Power Grab

ICBA thanked Senate Finance Chairman Orrin Hatch (R-Utah) for his letter to the National Credit Union Administration expressing concern that credit unions may be operating beyond their tax-exempt purpose. Noting that the credit union tax exemption is valued at approximately \$2.9 billion this year, Hatch cited several of the NCUA's ICBA-opposed actions, including rules on field of membership, commercial lending, and alternative capital.

"ICBA thanks Sen. Hatch for speaking out against the tax-exempt credit union industry, which for too long has enjoyed the benefits of competing with tax-paying community banks," ICBA President and CEO Cam Fine said.

Also this week, a [Tax Foundation analyst](#) said lawmakers should reexamine the credit union tax exemption given changes in the financial services industry. ICBA strongly supports repealing the tax exemption, which it strongly advocated during the tax reform debate.

[Read Hatch's Letter >](#)

[Read ICBA Release >](#)

Court Upholds CFPB Structure, Overturns RESPA Penalty

A federal appeals court upheld the constitutionality of the Consumer Financial Protection Bureau's structure while ruling that the agency overreached with a large RESPA penalty.

The D.C. Circuit Court of Appeals agreed with a lower-court ruling against a June 2015 action in which CFPB Director Richard Cordray increased a \$6 million administrative law judge penalty against mortgage lender PHH to \$109 million. The appeals court agreed that the CFPB departed from prior interpretations of RESPA by retroactively applying its new interpretation of the law against PHH, which is entitled to relief from the penalty. ICBA argued in a [joint amicus brief](#) last year that the CFPB's order ignored interpretive guidance and raised the specter of further regulatory changes without notice.

On the constitutional question, the court ruled that the CFPB's governance by a single director who can be removed by the president solely for cause does not violate the president's authority to appoint and remove executive branch officers. That overturns a previous ruling that the bureau's structure concentrates "enormous executive power" in its director and is unconstitutional. ICBA continues to support CFPB governance by a five-member commission to avoid overreach at the bureau.

About ICBA

The Independent Community Bankers of America®, the nation's voice for more than 5,700 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services. For more information, visit ICBA's website at www.icba.org.



CFPB Seeking Feedback on Administrative Adjudications

The Consumer Financial Protection Bureau issued a request for information on its use of administrative adjudications, in which an administrative law judge issues a recommended decision to the CFPB director. The CFPB is seeking to better understand the effects of its use of administrative adjudications and how its existing process may be improved.

[Read More from CFPB >](#)

Fed Holds Rates in Yellen's Final Meeting

In Federal Reserve Chair Janet Yellen's final Federal Open Market Committee meeting, the panel held interest rates steady. The committee said it expects inflation to move up this year, indicating another round of hikes could come at its March meeting. With incoming Fed Chair Jerome Powell set to take over for Yellen this weekend, the federal funds rate stands at a range of 1.25 percent to 1.50 percent following a 25-basis-point increase in December.

[Read FOMC Statement >](#)

Private Sector Adds 234K Jobs in January: ACDP

Private-sector employers added 234,000 jobs in January, according to [ADP](#). Small businesses added 58,000, while medium and large businesses added 91,000 and 85,000, respectively. The services sector accounted for 212,000, while the goods-producing sector produced 22,000.

Minn. Fed Proposes Community Bank Relief in TBTF Report

The Federal Reserve Bank of Minneapolis released its final plan to end too-big-to-fail by raising capital requirements for the largest banks while reducing capital and regulatory burdens on the smallest.

The final plan would establish a separate supervisory and capital regime for community banks. It recommends community bank capital guidelines that largely mirror the Basel I standards as well as examination, appraisal, call report, and accounting relief advocated in ICBA's [Plan for Prosperity](#) and 2017 [comment letter](#) to the reserve bank.

The plan also would dramatically raise capital requirements for institutions exceeding \$250 billion in assets, require the Treasury Department to individually certify that these institutions are no longer systemically important or else subject them to even greater standards, and tax the borrowings of shadow banks with more than \$50 billion in assets.

[Read the Minneapolis Fed's Plan >](#)

New Senate Bill Targets Equifax

Senate Banking Committee Democrats Mark Warner (Va.) and Elizabeth Warren (Mass.) [introduced](#) legislation to hold Equifax and other large credit reporting agencies accountable for breaches of consumer data. The bill would give the Federal Trade Commission more direct supervisory authority over credit bureau data security, allowing it to impose mandatory penalties to compensate consumers. ICBA is suing Equifax over its massive breach and is advocating data protection and consumer notification legislation.

Fed Paid \$80.2B to Treasury in 2017

The Federal Reserve Banks paid approximately \$80.2 billion of their estimated 2017 net income to the U.S. Treasury, according to preliminary results released by the Fed. Net income was down \$11.7 billion from 2016, primarily due to higher interest expenses on reserve balances held by depository institutions.

[Read More from Fed >](#)

About ICBA *The Independent Community Bankers of America®, the nation's voice for more than 5,700 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services. For more information, visit ICBA's website at www.icba.org.*



ACHIEVE MORE WITH FLEX PACE LOANS

As a lender, you help your customers and community achieve more.

Eligibility

North Dakota business that doesn't meet the primary sector definition of PACE. May also be used for child care facilities and affordable housing projects.

Use of proceeds

Purchase real property, equipment and certain working capital requirements.

Buydown funding

Up to \$200,000 for businesses; \$300,000 for child care and \$500,000 for affordable housing. Buydown is matched by the community at designated participation level.

VISIT BND.ND.GOV/BUSINESS



**Advertise
Here**

Contact Nanci at info@icbnd.com



Community Bank Earnings Rise 9.4 Percent

Community banks reported \$6 billion in net income in the third quarter, up \$513 million (9.4 percent) from the same time a year ago, according to the FDIC's Quarterly Banking Profile.

At the 5,294 insured institutions identified as community banks by the FDIC, net operating revenue rose \$1.5 billion (6.7 percent) and net interest income increased \$1.7 billion (9.7 percent). Noninterest income declined 3.4 percent as loan-loss provisions increased 5.5 percent and noninterest expenses rose 4.3 percent. Loan growth was 7.3 percent.

Overall, the banking industry reported aggregate net income of \$47.9 billion in the third quarter of 2017, up 5.2 percent from a year earlier. The increase was mainly attributable to an \$8.8 billion (7.4 percent) increase in net interest income. Of the 5,737 insured institutions reporting third-quarter results, 67.3 percent reported year-over-year earnings growth, while the proportion of unprofitable banks fell to 3.9 percent from 4.6 percent a year earlier.

Two new commercial bank charters were added in the third quarter, bringing the total for the first nine months of 2017 to four new institutions. The FDIC's Problem Bank List fell from 105 to 104 during the third quarter, the fewest since the first quarter of 2008.

The Deposit Insurance Fund balance increased \$2.9 billion to \$90.5 billion as of Sept. 30, with the DIF reserve ratio rising to 1.28 percent from 1.24 percent at the end of June. Estimated insured deposits rose 0.7 percent.

[Access the Quarterly Banking Profile >](#)

ICBA Statement on Confirmation of Otting as Comptroller of the Currency

Independent Community Bankers of America® (ICBA) President and CEO Camden R. Fine issued the following statement on Joseph Otting's confirmation as comptroller of the currency.

"ICBA and the nation's community banks congratulate Joseph Otting on his confirmation as comptroller of the currency. The OCC oversees many community banks that diligently serve their local communities at a time of significant overregulation. As a former banker, Mr. Otting understands the unintended consequences of excessive regulatory burdens.

"ICBA looks forward to working with Mr. Otting and the OCC, and we will continue working with Congress and the Trump administration to advance meaningful regulatory relief for community banks to support locally based growth in communities across the country."

Agencies Finalize Basel III Changes

Following ICBA advocacy, federal regulators issued a final rule freezing the phase-in of certain Basel III capital rules to reduce the regulatory burden on community banks. The final rule extends the existing capital requirements for certain items, providing some community bank regulatory relief while the agencies consider additional capital simplification.

Specifically, the final rule extends the existing capital requirements for mortgage-servicing assets, certain deferred tax assets, investments in the capital instruments of unconsolidated financial institutions, and minority interest. It applies to banks with less than \$250 billion in assets.

ICBA has been a longstanding advocate of simplifying capital standards for the nation's community banks and is working with federal regulators to achieve additional relief. ICBA continues calling on policymakers to fully exempt community banks with less than \$50 billion in assets from the Basel III standards—a key provision in ICBA's Plan for Prosperity regulatory relief platform.

[Read More from FDIC >](#)

Treasury Issues Updated Withholding Guidelines

The Treasury Department and IRS released withholding guidance to employers to implement tax cuts and other provisions of the Tax Cuts and Jobs Act. Treasury encouraged employers to implement the new withholding tables expeditiously but no later than Feb. 15. Workers will see changes in their paychecks once employers adopt the new guidance.

ICBA continues to offer a tax reform scorecard that summarizes the new tax law's favorable outcomes for community banks as well as remaining tax challenges.

[Read More from Treasury >](#)

[Access ICBA Scorecard >](#)

Report: GSE Reform Must Preserve Community Bank Rural Lending

Fannie Mae and Freddie Mac help level the mortgage-lending playing field between community banks and the largest financial institutions, according to a new report from the Brookings Institution and Center for Responsible Lending.

The study found that nearly 27 percent of mortgages from rural banks and credit unions are sold to Fannie and Freddie—10 times more than Ginnie Mae. The report argues that any housing-finance reforms must maintain features that are essential for community banks, such as the government-sponsored enterprises' cash window that allows lenders to sell individual loans and retain servicing.

With Congress resuming negotiations over housing-finance reform, ICBA continues working with lawmakers to preserve equal and direct access to the secondary market for community banks. ICBA laid out its recommendations for reform in a recent [white paper](#) and in [congressional testimony](#) last fall.

[Read the Report >](#)

Microsoft Issues Updates for Security Flaws

Microsoft released 14 security updates, including fixes for the Spectre and Meltdown vulnerabilities revealed last week, while Adobe issued a separate security update to its Flash Player software. As detailed by the [KrebsOnSecurity blog](#), Microsoft suspended patches for computers running AMD chipsets, though patches for Intel chips are working properly.

About ICBA

The Independent Community Bankers of America®, the nation's voice for more than 5,700 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services. For more information, visit ICBA's website at www.icba.org.

FORMERLY DAKOTA CDC



JOINING YOU on the JOURNEY

We are excited to announce that Dakota Certified Development Corporation (Dakota CDC) is now Dakota Business Lending effective January 1, 2018.

Along with the name change, we have also moved to a beautiful, new Fargo location and are looking forward to another 35 years of growing and building businesses and partnerships across the region.

Dakota Business Lending
5630 36th Ave S
Fargo, ND 58104

www.dakotabusinesslending.com

ICBND would like to apologize to Citizens State Bank of Lankin for not including them in our first print of the *'Remembering the Past, Anticipating the Future'* 50th Anniversary booklet. This had been quite an endeavor and we had hoped that all of the 'i's were dotted and the t's were crossed' but unfortunately missed this. Please enjoy the Banking Generations of ICBND and article of the history of Citizens State Bank of Lankin. Thank-you.
Barry Haugen, President, ICBND

Banking Generations of ICBND

Over the years we've seen the community banks here in North Dakota pass in leadership from father to son, and in many cases daughter, which supports the belief that community banking is more than just a profession. For many of our association members it's a passion that passes within families, and each generation improves on the past and makes their own mark of excellence.

State Bank & Trust of Kenmare

Leonard Jorgenson
Jim Jorgenson

First International Bank & Trust

Leland (Lee) Stenehjelm
Stephen Stenehjelm
Peter Stenehjelm
Eric Stenehjelm
Kira Stenehjelm-Noll

Peoples State Bank of Velva

Richard Beall
Rick Beall

The Union Bank

Gordon Hoffner
Wayne Hoffner

Liberty State Bank

Randy Streifel
Brad Streifel

Farmers State Bank of Crosby

Harold Hanisch
Gary Hanisch
Paul Hanisch
Ryan Hanisch
Andrea Hanisch

First State Bank

Paul H. Marchell
John Marchell

Security State Bank

William Campbell
Alan Campbell
Jeff Campbell
Richard Campbell (First Western Bank & Trust)

Security State Bank Holding Co.

William O. Brown
John Brown
Alan Brown
Mark Brown

Citizens State Bank of Lankin

James H. Vorachek
LaVerne Gaarder
Marjorie Vorachek
Marjie Jonasson
Jim Gaarder
Mara Jonasson

Farmers State Bank of Leeds

Dale Streyle
DeWayne Streyle
Keith Streyle
Roscoe Streyle

Starion Bank

Frank Larson
Craig Larson

First Western Bank & Trust

J. H. (Jack) Hoeven, Jr.
John Hoeven

Dakota Heritage Bank of North Dakota

Darvin Hauff
Jason Hauff

Security First Bank of North Dakota

Tony Goetz
Jim Goetz
Sarah Getzlaff

Grant County State Bank

John G. Schmid
Michael Schmid

First State Bank of Golva

Don Baertsch
Dee Ann Baertsch





Our history began in 1905, when the Citizens State Bank of Lankin received its charter from the State of North Dakota. Our patriarch, James H. Vorachek, provided strength and direction for the bank through its first decades which included the Great Depression. His dedication to the bank's customers never wavered. James and his wife Mayme had eight children, many of whom also had long careers with the bank.

In 1937, James H. and his sons expanded the banking operation to provide financial services to the communities of Edinburg and Edmore. In early 1960's, daughters Laverne (Vorachek) Gaarder became the manager of the Edmore branch and Marjorie Vorachek became manager of the Edinburg branch. These two extraordinary women built upon their fathers foundation and together guided the bank through the next decades.

In the early 1980's, Laverne Gaarder became the bank's President, Chief Executive Officer and Chairman of the Board. She provided vision, leadership, and guidance for the bank and its customers for decades. Laverne's daughter Marjie began her banking career in 1979 as a teller and soon became proficient in all areas of banking. In 2001, the bank expanded again when Laverne and Marjie opened a branch in Park River.

Laverne's son Jim Gaarder is now the bank's Chief Executive Officer, and Marjie continues to manage the Edinburg branch in addition to her duties as Vice President, Branch Manager, Loan Officer and Lending Compliance Officer.

We're proud of our long history of service-oriented community banking and we honor all our family members who came before us. The reasons we've been around for the past 100 years are the same reasons we'll be around for the next 100 year: We reinvest in our communities, we are committed to providing superior service to our customers and we foster lasting relationships built on trust and integrity.

OUR MISSION

To be the leading bank in the region and in each of the communities we serve by fostering lasting relationships built on trust and integrity and enhancing the value of our communities through a relentless commitment to service.



Edinburg, ND



Edmore, ND



Park River, ND



Lankin, ND

Customer Experience: The Great Differentiator

by Steve DuPerrieu



Observe the modern banking landscape, and discover a fierce battleground: institution pitted against institution—all vying for the consumer's attention in a continuous struggle defined by new technology and flashy innovation.



Look closer, however, and at the core of all the fluff lies a basic truth: banking as a service is still very much a commodity. How, then, can bankers escape this position of commodity and break free of the status quo?

The answer lies not in standalone innovations, but in an enhanced overall customer experience.

This comes according to [CSI's 2018 Banking Priorities Study](#), which polls banking executives from across the country.

This year's survey captured feedback from 236 bankers nationwide, all sharing their perspective on which issues, technologies and strategies would affect the financial industry the most during 2018.

Here's what they had to say:

A Fine-tuned Customer Experience

48% of bankers plan to increase spending on customer experience initiatives in 2018

Based on the study, bankers obviously find value in the customer experience—they are willing to spend more to enhance it, after all—but do they truly understand what it means? What value does your institution bring to your customers' everyday lives? How do customers feel when they are at your bank or use your services? These questions help define the customer experience for your institution.

David Albertazzi, a senior analyst for Aite Group, weighed in on CSI's survey results. As he puts it: "The only true differentiation today is around customer experience, and that's where financial institutions have to compete."

So how do bankers plan to improve the customer experience this year? The first step centers on digital enhancements.

The Digital Drive Intensifies

38% of bankers will improve the customer experience with [digital enhancements](#)

Today, more than ever, external forces shape customer expectations. Banks must realize that they are not solely competing with other financial institutions when it comes to customer experiences. Netflix and Amazon, among others, have ushered in an age of instant accessibility and gratification that have defined customer expectations.

Matching this expectation is no easy task. But, more and more, banks are focused on how they deliver products and services to their customers in a new era, where digital is the primary channel. They're undertaking various projects that help them streamline their service delivery, accomplishing two feats: giving better products and services to their customers, and doing so in a more efficient and cost-effective manner that drives customer profitability.

Continued on next page.

Which Recycler is *Right* for You?



HYOSUNG



LG CNS



80 + Years Providing Financial Solutions

Contact Us... bankersequipment.com | 888.890.6661

Albertazzi agrees: “It makes a lot of sense that digital banking is at the top of the list, especially for community financial institutions. They’re looking at bridging any feature or functionality gaps that they have within their digital banking offerings, and that’s providing that more consistent experience and advanced functionality.

“We know that a lot of the transactions have migrated to the digital channels; and it’s a never-ending process around customer experience improvement, not a beginning and an end. I think you’ll be seeing that year over year.”

According to CSI’s poll, digital innovations for this year will center on:

39%: [Branch transformation](#) 35%: [Mobile banking adoption](#) 24%: Mobile wallet/tokenization

Digital enhancements, though vital to the success of financial institutions, cannot be isolated. They must interact and collaborate with other banking initiatives to formulate an omnichannel strategy.

A Concrete Omnichannel Strategy

At 48%, reaching new customers through an [omnichannel strategy](#) took the second spot for greatest opportunities in 2018

The idea behind omnichannel banking is consistency: creating a singular customer experience across all channels. For example, a feature-rich mobile app, though initially enticing, falls flat as a standalone innovation. If a functionality of that app—say, opening a new account—doesn’t integrate with other channels, the customer experience takes a hit.

Banks’ increased interest in omnichannel strategies indicates that the industry is moving away from an early adopter phase and toward implementation, as omnichannel initiatives gather steam throughout the market. Aite’s Albertazzi concurs:

“This is in line with what we’re seeing; everything surrounds the customer experience, so pursuing omnichannel is obviously rising in importance. It’s all about providing a consistent experience between channels, so if I start a transaction in one channel I can complete it in another, and so on.”

But how will banks realize an omnichannel strategy? Although each institution must take stock of their unique customer base, CSI’s survey unearthed the three most sought-after omnichannel tactics:

53%: [Customer relationship management \(CRM\) tools](#) 50%: [Online account opening/funding](#) 39%: Interactive ATMs and self-service kiosks (combined)

Each on their own, these items cannot provide maximize value to your bank. However, use them in conjunction with other functionalities across your institution, and you have the ability to greatly enhance a customer’s experience—and thus, their loyalty.

To read the full results of this year’s survey, download CSI’s [Banking Priorities Executive Report 2018](#).

Steve DuPerrieu is vice president of channels and analytics for CSI. In his role, he provides leadership for CSI’s delivery channel strategy, which includes digital banking, payment services, business and analytics software, and branch/retail delivery solutions. Steve is also a board member for the Association for Financial Technology (AFT).



ACHIEVE MORE WITH PACE LOANS

As a lender, you help your customers and community achieve more.

Buydown criteria for PACE loans has been updated. It is now based on either the business investment or number of jobs created.

	BND Buydown	Minimum Investment	or Jobs created
Tier One	\$100,000	\$750,000 - \$1,200,000	2-5
Tier Two	\$200,000	\$1,200,001 - \$2,200,000	6-10
Tier Three	\$300,000	\$2,200,001 - \$3,500,000	11-15
Tier Four	\$400,000	\$3,500,001 - \$4,500,000	16-20
Tier Five	\$500,000	\$4,500,001+	20+

VISIT BND.ND.GOV/BUSINESS

BND
Bank of North Dakota





3 Steps to an Injury-free Workout

Live Well, Work Well

Health and Wellness tips for your work, home and life
brought to you by ND BANKS Benefit Trust.

Exercise is a great way to combat stress, lose weight and boost energy. To get the most from your workouts, you should add warming up, cooling down and stretching to your routine. These three simple steps are proven to help prevent painful and costly injuries.

1. **Warming Up** – Warming up allows your body time to adjust from rest to activity. Always remember to gradually increase the intensity of your warmup to reduce stress on your bones, muscles and heart.
2. **Cooling Down** – As with warming up, cooling down should include movements similar to those in your workout, but at a gradually decreasing level of intensity.
3. **Stretching** – After cooling down, stretching helps to build flexibility and range of motion. When stretching, follow the guidelines below:
 - Use gentle and fluid movements and breathe normally.
 - Never force a joint beyond its normal range of motion; you should not feel any pain. ■

6 Full-body Stretches

Hold each stretch for 40 seconds.



neck stretch



shoulder stretch



tricep stretch



pelvic stretch



quad stretch



forward stretch

January: Thyroid Awareness Month

The thyroid gland is a small, butterfly-shaped gland located at the base of the neck that helps control the function of many of the body's organs and helps to set the metabolism. According to the Cleveland Clinic Foundation, approximately 20 million Americans have some form of thyroid disease and an estimated 12 percent of the population will develop a thyroid condition in their lifetime.

Fortunately, the American Journal of Medicine reports that early detection of a thyroid disorder is as cost-effective as early detection of common chronic conditions. In honor of Thyroid Awareness Month, take some time to become familiar with the most common risk factors, which include the following:

1. **Being female** — Women are five to eight times more likely to suffer from a thyroid disorder than men are.
2. **Age** — The Thyroid Foundation of America recommends that women get annual thyroid hormone level tests yearly starting at age 50 and that men should get yearly tests beginning at age 60.
3. **A family history** — If thyroid disease runs in the family, testing every five years after age 35 is recommended.
4. **Pregnancy** — Thyroid conditions can arise after giving birth.

Those with a high risk of developing a thyroid disorder should speak with their doctor. Together, you can determine the next steps to take. ■

Winter Sports Safety Tips

The cold, crisp air and breathtaking views are just a few of the simple joys associated with winter sports. To ensure that your skiing or snowboarding excursions remain safe, be sure to keep in mind the following five tips:

- Inspect your skiing or snowboarding equipment to ensure that it is in good working condition.
- Wear protective headgear, such as a helmet and snow goggles.
- Yield to skiers or snowboarders in front of or below you on the slope.
- Carry a fully charged cellphone with you at all times.
- Never drink alcohol while skiing or snowboarding. ■



ND BANKS
BENEFIT TRUST

Contact Angi Day at (701) 223-5303 or
angi@ndba.com for more information on
ND BANKS Benefit Trust.

COREY CLEVELAND Senior Vice President United Valley Bank

CONSUMER AWARENESS

After a fall, I have been battling a strained neck/upper back strain. In order to get some relief, a TENS unit (provides electrical impulses to muscles via externally attached electrodes) was recommended for me. I got a script from my physician for the TENS unit and contacted a local source. I got a description of the unit and learned its price to be billed to my insurance company would be \$544.15. I went online and found the same unit at a cost of **\$29.95!** The local source forwarded their unit to my physical therapist for me to pick up. I showed the information to my therapist and we agreed that the two units were the same. I asked her to return the unused unit to the local source as I planned to buy the unit online. My therapist made a copy of the information to share with other patients which may not have a unit paid for by their insurance company.

Being an informed consumer is important especially with the ever increasing costs of medical services.

I imagine medical staff and patients do not consider the cost of equipment if they do not have to pay for it directly.

I encourage NDBanks Benefit Trust insureds to do price comparisons. Education and sharing information is important to reduce overcharging – as we all want our health insurance premiums to be minimized.



Together, let's make it happen.
Zellie Schlieman
 Call me at 701.433.7430

Based in Fargo, N.D., specializing in bank stock and Regulation O lending

Why choose Bell as your bank's lending partner?

We're providing loans to banks across the country for capitalization, acquisitions, refinancing and restructuring. We'll tailor terms and conditions to your bank and its owners.

- Bank stock & ownership loans
- Bank building financing
- Business & personal loans for bankers
- Commercial & ag participation loans



Member FDIC

bellbanks.com

Just a friendly reminder that if your bank has been the victim of any type of fraud please email the information to info@icbnd.com with as many details as you can so we may in turn alert our fellow community bankers around the state. It seems that there are more counterfeit bills, checks, and suspicious activity including robberies in our state at an increasing rate these days.

Please stay safe and help us to keep all our North Dakota Community banks, customers and employees safe by getting us your information to pass on to our members.



To have ***your*** announcements featured in the *Community Banker* please send your articles to info@icbnd.com

"WE KNOW MARKETING & PROVIDE YOU SOLUTIONS."



Call Jess or Lacey
 701.258.8748
purchasing@icbnd.com

WE ARE YOUR SOURCE FOR:

- Promotional Items
- Office Supplies
- Clothing
- Business Cards
- Imprinted Cups/Napkins
- Envelopes & More!

* Now offering Graphic Design services like: custom made posters, banners, business cards, logos, website design & more!



PO Box 6128
 Bismarck, ND 58506
www.icbnd.com

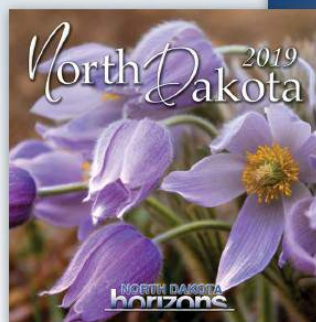
GO LOCAL with ICB MARKETING SOLUTIONS

*Keep your business in front
of your customers 365 days a year*

with the



- Calendar size 12"x 24" when fully open
- Generous appointment squares
- Shrink-wrapped for your convenience
- Envelopes available for mailing
- Minimum order of 200 is required



ICB Marketing Solutions has teamed up with *North Dakota Horizons* to provide you discounted prices for the 2019 North Dakota scenic calendars. Give your customers or business associates a copy of this calendar as a holiday gift or year-end expression of appreciation. These customized calendars spotlight your business and keep your logo in front of your customer's year 'round. What a great way to promote your business and North Dakota at the same time! Each calendar will cost you \$4.75, unless orders exceed 1,000, after which the price is \$4.25. Retail price for the calendar is \$10.95.

2019 HORIZONS CALENDAR ORDER FORM

Please return this
order form by **March 26.**

Mail to:
ICB Marketing Solutions
Attn: Lacey Kuhn
1136 W Divide Ave.,
Bismarck, ND 58501
or call 701-258-8748
Or:
E-mail order information
and artwork to:
laceyk@icbnd.com

Bank Name _____

Mailing Address _____

E-mail _____

Phone _____ Fax _____

Color choice for logo imprint: ☐ Blue ☐ Red ☐ Green ☐ Black

Quantity _____ # of envelopes _____
@ 30¢ each

NDTO Receives Service Award for Aircraft Project with Weather Modification in South Korea



The Korea Meteorological Administration (KMA) presented North Dakota Trade Office Manager of Business Development Jiwon Kim with an award in Seoul, South Korea on December 20 for facilitating a contract between KMA and Fargo-based Weather Modification International. North Dakota Trade Office (NDTO) member Weather Modification International recently completed the project for KMA, which included the installation, training and delivery of a state-of-the-art atmospheric research aircraft. The aircraft will go on to be used for numerous missions to include pollution monitoring, atmospheric aerosol studies and operational cloud seeding programs, as well as collecting data during the 2018 Winter Olympics in Pyeongchang, South Korea.

"This project was entirely turn-key to provide KMA with a fully customized King Air 350 aircraft along with the instrument integration and technical training to model weather patterns," said Neil Brackin, President of Weather Modification International (WMI). "There is also the ability for additional instrumentation to be installed in the future and expanded capability under WMI's unique Supplemental Type Certificate."

NDTO's Kim was involved with WMI from the initial bidding and provided translation of meeting reports, minutes and technical documentation. Kim also performed simultaneous translation at meetings and conference calls regarding descriptions of the aircraft and equipment, aircraft modification, equipment installation and operation of each piece of weather equipment, while providing cultural interpretations throughout the process. In recognition of his introductions and facilitation of the successful contract, KMA awarded Kim with the KMA Administer Award for Service Excellence.

"This award means that not only did KMA appreciate WMI's hard work to successfully complete the project, but also NDTO's assistance until its completion," said Kim. "It is a confirmation of NDTO's purpose of establishment and goals."


KMA's atmospheric research project has been in the works since 2008. Now, nine years later and two years after WMI became involved, the aircraft is ready for flight with 25 pieces of weather observation equipment including dropsonde equipment (to observe weather after being discharged from the aircraft), radiation monitoring equipment, cloud particle and precipitation measuring instruments, a greenhouse gas analyzer, temperature measuring devices and a data collection system.

One of the twin turbo-prop aircraft's first missions will be meteorological observation at the Pyeongchang Winter Olympics beginning on February 9. Temperature, humidity, pressure and wind by altitude will be measured and used for numerical modeling, with the results shared with researchers at the World Meteorological Organization.

In the future, the KMA anticipates a comprehensive stereoscopic observation network on the Korean Peninsula with information gathered via weather aircraft, ground observation, satellite and weather observation vessel.


The North Dakota Trade Office is a membership-based, private/public partnership in Fargo that provides education, research, advocacy, organization and leadership so that NDTO members and North Dakota companies can increase exports and grow their international business.

WMI is the world-leader in atmospheric chemistry, pollution and weather research, weather forecasting and modeling, and weather modification programs. The company is best known for its successful cloud modification projects worldwide to suppress hail and enhance precipitation. WMI also sets the standard in providing sophisticated ground-based weather radar systems and has been active since the early 1960's. WMI has conducted research and implemented weather programs in North America, South America, Europe, Asia, the Middle East and Africa, totaling more than 35 countries. WMI is a sister company to Fargo Jet Center and is based at their headquarters in Fargo.



**A UNIQUE OFFER
JUST FOR MEMBERS.**


Double Discounts on select Dell laptops and desktops.



Shop Now

Latitude 12 7000 Series
Featuring the Intel® Core™ i5 processor

Intel Inside®.
Powerful
Productivity
Outside.



Essential Public Employee Program

Assisting those who
keep North Dakota Strong

EP2 provides down payment and closing cost assistance for individuals employed by state, city, and county governments, school districts, medical and long-term care facilities, and other qualified public employees.



Visit www.lcdgroup.org or call (701) 667-7600 to learn more about EP2 and other home loan, business loan, community grants, and multi-family and development programs.



NMLS# 177084

Reserve the ICBND Mobile ATM Trailer for 2017-2018

YOUR
BANK
NAME
HERE*



Are you marking your 2017-2018 calendar for special community events?

Will you need to borrow ICB Services Mobile ATM Trailer?

Be sure to call to reserve the portable ATM now!

Scheduled on a first come, first serve basis.

Also available when your bank-owned ATM is out of service or in the case of a disaster, i.e. Fire, Tornado or Flood. This ATM trailer comes equipped with Verizon Mobile Communication, Emergency Battery Operation, Wheel & Hitch Locks, Multiple Cameras and DVR, Heat and Air Conditioning.



There is no rental costs to the individual bank that borrows the trailer. Your bank will be responsible for the travel expenses associated with picking up and returning the trailer for storage as well as insuring the trailer when it is in your bank's possession. For more details and to check availability call:

Angie Olson
ICB Services
701-258-8326 Email: angiet@icbnd.com

[RESERVE NOW](#)

Office of Attorney General

ILLEGAL ROBOCALLS TOP CONSUMER COMPLAINTS IN 2017

One in four consumer complaints in 2017 was about an illegal robocall, announced Attorney General Wayne Stenehjem.

"Based on comments I hear daily from North Dakotans, and my own experience, it's easy to see why these robocalls are the top complaint. The calls are annoying and most often are nothing but scams that have cost consumers money. Plus, they are illegal in North Dakota," said Stenehjem. "I have no doubt that the number of complaints filed represents only a small fraction of citizens who find robocalls out of control. The Federal Trade Commission reported receiving 375,000 complaints a month in 2017," he continued.

The consumer protection division received 1,125 consumer complaints in 2017. The top five complaint categories:

1. Do Not Call/Robocall = 279
2. Imposter Scams (grandparent, romance, IRS scam, sweepstakes, etc.) = 119
3. Contractor/Home Improvement = 88
4. Debt Adjustment/Settlement, Credit Counseling = 75
5. Identity Theft = 53

The remaining consumer complaints covered more than two dozen categories from advertising to warranties.

Last year, Stenehjem joined a bipartisan group of Attorneys General [to urge the FCC](#) to adopt new rules to help address the robocall and spoofing problem. Spoofing occurs when a caller falsifies the information transmitted to a caller ID display in order to hide their identity. The FCC responded with rules that allow telephone providers to block calls that come from invalid numbers and numbers that have not been assigned to anyone.

"This change, together with consumers demanding their carriers use new technology to do a better job of blocking intrusive robocalls, should help alleviate the nuisance in the long term," Stenehjem said. He urged North Dakotans to press their telephone service providers to offer robocall-blocking technology.

Parrell Grossman, director of the consumer protection division, said consumers should heed the advice of the FCC:

1. You may not be able to tell right away if an incoming call is spoofed. Be careful about responding to any request for personal identifying information.
2. Never give out personal information, such as account numbers, passwords, mother's maiden name, in response to unexpected calls.
3. If you get an inquiry from someone saying they represent a company or government agency seeking information, hang up and call the phone number found on your account statement or on the agency's website.



NORTH DAKOTA
DEVELOPMENT FUND

**Low interest loans
up to \$100,000
for licensed child
care providers.**

North Dakota
LEGENDARY

NDDevelopmentFund.com 701-328-5310

SAVE YOUR HAIR *and* YOUR SANITY!



Eliminate Compliance & Regulation Nightmares While Earning Revenue

Mortgage regulations have increased ten-fold over last few years. Remove the stress of staying compliant by partnering with First Class Mortgage.

Our streamlined mortgage process keeps both you and your customers informed throughout the entire process.

Get Started Today.

Call or email Dan to learn why our partners rely on our expertise for their peace of mind.



877-375-2016 | firstclassmortgage.com



NDHFA • CONVENTIONAL • FHA • USDA • VA



NMLS 2520 • Locations in Fargo & Grand Forks

Dan Van Winkle

Mortgage Consultant, NMLS 8495
701-356-9898 | Dan@firstclasscorp.com



North Dakotans Will Benefit from Tax Reform

Tax Commissioner Ryan Rauschenberger today released information on the federal Tax Cuts and Jobs Act of 2017 with examples of how it will affect North Dakota taxpayers, and the results are positive.

“Our office has crunched the numbers and a vast majority of North Dakota taxpayers will benefit from this tax reform,” Rauschenberger said. “Since the legislation will double the standard deduction that more than 80 percent of North Dakota taxpayers take, North Dakotans will see more of a benefit than taxpayers in most other states.”

Rauschenberger went on to point out that the lowered federal tax rates and increased child tax credits are two primary changes that benefit taxpayers by reducing federal tax liability.

The Office of State Tax Commissioner also conducted an analysis on how the Tax Cuts and Jobs Act of 2017 will affect state individual income tax collections. Nearly all taxpayers will see significant reductions in their federal tax liability. However, changes will vary for North Dakota individual income taxpayers based on how they benefited from personal exemptions and itemized deductions allowed under the old tax code.

“The Tax Cuts and Jobs Act of 2017 will have minimal impact on state individual income tax collections,” Rauschenberger added. “Our initial analysis shows a 1.5 percent increase in income tax collections for the second year of this biennium.”

North Dakota taxpayer examples, as well as the estimated impact to North Dakota individual income tax collections, may be found at www.nd.gov/tax/taxreform. More information on the Tax Cut and Jobs Act of 2017 may be found at www.congress.gov.



SECRET REVEALED!

North Dakota bankers are finding a powerful, more secure way to communicate.

With CSI Secure Connect, banks can better connect employees, board members and special committees to important information. Track policy approvals, schedule board meetings and distribute sensitive data, all while eliminating broadcast emails and board-binder shipments. Let your bank in on the secret today!



csiweb.com/Secret

Core Processing • Managed Services • Regulatory Compliance • Digital Banking • Electronic & Print • Payments Processing • Treasury Management

Office of Attorney General

US SUPREME COURT SIDES WITH NORTH DAKOTA IN WOTUS DECISION

Attorney General Wayne Stenehjem applauds the US Supreme Court's unanimous decision this morning recognizing that federal district courts have jurisdiction to hear legal challenges to the "Waters of the US" Rule (WOTUS). "That Rule would greatly and unlawfully expand the federal government's authority over North Dakota's land and water resources and our state's agricultural and natural resources and vastly limit legitimate state authority to control water pollution," said Stenehjem.

Stenehjem leads a coalition of twelve states that obtained the first preliminary injunction against the WOTUS Rule in 2015, in a decision issued by the US District Court of the District of North Dakota that also accepted North Dakota's argument that district courts have jurisdiction to hear challenges to the WOTUS Rule. Today's Supreme Court decision upholds North Dakota's position on the jurisdictional issue, reversing a ruling that challenges to the WOTUS Rule must be brought in federal appeals courts.

"This is a major victory for North Dakota and our economy," said Stenehjem. "We have argued from the beginning that the District Court here in North Dakota is the proper place for this litigation. It is significant that the Supreme Court unanimously agreed with our position so we can continue our challenge to this unacceptable federal overreach," he continued.

The Trump Administration has announced plans to reconsider the WOTUS Rule, and Attorney General Stenehjem appreciates those efforts. However, in the wake of today's decision paving the way for legal challenges to the WOTUS Rule to proceed in federal district courts, Stenehjem stated it "is vitally important for North Dakota to obtain a final ruling in its case declaring that the WOTUS Rule is legally invalid and permanently enjoining implementation of the Rule." Because the dispute over which court has jurisdiction has consumed nearly two years, Attorney General Stenehjem emphasized that he will ask the federal district court to resume North Dakota's case as quickly as possible.



Member Voice

GNDC is pleased to host another session of Member Voice on Wednesday, February 21 at First International Bank & Trust in Rugby.

Member Voice brings together state and local chamber members, local officials and lawmakers to discuss issues that are important to North Dakota's business community. **This is your opportunity to tell us what matters to you.**

Share your thoughts with us... We'll provide the coffee and donuts.

Wednesday, February 21, 2018
First International Bank & Trust
215 Highway 2 SW -- Rugby, ND
9:00 AM - 11:00 AM (CST)

Register NOW!

Greater North Dakota Chamber | PO Box 2639, Bismarck ND 58502
 701-222-0929 | www.ndchamber.com

Simplified Cleaning Solutions

Offer Valid 2/5/18 – 3/5/18

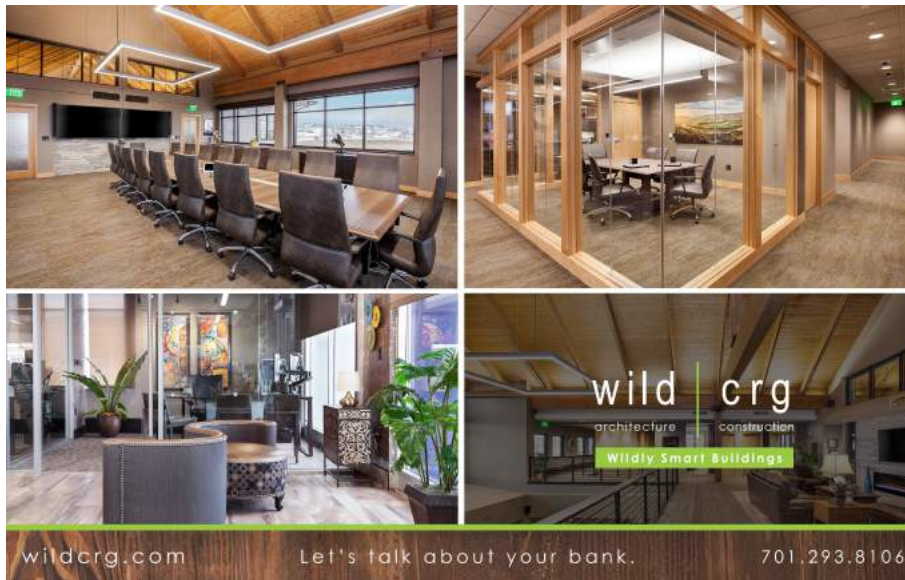


STAPLES
Business Advantage

	Staples No.	Size	Product Description	Qty	Price	Sale Price
	488722	32oz	Comet® Disinfecting Sanitizing Bathroom Cleaner	EA	\$10.99	\$5.27
	600902	32oz	Spic and Span® Disinfecting All Purpose Spray & Glass Cleaner	EA	\$6.99	\$4.77
	100785	8.8oz	Febreze AIR Freshener with Gain, Original Scent	EA	\$4.39	\$2.78
	597677	4PK	Mr. Clean® Magic Eraser	PK	\$6.99	\$3.53
	2360385	5PK	Swiffer® Duster Kit w/ Refill	PK	\$7.79	\$3.88
	760874	9.7oz	Swiffer® Dust and Shine Furniture Spray, Citrus & Light Scent	EA	\$6.99	\$2.68
	430859	3PK	Puffs® Plus 2-Ply Lotion Facial Tissues	PK	\$6.99	\$4.90
	102435	12	Bounty® Paper Towels	CT	\$25.99	\$19.75
	1680427	48	Charmin® Ultra Strong Bath Tissue	CT	\$44.99	\$38.35



PLEASE CONTACT LACEY KUHN TO PLACE YOUR ORDER TODAY
701.258.8742
laceyk@icbnd.com



Drive-up Video
Assisted Teller



Lobby Walk-up
Video Assisted Teller



Self Service Coin



Teller Cash
Recycler (TCR)



Stand Alone ATM

Local Sales, Service, and Support of Branch Transformation & Teller Automation.

Products provided by the world's leading manufacturers such as
Nautilus Hyosung, Cummins Allison, Laurel, Triton, Canon, Digital Check, and others.

Mandan | Fargo | Minot | Billings | www.datrue.com | 800-279-7493

ICBND Members in the News

CHOICE FINANCIAL



Janet Lindbo was recently promoted to the frontline operations manager at the **Choice Financial** in Belfield. She joined Choice Financial in December 1980 and has brought with her expert knowledge and customer service skills.



Erica Schierholz was recently promoted to director of frontline learning and recruitment for **Choice Financial**. Schierholz was hired in 2016 as a frontline operations manager. She joined Choice Financial with three years of experience in the banking industry and seven years of leadership in customer service.



Phoebe Kuntz recently joined **Choice Financial** as a client account executive at the Dickinson location. She brings more than 17 years of experience in the Insurance industry with her to Choice Financial.

Kristy Estad recently joined **Choice Financial** as a frontline customer service representative. She has previous work experience on the frontline in banking.



Tylee Heck recently joined **Choice Financial** as a frontline specialist.



Danelle Benz recently joined **Choice Financial** as a frontline specialist.



Nicci Shetler was recently promoted to credit banker with the Commercial Lending team for **Choice Financial**. Shetler was hired in 2016 as a credit analyst. In her new role, she will be managing loan and Business Banking

portfolios.



Elisha Ferguson was recently promoted to a universal banker for **Choice Financial**. Ferguson joined Choice Financial in November 2013 as a frontline customer service representative and was promoted to a mortgage processor in August 2015. Within her new role as universal banker, Ferguson will be assisting with retail growth efforts and frontline servicing.



Joseph Demester was recently promoted to retail team lead for the Grand Forks branch. Demester joined **Choice Financial** in 2016 as a frontline specialist and was promoted to a universal banker in October 2017. He has learned many new roles and responsibilities along the way including working with customers to open accounts, training new employees, and driving new business.

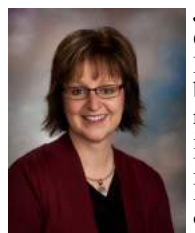


Katie Thorlakson was recently promoted to a marketing specialist for **Choice Financial**. Within her new role, Thorlakson will help manage promotional items, advertising and social media, along with a variety of other marketing related projects and campaigns. Thorlakson was hired in 2016 as a frontline customer service representative and completed our Insights Internship Program over this past summer.



Jen Schlader recently joined **Choice Financial** as a frontline specialist at our LaMoure location.

CORNERSTONE BANK



Julie Raatz has joined **Cornerstone Bank** in Dickinson as a personal banker/customer service rep. She is a licensed insurance producer and a Dale Carnegie Graduate. Raatz brings over 25 years of professional experience.



Jessica Hoherz has joined **Cornerstone Bank** in Dickinson as customer service representative. She brings over 2 years of banking experience.

FIRST INTERNATIONAL BANK & TRUST

First International Bank & Trust (FIB&T) is proud to announce the promotion and hire of the following employees. Their primary responsibilities are to be a knowledgeable resource in all areas of the bank to help assist our customers.



Audrey Wermager as a universal banker. Audrey has been with the bank for five years and currently works at our Fargo South.



Eric Hull as a universal banker. Eric has been with the bank for seven years and currently works at our West Fargo branch.



Ryan Salvatore as a universal banker. Ryan has been with the bank for seven years and currently works at our West Fargo branch.



Dawn Omdahl as a universal banker. Dawn has been with the bank for six years and currently works at our Fargo Southwest branch.



First International Bank & Trust (FIB&T) is proud to welcome our new Private Banker, **Renee Daffinrud**. Renee comes to FIB&T with over 30 years of banking experience and will expand the services offered in Bismarck-Mandan to include Private Banking.

ICBND Members in the News

FIRST INTERNATIONAL BANK & TRUST



First International Bank & Trust (FIB&T) is proud to welcome **Lisa Hartje** as BSA fraud manager. Lisa comes to FIB&T with experience in fraud, internal audit, and operations areas.

Her primary responsibilities at FIB&T will be to provide fraud needs throughout the bank. Lisa will be located at our Bismarck (1533 12th St N) branch.

First International Bank & Trust (FIB&T) is proud to announce the promotion and hire of the following employees. Their primary responsibilities are to be a knowledgeable resource in all areas of the bank to help assist our customers.

Aimee Brichacek as AVP. Aimee has been with the bank for over nine years and is the bookkeeping department manager at our Staples Office.



Brock DesLauriers as VP. Brock has been with the bank for over twelve years and is currently the branch manager at our Minot North Hill Office.



Kelly Edwards as an officer. Kelly has been with the bank for over four years and is a mortgage loan officer. She is currently located at our Moorhead Office.



Sean Elsner as VP. Sean has been with the bank for over seven years and is the Moorhead branch manager. He is currently located at our Moorhead Office.



Amanda Geinert as an officer. Amanda has been with the bank for over nine years and is a mortgage loan officer. She is currently located at our Minot Broadway Office.



Candi Rupprecht as an officer. Candi has been with the bank for over four years and is the ACH specialist. She is currently located at our Fargo South Office.



First International Bank & Trust (FIB&T) is proud to announce the promotion of the following employee.

Laura Ascherman has been promoted to commercial lender in our Moorhead Office. Laura has been with First International Bank &

Trust since August 2015, where she has excelled as a loan associate/consumer banker.

First International Bank & Trust (FIB&T) is proud to announce the promotion and hire of the following employees. Their primary responsibilities are to be a knowledgeable resource in all areas of the bank to help assist our customers.

Carly Thorson as a personal banker II-assistant operations supervisor. Carly has been with the bank for over 5 years and currently works at our Southwest branch.

Hailee Klee as a personal banker II-assistant operations supervisor. Hailee has been with the bank for over two years and currently works at our Moorhead branch.

FARMERS AND MERCHANTS STATE BANK

Farmers and Merchants State Bank President Chalmer Dettler, along with the bank's Board of Directors, is proud to announce a number of promotions and staffing changes.



Carol Mikkelsen has been promoted to cashier. Carol joined the bank in 1986 and has worked in a wide variety of areas in the bank. She is also the bank's deposit officer and oversees the operations area of the bank.



Patrick Rime has been named assistant vice president of lending. With nearly 20 years of experience with **FM**, he has expertise in all areas of lending, including ag, commercial, residential and consumer.



Doris Lill is now the bank's lead credit assistant, overseeing loan documentation and providing support to the bank's lending staff. Doris joined **FM** in 1996 and has been a member of the lending team for the past 13 years.



Bernadette Fetsch has been named internal auditor for the bank. In addition to her audit responsibilities, she will also be providing assistance in the administrative and lending areas of the bank. Bernadette has been with **FM** since 2004.



Sarah Schill is now the bank's frontline supervisor and IT manager. She is responsible for overseeing the teller and transaction processing for the bank, as well as the information technology area. Sarah joined the bank team in 2008.



Cole Solseng is now an ag and commercial lender for the bank. Since joining **FM Bank**, he has concentrated on providing support to the lending staff and consumer lending.



Carol Wild has assumed the lead teller position for the bank. Carol joined the bank in 2014, and she also provides assistance with transaction processing for the bank.



Brittany Farris has assumed new responsibilities as the bank's assistant financial officer and HR officer. She has seven years of banking experience, with the last five at **Farmers and Merchants**.

ICBND Members in the News

Farmers and Merchants State Bank is pleased to announce the recent addition of three new staff members.



Karen Stremick joined **Farmers and Merchants** at the beginning of March. She currently assists bank customers as a frontline specialist, and also provides support and backup for transaction processing.



Steph Nelson has been with **FM Bank** since April, and is the bank's main transaction processor. She also assists customers as a frontline specialist. Her work experience includes nearly 13 years of employment in banking.



Jenna Martin is the most recent addition to the bank's staff, having joined the bank in September. Her previous work experience includes employment with another area financial institution.

Jenna is training with the bank's lending staff and will be providing customers with consumer, commercial and agricultural financing.

AMERICAN BANK CENTER



American Trust Center is pleased to announce **Shaun Campbell** has joined their team in Bismarck as an investment analyst. Campbell brings seven years of holistic financial planning experience, which will aid him in a seamless

transition into his new role. He will be instrumental in making recommendations on market trends, buy/sell activities and pricing, based on financial information derived from global investment data. Campbell will also educate the trust company's clients and retirement plan participants on investment options and act as a resource to them.



BELL BANK



Mike Wagner has been promoted to personal banking officer at **Bell Bank**, located at 2501 South University Drive in Fargo. In his new position, Wagner assists customers with a variety of needs including personal loans and home equity loans and lines of credit.



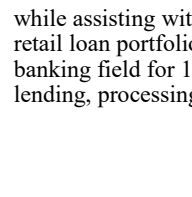
Rock Messerschmidt has been promoted to SVP/regional sales director at **Bell Bank**, located at 3100 13th Avenue South in Fargo. In his new position, Messerschmidt will be responsible for commercial loan development in the Fargo-Moorhead-West Fargo markets and will assist the presidents in the lakes area locations with business development. He has been in banking for 38 years and with Bell Bank since 2000.



Jordan Anderson has been promoted to internal auditor at **Bell Bank**, located at 3100 13th Avenue South in Fargo. In her new position, Anderson will examine all functions performed by bank personnel and report findings to management. She will review and test internal control procedures in place and assist in preparation of year-end financial reporting. Anderson joined Bell Bank in 2015 and previously held positions on the retail banking team.



Andrew Gaydos has been hired as physical security officer at **Bell Bank**, located at 3100 13th Avenue South in Fargo. In his new position, Gaydos will develop and implement physical security measures and policies.



Brenda Craft has been hired as retail underwriting manager at **Bell Bank**, located at 3100 13th Avenue South in Fargo. In her new position, Craft is responsible for managing the retail underwriting team in risk mitigation while assisting with initiatives to grow the retail loan portfolio. She has been in the banking field for 15 years with experience in lending, processing and underwriting.



real estate lending.



banking field for 7 years.



years and joined Bell in 2014.

FIRST WESTERN BANK & TRUST



First Western Bank & Trust is excited to have **Chad Schmidt** join their team as our trust administrative assistant.



Adrianna Wetzel has over 4 years of experience in customer service in a financial setting. **First Western Bank & Trust** is excited to have Adrianna join their team as our customer service representative.

ICBND Members in the News

FIRST WESTERN BANK & TRUST



Angie Hansen has been promoted to AVP of loan operations at **First Western Bank & Trust**. Hansen has been with First Western Bank & Trust since September of 1997.



Kelsey Aller has been promoted to HR generalist officer at **First Western Bank & Trust**. She has been with First Western Bank & Trust since November of 2013.



Jackie Grosz has been promoted to custodial supervisor at **First Western Bank & Trust**. Grosz came to FWB&T with over 15 years of experience in the financial industry. She and has been with First Western Bank & Trust

since January of 2016.



Carin Johnson has been promoted to CSR/teller manager at **First Western Bank & Trust** in our Bismarck location. Johnson comes to us with over 12 years of banking experience.

UNITED BANKERS' BANK



William C. Rosacker, President and CEO of **United Bankers' Bank (UBB)** is pleased to announce the addition of **John Beerling** as vice president of international business development. In his new role, Beerling will spearhead the development and growth of UBB's international services, particularly foreign exchange wires.

THE FIRST AND FARMERS BANK



The First and Farmers Bank, Portland, ND is happy to announce that **Jordan Johnson** has accepted the position of operations assistant.

UNITED COMMUNITY BANK



United Community Bank is pleased to announce the promotion of **Lisa Hiatt** to vice president – retail & operations. Hiatt began her employment with United Community Bank in 2012 focusing on ACH, remote deposit and online banking services. Her position has expanded and now includes the management of customer and retail services, deposit operations and electronic service solutions.

STARION BANK



Starion Bank has hired **Tom Boyer** as mortgage banking manager, vice president. Based in Fargo, Boyer manages teams of mortgage lenders in Fargo and Bismarck, N.D., and Madison, Wis. As manager, he leads the team in building relationships with customers and realtors, ensuring the team's performance meets customers' expectations and established lending policies and requirements. In addition, he also works directly with customers originating home loans.



Starion Bank has hired **Becky Hardy** and **Stacy Kabatay** as tellers at its Rolla location. Hardy and Kabatay process a variety of banking transactions for customers and provide paying and receiving services. They also look to identify other bank products and services that may be suitable to customers' needs.



Starion Bank has promoted **Beth Simek** and **Alicia VanBuskirk** to the position of private banking officer, AVP.



Simek joined Starion in 2015 as a private banker. She has 15 years of banking and investment experience.



VanBuskirk joined Starion in 2014. She most recently served as cash management officer and has experience as a personal banker and executive assistant. She has more than eight years of experience in the financial services

industry.

As private bankers, Simek and VanBuskirk deliver a heightened level of service to individuals in the professional sector including corporate executives, entrepreneurs, investors and professionals in the legal, financial and health care fields.

BANK OF NORTH DAKOTA



Allison Volk was hired as the human resources and organizational development manager at **BND**.



Annemette Omvig joined **BND** as a collections officer in student loans at **BND**.



Sarah Metzger joined **BND** as a collections officer in student loans at **BND**.



Ross Munns was hired as the human resources officer at **BND**.

ICBND Members in the News

BANK OF NORTH DAKOTA



Annie Bergrud was hired as a credit analyst at BND.



Liz Davenport joined BND as an electronic banking specialist.

DAKOTA CERTIFIED DEVELOPMENT CORPORATION

Steve Dusek, President and CEO of Dakota Certified Development Corporation, has



been re-elected to serve another two-year term on the National Association of Development Companies (NADCO) Board as an At-Large Director. This is Dusek's second term as an At-Large Director, where he will continue work with

seven others who have the same vision of accessing, providing, and maintaining economic development programs throughout the nation.

Founded in 1981, NADCO works to deliver SBA loans and financing for small businesses by acting as a trade association for SBA Certified Development Corporations like Dakota CDC. Members of NADCO also include many bank and non-bank lenders, attorneys, and other service providers throughout the nation. It's overall mission is to promote, enhance, and educate the small business owners and entrepreneurs in the industry of these loan programs and to ensure it is accessible to small businesses throughout the nation. Recently, NADCO members were responsible for financing more than \$5.1 billion in projects to nearly 7,600 small businesses in the U.S. and the industry overall has provided over \$150 billion in small business project financing.

The Small Business Administration 504 loan program provides small businesses with 10% down payments and 20- and 10- year fixed interest rates that enable them to maintain cash flow to purchase and renovate capital assets while still operating fully on a day-to-day business. It is also one of the eight loan programs Dakota CDC has to offer. More than 70% of all 504 loans closed in North Dakota have originated and came through Dakota CDC, who has been named

the top SBA lender in North Dakota for seven consecutive years. The SBA 504 loan program is known as one of the "best kept secrets in small business finance," and Dusek is excited to continue to promote and provide this program to small business owners and entrepreneurs and help them make their dreams come true.

About Dakota Certified Development Corporation

Founded in 1982, Dakota CDC is the oldest, largest, and most experienced CDC in North Dakota. With staff in Fargo, Bismarck, and Minot, Dakota CDC serves the entire state of North Dakota and five counties in western Minnesota. The mission of this private, not-for-profit entity is to provide small business financing solutions through collaborative partnerships in a supportive, creative environment that grows the economy and creates or preserves quality jobs. Since inception, Dakota CDC has provided over \$500 million in loans with total project impact exceeding \$1 billion to small businesses and local economies.

CORNERSTONE BANK

Benchmark Mortgage Services Now Available in Cornerstone Bank

Benchmark is one of the Nation's Fastest Growing Mortgage Companies and now their services are available in North and South Dakota at Cornerstone Bank locations.

The same mortgage lenders you have come to enjoy working with at Cornerstone Bank are still in the same Cornerstone Bank building, but now they are Benchmark Mortgage Loan Officers with more than 250 unique loan programs to suit your personal situation. They also have robust technology and quick turnaround times to continue to provide exceptional customer service.

For over 19 years, Benchmark has been setting the industry standard. They have taken a different approach to the changes and challenges that the mortgage industry faces. Their approach to serving customers is refreshing: they are dynamic, yet focused. Benchmark owes their success to a sound business model and ethical standard based on their Benchmark Core Values including providing personal service, competitive rates, and efficient loan processing. Benchmark was founded on the principle of customer centricity with service that exceeds expectations. Their tried and true philosophy has earned them the following recognition:

- Inc 500 Fastest Growing Companies for 2004
- Entrepreneur Magazine's "HOT 500 List of the Fastest Growing Companies in America" in 2007
- Inc. 5000 Fastest Growing Companies for 2008
- The prestigious Dallas 100 list for 2013

Benchmark Mortgage and Cornerstone Bank share similar core values, making this a great situation for customers. Just as Cornerstone Bank values their role as neighbors and contributors, Benchmark also believes in giving back and United States veterans are their focus. They hold fundraisers as a corporation and through their branches, to help improve the lives of individual veterans.

Benchmark Mortgage, founded in 1999, is a full-service mortgage banker, broker, and servicer headquartered in Plano, TX. Benchmark has over 90 locations and is licensed to do business in 45 states, including North Dakota, South Dakota, and Minnesota. Benchmark Mortgage, a dba of Ark-La-Tex Financial Services, NMLS #2143, has based their lending model on relationships from the beginning, and is a team united by their core values. In 2011, 2012, 2013, 2014, 2015, and 2016, Mortgage Executive Magazine named Benchmark Mortgage one of the Top 100 Mortgage Companies in America.

Cornerstone Holding Company, based in North Dakota, is the parent company of Cornerstone Bank. One of North Dakota's ten largest financial institutions, Cornerstone Holding Company is an \$820 million financial institution. Cornerstone Bank has 14 locations in North and South Dakota. Cornerstone Bank provides an expansive product offering while staying true to their mission of

providing access to financial experts who give straight answers and the best possible financial options. Cornerstone's offerings include business and personal loans, deposits and cash management services, online and mobile banking.



CORNERSTONE BANK



ICBND Members in the News

CHOICE FINANCIAL

Choice Financial recently received the Continuous Service Award from the Special Olympics North Dakota (SOND). The two organizations have been longtime partners with engagement and sponsorships.

Recently, SOND recognized and honored Choice Financial along with fifteen others during the Special Olympics North Dakota State Awards Banquet. Choice Financial has partnered with SOND for several years and has recently taken over the coordination and implementation of the bocce competition at the State Summer Games.

When asked why Choice Financial volunteers in the community, Fargo President, Gerald Brossart responded with "It all starts with our 'PeopleFirst' culture. Bettering the places we live. Knowing when to ask for help and knowing when to offer help. These have been fundamental core values that inspire our work both inside and outside of the bank. Special Olympics core values relate to the heart of Choice Financial's values. Partnering with Special Olympics North Dakota is our way to have a positive team event, feel good about interacting with each other and the Special Olympics Athletes, and 'Put PeopleFirst'."

Choice Financial is a people first financial services organization that remains locally owned and built around long-term customer relationships, well-rounded products and services, and authentic community banking.



Awards Banquet—Fargo market president Gerry Brossart and culture development specialist and event coordinator Cheryl Feltman accepting the Continuous Service Award at the Special Olympics North Dakota Awards Banquet.



Special Olympics—Grafton location president Tony Gudajtes volunteers at the Special Olympics.

STARION BANK

The month of November was a little hairy at Starion Bank. Twelve men at branches in Bismarck and eight in Mandan competed for bragging rights during No Shave November, a.k.a. "Noshember." But the real winners were the children receiving gifts through the Cops and Kids program.

A total of \$2,100 was raised through entry fees, paid votes for favorite beard and a match from the bank. Starion business banker Doug Zinke presented the donation to Bismarck Police Department Sgt. Mitch Wardzinski.



Bismarck Police Department and Fraternal Order of Police Missouri Valley Lodge #3.

Cops and Kids is coordinated by the Fraternal Order of Police Missouri Valley Lodge #3. Wardzinski, vice president for the organization, said approximately 85 children in Bismarck and Mandan participated this year. Each child went shopping and had lunch with a police officer. "It's a great opportunity for kids to see us in a different light and that we are people too," said Wardzinski.

Pictured: Doug Zinke (left), Starion business banking officer/VP, presents a check to Sgt. Mitch Wardzinski (right) of the Bismarck Police Department and Fraternal Order of Police Missouri Valley Lodge #3.

Starion Bank presented a check for \$500 to Central Dakota Humane Society (CDHS).

CDHS was the winner of Starion's "Wish on a star" drawing from the Bismarck-Mandan Chamber of Commerce Holiday Mixer. Mixer guests wrote the names of worthy organizations or individuals on a star and those stars were entered in the drawing.

"This was a fun way to involve the business community in helping us choose a charity for an end-of-the-year donation," said Lee Weisbeck, Bismarck-Mandan market president for Starion Bank. "We appreciate the work CDHS does in our community – helping lost, stray and homeless animals find forever homes – and are proud to support their efforts."



Pictured: Lee Weisbeck, Bismarck-Mandan market president for Starion Bank, presents a check to Sue Buchholz, CDHS shelter director, under the watchful supervision of several cats available for adoption.

Starion Bank is a \$1.25 billion family-owned community bank and financial services organization. Established in Oakes, N.D., in 1969, Starion has 15 locations in Bismarck-Mandan, Bottineau, Dunseith, Ellendale, Fargo, Oakes and Rolla, N.D.; and Monona, Middleton and Sun Prairie, Wis.

FIRST INTERNATIONAL BANK & TRUST

First International Bank & Trust is welcoming customers into their new branch in Grand Forks, ND, located at 1970 South Columbia Road in the new Columbia Commons development.

The Bank operated a loan and deposit production office in a temporary space in Grand Forks since May of 2017. The opening of this branch marks First International Bank & Trust's 21st branch in North Dakota and secures a branch presence in the state's most populated cities.

Peter Stenebjem, Bank President stated, "This is an exciting day for our Company. We have been serving customers in the Grand Forks area for years and are now able to further our commitment by opening this beautiful facility that is staffed with financial experts who will take great care of our customers."



Grand Forks President, Wayne M. Zink shared, "I am so pleased to welcome our customers into our new location. We have received a warm welcome from the Grand Forks community and look forward to serving customers for years to come!"

Pictured: ribbon cutting, Grand Forks.

First International Bank & Trust is owned by Watford City Bancshares, Inc., which is owned by the Stenebjem family. First International Bank & Trust is a full service, independent community bank, a member of FDIC and an equal housing lender. First International Bank & Trust has been in business since 1910 and today operates 27 branch locations in North Dakota, Minnesota and Arizona. More information about the company can be found at firstintlbank.com.

Dakota, Minnesota and Arizona. More information about the company can be found at firstintlbank.com.

BANK OF NORTH DAKOTA

Bank of North Dakota (BND) is preparing to celebrate its 100th anniversary in 2019 and is asking the public for assistance. Historical artifacts from the Bank such as letters, memorabilia and promotional items are being accepted. In addition, the Bank is seeking stories from farm families who were assisted by the Bank during the Great Depression and were able to keep the farm as a result. Long-established businesses which have benefited from Bank loan programs that are willing to share their success stories will also be included in the anniversary plans.

Well-known historians Mike Jacobs and Clay Jenkinson are assisting with several of the anniversary projects including a museum to be located on the first floor of the Bank building in Bismarck, a commemorative table book and website.

"As the only state-owned Bank in the country, we are celebrating the partnerships we've created with our state's residents over the past 100 years," states Eric Hardmeyer, BND President. "We receive calls from individuals and organizations across the country and world about our model so this is an opportunity for residents to become involved and share their stories for generations to come."

If you have items or stories you think the Bank may be interested in, you are asked to contact Janel Schmitz, Communications Manager at Bank of North Dakota at janelschmitz@nd.gov or 701.328.5880.

First Western Bank & Trust

Credit Analyst, Minot

Position Overview

Analyze financial statements and credit data to determine First Western Bank & Trust's risk in extending credit or lending money. Prepare reports with credit information for use in decision making.

- Verify and input financial data within appropriate banking software
- Prepare financial spreads utilized in risk assessment
- Evaluate customer earnings, savings data, payment history, and purchase activity
- Generate debt to income ratios to assess customers' financial status
- Analyze income growth, asset management, and market share to determine expected profitability of loan

Qualifications

- Bachelor's degree in accounting, finance or business related field or equivalent work experience
- Two years' experience in banking, credit or analyst role preferred
- Knowledge of financial statements required

Compliance Auditor, Minot or Bismarck

Position Overview: Located in either Minot or Bismarck. If located in Bismarck, some travel to Minot will be required.

Perform audits to ensure First Western Bank & Trust's policies and procedures are compliant with safety and soundness guidelines

Essential Job Functions

- Conduct compliance audits as directed to ensure bank maintains compliance with all laws and regulations
- Conduct research and analysis to identify deviations from regulatory requirements
- Complete quality control reviews of consumer mortgage files
- Compile data in an organized manner and develop reports and summaries
- Provide objective and practical recommendations for management action based on findings
- Ensure timely response and closure of all audit observations and findings
- Assist in the revision, preparation and distribution of compliance procedures
- Provide administrative and clerical support for external examinations
- Maintain a respectful working relationship with auditees
- Receive and/or maintain professional certification to ensure professional standards continue to be met
- Stay abreast of changes to federal and state banking laws and regulations affecting the bank's operations and product offerings
- Additional duties as assigned by supervisor

Please apply online at:

<https://www.firstwestern.bank/careers/>

First Western Bank & Trust

Chief Credit Officer, Minot

Position Overview

Responsible for review of First Western Bank & Trust's loan portfolio on a continuing basis: to assure appropriate documentation and underwriting; to monitor the bank's credit quality within compliance safety and soundness standards; and monitor the asset portfolio for diversification.

Job Functions

- Oversee the loan review, compliance, collections, processing and credit analysis functions including adherence to policies and practices of the bank and applicable regulatory and governmental agencies
- Implement a system of credit analysis and quality assurance for loans as directed by the Board; assign appropriate risk ratings as needed in conjunction with loan loss reserve analysis
- Examine files periodically for assurance of credit and collateral documentation, regulatory compliance and loan policy conformance; review technical exceptions and deficiencies; provide reports of continued outstanding exceptions to the Board of Directors
- Prepare written analyses on all concentrations of credit, aggregate lending relationships vs. indebtedness for individual borrowers, complex loans and weak loans
- Identify problem loans, make recommendations of loans reviewed quarterly with the board

Please apply online at:

<https://www.firstwestern.bank/careers/>

2018 Holiday Closed Signs now
available on our
website:



[Click Here](#)

Do you have an ad to place? An article that is newsworthy?

We are always looking for interesting, informative, and credible articles and stories pertaining to Community Banking.

Please contact us at
info@icbnd.com or
701-258-7121

The 50th Annual ICBND Convention's commemorative book: *Remembering the Past, Anticipating the Future* is available to order.

\$15.00 per copy.

Email wendyr@icbnd.com.

Thanks!





NORTH DAKOTA
**GUARANTY
& TITLE CO.**

One Mission. One Name.

North Dakota Guaranty & Title Co. proudly announces the transition to one name for all eight North Dakota locations.

- North Dakota Guaranty & Title Co., Bismarck
- Dickinson Guaranty & Title Co., Dickinson
- Dunn County Guaranty & Title Co., Killdeer
- Mandan Guaranty & Title Co., Mandan
- McKenzie County Guaranty & Title Co., Watford City
- Minot Guaranty & Escrow Co., Minot
- Renville County Guaranty & Title Co., Mohall
- North Dakota Guaranty & Title Co., Williston

From one location to the next, NDGT offices share the same mission: to provide the best service in every market in which we participate. As always, one mission and – very soon – one name. Watch for signage changes at your local North Dakota Guaranty & Title Co. office.

thetitleteam.com | 701.223.6835

BISMARCK • DICKINSON • DUNN COUNTY • MANDAN • MINOT
RENVILLE COUNTY • WATFORD CITY • WILLISTON • SIDNEY, MT



Plan now for your 2018 Sponsorship Opportunities

Independent Community Banks of North Dakota is currently looking for sponsors for our various seminars, and programs being held in 2018 as well as our annual convention.

Sponsorships for these programs would cover expenses such as food, hotel, travel, speakers, and more. Recognition will be given to those sponsoring the event, along with the opportunity to address the attendees & distribute company information!

Opportunities for Sponsorship include:

- ⇒ Emerging Leaders Development Program
- ⇒ Community Bankers for Compliance Program
- ⇒ Women in Community Banking Summit
- ⇒ ICBND School of Agricultural Lending
- ⇒ ICBND 2018 Annual Convention and events
- ..And Much More!!

For more information on how you can become a sponsor please contact Nanci or Wendy at:

info@icbnd.com
701-258-7121
www.icbnd.com

Mark your Calendar: ICBND 2018 Educational Workshops



Emerging Leaders Development Group

Spring Session– March 9, 2018 Grand Forks, ND

Summer Conference– June 7-8, 2018 Dickinson, ND

Fall Session– Sept 21, 2018 Garrison, ND

Community Bankers for Compliance Program

Annual Membership now open

Spring Regulatory Update– March 27-28, 2018 Bis

Fall Regulatory Update– Sept 25-26, 2018 Bis



Risk-Response-Reputation—A comprehensive workshop on physical and virtual risk
April 5, 2018 Bismarck

Real Estate Construction Lending
April 10-11, 2018 Bismarck



Problem Loan Workout in Today's Market
April 19, 2018, ICBND Training Room

Women in Community Banking Summit
May 1-2, 2018 Bismarck



School of Agricultural Lending
June 18-22, 2018 Bis State College, Bismarck

Certified Frontline Professionals Session: Elder Abuse and What to Do When Your Depositor Dies
October 2,3,4 2018
Devils Lake, Minot & Bismarck



ICBND School of Agricultural Lending June 18-22, 2018 Bismarck State College, Bismarck



ICBND is very excited to work with Bismarck State College (BSC) and North Dakota State University (NDSU) to offer our members a two-year School of Agricultural Lending. This year's session will be held June 18-22, 2018 at Bismarck State College campus in the National Energy Center of Excellence.

The ICBND School of Agricultural Lending will provide:

- **Practical, hands-on curriculum designed for learning by doing and for easy application at the bank**
- **Case studies including Ag Bank Sim**
- **Small class size (Limit 40) to increase networking opportunities and personalized instruction**
- **A school designed and governed by bankers and taught by experienced bankers, consultants and college professors**
- **Reasonable enrollment fees and an academic atmosphere conducive to a simulating learning experience.**

The curriculum for the ICBND School of Agricultural Lending is designed to provide you with the practical aspects of agricultural credit & finance, farm management, marketing & related subjects. The core curriculum was developed by local North Dakota Community Ag Lenders in conjunction with NDSU and BSC Agribusiness faculty.

Go to ICBND Website for more information and to register for all of the educational opportunities!

[Click Here.](#)

Educational Opportunities

Webinars

1/3/2018	Top Issues for 2017 HMDA Reporting: Due March 1, 2018 Susan Costonis, Compliance Consulting and Training for Financial Institutions	2/8/2018	Cyber Series: Emerging Technologies 2018: What Are They & Do They Matter? Lee Wetherington, Jack Henry & Associates, Inc.®
1/4/2018	Dealing with ACH Tax Refunds: Exceptions, Posting & Liabilities Michele L. Barlow, PAR/WACHA	2/13/2018 Morning	Director Series: Directors' Role & Responsibilities When a Data Breach Occurs Randall J. Romes, CliftonLarsonAllen LLP
1/9/2018	Board Secretary Training: Documenting Minutes, Corrections & Disagreements Ann Brode-Harner, Brode Consulting Services, Inc.	2/15/2018	Preparing for the New Mortgage Servicing Rules: Final Implementation Date, April 19, 2018 Steven Van Beek, Howard & Howard Attorneys PLLC
1/10/2018	SBA Lending Update 2018: Trends, Regulations & Pending Changes Kimberly A. Rayer, Starfield & Smith, PC		New Accounts Series: Opening Consumer Accounts: Regulations, CDD & Documentation Dawn Kincaid, Brode Consulting Services, Inc.
1/11/2018	Credit Analysis & Underwriting Series: Loan Underwriting 101: Interviewing, Credit Reports, Debt Ratios & Regulation B Tommy Troyer, Young & Associates, Inc.	2/21/2018	Security Officer Reports to the Board: What is Required? Barry Thompson, Thompson Consulting Group, LLC
1/17/2018	IRA Series: 2018 IRA & HSA Update & Hot Topics Frank J. LaLoggia, LaLoggia Consulting, Inc.	2/22/2018	Credit Analysis & Underwriting Series: Debt Service Coverage Calculations in Underwriting S. Wayne Linder, Young & Associates, Inc.
1/18/2018	Consumer Debt Series: Credit Reporting & Delinquent Accounts: Disputes, Revisions, Recent Guidance & More David A. Reed, Reed & Jolly, PLLC	2/27/2018	Understanding Personal Tax Returns Part 2: Schedules E & F Tim Harrington, TEAM Resources
1/23/2018	FFIEC Reporting for CRA Compliance, Including Recent CFPB Updates to HMDA Ann Brode-Harner, Brode Consulting Services, Inc.	2/28/2018	CECL Rule Overview: Preparation, Planning & Data Collection Tommy Troyer, Young & Associates, Inc.
1/24/2018	Same Day ACH Final Phase, Effective March 15, 2018: Funds Availability Requirements Jen Kirk, EPCOR	3/1/2018	Revisiting CDD Policies & Procedures to Include Beneficial Ownership Rule Changes Effective May 11, 2018 Dawn Kincaid, Brode Consulting Services, Inc.
1/25/2018	Call Report Revisions & Update 2018, Including FFIEC Community Bank Call Report Burden-Reduction Initiative Michael Gordon & Kris Trainor, Mauldin & Jenkins, LLC	3/6/2018	ACH Rules Update 2018 Jen Kirk, EPCOR
1/30/2018	Exercising the Right of Setoff on Deposit Accounts & Loans Elizabeth Fast, Spencer Fane LLP	3/7/2018	Consumer Debt Series: Managing Chapter 7 & 13 Consumer Bankruptcies: Special Rules, Cramdowns & Risks Elizabeth Fast, Spencer Fane LLP
1/31/2018	Compliance Series: Job-Specific Compliance Training for the Frontline Mary-Lou Heighes, Compliance Plus, Inc.	3/8/2018	Flood Insurance Compliance Review & Update 2018 Ann Brode-Harner, Brode Consulting Services, Inc.
2/1/2018	Understanding Personal Tax Returns Part 1: Schedules A, B, C & D Tim Harrington, TEAM Resources	3/13/2018	Developing & Managing Employee Performance Through Effective Recruiting, Onboarding & Coaching Kay Robinson, Robinson HR Consulting, LLC
2/2/2018	SPECIAL EDITION Sexual Harassment at Work: Defining, Preventing & Intervening Connie J. Collins, RSM US LLP	3/14/2018	IRA Series: IRA Overview: Traditional & Roth IRA & SEP Plans Frank J. LaLoggia, LaLoggia Consulting, Inc.
Recorded Only			
2/6/2018	Simplifying the Compliance Function: Tools & Checklists to Keep You on Track Molly Stull, Brode Consulting Services, Inc.		
2/7/2018	Fair Lending Challenges for HMDA Data Rule Changes: Expanded Data Fields & Lending Practices Susan Costonis, Compliance Consulting and Training for Financial Institutions	3/15/2018	

Educational Opportunities

Webinars

3/20/2018	Completing the CTR Line-by-Line Effective May 28, 2018: Technical Changes, New Data Fields & Alternate Model Reporting Dawn Kincaid, Brode Consulting Services, Inc.
3/21/2018	Call Report Series: Introduction to Call Report Preparation Michael Gordon & Kris Trainor, Mauldin & Jenkins, LLC
3/22/2018	Compliance & Legal Risks in Mobile Banking: Rules & Security Requirements Elizabeth Fast, Spencer Fane LLP
3/27/2018	New Accounts Series: Opening Deposit Accounts for Nonprofit Organizations Mary-Lou Heighes, Compliance Plus, Inc.
3/28/2018	Credit Analysis & Underwriting Series: Creating Effective Credit Memos & Loan Narratives Tommy Troyer, Young & Associates, Inc.
3/29/2018	Negotiate to Win™: Essential Negotiation Skills for Community Bankers James C. Thomas, Jr., Common Ground International
4/3/2018	Impact of Regulation CC Rule Changes on RDC & ACH Michele L. Barlow, PAR/WACHA
4/4/2018	Dealing with Dormant Accounts, Unclaimed Property & Escheatment Elizabeth Fast, Spencer Fane LLP
4/5/2018	Cyber Series: FFIEC Cybersecurity Assessment Tool: Issues & Answers Randall J. Romes, CliftonLarsonAllen LLP
4/6/2018 Morning	SPECIAL EDITION ADA Website Compliance: Requirements, Common Citations & Litigation Dawn Kincaid, Brode Consulting Services, Inc.
4/10/2018	BSA Special Risks: Policy, Law Enforcement & Regulator Issues Susan Costonis, Compliance Consulting and Training for Financial Institutions
4/11/2018 Morning	Director Series: Strategic Planning Years 1, 3 & 5: Scope, Techniques & Drafting Your Plan Jeffrey C. Gerrish, Gerrish Smith Tuck, PC, Consultants & Attorneys
4/12/2018	Developing a Strong Risk Assessment for Enterprise Risk Management Marcia Malzahn, Malzahn Strategic
4/17/2018	Compliance Series: Compliance Rules All Staff Must Know: Red Flags for Identity Theft, Bribery, Privacy & Ethical Considerations
4/18/2018	Top 25 Things to Know About Reg CC Changes Before July 1, 2018 Dawn Kincaid, Brode Consulting Services, Inc.

4/19/2018	How to Complete & File UCC-1 Financing Statements Elizabeth Fast, Spencer Fane LLP
4/24/2018	Denied Loan Requirements: Consumer, Commercial & Real Estate Ann Brode-Harner, Brode Consulting Services, Inc.
4/25/2018	Credit Analysis & Underwriting Series: Global Cash Flow Analysis for Underwriters & Credit Analysts S. Wayne Linder, Young & Associates, Inc.
4/26/2018	The Top 12 Credit Risks in Agricultural Lending Dr. David Kohl, Virginia Tech

Director Series are scheduled from 10:00-11:30 AM Central Time. Most webinars are scheduled from 2:00-3:30 PM central time unless otherwise indicated. Please check the brochure copy to confirm the time.

The live webinar option allows you to have one internet connection from a single computer terminal. You may have as many people as you like listen and watch from your office computer. Registrants receive a website address and passcode that allows entrance to the seminar. The session will be approximately 90 minutes, including question and answer sessions. Seminar materials, including instructions, passcode, and handouts will be emailed prior to the broadcast. You will need the most-current version of Adobe Reader available free at www.adobe.com.

Can't attend the live webinar? The recorded webinar + free digital download option provides a recording of the live event, including audio, visuals, and handouts. We even provide the presenter's email address for follow-up questions. You will receive an email with the recorded webinar link, which can be viewed anytime 24/7, beginning 6 business days after the webinar. You will also receive instruction on how to download a free digital copy of the webinar to your PC, which you may keep and use indefinitely.

The recorded webinar may ONLY be ordered for 6 months following the live webinar. In addition, the download must be completed within 6 months of the live webinar date.



Remember for every **10** Live Webinar and/or Recorded Webinar/Free Digital Download you purchase you will get one **FREE!**



Thank you

To our advertisers:

Bank of North Dakota	21 & 17	ICB Services	23
Bankers Equipment Service	16	Lewis & Clark Development Group	23
Bell Bank	20	North Dakota Development Fund	24
CSI	26	North Dakota Guaranty & Title	37
Dakota Business Lending	13	ND Banks Benefit Trust	18-19
DaTrue Process Automation	28	Wild / CRG	28
First Class Mortgage	25		
ICB Marketing Solutions	20, 21, 22, 27		

The *Community Banker* can be an effective advertising vehicle for companies marketing to the financial industry. If your company would like more information on how to place an ad in the *Community Banker*, Please refer to page 6 of this publication and contact ICBND at 701-258-7121 or Nanci at info@icbnd.com.

ICBND Directory

Together We Prosper



Community Banker is the official publication of the Independent Community Banks of North Dakota. Deadline for submission and advertisements is the 5th of the month prior to publication.

Send your items to:

Community Banker
PO Box 6128
Bismarck, ND 58506-6128
tel: 701.258.7121
800.862.0672
fax: 701.258.9960

info@icbnd.com www.icbnd.com

ICBND Office Hours:

Regular Business Hours
Mon-Fri
8:30 am to 5 pm

Summer Hours
(Memorial—Labor Day)
Mon-Fri
8 am to 4 pm

ICBND Staff

Barry D. Haugen
President
barryh@icbnd.com

Wendy J. Ruud
Vice President
wendyr@icbnd.com

Nanci D. Fennern
Office & Marketing
Coordinator/*Community Banker* Editor
nancif@icbnd.com or
info@icbnd.com

Angie Olson
Director of Card Services
angiet@icbnd.com

Bill Walker
Card Services Coordinator
billw@icbnd.com

Charlene Wandler
Card Services Specialist
cardservices@icbnd.com

Lacey Kuhn
ICB Marketing Solutions
Sales & Marketing Manager
laceyk@icbnd.com

Jess Voegelé
ICB Marketing Solutions
Office Manager/CSR
purchasing@icbnd.com

2017-2018 ICBND Executive Committee

Chairman
Tim Karsky, Choice Financial Group, Bismarck
t.karsky@choicefinancialgroup.com
701-595-2624

Chairman Elect
Rick Braaten, American State Bank & Trust Co, Williston
rbraaten@asbt.com
701-774-4100

Vice Chairman
David Mason, First International Bank & Trust, Bismarck
dmason@firstintlbank.com
701-425-8584

Immediate Past Chairman
Rick Beall, Peoples State Bank of Velva, Minot
rick@psbvelva.com
701-852-0328