



SMALL BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

February 2, 2010

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Great Plains National Bank
Charter Number 9539

201 Main St. North
Belfield, ND 58622

Office of the Comptroller of the Currency

Minneapolis Field Office
222 South Ninth Street, Suite 800
Minneapolis, MN 55402-3393i

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

INSTITUTION'S CRA RATING: This institution is rated Satisfactory.

The major factors supporting this rating include:

- The bank's average loan-to-deposit ratio is satisfactory.
- A majority of loan originations are made inside the bank's assessment area.
- The distribution of loans reflects reasonable penetration among farms of different sizes and individuals with different income levels.

SCOPE OF EXAMINATION

We evaluated Great Plains National Bank's (GPNB) Community Reinvestment Act (CRA) performance. We reviewed lending data for agricultural and consumer loans, the bank's primary products. Based on originations from January 1, 2008 through December 31, 2009, agricultural loans totaled 49.58% of loan originations by number and 66.35% by dollar volume. Consumer loans totaled 32.55% of loan originations by number and 6.07% by dollar volume. We selected a random sample of 20 loans from each product type and each assessment area (AA) location in order to conduct our analysis.

DESCRIPTION OF INSTITUTION

GPNB is a \$102 million bank chartered in Belfield, ND. The bank is 99% owned by Belfield Bancshares, Inc. a one-bank holding company. GPNB has three full-service locations, located in Stark and LaMoure Counties. These are located in Belfield, Dickenson, and LaMoure. In addition, GPNB operates a deposit production office located in South Heart, ND. The bank has four non-deposit taking Automatic Teller Machines (ATMs), which are located at the Dickinson and LaMoure branches, and at a local convenience store and a local restaurant.

GPNB is a full-service bank and offers a variety of banking products designed to meet the needs of the AA. As of December 31, 2009, the bank's \$77 million loan portfolio consists of 45% agricultural loans, 39% real estate, 10% commercial loans, and 6% consumer loans. Net loans make up 75% of total assets.

There are no legal, financial, or other factors that impede GPNB's ability to help meet the credit needs in the AA. At their last CRA examination, dated July 16, 2004, the bank received a Satisfactory rating.

DESCRIPTION OF ASSESSMENT AREAS

The bank has two AAs, Belfield/Dickenson and LaMoure. The AAs comply with regulatory requirements and do not arbitrarily exclude any low- or moderate-income geographies.

Belfield/Dickinson AA

The Belfield/Dickinson AA includes all of Billings and Stark Counties in western North Dakota. This area has nine Census Tracts (CT) of which eight are classified as middle-income and one is upper-income. There is not any low or moderate-income CT in this AA.

Unemployment levels in Billings and Stark Counties are lower than North Dakota statewide averages. According to the U.S. Bureau of Labor Statistics, the unemployment level in the state of North Dakota as of December 31, 2009 was 4.3% compared to 2.8% in Billings County and 3.4% in Stark County. The national unemployment rate was 10.0% at December 31, 2009. Based on the Department of Housing and Urban Development's 2009 updated information, median family income is \$55,100. The 2000 U.S. Census data reported that 15.14% of households are below the poverty level

LaMoure AA

The LaMoure AA includes all of Dickey and LaMoure Counties in eastern North Dakota. This area has five CT, all classified as middle-income. There is not any low, moderate, or upper - income CT in this AA.

Unemployment levels in Dickey and LaMoure Counties are comparable to North Dakota statewide averages. According to the U.S. Bureau of Labor Statistics, the unemployment level in the state of North Dakota as of December 31, 2009 was 4.2% compared to 4.3% in Dickey County and 4.4% in LaMoure County. The national unemployment rate was 10.0% at December 31, 2009. Based on the Department of Housing and Urban Development's 2009 updated information, median family income is \$55,100. The 2000 U.S. Census data reported that 14.45% of households are below the poverty level.

See the chart on the following page for information about the bank's combined AA.

Demographic and Economic Characteristics of the AA	
<i>Population</i>	
Number of Families	8,983
Number of Households	13,508
Number of Low-Income Families	1,645
% of Low-Income Families	18.31%
Number of Moderate-Income Families	1,632
% of Moderate-Income Families	18.17%
Number of Middle-Income Families	2,194
% of Middle-Income Families	24.42%
Number of Upper-Income Families	3,512
% of Upper-Income Families	39.10%
<i>Geographies</i>	
Number of Census Tracts	14
% Low-Income Census Tracts	0.00%
% Moderate-Income Census Tracts	0.00%
% Middle-Income Census Tracts	92.86%
% Upper-Income Census Tracts	7.14%
<i>Median Family Income (MFI)</i>	
2000 MFI for AA	\$39,651
2000 HUD Adjusted MFI	\$55,100
<i>Economic Indicators</i>	
Unemployment Rate Billings County	2.8%
Unemployment Rate Dickey County	4.4%
Unemployment Rate LaMoure County	5.0%
Unemployment Rate Stark County	3.4%
Median Housing Value	\$61,125
% of Households Below Poverty Level	14.92%

Source: 2000 U.S. Census Data and U.S. Bureau of Labor Statistics (December 31, 2009)

Bank competition is moderate with sixteen financial institutions having offices in Billings, Stark, Dickey, or LaMoure Counties. Of those financial institutions, GPNB has the fourth highest deposit volume, with 9.42% of the market share according to the June 30, 2009 Federal Deposit Insurance Corporation Deposit Market Share Report.

We contacted a local community organization from each AA to better understand the demographics and to determine primary credit needs of the AA. Our community contacts indicated that the local financial institutions are active in the community and have a positive impact in the AA by offering a variety of financing. Primary credit needs identified by the contact were small business and farm lending.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

The bank’s loan-to-deposit ratio (LTD) is reasonable given its size, financial condition, and lending opportunities within the AA. The quarterly LTD ratio averaged 82.01% in the 22 quarters since the previous CRA examination. GPNB’s LTD was slightly better than the two other similarly situated banks.

Average Loan-to-Deposit Ratio Institution	Assets Size (as of 09/30/2009)	Average LTD Ratio (2Q04 to 3Q09)
Great Plains National Bank	\$102 million	82.01%
Heartland State Bank	\$53 million	81.31%
American Bank Center	\$519 million	81.24%

Source: OCC Financial Institution Data Retrieval System (FINDRS)

Lending in Assessment Area

GPNB’s lending in the AA is satisfactory. A majority of loan originations, 88.75% by number and 83.10% by dollar volume, were originated within the bank’s AA. The following table provides additional detail.

Lending in GPNB’s AA										
	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$
Ag Loans	35	87.50%	5	12.50%	40	\$3,663,151	80.90%	\$864,591	19.10%	\$4,527,742
Consumer Loans	36	90.00%	4	10.00%	40	\$994,592	92.31%	\$82,900	7.69%	\$1,077,492
Total	71	88.75%	9	11.25%	80	\$4,657,743	83.10%	\$947,491	16.90%	\$5,605,234

Source: Loan Sample

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Overall GPNB’s lending to farms of different sizes and borrowers of different incomes meets the standard for satisfactory performance.

Distribution of Agricultural Loans to Farms of Different Sizes

The distribution of loans reflects reasonable penetration among farms of different sizes. Our random sample of 40 agricultural loans indicates that 90% of loans by number and 87% of loans by dollar volume were to farms with gross annual revenues of less than or equal to \$1 million. AA demographics indicate nearly 99% of farms in the AA have gross farm revenues of \$1 million or less, 0.47% have revenues over \$1 million, and 0.78% did not report revenue data. The following table illustrates this distribution.

Borrower Distribution of Loans to Farms in GPNB's AA				
Gross Farm Revenues	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	98.76%	0.47%	0.77%	100.00%
% of Bank Loans in AA by #	90.00%	10.00%	0.00%	100.00%
% of Bank Loans in AA by \$	86.81%	13.19%	0.00%	100.00%

Source: Loan Sample and 2000 U.S. Census Data

Distribution of Consumer Loans to Borrowers of Different Incomes

GPNB has an excellent penetration of consumer lending to borrowers of different income levels. The following table compares the demographic information of households located within the AA to those made by the bank from our random sample of 40 consumer loans. GPNB's overall distribution of lending to low-and moderate-income borrowers is higher than the percentage of low- and moderate-income households in the AA. The following table provides additional distribution detail.

Borrower Distribution of Consumer Loans in GPNB's AA								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	24.56%	35.00%	15.49%	20.00%	19.85%	22.50%	40.10%	22.50%

Source: Loan Sample and 2000 U.S. Census Data

* 14.92% of households in the AA are below the poverty level.

Geographic Distribution of Loans

Geographic distribution analysis is not meaningful as only middle- and upper-income CTs are located within the AA.

Responses to Complaints

The bank has not had any CRA related complaints since the last evaluation.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet the community credit needs.