

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
September 11, 2025

The Members of the Department of Financial Institutions met at 10:00 a.m., EDT, at 30 South Meridian Street, Suite 200, Indianapolis, Indiana. Present from the Department were Thomas C. Fite, Director; Christopher Dietz, Deputy Director, Depository Division; Parag Pandya, Deputy Director, Administration Division; Troy Pogue, Chief Operations Officer; George Dremonas, General Counsel; Scott Conner, General Counsel; Kirk J. Schreiber, Senior Depository Analyst, and Assistant Secretary; Kristy Orr, Associate Deputy Director, Depository Institutions; Alexander Tison, Depository Workflow Manager; Konnor Miller, IT Project Manager and Sharmaine Stewart, Administrative Assistant.

I. EXECUTIVE SESSION: 10:00 a.m.

- A. Discussion of records classified as confidential by state or federal statute, authorized under Ind. Code § 5-14-1.5-6.1(b)(1) and (7). The Members certify that no subject matter was discussed in the Executive Session other than the subject matter specified in the public notice.

II. PUBLIC SESSION: 11:32 a.m.

- A. Members Present: Jean Wojtowicz, Chair; Mark Schroeder, Vice Chairman; Thomas C. Fite, Director; Donald E. Goetz, Benjamin Bochnowski and Bryan Price. John Kirk was present via Microsoft Teams.
- B. Date of next meeting: November 13, 2025 @ 10:00 a.m., at the Indiana Department of Financial Institutions, 30 South Meridian Street, Suite 200, Indianapolis, Indiana.
- C. Approval of the minutes of the July 10, 2025 meeting.

Ms. Wojtowicz entertained a motion to approve the minutes. Mr. Schroeder moved approval of the minutes. Mr. Goetz seconded the motion. Mr. Schreiber called roll for the vote. Jean Wojtowicz, Mark Schroeder, Don Goetz, Benjamin Bochnowski, John Kirk, Bryan Price and Tom Fite all voted yes. The minutes were approved 7-0.

D. CONSUMER CREDIT DIVISION:

1. Rule Readoption

General Counsel George Dremonas presented information about readoption of the Department's mortgage loan originator rule found at 750 IAC 9 (MLO Rule.)

A motion for approval to readopt the MLO Rule was made by Mr. Price and seconded by Mr. Bochnowski. Mr. Schreiber called roll for the vote. Jean Wojtowicz, Mark Schroeder, Don Goetz, Benjamin Bochnowski, John Kirk, Bryan Price and Tom Fite all voted yes. The readoption was approved 7-0.

E. DIRECTOR'S COMMENTS AND ACTIONS:

1. Financial Update

Mr. Parag Pandya, Deputy Director of Administration, presented a financial update. The financial update included a review of the Department's income and expenses for Fiscal Year 2020 through Fiscal Year 2025 and a financial projection summary for Fiscal Year 2026.

The revenue overview for the previous six fiscal years ranged from a total revenue of \$9.74 million in fiscal year 2020 to \$11.3 million in fiscal year 2025. Revenue was impacted by a few key fee adjustments over those 6 years. The expense overview over that same 6-year fiscal period showed total expenses increased from \$8.69 million in fiscal year 2020 to \$10.83 million in fiscal year 2025. The largest expense category was Personal Services, rising from \$6.84 million in fiscal year 2020 to \$9.16 million in fiscal year 2024 and \$8.80 million in fiscal year 2025. During the same period, the fund balance grew from \$7.61 million in FY 2020 to \$9.46 million in FY 2025, despite interim losses, indicating prudent fiscal management and long-term sustainability.

The financial summary projection for fiscal year 2026 for total revenue would be \$11.54 million, reflecting a slight increase of \$233 thousand over the fiscal year 2025 revenue of \$11.30 million. The increase in the asset size of the banks primarily drives the increase. Total projected expenses for fiscal year 2026 are \$10.88 million. The projected expenses are consistent with fiscal year 2025.

The appropriation amount with a 5% reserve is \$11.84 million, leaving a surplus of approximately \$1.13 million over projected expenses. This surplus could support up to 13 new hires at the base minimum salary, providing flexibility for the significant shortage in staffing shortage. Overall headcount was consistent from 63-65 between 2019 – 2022 but peaked in 2023 at 74 employees, followed by a decline to 60 as of September 2025.

A discussion concerning the hiring process of Department staff regarding the Department's strategic plan and the impact on the examination process.

2. Proposed revisions to the DFI's Policy Establishing Accounting and Auditing Standards

Mr. Chris Dietz, Deputy Director of the Depository Division, presented proposed revisions to the DFI's Policy establishing accounting and auditing standards pursuant to IC 28-13-10, 28-11-3-1, and 28-7-1-18. Mr. Dietz explained that Indiana law was changed as of July 1, 2025, to allow credit unions to be part of the existing DFI accounting and auditing standards policy.

Mr. Dietz noted the two main revisions to the policy were: (1) The audit report parameters for submitting the audit report to the Department could be, if the financial institution submitted a petition to the Department Director an annual one-time 45 day extension to the 120 day submission requirement; (2) to clarify what constitutes an external audit that complies with the accounting and auditing standards of this policy and to clarify that a Form 10-K report filed by a publicly traded company does not comply with the standards of this policy; and (3) each financial institution must identify by resolution an audit period and notify the Department at least 60 days before the audit period of any adjustments.

Chair Wojtowicz asked about the Restricted Scope Balance Sheet Only Audit. The concern of the risk to the Department was briefly discussed. Mr. Dietz responded that he would insert some language requiring some notification and approval procedure if a financial institution wanted to use a Restricted Scope Audit in the policy for the Members to review before the vote to approve at the next Members meeting.

- 3.** Director Fite advised the Members of actions taken pursuant to Delegated Authority. Mr. Fite asked if there were any questions on the delegated authority packet and there were none.

OTHER BUSINESS:

Chair Wojtowicz asked if there was other business. There being no further business, Ms. Wojtowicz took action to adjourn the meeting.

APPROVED:



Mark Schroeder, Vice Chair

ATTEST:



Kirk J. Schreiber, Secretary