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# Banknotes

OFFICIAL PUBLICATION OF THE COMMUNITY BANKERS ASSOCIATION OF ILLINOIS

## Supporting the Voice of Community Banking FOR 45 YEARS AND COUNTING

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Voice for 45 Years  
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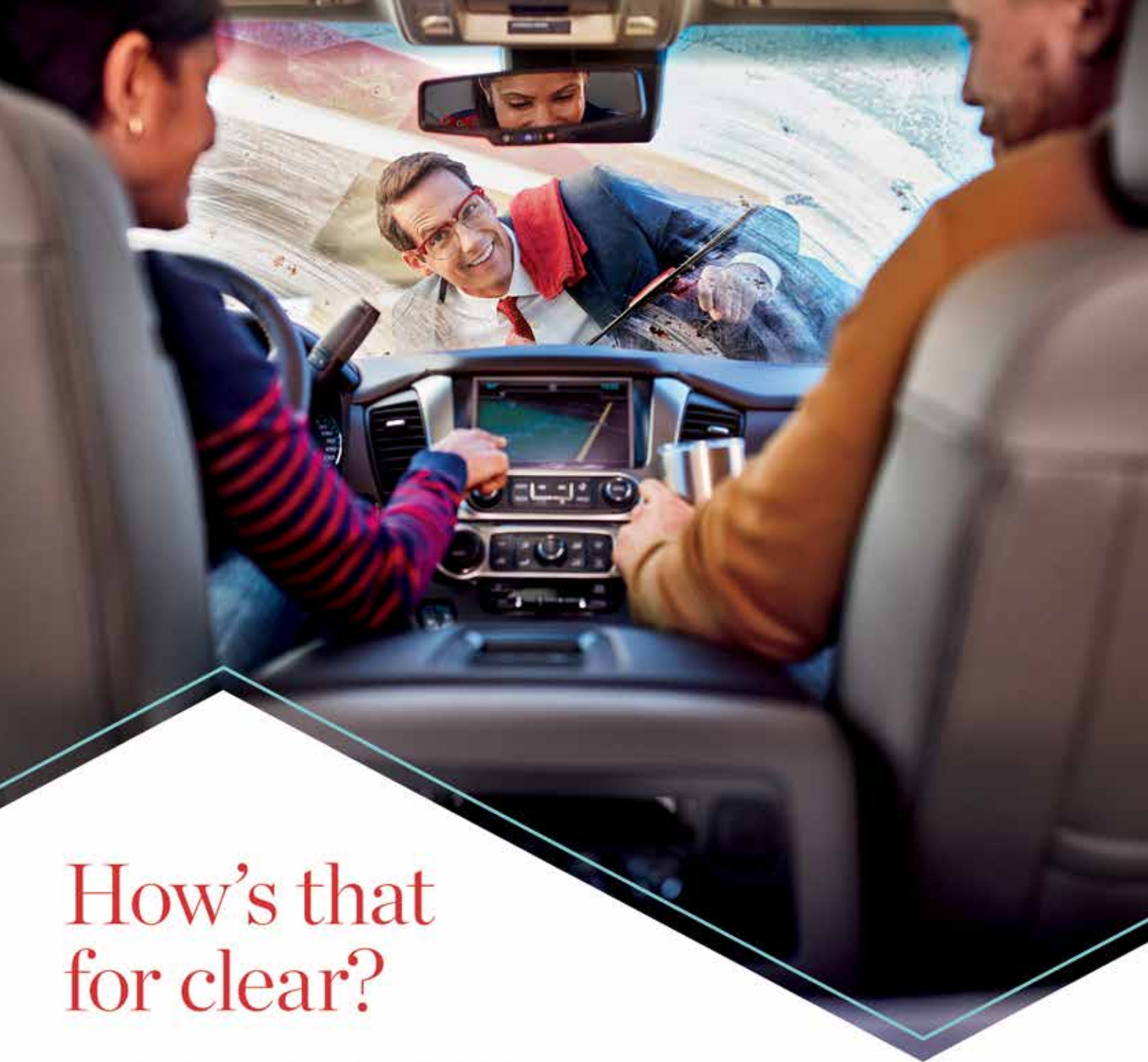
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## CBAI: SUPPORTING THE COMMUNITY BANKING VOICE FOR 45 YEARS AND COUNTING

*Jerry Peck, Senior Vice President of Governmental Relations*

Forty-five years ago, a group of Illinois community bankers decided that independent banks needed a voice of their own. After years of trying to affect change through the Bankers Against Monopoly Banking (BAMB) committee within the Illinois Bankers Association, on February 27, 1974, five leadership bankers filed official incorporation papers with the Illinois Secretary of State and formed the Independent Community Banks in Illinois (ICBI).

In ICBI's first year, there were no professional governmental relations staff members, or any staff at all, carrying the message. It was a grassroots fight with individual community bankers traveling to Springfield. They made sure their concerns were

heard directly by members of the Illinois General Assembly. By March of 1975, staff was hired, and professional lobbyists were added as the association grew, but the grassroots-driven message of the organization remained unchanged.

Forty-five years and one name change later, the Community Bankers Association of Illinois (CBAI) has one of the largest and most experienced professional governmental relations teams in Springfield. We are the only trade association representing financial institutions in Illinois with a full-time lobbyist dedicated solely to federal issues. We analyze thousands of bills and engage on hundreds of issues a year, always looking out for the best interests of community banks.

Although much has changed in 45 years, CBAI has remained member-driven with a member-directed governmental relations program. The grassroots efforts and individual interests of community bankers set the agenda for the association. The professional lobbying team follows their lead and supports their efforts; never the other way around.

Thirty-nine community bankers from all parts of the state make up the influential Legislation and Regulation Committee that is tasked with providing guidance, advice and direction to the governmental relations team. All community bankers are encouraged to make recommendations for state and federal legislative and regulatory changes. The Leg and Reg Committee considers every suggestion, and after a thorough vetting, sends the best proposals to the CBAI Board of Directors for review and final action. At every step, community bankers set the agenda.



The governmental relations team meets regularly with regulators and government agencies to discuss ongoing and emerging issues. We actively cultivate key strategic partnerships with trade associations representing agriculture, real estate, retail, manufacturing, insurance, medicine, the legal profession, unions, municipalities and trade associations representing other sectors of the financial industry.

The Capital Conference and Call on Washington are at the core of who we are as an association. Just like in the early days of BAMB and ICBI, before there was a CBAI governmental relations staff, community bankers descend on the Capitols in force to make their voices heard. Today, community bankers have professional advocates to do the day-to-day work in Springfield and Washington, D.C. That said, from time to time it's also important to have a show of force and remind lawmakers that CBAI represents real community bankers from their districts. Although legislators may be speaking with CBAI staff members daily, the message they're hearing is directly from their hometown community bankers.

CBAI's Community BancPac is experiencing record growth. The number of bankers voluntarily sending in \$200, \$500 or even \$1000 or more over their banks "fair share" contribution has risen substantially, as has the number of banks participating in the 100% Directors Challenge. The Career Development Division (CDD) remains a substantial contributor, raising funds at several events throughout the year. Community bankers bid generously during the auction at convention, and last year's convention-goers even spontaneously raised \$1,000 during a social event.

Community bankers understand the importance of giving the governmental relations team as many tools as possible to accomplish our mission. Community BancPac and CBAI FedPac are important tools for our team. Money in politics continues to rise. We'll never match the spending of candidates willing to spend hundreds of millions on their own elections, but we do have the resources to thank our legislative friends by supporting candidates who support community banking. Your assistance makes a difference.

CBAI collects the PAC money, pools it together, and handles all the legal requirements of operating political action committees. But we count on bankers to advise us on how best to spend it by identifying lawmakers or candidates who deserve our contributions. The governmental relations team attends hundreds of political events a year. We easily double and triple that number when community bankers step up to attend fundraisers and events representing the association. By delivering a check on behalf of Community BancPac,

bankers are telling their local lawmakers that they not only have the support of their bank but of the entire community banking profession statewide. That's a powerful endorsement.

Another simple way to get involved is to pick up the phone or send us an email. At the end of every edition of News from the Front, Action Alert or other governmental relations communication is a list of our phone numbers and email addresses. Give us insight and feedback on issues. If you see something that piques your interest, or you have a perspective you'd like to share, please reach out. Our communications with community bankers prepare us for our interactions with



lawmakers. After all, we work for you. It's your message we are carrying.

As the first ICBI President Arthur Murray wrote back in 2004, "The success of our association has been remarkable but not total. Our task is not complete, in truth, it will never be complete. We must be vigilant and aggressive in protecting the rights of citizens to have maximum choices in their banking partners."

There are many ways for community bankers to contribute to the overall success of our profession. Thank you for all you've done, all you are doing, and all you will continue to do to grow the influence of the Community Bankers Association of Illinois.

## STATE ISSUES

*Megan Peck, Vice President of Governmental Relations*

CBAI's Governmental Relations team monitors and influences thousands of bills filed every year. These bills cover a wide range of topics of interest to community bankers. From mortgage foreclosures to employment issues to cybersecurity – if it affects community banking – you can guarantee we will be engaged. While issues vary from year to year, some state issues continue to stick around.

By now we are all very familiar with legislation creating the state-owned "Community Bank of Illinois." This bill has been filed every year for the past eight years and we continue to oppose the very notion of a state-owned community bank year after year. For eight years, we have been successful in defeating the bill, but the issue remains on the table. A state-owned bank run by political appointees is a wide-open invitation for political abuse and corruption. Given Illinois' history of political corruption, stories about lending decisions

based on political affiliation and donations will likely surface quickly. Even discounting the potential for abuse, a state-owned bank would compete directly with private taxpaying community banks to the detriment of both the communities they serve and the taxpayers of the state of Illinois. Overall, it is a bad idea that just never seems to go away.

For the past several years, CBAI has continued our persistent efforts to make important changes to the new Revised Uniform Unclaimed Property Act (RUUPA). In 2017, a revenue bill was amended in the final days of the legislative session to include a complete rewrite of the Illinois Unclaimed Property Bill, which ultimately became RUUPA. RUUPA is the implementation of the Uniform Law Commission's 2016 Revised Uniform Unclaimed Property Act that became effective January 1, 2018. Before the rewrite was included in the budget bill, CBAI was told that there would be time for extensive discussion on the comprehensive rewrite so it could be completely vetted. That promise wasn't kept. Now, after the fact, we are continuing to work on legislation to address serious consumer protection issues created by RUUPA.

Twenty years ago, legislation backed by CBAI was passed, giving the Secretary of State (SOS) legislative authority to implement a system of electronic lien and title replacing the current paper and mail-based system. For two decades, CBAI has pushed the SOS to enact the program. This year, we introduced legislation implementing a hard deadline for the SOS to bring electronic lien and title to Illinois. We are pleased that the SOS is actively working with us to implement the program.

Even with the thousands of bills filed year after year at the Capitol, one thing is for sure – the more things change, the more they stay the same.



## FEDERAL ISSUES

*David Schroeder, Senior Vice President  
of Federal Governmental Relations*

CBAI's Governmental Relations team monitors and influences legislation moving through the United States Congress and regulations promulgated by the federal banking agencies. Our guiding policy principals include supporting fair competition for financial services, tiered regulations, the separation of banking and commerce, the dual banking system and charter choice, financial innovation, and opposing industry consolidation and systemic risk.

In May of 2018, landmark bipartisan community bank regulatory relief was enacted into law. CBAI and community bankers were instrumental in informing Congress of the many beneficial sections of this legislation and we were pleased to see that a bipartisan majority of the Illinois members of the U.S. House of Representatives supported this bill. The focus has now shifted to the regulators implementing this legislation and CBAI continues to weigh-in during the rulemaking process to help guarantee community banks will swiftly benefit from this regulatory relief.

The financial service industry is rapidly evolving. Financial technology firms (Fintechs) are proposing new ways of handling financial transactions and using customer data to assist in money management. Privacy, data security and appropriate supervision and regulation lead our concerns with these new competitors. The nation's payments system must be modernized to keep pace with consumer demand and the rest of the world. The payments system cannot be controlled by the largest banks, and non-bank companies cannot have direct access to the system. The Federal Reserve must retain

its preeminent role in the payments system for the benefit of consumers, small businesses and community banks.

Community bankers are an important source of information for the banking regulators. Implementing rules and regulations, in a reasonable and practical manner, cannot be overemphasized. A delegation of CBAI community bankers recently met with the new Consumer Financial Protection Bureau Director Kathy Kraninger. The session was an important listening opportunity for the director. The discussion included how overly complex rules are an unnecessary and unwarranted regulatory burden and the director was urged to use the Bureau's statutory authority to exempt community banks from much of its rulemaking.

Similar to some challenges at the state level, there are federal community bank issues that we continually face and have yet to successfully resolve (e.g., the unfair competition posed by credit union and Farm Credit System lenders and the pernicious threat to our financial system, economy and American tax payers caused by the continued growth of the largest banks and financial firms which remain too-big-to-fail.) Rest assured, all of these important federal issues are squarely on our radar screen and are our advocacy priorities. ■

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## A Comprehensive Guide to IMPROVING YOUR BANK'S DIGITAL PRESENCE

*Dan Novalis, President and Owner, 2Novas Inc., St. Louis, MO*

After working with more than 35 community banks in Missouri and Illinois, we commonly see that banks are losing online traffic because of an incomplete digital presence. Yet, most banks are also striving to appeal to the 18 to 30 age demographic, who are almost exclusively searching for products and services online.

And it's not just Gen Z. The 30 to 60 age demographic spends over half of their time online on a mobile device, and this number is increasing. Digital presence is not just about your website and Facebook page.

### The Problem

Have you looked at your website on your mobile phone lately? Is it mobile responsive? Have you Google-searched your bank? You may have inaccurate information or even bad reviews to which you have not responded.

Having a complete digital presence helps you appeal to younger customers, be located and accessible on every customers' platform of choice, and boost your brand when people are searching online for banking products and services.

It's tedious and time-consuming to set up your digital presence – and banks, in general, are busy places. But the real issue has nothing to do with time; it's that this digital knowledge largely doesn't exist in most banks.

### Why It Matters

A \$150M bank in the Midwest had a three-year-old website and growing Facebook following. But the site was not mobile responsive, which prevented some users from reaching online banking from their smartphones. Additionally, one of their branches had an incorrect address on an unclaimed Google listing and they had a bad review on Yelp to which they had not responded.

The issues were solved by cleaning up the bank's digital listings, getting them in touch with the customer behind the negative review, and setting up an alert tool to notify the bank whenever a new review is posted anywhere on the web. Within the first week, two new loan inquiries came in from Yelp. Now the bank continues to get a higher volume of calls and emails inquiring about products – both from current and new customers.

The following guide can help you review and polish your bank's digital presence in the same way.

### The Five Components of Digital Presence

#### Website

Pull up your bank's website on your smartphone. Does that slideshow image on your homepage display properly? Can you find and access online banking quickly? More than 50% of your customers are trying to use their phones to bank with you, so it's critical that you make it a smooth process.

#### Key tips:

- Put contact information and a mobile banking login right at the top of your page.
- Test out a chatbot, like Kasisto or Finn AI, to help customers with simple questions, or those that prefer not to call, to get answers quickly.
- Mobile-responsiveness is the number-one problem you should fix. If your bank's site is not mobile responsive, pause here and contact your website developer!

#### Social Media

If your bank is active on Facebook, awesome. But if not, this one is easy to fix – today. I bet you have at least one staff member that's social-savvy. Congrats, they are your new social media lead!

**Key tips:**

- Aim for two posts a week to start, building up to one per day as it becomes second nature. Each week do one promo post, one informational post (local or FinEd article), and one to three “fun” posts (recipes, dogs, events, etc.). Take 30 minutes each month to brainstorm topics and put them on a calendar so they get done. (Better yet, schedule posts ahead of time). Just keep promos light to avoid tiring your followers.
- Master Facebook before attempting other platforms like Twitter, Instagram or Snapchat – or don’t worry about them at all. Although they do trend younger, they’re less effective at banking lead generation than Facebook.

**Branch Location Listings**

Even if you’ve never looked at it, your bank (and probably every branch) has an auto-created listing on Google MyBusiness (business.google.com). These unclaimed listings are often inaccurate or incomplete, even if you’ve been in the same place for 125 years. It’s one of the primary things Google uses to rank search results, and what customers see when they search for you, so it’s very important to claim, complete and refresh your listings often.

**Key tip:**

- Search for your bank and find the “Own this business?” link in your listing on the right. You’ll want a separate listing for each branch location, though they should all be associated under one Google account. (Google has lots of help files to assist).

**Online Directory Listings**

Beyond Google MyBusiness, there are more than 200 other listings sites online, including YellowPages.com. They all gather information from a few main databases, but not frequently. This means that inaccuracies go everywhere and stick around. Keep this information up-to-date to boost your search rankings and findability.

More than 200 sites make it impossible to maintain manually, but there are inexpensive tools called reputation monitors that can help. Reputation monitors often handle review alerts, too, helping you respond faster and gather more reviews from your customers.

**Key tip:**

- Manually claim listings on Apple Maps (mapsconnect.apple.com), Yelp (biz.yelp.com), Bing (bingplaces.com), and YellowPages.com (adsolutions.yp.com). To handle the rest, reputation monitors are inexpensive; approximately \$150 per

month for better, full-service ones, and less expensive if you can take on some maintenance work yourself.

**ONLINE REVIEWS**

Google, Facebook and Yelp are the big three, and every customer has their own preferred platform, so it’s important to gather and manage reviews on all of them.

Many banks are afraid of getting bad reviews. Well, you’re going to get bad reviews. Everyone does. But by avoiding reviews entirely, you’ll miss out on customers who are looking for banks on these platforms. The solution? Keep an eye on reviews and nurture them. Even the St. Louis Arch and the Grand Canyon have one-star reviews. (Seriously, go look them up.) But bad reviews are opportunities to show off your great customer service in public.

**Key tips:**

- Actively ask for reviews via email or teller cards.
- Sign up for alerts on the big three platforms or utilize reputation monitoring.
- Respond within 24 hours to EVERY review you get, good or bad. Other customers will see how you’ve responded, and you’ll essentially wipe out any bad effects. Take the details offline but show publicly that you care.

**Your Next Steps**

Even in smaller towns where people know your bank, at that moment where they’re ready to pick up the phone and call you, or look up your hours, or see if you offer mortgages, you want to make it frictionless to do so. You can lose attention in a split second online – so any non-mobile slide, bad review left unanswered, or inaccurate phone number will deter some percentage of people from reaching out to you. And couldn’t you use a few more calls? ■

**About the Author:** Dan Novalis is the president and owner of 2Novas, a CBAI associate member. 2Novas helps growth-minded community banks create, run and optimize modern marketing programs and achieve measurable results including increased loan and deposit volume and market share.

For a short time, Dan is offering BankNotes readers a complimentary marketing strategy session. On the call, you’ll spend 60 minutes one-on-one with Dan to dig into your current marketing and bank outlook reality, discuss your goals, and identify any current roadblocks. Book your call at 2Novas.com/CBAI, call 314/966-2430, or email Dan directly at dan@2novas.com.

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**KasasaLoans.com**

\*Priced equivalently, based on a 2017 Kasasa consumer study.

**KASASA LOANS™**

# Gone phi\$hing?

## What Your Bank Needs to Know About the Latest Scams

Ryan Hillestad, Insurance Advisor, Financial Institutions Specialist  
Community BancInsurance Services, powered by Arthur J. Gallagher & Company  
Springfield, IL

**I**n December of last year, a \$3.3 billion publicly-owned community bank holding company based in Houston reported a phishing scam to regulators that compromised the personal information of up to 7,800 customers.

The news was yet another example of cybercriminals' targeting of financial institutions, and specifically, efforts to penetrate firewalls via the unwitting actions of bank employees.

Email phishing scams target bank employees as much as they do consumers. They attempt to bait the recipients of increasingly slick, counterfeit emails into opening a link embedded in the body of an email or an attachment, encouraging employees to share sensitive information.

In some schemes, cybercriminals aim to steal critical information that allows them to send further counterfeit emails, presented on the bank's behalf, to its customers. In other schemes, the aim is to impregnate ransomware within a bank's network, allowing bank files to be encrypted, leading to subsequent cash ransom requests to free the files. By some bankers' accounts, upwards of 90 percent of cyber attacks originate through phishing emails.

Analysis conducted by Cofense, a provider of response technologies designed specifically to address employee exposure, found that 10 percent of emails were identified as malicious across all industries. Financial institutions fared a little better, but their level of exposure—seven percent of all emails—is nonetheless alarming. That rate of attempted fraud comes in spite of financial institutions' increasing awareness of cyber threats and investment in technology.

Of the data analyzed by Cofense, more than 50 percent of the malicious emails were so-called "credential" phishing attempts. In that model, the criminal enterprises attempt to redirect employees to authentic-looking websites falsely representing legitimate enterprises. Microsoft-themed emails and landing pages were the most common in Cofense's simulations. Other scams attempt to get employees to log in to LinkedIn, Facebook and other widely-used social media sites with the hope of pilfering passwords to the platforms and testing their ability to access internal bank platforms in the event employees are not varying passwords.

Another 20 percent of malicious emails use PDFs and other attachments to evade internal email security software. Links are buried inside the PDFs, and according to Cofense's analysis, they fool email security firewalls "all the time."

As we've written previously, community banks are not safe from cyber attacks, as criminal enterprises seek to expose smaller institutions on the pretense that their protections are less robust. And as we've also previously underscored, a community bank's first line of defense is educating its employees.

The most attentive institutions have implemented a culture of on-going training that keeps employees up to speed on how phishing threats are evolving and what to look for in identifying suspicious emails. Efficient training programs, once created, should be revisited quarterly to further establish your bank's security culture.

Of the most successful campaigns Cofense analyzed last year, the word "invoice" appeared in the subject line of 60

percent of phishing emails. “Payment remittance” and “statement” are other subject lines criminals use to impose a sense of authenticity and urgency to bank employees. Banks certainly cannot expect all of their employees to be cybersecurity experts. But as cybercriminals continue to evolve in sophistication, so too, has the data on their schemes. Third-party security providers should be able to key a bank in on the nature of the most effective threats to help educate employees on how to keep an eye out.

Third-party providers can also run simulated schemes. That can be an effective starting point for a bank that may feel it’s fallen behind the curve. The simulated scams can pique employee awareness and key your workers to the imperative of security awareness. A provider’s simulations should focus on the most active threats that are specific to the banking industry.

If your bank has not done so, it should implement multifactor authentication for employee access to internal platforms. Your bank’s cyber insurance policies should also be reviewed to understand which threats are indemnified. As important is an understanding of the policies third-party technology providers carry. Agreements with vendors should also be subject to periodic review to ensure contracts are updated to address regulatory developments, and that vendors have consistently updated their own internal protections.

As a financial institution insurance specialist, we stand committed, along with our bank partners, to understanding evolving phishing schemes and cyber threats, and maintaining open lines of communication with the best-rated cyber carriers. Phishing threats are real, and they are not going away. The good news is that your bank does not have to go it alone as it builds best-practice defenses. ■

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- Managing Cashflow Optionality to Protect Against Extension and Contraction Risk
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## Forty Remarkable Years — And Just Getting Started The Baker Group Celebrates 40 Years in Business

Jeff Caughron, President and Chief Executive Officer, The Baker Group, Oklahoma City, OK

*“The pace of change has quickened dramatically in the banking industry within the past few years. Economic conditions and the regulatory environment, for example, combined to increase significantly the challenges facing bank management. In addition, policies and procedures that had worked well for what seemed like an eternity were destroyed by events over which bank management had little or no control. Bank managements needed an approach that focused on the total bank; and that approach became known as asset/liability management.”*

—Dr. James V. Baker, Jr.

“Asset/Liability Management” 1981

### **The Baker Group – A Brief History**

At the end of the 1970s, the U.S. banking industry faced enormous challenges as deregulation and an explosion of new financial products forced bankers to rethink the way they did business. At the same time, Federal Reserve Chairman Paul Volcker launched an unprecedented tight money campaign in order to fight inflation, which reached 13.3% in December of that year. Suddenly, interest rate volatility soared, and bank balance sheets were thrown into disarray. In the midst of this turmoil, The Baker Group (then James Baker & Company) began to help community bankers adapt to those changes through a new concept called “Asset/Liability Management.” Dr. James V. Baker’s best-selling book of the same name was published two years later. The book became both the academic and industry standard for a new practice in interest rate risk management.

The concept of a “systems approach” to asset/liability management, which Dr. Baker pioneered, remained foreign to many bankers in the post-Volcker era and in the early years of the new firm. At the time, banks watched in horror as their short-term liability rates climbed to 15-20%, while their long-term assets locked into single-digit rates. This unique drama begged for a system-wide solution to more effectively define, measure and manage the interest rate risk positions of community banks for all environments. What seems common practice today was, in fact, revolutionary at the time, and early Baker clients who were there at the beginning had a front row seat to a historical shift in the industry.

In 1981, Baker released one of the first-ever asset/liability software models designed specifically for community banks. Its introduction to the industry helped the young firm grow rapidly. As the firm grew, Dr. Baker was constantly on the road, ever committed to educating banks about how to optimize their investment decisions within the context of a robust asset/liability management system. By the end of the 1980s, The Baker Group had secured its place as a top-tier provider of interest rate risk management solutions and investment services for community banks. It was this early success that propelled the firm into a new era of banking and brought a new perspective to the investment management process.

#### Baker in the Next 40 Years

In the subsequent four decades, The Baker Group has grown, evolved and continued to innovate as industry and market conditions have changed. The firm has focused intensely on serving its clients every step of the way. As their needs have changed, The Baker Group has responded – an instinct that has defined the firm and its culture from the beginning. Baker’s success as a business has been built entirely from the relationships it’s forged and fostered over four decades of commitment to its clients. There is no doubt that while the coming decades will bring more change and challenges to clients and the industry, The Baker Group will continue to adapt, innovate and serve.

The Baker Group will celebrate this year by highlighting brand-new initiatives and lines of business to help clients further improve and optimize performance. The firm has enhanced its trading capacity, introduced a new funding and CD underwriting program, opened offices in New York, and expanded its public finance footprint nationwide. Baker has engaged in strategic alliances that enable it to provide clients with expertise and resources for building long-term

shareholder value. The education platform also continues to grow, offering an even greater variety of programs and venues for workshops, conferences and bond and balance sheet schools. These initiatives continue to lay critical groundwork for further success and growth in the decades to come. The Baker Group’s legacy, built on a foundation of integrity and service to so many financial institutions over the years, clearly has its best years ahead. ■



*The Baker Group is a preferred service provider of the Community BancService Corporation (CBSC). Jeffrey F. Caughron is a managing director with The Baker Group, where he serves as president and chief*

*executive officer. Caughron has worked in financial markets and the securities industry since 1985, always with an emphasis on banking, investments and interest rate risk management. Contact Caughron at 800/937-2257 or [jcaughron@GoBaker.com](mailto:jcaughron@GoBaker.com).*

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*Promotion ends May 31, 2019*



## There's No Place Like a Community Bank: CBAI'S 45<sup>TH</sup> ANNUAL CONVENTION & EXPO

CBAI is excited to announce the Saturday night entertainment at its 45<sup>th</sup> Annual Convention & Expo, "There's No Place Like a Community Bank," scheduled for September 19-21, 2019, at the Crowne Plaza in Springfield.

### Party Nation

Party Nation is a dynamic eight-piece party, dance and show band from Atlanta providing top-notch, live musical entertainment. The band is fronted by extraordinary lead vocalists along with a rockin' rhythm section. These true entertainers will wow audiences with versatile vocals and an energetic performance. Party Nation has an extensive repertoire of music from today's hits, to the '80s and '90s, R&B, hip hop, country, classic rock, contemporary jazz and more!

Party Nation has performed across the U.S. and abroad for hundreds of extremely successful, high-end events. From awards ceremonies to beach parties, masquerade balls and Fortune 500 company events, Party Nation's experience, talent and professionalism make every show extra special!

Party Nation's fast-paced, high-energy show will not only fill the dance floor but will also entertain those attendees who do not wish to dance with an exciting performance that many have compared to being at a concert. So, get ready for a non-stop, energetic and unforgettable performance that you won't want to miss.

### Golf Outing

CBAI is pleased to announce that the Golf Outing at CBAI's 45<sup>th</sup> Annual Convention & Expo on September 19, will be held at Panther Creek Country Club in Springfield. Panther Creek has been called Springfield's best place for a golf outing.

Professionally designed by PGA Hall of Fame golfer Hale Irwin, all 7,244 yards will excite and challenge golfers at every level. Panther Creek has five sets of tees to choose from, so it provides a complete test for the game's best golfers while also featuring wide fairways and large putting surfaces which level the playing field for the beginner. Opened in 1992, the 18-hole, par 72 course at Panther Creek has a course rating of 74.2 and a slope rating of 128 on bentgrass. Come out and experience the course the professionals play and enjoy a memorable event!

Don't miss out! Not only does this year's convention feature fun-filled and exciting social events, but it also offers a huge exhibit center, countless networking opportunities, and hard-hitting educational topics. Expert speakers on the hottest community-banking issues fill an education agenda featuring 20 break-out sessions. Keynote speakers include ICBA President Rebeca Romero-Rainey, Ben Nemtin, *New York Times* best-selling author and star of the MTV show *The Buried Life*, and nationally-known speaker and consultant Craig Zablocki. Early-bird registration is open until June 30. For more information or to register, call Tracy McQuinn at 800/736-2224 or visit [www.cbai.com](http://www.cbai.com) today. ■





## CBAI's Inaugural "C" Conference



CBAI launched The "C" Conference on February 20, 2019, at the Crowne Plaza in Springfield. Developed for C-level community bankers, this new and exciting conference included inspiring and educational general sessions, concurrent sessions, and an opportunity to network. The inaugural event included nearly 70 attendees from community banks across the state. Those in attendance indicated The "C" Conference was a "great conference" and that they "can't wait until next year's event."

CBAI President Kraig Lounsberry opened the conference with an association update followed by a presentation by David Kemp, founder of Bankers Management, Inc., Atlanta, GA, entitled "Qualities of High Performing Communities Banks." Prior to lunch, Ryan Hayhurst of The Baker Group, Oklahoma City, OK, provided an economic outlook for 2019. Community bankers enjoyed the time dedicated to exchange ideas with each other at the networking lunch, sponsored by iZALE Financial Group, Elgin, IL. Participants then had the opportunity to attend breakout sessions geared toward their position at the bank. The conference ended with Kirk Weisler's incredibly motivational session, "Culture Warrior: Tribal Dynamics and Total Engagement."

Look in future issues of *Banknotes* for the date and information on the 2020 "C" Conference!!! ■

### DID YOU KNOW?

The inaugural event included nearly 70 attendees from community banks across the state.

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# CBAI Member Bank Innovates through Homebuyer Assistance Program

**W**hat does it mean to be a community bank? For Marquette Bank, Chicago, it means recognizing a need and stepping up to help your neighbors. The staff considers that philosophy to be a part of the bank's DNA. With their Affordable Housing Foundation, they exemplify the community banking spirit.

More than 10 years ago, Marquette Bank was working with the Federal Home Loan Bank of Chicago's homebuyer assistance program. Downpayment Plus® (DPP®) and Downpayment Plus Advantage® (DPP Advantage®) offered Federal Home Loan Bank of Chicago (FHLB of Chicago) members easy-to-access down payment and closing cost assistance to help their income-eligible customers achieve homeownership. This valuable program provided Marquette the ability to assist eligible borrowers purchasing homes in the communities they serve. However, the funds available were capped at a certain threshold per bank. Marquette Bank found that these funds, which became available in February each year, were quickly depleted. Typically, by mid-summer, all the funds were gone.

Marquette's Community Reinvestment Act (CRA) team didn't want to have to turn any of their neighbors away, so they went to the bank's management with an idea for an Affordable Housing Foundation that would provide grants for down payment and closing costs to qualified candidates. The goal was to make home ownership affordable for lower-income borrowers. The bank eagerly agreed to provide the \$2 million in seed money to establish the 501(c)(3) Foundation.

Marquette Bank's Affordable Housing Foundation allocates money toward funding first-time homebuyer grants for qualified borrowers. For 2019, the amounts are:

- \$1,500 grant for properties purchased in a middle-income census tract
- \$3,500 grant for properties purchased in a moderate-income census tract
- \$6,000 for properties purchased in a low-income census tract

To be considered a qualified candidate, the maximum household income must be less than \$67,680, or less than 80 percent of the Area Median Income (AMI) as determined by HUD income guidelines for the Chicago area. Qualified buyers also need to purchase within the bank's three county assessment area consisting of Cook, Will and DuPage.

Created in 2008, the first year of the program's implementation was 2009. Since the year of its inception, the homebuyer funding has totaled more than \$1 million; averaging approximately \$125,000 per year in total assistance and up to \$5,000 in support for each individual homebuyer. In 2018, the Foundation provided nearly \$100,000 to homebuyers. And they have never had to turn a qualified candidate away. The Foundation has become a self-funding endeavor, as all earnings are reinvested back into the program to fund it going forward. Proceeds are growing, and in turn, reinvestment back into the program is growing. The Foundation is currently at more than \$2.6 million.

According to Marquette Bank, more than 40 percent of buyers receive one or more grants and some of the eligible candidates are even able to "stack" homebuyer assistance programs. The Marquette Housing Foundation provides up to \$6,000 in assistance, the FHLB Downpayment Plus® offers \$6,000 in assistance, and the Illinois Housing Development Authority's (IHDA) 1<sup>st</sup> Home Illinois Program offers up to \$7,500 for first-time qualified buyers. By combining all three grants, qualified



Since the year of its inception, the homebuyer funding has totaled more than \$1 million; averaging approximately \$125,000 per year in total assistance and up to \$5,000 in support for each individual homebuyer.

purchasers could receive a total of \$19,500 toward a down payment and closing costs.

While the bank actively markets the homebuyer assistance program as part of its mortgage advertising, often it is community organizations that partner with the bank or the bank's loan officers that inform qualified individuals about the assistance programs. Marquette Bank's mortgage specialists are experts in the local market and well-trained in the Affordable Housing Foundation options along with options through IHDA, FHLB, and other grants available in specific areas. They love to be able to share these opportunities with home buyers. And that is exactly what they feel makes them different – not only are they a community bank with local people working face to face with local people, but they have the ability to make a real difference for their customers with the grants the bank can provide.

The Community Reinvestment Act (CRA) program at the bank has been greatly enhanced by this ability. Marquette Bank has received nine consecutive outstanding CRA ratings from the Federal Reserve Bank, which puts it in the top one percent of banks in the nation. Marquette Bank also won the BKD Award for Excellence and Innovation presented by CBAI

in 2017 for their Foundation and was recently voted as the Best Real Estate Mortgage Lender in the Southwest Choice Awards – a recognition bestowed by readers of seven local community papers.

"We are that local neighborhood bank in Chicago looking to help our neighbors and help them get ahead. This program reinforces our brand and exemplifies who we are as a bank," said Manny Jimenez, CRA director at Marquette Bank. "The grant program has a positive impact on the neighborhoods we serve and makes a real difference helping buyers contribute to their down payment."

The program has become self-sustaining as the foundation's investment assets have grown. The bank plans to continue it indefinitely and is constantly working to enhance the service. This year, the top tier of the grant has increased from \$5,000 to \$6,000.

Marquette Bank remains one of the largest independently owned and operated neighborhood banks in Chicagoland and has been helping neighbors, families and businesses achieve their financial goals since 1945. ■

The advertisement features a central blue hexagon with the AWS logo and the text "WEB SECURITY". Surrounding this central element are several other hexagons, each containing a service offering: "CBAI WEBSITE HOSTING SERVICES - SECURED and COMPLIANT HOSTING FOR COMMUNITY BANKS", "SECURITY RISK MANAGEMENT SYSTEM", "REDUNDANCY and RECOVERY SERVICES", "CERTIFIED NETWORK and SERVER PROFESSIONALS", "QUARTERLY VULNERABILITY and PENETRATION TESTING", "ISO", "AICPA SOC", "CUSTOMER SERVICE and SUPPORT SYSTEM", and "RELIABLE and SCALABLE INFRASTRUCTURE". At the bottom left, contact information for Jenny Dial is provided. At the bottom right, logos for the Community Bankers Association of Illinois and LRS are displayed.

CBAI WEBSITE HOSTING SERVICES - SECURED and COMPLIANT HOSTING FOR COMMUNITY BANKS

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REDUNDANCY and RECOVERY SERVICES

CERTIFIED NETWORK and SERVER PROFESSIONALS

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**BINDING:** Saddle-stitch

**TRIM SIZE:** 8.375" x 10.875"

## AD RATES

PRINT ADS	1 ISSUE	6 ISSUES	WEB LINK
Back Cover	\$1,449	\$6,599	\$169
Inside Covers	\$1,349	\$6,299	\$169
Facing Inside Front Cover	\$1,349	\$6,299	\$169
Page 5-9	\$1,299	\$6,099	\$169
Full Page	\$1,349	\$5,999	\$169
1/2 Page	\$1,049	\$4,799	\$169
1/4 Page	\$649	\$3,899	\$169
Business Card	\$299	\$2,399	\$169

B&W OPTIONS	1 ISSUE	6 ISSUES	WEB LINK
Full Page	\$1,149	\$5,049	\$169
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DIGITAL OPTIONS	1 ISSUE	6 ISSUES	WEB LINK
Exclusive (2 Banners)	\$900	\$5,100	INCLUDED
Full Side Banner	\$500	\$2,750	INCLUDED
Double Box	\$400	\$2,200	INCLUDED
Single Box	\$250	\$1,250	INCLUDED



## 2019 Compliance Institute – Lending

Fourteen community bankers gathered on March 19 - 21, in the SHAZAM Education Center at the CBAI Headquarters for the 2019 CBAI Compliance Institute – Lending Session. This institute was led by **Bill Elliott and Dale Neiss** from **Young & Associates, Inc.**, in Kent, OH.

### ROW 1 (L TO R)

Samantha Dundas, Peoples Bank of Kankakee County, Bourbonnais  
Brandi Reynolds, First Community Bank of Hillsboro  
Lesley Bridge, The First National Bank in Tremont  
Kathleen Zydek, PeopleFirst Bank, Joliet  
Barbie Brandt, Midland Community Bank, Kincaid  
Bill Elliott, Young & Associates, Inc.

Alice Fu, Pacific Global Bank, Chicago

Hester Knecht,

Community First Bank of the Heartland, Mount Vernon

Sidali Aitelhadj, GN Bank, Chicago

\*Anita Baird, Bank of Yates City

Denise Bosch, Arcola First Bank

Amy Brummel, Bank of Pontiac

Barb Jeremiah, First National Bank of Steeleville

### ROW 2 (L TO R)

Christine Smith, The First National Bank of Ava  
Lily Guo, Pacific Global Bank, Chicago

### NOT PICTURED

Dale Neiss, Young & Associates, Inc.

*\*Denotes CBAI Career Development Division (CDD) member*

A promotional graphic for the Community Bankers School. It features a large yellow arrow pointing upwards on a dark, textured background. At the bottom, a pair of black leather shoes is visible, as if someone is standing on the arrow. The text "cbs Community Bankers School" is in the top left, "Your Journey UP Begins Here" is in the top right, and "July 14-19, 2019 Bloomington, Illinois" is in the middle left. At the bottom, it says "For more information, contact CBAI at 217/529-2265."

**cbs Community Bankers School**

July 14-19, 2019  
Bloomington, Illinois

Your Journey UP Begins Here

For more information, contact CBAI at 217/529-2265.



## Ag Lenders' Conference Attracts More Than 100 Attendees

**C**BAI's annual Ag Lenders' Conference, held at the Northfield Center in Springfield on February 5, helped participants develop the skills and tools to better understand the issues affecting the bank's farm and agribusiness customers and to meet their credit needs. Attracting 108 lenders from 65 banks, the conference showcased expert speakers and hot topics, as well as a mini-exposition featuring firms with the latest products and services for community bank ag lenders.

Topics covered in this one-day conference included a variety of issues facing agricultural lenders including "Weather Outlook & Forecasting for 2019" with Eric Snodgrass, director of the Undergraduate Studies Department of Atmospheric Science, University of Illinois, Champaign-Urbana; "The State of Agriculture & Ag Lending" and "Credit Risk 2019 & Beyond: Answers to Critical Questions" with Dr. David Kohl, professor emeritus of agricultural and applied economics, Virginia Tech, Blacksburg, VA; "Best Practices for Managing Agricultural Relationships in a Challenging

Environment" with Jeffrey Davey, manager, Wipfli LLP, Sterling, IL; and "Powering a Home, Farm or Business with Solar Electric: Tips and Tools for Project Evaluation" with John Hay, extension education with the University of Nebraska, Lincoln, and Eric Romich, associate professor with The Ohio State University, Columbus.

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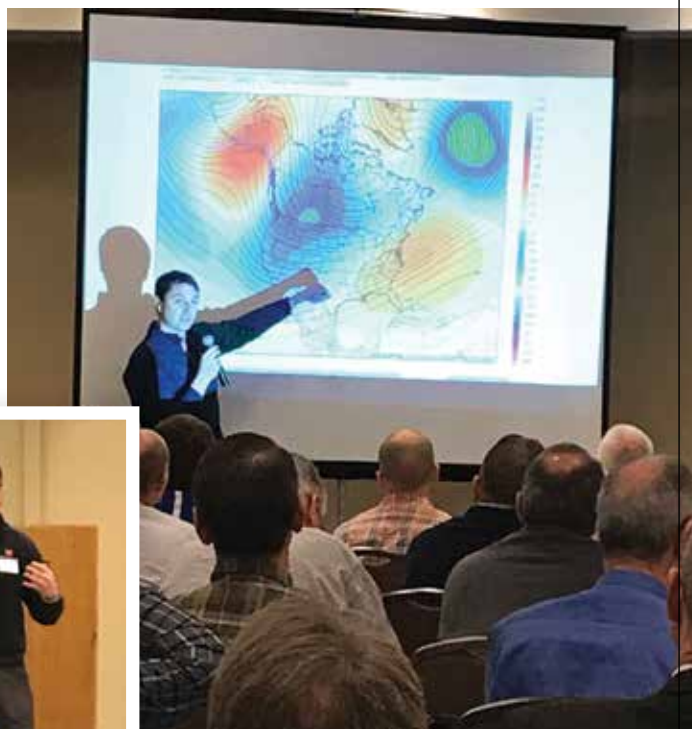
### Conference Exhibitors:

Ag Resource Management, Springfield, IL  
CLA (CliftonLarsenAllen, LLP), Belleville, IL  
Farmer Mac, Washington, DC  
Federal Home Loan Bank of Chicago, Chicago, IL  
Illinois Society of Professional Farm Managers  
& Rural Appraisers, Menomonee Falls, WI  
The Ohio State University, Columbus, OH  
University of Nebraska, Lincoln, NE

*Below: Dr. Kohl takes a question during one of his two rousing sessions.*



*Middle: John Hay and Eric Romich close the day with their interesting presentation on project evaluation of solar electric.*



*Eric Snodgrass discusses a weather pattern during his always dynamic opening session.*

CBAI thanks the members of our Ag Lenders' Subcommittee for their expertise and assistance in developing and promoting this year's Ag Lenders' Conference.

**Ag Lenders' Subcommittee:**

**Doug Smith**, President,

Farmers National Bank of Griggsville (Chairman)

**Jennifer Beard**, President,

Farmers State Bank, Elmwood

**Doug Blunier**, Senior Vice President,

State Bank of Toulon

**Quint Harmon**, Executive Vice President,

Pioneer State Bank, Earlville

**Jeremy Hoke**, Assistant Vice President,

Scott State Bank, Bethany

**Kerry Hoops**, Senior Vice President,

German-American State Bank, German Valley

**Alan Hoskins**, Executive Vice President,

Legence Bank, Eldorado

**Tom Schnelt**, Vice President,

CNB Bank & Trust, N.A., Carlinville (Carrollton) ■



**Nominations for the Excellence in Innovation Award are Now Being Accepted!**

Nominations are being taken for 2019 Excellence & Innovation BKD Award Presented by CBAI and the accounting firm of BKD LLP. The purpose of the award is to recognize banks with an outstanding, innovative product/service or program. Your bank does not need to be a BKD client to enter. Nominations are due at CBAI headquarters no later than **Monday, June 3, 2019**.

Last year, the winner was Community First Bank of the Heartland, Mt. Vernon. This year, your bank could be the winner! Enter your bank now!

You can find the nomination form at [www.cbai.com](http://www.cbai.com) or send an e-mail to the CBAI Department of Communications at [cbai.com@cbai.com](mailto:cbai.com@cbai.com). We hope to receive your nomination soon!

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*Team captains of the musical trivia event line up before the dance contest.*

## CBAI's Career Development Division Spring Meeting

The Annual Spring Meeting of CBAI's Career Development Division (CDD) was held March 18 & 19, at the Par-A-Dice Hotel in East Peoria. The meeting attracted nearly 60 CDD members. The conference kicked off with a night of networking and fun where participants worked together in teams to solve music trivia questions. The event also included a fun dance-off between team captains. The morning of the 19<sup>th</sup> began with the popular networking session, followed by the first of three sessions by David Kemp, president and founder of Bankers Management Inc. His first session, entitled "Leadership that Matters," was followed by "The Future of Banking."

The Business Meeting Luncheon was kicked off by CDD Chairman Ryan Heiser, who introduced the luncheon sponsor, Jim Motteler of Midwestern Securities Trading Company (MSTC). He was followed by Jerry Peck, CBAI senior vice president of governmental relations, who provided a legislative update. Attendees were then updated on the status of CDD membership and finances. CDD Chairman Heiser reported that dues from the more than 200 members remain the largest source of income; however, the Fall and Spring Meetings also contribute significantly to the bottom line. He also emphasized that CDD board members have controlled expenses and made significant contributions to the strength of CBAI.



*David Kemp with Bankers Management Inc. presents one of his three general sessions.*

David Kemp then presented the final general session, “How Do I Reach My Maximum Potential?” CDD raised \$155 by conducting a “dress-down” day, which benefitted Community BancPac.

A special thank you goes to the **Federal Home Loan Bank of Chicago** and **MSTC** for sponsoring the conference.

**New Members of the  
CBAI Career Development Division:**

Mandi Ballard, German-American State Bank, German Valley  
Maureen Board, BKD, LLP

Nathan Diepstra, Providence Bank & Trust, South Holland  
JoAnna Engels, State Bank of Cherry

Tina Forlines, State Bank of Toulon

Jamie Hart, The Bank of Herrin

Ryan Hillestad, CBIS, Powered by

A.J. Gallagher & Co., Springfield

Krysta Hobbs, The Fisher National Bank

Sam Keller, Security National Bank, Witt

James McLauchlan, West & Company, LLC, Mattoon

Jessica Temple, State Bank of Cherry

Joe Springer, Buena Vista National Bank, Chester

Becky Yedinak, State Bank of Toulon ■



*Haley Guisti and James McLauchlan hit up the dance floor!*



*CDD chairman Ryan Heiser addresses the crowd during the Business Meeting Luncheon.*



*The winning team members of the trivia contest were Sara Hardesty, Erik Schelling, Eric Pfeiffer and Devin Woods.*

**SAVE THE DATE!** CDD Fall Meeting • October 21 & 22, 2019 • Hyatt Place, Champaign

## LEGAL LINK



## Employment Non-Compete Restrictive Covenants (Again)

*Jerry Cavanaugh, CBAI General Counsel, Springfield, IL*

I don't know if the show is still on the air, but my ex-wife would weekly watch a "reality" television series called *Dance Moms*. It wasn't my "thing," but I would watch it with her and so, by the living room television version of second-hand smoke, I ingested enough of the plot to know that it was about an egotistical owner/instructor of a dance studio who coached teen and pre-teen girls to dance in individual and team dance competitions around the country. The "hook" was the weekly drama and conflict between several moms of the girls and the brash instructor, and occasionally between the moms themselves, often resulting in threats by a mom to pull her daughter out of the dance studio and either move on to a rival studio or start up her own.

That brings me to the December 2018 Illinois Appellate Court ruling in the case of *Pam's Academy of Dance vs. Marik*.

When Marik ("Employee") was hired by Pam's Dance Studio ("Employer"), she signed a non-compete restrictive covenant with two key restrictions that were at issue in this case: (1) that, after termination of employment for any reason, she would not open a competing business within 25 miles of Employer for not less than five years following termination of employment; and (2) that she would not attempt to recruit "teachers, students and/or parents" of Employer for not less than three years after termination. In an apparent breach of those covenants, Employee opened a competing business less than 25 miles from Employer's studio and allegedly solicited students of Employer through the use of unauthorized possession of Employer's customer list.

I have previously written about the validity of employment non-compete restrictive covenants. They are enforceable

by employers in Illinois if they satisfy each of the following four tests: (1) there must be a legitimate business interest to be protected; (2) unless some form of payment (for example, a signing bonus) expressly waives the two-year requirement, the employee must work at least two years for employer (regardless of whether a departure was voluntary or involuntary); (3) the duration of the restriction must be reasonable (i.e., not precluding the ex-employee from doing something for 50 years); and (4) the geographic scope of the restriction must be reasonable (not opening a similar business anywhere in North America would be unreasonable and thus would cause the restrictive covenant to be unenforceable).

**“She argued that “not less than” created a vague and uncertain length of time, and therefore it could not be established that the time frames in Employer’s restrictive covenants were of reasonable duration.”**

Employee’s challenge to the enforceability of Employer’s restrictive covenants, in this case, concentrated on the words “not less than” in the two restrictions the duration of which were “not less than five years” and “not less than three years,” respectively. She argued that “not less than” created a vague and uncertain length of time, and therefore it could not be established that the time frames in Employer’s restrictive covenants were of reasonable duration.

The Illinois First District Appellate Court did not buy Employee’s argument. After a review of some similar cases from other states and, essentially, the application of logic, the Court ruled that “not less than five” and “not less than three” could only be interpreted as meaning that the covenant restrictions were for five and three years; therefore, Employer’s restrictive covenants were enforceable against the traitorous Employee. ■

*Legal Link is a free CBAI member benefit. For answers to your general, banking-related legal questions, contact CBAI General Counsel Jerry Cavanaugh at 800/736-2224 (IL only), 217/529-2265 or [jerryc@cbai.com](mailto:jerryc@cbai.com).*



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# CBAI

## Foundation for Community Banking

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### Recent Donation News

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**Eric Harland of The Baker Group, Oklahoma City, OK**, donated \$500 to the Foundation in memory of longtime CBAI member and supporter, **Roger Dotson**.

**The Fisher National Bank** donated \$50 to the Foundation in memory of **Roger Dotson**.

**PeopleFirst Bank, Joliet**, made an additional contribution toward its Bronze Level pledge.

Board and committee members of the CBAI corporate family donating travel expenses to the Foundation are: **Burnel Beckman, Dieterich Bank; Jeff Bonnett, Havana National Bank; Sheila Burcham, Community Trust Bank, Irvington; Will Coolley, Longview Capital Corp, Newman; Shawn Davis, CNB Bank & Trust, N.A., Carlinville; Kevin Day, State Bank of Waterloo; Jenny Dial, Community Bankers Association of Illinois, Springfield; Carol Jo Fritts, First Neighbor Bank, N.A., Toledo; Dan Graham, Flora Bank and**

**Trust; Rick Hiatt, Morton Community Bank; Mary Jo Homan, Chester National Bank; Kerry Hoops, German-American State Bank, German Valley; Doug Parrott, State Bank of Toulon; Lori Pieper, Community State Bank, Galva; David Pirsein, First National Bank in Pinckneyville; Gregg Roegge, Rushville State Bank; Doug Smith, Farmers National Bank of Griggsville; David Stanton, PeopleFirst Bank, Joliet; Alan Stremlau, Illini State Bank, Tonica; and Jim Weast, Warren-Boynton State Bank, New Berlin.**

A donation was made to the Foundation in the name of **Michelle Gross, State Bank of Bement**, who assisted in the recruiting of a new bank member. Gross's name will be placed into a drawing for \$500, which will take place at CBAI's Annual Convention in September.

**The Foundation received \$150 from CBSC and CBAI board members** as a result of the "dress-down" board meeting in February.

## In Memoriam

**William L. Conaghan**, 63, passed away on March 28, 2019.

Conaghan was president and CEO of Bridgeview Bank Group and was of counsel at Vedder Price P.C. in Chicago, where he counseled a broad and diverse client base in the banking industry on legal and regulatory matters. He was a frequent speaker at banking-related seminars and was on the faculty of CBAI's Community Bankers School for several years. He also served as chief legal counsel at the Illinois Commissioner of Banks & Trust Companies.

He graduated from John Marshall Law School, Chicago, and earned a B.S. degree with honors in finance from the University of Dayton.

He is survived by his wife, Eileen, and his daughter, Sarah. He was preceded in death by his parents, Helen and Gordon Conaghan. ■

## MEMBER NEWS

**Audrey Brueggemann** of **Farmers & Merchants National Bank of Nashville** recently celebrated 56 years in community banking. Brueggemann received a handsome, engraved keepsake to mark the occasion.

**Villa Grove State Bank** is celebrating its 100<sup>th</sup> Anniversary this year. Andy Burkett, CBAI vice president of member services (downstate Illinois), presented a plaque commemorating the bank's milestone.



Front Row L to R: Jennifer Bender, Marsha Hillard, Jennifer Arbuckle, Ashley Garrett, Brad Beccue, Scott Beccue

Back Row L to R: Amie Maestas, Don Cler, Candace Vandeventer, Lisa Corum, Anna Maestas, Crystal Vecchio, Cheryl Marlatt

**Chester National Bank** was recently inducted into the CBAI Centurial Club for attainment of 100 years of dedicated community service. A plaque was presented by Andy Burkett, CBAI vice president of member services (downstate Illinois), in honor of the occasion.



L to R: Beverly Leigh, Denise Smith, Chris Watkins, Dillon Loesing, Kaitlyn Loesing, Mary Jo Homan, Michelle Baird, Karen Hecht, Bob Gross

**The Bank of Carbondale** recently received a plaque from CBAI to commemorate the bank's 100<sup>th</sup> Anniversary. Andy Burkett, CBAI vice president of member services (downstate Illinois), was on hand to present the award acknowledging the milestone.



The Bank of Carbondale Board of Directors, pictured from left to right: Randy Fricke, Greg Cook, Joseph A. Bleyer, Robert C. Bleyer - Bank President, Johnnie McBride; Not pictured: Scott Hendricks

**Buena Vista National Bank, Chester**, was recently recognized by the Office of the Comptroller of the Currency for 75 years of distinguished service and contributions to its community as a national bank. The Illinois State Historical Society also declared that Buena Vista National Bank has contributed to the civic and economic heritage of the State of Illinois for 114 years and certified the bank as an Illinois Centennial Business.



Mary Beth Farrell, Assistant Deputy Comptroller for Bank Supervision, Office of the Comptroller of the Currency, presents a certificate of recognition to the Buena Vista National Bank board of directors.

L to R: Tom Welge, Tanya Cowan, Larry Soellner, Paul Koeneman, Kirk Liefer, Mary Beth Farrell, Don Welge, Bernard Colvis, Allen Kaisor, Bruce Brown, Mary Sulser

**Bank of Springfield** has announced the additions of **Michael Biales** and **Jerrold Nash** as assistant vice presidents, mortgage lending. Biales brings 11 years of experience in the banking industry, including five years in commercial lending. Nash has been in banking for 14 years and has specialized in mortgage lending for the past 12 years.

**First Mid Bank & Trust, N.A., Mattoon, (First Mid)** announced the recent promotions of **Clay Dean** and **Mandy**

**Lewis** to executive vice presidents. Dean joined First Mid in 2010 as senior vice president, business development, and later held the position of senior vice president, chief deposit services officer, in 2012. He was then named chief executive officer of First Mid Insurance Group (FMIG) in 2014. In his current role as CEO of FMIG, Dean manages the largest bank-owned insurance agency in the state of Illinois, due to First Mid's acquisition of SCB Bancorp, Inc., which included their wholly owned subsidiary, J.L. Hubbard Insurance and Bonds. Lewis joined First Mid's Marketing Department in 2001 and became vice president, director of marketing, in 2005. She was then promoted to senior vice president, chief deposit services officer, in 2014. Lewis is currently responsible for leading a team of 385 employees that manages approximately \$3 billion in deposit balances through a network of 67 banking centers in Illinois and Missouri. She also manages treasury management, training and bank support centers, which includes the customer call center.

**First Mid Bank & Trust, N.A., Mattoon, (First Mid)** recently announced the recipients of the **2018 Chairman's Award for Excellence**. Among the recipient list were **Tylene Alexander**, customer representative; **Kayla Aaron**, retail loan officer; and **Cory Kauffman**, farm manager.

**First Mid Bank & Trust, Mattoon, (First Mid)** recently recognized the bank's top five volunteers for 2018 and donated \$500 towards each volunteer's charity of choice. The top volunteers were **Troy Pfeiffer**, building service manager; **Fredy Moreno**, retail loan officer; **Jill Capitosti**, deposit and treasury systems manager; **Brenda Bobbitt**, Mount Carmel branch manager; and **James Piper**, network engineer.

**Murphy-Wall State Bank and Trust Company** recently saw several experienced staff members step up into new roles designated to guide the regional full-service financial center into the future.

**Kyle W. Davis** has been re-assigned as the branch manager and loan officer of **Murphy-Wall's new Carterville location**. Davis is primarily responsible for the loan production and relations between the bank and the local Carterville community. He had previously directed operations as branch manager of the Murphysboro facility. Davis has 10 years of banking expertise.

**Chrissy Hagene** has been promoted to assistant vice president and assistant branch manager at the **Murphy-Wall Murphysboro facility**, moving up from her position as a customer service specialist. Hagene additionally assumes the role of the bank's website administrator. She has been with Murphy-Wall State Bank for four and a half years.

**Monika Holder** has been promoted to vice president and administrative assistant. In this position, she assists President/CEO Marty Davis with daily administrative responsibilities, which also include board of director and Bancorp duties. Holder retains her role as the bank's training specialist and is also the bank's vendor management officer. Holder is celebrating her fifth year with **Murphy-Wall State Bank**.

**Kathy Kellerman** has been promoted to assistant vice president/teller supervisor. She takes on the role of teller supervisor in Pinckneyville, moving up from her position of customer service specialist and training liaison. She has been a **Murphy-Wall** employee for six years.

**Candice Knight** has earned the designation of marketing director along with being a full-line lender specializing in residential and consumer lending. At the same time, she is also working with commercial and agricultural loans. Knight has been with **Murphy-Wall** for nine years and has a total of 16 years of banking experience.

**Jennifer Pauley** has been promoted to assistant vice president/payroll clerk in the human relations department at **Murphy-Wall**. Pauley has 20 years of banking experience.

**Josh Rakers** has been promoted to vice president/branch manager of **Murphy-Wall's Murphysboro facility**, moving up from the position of assistant branch manager at that location. Rakers is nearing seven years in the banking world.

**Bailey Thompson** has been promoted to assistant vice president and is the assistant branch manager of the new **Murphy-Wall Carterville facility**. Her role is to maintain the daily operations of the branch and to help introduce newer technologies to Murphy-Wall through the branch operations. She also continues to assist management in the IT department. Thompson has been in the banking business for two and a half years with Murphy-Wall.

**Jenn Tritschler** has been promoted to assistant vice president/new account supervisor. Tritschler is also a retail banking specialist and marketing team member. Although Tritschler has three and a half years at **Murphy-Wall**, she has accumulated seven years of excellent banking skills.

**Itasca Bank & Trust** recently announced several promotions. **Marc DeFauw**, CPA, was appointed senior vice president and chief financial officer. He was previously the senior vice president/chief financial officer at a community bank with multiple offices in the Chicagoland area and has more than 23 years of accounting experience, including the last eight years in community banking. **Scott LaMorte** was appointed

## MEMBER NEWS

vice president of business development. He has more than 20 years of business development and philanthropic experience in DuPage County. **Angelo M. Marroquin**, CTFA, JD, was recently appointed vice president and trust officer. He previously managed trust and estate administration at a large community bank with multiple offices in the Chicagoland market. He has more than 10 years of banking experience. **Nicole Marshall** was named vice president and commercial loan officer. She has more than 26 years of banking experience as a commercial lender.

**Keith Douglass**, CEO, **Tompkins State Bank**, has announced the promotion of several employees.

**Brad Clark** has been appointed as the new president of **Tompkins State Bank**. He assumed the new role on December 19, 2018. Before assuming his new role, Clark was the acting executive vice president and senior credit officer. Clark has more than 30 years of banking experience in retail banking, mortgage banking and commercial lending. He has been with Tompkins since 2009 and has been a part of Tompkins State Bank's board of directors since 2010. As president, Clark will manage the day-to-day operations of the bank and continue to be the senior credit officer, overseeing the lending function.

**C.L. Cummings** has been appointed the new executive vice president of **Tompkins State Bank**. In this role, Cummings will be responsible for the oversight of sales, human resources, retail banking and branch operations. Also, he will continue to manage agriculture and commercial loan relationships. Cummings has been in banking for 23 years, mostly in commercial credit and management. He has been with Tompkins since 2005 and has been a board member since 2013.

**Mark Taber** has been promoted from vice president to senior vice president of **Tompkins State Bank**. Taber will oversee business development in the Avon and Abingdon markets and continue to lead the bank in agricultural lending. He was hired as an ag lender in the Abingdon office in 2000.

**Tara Ruff** was appointed to the position of treasury services officer. Ruff has been with **Tompkins State Bank** since 2010. She was originally hired in the Avon office and has since worked in the Abingdon, Knoxville and Galesburg locations. As the treasury services officer, Ruff will be responsible for developing and maintaining business account relationships. She will also continue her duties as the marketing coordinator.

**Shelby Woodruff** has been promoted to assistant branch manager at **Tompkins State Bank's Knoxville location**. As assistant branch manager, Woodruff will be responsible for the oversight of all the branch's day-to-day functions. She will also

continue her duties as a personal banker in Knoxville. Woodruff has been an employee at Tompkins since 2010.

**David Blake** has been promoted to a personal banker at **Tompkins State Bank's Knoxville location**. Blake was originally hired in the Galesburg office in 2016. As a personal banker, Blake will be responsible for opening and establishing new accounts and enhancing customer banking relationships.

**Exchange State Bank, Lanark**, announced that **Matthew P. Zumdahl** has been named president, effective immediately. Former President **John H. Nelson** will remain with the bank as vice president and will continue to serve as chairman of the board for both Exchange State Bank and Lanark Bancshares, Inc., the bank's holding company. Zumdahl joined Exchange State Bank in 2009 as a loan officer and was soon promoted to assistant vice president. He was named vice president in 2015 and has also served on the board of directors since that time.

**First National Bank and Trust Company in Clinton** recently promoted **Kylie Covalesky** to credit operations specialist with the bank, shifting over from her previous position as a universal banker. Covalesky joined the First National team in September of 2017. In her new role, Covalesky helps clients with a variety of financing options and financial instruments.

**First National Bank and Trust Company in Clinton** recently donated \$10,000 to Habitat for Humanity of DeWitt County. The funds will be used to help refurbish an existing Habitat home for a new owner. The bank also made a \$1,000 donation to the Weldon Springs Foundation in honor of the late Dave and Jan Herzog, longtime community members of Clinton.

**Dennis Hanna**, senior vice president of **First National Bank of Sparta**, is celebrating 25 years in community banking in May.

**Hickory Point Bank and Trust, Decatur**, announced that **Scott MacAdam** has been named senior investment officer and chairman of Hickory Point Bank's Trust Investment Committee. MacAdam has 40 years of financial services experience with a diversified background in portfolio management and trust services throughout the Champaign-Urbana area, serving as president, CEO and chief investment officer of a large trust company.

**BankORION** recently held its annual shareholders meeting, where it announced the retirement of **Charles H. Langman** and **Jerry L. Goddard** from the board of directors. The shareholders elected **Brad Keleher** to the board of directors and re-elected **Matthew P. Bollinger**, president and CEO, and **Douglas R. Nelson**, to the board of directors for three-year terms. The board then appointed **Gerald "Jerry" D. Johnson** to the board of directors. The board also promoted **Max A. Mercer** to commercial banking officer.

# Welcome New Members

## BANK MEMBERS

**Forest Park National Bank and Trust Company**  
Daniel G. Watts, President

## Staff News

**Jerry Cavanaugh, general counsel, and Levette Shade, paralegal,** were recently recognized for 20 years of service to the association. Both are shown accepting a recognition pin from **CBAI President Kraig Lounsberry.**

L to R, Lounsberry and Cavanaugh



L to R, Lounsberry and Shade

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## COMING ATTRACTIONS

## May

- 1 3<sup>rd</sup> Quarterly CBC Program — Hilton Lisle/Naperville
- 1 ACH for Beginners: Essentials, Common Issues, Acronyms & Timeframes – Drury Hotel, Mt. Vernon
- 41 Troubled Debt Restructuring: Identifying & Accounting for Impaired Loans
- Safe Deposit Seminar: Top 50 Most Important Procedures & Your Renter Dies: Who Can Now Access the Box? — CBAI Shazam Education Center, Springfield
- 2 Auditing ARMs & Escrows — CBAI Headquarters: West Conference Room, Springfield
- 2 Group 12 Meeting — Franklin County Country Club, West Frankfort
- 6 Senior Lender Group V — DoubleTree by Hilton Lisle Naperville (formerly Hilton Lisle)
- 26 Accurately Completing the SAR Line-by-Line
- 7 Group 10 Meeting — Annbriar Golf Course, Waterloo
- 2019 Security Officer Training: Practical Guidelines to Address Robbery, Physical Security & Active Shooter Situations — CBAI Shazam Education Center, Springfield
- 7 Senior Lender Group II — CBAI Shazam Education Center, Springfield
- 7 Marketing Group A — Erin's Pavilion, Springfield
- 7 Wolters Kluwer Basic IRA Training
- 8 Group 11 Meeting — Effingham Country Club
- 8 Senior Lender Group I — CBAI Shazam Education Center, Springfield
- 8 Marketing Group B — CBAI Headquarters: West Conference Room, Springfield
- 28 Job-Specific BSA Training for Lenders
- 8 Wolters Kluwer IRA Reporting Training
- 8 Wolters Kluwer Required Minimum Distributions Training
- 9 Senior Lender Group III — CBAI Shazam Education Center, Springfield
- 9 Marketing Group C — CBAI Headquarters: West Conference Room, Springfield
- 29 Developing & Delivering an Effective Loan Presentation
- 9 Wolters Kluwer Health Savings Accounts Training
- 10 Senior Lender Group IV — CBAI Shazam Education Center, Springfield
- 13 Group 4 Meeting — Pontiac Elks Club
- 14 Group 7 Meeting — Crestwicke Country Club, Bloomington
- 14-15 Call Report Preparation — CBAI Shazam Education Center, Springfield
- 14 ACH for Beginners: Essentials, Common Issues, Acronyms & Timeframes – DoubleTree by Hilton Lisle Naperville (formerly Hilton Lisle)
- 14 Managing Dual Control & Cash Limits
- 14 Wolters Kluwer Intermediate IRA Training Part 1
- 15 Cybersecurity Threats, Trends & Proactive Strategies for Financial Institutions — DoubleTree by Hilton Lisle Naperville (formerly Hilton Lisle)
- 15 Hot Issues in Cyber Compliance
- 15 Wolters Kluwer IRA Documentation Training
- 16 Cybersecurity Threats, Trends & Proactive Strategies for Financial Institutions — CBAI Shazam Education Center, Springfield
- 16 Top 10 Ways to Mitigate ACH Payment Risk
- 16 Wolters Kluwer Intermediate IRA Training Part 2
- 20 Group 9 Meeting — Jacksonville Country Club
- 21 ACH for Beginners: Essentials, Common Issues, Acronyms & Timeframes – CBAI Shazam Education Center, Springfield
- 21 Repossession Practices, Compliance & Limitations
- 21 Wolters Kluwer Advanced IRA Training
- 22 Lending 101 — CBAI Shazam Education Center, Springfield
- 22 The UBPR: Understanding Peer Group Comparison to Improve Bank Performance
- 23 Wolters Kluwer Beneficiary IRA Administration Training
- 23 Advanced Commercial Loan Documentation
- 29 Military Lending Act & SCRA: Compliance & Lessons Learned
- 30 ACH Stop Payments vs. Unauthorized Extended Returns: Know the Difference



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Webinar

## COMING ATTRACTIONS

## June

- 3 Group 8 Meeting — Mattoon Country Club
- 3 Fair Lending Examinations: Increased Scrutiny, New Methodologies & False Positives
- 4 Operations/Technology Group C — CBAI Shazam Education Center, Springfield
- 4 Job-Specific BSA Training for Operations
- 4 Wolters Kluwer Basic IRA Training
- 5 Handling Dormant Accounts, Unclaimed Property & Escheatment
- 5 Wolters Kluwer Simplified Employee Pensions Training
- 5 Wolters Kluwer Coverdell Education Savings Accounts Training
- 6 Operations/Technology Group D — Drury Hotel, Mt. Vernon
- 6 CEO Forum Group II — BKD, LLP Headquarters, St. Louis
- 6 CEO Forum Group IV — Grizzly Jack's Grand Bear Resort, Utica
- 6 Construction-Only & Construction-to-Permanent Lending
- 6 Wolters Kluwer Health Savings Accounts Training
- 10 Group 3 Meeting — Lake Carroll Golf Course, Lanark
- 11 Group 5 Meeting — Soangetaha Country Club, Galesburg
- 11 Teller Seminar — CBAI Shazam Education Center, Springfield
- 11 Wolters Kluwer Intermediate IRA Training Part 1
- 12 HR Update — CBAI Shazam Education Center, Springfield
- 13 Operations/Technology Group E — Grizzly Jack's Grand Bear Resort, Utica
- 13 Preparing Call Reporting Lending & Allowance-Related Schedules
- 13 Wolters Kluwer Intermediate IRA Training Part 2
- 14 Operations/Technology Group B — DoubleTree by Hilton Lisle Naperville (formerly Hilton Lisle)
- 17 Group 6 Meeting — Spring Lake Country Club, Quincy
- 17-19 Commercial Lending Institute — CBAI Shazam Education Center, Springfield
- 17 Untangling Complex RDFI Challenges
- 18 Operations/Technology Group A — CBAI Shazam Education Center, Springfield
- 18 Electronic Returned Items: Combating Fraud
- 18 Wolters Kluwer Advanced IRA Training
- 19 Effective Debt Collection Techniques & Strategies
- 20 Financial Forecasting & Sustainable Growth Analysis — CBAI Headquarters: West Conference Room, Springfield
- 20 Reg E Fundamentals
- 20 Wolters Kluwer Roth IRA Training
- 25 The Latest in Estate Administration — CBAI Shazam Education Center, Springfield
- 25 Consumer Loan Documentation — DoubleTree by Hilton Lisle Naperville (formerly Hilton Lisle)
- 26 Commercial Loan Documentation — DoubleTree by Hilton Lisle Naperville (formerly Hilton Lisle)
- 26-27 Community Bank Directors' College Session II — CBAI Shazam Education Center, Springfield
- 26 Job-Specific BSA Training for the Board
- 27 Consumer Loan Documentation — CBAI Headquarters: West Conference Room, Springfield
- 27 Card Data Security: PCI-DSS Risk, Readiness & Compliance
- 28 Commercial Loan Documentation — CBAI Headquarters: West Conference Room, Springfield



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