

Connected to Community Banking!

Community
Bankers
Association
of Illinois

One Mission. Community Banks.

CBAI E-Newsletter, sponsored by SHAZAM January 15, 2020

NEWS

EDUCATION

ADVOCACY

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IN THE NEWS

2020 CBAI Compensation Survey Now Available Online

Ensure your bank has the competitive edge in recruiting top talent! Complete the 2020 Compensation Survey quickly and easily by April 15, 2020, and receive free results. (Non-participants pay \$300). Conducted by BalancedComp and sponsored by IZALE Financial Services, the compensation survey is now available on CBAI's website.

[Complete the Survey »](#)

ICBA to Congress: Credit Unions Splurging With Tax Exemption

ICBA told Congress that credit unions are using their tax exemption to buy community banks, pay undisclosed salaries to top executives, and name sporting venues after themselves.

Drawn from ICBA's "Do They Know They're Tax-Exempt?" research paper, ICBA's message notes that credit unions with more than \$1 billion in assets saw their share of the tax subsidy increase by 260 percent over the past two decades.

The message is part of ICBA's ongoing campaign urging policymakers and the public to "Wake Up" to the risky practices, costly tax subsidies, and irresponsibly lax oversight of the nation's credit unions.

[Read More »](#)

CBAI Responds to Senate Banking Committee Chairman's Concerns About Cannabis Banking Legislation

On January 14, 2020, the Community Bankers Association of Illinois (CBAI) provided our observations and recommendations regarding an invitation by Senate Banking Committee Chairman, Senator Mike D. Crapo (R-ID), to provide feedback on ways to address his concerns with cannabis banking legislation, and also provided input on "Operation Choke Point."

[Read Article »](#)

IDOR Reminds Illinois Businesses of Minimum Wage Tax Credit Available This Year

The Illinois Department of Revenue (IDOR) is reminding small businesses they can utilize the Minimum Wage Credit starting January 1, 2020. The new tax credit is designed to help small businesses offset the state's minimum wage rate that will gradually increase to \$15 an hour over the next six years. Businesses can claim now the credit on their quarterly Illinois Withholding Income Tax Returns.

[Read News Release on Minimum Wage Tax Credit »](#)

[Read News Release on New Minimum Wage Rates in Effect in 2020 »](#)

Fed: Growth of Noncash Payments Accelerates

Noncash payments rose 6.7 percent per year between 2015 and 2018 while total card payments increased 8.9 percent per year, the Federal Reserve reported in a new payments study. Debit cards were used almost twice as often as credit cards in 2018, but the value of credit card payments was nearly 30 percent higher. The number of ACH credit and debit transfers grew by 6.0 percent per year in 2015-2018, while payments made by checks fell 7.2 percent per year.

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Comment Countdown Starts on CRA Reform Proposal

The OCC and FDIC proposed rule to modernize Community Reinvestment Act regulations was published in the Federal Register, kicking off the proposal's 60-day comment period. Comments will be due to the agencies by March 9. The proposal includes provisions on defining small-business loans, promoting lending to family farms, codifying pre-approved CRA activities, and allowing community banks with \$500 million or less in assets to opt into the revised framework.

[Read Proposed Rule »](#)

Brian James Selected to be Deputy Controller for the Central District

The Office of the Comptroller of the Currency (OCC) recently announced Brian James as Deputy Comptroller for the Central District. In this role, James oversees 320 community banks and federal savings associations and manages more than 380 examiners and other professional personnel who ensure the financial institutions they supervise operate in a safe, sound and fair manner. James assumes these duties in January 2020.

[Read More »](#)

Community Bankers Cite Funding and Cybersecurity as Top Concerns

According to the sixth annual community bank survey conducted by the Conference of State Bank Supervisors (CSBS), funding and cybersecurity are now the top concerns for community bankers, displacing compliance costs. Community bankers indicated funding cost was the most likely factor to influence future profitability. They also considered depopulation an important limitation to retaining core deposits. *CBSC Partner The Baker Group Offers Funding Solutions. Contact Terry McElwee for more information at terry@gobaker.com*

[Read Illinois Results »](#)

[Read Full Results »](#)

Cyber Agency Issues Alerts on Iran Threat

The Cybersecurity and Infrastructure Security Agency issued alerts on increased U.S.-Iran tensions, which might result in cyber and physical attacks on the U.S. homeland. The CISA Insights document and a separate alert focusing on cyber activity provide threat profiles on Iran and encourage organizations to prepare for potential targeting of critical infrastructure. The alerts and additional resources are available on ICBA's Cyber and Data Security Guide.

[Read More »](#)

Deadline to Submit Entries for CBAI's 2020 Foundation Annual Essay Contest is March 4!

The CBAI Foundation for Community Banking provides \$21,000 in scholarship funds for top high-school seniors statewide. One semifinalist may be chosen from each of the 12 CBAI groups via an essay-writing contest. CBAI annually awards a \$1,000 scholarship to a student in 11 of CBAI's 12 groups and \$500 to a second person in each group, which ensures geographical uniformity of winners. One student will win \$1,000 a year for up to four years of higher education. And, as in previous years, the high school of the overall winner will receive \$500. **Your bank has an excellent chance of sponsoring a winner at no cost to the bank!** The deadline to submit essays is March 4, 2020.

[More Information »](#)



ICBA’s “Tell Your Story” Toolkit Set for 2020 Now Available

ICBA's updated "Tell Your Story" Toolkit helps community banks share their stories to increase engagement, build brand awareness, and communicate the positive message of community banking. This exclusive member benefit features customizable press releases and op-eds, sample social media posts, infographics and best practices, and a year-long editorial calendar.

[Access the Toolkit »](#)

Senate Confirms New SBA Administrator

The Senate voted 88-5 to confirm Jovita Carranza as the new administrator of the Small Business Administration. In a joint letter, ICBA and other organizations asked the Senate to confirm Carranza, who has served as SBA deputy administrator and U.S. treasurer. The vote fills the vacancy created by former SBA Administrator Linda McMahon's departure in April 2019.

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CBAI is Recognizing Community Bank Member Achievements!

CBAI offers several opportunities to recognize our community bank members for their achievements. Is there someone in your bank who will be celebrating 50 years in banking this year? Is there a retired individual from your bank who you would like to nominate for the CBAI Distinguished Member award? Is your bank eligible to be a Patron of Community Banking? Do you have a director who should be spotlighted? Please let us know! We would love to honor individuals and bank members in these categories.

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2020 Holiday Closing Signs Available on CBAI Website

Holiday closing signs for 2020 are now available on CBAI's website. Signs come in English or Spanish and are available in color and black and white versions. Take advantage of this free member benefit and print yours today! All signs are available in a pdf format.

[Download the Signs »](#)

CBAI LEGAL: Shelf Life of Mortgages; Mortgage Extensions

Illinois' Code of Civil Procedure addresses both a statute of limitations for filing a foreclosure suit and the self-termination of the mortgage in the absence of an extension. Details regarding extensions are also addressed.

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MORE UPCOMING EDUCATIONAL TRAINING

CBC Program: Auditing Flood Set for January 28 & 29

The presentation will focus on audit techniques for the entire Flood process, and exactly what to look for when performing the Flood audit. It seems as if monthly there is a bank somewhere paying out a lot of money for Flood violations – and we would prefer that it not be you. The primary focus of the seminar will be on the process of auditing your flood program, both at loan origination and loan servicing. Flood errors can happen almost any time – and the object is to assure that errors are kept to a minimum. Included will be a discussion of the requirements for both public and private flood insurance. Worksheets will be included for all subjects presented.

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Ag Lenders Conference Scheduled for February 4th

CBAI is pleased to offer the annual "Ag Lenders' Conference" at the Northfield Center in Springfield on February 4, 2020. This jammed-packed day looks at a variety of issues facing agricultural lenders. Attend CBAI's 2020 Ag Lenders' Conference to develop the skills and tools to better understand the issues affecting your farm and agribusiness customers and to meet their credit needs. The agenda features **Eric Snodgrass, principal atmospheric scientist, Nutrien Ag Solutions, Champaign, IL; Dr. David Kohl, professor emeritus of agricultural & applied economics, Virginia Tech, Blacksburg, VA; Chip Nellinger, president, Blue Reef Agri-Marketing, Inc., Morton, IL;** and an industrial hemp panel discussion with growers, processors and regulators. A mini-expo featuring the latest in products and services for ag lenders also highlights the day.

[Register Today »](#)

IRA Institute Set for February 11-12, 2020 in Springfield

This program begins with the basics and builds to an intermediate level. Many times people are trained on IRAs but the training they receive is brief and sketchy at best. With a two-day format, this program allows you to take the time to get comfortable with the rules, and to ask questions about "How?," "What if?," "Why?," and, just as importantly "Why not?" While not attempting to make you a tax advisor, this program looks at tax implications of traditional and Roth IRAs to enable you to feel very confident that you'll know when to say, "Yes, I can answer that question." and when to say, "Go see your tax advisor." This program is led by Robert D. Skomars, consultant at Wolters Kluwer.

[Register Today »](#)

[VIEW CBAI's EVENTS CALENDAR HERE](#)

NEWS FROM SERVICES

The Baker Group: Baker Market Update

After dodging all manner of risky projectiles last week, financial markets are poised for smooth sailing; no surprises expected. Just remember, if surprising events were ever expected, they wouldn't be called surprises. Equity markets, bracing themselves for not being surprised, have opened themselves up with a positive tone while Treasury bonds struggle through a mild sell-off.

[Read More »](#)

See What June Kidd, President/CEO of The First National Bank in Tremont, has to say about Econocheck's "Thank You" Program

My bank decided to launch the Econocheck "Thank You" program as a way of showing gratitude to our customers for doing business with us. The process cost us nothing, and Nancy Planells made it easy for us. To date, we have a 7.14% acceptance rate of the no cost gift of \$1,000 AD&D insurance. Twenty of our customers are purchasing additional insurance as a result of the first mailing. My bank receives a small monthly commission payment for any additional coverage purchased by our customers. A second mailing is scheduled to go out this month (90 days after the first one). Again, this is at no cost to the bank. Nancy expects our results to double following that second mailing. We anticipated customer questions resulting from the original mailing, but received very few. This program was simple to implement and gives our customers an added benefit with no expense to the bank. I consider that a win.



CBAI Connected to Community Banking is sponsored by SHAZAM

READY. SET. ELEVATE.

Are you looking for a professional conference close to home? Join us in Des Moines, IA, for the 2020 SHAZAM Forum, April 14 – 16. We've got 2 ½ days filled with breakout sessions, entertainment and networking specifically designed for community banks like yours. [Register before January 31 for early bird pricing.](#)

CBIS: Financial Institution 2019 Incidents & Breaches

Find out the latest statistics from 2019 regarding incidents and breaches experienced by financial institutions. Plus, learn more about the types of fraud attempts that should be on your radar.

[Read More from CBIS »](#)

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