

November 2023
Volume 49 • Issue 6

Banknotes

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PUBLISHED FOR
**Community Bankers
 Association of Illinois**
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 P: 800/736-2224
 www.cbai.com

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For information regarding
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PUBLISHED BY
E&M Consulting, Inc.
 1107 Hazeltine Boulevard,
 Suite #350
 Chaska, MN 55318
 P: 800/572-0011
 F: 952/448-9928
 www.emconsultinginc.com

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Market President,
Bradford National Bank, Irvington

EDUCATION: Graduate (bachelor's), Southern Illinois University, Carbondale; The Bankers School, Champaign, IL; Graduate School of Banking, Madison, WI

PERSONAL: Resides in Nashville with her husband, Matt; three daughters, four grandsons, and one granddaughter.

Patrick Mcshane, Chicago Area Regional Vice Chairman

President, CEO and Chairman,
American Metro Bank, Chicago

EDUCATION: Arizona State University, Tempe and St. Xavier University, Chicago

PERSONAL: Resides in Orland Park with his wife, Jackie; and five children.

David Stanton, First Vice-Chairman

President/CEO and Vice Chairman,
PeopleFirst Bank, Joliet

EDUCATION: Graduate (bachelor's), DePaul University, Chicago

PERSONAL: Resides in Mokena with his wife, Phyllis.

Andrew Black, Northern Illinois Regional Vice-Chairman

President and CEO, Princeville State Bank

EDUCATION: Community Bankers School, Bloomington, IL; Graduate School of Banking, Madison, WI

PERSONAL: Resides in Princeville with his wife, Lesa; and one son.

Dan Graham, Second Vice-Chairman

President, Flora Bank & Trust

EDUCATION: Graduate (bachelor's), Columbia College, Columbia, MO; Graduate School of Banking, Madison, WI; Community Bankers School, Bloomington, IL

PERSONAL: Resides in Flora with his wife, Dana; two sons and one daughter.

Chad Martin, Central Illinois Regional Vice-Chairman

President and CEO, Goodfield State Bank

EDUCATION: Graduate (bachelor's), Illinois State University, Normal; Community Bankers School, Bloomington, IL; Graduate School of Banking, Madison, WI

PERSONAL: Resides in Roanoke with his wife, Brenda; and four sons.



Front Row (L to R): Dan Graham, Sheila Burcham, Doug Parrott, David Stanton
 Back Row (L to R): Andrew Black, Kevin Day, Jim Weast, Patrick McShane, Kraig Lounsberry, Chad Martin

Kevin Day, Southern Illinois Regional Vice-Chairman

President and CEO, State Bank, Waterloo

EDUCATION: Graduate (bachelor’s) Eastern Illinois University, Charleston; Community Bankers School, Bloomington, IL; ABA Commercial Lending School, Southern Methodist University, Dallas, TX

PERSONAL: Resides in Waterloo with his wife, Shelly.

Doug Parrott, Immediate Past Chairman

President and CEO, State Bank of Toulon

EDUCATION: Graduate (associate’s), Lake Land College, Champaign; Graduate (bachelor’s), University of Illinois, Urbana; Community Banker’s School, Bloomington, IL; Graduate School of Banking, Madison, WI; Moore School of Business Graduate School for Bank Investments and Financial Management, University of South Carolina, Columbia.

PERSONAL: Resides in Toulon with his wife, Karin; one son, one daughter and three grandsons.

Jim Weast, Treasurer

President and CEO, Warren-Boynton State Bank, New Berlin

EDUCATION: Graduate (bachelor’s), Kansas State University, Manhattan; Graduate School of Banking, Madison, WI; Community Bankers School, Bloomington, IL

PERSONAL: Resides in New Berlin with his wife, Sara; and two daughters.

Kraig Lounsberry, President

President, CBAI, Springfield

EDUCATION: Graduate (bachelor’s), Knox College, Galesburg; Graduate (master’s), Sangamon State University, Springfield (now University of Illinois – Springfield)

PERSONAL: Resides in Pawnee with his wife, Debbie; one son and one daughter.

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LEADERSHIP ADDRESS: CBAI CHAIRMAN

CBAI Chairman Douglas Parrott, President & CEO, State Bank of Toulon



As you know, my term as your chairman concludes at the end of this month. To consider myself privileged to have served as the 49th chairman of CBAI would be a definite understatement. In my opinion, there is no bigger honor than to serve your peers; I'm very humbled to have had that chance to serve. It has been a challenging but very rewarding year where we accomplished a lot and managed to have "a little" fun celebrating community banking.

But before we get into all that... *isn't it great to be in Indianapolis?* Most of you know that three years ago, as special events chairman, I had to make THE toughest recommendation to the board of directors when we decided to cancel the 2020 convention. "Boy, you cancel ONE convention ..."

It is with great pleasure that I stand up here as your chairman. Everyone was upset we canceled three years ago, but no one more than the lady who makes this convention the success it is. Before I go any further, I want to take a moment to recognize Tracy McQuinn (my co-canceled), her entire Education and Special Events staff, Melinda McClelland, Jennifer Nika and Tina Wilder, and all the CBAI staff who put in tireless efforts to make this all work. Trust me; the entire staff is involved in some way, shape or form. It's impressive.

Many of you may remember that I mentioned all my "famous friends" in community banking last year and how honored I felt just to be mentioned in their company. After serving as your chairman, it has done nothing but strengthen that feeling.

The financial system of the United States is THE strongest and most unique in the world, mainly due to being the only system with a strong community bank presence. Whether it is ag lending, small business lending, mortgage lending or any other number of ways, community banks help our customers. Our business model of knowing our customers works due to the personal service, calling customers by their first names, and always being there for them in good or bad. That commitment cannot be duplicated or discounted! Let's not be afraid to stand up and tell everyone.

Our mission is to strengthen our communities and provide shareholder value, and CBAI's sole mission is to represent and support community banks in that mission. Community banking existed before CBAI, but I cannot imagine community banking in Illinois without CBAI and our great national partner, the ICBA. Advocacy was the initial reason CBAI was created, and 49 years later, it is still our main focus. Time and time again, CBAI and ICBA have proven that our voices would not be heard if they were not advocating for community banks. This past year was certainly no exception, and in fact, only further stressed the need for a state and federal association dedicated solely to community banks.

When Silicon Valley Bank and Signature Bank of New York failed, the ICBA and CBAI immediately pushed back on the notion that this was a "banking crisis" when it was really a failure of bank management and bank regulators. We stepped up again once federal regulators started discussing a special assessment to replace the DIF. We pushed back hard on the notion that no community banks should be held financially responsible. I was privy to being there with Kraig Lounsberry and Mike Kelley, as all of this originally began while we attended the 2023 ICBA LIVE in Honolulu. While attending a convention there doesn't sound like tough work; the five-hour time difference made it difficult to respond in real time to what was happening back on the mainland. We were literally in the Council of Community Bankers Associations (CCBA) meeting where Rebecca Ramero Rainey and ICBA leaders were talking "real-time" with the U.S. Treasury! *(By the way, I would like to take this opportunity to express our thoughts and prayers to the people of Maui who recently experienced an unthinkable tragedy with the wildfires that ravaged that beautiful island. If you want to contribute, please visit the ICBA Relief Fund.)*

When we all returned to the mainland, CBAI joined the ICBA and wrote letters advocating for community banks, and our voices were heard. In May, the FDIC released a rule that totally exempted every single CBAI member from paying a special assessment to cover the uninsured deposits of those failed banks.

Last fall, during our December Legislative and Regulation Committee meeting, bankers addressed several concerns, but one of the most pressing was fraud. CBAI members were frustrated by both the check fraud they were experiencing and the stonewalling of the nation's largest banks and credit unions when it came to reimbursing for the fraud THEY had caused largely by their actions or inactions. The CBAI Governmental Relations (GR) team began surveying members and working with regulators to try and find ways to help mitigate this issue. Our efforts received national attention in the American Banker magazine and other publications and regulators finally started to listen. In June, CBAI developed guidance in conjunction with the federal banking regulators to at least try and help bankers find resolution on some of these fraudulent cases.

Other hot topics as we advocate for federal legislative priorities have been the repeal of 1071, the SAFE Act, and the ACRE Act. Just recently, CBAI joined our good friends at the Illinois Farm Bureau and signed a joint letter supporting ACRE. As a result, a member of the Illinois delegation signed on to co-sponsor that legislation.

At the state level, CBAI worked hard to push back on a litany of bad legislation, including legislation backed by the IDFPR that would have created an Illinois CFPB. Each year, getting out of our spring legislative session with nothing bad happening to all of us is a win. Still, this year, our state GR team successfully advocated for legislation that would make it tougher for unscrupulous marketers to send deceptive mailings that appear to be coming from the customer's bank. We hosted two legislative roundtables and another successful Capital Conference where legislators came to us at the Abraham Lincoln Hotel for a great legislative program and then joined us at our reception for more casual advocacy and conversation.

As I mentioned earlier, though advocacy was the reason CBAI, or ICBI as it was called then, was created by community bankers 49 years ago, it is only part of the CBAI story. Over the past five decades, CBAI has created the BEST education department and services company that would rival any in the country.

Our education department saw more than 9,000 community bankers from the teller line to the C-suite attend seminars, webinars, forums, groups and other educational events and more than 800 community bankers and friends of community banking at the 2023 Group Meetings. That number might be slightly inflated because it counts me 11 times as I was given the opportunity to attend every Group Meeting. Attending

these Group Meetings enabled me to meet and exchange thoughts and ideas with CBAI members throughout Illinois. From Waterloo to Effingham, to Marion, to Jacksonville, to Bloomington, then a break to head to Washington D.C. for our Call on Washington, then back on the road to Lanark, to Galesburg, then to Wrigley! And that was only May! We even threw in a St. Jude Corvette Drive in the middle!

In June, we were off to Quincy, Pontiac, and then, finally, Mattoon! I am not going to lie; it was a bit of a grind but a very rewarding endeavor. Every place I went, I was greeted by CBAI members who truly appreciated the effort to attend. Plus, I couldn't let my good friend Mark Field be the only chairman to attend every Group Meeting (Mark attended 11 as well). But the real rockstars are the CBAI staff and our vendors who attend all the Group Meetings EVERY YEAR!

With that, I can't go on before I thank my board of directors and management team at SBT, who allowed and made it possible for me to be out of the bank so much — Pat Sullivan, Doug Blunier, Rick Yarger and Mike Rumbold.

On the CBSC side, we added several new preferred partners, including Klarivis, JMFA and Core10. We celebrated 35 years of partnership with Wolters Kluwer and 40 years with our good friends at The Baker Group. Our Innovation Committee, led by Chairman Andy Tinberg, CNB Bank & Trust, N.A., Carlinville (Oak Forest), met several times in the past year and continued to work closely with the ICBA ThinkTECH as well as pursuing our own relationships. Our Payments Committee, led by Chairman Mark Field, Liberty Bank, continued to focus on digital currency but also to prepare community bankers for the release of FedNOW. The committee released recommendations for our members, including the main one, where banks should become receive-only institutions. The committee proposed widescale participation to support the FedNow payment system that we all lobbied the Fed to create. Community banks should participate in faster payments to allow us to compete.

So, as you can see, this year, CBAI did not miss a beat and continued to provide services, education and advocacy to meet the needs of all Illinois community banks. It was a busy and fun year, and I hate to see it end. Before I pass the gavel to our next chairman, I need to take a few minutes to recognize some people.

- **The staff at CBAI:** Second to none! Thank you from the bottom of my heart for helping me do the best job possible!
- **Each group director** for welcoming me on my journey throughout the state of Illinois.
- **My peers on the CBAI and CBSC Boards** who gave me nothing but encouragement and support the entire year.

- Once again, my **“famous friends,”** whom I could only aspire to mirror!
- There is a special friend in attendance this year — Teresa Taylor. We first met as part of the ICBA Education Committee, and I could tell from day one that this young lady had a passion for our industry! She has traveled all the way from South Carolina, where she serves as executive director of Independent Banks of South Carolina. I am honored to have you here, and thanks for your friendship and helping to fight the good fight!
- And then there is my bride! Most everyone knows her as KP. Earlier, I mentioned how much I was gone from work to attend CBAI functions, which means I wasn't home either! KP, you have been my soul mate for almost 40 years, and I couldn't have done this without you! You have always allowed me to pursue my dreams and career. Thank you, love you!

I'll conclude by saying that my many years in leadership have given me first-hand knowledge of all that CBAI does for our member banks, and IT IS impressive. I love this group of people, and we've accomplished great things this past year, but our work is not done. CBAI and community banking have challenges and opportunities in the coming years. Still, I know our staff, leadership and our new Chairwoman, Sheila Burcham, will continue to meet those challenges and take advantage of those opportunities. However, to help keep community banking competitive and profitable going forward, ladies and gentlemen, we will all need to work together within CBAI and ICBA. As long as we do, I'm confident about the future of our great and noble profession.

Thank you again for the honor and privilege of serving as your chairman. ■

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LEADERSHIP ADDRESS: CBAI CHAIRWOMAN-ELECT

CBAI Chairwoman-Elect Sheila Burcham, Market President, Bradford National Bank

Thank you, Doug. What an outstanding year you have had. Your commitment to CBAI and community banking is unchallenged. Taking the time and energy to travel the state and attend every Group Meeting is just one example of the dedication you've shown to CBAI and community banking this past year and throughout your career. So, on behalf of CBAI membership and in appreciation of your service, I am pleased to present you with this outgoing chairman's award and a greater pleasure to call you a friend. Thank you for all you've done and all I know you will continue to do!

Good afternoon, everyone! Welcome again to our 49th annual CBAI convention in beautiful Indianapolis!

First, let me say what an honor and privilege it is to be in this place today. Taking over the chairman position from Doug Parrott means I have a tough act to follow. Being only the third woman elected to lead this esteemed organization is truly humbling and the highlight of my career to this point. I pledge to do my best representing each of you, your bank and the community banking industry in the coming year.

For those of you who know me well and my story, you know it is only by God's grace that I can stand before

you today. To Him, I owe all the glory and gratitude for my blessings and the ability to serve in this capacity. From a major childhood accident to numerous childhood illnesses, I would not be standing before you without His grace, the love of family and the determination to overcome.

Professionally, my team and I have lived through an armed robbery and the federal trial of the offender, a bomb threat, an Anthrax scare, and as most of you, we lived through the infamous Y2K, power outages and technological issues. What doesn't kill us truly makes us stronger — we have lived it. I always told the regulators we don't need a written plan for disaster recovery — we live it daily! Because really, who stops in the moment of a situation to read a policy?!

Banking and business are in my blood, starting with my great, great grandfather, Alfred Pitchford. From a small exchange bank in Richview, it flowed down from generation to generation. I owe a lot of my determination to my mother, Nancy Roethemeyer, as my example. She is with me today and is the fourth generation involved in our industry. At the age of 32, we lost my father to a farming accident, at which time she remained in the agriculture field in the year 1974 — mostly unheard of for a woman at that time. She could do any man's work on the farm and continued to do so until just a year or so ago. In 1975, she was elected to the board of directors of Community Trust Bank and served in that capacity for more than 40 years. Thanks, Mom, for your example, loyalty and love. To my husband, Matt, who has served more than 35 years as a board of director and officer of the bank in just about every department. He lives and breathes community banking as much as I do, which has allowed me to do everything I have for our bank and industry. To the one who always has my back no matter what — I love you, and thank you, Matt. To my kids, Brooke and Brittany, with me today, and Danielle, who could not be with us — thank you for understanding and becoming great ambassadors of community banking. Each one of them has also worked in the bank!

Community banking at its best requires a great team of dedicated and talented staff, a team of dedicated and



loyal directors, and a team of consultants, correspondents and colleagues who are reliable and knowledgeable in our industry. I have been blessed throughout my career with great teams and continue to be with Bradford National Bank. Thank you to everyone who has been a part of my tribe in any way. Also, it takes the advocacy of this great organization fighting the battles for community banking right along with us. So thank you to Kraig, Mike, Jerry, David and Tracy, along with the amazing team behind them, for all you do for community banking.

Forgive me if I have gone on too long, but why do I tell my story? Because our stories bring us together, they humanize us and create a relationship with one another — we all have a story! Our greatest asset is the relationships we make with our team, our board, and, most importantly, our customers. It separates us from the mega Too Big To Fail banks — our ability to relate to our customers. Each of our banks has a story, and we NEED to tell our story. Current economic circumstances have demonstrated the resiliency of our banking model with the recent failures of Silicon Valley Bank, Signature Bank NY and First Republic in San Francisco. We have the attention of our regulators and politicians. We must work diligently to protect the community banking industry. We must shout out our stories that with more community banks — not less, we are stronger economically, and thus, our nation is stronger. We do not want nor will we accept just a few centralized banks in the United States like the rest of the world. We are better for the financial system we have in our country, and we must fight to maintain it. We need to remain diligent in keeping up with technology so no other entity passes us by in meeting our customers' financial needs.

These important principles will guide me this year as CBAI chairwoman.

Doug and the CBAI staff have done a wonderful job accomplishing all they have set out to do this past year, but we all realize there is still much to do.

CBAI Education and Special Events continue to be a cut above the rest. However, we must continue to excel. Online and on-demand offerings have created steep competition. Community banks only have so much time

and money to allocate for staff training and activities, and we need to continue to ensure that CBAI is the first place they look for professional training. Although we all agree that in-person is the best, we must continue utilizing remote, on-demand and live-stream events to keep community banks on the cutting edge of education and training. I think you all know our education department is second to none, and I know they will continue to rise to the challenge before them.

It seems that innovation is a buzzword everyone is using these days. While our banking model is tried and true, technology is constantly changing how we deliver services to our existing customers and reach out to new ones.

Although the CBAI Innovation Committee has only existed for two years, they have already had a huge impact on CBAI and community banking. Led by Chairman Andy Tinberg, their activity, in conjunction with the CBSC board of directors, has directly led to six new CBSC preferred providers over the past two years, and many of you in this room are utilizing these companies today. I know they will continue to seek out the new technology and

innovation we all need to continue to not only serve the needs of our customers but also make community banks more competitive in everything we do.

Doug mentioned the great work of the Payments Committee led by Chairman Mark Field, but that work is just beginning. We continue to monitor FedNow and its continued expansion and adoption by community banks and the benefits and problems of that system. As regulators and legislators continue to debate positive changes in the payments world and bad ideas like a central bank digital currency, I am confident our Payments Committee, which I have served on now since 2017, will continue to lead the way to develop recommendations, policy and protocols that benefit community banks.

On the legislative front, we will continue to advocate for tiered regulatory relief for community banks. Working alongside the ICBA, we experienced a great victory on the FDIC special assessment. That shows there is a willingness among regulators and legislators to make those clear distinctions between community banks and the Too-Big-To-Fail or Too-Big-To-Not-Fully-Insure Super regional and Megabanks. We must continue to drive that message home. We must tell our story!

***Each of our banks
has a story, and we NEED
to tell our story.***

At the Federal legislative level, we must press Congress to enact a new farm bill this year. That is a legislative priority for CBAI and ICBA and must happen this year. We need to tell everyone that 76% of farm bill dollars go to the SNAP program, and less than 25% goes to our farmers for benefits such as crop insurance. This bill must be passed to ensure these programs continue. ACRE is also a game changer for many of our banks operating in rural Illinois. We must continue pushing our Congressional delegation to pass this legislation and level the playing field with Farm Credit and credit unions. ACRE is not a competition to them; it allows us to compete WITH them.

Speaking of credit unions, we must continue beating back the onslaught of tax-exempt credit unions buying community banks. Earlier this month, it was announced that another out-of-state credit union is buying an Illinois

chartered savings bank. These credit unions continue to use their \$4 billion a year tax advantage to our detriment, and enough is enough. At the state level, we will continue pressuring legislation to end this practice. At the Federal level, we will continue to join the ICBA to educate Congress and the public on this unfair advantage that is slowly eroding our tax base. The Illinois General Assembly and Congress need to wake up to the fact that these large credit unions have long ago surpassed their common bond argument, and they need to be treated and taxed like every other regular business.

In short, CBAI has had many successes, but there is still much to do. My pledge to all of you as chairwoman of CBAI is to continue to work to strengthen community banking in our great state.

So again, thank you for this honor. I promise to do my best and pour my heart and soul into the effort! ■

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LEADERSHIP ADDRESS: ICBA FIRST VICE CHAIRMAN

ICBA 2023 First Vice Chairman Jack Hopkins, President/CEO, CorTrust Bank, Sioux Falls, SD

The keynote speaker for the 2023 Annual Business Meeting was **ICBA First Vice Chairman Jack Hopkins, president and CEO of CorTrust Bank in Sioux Falls, SD.** CBAI appreciates the time Hopkins and his family took to spend with us. He is a true community banker and will make a great ICBA chairman. Below are some excerpts and highlights from Hopkin's speech.

Community Banking

All of you contribute to the strength of community banking in your state and nationally — especially at this challenging time. ICBA and community banks have been on a rollercoaster since the failure of Silicon Valley Bank, Signature Bank of New York and Republic Bank. But we have, once again, proven to be strong and resilient while differentiating and protecting community banks. ICBA and community banks had more than 1,400 news mentions within a few weeks of those failures, reiterating that community banks are safe, sound and secure and should in no way be confused with those failed banks. Community banks have an entirely different business model built on relationships and community focus.

ICBA Impact

ICBA has also made headlines and made our case with policymakers by opposing any efforts to rope community banks into the policy response to those big bank failures. And we have been successful in this effort. On March 16, when many of us were just departing from ICBA LIVE, ICBA stepped up and spoke out — denouncing the remarks of Treasury Secretary Yellen. You may remember that during her Congressional testimony following those bank failures, Yellen said uninsured deposits would be protected only at systemically risky banks. Clearly, this would be a bailout for big banks that would ultimately reward mismanagement and risky behavior to the detriment of community banks and the communities they serve.

ICBA's position came through loud and clear, saying that, unlike too-big-to-fail banks, community banks don't need government bailouts because they operate under a safe, sound and relationship-based business model that has withstood economic cycles AND that community banks should not pay a PENNY into the DIF for the sins of these large, risky banks.



(L to R) Jack Hopkins, CorTrust Bank, and Doug Parrott, State Bank of Toulon

Two weeks later, the White House called on the FDIC to ENSURE that community banks are not required to bear the costs of replenishing the DIF due to those failures.

This example says it all. OUR VOICES WERE HEARD. ICBA is your number one supporter in helping you run your community bank and ensuring the franchise value of community banks for generations to come. I encourage all of you to read the comment letter from the other national trade associations to see if you can figure out their stance.

National Campaign

ICBA has also launched a national campaign that differentiated and elevated community banks in the hearts and minds of consumers by reinforcing that where you choose to bank matters and why you should bank locally with a community bank. You can join in this marketing campaign. ICBA's campaign toolkit includes creative advertising, a public relations and media strategy, and a suite of resources ICBA members can

use to spread the word. We hope you will leverage the campaign toolkit with these free turnkey items to tell your story in your local market. You can find it at icba.org/campaign.

ICBA Pillars

This IS community bank differentiation. This IS the leveling of the playing field. And ICBA does this every day through its three pillars: **Advocacy, Education, and Innovation.**

These three pillars are central to ICBA's mission to create and promote an environment where community banks flourish. I can tell you without a doubt that every ICBA staff member, from Washington, D.C., to Sauk Centre, Minnesota, to every regional office across the country, is dedicated to this mission and working to serve you.

Advocacy

ICBA exclusively promotes the community bank agenda before Congress, the administration and regulators, ensuring your needs are heard.

1071

ICBA will continue to work to nullify Section 1071 small business data collection implementation, working with the CFBP to exempt more community banks from the rules and lower the gross annual revenues that would require data reporting to \$1,000,000 or less. My team has estimated that implementing 1071 will cost us between \$80,000 to \$100,000, depending on software costs. We also estimate it will cost us about \$270 per loan application or approximately 36% more to process a small business loan. That will have to be passed on to the customer in some fashion, either by a rate increase or an application fee. We are begging you to contact your congressional delegation and also ask your customers to call to have this misguided legislation repealed.

Farm Credit/ACRE

ICBA will continue the fight to prevent the Farm Credit System's continual mission creep and expansion of lending powers. We helped formulate the bi-partisan ACRE Act that would help level the playing field with Farm Credit by exempting interest on farm real estate loans and home loans in towns of under 2,500 people from federal income tax.

Be Heard

This is only a fraction of what we face in Washington. Every day, Team ICBA is uncovering potential threats and working behind the scenes to protect your blindside. Please stay engaged with ICBA's Be Heard grassroots

action center. Your voice matters. As a Senator once told me, if we don't hear from you on proposed legislation, we assume you don't have a problem with it. **BE HEARD.**

Education

CBAI has teamed up with ICBA to provide educational resources. When you register, you put in the code IL-CBAI and your state association will receive 10% of the registration fee to help support their programs.

I hope to see everyone at **ICBA LIVE** in Orlando next March. It is the best opportunity to network with bankers and learn about the biggest issues in community banking. I also strongly encourage you to attend the **Capital Summit** next spring. It is one of our most important few days of advocacy each year. Illinois has always had a strong contingent, but we could always use a bigger voice.

Innovation

Finally, when we look at differentiating community banks and leveling the playing field, we must consider the huge opportunity that innovation presents.

We must continue to innovate to serve the needs of our customers and communities. ICBA set the course for community bank innovation with its launch of the ICBA ThinkTECH Accelerator in 2018. This first-of-its-kind fintech accelerator has provided an outlet for community banks to directly engage and partner with early-stage fintech companies focusing exclusively on community bank product development. We doubled down on our commitment this year by bringing our highly successful ICBA ThinkTECH Accelerator program entirely in-house. This exciting next step in our innovation journey now includes year-round programming and an innovation office in Atlanta. It is led by ICBA Chief Innovation Officer Charles Potts and SVP of Innovation Programs Wayne Miller.

Thank You

Through it all, ICBA continues to serve its 93-year mission with you by our side. We are not divided in our attention or our loyalties. We are not conflicted or confused. We remain committed to community banks and only community banks. Your personal stories of helping local customers and small business owners will help get this message out. So, keep telling your story. And don't forget to leverage the ICBA national campaign toolkit to reinforce our national community banking message in your local market. Now is the time to elevate our industry and ensure consumers know the community banking difference. ■



GOLF TOURNAMENT

FLIGHT #1

1st Place Team — Jason Knoedler, Bank of Springfield; Tom Marantz, Bank of Springfield; Greg Marantz, Bank of Springfield; Keith Gerstein, Tipton Systems

2nd Place Team — Rich Eckert, Beardstown Savings, s.b.; Anita Read, Beardstown Savings, s.b.; Amy Braack, Quad City Bank and Trust Co.; Ben Buckley, Kirk Gross Company

3rd Place Team — Tim Gronewold, Howard & Howard Attorneys PLLC; Miles Harris, Data Business Equipment, Inc.; Paul Antonacci, Security Bank, s.b., Springfield; Darrin Jones, Security Bank, s.b., Springfield

FLIGHT #2

1st Place Team — Mary Jo Homan, First National Bank in Pinckneyville; Kevin Homan, First National Bank in Pinckneyville; Ryan Anselment, Quad City Bank and Trust Co.; Mo Kelley, The Baker Group

2nd Place Team — Tod Jeffers, Scott State Bank, Bethany; Karen Jeffers, Scott State Bank, Bethany; Kevin Day, State Bank, Waterloo; Jim Weast, Warren-Boynton State Bank, New Berlin

3rd Place Team — Mike Kelley, CBSC, Springfield; Rick Jameson, CBAI Past Chairman; Mike Estes, The Fisher National Bank; Jeffery Fauver, The Fisher National Bank

HOLE CONTEST WINNERS

Longest Putt – David Sims, First National Bank in Pinckneyville

Longest Drive – Miles Harris, Data Business Equipment, Inc., Des Moines, IA

Closest-to-the-Pin – Steve Koehn, First Community Bank and Trust, Beecher ■



First Place Team – Flight #1 (L to R: Gerstein, Marantz, Marantz, Knoedler)



First Place Team – Flight #2 (L to R: Kelley, Homan, Homan, Anselment)

Through “Skins and Mulligans,” more than \$1,570 was raised for Community BancPac.

There was one skins winner. Tim Gronewold, Miles Harris, Paul Antonacci and Darrin Jones had an eagle on the eighth hole.





WELCOMING RECEPTION/ BANCPAC & FOUNDATION AUCTIONS



This year's Annual Convention attracted nearly 450 attendees, including 150 bankers from nearly 70 banks and more than 150 exhibitors manning nearly 80 booths. The Welcoming Reception, with a theme to follow the Convention title of "The Greatest Spectacle in Banking," featured food, music and the annual silent and live auctions to benefit Community BancPac, the only political action committee that solely benefits Illinois community banks, and the Foundation for Community Banking Scholarship Program. The BancPac live and silent auctions netted \$25,700, a new record! The Foundation's silent auction items and wine pull sales combined for a total of \$4,040! Thank you to our generous participants! ■





Speaker Austin Hatch



OPENING BREAKFAST

Friday's Opening Breakfast featured the amazing story of tragedy and triumph from Austin Hatch. Facing incomprehensible loss after surviving two different plane crashes that took his entire family and left him in a coma, Hatch persevered against all odds. With the help of many, Hatch was able to make an amazing comeback and reach his dream of playing basketball at The University of Michigan. Ten years later, Hatch is a graduate of The University of Michigan and a full-time motivational speaker with a message about thriving in the midst of adversity. He believes that part of the reason he survived two plane crashes, endured tragic losses, and made a great recovery, is to help others. He has been sharing his story and message to inspire others to overcome the adversity they are facing. ■

Visit <https://austin-hatch.com> for more information





FINTECH SHOWCASE

CBAI's Annual Convention featured a Fintech Showcase on Friday morning. Attendees experienced the live presentations of six emerging companies brought to you by the ICBA ThinkTECH Accelerator. Participants learned about the companies' new technologies and opportunities for their banks to implement innovative solutions and flourish. This session was designed to allow bankers to engage with early-stage fintech companies that focus on developing products and solutions specifically for community banks and their customers. ■

FINTECH SHOWCASE FIRMS

- Croptell
- Finosec
- Micronotes
- Neural Payments
- Pidgin
- Teslar Software



EDUCATION





Winners of the Walk-Around drawings were **William McFadden, Apple River State Bank, \$250**; **Connie Boyle, The First National Bank of Tremont, \$150**; and **Nichole Weber, The Frederick Community Bank, Paxton, \$50**. (L to R: Carol Jo Fritts, McFadden, Boyle, Weber)

EXHIBIT HALL

A must-visit for every convention-goer, CBAI hosted a sold-out Exhibit Hall with nearly 80 booths featuring products and services benefitting community banks. ■



CBAI CFO Patrick Beveridge presented the Grand Prize of \$1,000 cash to **Carol Jo Fritts, First Neighborhood Bancshares, Toledo**.



RECOGNITION LUNCHEON

RECOGNITION LUNCHEON SPEAKER

The featured speaker for the Recognition Luncheon was CBAI SVP Governmental Relations Jerry Peck, who provided an up-to-the-minute briefing on key issues and highlighted CBAI's ongoing grassroots and professional lobbying efforts.

Outstanding Member Award



Tom Marantz receives the prestigious Outstanding Member Award from CBAI Chairman Doug Parrott and CBAI President Craig Lounsberry. (L to R: Parrott, Marantz, Lounsberry)

Every year, CBAI recognizes one outstanding member for their valuable and selfless commitment to advancing the principles of community banking at an extraordinary level. This individual's very involvement elevates everybody's game. This banker's service to community banking through CBAI leadership spans over two decades. The 2023 Outstanding Member of the Year is Tom Marantz, CEO and chairman of Bank of Springfield.

One of CBAI's longest-serving board members, Tom, is committed to the mission of an autonomous voice for community banks. He has served on the CBAI Board since 2007 in every role, including CBAI Chairman and CBSC Chairman. He is CBAI's only second-generation board chairman, following in the footsteps of his father, Jack Marantz. Not only has Tom chaired every standing CBAI committee, but

he has served on several ICBA committees, including the Political Actions Committee, Legislative Issues, and the Large Community Bank Council.

Tom currently serves on the CBAI Legislative and Regulation Committee. A generous personal supporter of Community BancPac and CBAI FedPac, he also consistently meets the CEO Challenge, which is attained when 100% of a bank's directors and officers donate to Community BancPac and FedPac. He regularly attends CBAI's Capital Conference, Call on Washington, the Fed Pac baseball game and legislative roundtables, often bringing key staff members with him. He often represents CBAI at fundraisers for state and federal office holders and candidates for office, delivering CBAI PAC checks and supplementing them with his own personal funds.

Tom is a robust supporter of CBSC, utilizing more than half of its business partners for bank services and solutions.

Tom has been a passionate supporter of the Foundation for Community Banking scholarship program over the years, leading to his bank reaching the gold level as a contributor. In addition, he named the Foundation as a recipient of a local charity golf outing, which raised over \$15,000 for the Foundation in a single day.

His incredible support of the association has earned his bank the Patron of Community Banking Award for 13 consecutive years. A Patron Bank has actively contributed to community banking and supported CBAI through nine very specific criteria, including, but not limited to, representation at Capital Conference, Call on Washington, Group Meetings and Convention, CBAI Board or Committee participation, donations to BancPac/FedPac and the Foundation for Community Banking, attendance at a pre-determined number of education events, and utilization of CBSC services.

Not only is he extremely involved in the association and the community banking profession, but he also encourages and supports his staff's involvement as well.

To honor his many contributions to the profession of community banking during his distinguished career, CBAI recognizes Tom Marantz as CBAI's Outstanding Member of the Year.



PATRONS OF COMMUNITY BANKING

A Patron Bank has actively contributed to community banking and supported CBAI through nine very specific criteria, including, but not limited to, representation at Capital Conference, Call on Washington, Group Meetings and Convention, CBAI Board or Committee participation, donations to BancPac/Fed-Pac and the Foundation for Community Banking, attendance at a pre-determined number of education events, and utilization of CBSC services. Twenty-seven CBAI members achieved the Patron status for 2022–2023. We thank you for your continued support of the Association!

PATRONS OF COMMUNITY BANKING FOR 2022-2023

Apple River State Bank
 Scott State Bank, Bethany
 Bradford National Bank
 CNB Bank & Trust, N.A., Carlinville
 Buena Vista National Bank of Chester
 Dieterich Bank, Effingham
 Legence Bank, Eldorado
 Farmers National Bank of Griggsville
 Farmers State Bank, Elmwood
 The Fisher National Bank
 Flora Bank & Trust
 German-American State Bank, German Valley
 State Bank of Graymont
 North Central Bank, Hennepin
 Liberty Bank
 Prairie Community Bank, Marengo
 Midwest Bank, Monmouth
 BankORION
 First National Bank in Pinckneyville
 Princeville State Bank
 State Street Bank & Trust Co., Quincy
 The First National Bank of Raymond
 Rushville State Bank
 Bank of Springfield
 Security Bank, s.b., Springfield
 State Bank of Toulon
 The First National Bank in Tremont

OUTGOING CHAIRMAN AWARD

CBAI Chairwoman-Elect Sheila Burcham, Bradford National Bank, recognizes Outgoing Chairman Doug Parrott, State Bank of Toulon.

This award was presented to Doug Parrott, State Bank of Toulon, for his commitment of time, energy and leadership to the advancement of community banking in Illinois as CBAI Chairman for 2022–2023.

BOARD SERVICE AWARDS

These awards are presented to individuals whose tenures on CBAI corporate family boards have ended.

CBAI Board Service Awards

Alan Stremlau, Illini State Bank, Tonica
 2017–2023
 Carol Jo Fritts, First Neighborhood Bancshares, Inc., Toledo
 2017–2023
 Chuck Deters, Dieterich Bank, Effingham
 2022–2023
 Travis Clem, SouthernTrust Bank, Marion
 2017–2023
 Tom Marantz, Bank of Springfield
 2007–2023

CBSC Board Service Awards

Mike Radliff, The FNB Community Bank, Vandalia
 2015–2023
 Douglas Dove, Shelby County State Bank, Shelbyville (St. Louis)
 2016–2023
 Matt Bollinger, BankORION
 2021–2023
 John Dosier, First Southern Bank, Carbondale
 2017–2023

Chuck Deters, Dieterich Bank, Effingham
2021–2023

Jeff Bonnett, Havana National Bank
2011–2023

Mike Mahair, State Street Bank & Trust Co., Quincy
2015–2023

COMMUNITY BANC PAC CEO CHALLENGE

The CEO Challenge is met by bankers who qualified for a \$250 prize because 100% of their banks' directors and officers donated to Community BancPac and FedPac. The following CEOs have met the challenge this year. The winner of the \$250 prize is **Mark Field, Liberty Bank. Field donated the prize back to BancPac. Thank you!**

Joel Holland, Apple River State Bank

Greg Ohlendorf, First Community Bank and Trust, Beecher

Tod Jeffers, Scott State Bank, Bethany

Brent Baker, Byron Bank

Shawn Davis, CNB Bank & Trust, N.A., Carlinville

Chuck Deters, Dieterich Bank, Effingham

Kevin Beckemeyer, Legence Bank, Eldorado

Ryan Heiser, The Fisher National Bank

Doug Smith, Farmers National Bank of Griggsville

Tina Callaway, Farmers & Merchants Bank of Hutsonville

Mark Field, Liberty Bank

Dan Nederhoff, Milledgeville State Bank

Steve Backlund, Backlund Investment Company, Peoria

Steve Backlund, Better Banks, Peoria

Andrew Black, Princeville State Bank

Steve Backlund, State Street Bank and Trust Co., Quincy

Tom Marantz, Bank of Springfield

Doug Parrott, State Bank of Toulon

June Kidd, The First National Bank in Tremont

CBAI FEDPAC 100% DIRECTOR PARTICIPATION

Kevin Beckemeyer, Legence Bank, Eldorado

Mark Field, Liberty Bank

Mary Jo Homan, First National Bank of Pinckneyville

Tom Marantz, Bank of Springfield

COMMUNITY BANC PAC TOP CORPORATE CONTRIBUTORS

Casey State Bank

Belmont Bank & Trust, Chicago

Prime Banc Corp., Effingham

Legence Bank, Eldorado

Bradford Bancorp, Inc., Greenville

Itasca Bank & Trust Co.

First State Bank, Mendota

Midwest Bank, Monmouth

Prospect Bank, Paris

Better Banks, Peoria

Alliance Community Bank, Petersburg

Murphy-Wall State Bank & Trust Company, Pinckneyville

First Robinson Financial Corporation

Bank of Springfield

First Neighborhood Bancshares, Inc., Toledo

CBAI FEDPAC PLATINUM CONTRIBUTORS

Colleen Henkel, The First National Bank in Amboy

Patrick McShane, American Metro Bank, Chicago

Chad Martin, Goodfield State Bank

Mark Field, Liberty Bank

David Schroeder, CBAI, Springfield

EXCELLENCE AND INNOVATION FORVIS AWARD PRESENTED BY CBAI



Beardstown Savings, s.b., was the winner of the Excellence and Innovation FORVIS Award, presented by CBAI. Rich Eckert, the president/CEO, accepted the award.

The winner of the Award for Excellence and Innovation for 2023 is **Beardstown Savings, s.b.**, for its initiative, **Banking the WHOLE Community.**

Among a great turnout of submissions, the winning program truly demonstrated what it means to be one with their community. While many people wouldn't consider a rural community "diverse," central Illinois has become a wonderful melting pot of different cultures. Beardstown Savings created a program designed to eliminate barriers between the bank and its members, specifically language barriers. Thanks to the help of a support-

ive staff, a patient community and the power of technology, there is now one less thing to prevent customers from accomplishing goals and working hand in hand with their local bank. The bank now offers a robust translation service to its customers. Through a mobile or desktop device, they can communicate one-on-one with customers through voice or text in more than 50 different languages and various dialects. They also can translate letters, emails, notices and signage within seconds to better communicate with EVERY customer.

Thank you to those who submitted nomination forms and to our great panel of judges! We can't wait to see what next year will bring!

BUSINESS PARTNER OF THE YEAR AWARD



Patricia Tobin of CBIS, A Gallagher Company, was honored with the Business Partner of the Year Award. (L. to R: Ryan Hillestad and Patti Tobin, CBIS)

CBAI is privileged to partner with many outstanding companies that help give community banks an edge and drive innovation. Each year, CBAI recognizes a standout partner that has exceeded expectations for delivering value to CBAI member banks.

This year marks the 34th consecutive year the award has been presented, and it remains one of the highest honors CBAI bestows upon a business partner that has truly had an impact on serving Illinois community banking through CBAI.

While community bankers use many tools to manage and mitigate risks, procuring the correct insurance policies can often be the difference between incurring a minor cost or a catastrophic loss. Selecting the correct policies and coverage is not a one-size-fits-all proposition. Improperly matched coverage to an individual bank's risk profile can resemble a safety net with holes in it. That's why community banks need help and guidance from an experienced and proven insurance professional who specializes in community banks.

We are pleased to recognize **Patricia Tobin, financial institution specialist from CBIS, A Gallagher Company**, as the 2023 Business Partner of the Year.

Next spring will mark Patti's 40th year serving the insurance needs of community banks. For the past 12 years, she has worked exclusively with CBAI member bankers, advising them on emerging risks and revisions to insurance policies. We all know insurance companies want your premium dollars but don't want to pay claims. Many have invited Patti to their bank to review its risk profile and policies to make sure there are no holes in the safety net.

Since becoming a partner with the Association 12 years ago, Patti has attended every convention many Group Meetings and has addressed countless CEO Forums. She has collaborated with other CBSC business partners, such as IRON-CORE, Inc., on security issues. She has authored hundreds of articles that have appeared in the CBAI e-newsletters and *Banknotes* magazine, covering emerging risks such as cyber, data breaches, and third-party exposure, as well as explaining why certain bank claims weren't paid and how to ensure your bank is protected.

For all her many contributions to protecting and preserving community banks, CBAI is proud to honor Patricia Tobin as the 2023 Business Partner of the Year.

ANNIVERSARIES IN COMMUNITY BANKING

Raymond Altmix, First Southern Bank, Marion (50 years)

Melba German, Security National Bank, Witt (50 years)

Mike Guttaw, First National Bank & Trust Company, Clinton/TS Banking Group (50 years)

Gregory Ikemire, The Peoples State Bank of Newton (50 years)

Morris Kaufman, The Farmers & Merchants National Bank, Nashville (52 years)

Lauren Koch, Eureka Savings Bank (56 years)

Janis Miller, First National Bank of Steeleville (50 years)

Joseph Monahan, Arcola First Bank (50 years)

Nancy Mueller, Scott State Bank, Bethany (50 years)

Gaileh Tice, West Central Bank, Ashland (50 years)

CBAI FOUNDATION FOR COMMUNITY BANKING SCHOLARSHIPS

(see Foundation Report)

NEW MEMBER RECRUITMENT DRAWING

Whenever a bank or associate member firm is successfully recruited into membership by a member banker, that banker's name is entered in a special drawing. The \$500 cash prize winner was **Greg Ohlendorf, First Community Bank and Trust, Beecher**.

GROUP MEETING AWARDS

Highest Banker Attendance

Travis Clem
SouthernTrust Bank, Marion
Group 12

Highest Percentage of Members Participating

Colleen Henkel
The First National Bank in Amboy
Group 3

EDUCATION PARTICIPATION AWARDS

More Than \$225 Million

1. CNB Bank & Trust, N.A., Carlinville
2. State Bank of Toulon
3. The FNB Community Bank, Vandalia
4. Community First Bank of the Heartland, Mt. Vernon
5. Buena Vista National Bank, Chester

\$150 Million - \$225 Million

1. North Central Bank, Hennepin*
Scott State Bank, Bethany*
2. First National Bank of Nokomis
3. Prairie Community Bank, Marengo
4. State Bank of Whittington, Benton
5. First National Bank of Raymond

\$75 Million - \$150 Million

1. Farmers National Bank of Griggsville
2. Midland Community Bank, Kincaid
3. Bank of Yates City
4. The First National Bank of Sparta
5. First National Bank in Pinckneyville

Less Than \$75 Million

1. Beardstown Savings, s.b.
2. Farmers State Bank, Elmwood
3. The First National Bank of Ava
4. The Atlanta National Bank
5. Preferred Bank, Casey

*Indicates a tie within the asset category for the number of education programs attended.

Community bankers attending the Legislative Update and Recognition Luncheon on Saturday were eligible to win a full convention registration for a banker and guest at CBAI's 50th Annual Convention & Expo in Springfield, IL. The winner was Roberta Lash, The Atlanta National Bank. ■



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CDD members sold skins and mulligans to benefit Community BancPac. (L to R) Cameron Ohlendorf, First Community Bank and Trust, Beecher; Tyler Hodge, New Holland Banking Center; Melinda McClelland, CBAI; Doug Blunier, State Bank of Toulon

CBAI CAREER DEVELOPMENT DIVISION

The Career Development Division (CDD) again conducted its popular “Skins and Mulligans” game during CBAI’s Annual Golf Tournament and raised \$1,570 for Community BancPac via the effort. Thanks to all who participated in this event.

The annual fall meeting and membership were promoted at CDD’s booth in the Convention Exhibit Hall; visitors to the booth could play a “Lock & Key” game in conjunction with the CBAI Governmental Relations and CBAI Foundation booths to win \$50 cash during each exhibit hall session. Visitors were also able to play “Mario Kart” in the booth. Special thanks go to the CDD members who assisted with the booth from set-up to teardown:

Katie Ashworth,
CNB Bank & Trust, N.A., Carlinville

Doug Blunier,
State Bank of Toulon

Olivia Bradley,
Legence Bank, Eldorado

Michael Gill,
Flora Bank & Trust

Tyler Hodge,
New Holland Banking Center

Cameron Ohlendorf,
First Community Bank and
Trust Company, Beecher

Nichole Weber,
The Frederick Community Bank, Paxton

Delaina Zellers,
German-American State Bank, German Valley ■



CDD Members staffed a booth in the Exhibit Hall. (L to R) Olivia Bradley, Legence Bank, Eldorado; Katie Ashworth, CNB Bank & Trust, N.A., Carlinville, Cameron Ohlendorf, First Community Bank and Trust, Beecher; Delaina Zellers, German-American State Bank, German Valley; Tyler Hodge, New Holland Banking Center

PARTNERS' PROGRAMS

During Thursday's Partners' Program, partners could sample some of Indy's best bites and indulge in what makes its food and drink culture incredible! "Taste of Indy" began with the world-famous St. Elmo shrimp cocktail and included a few more favorite dishes from various restaurants.

On Friday, partners enjoyed a historical homes tour featuring the James Whitcomb Riley home where the Hoosier Poet spent the last 23 years of his life. Historical experts consider this 1872 home to be one of the most perfectly preserved Victorian houses in the U.S. Next, partners enjoyed lunch at The Indianapolis Propylaeum. The final stop was the Benjamin Harrison Presidential Site. Built in 1874, the home of our 23rd President is an Italianate architectural masterpiece. Its 16 rooms have been restored and are adorned with many original furnishings and keepsakes.

On Saturday, an experienced master tea blender introduced the benefits, flavors and combinations of eight ingredients, provided some blending tips and tricks, and guided guests through brewing the perfect cup of tea. Then, partners could create their custom tea blend to take with them. ■



SATURDAY NIGHT DINNER DANCE



Congratulations to Karen Jeffers, Scott State Bank, Bethany, who is the winner of the Grand Prize trip drawing for a \$3,000 travel voucher to the destination of her choice!



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 SEICO Security Systems
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IS YOUR BALANCE SHEET RECESSION READY?

Dale Sheller, Associate Partner, Financial Strategies Group, The Baker Group, Oklahoma City, OK

I recently joked that I have read an article every week for the past year that says a recession is starting the next month. But where is that recession? Everyone — or maybe some of us — remembers the common rule of thumb that two consecutive quarters of negative gross domestic product (GDP) growth equals a recession. However, determining a recession is not quite that simple. The official recession determination is made by the National Bureau of Economic Research (NBER), which is a committee made up of eight economists who use many factors in making that determination. The NBER states that their traditional definition of a recession is “a significant decline in economic activity that is spread across the economy and that lasts more than a few months.” As of September 2023, the NBER hasn’t declared an official recession since the COVID-induced recession of April 2020.

A recession typically has plenty of negative consequences, including a rise in the unemployment rate as well as stagnate or declining incomes. As a result, consumer spending declines, which further impacts businesses and their bottom lines. The early phases of an economic downturn often coincide with increases in interest rates as the Federal Reserve uses monetary policy to pump the brakes on an overheating economy to help control inflation. The Federal Reserve’s monetary actions have a major impact on institutions’ balance sheets, specifically with loan and deposit pricing. As the Fed raises rates, the cost of credit increases and deposit rates increase (usually at a slow pace), therefore incentivizing less borrowing and more saving. These macroeconomic and interest rate dynamics play a major factor in overall performance and balance sheet management.

DID YOU KNOW?

The Great Recession lasted 18 months and was officially over by June 2009. However, the effects on the overall economy were felt for much longer. The unemployment rate did not return to pre-recession levels until 2014, and it took until 2016 for median household incomes to recover.

www.forbes.com/sites/qai/2022/10/19/how-long-did-the-great-recession-last-in-2008/?sh=6a93de6a56b0

No one has the crystal ball on when the next recession will begin, how long it will last, and how severe it will be. However, given the recent decline in inflation levels due to the Fed’s aggressive tightening cycle, it does feel as if we are getting closer to the peak in interest rates and closer to the end of the current economic cycle. Whether this current Fed tightening cycle ends in a recession or a soft landing, the Fed’s latest Dot Plot

points to a path for lower interest rates in the future. Balance sheet managers and ALCOs should never try to time the peak of interest rates. Rather, they should best prepare the balance sheet for the next recession and/or falling interest rates.

Here are some considerations for preparing the balance sheet for the next recession.

- **Interest Rate Risk** – Whether the current tightening cycle ends in a recession or a soft landing, there is a high likelihood for some level of lower rates in the future. Utilizing your Interest Rate Risk Model to identify any exposures to falling interest rates is critical. Managing your asset sensitivity and asset duration through effective investment selection and strategy is key. Being reactive is not a strategy.
- **Credit Risk** – Asset quality problems of some magnitude accompany recessions. Ensure current loan pricing and structure are appropriate, given the deal and current environment. Avoid chasing loan demand late in the cycle by tightening credit underwriting standards.
- **Liquidity** – Historically, during recessions and falling rate scenarios, deposit levels increase, and liquidity levels grow. Ensure your assets are fully deployed to optimize your earning asset mix while keeping a cushion of unencumbered liquid assets. Lastly, every institution should have ample contingent liquidity sources for those unforeseen liquidity events and needs.
- **Stress Testing** – Stress testing should be done on a regular basis. It is important to consider higher impact, lower probability scenarios when creating stress scenarios. Stress testing can be conducted on various aspects of the institution, including the following: capital, liquidity and interest rate risk.

“How can we better prepare for a possible recession?” I encourage you to consider this question an agenda item for your next ALCO meeting. Every institution’s balance sheet and risk profile are unique. There is no one-size-fits-all strategy but being proactive and having a plan (as well as contingency plans) is essential. ■



Dale Sheller is an associate partner in the Financial Strategies Group at The Baker Group. He joined the firm in 2015 after spending six years as a bank examiner with the Federal Deposit Insurance Corporation. Sheller holds a bachelor's degree in finance and a master's degree in business administration from Oklahoma State University,

Stillwater. He works with clients on investment portfolio strategies, interest rate risk management, liquidity risk management, and regulatory issues. Sheller regularly speaks at educational seminars nationwide and serves as a faculty member for multiple banking schools. Contact: 800/937-2257, dsheller@GoBaker.com.



CBAI FEDPAC FUNDRAISER — Another Bases-Clearing Home Run!



CBAI's Championship FedPac Team

CBAI extends a big THANK YOU to the many community bankers, associate members and sponsors for stepping up to the plate and supporting CBAI FedPac!

This was a night match-up between the St. Louis Cardinals and the San Diego Padres. The enthusiastic crowd in our Redbird Row suite saw the home-team Cards prevail with a bottom-of-the-10th-inning walk-off hit to score the winning run.

This game was a great opportunity for team members to get together and have fun while supporting a great cause. Several players were new to the league of FedPac supporters, and many others brought their teammates, which made for a great mix of veteran players and rookies.

CBAI FedPac was created to enhance the voice of Illinois community banks in Washington, D.C. CBAI FedPac is an important tool for community bankers to exert a strong and proactive influence by supporting those members of Congress who believe in our mission to compete and to serve our customers and communities.

Participation in an event like this is an enjoyable and effective way to contribute to CBAI FedPac and get involved. CBAI sincerely thanks all our championship team members for supporting the CBAI FedPac. ■

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Tremont Bancorp, Inc.

CDD SPOTLIGHT


QUESTIONNAIRE

Kelly Kueker

*Accounting/
Human Resources Assistant
State Bank, Waterloo*

What do you find the most challenging about your job?

I oversee both the Human Resources and Accounting departments at State Bank. Staying up to date with rules and regulations for both departments can be challenging as the banking industry is constantly evolving with new regulations. CBAI's training and forums have helped greatly to monitor upcoming changes in the industry. This enables me to provide information to both executive management and the staff.

What do you find the most rewarding about your job?

In my position, what I find most rewarding is working with and seeing our employees grow within the bank. Watching employees who came to us with no banking experience as part-time tellers being promoted either within their department or another department within the bank is very satisfying. Initially, the banking industry can be

intimidating as it is constantly evolving. In the same sense, that makes it rewarding for those employees who are up for the challenge and want to grow within the industry.

What quote most inspires you and why?

"Never let the fear of striking out keep you from playing the game." I first heard this quote when I was watching *The Cinderella Story* as a child, and it has always stuck with me. To me, the quote means don't let your fears get in the way of what you want to achieve and sometimes you have to have the courage to overcome your fears.

How did you get involved with CBAI?

I have been involved with CBAI for five years now. In 2017, State Bank promoted me from assistant branch manager to accounting/human resources assistant. In 2018–2019, I attended The Community Bankers School. The Community Bankers School helped me learn about all the aspects of the banking industry and meet peers who became friends throughout my two years attending CBS. I've also had the opportunity to become a member of CDD and attend the quarterly meetings with the Human Resources Group.

What are the biggest challenges your community bank faces today and what are you doing to combat these challenges?

Our bank recently entered into the St. Louis, MO, market. There are numerous large banks that we have to compete within this market. However, larger banks tend to treat customers as numbers and don't really get to know them on a personal level. At State Bank, we try to get to know our customers on a first-name basis.

Customers are welcomed upon entering our branches and are not treated as just another unknown face. We employ several bilingual employees who are available to speak to customers in their native tongue. We strive to make our customers feel understood while allowing them to obtain their banking needs. In addition, we can offer the same services and technology that the big banks offer for little to no cost to our customers.

What is your favorite initiative that your bank has implemented to support your community?

Our bank has a unique way of helping and promoting several charitable organizations throughout the year. Many nonprofit organizations in our community hold annual golf tournaments to raise funds for their causes. To help increase the awareness and attendance of these tournaments, State Bank created the Tournament of Champions, held in the fall after all qualifying tournaments have been completed. The top two teams from each of the qualifying golf tournaments are given the opportunity to compete in the State Bank Tournament of Champions. Throughout the year, we advertise information about upcoming tournaments on our various social media platforms. We promote not only the upcoming dates of the charitable golf tournaments but also the causes of each organization. This has been well received in the community, as many organizations have contacted us about being a qualifying tournament. Local golfers have also requested information about upcoming tournaments they could attend to qualify for the Tournament of Champions. ■



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In Memoriam

Richard "Jim" J. Lannon Jr., 89, of La Salle, passed away unexpectedly at home on September 29, 2023. Jim was born on May 5, 1934, in Springfield, Illinois, to Richard James Lannon and Anne (Malone) Lannon, and grew up in Saunemin, Illinois, along with five younger siblings. He married Valerie Sheridan on October 18, 1985.

He graduated from Saunemin High School, received an accounting degree from the University of Illinois, Champaign-Urbana, worked as an accountant with Arthur Anderson for two years, and then decided to return to the University of Illinois to receive his law degree. While in college, he joined the ROTC and served as an officer in the U.S. Army Reserves from 1956 to 1974.

After graduating from law school, he went to work for George Herbolsheimer at the firm started by his maternal grandfather, James Malone. As the law firm grew, Jim became the managing partner until he was appointed a Circuit Judge.

He was the first president of the Illinois Valley United Fund, which he helped establish. He was also in the first groups that started the Illinois Valley YMCA and the I.V. Racquet Club. Jim served on the board of directors for the **State Bank of Saunemin** from 1995 to 2022. During a majority of his tenure on the board, Jim's brother, the late **Bill Lannon**, a former CBAI Chairman, served as president of the bank or chairman of the board.

Jim is survived by his wife Valerie of La Salle; seven children, Sharon (William) Dimond of Ten Mile, TN, Richard J. (Geraldyn) Lannon III of Braintree, MA, Colleen (Don Seville) Lannon of Hartland, VT, Andrew (Cora) Lannon of Oviedo, FL, Tina Ritko of Austin, TX, Tricia (Richard) Holtz of Half Moon Bay, CA, and Tara (Jeff) Washkowiak of Oglesby; 14 grandchildren and one great-granddaughter; one sister Catherine (Stephanie Clapp) Lannon of Tallahassee, FL.

He was preceded in death by his parents, son Thomas Leamy, two brothers, two sisters, and his first wife, Patricia Allen. ■

Employment Practices Liability Insurance for Community Banks

Patti Tobin, Producer, Financial Practices Division
Community BancInsurance Services, A Gallagher Company, Springfield, IL

While we recommend Employment Practices Liability Insurance (EPLI) and it forms a part of most insurance risk management programs, let's examine why we should REALLY care and take a view in helping community bank employers.

First, we must trace the roots of the legal revolution that brought this about and created the need.

As commonly known, EPLI came of age with the passing of the *Civil Rights Act* and the *Americans with Disabilities Act*. Those qualitative changes made it more likely that employees would sue their employers for what is now a wide variety of transgressions. It also made it more likely that when employees sue, they will be more likely to win at trial and recover substantial damages.

In particular, the *Civil Rights Act* authorized jury trials where none were available beforehand, provided for compensatory and punitive damages (subject to certain caps on those damages) and provided that when employees win at trial, they may recover their attorneys' fees as well as their expert witness fees. In addition, the act codified Supreme Court decisions that permitted proof of disparate impact (unintentional discrimination) in Title VII and ADA cases.

Even before this genuine revolution in employment law, a steady growth in the law had occurred as a result of other amendments to the *Civil Rights Act of 1964*, the passage of the *Equal Pay Act* and the *Age Discrimination in Employment Act*, and changes in the state law of wrongful termination beyond those changes wrought by the aforementioned federal civil rights laws. Some states, such as Illinois, enact civil rights laws that are even more expansive than federal laws.

Judicial activism used these statutory tools to augment what had already become a whole host of potential legal liabilities surrounding every aspect of the employment relationship, from hiring to firing, from promotion to pay distribution, and from sexual harassment to dating among employees. The subtlety of the law and the genuine difficulty in complying with it also

brought about insurability for these exposures, for although one may have intended to harass or unlawfully discriminate, it is extremely easy to be accused and be forced to pay damages even in the absence of such intent.

A Brief History Of Employment Law

At the turn of the last century, the employment relationship was governed almost exclusively by common law contract law. Its conversion over time into a field of tort law, where the measure of damages is much more generous, has been truly revolutionary. And it has been the last 40 years that have wrought the farthest-reaching changes.

Under the traditional scheme, rates of pay, hours of work and conditions of employment were all a matter for private negotiations between employer and employee. The resulting contract was usually verbal and, in effect, cancelable by either party at any time, i.e., employment was "at will" and could be terminated at any time by either party without advance notice and cause. This theory is no more than a curiosity now, as it has been completely overtaken by legislation.

Predominant Employment-Related Legislation

THE CIVIL RIGHTS LAWS

Generally, these refer to anti-discrimination laws. This legal category, of course, makes up the central core of employment law, but it by no means occupies the entire field. The anti-discrimination laws are all statutory torts. As such, these laws directly impinge upon the "at will" employment doctrine since employers may not hire or fire at will if their motives transgress the anti-discrimination laws.

THE AMERICANS WITH DISABILITIES ACT

This act protects people with disabilities from discrimination. The ADA defines disabilities as "a physical or mental impairment which substantially limits one or more of such person's major life activities, a record of such impairment, or who is regarded as having such an impairment." The employer must reasonably accommodate on a case-by-case basis any person in the job for which they're qualified.

**EMPLOYMENT RETIREMENT
INCOME SECURITY ACT OF 1974**

Federal law sets minimum standards for most voluntarily established retirement and health plans in private industry to protect individuals in these plans. Employee Fidelity coverage is mandatory, equivalent to 10% of the total value of assets with a required maximum of \$500,000; however, higher limits may be purchased at the discretion of the plan(s) sponsor.

FAIR LABOR STANDARDS ACT (“FLSA”)

This act establishes minimum wage, overtime pay, recordkeeping and youth employment standards affecting employees in the private sector and federal, state and local governments. Most EPLI contracts exclude wage and hour disputes from indemnification.

AGE DISCRIMINATION

It is unlawful to discriminate against any individual age 40 or older because of their age with respect to any term, condition or privilege of employment, including but not limited to recruitment, hiring, firing, promotion, layoff, compensation, benefits, job assignments and training.

FAMILY AND MEDICAL LEAVE ACT

This act entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave. Most common occurrences include the birth of a child, adoption or foster care and serious health conditions of an employee (or their spouse, child, or parent). Special circumstances also exist for service members.

SEXUAL HARASSMENT

A type of harassment that involves explicit or implicit sexual overtones, including unwelcome and inappropriate promises of rewards in exchange for sexual favors. It can be either physical, verbal, or both.

EMPLOYEE HANDBOOK

It can be a valuable communication resource for both the employer and the employee. It provides guidance and information related to the organization’s history, mission, values, policies, procedures and benefits in a written format. It is also viewed as a means of protecting the employer against discrimination or unfair treatment claims. Most insurers offer complimentary templates to their insureds as a loss prevention service.

In addition, we strongly encourage your usage of any EPLI HELPLINE SERVICES that may be available from your insurer. Not only are they complimentary, but they offer good, practical loss prevention advice and counsel. These calls will not impact any loss ratio computation.

Authority

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

This commission is responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or an employee because of the person’s race, color, religion, sex (including pregnancy and related conditions, gender identity, and sexual orientation), national origin, age (40 or older), disability or genetic information.

Most employers with at least 15 employees are covered by EEOC laws (20 employees in age discrimination cases). Most labor unions and employment agencies are also covered.

The laws apply to all types of work situations, including hiring, firing, promotions, harassment, training, wages and benefits. ■

For questions on this subject, please contact Community BancInsurance Services, A Gallagher Company, the exclusively endorsed insurance representative of CBAI/CBSC. Ask for Patti Tobin, CIC, insurance advisor, area financial institutions director at 217/ 414-4485 or patti_tobin@ajg.com.

This article is provided for informational purposes only and is not necessarily the views of Arthur J. Gallagher & Co.

The image is a promotional graphic for the Community Bankers School. At the top left is the logo for CBS (Community Bankers School), featuring the letters 'cbs' in a stylized font inside a blue circle with wheat stalks. To the right of the logo, the text 'Community Bankers School' is written in a serif font. Below this, the phrase 'Save the Date!' is written in a large, white, cursive font. Underneath that, the dates 'July 14-19, 2024' and the location 'Illinois Wesleyan University, Bloomington' are listed in a white serif font. In the center, there is a yellow diamond-shaped sign with a black border and the text '2024 AHEAD' in bold black letters. At the bottom right, there is a line of text: 'For more info, contact Melinda at melindam@cba.com.' The background of the graphic is a blue sky with white clouds.

5 Myths Holding Community Banks Back from Digital Transformation

Tyler Brantley, VP of Revenue & Marketing at Core10 | tyler.brantley@core10.io

Despite “digital transformation” being a key buzzword at virtually every conference for the last five years, many banks are still early on in their journey to adopt new technologies. Given the unprecedented market conditions and shifts in the last 18 months, it’s understandable that some banks might be anxious about making any major moves in their digital ecosystem. However, those who have invested in expanding their digital capabilities have seen increased growth and greater market resilience.

At Core10, we recognize the complex challenges of today’s banking environment and strive to be the trusted partner of community banks on their banking innovation and digital transformation journeys. This commitment is a cornerstone of our partnership with the CBAI, and it’s why we take great pride in being a newly appointed CBSC Preferred Service Provider.

Recently, we had the opportunity to attend CBAI’s Annual Convention and to hear directly from bankers about their approach to digitization. With recent and ongoing market changes, it was understandable that many have found themselves behind their initial goals. But Illinois banks are not alone. In fact, Cornerstone Advisors found that only 25% of financial institutions that have embarked on their digital transformation journey have progressed to the three-quarters or more completion mark.

The reasons are unique to each institution, but as a whole, banks often fall victim to a number of misconceptions about digital transformation before the process even begins. These range from misunderstandings related to implementation issues and digital experience to concerns about fraud mitigation, staffing changes, and more.

But that doesn’t have to be the case. There is good news!

We’re here to help banks bite off the low-hanging fruit of their digital transformations and overcome perceived hurdles. To begin, let’s demystify the five myths we most commonly hear from banks about adopting digital capabilities.

Myth 1: Digital Platforms Are Too Complex and Expensive

Complexity and cost have long been leading misconceptions as to why community bankers cannot implement digital platforms. In reality, there are solutions designed with community banks in mind that are both cost-effective and easy to adopt. Platforms incorporating APIs and cloud-based technology allow banks to build on top of existing legacy systems, eliminating the need for a complete technology overhaul. Moreover, digital banking providers often offer managed services, reducing the requirement for an extensive in-house IT team.

Implementing digital platforms does not have to be a complex process either. Community banks can set the pace of innovation to suit their institution and have the flexibility to take a crawl, walk, run approach. Additionally, the journey is not linear and varies from bank to bank.

We’ve seen many banks update one piece of their infrastructure at a time — for instance, implementing a new Digital Account Opening (DAO) platform before moving on to updating their Loan Origination System (LOS). Achieving digital innovation requires commitment, time and user adoption. At the end of the day, what truly matters is taking action and establishing strategies to sustain progress.

Digital transformation doesn’t necessarily have to be complex, but it does require an investment; however, this investment can yield significant returns. In fact, research from McKinsey reveals that banks focused on digital initiatives are financially outperforming those neglecting them in their strategy.

Myth 2: Going Digital Means Sacrificing In-Branch Customer Service

According to Forbes, nearly 78% of Americans prefer to bank online or via phone. That’s a statistic that is only going to increase moving forward. However, we can’t ignore that more than 20% still want an in-branch experience, and most consumers want human interaction when it comes to large, complex banking decisions.

So, what does that mean? Community banks who want to remain competitive must be ready to adopt digital-first strategies AND personalized in-branch experiences that build customer relations.

Empower your customers and bank teams with omnichannel digital solutions that seamlessly offer the same services both in-branch and online. Embracing digital doesn't mean compromising the in-branch experience. It means ensuring a consistent experience, no matter where and how your customers choose to bank.

Myth 3: Digital Platforms Are More Suited for Mid-to-Large Size Banks

Asset size does not correlate to how advanced a bank's digital ecosystem should be. Every bank is at a different stage of its digital transformation journey, and regardless of size, all banks should focus on embracing innovation and crafting strategies that elevate the customer and employee experience.

Programs such as the ICBA ThinkTECH Accelerator, of which Core10 is a graduate, are fueling a growing interest and investment in fintech solutions designed specifically to fit the needs of community banks. This initiative plays a significant role in ensuring community banks are equipped with the technology they need to succeed in the digital age.

Achieving a successful end-to-end digital transformation for your community bank requires an intentional approach through strategic selection of fintech resources tailored to your institution's needs. The promising news, as highlighted by president/CEO of ICBA Bancard Tina Giorgio in January's *Banknotes* edition, is that community banks today have greater opportunities to "shape the [fintech] offering by partnering with the provider in a more inventive, collaborative way" that best suits their pain points.

Myth 4: Implementing Digital Platforms Increases Fraud

Implementing digital platforms does not inherently mean community banks will encounter greater security attacks. When community banks partner with fintech providers that have documented security protocols and certifications (i.e., SOC 2 Type II) and have a fraud strategy that includes modern KYC and KYB providers, they are equipped with built-in safeguards to identify and prevent fraud attempts that manual processes may not have caught. This can stop fraudsters before they reach the digital or physical front doors of the bank.

Rather than viewing digital solutions as a catalyst for heightened fraud, embrace these tools to enhance your security strategy, combat fraudulent activities, and ultimately improve the overall efficiency of the banking experience for customers, whether in branch or online.

Myth 5: Digital Transformation Means Replacing Employees with Technology

Digital transformation does not replace but elevates bank teams to their best and highest. A Deloitte survey found that customers will continue to use digital channels for simple transactional activities, but for more complex products and services, such as mortgages and financial advice, many still prefer human interactions. Digital tools are designed to automate mundane tasks, ultimately empowering employees to focus on what they do best — cultivating stronger customer relationships and driving business growth.

At Core10, we are committed to supporting Illinois community banks in their modernization efforts. Through our Accrue platform, we offer a comprehensive omnichannel solution for digital lending and deposit account opening for both consumer and commercial customers. Additionally, our Mesh middleware layer provides a flexible, modern infrastructure to seamlessly connect and enhance your technology ecosystem. With a wealth of experience and expertise accumulated over the years in API and product development, Core10 stands as your trusted partner for digital innovation.

Digital transformation is not just a buzzword but a crucial step that community banks are taking to remain competitive in today's evolving landscape. Don't let the common myths above keep your team from taking steps to keep growing as you serve your communities! ■

Tyler Brantley is vice president of revenue and marketing at Core10, a CBSC preferred provider. He can be contacted at tyler.brantley@core10.io.

DID YOU KNOW?

Digital account opening (DAO) is the process of opening an account without stepping foot inside a bank. It involves capturing and verifying the customer's personal identity information, evaluating and approving the customer from a risk/fraud perspective, creating and funding the account in real-time, and integrating with the core banking system.

www.civic.com/blog/the-state-of-digital-account-opening

Check out the new podcast from the team who brought you the CBAI 401(k)!





Scan this QR Code to watch the episode with Table Grove State Bank or find it on your favorite podcast platform!

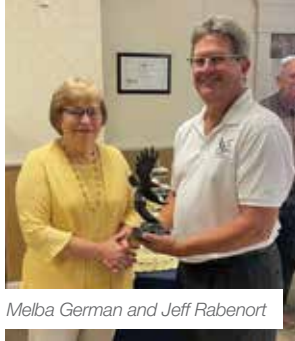
For more about the CBAI 401(k), contact Nathan White, AIF® at nwhite@midwesternsecurities.com

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Member FINRA/SIPC

Member News



Melba German and Jeff Rabenort

Melba German, Security National Bank, Witt, recently celebrated 50 years in community banking. She was presented an award by Jeff Rabenort, CBSC vice president of members services, downstate Illinois.

Jon Spitz, executive vice president and Mattoon market president at **Washington Savings Bank**, recently retired after 43 years in the banking industry. Spitz began his banking career in 1980 with First National Bank in Mattoon as a consumer lender and collector. He joined First Federal Savings and Loan in 1981, holding many roles, including loan officer. Eventually, he became president of the bank in 2002 and continued in that role until October 2015, when First Federal Savings and Loan merged with Washington Savings Bank.

Bradford National Bank has announced that **Ryan Goodwin** has joined the bank as a commercial and ag lending officer at their Highland location. With extensive experience in commercial lending and treasury management, Goodwin will focus on business development, emphasizing both commercial and agriculture lending, working primarily out of the Highland office.

First State Bank, Mendota, recently announced the promotion of **Katherine “Kat” Gallagher** to branch manager at its Bloomington location. Gallagher has been with FSB since 2018.

MidAmerica National Bank welcomed **Kara Johnson** as an operations officer in Canton. She grew up in Canton and attended Canton High School, Spoon River College and Western Illinois University. She is a local PEO Chapter BZ member and has served on the Graham Hospital Foundation and Canton Area Chamber of Commerce boards.

Byron Bank announced that **Jim Wang** had joined the Commercial Banking Team as senior vice president of commercial banking in its Poplar Grove location. Wang has been a member of the Rockford community for more than 40 years and brings more than 28 years of commercial lending, commercial banking, and relationship management experience to Byron Bank.

Dieterich Bank welcomed **Ray Wagner** to the Prime Banc Corp and Dieterich Bank Boards of Directors. Wagner currently serves as managing director and partner at Thompson Street Capital Partners (TSCP), a private equity firm based in St. Louis, which he joined in 2015.

Itasca Bank & Trust Co. recently announced the promotion of three officers. **Claribel Veslino** has been promoted to assistant vice president of operations and customer service manager. She

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Janney Montgomery Scott

3333 Richmond Road, Suite #340
Cleveland, OH 44122
Chris Chapman, Managing Director
216/288-2924
cchapman@janney.com
www.janney.com
Investment Banking

joined Itasca Bank & Trust Co. in June 2022, with more than 20 years of management experience in the banking industry.

Francesco Sorrentino has been promoted to assistant vice president, community association and cash management officer. Sorrentino joined the Bank in 2015 and served in customer service management roles before joining the loan department, where he most recently served as a commercial banking and HOA relationship officer.

Roger Peters has been promoted to trust officer in the bank's Trust and Estate Fiduciary Services Department. He joined the bank in 2017 and served in the Customer Service Department for two years before joining the Trust Department in 2019 as trust administrator.

Bradford National Bank and the **Federal Home Loan Bank of Chicago** (FHLBC) have collaborated to fund FAYCO Enterprises to build a new housing duplex in Greenville. FAYCO Enterprises was awarded the FHLBC Community Small Business Advance, designed to provide a lower interest rate with long-term financing to help recipients expand their capacity for affordable housing and economic development. FAYCO Enterprises, a Community Integrated Living Arrangement (CILA) provider, is building a six-bedroom home along Prairie Street in Greenville. ■

NOVEMBER 2023

- 1 **1st Quarterly CBC Program** — Chicago Marriott, Naperville
- 1 **UDAAP & Debt Collection** 📺
- 2 **ACH: Stay Informed and In-Compliance** — Shazam Education Center, Springfield
- 2 **CEO Forum Group IV** — Grizzly Jack's Grand Bear Resort, Utica
- 2 **CEO Forum Group II** — Drury Hotel, Mt. Vernon
- 2 **Robbery: Prevention, Safety & Current Threats** 📺
- 8 **Women in Community Banking Conference** — Crowne Plaza, Springfield
- 8 **Form 1099 Reporting: Third-Party Vendors, Foreclosures, Debt Forgiveness & More** 📺
- 9 **TRID Breakdown Part 2: Closing Disclosure for Fixed-Purchase, Variable-Refinance & Construction-Perm** 📺
- 10 **CEO Forum Group V** — Chicago Marriott, Naperville
- 13 **Senior Lender Group V** — Chicago Marriott, Naperville
- 13 **Security Officer Reports to the Board** 📺
- 14 **Senior Lender Group II** — CBAI West Conference Room, Springfield
- 14 **Overdraft Risks & Five Best Practices** 📺
- 15 **Senior Lender Group I** — CBAI West Conference Room, Springfield
- 16 **Senior Lender Group III** — CBAI West Conference Room, Springfield
- 16 **CFO Forum Group I** — Shazam Education Center, Springfield
- 16 **Notary Essentials, Virtual Notarizations & Legalities** 📺
- 17 **Senior Lender Group I** — CBAI West Conference Room, Springfield
- 20 **CFO Forum Group II** — Shazam Education Center, Springfield
- 21 **Writing Effective Credit Memos & Loan Narratives** 📺
- 28 **Marketing Group A** — CBAI West Conference Room, Springfield
- 28 **Operations/Technology Group D** — Drury Hotel, Mt. Vernon
- 28 **IRA Series: IRA Year-End Update: New & Important IRA Issues & Answers** 📺
- 29 **Operations/Technology Group C** — Shazam Education Center, Springfield
- 29 **Marketing Group B** — CBAI West Conference Room, Springfield
- 29 **New Accounts Series: Opening NRA Accounts** 📺
- 29 **A Year in the Life of a Compliance Officer**
- 30 **Marketing Group C** — CBAI West Conference Room, Springfield
- 30 **Advanced BSA** — Shazam Education Center, Springfield
- 30 **BSA for Lenders** 📺

DECEMBER 2023

- 1 **CEO Forum Group VI** — CBAI West Conference Room, Springfield
- 5 **Measuring Financial Condition & Performance for Ag Businesses** — Shazam Education Center, Springfield
- 5 **CEO Forum Group VIII** — Live via Zoom
- 5 **Debt Resolution Series: Proper Repossession, Notice & Sale of Non-Real Estate Collateral** 📺
- 6 **Operations/Technology Group A** — Shazam Education Center, Springfield
- 6 **HELOC How-To In-Depth** 📺
- 6 **Deposit Insurance Coverage & Calculation** 📺
- 7 **CEO Forum Group III** — Shazam Education Center, Springfield
- 7 **Operations/Technology Group E** — Grizzly Jack's Grand Bear Resort, Utica
- 7 **Commercial Loan Annual Credit Review Best Practices** 📺
- 8 **Operations/Technology Group B** — Chicago Marriott, Naperville
- 11 **CBAI Directors' Conference** — Crowne Plaza, Springfield
- 12 **CECL** — One Year In 📺
- 13 **Human Resources Law Update** — Shazam Education Center, Springfield
- 13 **Fraud Series: Elder Fraud** 📺
- 14 **BSA for Officers & Directors** 📺
- 19 **Board Secretary: Documenting Minutes, Corrections & Disagreements** 📺
- 20 **Telephone Consumer Protection Act Compliance** 📺
- 21 **When a Depositor Dies: Next Steps** 📺

CBAI Community Bank Cybersecurity Conference Held in August

CBAI's Community Bank Cybersecurity Conference, held August 29, 2023, at the SHAZAM Education Center, attracted 32 bankers in person and nearly 10 online to participate in this timely conference. Topics included: "The Shift in Cybersecurity Strategy: A Zero Trust Guide" with Andy Minneker and Joe Carty of IRON-CORE, Inc.; "How the Dark Web Works" and "New Technologies in Banking" with Mark Scholl of Wipfli LLP; "Skimming, Scammers & Security" with Mike Burke of SHAZAM, and "Latest Cyber Trends" with Kelly Hickman of the FBI. Attendees could network with each other and the speakers throughout the day. The on-demand recorded session is still available for purchase if other bankers are interested in the above topics and materials. Contact Melinda McClelland at melindam@cba.com for more information. ■



CBAI Webinar

Foundation Report

CBAI Foundation Scholarship Winners* Named

The following banks were awarded scholarships to the Community Bankers School for 2024–2025:

- **Bank of Pontiac (The Baker Group Scholarship)**
- **Grand Ridge National Bank (CBAI Career Development Division Scholarship)**
- **Raritan State Bank (Howard & Howard Attorneys Scholarship)**
- **State Bank, Waterloo (Federal Home Loan Bank of Chicago Scholarship)**

The following students were awarded the Child/Grandchild of a Banker Scholarship for \$1,000 per year for up to four years to continue their educations:

- **Jaxson Meier, State Bank of Toulon (Community BancService Corporation Scholarship)**
- **Jesse Scott, North Central Bank, Hennepin (Kasasa Scholarship)**
- **Chelsea Cuff, Legence Bank, Eldorado (SHAZAM Scholarship)**

*To be eligible, banks must simply pledge/donate a minimum of \$2,500 to the CBAI Foundation, which is tax deductible. While payments may be made over a period of years, banks are eligible for the scholarship drawings with their first payment.

Foundation Sumo Wrestling Fundraiser



(L to R) Doug "Pretty Boy" Parrott and Jim "The Warrior" Weast



A few months ago, six CBAI and CBSC Board members and staff stepped up for the Foundation in a BIG way when they volunteered to participate in CBAI's "Fight for the Foundation" sumo wrestling challenge. Luckily, our CBAI family of member bankers and associate members stepped up in a big way, as well, to support our unorthodox fundraiser. Your donations determined the final competitors in the sumo wrestling matchup. The top two money earners battled it out in the sumo wrestling event at CBAI's 49th Annual Convention & Expo. We are excited to report that more than \$16,000 was raised for the Foundation with this epic fundraising battle! We greatly appreciate your support! The battle was rebroadcast on CBAI's social media pages and website.

Competitors: Doug "Pretty Boy" Parrott, State Bank of Toulon; and Jim "The Warrior" Weast, Warren-Boynton State Bank, New Berlin

Managers: Dan "Gritty" Graham, Flora Bank & Trust; Jerry Peck, CBAI; and Referee: Amy Thiede, Prairie Community Bank, Marengo

Judges: Kraig "Lethal" Lounsberry, CBAI; and Cameron "Young Gun" Ohlendorf, First Community Bank and Trust, Beecher; and Andy "Tin Man" Tinberg, CNB Bank & Trust, N.A., Carlinville (Oak Forest)

Foundation Live Auction Donors

College Ave, Wilmington, DE
David Loundy, Devon Bank, Chicago
Patrick McShane, American Metro Bank, Chicago
Andy Tinberg, CNB Bank & Trust, N.A., Carlinville (Oak Forest)

Foundation Live Auction Items:

Traeger Portable Smoker and Grill with BBQ Party Bundle

Donated by: College Ave Student Loans, Wilmington, DE
(BBQ sauce donated by Lisa and David Lippert)

Purchased by Rich Eckert, Beardstown Savings, s.b., for \$700

Musashi Gold Collection

Hand-Forged Katana Samurai Sword

Donated by: David Loundy, Devon Bank, Chicago

Purchased by Joseph VanFleet, Howard & Howard Attorneys PLLC, for \$700

High-End Whisky, Wine and Cigars

Donated by: Patrick McShane, American Metro Bank, Chicago and Andy Tinberg, CNB Bank & Trust, N.A., Carlinville (Oak Forest)

Purchased by Tom Webb, First Neighbor Bank, N.A., Toledo, for \$600

Total Income Live Auction Items – \$2,000

Foundation Wine Pull

Wine Pull Sponsor: College Ave Student Loans, Wilmington, DE

Individual Donors:

Shane Addison, Dieterich Bank, Effingham
 Katie Ashworth, CNB Bank & Trust, N.A., Carlinville
 Beth Bartolomucci, Chatham, IL
 Cortni Bartolomucci, CBAI, Springfield
 Jennifer Beard, Farmers State Bank, Elmwood
 Patrick Beveridge, CBAI, Springfield
 Andrew Black, Princeville State Bank
 Lesa Black, CBSC, Springfield
 Jeff Bonnett, Havana National Bank
 Sheila Burcham, Bradford National Bank, Irvington
 Travis Clem, SouthernTrust Bank, Marion
 Will Coolley, Longview Bank, Newman
 Shawn Davis, CNB Bank & Trust, N.A., Carlinville
 Chuck Deters, Dieterich Bank, Effingham
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 Valerie Johnston, CBAI, Springfield
 Mike Kelley, CBSC, Springfield
 June Kidd, First National Bank in Tremont
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 Kraig Lounsberry, CBAI, Springfield
 Chad Martin, Goodfield State Bank
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 Terry McElwee, The Baker Group, Springfield
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 Kim McKee, North Central Bank, Hennepin
 Tracy McQuinn, CBAI, Springfield
 Pat McShane, American Metro Bank, Chicago
 Jennifer Nika, CBAI, Springfield
 Cameron Ohlendorf, First Community Bank and Trust, Beecher
 Doug Parrott, State Bank of Toulon
 Jerry Peck, CBAI, Springfield
 Megan Peck, CBAI, Springfield
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 Carol Ramm, Virden, IL
 Gregg Roegge, Rushville State Bank
 David Schroeder, CBAI, Springfield
 Levette Shade, CBAI, Springfield
 David Stanton, PeopleFirst Bank, Joliet
 Neal Stimpert, The Atlanta National Bank
 Amy Thiede, Prairie Community Bank, Marengo
 Andy Tinberg, CNB Bank & Trust, N.A., Carlinville (Oak Forest)
 Jason Vlcek, The Baker Group, Springfield
 Jim Weast, Warren-Boynton State Bank, New Berlin
 Stacy Workman, CBAI

Business Donors:

Abraham Lincoln Hotel, Springfield
 CBAI BancPac, Springfield
 It's All About Wine, Springfield
 Southern Glazer's Wine & Spirits, Springfield

Foundation Wine Pull Ticket Sales:

Phil Aderton, Risk Strategies – IZALE Financial Group, Elgin, IL
 Ryan Anselment, Quad City Bank and Trust Co., Davenport, IA
 Jim Ashworth, CNB Bank & Trust, N.A., Carlinville
 Katie Ashworth, CNB Bank & Trust, N.A., Carlinville
 Dr. John Baer, First National Bank in Tremont
 Jennifer Beard, Farmers State Bank, Elmwood
 Patrick and Julie Beveridge, CBAI, Springfield
 David Bitting, The First National Bank in Tremont
 Lesa Black, CBSC, Springfield
 Scott Bland, First Neighbor Bank, N.A., Toledo
 Jeff Bonnett, Havana National Bank
 Sheila Burcham, Bradford National Bank
 Perry Byers, Holcomb Bank
 Joe Carty, IRONCORE, Inc., Onalaska, WI
 Travis Clem, SouthernTrust Bank, Marion
 Shawn and Cheryl Davis, CNB Bank & Trust, N.A., Carlinville
 Linda Davis, Apple River State Bank, Galena
 Marty and Susan Davis, Murphy-Wall State Bank, Pinckneyville
 Angie Daily, Princeville State Bank
 Jace Day, SHAZAM, Inc., Johnston, IA
 Kevin and Shelly Day, State Bank, Waterloo
 Keith Douglas, Tompkins State Bank, Avon
 Josh Dickey, First National Bank in Tremont
 Rich Eckert, Beardstown Savings, s.b.
 Eric Einsweiler, Apple River State Bank, Galena
 Mark and Michelle Field, Liberty Bank
 Carol Jo Fritts, First Neighborhood Bancshares, Toledo
 Dan Graham, Flora Bank & Trust
 Colleen Henkel, The First National Bank in Amboy
 Rick Hiatt, Morton Community Bank
 Mary Jo Homan, First National Bank in Pinckneyville
 Kerry Hoops, German-American State Bank, German Valley
 Andy Huth, SHAZAM, Inc., Johnston, IA
 Tod Jeffers, Scott State Bank, Bethany
 June Kidd, The First National Bank in Tremont
 Kris King, Quad City Bank and Trust Co., Davenport, IA
 Jason Knoedler, Bank of Springfield
 Lisa Kuhn-Phillips, CSPI, Jefferson City, MO
 Warren Laube, German-American State Bank, German Valley
 Kraig and Debbie Lounsberry, CBAI, Springfield
 Greg Marantz, Bank of Springfield
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 Chad Martin, Goodfield State Bank
 Bill McFadden, Apple River State Bank
 Kim McKee, North Central Bank, Hennepin
 Patrick and Jackie McShane, American Metro Bank, Chicago
 Dennis Merkley, Howard & Howard Attorneys PLLC, Peoria
 Doug and Karin Parrott, State Bank of Toulon
 Jerry Peck, CBAI, Springfield
 Megan Peck, CBAI, Springfield
 Jennifer Penman, Illini State Bank, Tonica
 Lori and Jay Pieper, Community State Bank, Galva

Michael Putbresi, First Community Bank, Xenia-Flora
 Nancy Quernheim, State Bank, Waterloo
 Jeff Rabenort, CBSC, Springfield
 Scott Richardson, Risk Strategies –
 IZALE Financial Group, Elgin, IL
 Gregg Roegge, Rushville State Bank
 Pat Row, State Bank, Waterloo
 Sam Scott, Scott State Bank, Bethany
 David Schroeder, CBAI, Springfield
 Tracie Steider, OSB Community Bank, Ottawa
 Jeff Sterling, German-American State Bank, German Valley
 Alan Stremiau, Illini State Bank, Tonica
 Tyson and Sarah Tanner, First National Bank in Pinckneyville
 Amy Thiede, Prairie Community Bank, Marengo
 Sue Tinberg, CNB Bank & Trust, N.A., Carlinville (Oak Forest)
 Dianna Torman, OSB Community Bank, Ottawa
 Stephanie Washko,
 Community Bank Mortgage Company, Springfield
 Jim Weast, Warren-Boynton State Bank, New Berlin
 Norm Wettstein, Goodfield State Bank
 Elizabeth Wilson, Princeville State Bank
 Wayne Wrage, Bank of Yates City
 Bill Wubben, Apple River State Bank, Scales Mound
 Lisa Yarger, State Bank of Toulon

Total Wine Pull Income: \$2,040

Total Income: \$4,040

Board and committee members of the CBAI corporate family donating travel expenses to the Foundation are **Sheila Burcham, Bradford National Bank; Travis Clem, South Porte Bank, Marion; Will Coolley, Longview Capital Corporation; Shawn Davis, CNB Bank & Trust, N.A., Carlinville; Carol Jo Fritts, First Neighborhood Bancshares, Toledo; Dan Graham, Flora Bank and Trust; Colleen Henkel, The First National Bank in Amboy; Rick Hiatt, Morton Community Bank; Mary Jo Homan, First National Bank in Pinckneyville; Jim Lampe, Germantown Trust & Savings Bank; David Loundy, Devon Bank, Chicago; Chad Martin, Goodfield State Bank; Doug Parrott, State Bank of Toulon; Alan Stremiau, Illini State Bank, Tonica; Amy Thiede, Prairie Community Bank, Marengo; and Jim Weast, Warren-Boynton State Bank, New Berlin.**

The Foundation received \$140 from CBSC and CBAI board members due to the “dress-down” board meeting in August.



CBAI SECURED SOLUTIONS FOR COMMUNITY BANKS CBAI WEB SITE HOSTING SERVICES



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