

Holding company structure still advantageous for most community banks

By Amber Seitz

A little over one year ago, Bank of the Ozarks in Little Rock, Ark., publicly announced its plans to dissolve its holding company, sparking debates across the country as to whether or not the holding company structure still has value for community banks. Spoiler alert: it does.

» Why Shed Your BHC?

In boardroom discussions, executives may hear a director ask why the bank has a holding company and if they should get rid of it. “This mostly comes up in the context of a one-bank holding company,”



said **John Knight**, partner at Boardman & Clark LLP. However, for most Wisconsin banks, considering disbanding the holding company will be little more than a

thought experiment. “It’s the kind of thing that should come up during a board discussion, but it’s not my expectation that it will go beyond that in most cases,” said

Knight. “The benefits of a bank holding company structure outweigh the costs, and to get rid of it requires going through a fairly complex legal process.”

The most common arguments for shedding the holding company are reducing regulatory burden and expenses. Since holding companies are regulated by the Federal Reserve, merging the BHC into the bank reduces the number of regulators and exams for the institution. “If there’s no debt and no plans to buy another bank or have multiple banks, then shareholders may want to shed the extra layer of regulation,” said **Paul Sirek**, CPA, Partner at Eide Bailly LLP. However, the Fed’s examinations are typically done off-site and based on Call Reports and exams

(continued on p. 24)

THE NEXT STEP IN BANKTECH EVOLUTION

Bitcoin, blockchain, distributed ledgers... What Wisconsin bankers need to know

By Amber Seitz

Against the backdrop of Bitcoin’s volatile market value and deteriorating reputation, the financial services industry has begun taking its first steps into the world of cryptocurrency and the technology that built it: blockchain. But, what do Wisconsin bankers need to know?

How will this technology impact the day-to-day business of banking in the Dairy State? The answers may surprise you.

» Blockchain 101

So, what is blockchain? According to the *Harvard Business Review*, it’s “an open, distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way.” **Bert Ely**, a banking consultant based in Alexandria, Va., prefers to use the term “distributed ledger technology” (or “DLT”). “Essentially, DLT is a highly secure, tamperproof database in which transactions, financial or otherwise, can be entered sequentially so that a “claim of title”

(continued on p. 22)

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Message from the Chair

Keeping an Eye on the Future

By David P. Werner

The business of banking is changing more dramatically and rapidly today than at any time in our history. Significant technological improvements and drastic shifts in customer preferences have begun reshaping our industry. In this environment, keeping one eye on the future is the only way to prepare for what might be coming down the pike. Two technologies making headlines today are AI and blockchain.

Artificial intelligence (AI) is typically described as a specific kind of machine learning technology where computers gather, analyze, and make conclusions based on large amounts of data. In banking, companies like Promontory are experimenting with using AI for BSA/AML



Message from the Chair

David P. Werner

compliance applications, and some large institutions have created responsive AI personalities for customer service chat-bots. Down the road, AI applications might be used to automate loan applications and decisioning or even loan servicing.

What can Wisconsin bankers do to prepare for this? In short: educate yourself. Make sure you're keeping abreast of the situation. WBA is a good resource in that regard. In fact, WBA's **Mike**

Semmann recently testified at an informational hearing on AI and digital disruption before the Assembly Committee on Jobs and the Economy, along with other members of the grassroots initiative Advancing AI Wisconsin (Semmann is a co-founder of the group on behalf of WBA). The goal of the group is to increase awareness of a set of technologies often referred to as "Digital Disruption Technologies" and their impact on Wisconsin businesses, workforce needs, educational programming, and the State overall.

Another piece of technology you may have seen in the news recently is blockchain*, probably in connection to its most famous (or infamous) cryptocurrency

application: Bitcoin. While cryptocurrency has limited applications in banking (if any—after all, it was designed to circumvent the traditional financial industry), the blockchain technology it is built on could significantly lessen the expense of international money transfers while also moving them close to real-time.

Like AI, and any other emerging technology, the best way for bankers to prepare themselves is to get educated about the possibilities so that when opportunities arise, you're ready to take action.

**You can find more in-depth information about blockchain in the article found on [page 1](#) of this issue.*

Werner is president and CEO of Park Bank, Milwaukee and current WBA Chair, Chair-Elect.

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Donated to the Conduit? Great! Now Release Your Funds!

It's time to break open your advocacy "piggy bank"

By Jon Turke

Have you donated to the Alliance of Bankers of Wisconsin Conduit? **Thank you** so much! Your funds go to pro-banking candidates at the federal, state, and local level. But here's the thing: you need to designate personally where those funds go. Once you sign up for the conduit you should receive regular emails from WBA asking you to donate to certain candidates.

» **Just because you donated funds does not mean the process is over!**

If you are not receiving those emails, please contact me to make sure we have your correct email address on file. The emails might also be



Advocacy Update

Jon Turke

getting trapped in your spam folder.

The ABW conduit allows you to direct dollars to the pro-banking candidates of your choice. The ABW conduit triples the impact of a single contribution by sharing the credit between the individual banker, the bank he or she represents, and the banking industry as a whole.

WBA uses the generous contributions of its member

bankers to help elect pro-banking candidates and defeat anti-banking candidates. We've all seen what happens when anti-banking legislators are in charge: more red tape and higher taxes. Proposals on the federal and state levels could change the way we offer products, process electronic payments, raise capital, make new loans, and even how we talk with our customers.

If you do not care where your funds go but have already donated to the conduit, you can transfer those funds to Wisbankpac. The PAC is administered by WBA staff and the decision is made internally on where those funds would be best used.

November is getting closer every day, and candidates that support the industry will need these funds more and more. They do no good sitting in your conduit account, so please be sure to release them over the course of the campaign.

Are you receiving emails but do not wish to donate to any of the candidates listed? You can always respond with any other candidate you choose. We do have a prohibition on donating to presidential campaigns as the compliance requirements are too great.

Please contact me with any questions at 608/441-1215 or jturke@wisbank.com.

Turke is WBA director – government relations.

Wisconsin Banker's Voice Heard in Washington

Participation on CFPB advisory council provides insights, opportunities

For the past three years,



Spitz

Tom Spitz, CEO of Settlers Bank, Windsor, has served on the Consumer Financial Protection

Bureau's Community Bank Advisory Council. The CBAC advises the Bureau on regulating consumer financial products or services and offers the unique perspectives of community banks. They share information, analysis, and recommendations to better inform policy development, rulemaking, and engagement work. Spitz will officially roll off the council in August of this year after serving an extended term (the typical appointment is two years). Overall, the experience was "fascinating and worth the investment of time," Spitz told WBA.

When he first applied for a position on the council,

Spitz wasn't exactly sure what to expect, but wanted to use his compliance knowledge to serve the industry. "I submitted my application thinking the best way to advocate for the banking industry was to be there," he said. "I went in open-minded." That approach paid off. Through his participation on CBAC, Spitz had a front-row seat to the rulemaking process and extended facetime with regulators, including then-CFPB Director **Richard Cordray**. "The biggest revelation was that the bureau's staff and subject matter experts genuinely listened to everything that CBAC members brought to the table," Spitz said. "Director Cordray spent—in most cases—the entire day with the group. He sat at the table and listened."

While that listening didn't always impact the outcome

of the regulations (many still onerous for small and mid-size institutions) Spitz recalled two distinct instances where he feels input from the council made a difference. First was small dollar lending. Spitz says during the discussion CBAC members were very clear that community banks try hard to meet the credit needs of applicants, but the bureau's proposed regulations would make it very difficult. The bureau eventually considered carve-outs to the rule as a result. Second was QM and some of the related mortgage lending rules. After discussing the rules in-depth with the council, Cordray issued an official public statement acknowledging the complexity of the new HMDA reporting requirements and announcing that the Bureau would not penalize banks for minor errors.

While these two instances of visible impact are encouraging, Spitz viewed all of his discussions with CFPB officials—even the ones that did not have much effect on the final outcome—as part of a larger "relationship management" strategy. "The national and state trade associations, including WBA, were very good at communicating and helping CBAC members understand the industry talking points and perspective in order to get the message further reinforced at the table," he said. "CBAC represented one more way to deliver the industry message to the people who make the rules that impact our industry."

If you would like additional information about the council, please contact WBA's **Rose Oswald Poels** at ropoels@wisbank.com.

Feeling The Squeeze?

By Brett Patten, Vice President – BOK Financial Institutional Advisors



Community Bank ALCO meetings have a common denominator, “we are probably going to have to raise deposit costs.” Sound familiar? As the “normalization” of Fed Funds continues, competition for your liabilities are coming back. Remember money market mutual funds? They are approaching 1.50%.¹ Corporate cash today, unlike before the Great Recession, sits predominantly in banks. When corporate sweeps, commercial paper, and funds regain the attention of corporate cash managers, competition for deposits will follow. Given the increased use of pledging to gain municipal deposits, wholesale funding, and overall reduced on balance sheet liquidity, liability side margin pressure seemingly looms.

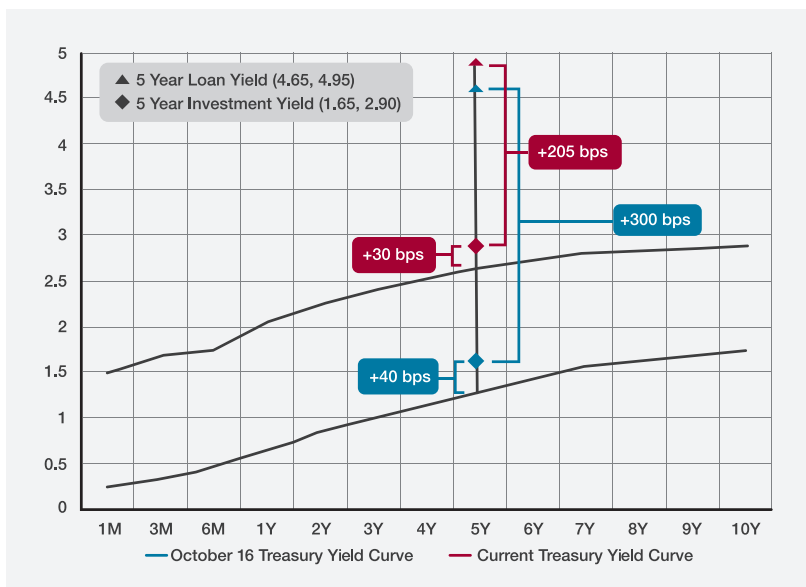
At the same time, loan competition is fierce despite valuation froth in many collateral categories. Credit spreads grind lower with every basis point increase in the yield curve, with loans seemingly priced based on the last deal, won or lost. Anecdotal evidence of credit easing abounds in our conversations.

Margin Pressure Growing

For the last several years, margin pressure has remained below the surface, hidden by rock bottom deposit costs. Yet the tide is heading out, to paraphrase Warren Buffet, soon we’ll know who’s been swimming naked. Regulators almost certainly will be diligent in the current exam cycle, focusing on aggressive late-cycle commercial lending, loosened credit standards to win deals and decreasing levels of on-balance sheet liquidity.

Now back to loan spreads. This chart depicts a typical loan rate in 2016-2018 versus the average treasury curve and 5 year investment for each year. The average 5 year investment yield has increased 125bps from 2016 to 2018. Loan rates, however, have generally only moved 30bps, possibly 40bps if you’re an outlier. As a result, the loan spread above a 5 year investment has collapsed from 300bps to just 205bps since just 2016.²

Given the high probability of deposit cost pressures this year and next, it is increasingly unjustifiable to press to add that incremental loan, absent increased loan rates. It is incumbent on Asset Liability Committees and Senior Management to set pricing expectations to protect your margin. Unlike the majority of the last decade, the yield curve is moving...daily. There is no greater task than educating your Board, lenders, and thus your borrowers, that a return to pricing loans on a spread basis (not rate) has come. Your margin in the years to come depends on it.



BOK Financial Institutional Advisors provides third party asset liability reviews, modeling, consulting, decay rate studies, and investment portfolio strategy and can be reached at **866.440.6515** or learn more at www.bokfinancial.com/institutions.

1 http://www.barrons.com/public/page/9_0204-trmfy.html 2 This information and the accompanying chart are based on internal historical analysis of community bank loan rates and typical investments purchased during that time. Securities, insurance and advisory services offered by BOK Financial Securities, Inc., member FINRA/SIPC and a subsidiary of BOK Financial Corporation. Some services offered through our affiliate, Institutional Investments, Bank of Oklahoma which operates as a separately identifiable trading department of BOKF, NA. **NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE**
All investments are subject to risk, including possible loss of principal. The opinions expressed herein reflect the judgment of the author at this date and are subject to change without notice and are not a complete analysis of any sector, industry or security. Always consult with a qualified financial professional, accountant or lawyer for legal, tax or investment advice.



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Legal Entity Customers Must Certify Beneficial Owners

Customer due diligence rules apply

Under the Customer Due Diligence Rules, Must Legal Entity Customers Certify Beneficial Owners for Financial Product Renewals?

Answer: Yes. Except under certain circumstances, each time a loan is renewed or a certificate of deposit is rolled over, a new account is established.

Thus, for financial services or products established before May 11, 2018, covered financial institutions must obtain certified beneficial ownership information



Compliance Q&A

Scott Birrenkott

at the time of the first renewal following that date. However, at the time of each subsequent renewal, if the legal entity customer and the product remains the same, and the customer certifies that the previously obtained

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beneficial ownership information is correct, and the financial institution has no knowledge of facts that would reasonably call into question the reliability of the information, the financial institution would not be required to collect the beneficial ownership information again.

For more information, see question 12 in the April 3, 2018 FAQs issued by FinCEN here: www.fincen.gov/sites/default/files/2018-04/FinCEN_Guidance_CDD_FAQ_FINAL_508_2.pdf.

Birrenkott is WBA assistant director – legal. For legal questions, please email wbalegal@wisbank.com.

Note: The above information is not intended to provide legal advice; rather, it is intended to provide general information about banking issues. Consult your institution's attorney for specific legal advice or assistance.

DPI Updates Economics Academic Standards, Invites WBA to Contribute

WBA participates on model academic standards writing team

The banking industry and your association are seen as experts in the field. When the Wisconsin Department of Public Instruction initiated its process for reviewing and revising academic standards for social studies back in August 2017, WBA was asked to contribute that expertise to the time-intensive process of drafting new standards.

In October 2017, WBA Operations Manager and Senior Writer **Amber Seitz**, who also serves as the financial literacy coordinator for the Wisconsin Bankers

Foundation, received a formal invitation from the state superintendent's office to be a member of the writing committee for the new standards. WBA was invited to participate to provide non-educator expert input, particularly related to the economics strand of the standards.

On Nov. 6, 2017, the 42-member writing team assembled in Madison to discuss the writing process, identify major themes within each of the five social studies strands (behavioral sciences, economics, geography, history, inquiry practices and processes, and political science), and begin working on an initial draft of the standards document. The writing team included

educators from all grade levels, geographic regions, district sizes, and levels of classroom experience and included non-educator industry leaders, district administrators and curriculum coordinators, and representatives from higher education and special education. The leadership team for the writing group included DPI's **John Johnson**, Ph.D. and **Kris McDaniel**, as well as co-lead writers **Che Kearby**, Kenosha Unified School District, and Dr. **Corey L. Thompson**, Cardinal Stritch University.

For the next two months, each content strand team worked separately to create polished drafts of their standards, and on Jan. 31, 2018 a draft of the standards was released for public

review and provided to the education committees of the Wisconsin Legislature. Public hearings took place February 12 in Oshkosh and February 13 in Madison. Then, in early March, the full writing team re-convened to review every public comment received and incorporate the necessary changes into the standards document.

On March 22, McDaniel and seven members of the writing team (including Seitz) presented the standards draft to the State Superintendent's Standards Review Council. With the council's support, Superintendent **Tony Evers** is expected to formally adopt the new standards in late spring/early summer.



Seitz

WBA Commemorates Community Banking Month, Teach Children to Save Day

In keeping with its tradition of supporting April as National Community Banking Month, the WBA requested a proclamation from Gov. **Scott Walker** naming April as Wisconsin Community Banking Month. This campaign emphasizes the importance of reinvesting in the local community, which banks are in a unique position to do. Recognizing that over 95 percent of WBA members are community banks, we applaud the institutions and banks who supported this campaign by participating in the Power of Community Week during April 16-20. Visit www.wisbank.com/BanksPowerWI for more information.



> Teach Children to Save Day: www.wisbank.com/community-financial-education/teach-children-to-save-day.

In addition, the Wisconsin Bankers Foundation requested a proclamation from the Governor naming April 20 as Teach Children to Save Day in Wisconsin. To help facilitate participation in Teach Children to Save Day, the WBF compiled a Reading Raises Interest Kit for bankers to use when giving presentations. Nearly 100

> Power of Community Week: www.wisbank.com/BanksPowerWI.

banks ordered over 450 kits to help them teach the state's youth about the importance of saving and spending wisely. For more information about Teach Children to Save Day, please visit www.wisbank.com/community/financial-education/teach-children-to-save-day.



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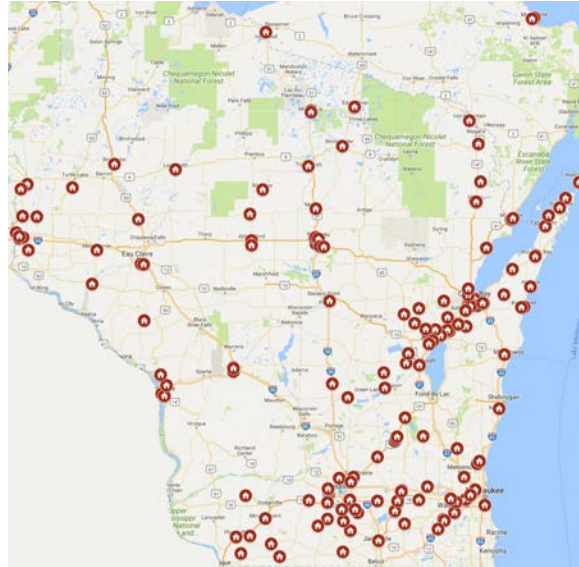
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Accountants and Advisors

Bankers Prove the Power of Community in April

The WBA launched its first annual Power of Community campaign in April, and it was a huge success. The campaign brought together member banks and associate member companies to celebrate their commitment to the communities they serve.

We know banks are heavily involved in community service projects, but the sheer amount of responses coming in from banks, representing just a small portion of their year-round efforts, was impressive. It truly showed our collective impact



> Visit www.wisbank.com/BanksPowerWI and click on the interactive map to see which banks participated and what their activities were.

and involvement in the state.

There is still time to highlight your bank's efforts in supporting the communities in our state. Fill out the form on www.wisbank.com/BanksPowerWI to let us know how you participated! And, you can also visit that page to click on an interactive map to view which banks participated and what their activities were.

Thank you to all the banks and bankers who participated in this inaugural effort. We can't wait to see what happens next year! **#BanksPowerWI!**

Social Media Analytics for Power of Community Week*

Twitter

Use of **#BanksPowerWI**

- Posts using the hashtag: 53
- Users using the hashtag: 20
- Reach of hashtag: 5,454

WBA Tweets About Power of Community

- Average Engagement: 9.5%
- Total Impressions: 1,422

Facebook

#BanksPowerWI

- Total Engagements (not including clicks): 311
- Total Impressions: 2,221
- Engagement (not including clicks): 14%
- Followers Gained: 12

LinkedIn

- Total Engagements (not including clicks): 115
- Total Impressions: 9,695
- Engagement (not including clicks): 1.18%
- Followers Gained: 9

*Data compiled as of 4/20/18.

Power of Community Participation Soars

Here is how banks across Wisconsin made a difference in their communities by participating in the WBA Power of Community campaign. Visit www.wisbank.com/BanksPowerWI, to view which banks participated, what their activities were, or to fill out the form to let us know how you participated!

» By the Numbers*

- » **90** banks committed to participating
- » **42** banks reported their activities
- » **1,738** Power of Community t-shirts worn
- » **2,393** volunteer hours reported (*estimated*)
- » **1,972** bankers participated (*estimated*)

* At the time of printing, almost half the participating banks had reported their activities.

» Funds Raised for:

- » Big Brothers, Big Sisters
- » Family First Ministries
- » Five Loaves Food Shelf
- » Grant County Cancer Coalition
- » Local food pantries
- » Special Olympics
- » United Way of Washington County
- » Wrightstown Area Food Pantry

» Activities Included:

- » Spring cleaning with the local parks and recreation department
- » "Paying it Forward" with random acts of kindness
- » Teach Children to Save Day
- » Celebrating Arbor Day with seedling giveaways
- » Video competition for local nonprofits to enter and win prizes
- » Fundraiser through "jeans days"
- » Providing lunch for the local police and fire departments
- » City cleanup days

Wisconsin Bankers Association

Power of COMMUNITY

www.wisbank.com/BanksPowerWI

Searching for Top Talent?

WBA offers two options for bank HR professionals to choose from!

Finding and keeping top talent is high on the list of challenges Wisconsin banks face. We hear over and over from our members about how difficult it is to attract and retain quality employees and that the pool of available candidates has shrunk exponentially over the last decade due to a number of factors, including changing demographics, increasing regulations, and Wisconsin's historically low unemployment rate. WBA offers two solutions for member banks: Bankers Marketplace and BankTalentHQ. Use them both, or pick the best fit for your bank!

Bankers Marketplace is the association's in-house



» Please visit www.wisbank.com/Classifieds to learn more.

classified ad service and has been a popular choice for Wisconsin banks for many years. This members-only service allows banks and associate members to post classified ads online and/or in print issues of the *Wisconsin Banker* at competitive rates. Marketplace ads can also be published "blind"—an option where the posting party is kept confidential and WBA staff forward applications/responses. In addition, WBA has added

a new feature to the Bankers Marketplace with the goal of bringing new talent into the industry: complimentary internship postings! WBA member banks can now post internship openings on the website free of charge.

BankTalentHQ, created by the Illinois Bankers Association and supported by 15 state bankers associations (including WBA) and counting, is a nation-wide talent management resource for the financial industry. The main focus for the website, which WBA members can access via www.wisbank.com/classifieds, is the job board where banks can post job openings via one-time post or a variety of

posting packages. Ancillary services currently being offered include industry news and articles, resume writing, a career learning center, and coaching. To make the site even more robust and tailored for your institution, additional services like career paths, job summaries, executive recruitment, and outplacement are in development.

Learn more about BankTalentHQ by reading the employer FAQs below and on page 11!

Visit www.wisbank.com/Classifieds to learn more about both classified ad services available to WBA members, and place your classified ad today!

BankTalentHQ Employer FAQs

How long does it take for my job posting to be seen on the website?

Ads appear online within 20-30 minutes of their completion unless approval is necessary. If ads require approval then they will appear once they are approved and released.

» Is there a limit to the length of the job posting?

There is usually no limit to the length of the posting.

» How do I post a job while keeping the employer name and information confidential?

To create a confidential job posting, click "Edit Employer Profile" and enter "Confidential" in the "Employer Name" and "Employer Profile" fields and leave the "Homepage" field blank. Additionally, when you are posting the job,

enter "Confidential" in the "Display Company As" field. Note that all applications are routed through the system so job seekers will not see your contact information unless you provide it in the text of the ad.

» Can I edit a current job posting?

Yes. From the "My Account" tab, click the "Active Jobs" link. Click the edit icon (which looks like a pencil) on the same line as the job you wish to edit. Once the changes have been made, click "Preview Job" at the bottom of the form. If satisfied with the changes, you can then click "Post Job Now" to complete the posting process.

» How can I renew a posting that is about to expire?

There is no way to actually renew the current job; however, you can copy it to keep it running. From the

"My Account" page, click the "Active Jobs" link, then select the copy icon on the line of the job you wish to copy. From here you can make any changes to the ad, preview it, and post the job immediately.

» What if my company requires applicants to apply online on our website and I do not want to include an email in the "Reply to" field?

Some sites require that an email address be provided on the job posting form. On these sites, we encourage you to specifically state in the text of your job posting how applications will be accepted. For example, you may wish to enter "ONLY APPLICATIONS SUBMITTED AT [your web address] WILL BE ACCEPTED" to discourage applicants from submitting their applications incorrectly.

» Can I use HTML in my job posting?

Yes, but please note that our customer service does not offer HTML technical support.

» I am searching for my job posting online on BankTalentHQ.com and it does not appear.

Please note that you must search using the exact criteria that you entered on the job posting form. For example, to search using the job category menu, you must have specified your category on the job posting form.

» How can I obtain a receipt?

A receipt is emailed immediately to the billing contact when a credit card payment is processed.

(continued on p. 11)

BankTalentHQ FAQs

(continued from p. 10)

You may also print or email a copy of the receipt from the confirmation page that is displayed when you complete a posting.

» How do I edit my employer profile?

From the “My Account” tab, click “Edit Employer Profile.” Make any changes, then click the “Save & Continue” button located at the bottom of the form. Once the changes are made and submitted, they will appear online within 24 hours.

» Can our bank have multiple users on our account?

Yes. After logging in, go to the “My Account” tab. Click the link for “Create a New



» Please visit www.wisbank.com/Classifieds to learn more.

User”. This will prompt you for First Name, Last Name, Email, Phone, and Password for the user you wish to add. Once access has been created for a new user, they can begin using that login information to access the account.

» Can I remove a user from our bank’s account?

Yes, but in order to remove a user from your account, you will need to contact BankTalentHQ’s online customer service with the user’s email address that is to be removed.

» How can I use the professional profile/resume search?

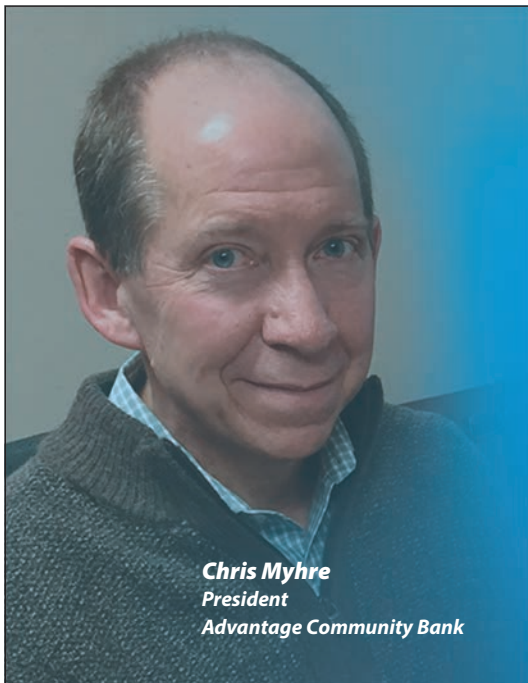
Once you have purchased a package with resume access, click on the “Search Profiles” tab. After you have entered the search criteria, a list of qualified candidates will display. From this list, click on the highlighted line to view a person’s professional profile and attachments.

» What are Professional Profile search agents?

Our keyword searching technology allows you to quickly narrow your search to find the candidates you need. To help you continue to identify candidates, you have the ability to create an

unlimited number of profile search agents based on criteria you establish. Matching professional profiles are emailed directly to you each day. On your “My Account” page, click on the search profiles tab. You can then enter your search criteria. To receive the emails, be sure to check the box beside “Automatically email me results from this search daily.”

Visit www.wisbank.com/classifieds for more information and to place your ad today!



Chris Myhre
President
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“The Locknet support center is our IT help desk for all of our employees. I personally called the support center with a number of issues to see first-hand how easy it would be to connect and get answers. They exceeded all my expectations. When I tell my employees to use the support center I can say it with confidence because it works!”

— **Chris Myhre, President – Advantage Community Bank** Originally founded as Dorchester State Bank (Dorchester, WI) in 1906, Advantage Community Bank has expanded to Wausau, Mosinee and Edgar, WI. The bank has \$145M in assets and 28 employees.

To receive our free article on the top IT issues to focus on in 2018, scan here:



The WBA Human Resources Conference Has What You Need to Succeed

Because in the world of HR and banking, staying at the top of your game is essential

As a human resources professional working in the banking industry, you know how vital it is to stay up-to-date on the wide variety of laws, regulations, and guidelines that impact your day-to-day activities. That's why it's time to sign up for the annual WBA HR Conference! Four expert speakers will lead five sessions designed with HR professionals in mind and selected by the WBA Human Resources Committee, made up of your peers. Planned by human resources professionals in the banking industry, the conference will be held at the Glacier Canyon Lodge at the Wilderness Resort in Wisconsin Dells on May 11, 2018. Join us for this one-day opportunity to brush up on all the latest changes and trends in the HR world.



WBA Human Resources CONFERENCE | MAY 11

Speaker **Jennifer Mirus**, partner at Boardman & Clark LLP Law Firm, will kick off the conference with a session updating attendees on current employment law. Then, speakers from Blue-U Defense will address how the drug problem is impacting your workplace and cover what constitutes "reasonable suspicion." Afterward, Mirus will return to the stage to provide a follow-up from the legal perspective. The morning will close with a highly anticipated internship panel.

After lunch, **Julia Johnson**, senior manager in Wipfli's

Financial Institutions industry practice, will lead a session on culture and its impact on change. This session will focus on understanding the influences of culture and its impact on the success or failure of a change effort. Johnson will present the role and importance of leadership during change, the normal human response cycle to change, the difference between project management and change management, what culture is, and how to measure culture in order to position the bank for a successful change effort.

After a short break, the

ever-popular speed networking session will offer an excellent opportunity to meet and exchange ideas with other HR professionals. Finally, motivational speaker **Paul Long** will use his fun-loving attitude, infectious spirit, and philosophy of "fundamism" to explain how to connect the workplace and life through F.U.N. Long has been challenging the traditional corporate landscape in sales and service since 2005, leveraging his experience and his ability to connect with others to engage audiences around the globe.

You can't reap the benefits of the WBA HR Conference if you don't attend! To register and learn more about the conference, please visit www.wisbank.com/events/human-resources-conference!

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Want to Grow (or Create) Your Bank's Health Savings Account Program?

Day-long workshop covers the A to Z of HSAs

Whether your financial organization is just entering the HSA marketplace or looking to enhance its current HSA program, this day-long seminar is the ideal training program. Expert speakers from Ascensus, the nation's largest independent retirement and college savings services provider, will cover all aspects of a successful HSA program and give you a comprehensive curriculum along with a practical understanding of critical rules and operational issues.

The jam-packed agenda includes everything from an introduction to HSAs to compliance. During the workshop, attendees will encounter topics such as:

- » How to explain the benefits of an HSA
- » Growth trends in the HSA marketplace
- » Eligibility requirement and the testing period rules
- » The process for establishing an HSA and the required documents
- » Requirements for amending HSA documents
- » Contribution limits and deadlines
- » Effects of Medicare on funding eligibility
- » Tax consequences of qualified and non-qualified distributions
- » How HSA fees are handled
- » Tax treatment of an HSA after the HSA owner's death
- » Ensuring accurate distribution reporting
- » Rules for transfers and rollovers
- » Identifying the bank's responsibilities in administering the HSA program
- » Recognizing the bank's responsibilities vs. the HSA owner's responsibilities

This workshop will be most valuable for bankers who want to become more comfortable with HSA rules,



» Please visit www.wisbank.com/HSA to register online or to learn more.

WBA Health Savings Account Workshop

May 17 | Wintergreen Resort & | Wisconsin Dells Conference Center

are responsible for ensuring HSA compliance, need an understanding of HSA basics, are looking for an update on the latest industry changes, or are responsible for internal systems, HSA transaction codes, and proper HSA administration.

Visit www.wisbank.com/HSA to learn more and to register online!



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Bulletin Board

News about people working in Wisconsin's financial institutions

Promotions and New Hires

Belmont

Mound City Bank recently promoted **Sally Carey** (pictured) as Belmont branch manager/retail lending officer.



Carey



Bucholtz



D. J. Krutz



Lardinois



Lins

Fort Atkinson

PremierBank has announced the hiring of **Ray Bucholtz** (pictured), as a commercial lender.



Wilczek



Myrland



Gentry



Bruins



Paltz

Greenleaf

Greenleaf Wayside Bank promoted **David J. Krutz** (pictured) to the role of president. Krutz has been with the bank since 1996. The bank also announced the promotion of **Terry Lardinois** (pictured) to the role of chairman of the board of directors. Lardinois has been with the Greenleaf Wayside Bank since 2001 and a member of the Board since 2003, and he continues to serve as the bank's CEO.

Markesan

Markesan State Bank has appointed **Debra Lins** (pictured) as chief executive officer. Lins joined the bank in April 2018 as Interim CEO.

Marshfield

Ron Wilczek (pictured) has joined the Forward Bank team in Marshfield as a vice president/senior commercial lender.

McFarland

Northern Bankshares, Inc. announced the appointment of **Ami Myrland** (pictured), vice president and chief financial officer of Northern Bankshares, Inc., the Holding Company of McFarland State Bank (MSB), effective Jan. 23, 2018.

Oregon

Oregon Community Bank is pleased to welcome **Alan Lamb** to the bank as the assistant vice president

construction and mortgage lender.

Sheboygan

Wisconsin Bank & Trust is proud to announce the addition of **Kathy Gentry** (pictured) to the team as senior vice president, retail and business banking manager.

Waupun

NBW Bank has promoted **Carrie Bruins** (pictured) to assistant vice president retail operations; **Lisa Paltz** (pictured) to vice president operations/information technology, **Ben Buteyn** (pictured) to vice president commercial and ag lending; and **Nate Daane** (pictured) to vice president consumer and residential lending.

NBW Bank has also announced that **Terri Crisp** (pictured) has joined the bank as the audit/compliance officer.

(continued on p. 15)



Employee Volunteer Group Donates Teddy Bears to Local Fire Department

Waukesha State Bank's employee volunteer group, Helping Hearts, recently decorated and donated 35 teddy bears to the Waukesha Fire Department as part of their "Dress-a-Bear" initiative. Pictured, (left): Members of the Waukesha fire department pose with donated teddy bears and Waukesha State Bank employees (from left to right) **Mark Schreiber** and **Sara Wysk**.

Erick Gorecki
262-369-7007

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Have good news? To submit a notice, please email bulletinboard@wisbank.com. Or mail entries to *WBA Bulletin Board*, 4721 South Biltmore Lane, Madison, WI 53718. Send photos as JPEG files. Questions? Contact WBA's **Amber Seitz** at 608/441-1237 or aseitz@wisbank.com.

Bulletin Board

News about people working in Wisconsin's financial institutions

Promotions and New Hires

(continued from p. 14)

Wauwatosa

WaterStone Bank has announced that **Julie A. Glynn** (pictured) has joined the bank as senior vice president of retail banking, and **Joseph A. Mudlaff** (pictured) has been appointed vice president, director of commercial real estate.



Buteyn



Daane



Crisp



Glynn



Mudlaff



Diehl



D.W. Krutz



Schaefer

Congratulations

Marshfield

Forward Bank has been honored as one of the winners of the 2018 Bubbler Awards: Best Places to Work for Young Professionals in Wisconsin. Forward Bank was among the top 10 companies that were nominated by their employees, evaluated, and selected by a group of young professional leaders from across the state of Wisconsin.

Wisconsin Dells

Tom Diehl (pictured), director at Bank of Wisconsin Dells, is being honored by *NorthWestern Financial*

Review as an "Amazing Outside Director" for 2018. Tom's 27 years with the bank and his overall value to the local economy has ignited this well-deserved recognition.

Retirements

Greenleaf

Greenleaf Wayside Bank announced the retirement of **David W. Krutz** (pictured), president and Chairman of the Board. Krutz has been with Greenleaf Wayside Bank since April 1, 1966 and a member of the Board of Directors since Jan. 15, 1969. Congratulations!

River Falls

Dan Davison retired as River Falls State Bank president in March after a 40-year career. Congratulations!

Waukesha

Waukesha State Bank is proud to announce the retirement of **Madge Schaefer** (pictured) after nearly 45 years with the Bank. Congratulations!

Announcement

Union Grove

Community State Bank in partnership with Shepherds College is pleased to introduce

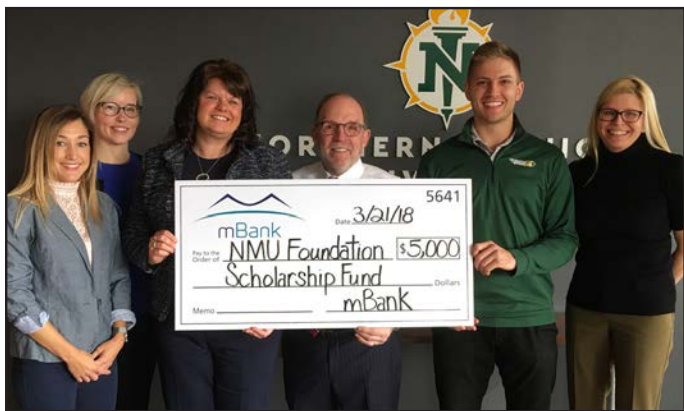
Shepherds Community Café! The local collaboration is a café with a purpose that goes far beyond a great cup of coffee. The café will provide training, work experience, and jobs for intellectually disabled students from all over the world. Shepherds Community Café will be located inside of Community State Bank's main office in Union Grove and be staffed by Shepherds College students with all proceeds directly benefitting the college. The café, in addition to the entire bank, is currently in the process of being renovated and is set to host a grand opening this spring.

Associate Members

Wausau

EO Johnson Business Technologies is pleased to announce that **Leif Christianson** has joined the company as Locknet director of operations.

mBank Supports Northern Michigan University Foundation



mBank is pleased to announce its recent donation to Northern Michigan University (NMU) Foundation's General Scholarship Fund. The donation was tied to the Northern Michigan Wildcats men's ice hockey team making it to the 2018 WCHA Championship game and their accomplishments. The donation is part of a larger initiative started by mBank titled 'Score for Scholarships', an enterprise to support students at the University. Pictured above from left to right: **Amy Lee** (mBank), **Jamie Van Buren** (mBank), **Sherry Arnold** (mBank), Dr. **Fritz Erickson** (NMU President), **Robbie Payne** (Captain, NMU Hockey), **Bethany Cody** (mBank).

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- Resources • Training Events • And more!

Wisconsin Bankers Association

Calendar of Events

May – October 2018

Visit www.wisbank.com/education to find out more about these programs, register or browse a full list of WBA Education events. Please direct questions to the WBA Education Department at 608/441-1252 or wbaeducation@wisbank.com.

Conferences

Trust Conference
May 2 | Fond du Lac

Human Resources Conference
May 11 | Wisconsin Dells
(See article on p. 12 and WBA Featured Events.)

BSA/AML Compliance Conference
May 22-23 | Wisconsin Dells
(See article on p. 17 and WBA Featured Events.)

FIPCO Events

Threat Intelligence Briefing
May 9 | Hudson

FIPCO Tour de Compliance Concierge™ – Loan & Mortgage WebEx (Five Sessions in May)

FIPCO Compliance & Software Forum (Deposit)
May 15 | Madison
(Visit www.fipco.com/events.)

Group Meetings

WBA CEOOnly|CFOOnly Networks Group Meetings
June 15 | Wisconsin Dells
Oct. 19 | Madison

Schools

School of Bank Management
May 6-11 | Madison

Lending Boot Camp
May 15-17 | Madison

Agricultural Lending School
Aug. 1-3 | Wausau/Rothschild

> Register online for WBA events at www.wisbank.com/education.
> Register online for FIPCO events at www.fipco.com/events.

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Wisconsin Bankers
www.linkedin.com/company/wisconsin-bankers-association

> Watch Us



Wisconsin Bankers
www.youtube.com/WisconsinBankers

Peer Groups

2018 Retail Banking Peer Groups
May 16 | Brookfield
May 16 | Appleton
May 16 | Eau Claire

Seminars/Workshops

ABA Principles of Banking Course
May 8 | Onalaska

IT Risk Management Seminar
May 16 | Wisconsin Dells

Health Savings Account Workshop
May 17 | Wisconsin Dells
(See article on p. 13.)

Summits

Bank Directors Summit
May 16 | Eau Claire
May 17 | Stevens Point
(See article on p. 21 and WBA Featured Events.)

BOLT Summer Leadership Summit
June 14-15 | Wisconsin Dells

Webinars (online training)

Critical Issues on Certificates of Deposit (CDs) Webinar | May 17

Escrow Accounts Compliance Webinar | May 17

Common Pitfalls of ARM Disclosures Webinar | May 22

New BSA Officer Training Webinar | May 24
(Register online for webinars at www.wisbank.com/education.)

WBA Featured Events

Upcoming Conferences and Summit

Human Resources Conference

May 11 | Wisconsin Dells

WBA's HR Conference is your one-stop shop for all the updates you need to stay current in your role managing human resources in the banking industry! This one-day conference features five sessions from industry experts on essential topics such as employment law, drugs in the workplace, culture and its impact on change, and connecting the workplace and life. Presenters from Boardman & Clark Law Firm, LLP, Blue-U Defense, and Wipfli will leave attendees with deeper insights and actionable information. In addition, the popular speed networking session offers an excellent opportunity to meet and exchange ideas with other HR professionals. Learn more and register today at www.wisbank.com/events/human-resources-conference!

Bank Directors Summit

May 16 | Eau Claire May 17 | Stevens Point

This one-day Summit will discuss key issues regarding leadership and management of community banks from the directors' perspective. It's designed for bank management teams, novice or experienced inside and outside directors, bank CEOs, executive officers, and bank general counsel. Speaker **Geri R. Forehand**, CPCM, Forehand Strategy Group LLC, will cover topics including succession planning, assessing the board's effectiveness, directors' role in addressing risk management challenges, developing and monitoring strategic planning, financial technology, and planning for your bank's future. For complete session descriptions and to register, please visit www.wisbank.com/DirectorsSummit.

BSA/AML Compliance Conference

May 22-23 | Wisconsin Dells

How confident are you in your institution's BSA/AML program? Do you have an exam coming up and need a refresher? WBA's annual BSA/AML Conference, coming up on May 22-23 in Wisconsin Dells, is designed for personnel who have responsibility for maintaining or auditing Bank Secrecy Act compliance efforts, providing an essential annual review of all key BSA responsibilities, from CTR and SAR filing to record retention. It also reviews the required elements of your AML program from CIP to enhanced due diligence. The curriculum for this conference changes every year. Your continued attendance establishes your bank's as well as your own commitment to staying abreast of the most dynamic and pervasive compliance responsibility your institution has. Visit www.wisbank.com/BSA to learn more and register for the conference.

Please direct any questions about upcoming WBA education programs to WBA's **Miranda Helt** at 608/441-1270 or mhelt@wisbank.com.

Annual Training for Bank Staff: BSA/AML Conference

Focus on Bank Secrecy Act compliance and a review of key responsibilities

WBA's annual BSA/AML Conference, coming up on May 22-23 in Wisconsin Dells, is designed for personnel who have responsibility for maintaining or auditing Bank Secrecy Act compliance efforts, providing an essential annual review of all key BSA responsibilities, from CTR and SAR filing to record retention. It also reviews the required elements of your AML program from CIP to enhanced due diligence.

The curriculum for this conference changes *every year*. Your continued attendance establishes your bank's as well as your own commitment to staying abreast of the most dynamic and pervasive compliance responsibility your institution has. Every bank must provide ongoing training to those responsible for BSA and AML compliance. This conference gives your institution an opportunity to listen to and interact with regulators from both the state and federal functional regulatory agencies. It also allows you a unique opportunity to get some rare "how to" instruction in BSA/AML compliance issues.

This year's keynote speaker is **Ken Gollhofer**, Pegasus Educational Services LLC. The two-day conference starts off with his review of the good, the bad and the ugly BSA/AML compliance milestones from the past 12 months. Gollhofer will offer insights about how these developments

WBA
BSA/AML Compliance
 conference
 May 22-23 | Chula Vista Resort | Wisconsin Dells

» To register or for more information visit www.wisbank.com/BSA.

may (or may not) affect your day-to-day compliance efforts. This presentation will address all major enforcement actions, BSA reporting trends, proposed regulations, notices of proposed rulemaking, and interagency guidance.

Next, Gollhofer will lead attendees through a detailed exploration of FinCEN's FAQs, pulling out some of the "gems" going back to 2000. Note: *If FinCEN issues a second FAQ on the new due diligence regulation before this school, that FAQ will be the sole focus of this segment.*

After lunch and another session with the Wisconsin Department of Health Services, Gollhofer will close Day one of the conference with a session discussing CDD implementation. Day 2 will open with a glimpse of what to expect during your next BSA examination. A panel of representatives from each of the federal functional regulatory agencies as well as from the Wisconsin DFI Department of Banking have been invited to review their agencies' current philosophies and practices. The panelists will also give an overview of their agencies' current approaches to BSA/AML

examinations, and attendees will have an opportunity to ask questions and participate in a discussion with the regulators.

To close out the conference, Gollhofer will lead three separate sessions on establishing a formal process for evaluating new products and services, the care and feeding of private ATMs, and responding to LEA requests/demands for information.

Every bank must provide ongoing training to those responsible for BSA and AML compliance. This conference

provides a unique combination of interaction with regulators and rare "how to" instruction in BSA/AML compliance issues, resulting in practical, *actionable* information you can take back to your institution and implement immediately.

Visit www.wisbank.com/BSA to learn more and to register for the conference.

Note: *This is not an introductory program; all attendees should receive at least six hours of formal BSA/AML training prior to attending. The WBA holds several one-day overview workshops in the fall for those who have not previously received six hours of formal BSA training.*



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EBC's carrier for life and disability products is Lincoln Financial Group, a part of Lincoln National Corporation (LNC). LNC was formed in Indiana in 1968, and company can trace its roots to its earliest predecessor



founded in 1905. With operating revenues of nearly \$14 billion and a net income of \$1.2 billion, their size and stability make Lincoln a strong company and ideal partner for the banking industry. During their relationship with EBC, Lincoln has remained a tremendous partner and continues to offer strong products with competitive pricing. One such product is their voluntary life coverage.

Life insurance helps ensure your employees' loved ones' financial protection by providing their beneficiaries a cash benefit to cope with the loss of income. This product can be a valuable addition to your bank's compensation and benefits package, offering your employees flexibility and comprehensive coverage. Some of the benefits included in Lincoln's voluntary life plan are:

- » \$100,000 Guarantee Issue for employees and \$50,000 Guarantee Issue for spouses
- » Annual enrollment opportunity to increase amounts by \$20,000 employees/\$10,000 spouses
- » Portability and conversion options

» LifeKeys – Online will, identity theft, and beneficiary assistance resources

» TravelConnect – Travel assistance including medical emergency evacuation and transportation

As an employer, you can be confident in your decision to offer your employees voluntary life coverage from Lincoln Financial Group and WBA EBC. The WBA/Lincoln exclusive program for WBA members has over 140 banks participating and 10,000+ enrollees. The rating impact of this large pool ensures that you have access to the best options and the best prices—typically 10-20 percent off standard

(continued on p. 19)



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Is a Continuous Diagnostics and Mitigation Program Right for Your Institution?

By Ken Shaurette

There are many practical considerations that can be leveraged when implementing a National Institute of Standards and Technology (NIST)*

Continuous Diagnostics and Mitigation (CDM) Program. In this article, we'll identify a few practices to support your implementation of a CDM Program, with the hope that the information provided can be used to assist an organization with aligning CDM into the current information security program or meet requirements of another cybersecurity management structure such as the NIST Cybersecurity Framework (CSF).

CDM is a dynamic approach to fortifying the cybersecurity of networks and systems. By using CDM, organizations can arm themselves with the additional security capabilities and tools needed to establish a proactive and ongoing prioritization of risks based on potential impacts to valuable assets and the likelihood of a risk occurring. By having a CDM program in place, security personnel will be better prepared to mitigate and prioritize problems with the highest impact and those most likely to occur.

The NIST CDM Program consists of three phases and is designed to cover continuous diagnostic security capabilities:



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1. Endpoint Integrity

– focuses on control areas related to the management of hardware and software assets, configuration management, and vulnerability management. These can also be looked at as the basic foundations of any robust information (cyber) security program built to protect systems and data, by addressing hardware and software, as well as configuration settings and vulnerability management.

2. Least Privilege and Infrastructure Integrity

– brings together some of the “trust”-related controls of the phrase “Trust but Verify” by considering the requirements of access and authentication, identifying users and privileges for who can do what, and the idea that these need to be managed on an independent, continuous, and proactive basis. This phase also introduces the first parts of the verify process by considering “Behavior Management” as it relates to security.

3. Boundary Protection and Event Management

– provides for the management of the entire Security Lifecycle and furthers the idea of

“verify” with controls related to monitoring. This phase consists of the security areas including planning for, and responding to events, generic audit/monitoring, documenting requirements and policies, as well as risk management and boundary protection.

When implementing continuous monitoring, organizations may need to increase the amount of data captured, automate collection of events across numerous systems—essentially centralizing the collection, and in the end hopefully make organizations better-equipped to prioritize risk alerts. And once the CDM Program is implemented across the organization, there will be a comprehensive

and continuous security infrastructure in place.

There is much to consider when determining whether a CDM Program is right for your institution, and this article merely scratches the surface.

This article was a consolidation from a soon-to-be-published chapter in the *International Guide to Cybersecurity*, 2nd edition published by the American Bar Association**. For further information, as well as links to additional helpful resources, please contact FIPCO Director – InfoSecurity and Audit Services **Ken Shaurette** at 800/722-3498, ext. 251.

Shaurette is FIPCO director – InfoSecurity and Audit Services.

* See www.nist.gov

**www.americanbar.org/aba.html

EBC: Life Insurance

(continued from p. 18)

rates. That's real savings for your institution! Additionally, Lincoln only requires two enrollees from your bank in order to set up this program.

Open enrollment begins soon, so contact **Brian Siegenthaler** at

bsiegenthaler@wisbank.com or 608/441-1211 today to learn more about how you can benefit from insurance coverage from EBC and Lincoln Financial Group.

*Publicly available data from FY 2015, available at www.LincolnFinancial.com.

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Capitalizing on the Cloud

By Brian Nowak

Cloud computing is transforming entire industries by enabling organizations to leverage advanced IT capabilities they might not otherwise have been able to afford. This is particularly true in financial services, where the cloud enables smaller firms to enhance customer service, increase efficiency, and gain competitive advantages.

Traditionally, organizations had to buy servers and storage devices, install and configure applications, and maintain a staff of skilled IT personnel in order to manage it all. With the cloud, a service provider handles all of that. Organizations simply pay a monthly fee to use the IT services they need. IT becomes a utility, like electricity, that's accessed on demand.

The business benefits of this model are well-established. Organizations can preserve capital, reduce operational overhead, and take advantage of the expertise of the cloud service provider. The cloud also makes it possible to try new technologies with minimal risk, go to market quickly with new products and services, and readily scale IT resources to support business growth or fluctuations in demand. Instead of spending their time maintaining data center infrastructure, in-house IT staff can focus on projects that drive the business forward.

Growing financial services firms can leverage the cloud to provide their customers with online applications and services. The cloud also creates an efficient and collaborative work environment and makes it easier for multiple branch locations to share information and stay up-to-date with the latest technology.

Despite these benefits, the cloud can be fraught with pitfalls for the unwary.



**RMM
Solutions**

Brian Nowak

Organizations need to understand how cloud computing works so they can make more-informed decisions when selecting cloud services. Financial services firms that lack in-house expertise in cloud services should consider partnering with a local provider that can help them develop and implement an effective cloud strategy.

» What Is 'the Cloud'?

Cloud computing draws its name from the cloud symbol used to depict the internet in network diagrams. A cloud effectively conveys the concept of a complex infrastructure that has no clear boundaries or borders. Cloud providers implement hardware and software on a massive scale and deliver services to customers via the internet.

There are three primary cloud deployment models. In the public cloud, resources are owned by the service provider and offered to multiple customers in a multitenant architecture. A private cloud, in contrast, is operated solely for one organization, although it may exist off-premises and be managed by a third party. A hybrid cloud interconnects one or more public and private clouds with the ability to move applications and workloads among them.

There are also three primary cloud service models. Most organizations are familiar with Software-as-a-Service (SaaS), which enables them to access a wide range of business applications on a pay-per-use basis. Platform-

as-a-Service (PaaS) provides programming languages, frameworks, and other tools that allow organizations to develop and deploy applications onto the cloud infrastructure. Infrastructure-as-a-Service (IaaS) gives customers access to processing power, storage capacity, and other fundamental IT resources without the need to manage the underlying infrastructure.

Moving non-core applications to the public cloud can be an easy decision. There are proven SaaS solutions for email, productivity apps, collaboration, and more, and adopting these tools can save time, money, and headaches.

But while buying cloud services is relatively easy, migrating from one cloud solution to another is often difficult. Without an effective cloud *strategy*, organizations can wind up wasting thousands of dollars and putting their business at risk. Financial services firms in particular should carefully evaluate the various options and consider what impact the cloud will have on their operations.

» Choosing the Right Solution

When developing a cloud strategy, it's important to recognize that the cloud isn't the best option for every application. Some applications and services will likely need to remain in-house for a variety of reasons.

At the most basic level, organizations should consider why they want to move a particular application to the cloud. If the IT infrastructure supporting the application is due for replacement or upgrade, then migrating to the cloud might make sense. Or if IT staff are spending a lot of time maintaining the infrastructure, the cloud can free up those resources.

After identifying workloads that are candidates for

migration, organizations must evaluate each application's requirements. Workloads that require high levels of availability and performance may not be the best fit for the cloud.

Security is a key concern, particularly in the financial services sector, which is subject to rigorous requirements for data protection. Financial services firms must ensure that cloud services are deployed in SSAE-16 SOC 1 Type 2 data centers that meet Sarbanes-Oxley and Gramm-Leach-Bliley requirements. In addition, the cloud service should be deployed in multiple, geographically diverse data centers with redundant power and network connectivity.

Of course, the cloud doesn't eliminate the need for in-house IT infrastructure, and managing cloud services requires significant expertise. Financial services firms can maximize success by partnering with a local provider who offers a full range of consulting, hosting, and managed services.

In the cloud era, it isn't necessary to build and maintain IT infrastructure to support every application. However, there is wide variability in the availability, performance, and security of cloud services. Financial services firms should take a strategic approach to the cloud and ensure that the cloud services they adopt will meet their business and operational requirements and deliver a solid return on investment.

Nowak is director of information Technology at RMM Solutions, a WBA Associate Member. RMM Solutions is a full-service IT provider with proven expertise supporting financial services firms. RMM's cloud solutions provide the highest levels of availability and security, backed by a team of professionals delivering world-class service.

Successful Direction: Give Your Board the Tools to Lead

Your Board of Directors and management team are responsible for setting the course for your institution. You need to make sure they have the tools and training they need in order to make educated decisions on issues vital to the health and success of the bank. WBA's Bank Directors Summit is designed to fill that need. Whether you attend on May 16 in Eau Claire or May 17 in Stevens Point, this one-day program will discuss key issues regarding leadership and management of community banks from the directors' perspective.

Speaker **Geri R. Forehand**, CPCM, president and CEO of Forehand Strategy Group LLC, will lead your directors and management team through six educational sessions covering a wide variety of key banking industry issues:

» **Planning for Your Bank's Future** – This session

Bank Directors Summit

May 16 | Eau Claire
May 17 | Stevens Pt.



► To register or for more information visit www.wisbank.com/DirectorsSummit.

will explore current and future industry expectations and how boards are setting direction to enhance shareholder value.

» **Assessing Your Board's Effectiveness** – Attendees will analyze a template assessment and receive a hard copy that can be used to complete an overall assessment of your board.

» **Risk Management Challenges: Board Roles and Responsibilities** – Every bank board is responsible for identifying, measuring, monitoring, and controlling risks. This session will help you understand the key risk

qualifications for board members today as well as assuring that the tactical and strategic implementation of risk management are in place.

» **Strategy: The Board's Role in Developing and Monitoring Strategic Planning** – High performing boards create an atmosphere of engagement, actively review strategic goals, and focus on the future. Learn best practices for creating a strategic framework for making business judgments and a process for considering new opportunities that respond to unanticipated external developments.

» **Succession Planning** – Almost half of all banks do not have a formalized succession plan. This session will explore how changing demographics are impacting banks today, what age characteristics are currently at the CEO level, and how boards need to prepare for the impending change in employee make-up.

» **Financial Technology** – Fintech is a new financial industry that applies technology to improve financial activities. Its impact on banking is significant, particularly as it relates to small business loans. Boards must be aware of this competing technology and how it is changing the banking model.

For more information about the Summit and to register, please visit www.wisbank.com/DirectorsSummit.

WHAT IS LEFT ON YOUR *Checklist?*

- Succession Planning
- Cybersecurity
- Regulatory Compliance

As the Senior Leadership teams in the banking industry approach retirement, **creating** and **developing** the bank's succession plan is critical. Equally as important are the issues of retirement planning, estate planning and key employee retention. The experts of *Executive Benefits Network* partner with banks to ensure all possibilities have been discussed and planned for.

BankTech Evolution

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is created for each discrete item, or token, that is being accounted for within that database,” Ely explained. “One of the problems with the DLT concept is that it’s made to be more complex and mysterious than it really is.”

Girish Ramachandra, senior manager leading fintech and blockchain initiatives at Wipfli, says DLT can also allude to technology which doesn’t use the ideas behind

specifically designed to keep banks out,” acknowledged **Jeffrey Kurek**, IT systems officer at Park Bank, Madison and a member of the 2017-2018 WBA Technology and Operations Committee.

Today, Bitcoin receives almost as much negative press as banks did in 2008, but that’s largely because some investors treat it as though it has inherent value. “When Bitcoin was created, it was designed as a means of value transfer,” explained **Doug Buan**, director

“The Blockchain Protocol can replace the middle entity or entities with automation and, thereby, lower the cost of the transaction while mathematically helping to ensure legitimacy.”

How the technology works is where the math (and some of the mystery) comes in. Each of the individuals participating in the blockchain network are running computers and solving complex, difficult math problems. When one computer solves the current

financial services industry. “It’s a strategy discussion, not necessarily a technology discussion,” said Kurek. “Is it part of your strategy to do international transfers? Do you want to be a digital wallet? Those are things to consider.”

» Possible Banking Applications

“There are multiple ways the technology of blockchain will impact the financial services industry,” said Ramachandra. “For me, it’s a question of ‘when?’ not ‘if?’”

THE NEXT STEP IN BANKTECH EVOLUTION

*Bitcoin, blockchain,
distributed ledgers ...
What Wisconsin bankers
need to know.*

Like previous technological innovations, it won’t happen overnight. Blockchain is simply the next step in the evolution of banking technology.

blockchain. The world was introduced to “blockchain” as a specific term with the arrival of Bitcoin, the first cryptocurrency to receive significant public attention. “Cryptocurrencies are the case studies that can be used to explain blockchain,” Ramachandra explained, and cryptocurrencies have been discussed since 2002 with the invention of PayPal. What made cryptocurrency popular was the release of a whitepaper introducing Bitcoin—published shortly after the collapse of Lehman Brothers in 2008; the timing was ripe for people to be interested in secure electronic currency that existed outside of the traditional banking system. “Cryptocurrency was

of risk management at Wind River Financial. “Now, it’s being treated as a commodity in various investment circles, which isn’t what it was intended for.” In fact, Buan explains, cryptocurrencies like Bitcoin could be value-transfer solutions for countries suffering from terrible inflation and remove barriers for unbanked consumers.

For the financial industry, blockchain technology can be described as an electronic, highly efficient approach to a proxy or arbiter. “From a business standpoint, because each middle entity to a transaction generally takes their cut, the more entities involved the more expensive it is to process the transaction,” Buan explained.

problem, it time-stamps the discovered solution and sends it to the other computers in the network to verify. When a certain number of computers agree, a new blockchain is created. This occurs about once every 10 minutes. “Every blockchain contains every transaction that has ever been done in that chain,” Buan explained. “It’s the investment in electricity and computing power that secures the transaction. Theoretically, one entity would need to control more computing power than all the rest in order to fake the next block, which makes it essentially impossible.”

The good news is: bankers don’t need to understand how blockchain works in order to prepare for its impact on the

Two of the most likely financial services applications for blockchain technology are international payments and smart contracts. “To me, the first logical application will be reducing the cost of moving funds around the globe,” said Buan. “Blockchain is a decentralized public ledger, so it’s hard to beat the efficiency and security of it.” It will also move current technology ahead by leaps and bounds. “The technology that’s used for settlements today—such as capital markets and international transfers—only allows the transfer of value to take place over time,” Ramachandra explained. “If you were to send money from the U.S. to

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BankTech Evolution

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another country, it takes at least 24 hours. That's a significant amount of time, and a lot of value is lost. Blockchain has the potential to make those transactions settle in real time."

Blockchain technology could also be used to store smart contracts, bringing automation into what is currently a very manual process. "Smart contracts are an electronic format of physical contracts which can be enforced in a programmatic way," Ramachandra explained. "Most are written so that if certain conditions are met, a certain transaction must take place." Somewhere between 10%-20% of these contracts are very complicated in nature, such as syndicated loans. Since blockchain is immutable and secure, syndicated loans could be executed through smart contracts stored on blockchain. "That has huge potential for impact," said Ramachandra.

While smart contracts and international transfers are likely to be two early applications of blockchain technology in banking, the long-term possibilities are more wide-ranging. "Although the first financially based application for the Blockchain Protocol was Bitcoin, the same benefits can apply to many applications," said Buan. Loan applications, mortgage loan servicing, and even trust banking could see the development of blockchain technology applications. Self-executing legal contracts, life insurance or other policy-automated payments, trading platforms, document management, customer authentication, and even voting are all possibilities. Eventually, the changes this technology allows for will transform the banking industry. "My sense is the implementation of DLT over time will lead to downstream

A lot of activity regarding cryptocurrency is out of bounds due to regulatory concerns, so before getting involved, make sure you communicate with your regulator to be sure you're allowed.

changes in banking and financial systems to accommodate new flexibilities given to the bank customer," said Ely.

» Already "In the Works"

The financial services industry is just beginning to leverage blockchain technology, but the initial experiments are encouraging. In the value transfer arena, cryptocurrency Ripple is starting to gain traction. Unlike Bitcoin, Ripple is designed as a payment settling, currency exchange, and remittance system rather than a digital currency. "In some ways, Ripple uses blockchain principles in that it relies on a decentralized network consensus to validate settlement," Buan explained. In November 2017, American Express partnered with Ripple to speed up its cross-border payments between the U.S. and the U.K., and Ripple (the fintech firm has the same name as its product) wants to expand even further. "They're offering to replace SWIFT, and they have a compelling ability to make wire transfers settle in real time, built on blockchain," said Ramachandra. "There are several large banks testing that right now." However, using Ripple to facilitate international transfers on a global scale could be difficult to implement, he admits, because multiple institutions need to agree on it and the infrastructure must cross international borders.

In the mortgage lending field, Cook County, Ill. is

experimenting with storing property titles on blockchain. In September 2016, the Cook County Recorder of Deeds (CCRD) announced it would participate in a pilot program to study how blockchain technology could be implemented into current law and practice in the state's land records. Through its partnership with California-based velox.RE, a startup focused on blockchain applications in real estate, CCRD became the first government agency in the U.S. with a pilot program to use blockchain in an official capacity.

» What's Next?

So, what should Wisconsin's bankers be doing about all this? First, learning. Buan, Ely, Kurek, and Ramachandra all agreed that learning about this technology is the most important action step for Wisconsin's bankers. "Education is extremely important," Kurek emphasized. "The only reason Bitcoin works is because people want it. We need to listen to that market and figure out how we can be helpful to those consumers." Buan noted that learning about DLT/blockchain is the only way for bank executives to reach the comfort level required in order to invest in eventual product applications as they reach the market. "The key thing is to be open-minded about it," said Ely. However, if the bank wants to explore beyond education, Ramachandra advises caution, particularly related to cryptocurrency. "A lot of activity regarding cryptocurrency is out of bounds due to regulatory concerns, so before getting involved, make sure you communicate with your regulator to be sure you're allowed," he said.

Second, make sure your core provider and technology partners know you're interested. "For community

banks, the primary way they'll access this technology is through their core provider," Ely explained. Like most computer applications, the majority of Wisconsin's banks will find it less expensive and more effective to license the software rather than develop it internally. "The disruption is coming at us. Talk to local fintech companies and try to understand the innovations that are happening locally," Ramachandra advised. "There are many fintech companies in Wisconsin who can help small and mid-sized banks get to the next level." In fact, Marquette University has a blockchain lab that hosts regular educational and networking events. Established in 2017, the lab facilitates education, research and innovation, and collaboration in the interest of advancing knowledge and implementation of distributed ledger solutions. It is an interdisciplinary initiative that unites students, faculty, and community partners from across disciplines and industries to create workable blockchain solutions for a wide array of problems.

Finally, don't panic. While distributed ledger/blockchain technology will have a significant impact on the banking industry, it will happen slowly. "DLT is just the next generation of computerized banking activities," said Ely. "It's part of the ongoing progression that started with handwritten ledgers and passbooks. Like previous technological innovations, it won't happen overnight." Blockchain is simply the next step in the evolution of banking technology.

Seitz is WBA operations manager and senior writer.

Wipfli LLP is a WBA Silver Associate Member.

Wind River Financial is a WBA Associate Member.

Enduring BHC Value

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performed by the bank's primary regulators, so the added regulatory oversight isn't overly burdensome for community banks.

Reducing expenses is another motivating factor in the desire to discard the BHC. "The bank holding company establishes a more complicated structure," explained Attorney **James Sheriff**, partner at Reinhart Boerner Van Deuren, s.c. "The decision to form a BHC meant bringing in another regulator and setting up another board of directors, and it's also more complex for accounting and auditing." That complexity leads to greater expenses. By removing the holding company, a bank may de-register with the SEC (if they're a public company) and will no longer need to pay directors and an executive

If the bank's strategic goals include acquisition, the bank holding company structure can be helpful.

to run the holding company. However, for most community banks, the costs saved by getting rid of the BHC "don't add up to a significant dollar amount," Sheriff said.

» Benefits of BHCs

In addition to the negligible impact of the primary motivations for getting rid of the BHC cited above and the general inertia created by the complexity of actually jettisoning the BHC, the holding company structure provides several important benefits that will prevent most Wisconsin banks from deciding to move away from their BHC. First is more flexibility

in structuring M&A deals. "If the bank's strategic goals include acquisition, the bank holding company structure can be helpful," said Knight. By having a holding company in place, the acquiring institution is not required to immediately integrate all systems and processes. Instead, the acquired bank can operate independently under the holding company while preparations are made for a smooth transition. "It allows you to buy another bank and wait a few months before converting everything," Sheriff explained. The BHC structure can also be helpful for institutions looking to sell. "Sometimes a buyer doesn't want certain assets, in which case the BHC can hold the unwanted assets," Sirek explained.

Additionally, the holding company can quickly raise the cash needed for a purchase

via a bank stock loan, unlike the bank, which would need to use existing capital or sell additional shares. "If you do plan to make acquisitions in the future or if your bank is growing very quickly and you need to incur debt to inject capital, it's easier to do that bank stock loan with a bank holding company rather than individual shareholders," said Sirek. That flexibility in buying back stock and capital raising is another key benefit of maintaining the holding company structure. Many single-bank holding companies included a right of first refusal provision when they were set up, Knight explained. That means the BHC itself can match an offer a potential buyer gets for stock and make the purchase instead. "With that ability, holding companies can help keep locally owned banks locally owned," he said.

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Eliminating the Holding Company

If a bank determines a change in structure is the best decision for the institution, the process of combining the bank holding company and bank into one entity is not a simple one. "There is significant complexity and some cost associated with the process of getting rid of the bank holding company," Sheriff explained.

The first step, Sheriff says, is a thorough review of all agreements (change of employment, financing, etc.) and due

diligence throughout the entire company to determine the impact of removing the holding company. Then, the holding company and its subsidiary bank would undergo a formal merger process. This requires legal documents prepared by the BHC's lawyers (including a proxy statement and prospectus) followed by a shareholder vote. If the majority of the holding company's shareholders vote in favor of the merger it will pass, however, any shareholders who object to the merger may have a legal right to dissent, Knight explained. That means—if they follow the proper statutory steps—they are entitled to receive the fair value of their shares.

Once the shareholders approve the merger, the bank and BHC must file a merger application with their respective regulators. In addition, if the company is registered with the SEC, the merger must also be reviewed by the SEC. All of this complexity not only adds cost to the decision of getting rid of the BHC, but also uncertainty. "It gets complicated, which can lead to some unpredictability," said Knight.

Small Business Health Plans

WBA EBC ready to capitalize on new DOL rules

By Daryll J. Lund

WBA member banks may soon see improvements and cost efficiencies in their health insurance plans, if proposed rules are adopted. On February 28, WBA submitted a comment letter to the Department of Labor Office of Regulations and Interpretations regarding a proposed rule updating the definition of employer and small business health plans. The proposed regulation relates to Association Health Plans (AHPs) under Title I of the Employee Retirement Income Security Act (ERISA).

The DOL's proposal would broaden criteria under ERISA section 3(5) for determining when employers may join together in an employer group or association that is treated as the "employer" sponsor of a single multiple-employer "employee welfare benefit plan" and "group health plan" as those terms are defined in Title I of ERISA. By treating the association itself as the employer sponsor of



Association Update

Daryll J. Lund



> For more information, contact **Daryll Lund** at 608/441-1203 or dlund@wisbank.com, or **Brian Siegenthaler** at 608/441-1211 or bsiegenthaler@wisbank.com.

» **About EBC...** EBC's primary focus is the administration and marketing of the Wisconsin Bankers Association Insurance Trust (WBAIT), which provides employee benefits coverage to bank members of the WBA and their employees through products such as group health, dental, life, disability and other employee benefits. It also provides an individual accidental death program and a voluntary life insurance program for employees of financial institutions.

a single plan, the regulation is intended to facilitate the adoption and administration of such arrangements. The DOL states that the goal of the rulemaking is to expand access to affordable health coverage, especially among small employers and self-employed individuals, by removing undue restrictions on the establishment and maintenance of association health plans under ERISA.

In the comment letter, WBA supported the proposal's goal to expand the availability of affordable health insurance plans to small businesses, but believes additional oversight is warranted for AHPs that do not have a membership connection to an existing association. WBA expressed concern that new associations, absent the DOL's watchful eye, will literally pop up overnight

for the sole purpose of making a profit by implementing thinly capitalized plans while disregarding the goal of the proposal.

If this rule is finalized without significant changes, WBA EBC will be able to offer enhanced health insurance plans for WBA member banks. WBA EBC staff are currently studying the rule and its potential impact so we will be ready to capitalize on behalf of WBA's member banks should it be adopted.

If you have any questions about the proposed rule, WBA's comments, or how the rule could impact your bank's employee health insurance plan, please don't hesitate to contact me at dlund@wisbank.com, 608/441-1203 or **Brian Siegenthaler** at bsiegenthaler@wisbank.com, 608/441-1211.

Lund is WBA executive vice president – chief of staff and president of EBC and MBIS.

Enduring BHC Value

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Finally, the recent changes to tax law make having a BHC more attractive for shareholders, as well. "It's widely expected that some s-corps will go back to being c-corps for tax purposes," Sirek said. "In a c-corp, if you incur debt to make an acquisition or buy back stock, it's more tax-efficient to have a bank holding company in place in order to deduct that interest."

"If there's no holding company, then it's difficult

Recent changes to tax law make having a BHC more attractive for shareholders. If there's no holding company, then it's difficult for shareholders to deduct that interest expense on their personal returns.

for shareholders to deduct that interest expense on their personal returns," he continued. "With the new higher standard deductions for individuals, there will be

fewer people who get a benefit from investment interest deductions." In short, it's easier to make the deduction at the corporate level than at the individual shareholder level. "Anytime there's debt involved with a c-corp you want a bank holding company in place so you can deduct that interest expense," Sirek explained.

The decision of whether or not to eliminate the bank holding company is very specific to each individual institution making the determination, says Sheriff.

"It's possible some banks will decide to get rid of their holding company," said Sirek. "It all depends on the long-term goals." For most Wisconsin institutions, the BHC's benefits still outweigh its costs.

Seitz is WBA operations manager and senior writer.

Boardman & Clark LLP is a WBA Gold Associate Member.

Eide Bailly LLP is a WBA Silver Associate Member.

Reinhart Boerner Van Deuren, s.c. is a WBA Associate Member.

WBA Perspective *Industry briefings for Wisconsin bankers*



There's certainly no shortage of information channels in this day and age. You can find out news from around the globe in newspapers, online and even on your smartphone. If you don't have time to sift through hundreds of articles and news bytes, here's what you need to know about what's going on in the banking industry this month:

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Advocacy

Banks and Credit Unions Jointly Calling for Reg Relief

In a joint letter, the WBA and Wisconsin Credit Union League (WCUL) urged Speaker **Paul Ryan** to support regulatory relief for the financial industry. S. 2155, the Economic Growth, Regulatory Relief, and Consumer Act, was passed by the Senate by a vote of 67-21. The two trade associations are now calling upon the House to immediately consider and pass this important bill. A full copy of the letter can be found on the WBA website.

Technology

Digital Disruption Topic of WI Assembly Hearing



Digital disruption and advancing artificial intelligence (AI) in Wisconsin was the topic at an informational hearing on March 20 in the Assembly Committee on Jobs and the Economy. WBA's **Mike Semmann** was the first speaker of the day on the role AI and Digital Disruption will play in moving Wisconsin's economy forward. Other members of Advancing AI Wisconsin

(Semmann is a co-founder of the group on behalf of WBA) also testified that day, including representatives from Marquette University, UW-Madison, Brown County, and more. Advancing AI Wisconsin is a grassroots initiative to increase awareness of a set of technologies often referred to as "Digital Disruption Technologies" and their impact on Wisconsin businesses, workforce needs, educational programming, and the State overall.



Judicial Advocacy

District Court Vacates Parts of CU Field of Membership Rule

A U.S. District judge vacated two provisions of the National Credit Union Administration's (NCUA) field of membership rule while upholding two others. The ABA recently challenged the rule with the ICBA filing an amicus brief on the same case. Judge **Dabney Friedrich** overturned two of the provisions: One automatically qualified combined statistical areas with fewer than 2.5 million people as local communities. The other increased the population limit for rural districts to 1 million people. Two provisions in the challenge were left in place: one on serving core-based statistical areas without serving their urban core, and another adding "adjacent areas" to existing community fields of membership.



Regulatory News

DFI Offices Have Moved, Effective May 4

Effective Friday, May 4, the Department of Financial Institutions has a new home at 4822 Madison Yards Way, North Tower, Madison, WI 53705, on Madison's west side. DFI's previous offices at 201 West Washington Avenue remained fully operational through the close of business on Thursday, May 3. The agency then re-open for business at 7:45 a.m. on May 4 at the new location. All DFI phone numbers, email addresses, and post office box numbers remain unchanged. DFI's new offices are located in the new Hill Farms State Office Building off of University Avenue, adjacent to the current Department of Transportation office.

Bankers Marketplace

HELP WANTED

Chief Operations Officer

Peoples State Bank (\$847 Million in Assets, based in Wausau, Wis.) has been recognized as one of the top 200 community banks for eight years in a row. We take pride in our community by providing a high level of service and being a good corporate citizen. At Peoples, it's about our customers, employees, and shareholders. Description: Member of the senior leadership team responsible for developing the long-term strategic plans for the functions of loan and deposit account servicing, data processing, network management, information systems, item processing, e-banking and reconciliation and call center activities to align with the bank's overall strategic objectives. Oversee the loan and deposit

operations and IT to ensure service excellence to internal and external customers, effectiveness and efficiencies in operations and procedures. Requirements: Candidates will have experience in managing deposit and loan operations and bank information technology applications with 7-10 years of banking experience. Requires a Bachelor's degree in the field of Business, Finance, or Computer Science. To apply or find out more information on this opportunity, please go to: <https://bankpeoples.isolvedhire.com/jobs/>. We are an Equal Opportunity Employer of Minorities, Females, Protected Veterans, and Individuals with Disabilities.

Compliance/CRA Officer

Independent Community Bank located in SE Wisconsin is seeking a Compliance/CRA Officer. This position reports to

the President/CEO. The Compliance Officer (CO) will be responsible for the Compliance Management System and will serve as the primary contact on all compliance related issues. The CO is responsible for monitoring and coordinating the day-to-day compliance activities to ensure that the Bank maintains strong compliance culture. The CO is further responsible for maintaining rapport with the staff and management to effectively obtain and communicate compliance information. Duties & Responsibilities: Maintain a strong knowledge of the requirements of banking compliance laws, regulations, and stays abreast of regulatory changes; Maintain effective Compliance Management Program—playing active role in delivering training, overseeing monitoring and development of policies/procedures; Work with staff

to ensure successful CRA Program; Chair Compliance/CRA Committee, overseeing Change Management in communicating and implementing new or evolving regulation; Conduct timely, accurate and thorough exam preparation as well as successful management of the exam process; Provide advisory services on compliance matters to bank management and staff; Collaborate with CFO on Information Security requirements including Vendor Management; Qualifications; 3-5 years compliance experience; Completion of compliance education per ABA, WBA or other recognized industry resource; CRCM. To apply, please email your application materials to bankersmarketplace@wisbank.com using the subject line "Blind Box H315."

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Bankers Marketplace

HELP WANTED

Trust/Investment Officer

Farmers & Merchants Bank & Trust is a \$143M full-service community bank located in Marinette, Wisconsin. We are currently looking for a Trust/Investment Officer. Responsibilities include managing and growing a small trust department and managing bank's bond portfolio. Experience desirable but not required as training will be provided. Send cover letter and resume to: Farmers & Merchants Bank & Trust, Human Resources, P.O. Box 347, Marinette, Wisconsin 54143 or email resumes to tmaxwell@fmmarinette.com. Farmers & Merchants Bank & Trust is an Equal Opportunity Employer, Member FDIC.

EVP – Chief Credit Officer

Investors Community Bank, headquartered in Manitowoc, Wis., is accepting resumes for an EVP – Chief Credit Officer. The Chief Credit Officer ("CCO") is responsible for overseeing credit underwriting, appraisal and the special assets functions at the bank. The CCO provides support and direction to these areas to ensure the adequacy of the overall credit quality of the bank's loan portfolio. The CCO is responsible for making recommendations for revisions and updates to Loan Policy, and for supporting procedures and underwriting guidelines on an annual basis. Position Requirements: Bachelor's degree or equivalent from a four year college or university; ten years related experience and/or training; or the equivalent combination of education and experience. Work related experience should consist of a variety financial, credit and/or accounting positions. Ag dairy industry is strongly desired. Interested candidates can view the full job description and apply on our career center webpage: www.investorscommunitybank.com/about-us/careers. Investors Community Bank provides equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, familial status, amnesty, or status as a covered veteran in accordance with applicable federal, state and local laws.

Consumer/Real Estate Lender

Markesan State Bank, a locally owned bank who has proudly served our community for 127+ years, is seeking a relationship focused Lender to serve our members. While this position will be located in our Randolph location, we also have branches in Markesan and Waupun and our services are used throughout the surrounding areas. Your contributions will include: Meeting with loan applicants and reviewing financials for underwriting loan requests; Insuring proper loan structuring and documentation to ensure a strong loan portfolio; Managing the established loan portfolio; Developing new relationships

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and business; and Contributing to the diversity of the Bank's loan portfolio. To be successful in this role, you will need: bachelor's degree in accounting, finance, or related field. 5+ years of lending experience Working knowledge of Word, Excel, and Outlook Interest and ability to be an active member of the community. Ability to build relationships with all audiences. In exchange for your talents, we offer a competitive compensation package and career growth. Our team is friendly and collaborative. We are a great place to work as evidenced by a combination of new and tenured employees. If you are interested in joining us, please send a cover letter including salary requirements and resume to **Lisa Broder, lbroder@markesanstatebank.com**. We look forward to hearing from you!

IT Director

Looking for a FORWARD-thinking company where you can maximize your IT talent? Join the Forward Family of Providers and become part of a team dedicated to adding new and exciting technology, who engages and empowers their employees, and makes an impact in our communities. **Forward Bank** is hiring an IT Director in Marshfield. The IT Director is responsible for leading the overall IT function for the bank. This encompasses daily operation and functionality of servers, networks, phone systems, desktops, and other technology platforms across the company. Responsibilities: Oversee the day to day activities of the bank's technology needs; Lead the IT team, providing mentoring and professional development; Research and evaluate technology trends, recommend and implement innovative technology and infrastructure solutions that meet business needs and drive improvements; Build and maintain strong relationships with vendors and service providers to secure and maintain quality infrastructure products and services; Manages IT regulatory compliance and action plans based on audit findings; Partner with Internal Audit team to maintain robust cybersecurity program including system security and ongoing education. Qualifications: Bachelor's degree in computer science; equivalent combination of education and experience will be considered; 5 years of relevant IT experience, preferably in the financial services industry; 2 years of experience in a management role; Positive attitude with superior communication skills and team oriented focus. Join our team and help us live our mission... To Move Our Communities FORWARD! Apply online at www.forward.bank/careers. Forward Bank is an Equal Opportunity Employer.

Branch Manager

Do you possess these kinds of skills? Leadership; Organizing and planning daily branch activities; Strong customer relationship; Growth and support of staff; Effectively be able to communicate with other Branch Managers; Complete integrity... **PremierBank** is looking for a Branch Manager to oversee our Whitewater and Janesville locations. Branch manager's primary responsibility will be overseeing the operations of the branches. Some of these responsibilities will include staffing, scheduling, training, mentoring and overall branch functions. This position requires you to be able to effectively communicate with other Branch Managers on items such as policies, procedures, and staffing needs. The ideal candidate will have a High School diploma and two (2) or more years of supervisory experience or the equivalent of, preferably in a banking environment. This person needs to be proficient in Microsoft Office and have excellent verbal and written communication skills. This candidate has to have the ability to successfully and willingly cover all areas of each branches staffing needs. He/she needs to have a strong focus on customer service. The ability to work effectively in a team environment is a must. To apply, email your resume to hr@bankwithpremier.com.

Business Services/Commercial Lender

Intercity State Bank, a growing, leading community bank in North Central Wisconsin, is seeking an experienced Business Services/Commercial Lender to join our team in the Wausau Market! OVERVIEW: The successful candidate as a Commercial Lender is accountable for all aspects of Business Services including Commercial and Small Business (SBA) Lending, deposit services, new business development, and new business customer acquisition as well as servicing an existing portfolio. This individual will work with team members to provide strong business service strategies and initiatives; stay abreast of emerging technologies, service and operational trends; and focus on the long-term direction of this channel in an evolving industry. Positive representation of the Bank through active participation in community affairs within the Wausau region will be a focus, while successfully marketing our entire product and service portfolio. Qualifications and Skills: bachelor's degree in finance, business management, or other applicable field, Small Business Administration (SBA) experience preferred. Candidate must have excellent communication, customer service, and financial management skills and the ability to work independently while prioritizing and meeting Bank and customer deadlines. Please email your resume and cover letter to info@intercitystatebank.com. Intercity State Bank of Schofield, Wisconsin is an Equal Opportunity Employer and an FDIC Member.

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Wisconsin Banker is published by Wisconsin Bankers Association, 4721 South Biltmore Lane, Madison, WI 53718; Telephone: 608/441-1200; Fax: 608/661-9381; www.wisbank.com.

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