

By Amber Seitz

New WBA Board Chair Paul Kohler has always known he wanted to be a banker. In high school, he was the class Treasurer, and a friend's father was the president of Dairy State Bank. "I really looked up to him," Kohler recalled. "I liked the work he was doing in the community, and I wanted to do the same thing."

Imagining himself in the role, Kohler used to venture into the president's office,

The New Chair: Paul Kohler

Lifelong banker takes the helm at WBA



lounged in the leather chair, and put his feet up on the desk. Of course, he got caught.

"What are you doing?" the bank president asked.

"Checking out my chair," Kohler ventured.

"Get a college degree first," the bank president told him. So he did. Kohler graduated from UW-Eau Claire with a degree in finance, including an internship

his senior year with First Wisconsin Bank. He went through the management training program there, gaining exposure to every area of the bank. After graduation, he stayed with First Wisconsin Bank doing consumer lending. Within a year, he became a branch manager and commercial lender. He later obtained a Series 7 license so he could also sell securities.

After eight years, Kohler put all of those

skills to work when he was hired at Charter Bank as a Jack-Of-All-Trades (his official title was Vice President). At the time, the bank was around \$75M in assets and had one location. Today, 24 years later, Kohler is president and CEO of the \$1 billion bank with three locations. He credits his staff with the growth of the bank. "We have a lot of great people here," he said.

(continued on p. 23)

PPP Flexibility Act – What Changed?

By Heather MacKinnon

Congress has once again revised the Small Business Administration's Paycheck Protection Program (PPP) through amendments made to the CARES Act by the recently enacted PPP Flexibility Act. The newest revisions, signed into law June 5,



2020, modify certain provisions related to the forgiveness of loans

made under the PPP, allow recipients of loan forgiveness to defer

payroll taxes, and for other purposes, including the following:

Maturity Extended to Five Years

Loans under the PPP allow for the borrower to request forgiveness of that portion of the loan that was used during a covered period for certain payroll costs and business expenses. For the loan amount not forgiven under the program, the borrower had 2 years to repay the remaining balance. Under the PPP Flexibility Act, the repayment period has been extended from 2 years to 5 years after application of forgiveness for new loans made on or after June 5, 2020.

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Message from the Chair

Now Is the Time for Community Engagement

Below are excerpts from new WBA Chair Paul Kohler's remarks during the Board Installation Ceremony held virtually on June 3, during which Kohler highlighted his goals for the industry and the association.

I would like to take this opportunity to thank our current and outgoing Directors and every Wisconsin banker for the opportunity to lead our association during the upcoming year. I am truly honored by your confidence, and I will do my very best, along with the other Officers and the Board of Directors, to continue this association's excellent record of outstanding service to its members.

We all experienced the tremendous value of our association over the past



Message from the Chair

Paul Kohler

This is not a temporary situation. Our workplaces, our customers' preferences, and the economic landscape is forever changed and will continue to evolve.

So we must evolve, too.

That's why "Evolving Education" is one of my primary goals for my term as WBA Chair. There are three components to this goal: expanding our workforce, developing current bankers, and informing lawmakers and regulators about our industry. I'll address each of these briefly.

Banking, like many industries, is experiencing workforce shifts and shortages. Through the association's involvement in programs like BankWork\$ in Milwaukee and career events on campuses across the state, we will

» Read about the 2020-2021 Board of Directors, WBA's objectives and the board installation ceremony on p. 10 of this issue.

promote our industry as a strong career path for a variety of fields. Tomorrow's banking industry doesn't need accountants and lenders alone. We also need technology experts, marketers, human resources professionals, and all the other skillsets required for a bank to serve its community.

Evolving education also means being innovative in how the association delivers information and programming to current bankers. We must adapt to

(continued on p. 10)

Challenge your thinking about the future of your bank...



Family-Owned AND Closely Held

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The **Family-Owned and Closely Held Bank Strategic Retreat** is an intimate, retreat-style forum about issues that are unique to family-owned and closely held banks. The event is led by an advisory board of bankers with ownership and/or management responsibilities from Illinois, Iowa, Minnesota, and Wisconsin.

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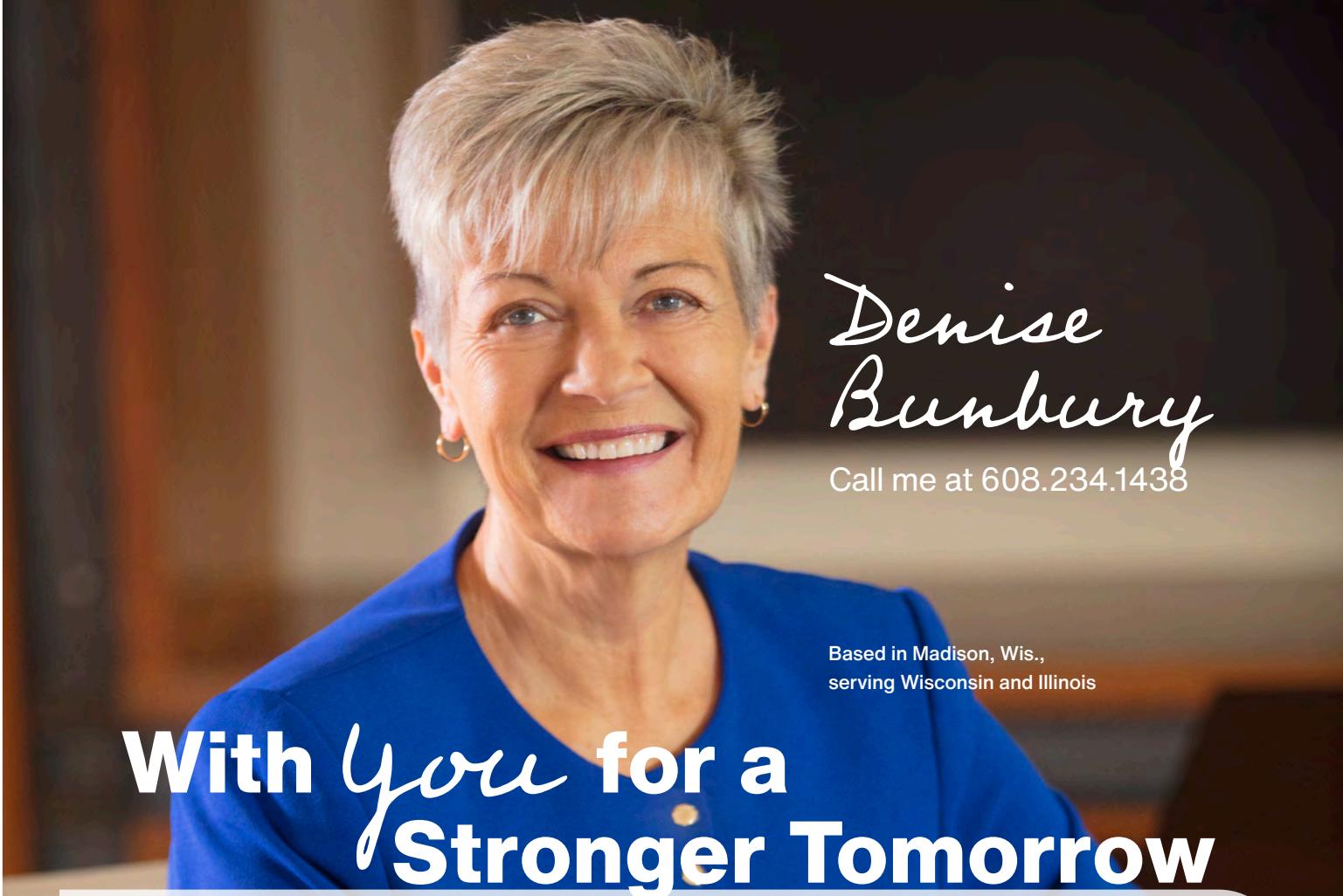
Three reasons to attend:

- » **Unique Value...** This event is designed to address your unique challenges and opportunities as a family-owned or closely held bank.
- » **New perspectives...** Bankers from four different states are attending, offering you a wider-than-usual networking opportunity. New faces and fresh perspectives can affect how you face your own challenges or leverage opportunities.
- » **Location...** This event is also a retreat. The venue is perfect for reviving your approach to leading.

» Visit www.wisbank.com/FamilyBank to learn more or to register.

All current recommended social distancing precautions/guidelines will be observed.

Visit www.wisbank.com/education/engagement-center-guidelines to learn more.



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We are and have always been downside risk managers. That's part of what makes us so strong. We're also committed to correspondent lending – a growing part of our company. While we're being more conservative in our overall lending, we're still purchasing high-quality participations and offering bank stock financing.

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CFPB Proposes Regulation Z Changes Ahead of LIBOR Sunset

Amendments to facilitate transition to new index

Has CFPB Proposed Changes to Facilitate the LIBOR Transition?

Answer: Yes. CFPB has Proposed Changes to Regulation Z that Generally Become Effective on March 15, 2021.

Sometime after 2021, LIBOR is expected to end. Financial institutions are developing their approach to the LIBOR transition, including how to transition existing accounts from LIBOR to another index and selecting new indices for new originations going forward. This includes documentary and contractual considerations, and for certain consumer financial products and services, statutes and regulations may have requirements that are triggered or impacted by the LIBOR transition and any accompanying index change.

The Consumer Financial Protection Bureau (CFPB)



Compliance Q&A

Scott Birrenkott

has issued a proposed rule (proposal) to amend Regulation Z to facilitate the LIBOR transition for open-end and closed-end credit. A high-level summary of some select provisions are featured below.

For HELOCs, open-end reverse mortgages, and credit cards the proposal would:

- » Require the change-in-terms notice to include the replacement index and any adjusted margin, regardless of whether the margin is being reduced or increased.

- » Permit creditors to transition from LIBOR on or after March 15, 2021 (in

Visit www.wisbank.com to learn more about this topic and other compliance-related issues.

addition to the option of using the current “no longer available” standard).

- » Identify Dec. 31, 2020, as the date used for selecting the index values for the LIBOR index and the replacement index to compare the rates, rather than using the index values on the date the original index becomes unavailable.

For closed-end mortgages, student loans, and other closed-end consumer loans the proposal would:

- » Provide an example of an index that is a “comparable index” to LIBOR for closed-end products in order to assist in determining whether a transaction must be completed as a refinance.

In addition to the proposal, CFPB has a fact sheet and FAQ to help understand the regulatory effect of the LIBOR transition.

CFPB’s proposed rule:

https://files.consumerfinance.gov/f/documents/cfpb_proposed-rule_amendments-to-facilitate-libor-transition_2020-06.pdf

CFPB’s FAQ: https://files.consumerfinance.gov/f/documents/cfpb_libor-transition_nprm-frequently-asked-questions.pdf

CFPB’s Fast Facts: https://files.consumerfinance.gov/f/documents/cfpb_libor-transition_nprm-fast-facts.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.

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All participants will receive an updated copy of the Wipfli BSA/AML Policy, which includes a comprehensive cannabis (hemp and marijuana) policy.

Shaping the Future:

GRC Begins Creation of 2021-2022 Legislative Priorities

By Mike Semmann

On June 26, the Wisconsin Bankers Association Government Relations Committee (GRC) began to create the banking industry's priorities for the 2021-2022 legislative session, and we need your input!

GRC Chair **Gary Kuter**, senior vice president/retail banking and chief compliance officer at Capitol Bank, Madison, led the committee of 30 bank executives in a discussion to shape the future of the banking industry. If you have an idea of what public policy WBA should pursue, please email me at msemmann@wisbank.com.



Advocacy Update

Mike Semmann

» Help shape banking's future... email WBA's Mike Semmann at msemmann@wisbank.com with your idea or opinion on what public policy WBA should pursue.

The GRC considers the following areas as it creates the agenda for a recommendation to the WBA Board of Directors:

- Federal/state legislative policy areas (*partial list*):
 » Economy, banking compliance, agriculture, wealth management, mortgage, human resources, retail,

data privacy and cyber security, consumer protection, technology and operations, payment system, etc.

- Federal/state administrative rules
- Court cases
- Elections

Semmann is WBA executive vice president – chief operations officer.

WBA Public Policy Agenda Timeline:

June 26	Survey of WBA GRC and Advocacy Officers.
June 26	First GRC meeting.
July 27	Task Force refines initial concepts.
Sept. 11	GRC meets to prioritize issues and rank as active or responsive.
Oct. – Nov.	Review and refine agenda.
Dec. 2	Present 2021-2022 priorities for approval by the WBA Board of Directors.

COVID-19 Safe Deposit Box Considerations

By Scott Birrenkott

The COVID-19 pandemic has presented many challenges to everyday banking operations, including how to safely permit customers to access the contents within safe deposit boxes. This article presents some considerations for banks reviewing their safe deposit policies and procedures in light of the ongoing pandemic.

Because there are no Wisconsin laws specific to safe deposit box leases, rules regarding access are primarily governed by contract, policy, and procedure. Thus, their operation is unique to each institution. As such, each bank should consider its own situation when determining how to handle its safe deposit box operation. Each bank's overall reopening plan will also play a role in how safe deposit box access is handled.

As Wisconsin starts to reopen, many banks have likely already begun to consider

Want to learn more about safe deposit compliance?

On July 2, **Scott Birrenkott** led the WBA Safe Deposit Liability webinar, which covered the procedures banks should follow to help minimize the institution's risk regarding safe deposit boxes. Birrenkott reviewed various aspects of liability that banks face when managing the safe deposit area and offered several opportunities for Q&A. To purchase the webinar recording, please email wbaeducation@wisbank.com.

safety precautions and when and how to implement. Many of these considerations that apply to overall operation (for example, lobby access) are also appropriate for safe deposit box operation as well. As such, banks should consider the following:

- » Limit how many lessees bank permits in its vault for safe deposit access. Many banks have procedures requiring one or more officers to be present, and limiting the number of persons present will help maintain social distancing. Some banks may consider limiting hours of access as well.

- » Provide masks for vault attendants and any officers required in the vault or viewing area. Consider what distancing options are available (for example, is remote viewing an option?).

- » Encourage lessees to wear a mask. Bank may even consider making masks available for lessees who arrive without one.

- » Promote infection prevention measures by providing handwashing instructions, hand sanitizer, encouraging social distancing, and limiting person-to-person contact (ex: handshaking).

- » Establish a cleaning and disinfecting policy for the vault and viewing areas.

- » Communicate with your customers. Inform them of any limitations on access, and encourage them to plan their access strategically in order to limit frequent access.

While drive-throughs and mobile banking provide solutions for banks limiting lobby access, such options are not available for safe deposit box access. Still, customers may need to access their box during the pandemic, and banks seeking to accommodate them should do so in a way that is safe for all customers and employees.

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.

WBA Submits Comment Letters on COVID-19 Relief Interim Rules

Summary of recent comment letters below

In the past month, WBA's legal team has composed, revised, and submitted four comment letters totaling nearly 4,500 words on behalf of Wisconsin's banking industry. Below are brief summaries of each of the letters.

» **WBA to FDIC: Proposed Assessment Mitigation for PPP Loans is Not Enough**

WBA filed comments with FDIC regarding a proposal to revise its deposit insurance assessment calculations to "mitigate" the effect on banks participating in SBA's PPP or FRB's PPPLF and MMMLF programs. Making PPP loans and participating in FRB's liquidity programs increases banks' balance sheets due to requirements for participating in the programs.

As FDIC's deposit insurance assessments are based upon bank's balance sheets, FDIC recognized participating in SBA's PPP or FRB's PPPLF and MMMLF programs will increase deposit insurance assessments under existing calculations and had attempted to reduce that impact.

WBA believes FDIC's proposal does little to reduce the extra assessments a bank would pay for having made loans under SBA's PPP or from participating in FRB's liquidity programs. In particular, the proposal would allow an offset to the assessment base for the quarterly amount of PPP loans pledged against borrowing from FRB's PPPLF, the offset is not for the quarter-end outstanding balance of PPP loans. This same adjustment is proposed for various elements in the formula to calculate the assessment rate.

WBA strongly recommended FDIC consider deposit assessments be fully adjusted for all of a bank's



Comment Letters:

- www.wisbank.com/CommentLetters

quarter-end outstanding balance of PPP loans, in both the assessment base and assessment rate. Without such change, WBA stated participating banks would be unfairly penalized by having to pay higher deposit insurance assessments. WBA believes the proposed adjustments underestimate PPP lending.

Read the full comment letter here: www.wisbank.com/media/567555/comment-letter_fdic-proposal-to-mitigate-assessment_20200527.pdf

» **WBA Seeks Definition to Appraisal Interim Rule**

In a comment letter filed Monday, June 1, WBA stated appreciation to the FRB, FDIC, and OCC for their proactive actions to allow for the deferral to obtain an appraisal or evaluation for up to 120 days following the closing of a transaction for certain residential and commercial real estate transactions. The interim final rule is effective until Dec. 31, 2020. WBA believes the agencies' interim final rule has helped alleviate the bottleneck, and in some regions a freeze, in the access to appraisal and evaluation services.

The interim final rule excludes transactions for acquisition, development, and construction of real estate from the deferral option. Through WBA's Legal Call Program, WBA has identified there is some confusion over the meaning of the terms and

The WBA Legal Department advocates for the industry by writing comment letters to federal and state regulators on proposals affecting the industry and by filing friend-of-the-court briefs at the request of WBA members and per approval by the WBA Board of Directors.

of section 22(h) of the Federal Reserve Act and from the corresponding provisions of Regulation O in recognition of these factors.

WBA stated that removing Regulation O obstacles will allow Wisconsin's banks to more efficiently address the needs of their small insider-owned businesses and would help ensure eligible businesses have timely access to liquidity sources to help overcome economic hurdles resulting from the effects of COVID-19. Read the full comment letter here: www.wisbank.com/media/567678/wba-comment-letter-reg-o-ppp-exception.pdf

» **A Step in the Right Direction, but FDIC's Brokered Deposits Proposal Doesn't Go Far Enough**

In a comment letter filed on June 9, WBA supported FDIC's efforts to modernize Section 29 of the Federal Deposit Insurance Act.

However, the current proposal does not go far enough toward solving the fundamental problems with the current regulations, WBA's letter says. The current proposal's definitions of "facilitation" and "deposit broker" remain overly broad and improperly increase the scope of deposits classified as brokered.

WBA offered more precise definitions in its comment.

Additionally, WBA urged FDIC to provide examples of persons who are not considered deposit brokers. The current proposal expands coverage of the IDI Exception (which applies to insured depository institutions) to wholly owned operating subsidiaries. WBA's letter requests additional clarity on this exception and recommends that affiliates of IDIs be excluded as well.

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Streamlining Member Engagement: WBA Moving to Zoom

On June 12, WBA held it's first-ever training program on our new digital hosting platform: Zoom. Over 100 member bankers attended the virtual session about the latest changes to PPP loan forgiveness.

Why Zoom?

WBA leadership called together an internal group of stakeholders and subject matter experts to lead the initiative to update the association's capabilities regarding virtual engagement with its members. This subcommittee reached out to other state banking associations and member institutions for their input. After careful review of several different vendors, WBA selected Zoom for its wide array of features, security options, and product stability.

For example, one exclusive feature will be utilized for



» Learn more at <https://www.zoom.us/>

many larger events: breakout rooms. Just like a WBA in-person event, this option allows attendees to discuss or collaborate with a smaller number of fellow attendees before rejoining the large group for the main session.

Zoom also has several updated security features that will give WBA flexibility in how public our meetings and events are. For example, Zoom has a waiting room feature where everyone who joins the meeting is automatically placed in an individual "Waiting Room" until the host (WBA or a moderator) allows them

into the meeting room after checking their name and email address against a list of registered attendees.

Another security feature is the ability to lock the meeting after everyone has arrived. That way, even someone with the secure link and meeting ID will not be able to enter (one more reason to *never* share your meeting link).

What's changing?

Previously, WBA relied on a variety of virtual hosting platforms to deliver different products and services. Some webinars used Adobe Connect, some calls took place over WebEx or GoToMeeting, and others. Now, nearly all of WBA's virtual member engagement will be on one system—much simpler for you!

For members, using Zoom is similar to most other virtual

host platforms. You'll receive a confirmation email containing a link to access your meeting, webinar, or event. Click the link to join at the time of the meeting. You can either download Zoom to your device for future use or launch Zoom in your internet browser (no download required).

Zoom provides attendees with personalization options, too. While attending a webinar or other presentation, you can choose whether to view the presentation in the main window or the speaker. During meetings, you can decide if you want to see a large display of whomever is speaking or switch to Gallery View to see everyone in the meeting. You can also choose whether to listen in using your computer or connecting to audio via your phone.

Compliance Check: Kari's Law Requirements

As of Feb. 16, 2020, all multiline telephone systems (MLTSs) must have the capability to facilitate 911 calls without any requirement for a prefix digit (such as an 8 or 9). Additionally, designated personnel, such as a hotel's front-desk attendant or office building manager, must be notified when a 911 call is made to

FCC Chairman Ajit Pai advises a simple fix:
Contact the company that maintains your multiline phones and request a switch to direct access.

facilitate first responders' entry into the building. FCC Chairman

Ajit Pai advises what he calls a simple fix: contacting the company that maintains your multiline phones and requesting a switch to direct access.

Experts also suggest testing your telephone systems biannually to ensure that the system continues to dial directly to 911. An additional test for your telephone system is to verify that your correct

address is displayed at the 911 Center. MLTSs sometimes will revert address displays to reflect your corporate headquarters address rather than where the call is originating.

When testing your 911 system, you should contact the 911 Center using a non-emergency contact number and arrange a date and time for your test.

Comment Letters

(continued from p. 6)

This would bring the proposal into alignment with how modern technologies, business, and market trends have resulted in banks and their affiliates operating as a single firm.

Read more here: www.wisbank.com/CommentLetters.

wisbank.com/articles/2020/06/a-step-in-the-right-direction-but-fdics-brokered-deposits-proposal-doesnt-go-far-enough

For copies of this or other WBA comment letters, please contact the WBA Legal Department at 608-441-1200 or visit www.wisbank.com/CommentLetters.

Did You Know?

Wisconsin Banker occasionally prints informative articles submitted by Gold, Silver, and Bronze WBA Associate Members. Interested in sharing your expertise? Please contact WBA's **Nick Loppnow** at 608-441-1208 or nloppnow@wisbank.com or email sales@wisbank.com for more information about purchasing Sponsored Content space in WBA's electronic publications.

How Bad Will it Get?

Mortgage Forbearance and Murphy's Law

Banks should prepare for the worst, but data leaves room for optimism

By Amber Seitz

On April 22, the Federal Housing Finance Agency (FHFA) announced Fannie Mae and Freddie Mac would purchase single-family mortgages in forbearance, provided the loans meet certain criteria. By allowing the purchase of these previously ineligible loans by GSEs, FHFA hoped to “provide liquidity to mortgage markets and allow originators to keep lending.”

However, mortgages in forbearance will also be “priced to mitigate the heightened risk of loss,” according to FHFA’s press release. This additional fee,

called a loan-level price adjustment (LLPA), is set at 5% of the unpaid principal balance for first-time homebuyers and 7% of the unpaid principal balance for all other borrowers. Since the loans in question have already closed, the lender, not the borrower, is responsible for paying the additional fee.

And for many banks, that price will be too steep, forcing them to choose between continuing to lend and paying extra costs for forborne loans.

Servicers lost in the shuffle

With the fallout of the COVID-19 pandemic decimating household incomes in a number of sectors—

weekly unemployment claims are greater than any time in history by a factor of five—government agencies, lawmakers, and the media (for the most part) have all focused on the impact on consumers. We’ve never needed to measure weekly unemployment claims in millions before, and the front page of the *New York Times* March 27 edition shows just how stark the historical comparison is. Relief programs should absolutely seek to help struggling individuals.

Accordingly, on April 27 FHFA announced borrowers in forbearance will not need to make a lump sum payment at the end of the forbearance

period, which is typically required under the forbearance agreement. Instead, the payments may be added to the end of the mortgage or the borrower may elect an alternative repayment plan. While this announcement only affects GSE-backed mortgages, FHFA Director Mark Calabria encouraged all mortgage lenders to “adopt a similar approach.”

Non-bank businesses have also received attention and support via lending programs like EIDL and PPP. “Essential” businesses including food suppliers and healthcare facilities are recipients of public

(continued on p. 9)

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Mortgage Forbearance

(continued from p. 8)

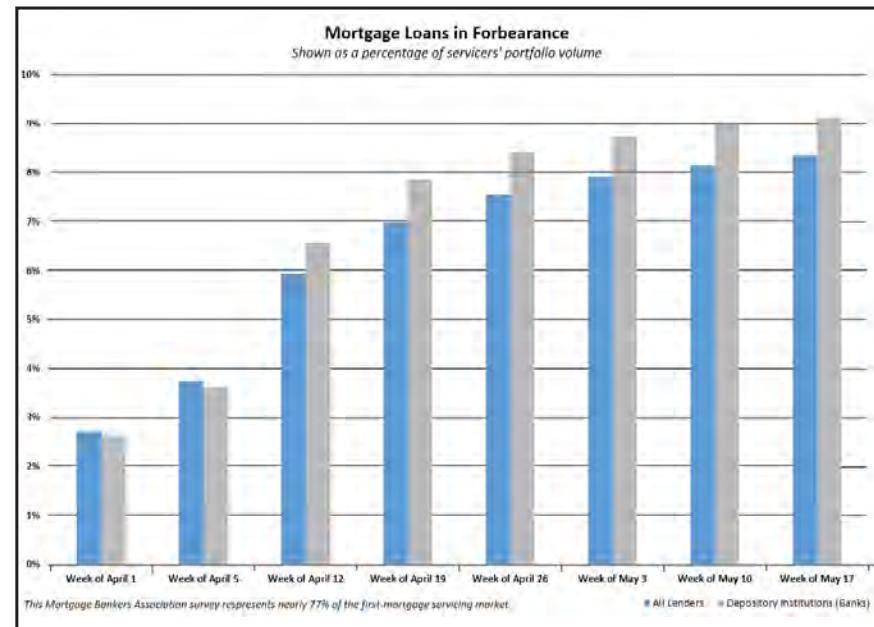
accolades and community support campaigns. Financial institutions have mostly stayed out of the spotlight, helping their customers and communities from behind the scenes.

Banks entered this crisis in a position of strength, so it's understandable that COVID-19's impact on them hasn't been a high priority. But regarding loan deferrals and forbearance, that lack of attention may have catastrophic consequences.

What's the worst that could happen?

Mortgage bonds' rapid collapse in value precipitated the global financial meltdown in 2008. Now that various state and federal moratoriums on foreclosures are lifted, the financial system will start to see the impact of several months of payments disappearing.

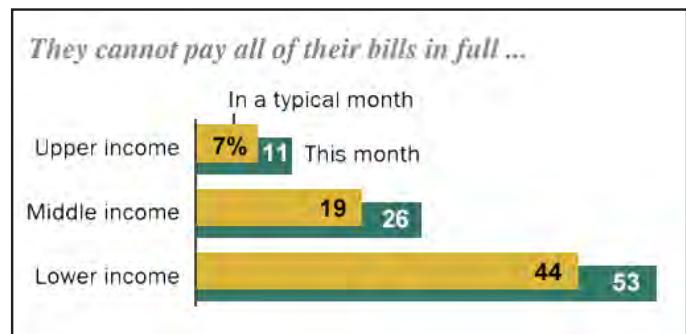
The CARES Act provides protections for borrowers, but not lenders. Banks and other mortgage servicers still must make payments to investors for mortgages sold



With no one collecting payments on those mortgages and returning money to bond investors, a significant portion of the mortgage infrastructure would collapse, devaluing mortgage bonds... Sound familiar?

What's actually going to happen?

The economic fallout from COVID-19 is



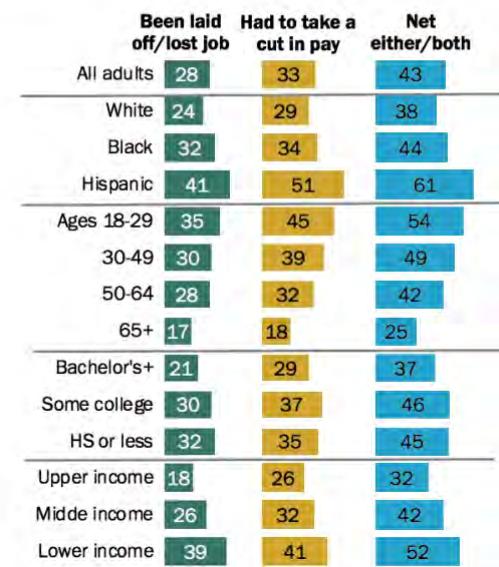
to the secondary market, whether or not the borrowers are paying their mortgages. With money going out but not coming in, servicers may need to dip into capital reserves to keep disbursing money to bond investors, and those **reserves may not be adequate** to sustain the industry long term. Some servicers, especially non-bank entities with fewer lines of business driving revenue, may need to close.

impossible to predict accurately. The situation is unprecedented. However, regulators and lawmakers learned their lesson from the Great Recession: financial markets are intricately intertwined, so pending trouble in one area *will* impact everything else.

With that in mind, the **Federal Reserve has already taken steps** to shore up the mortgage market by

More than four-in-ten adults say they or someone in their household has lost a job or taken a pay cut due to COVID-19

% saying this has happened to them or someone in their household because of the coronavirus outbreak



purchasing over \$200 billion in mortgage-backed securities, and the **FHFA announced** that servicers are only required to advance four months of missed payments for all GSE-backed loans.

The industry may not need extravagant government support, either. The **Mortgage Bankers Association (MBA)** reports 4.2 million homeowners are in forbearance plans as of May 17, but week-over-week increases have slowed. (*See Mortgage Loans in Forbearance chart, top center.*)

According to the Census Bureau's ongoing **American Community Survey**, the median family income of homeowners with a mortgage is \$93,000, much higher than that of renters (\$41,000) or those without a mortgage (\$55,000). An **April Pew survey** reported that 52% of low-income workers reported taking a pay cut or losing a job due to COVID-19 compared to just 32% of upper-income workers and 42% of middle-income workers. The same survey showed 53% of low-income workers say they cannot pay their bills in full, and only 11% of upper-income and 26% of middle-income workers say the same. (*See Pew Jobs Loss and Pew Bill Pay charts, left.*)

Given that data, COVID-19's impact on homeowners—who tend to be more well-established financially—could be smaller than the current number of loans in forbearance suggests.

Bottom Line:

Following Murphy's Law, banks should model and stress-test for the worst-case scenario (dramatic upheaval in MBS bond markets). However, the more likely forecast is for mild-to-moderate distress in single-family mortgages and greater—but not cataclysmic—risk in multi-family/CRE markets.

Seitz is WBA operations manager and senior writer.

Leading Your Association

Meet the WBA 2020-2021 Board of Directors

On June 3, the 2020-2021 WBA Board of Directors convened for the first time. It was also the first virtual Board Installation ceremony in the association's history. WBA President and CEO **Rose Oswald Poels** welcomed the bankers and WBA staff gathered for the digital event and thanked them for their willingness to serve. "The reason for our success is the strong leadership of our Board of Directors, an engaged membership, and the staff from WBA, FIPCO, EBC, and MBIS," she said.

Then, Oswald Poels invited new Chair **Paul Kohler** to outline his goals for his term. Kohler emphasized the need for adaptation and innovation in the post-pandemic world. "The world is very different from just a few months ago, and there is no going back," he said. "This is not a temporary situation."

WBA and its member banks must evolve, Kohler urged. One of his primary goals for his term is to expand the banking workforce, develop current bankers, and educate lawmakers and regulators about the industry.

Kohler also expressed his pride in serving the community as a banker. "The communities



we serve look to us for stability and leadership during times of challenge and change," he said. "We are lifelines for our communities."

Please read the Chair's Message beginning on p. 2

of this issue of *Wisconsin Banker* for more details about his priorities for the banking industry and WBA this year.

See this year's board at www.wisbank.com/about/board-of-directors.

Chair's Message

(continued from p. 2)

meet the complex needs of banks, their employees, and their customers, which we will do through a responsive communications strategy, an increased focus on virtual and hybrid training events, and emphasis on new ways to network for sharing best practices and procedures.

Finally, evolving education means pursuing new strategies for informing state and federal lawmakers and regulators about the needs and challenges

Primary Goal: Evolving Education...

- » Expand our workforce.
- » Develop current bankers.
- » Inform lawmakers and regulators about the banking industry.

our industry faces. Particularly, the need to level the playing field with credit unions. We cannot serve our customers and support our communities if the competition doesn't play by the same rules.

Throughout Wisconsin, the communities we serve look to us for stability and leadership during times of challenge and change. We are lifelines for our communities. In order to meet those high expectations, we must learn to be innovative in the face of change, adapt to new complexity, and lean on one another to create an even stronger banking community in our state.

Again, thank you for the honor to lead the WBA Board of Directors. With your help and support, I look forward

2020-2021 WBA Board of Directors:

Chair **Paul Kohler**, president and CEO of Charter Bank, Eau Claire; Chair-Elect **Ken Thompson**, president and CEO of Capitol Bank, Madison; Vice Chair **Daniel Peterson**, President/CEO of The Stephenson National Bank & Trust, Marinette; and Past Chair **Mark Meloy**, CEO of First Business Bank, Madison.

Al Araque, executive director – market director banking, JPMorgan Chase Bank, New Berlin; **Jim Chatterton**, president of National Exchange Bank & Trust, Fond du Lac; **Mark Erickson**, regional president, MidWestOne Bank, Osceola; **Donna Hoppenjan**, president and CEO, Mound City Bank, Platteville; **Jerry Jacobson**, president, Northwestern Bank, Chippewa Falls; **Timothy Kotnour**, president and CEO, State Bank Financial, La Crosse; **Paul Northway**, president/CEO of American National Bank Fox Cities, Appleton; **Joe Peikert**, president/CEO of Wolf River Community Bank, Hortonville; **Jenny Provancher**, president and chief financial officer of The Equitable Bank, S.S.B., Wauwatosa; **Thomas A. Reil**, president, Waldo State Bank; **Teresa Rosengarten**, president/chief operating officer of Unity Bank, Augusta; and **Mark Wierman**, president, Ixonia Bank.

to tackling the challenges we face, but more importantly, taking advantage of the opportunities that lie ahead.

Kohler is President of Charter Bank, Eau Claire and the 2020-2021 WBA Chair.

Thank you...

Committee Leaders Guide WBA and FIPCO

Each year, WBA's advocacy priorities, professional development programs, and products and services are guided by the volunteer bankers on 11 committees and section boards. The leaders of these groups are bankers who

are not only experts in their field, but also dedicated to Wisconsin's banking industry, as shown by their willingness to commit time and talent through their service.

While the annual Board Installation Ceremony—during

which committee chairs are traditionally recognized—could not take place in person this year, WBA would like to take this opportunity to thank each of the outgoing chairs (*listed below*) for their service in 2019-2020 as

chair of their section or committee. Your contributions this past year have led to new or expanded programs, awarded scholarships, and impacted the laws and regulations governing our industry. *Thank you.*

2019-2020 Outgoing Chairs:

Agricultural Bankers Section Board:

Jeff Gruetzmacher
Senior Vice President
Royal Bank, Elroy



Human Resources Committee:

Holly Heuer
Chief Talent Officer
McFarland State Bank

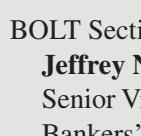


Government Relations Committee:

Gary Kuter
Senior Vice President
Capitol Bank
Madison

Mortgage Lending Committee:

Amy Marcou
Vice President –
Mortgage Lending
Coulee Bank, La Crosse



2020-2021 Incoming Chairs:

For the 2020-2021 fiscal year, the following banker volunteers will lead the association's committees and section boards:

Marketing Committee:

Natalie Adams
Brand Development,
Assistant Vice President
Royal Bank, Elroy

Technology/Operations Committee:

Mitchell Frydrych
Vice President – Information
Technology Officer
National Exchange Bank
and Trust, Fond du Lac

Human Resources Committee:

Gwen Schnitzler
Assistant Vice President/
Human Resources Director
Forward Bank, Marshfield

FIPCO Software Users Committee:

Kathy M. Burg
Vice President
State Bank of Chilton

Financial Crimes Committee:

Sarah Gasiorowski
Senior Vice President –
Security Officer
Associated Bank, Green Bay

Agricultural Bankers Section Board:

Darla Sikora
Senior Vice President –
Agricultural Banking
Citizens State Bank of Loyal

Mortgage Lending Committee:

Sherry Fickau
Assistant Vice President –
Compliance
Citizens Bank
Mukwonago

BOLT Section Board:

Derrick Hermann
Vice President – Lending
Waldo State Bank

Government Relations Committee:

Gary Kuter
Senior Vice President
Capitol Bank, Madison

Retail Banking Committee:

DeAnna Tittel
Senior Vice President of Retail
Bank of Luxemburg

Trust Section Board:

Tim Van Pelt, J.D., CTFA
Senior Vice President – Trust
National Exchange Bank &
Trust, Fond du Lac

COMMITTEES / SECTIONS

We Need Your Expertise to Help Shape the Banking Industry's Future

If you have a desire to influence your industry's future, consider lending your experience to one of these committees or sections, and find out for yourself how much you can impact Wisconsin's financial services industry.

To learn more about volunteering, please visit www.wisbank.com/community/get-involved.

Recognizing Community Service...

Wisconsin Bankers Get Involved

Community involvement is a hallmark of banking, and WBA members live up to this reputation! Bankers across the state dedicate their time, energy, and expertise serving on countless boards, councils, and committees. Given the importance of government bodies during the current pandemic, the association wanted to highlight bankers who are providing our industry's perspective to lawmakers.

Below is a listing of the various Wisconsin state-level government committees, councils, and boards with WBA member representation.

WEDC Blue Ribbon Commission on Rural Prosperity wedge.org/rural-prosperity

Bob Atwell | President and CEO, Nicolet National Bank, Green Bay

The commission, housed within WEDC, was created by Gov. Evers' [Executive Order #65](#) to gather on-the-ground input from diverse stakeholders throughout the state whose lives and livelihoods are tied to the vitality of their rural communities. As the impacts of the COVID-19 pandemic are realized, the commission will hold listening sessions to explore opportunities to build more resilient rural communities. From these listening sessions, the commission will develop a plan to reinvigorate the agricultural industry and rural businesses and communities across Wisconsin. Commission members, appointed by Governor **Evers**, represent the state's geographic diversity as well as the many industries and professions our rural communities rely upon to thrive.

Governor's Student Debt Task Force lookforwardwi.gov/student-debt-task-force



Michael Moderski |

President and COO,
McFarland State Bank

The Governor's Task Force on Student Debt will assess the causes of student debt, provide long-term strategies to reduce education-related debt, find ways to prevent abusive practices by loan companies and improve loan education. This task force was created by Gov. Evers' [Executive Order #67](#) and is chaired by Wisconsin DFI Secretary **Kathy Blumenfeld**.

2020 Census Complete Count Committee

www.wispolitics.com/2020/gov-evers-announces-appointments-to-2020-census-complete-count-committee

Tom Spitz | CEO,
Settlers Bank, Windsor

The committee was created through [Executive Order #55](#) and is tasked with educating Wisconsinites on the importance of completing the 2020 census, developing outreach strategies to reach hard-to-count communities, and identifying and reducing barriers that impede participation in the counting process.

eDATCP Data Privacy and Security Advisory Committee datcp.wi.gov/Pages/About_Us/DATCPDataAdvisory.aspx

Marco Martinez |
Compliance Officer,
Associated Bank, Green Bay

business perspective on new regulations, reviews tools and documents, and advocates for small businesses. The governor and the legislature appoint seven representatives of small business and the public to the council and the eighth is appointed by the DNR. Together, they serve as the voice of Wisconsin's small businesses at the DNR.

Governor's Council on Financial Literacy

www.wdfi.org/OFL/govcouncilfinlit

Cathy Couey |

Chief Operations Officer,
Sterling Bank, Chetek

Pablo Sanchez | Vice President,
The Park Bank, Madison

The Council's mission is to measurably improve the financial literacy of Wisconsin's citizens through the actions listed on [Executive Order #24](#) and to guide and serve as a continuous sounding board for the Office of the Governor and the Department of Financial Institutions' Office of Financial Literacy. Many Wisconsin families—but particularly low- and moderate-income ones—struggle to deal effectively with the complex range of choices they encounter in the financial services markets.

Families that lack financial assets have little ability to build wealth and they contribute to rising consumer debt. Surveys also show that youth lack basic financial skills and knowledge. The Council is part of a proactive approach to improving financial literacy in Wisconsin and making the state the recognized national leader when it comes to promoting financial literacy.

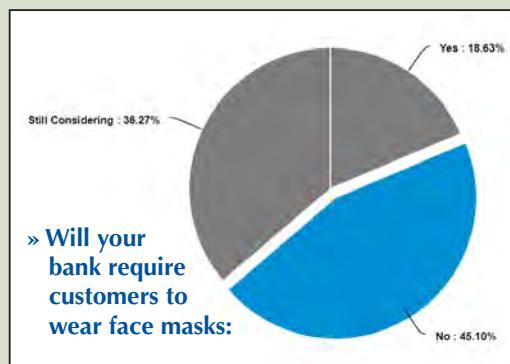
(continued on p. 13)

Reopening Protocols

WBA Voice for Banking During Reopening

In mid-May, WBA conducted a survey of all member bank CEOs and human resource department heads at member banks to collect information about how and when the state's banks would begin reopening as shutdowns to slow the spread of the coronavirus ended. Those surveys generated nearly 150 responses, representing nearly half of WBA's membership.

In addition to providing valuable information to the



Member survey response on bank reopening protocols.

association and other member banks—WBA published the results of the survey to the membership on May 18—the

survey data also gave WBA information to share with the public to provide the industry's perspective on reopening.

On May 28, WBA issued a press release informing the public about one specific reopening issues: customers wearing masks into bank lobbies. The press release is reprinted in full below. This release was picked up by a number of local news outlets and communicated an important message to all bank customers: contact your institution about what their stance is *prior* to arriving at the branch.

Can I Wear a Mask Into My Bank?

Bank branches reopening, may request customers lower masks briefly for identification

MADISON – The health and safety of customers and employees remains a top concern for Wisconsin banks as the state carefully begins reopening. As essential businesses, Wisconsin's banks remained open throughout the Safer-At-Home order, serving their customers in the drive-through, over the phone, and via online and mobile banking.

In a recent Wisconsin Bankers Association member survey, the majority of respondents indicate they will either require or encourage employees

to wear masks (59% total). Additionally, in order to help their customers feel safe and comply with CDC and State health recommendations, some banks may allow (or even require) branch visitors to wear masks.

However, safety and security collide when it comes to customers wearing masks, as banks are historically and understandably uncomfortable with people disguising their faces while in the bank. Out of an abundance of caution and to protect staff and customers, banks have historically prohibited masks and other face coverings. With many customers anxious about health concerns, many banks are shifting those rules to be more flexible.

"Banks' highest priority is the health and safety of their

customers and their staff," said **Rose Oswald Poels**, president/CEO of the WBA. "Each bank will weigh its unique risks and determine their procedures for permitting customers to wear masks while in the branch. Customers should remember that banking services remain available online and through mobile applications as well as drive-throughs."

Especially in areas where bank robberies are more common, bank customers should be aware of what their bank's guidelines may be related to masks. WBA's member banks are employing a variety of strategies, so customers may be asked to:

1. Lower their mask for a few seconds while facing a security camera.

2. Lower their mask for a few seconds to allow staff to identify them.

3. Answer security/identification verification questions (similar to using phone banking services).

4. Use the drive-through if they are unwilling or unable to comply with the bank's guidelines for masks.

WBA encourages consumers to contact their bank directly with specific questions about wearing masks and/or other face coverings in the branch.

The Wisconsin Bankers Association is the state's largest financial industry trade association, representing nearly 235 commercial banks and savings institutions, their nearly 2,300 branch offices and 23,000 employees.

Banker Involvement

(continued from p. 12)

WHEDA Board of Directors

www.wheda.com/about-wheda/members-of-the-board

Ivan Gamboa, Chair | Senior Vice President, Tri-City National Bank, Oak Creek The Wisconsin Housing and Economic Development Authority (WHEDA) was

created in 1972 by the Wisconsin Legislature to meet an increasing need for affordable housing financing. The Legislature broadened WHEDA's mission in 1983 to include financing for the expansion of business and agricultural activity in the state. As a lender, WHEDA has over \$2 billion in assets.

WEDC Board of Directors

wedge.org/inside-wedc/board

John Oathout, Treasurer | CEO, American Bank, Beaver Dam
John Brogan | CEO and President, The Bank of Kaukauna
 WEDC's Board of Directors is composed of state legislators, departmental secretaries and

individuals from the private sector with relevant business-related experience. The Board of Directors provides WEDC with strategic leadership and operational oversight, representing statewide public and private economic development interests.

Bulletin Board

News about people working in Wisconsin's financial institutions

Promotions and New Hires

Cadott

Citizens State Bank has hired two graduates of the Spring 2020 class of UW-Eau Claire into full-time, permanent roles. **Collin Kurcz** (*pictured*) was hired in January 2020 as a part-time credit analyst while finishing school. With his graduation and a business economics degree, Kurcz is transitioning into a full-time role. **Madeline Oliver** (*pictured*) was hired in March 2020 into an accounting role.



Madison

First Business Bank is pleased to announce that **Marlee Jorgensen** (*pictured*) was hired as assistant vice president – treasury management. In addition, First Business Financial Services is pleased to announce the promotion of **Ken James** (*pictured*) to senior director of credit administration.

Wisconsin Bank & Trust announced that **Brent Giles** will become president and CEO.

Manitowoc

Bank First is pleased to announce the appointment of **Robert W. Holmes** (*pictured*), former Chairman of the Board of Directors of Timberwood Bank, to the Board of Directors of Bank First.

Investors Community Bank recently welcomed **Kevin Coffeen** (*pictured*), vice president – senior ag banking officer; and **Frank Joachim** (*pictured*), vice president – assistant treasurer to its team.

(*pictured*) will immediately serve as the chief banking officer and work alongside the current president and CEO, **William Weiland**, until Quinnell takes over the role of president later this year.

Mukwonago

Jeffrey Standafer (*pictured*) has been named president and chief executive officer of Citizens Bank.

Oregon

Waunakee Community Bank, a branch of Oregon Community Bank, is pleased to welcome **Sue Beck** to the bank as an assistant vice president mortgage loan officer.

Peshtigo

Peshtigo National Bank is proud to announce the addition of **Scott Jandrin** (*pictured*) as vice president and business banking officer.

Waukesha

Waukesha State Bank is proud to announce the promotion of **Lauren Hanson** (*pictured*) to personal trust assistant within their Prairie Trust division.

Wausau

Peoples State Bank has announced three promotions: **Tori Dunlap** (*pictured*) from the Rhinelander location to lead the Eagle River team as branch manager, which became open with the promotion of **Amy Young** (*pictured*) to serve as the bank's customer service representative (CSR) operations administrator.

(continued on p. 15)

Marion

Thirteen employees have been promoted to new positions at Premier Community Bank: **Jill Breitrick** – senior vice president of operations/security officer/secretary of the board; **Morgan Mielke** – vice president of finance/accounting; **Doug Omernik** – assistant vice president of compliance; **Dave Lehman** – assistant vice president of credit; **Tiffany Krueger** – assistant vice president of credit services; **Sue Erzinger** – assistant vice president of mortgage services; **Rhonda Wilz** – assistant vice president of retail lending; **Nikki Schroeder** – assistant vice president of retail services, Fremont branch manager; **Dennis Federwitz** – assistant vice president of technology; **Cerene Rotter** – assistant vice president of customer care/information security officer; **Kay Tellock** – human resources

officer; **Gwen Fischer** – marketing officer; and **April Stevenson** – assistant branch manager, Marion.

Marshfield

Forward Bank announced that **Megan Genteman** (*pictured*) has been promoted to vice president / deposit operations manager, **John Kaprelian** (*pictured*) has been promoted to vice president / retail manager, **Chris Mueller** (*pictured*) has been promoted to vice president / compliance officer, **Bill Neville** (*pictured*) has been promoted to vice president / commercial lender, **Holly Zopfi** (*pictured*) has been promoted to vice president / loan operations, and **Ron Wilczek** (*pictured*) has been promoted to vice president / commercial lending manager.

Medford

Prevail Bank is pleased to announce that **Nathan Quinnell**



BS Recruiters is an executive search firm providing placement services to banks in the Wisconsin market that seek top-caliber talent.

Erick Gorecki
262-369-7007

The keys to our long success are our industry experience, personal commitment, and professionalism of our recruiters. We enjoy long-term relationships with the great majority of our clients because of our commitment to provide them with the highest level of service.

BS Recruiters
155 E Capitol Drive Suite 5
Hartland, WI 53029
www.bsrecruiters.com

Del Garcia
262-369-8109

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)

Additionally, **Andy Jensen** (*pictured*) has been promoted to a personal banker position.



Announcements

Wauwatosa

WaterStone Bank announced that it has donated scholarship funds to more than 20 local high schools this year. An annual donation from the WaterStone Bank Foundation, the scholarships are awarded to graduating seniors. "We congratulate the recipients of our WaterStone Bank scholarships and all graduating seniors in our communities on their many achievements," said WaterStone Bank President and CEO **Doug Gordon**.



Retirements

Fond du Lac

National Exchange Bank & Trust has announced the following retirements. **Barb Jansky** (*pictured*) retired on April 30, after 40 years of employment with the bank. Jansky was an operations officer in customer service. **Kay Jebron** (*pictured*) retired on April 30, after serving in the Loan Processing department for more than 20 years at the bank's downtown Fond du Lac operations location. **Katie Ramirez** (*pictured*) retired on May 8, after 19 years with the bank. Half of Ramirez's



career was spent as a check processing clerk, the latter half of her career was as a friendly face behind the teller line, providing customer service to bank customers.

Marion

Sue Mares (*pictured*) has announced her retirement from Premier Community Bank after 27 years of service. Mares' banking career began in 1992 at the Marion branch as administrative assistant to then President **Dick Pamperin** and is retiring as senior vice president of human resources.

Lauri Baranczyk (*pictured*) has announced her retirement from Premier Community Bank after nearly twenty years of service and over forty

years in community banking. Baranczyk's banking career began in 1978 at then Pulaski State Bank. In Aug. 2001, she joined Premier Community Bank, when branch was first opened at its original location on Pulaski Street in Pulaski. In 2010 she took the reigns as manager of the Pulaski branch.

Mukwonago

Charles O. Miller, Jr. (*pictured*) has retired from Citizens Bank after 32 years with the company, most recently as president and chief executive officer.

West Salem

Steve Zeman (*pictured*), president of Union State Bank in West Salem has announced

his retirement effective later this year. Zeman has served as president since July 1, 2007 and has advanced Union State Bank into a state-of-the-art community bank through advanced technologies while remaining committed to quality lending practices and exemplary community and customer service. Zeman will continue to serve on the bank's Board of Directors after retirement.

Associate Member News

Fond du Lac

BrownBoots Interactive Inc. recently augmented its team with the hiring of **KD Bernander** (*pictured*) as a project manager.

Houston, Tex.

JMFA announced that **Rebecca Minor** (*pictured*) has joined the company's team of professional consultants and performance improvement experts as a regional director.

Little Rock, Ark.

Smiley Technologies Inc. has been recognized as a 2020 Forbes Small Giant. The Small Giants list highlights 25 privately owned companies whose commitment to greatness over fast growth has enabled them to best serve their customers, employees and communities, all while maintaining profitability.

Stadium Naming Rights Approved

The Sun Prairie Area School District School Board members unanimously approved the naming rights proposal received from Bank of Sun Prairie. This agreement is a 20-year naming rights sponsorship for the new multipurpose stadium currently under construction at Ashley Field. The stadium name set forth is Bank of Sun Prairie Stadium at Ashley Field. The naming rights sponsorship proposal incorporates elements on how and where Bank of Sun Prairie Stadium name and logo may be displayed and other opportunities such as Bank of Sun Prairie delivering free financial education across the district. The \$250,000 donation is not tied to any specific expenditure for the construction project but will serve to enhance the experience at the multi-purpose activities complex, such as a video scoreboard, etc.





Your EDUCATION Calendar

Conferences | Summits

Schools | Boot Camps

Seminars | Workshops

WBA Webinars

Other Events

JULY 2020

- **Agricultural Bankers Conference**
8 Wisconsin Dells or Live Stream;
\$300/attendee
- **Strategic Marketing Virtual Workshop Series**
21 4-part series; \$450/attendee
- **Empowering Women in Banking Virtual Summit**
23 \$59/attendee;
\$295/for team of 6 (registration for 6th is free!)
- **Credit Analysis Boot Camp**
28-29 Green Bay; \$495/attendee
- **Community Bankers for Compliance (CBC) – Session III**
28-29 Virtual; 2 half days; (*pricing options vary*)

AUGUST 2020

- **BOLT Summer Virtual Series**
TBD \$150/attendee
- **Chairman's Member Appreciation Golf Outing**
13 Wisconsin Dells
- **Internal Audit Workshop**
21 Madison; \$245/attendee
- **Family-Owned and Closely Held Bank Strategic Retreat**
25-26 Galena, IL; \$295/attendee

SEPTEMBER 2020

- **Introduction to Commercial Lending School**
9-11 Madison; \$795/attendee
- **Management Conference**, Green Bay
15-16 \$250/each first two attendees;
\$200/each additional attendee
- **Secur-I.T. Conference**, Wisconsin Dells
22-23 \$350/first attendee;
\$300/each additional attendee
- **Bank Directors Summit**, Madison
24 \$225/first attendee; \$175/each additional attendee
- **Cash Management Workshop**
24 Madison; \$245/attendee
- **Enterprise Risk Management Workshop**
25 Madison; \$245/attendee

OCTOBER 2020

- **Margin Management Workshop**
6-7 Madison; \$450/attendee
- **BSA/AML Compliance Workshops**
6 Eau Claire; \$245/attendee
7 Neenah; \$245/attendee
8 Madison; \$245/attendee
- **Personal Banker School**
13-14 Madison; \$450/attendee
- **Advanced Financial Statement & Cash Flow Analysis Workshop**
15 Madison; \$245/attendee
- **IRA Essentials Workshops**
15 Eau Claire; \$225/attendee
27 Neenah; \$225/attendee
29 Madison; \$225/attendee
- **Advanced IRA Workshops**
16 Eau Claire; \$225/attendee
28 Neenah; \$225/attendee
30 Madison; \$225/attendee
- **Advanced Tax Return Analysis Workshop**
16 Madison; \$245/attendee
- **Community Bankers for Compliance (CBC) – Session IV**
20 Stevens Point (*pricing options vary*)
21 Madison (*pricing options vary*)
- **Supervisors Boot Camp**
21-22 Madison; 535/attendee
- **Compliance Forum: Session 2**
27 Wausau (*pricing options vary*)
28 Wisconsin Dells; (*pricing options vary*)
29 Pewaukee; (*pricing options vary*)

PROGRAMS TO BE RE-SCHEDULED

- **FIPCO Software & Compliance Forum: Deposits**
1 day; Madison; \$189/attendee
- **Principles of Banking Course**
2 days; Locations TBD; \$550/attendee

» Visit www.wisbank.com/education
for more information and online registration.
» Or email WBA Education at [wbaeducation@
wisbank.com](mailto:wbaeducation@wisbank.com) or call 608-441-1252.

Wisconsin Bankers Foundation Awards Four \$2,000 Scholarships

Four deserving students, three with connections to the banking industry, will find continuing their education a bit easier thanks to the support of Wisconsin's banks. The Wisconsin Bankers Foundation has awarded its annual Spring **Scholarships** to these commendable applicants who will be attending a Wisconsin state accredited college, university or state operated technical school this fall.



Wisconsin Bankers
FOUNDATION

The Foundation broadened the eligibility of this year's scholarships beyond high school seniors who are an employee, or the child of an employee, at an in-state location of a WBA member institution. The 2020

Spring Scholarships were made available to any Wisconsin high school senior, and also to current college students and adults pursuing higher education who are employed by member banks.

Each student was required to include in their application a creative description of the role financial literacy has played in their life, listing any resources they've used. Many students chose to submit

essays, but the selection committee also reviewed PowerPoint/Keynote presentations, videos, infographics, and other creative submissions.

Each scholarship winner will be presented with their award over the summer by the Foundation and a member of the Retail Banking Committee, who had the honor of reviewing the 85 applications and the difficult task of selecting the winners.

Congratulations to This Year's Scholarship Recipients!



Carla Garten just graduated from eAchieve Academy Virtual School (Waukesha

School District). She will be attending Carroll College and plans to study music therapy.



Abigail (Abby) George is currently pursuing agricultural science and ag marketing and communications degrees with a minor in animal science at UW-River Falls. Her mother, Patty, is an agricultural loan officer at Alliance Bank, Mondovi.



Brianna Gilbert is a teller and customer service representative at Royal Bank in Lone Rock. She will be attending UW-Whitewater and wants to become a certified public accountant.



Emily Vorpahl just graduated from Random Lake High School and will be attending UW-Madison with a career goal of becoming a business or financial administrator at a healthcare facility. Her mother, Lina, is a loan servicer at Port Washington State Bank.

Good luck in your future endeavors!

Open Doors for Women Bankers | Virtual Summit on July 23



Empowering
women in banking
virtual summit
Empowering WIB Virtual Summit



Receive a copy of Marcia Malzahn's latest book. Register at www.wisbank.com/women.

"When one door closes, another one opens," may be an old adage, but it remains true. Out of an abundance of caution and care for the health and wellbeing of our member bankers, WBA has decided to postpone the in-person Women in Banking Conference (originally scheduled for July 27) until April 2021.

But, the women leaders at your bank don't need to wait until next year to further grow their skills!

WBA is excited to announce a **NEW** digital program developed specifically for women bankers: the Empowering Women in Banking Virtual Summit!

Scheduled for July 23 from 1–2:30 p.m., this online event is devoted to developing our industry's current and future

women leaders. Attendees will hear from banking consultant and speaker **Marcia Malzahn** and participate in peer group discussions.

Malzahn will conduct two presentations during the summit, split by time for small group discussions. The first, *A Passion for Women in Leadership*, will teach attendees the traits of successful leaders, how to achieve balance and success, and the keys to becoming a successful woman leader.

In her second presentation, *Bring YOUR Shoes*, Malzahn will encourage attendees to discover their talents and maximize them in the workplace by creating opportunities for themselves. She'll offer tactics and tools for discovering and maximizing the talent of those you lead and teach how to lead teams with a focus on core strengths.

Flexible Registration Options:

To expand the summit's availability to as many women bankers as possible, the

WBA is offering flexible registration options.

Individual – For \$59, you'll receive one connection to the live program, access to the online recording, and a copy of Malzahn's latest book (shipped directly to you!).

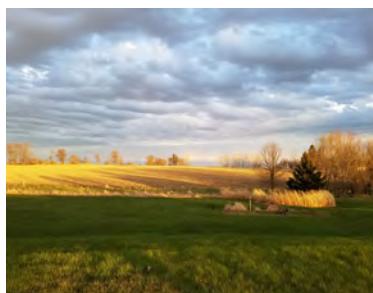
Team – For every five team members who register, you'll get one attendee free! Register six women leaders from your bank for \$295 + tax. Each team member will receive access to the presentations and online recording. *Save time and money:* Take advantage of the team discount to save \$59 and register everyone at the same time.

Don't miss this opportunity to develop your leadership skills and network with other women bankers, all virtually!

Learn more and register at www.wisbank.com/women.

2021

Scenes of
WI
Calendar



Order the 2021 Calendar by Aug. 15 and pay only \$1.39 each

www.wisbank.com/calendars

FIPCO: Grow a Successful Referral Program

FinancialRefer offers bank referral tracking and reporting software

A GoBankingRates consumer survey in May 2019 found 88% of people do not plan on switching banks anytime soon, which means acquiring new customers is often expensive and time-consuming. If your bank has growth in the strategic plan, expanding your current customer relationships is the most cost-effective tactic.

Referrals are a key ingredient for growing your wallet share. That's why FIPCO has partnered with FinancialRefer to offer bank referral tracking and reporting software and help you grow a successful referral program.



Contact FIPCO Sales at fipcosales@fipco.com to join us for a FREE, no-obligation demo or for more information.

This new tracking and reporting software allows you to:

» **Send Referrals Between Staff and/or Departments**

The Referral Tracking system makes it easy to send and receive referrals between staff and departments in the financial institution.

» **Increase Cross-Selling**

Increase cross-selling opportunities by putting a

formal referral system in place that shows staff referral results.

» **Track Referral Outcomes**

By tracking the outcomes of referrals, you will understand the value of every referral and where to focus referral efforts.

» **Automate Referral Notifications**

Automated referral alerts go out when a referral is received, statuses are updated, and referrals are closed.

» **Grow Deeper Relationships**

FinancialRefer helps banks become the one-stop shop for their customers' banking needs.

» **Generate Referral Reports with One Click**

No more using spreadsheets to track your referrals. FinancialRefer tracks everything automatically and makes it easy to run a report at any time.

Want to learn more? Join us for a FREE, no-obligation demo! Pick the date and time that works best for you:

July 15 | 2-3 p.m.

July 29 | 10-11 a.m.

The demos include time afterwards for questions.

Questions? Please contact FIPCO Sales at fipcosales@fipco.com.

» Visit www.fipco.com/alert/remotework for up-to-date Covid-19 information and resources.

2020-2021

FIPCO Board of Directors

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Target on PPP: Are Banks or Businesses in the Crosshairs?

How to weigh PPP potential scrutiny, due diligence, and forgiveness

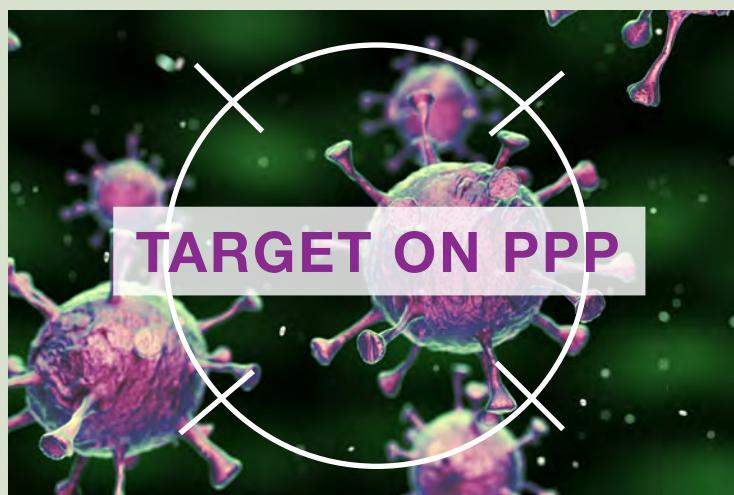
By Amber Seitz

The 335-page CARES Act—co-opted from a bill to provide middle-class tax relief—was cobbled together with bipartisan support and signed into law in a single week (March 20-27). Seven days later, on April 3, the SBA Paycheck Protection Program opened for applications (immediately crashing E-TRAN, the SBA system for accepting loan applications from banks). It's easier to count the days when Treasury and/or SBA *didn't* make changes to PPP, now in its second round.

Despite changing, conflicting, late, and sometimes non-existent guidance on PPP, banks across the country worked around the clock to help their small business clients get access to the funds available. Community banks, in particular, received accolades for their efforts from lawmakers, media (like the *Washington Post*), and even Secretary-Designee of the Wisconsin Economic Development Corporation Missy Hughes, who said in a public hearing on April 30 Wisconsin banks had “punched above their class” with regard to PPP loans, “a testament to community banks ... working tirelessly to process applications on behalf of their borrowers.”

That was then...

Now, the winds are changing. The near-constant and evolving guidance from Treasury and SBA have transformed some of the fundamental aspects of PPP from CARES statutes into a different, slightly stricter program. Some politicians and officials, including the IRS and Justice Department, are starting to throw around the F-word: *fraud*.



On April 23, Sen. **Elizabeth Warren** wrote a letter to the inspector generals of the SBA and Treasury requesting an investigation of the implementation of PPP to “ensure that these funds are helping the businesses they are designed to help, and that they are being distributed consistent with the law and without waste, fraud, and abuse.”

U.S. Senators **Charles Schumer, Sherrod Brown, and Benjamin Cardin** also sent a letter requesting an SBA investigation on the grounds that certain lenders “prioritized the applications of their larger and wealthier clients to the detriment of smaller businesses adversely impacted by the coronavirus pandemic.”

Treasury Secretary **Steven Mnuchin** has now said the SBA will review every PPP loan over \$2M, for which businesses can be held “*criminally liable*” if they didn’t meet the program’s revised terms.

Most of these objections are to aspects of the PPP rollout not required by law. As **Don McGahn**, a partner and co-head of the government regulation practice at law firm Jones Day, wrote in a recent *Wall Street Journal* op-ed, the CARES Act was not written to be overly prescriptive, and “its loose language was sold as a feature, not a bug.”

Washington moved PPP’s goalposts, forcing businesses to weigh the risks of keeping a loan they obtained in good faith but is determined to be unnecessary after the fact. In addition to helping their customers weather the pandemic, banks now also need to worry about how to respond to state and federal investigations into their lending practices related to PPP.

Banks shielded by statute?

Especially in the early stages of the PPP rollout, bankers lacked guidance on how to process the loans and disperse the funds. Under pressure from small businesses, regulators, and lawmakers, the banking industry jumped in with both feet anyway and worked around the clock to get approval for nearly 1.7 million loans in the first phase of PPP. The industry’s quick action with little direction allowed the government to get cash into the hands of thousands of small businesses that would have gone under without that lifeline.

Because banks and other PPP lenders acted as intended by the CARES Act, the nonprescriptive language in the statutes may provide some protection against regulatory scrutiny.

PPP Resources:

- » WBA Coronavirus Resource Center: <https://www.wisbank.com/resources/coronavirus-covid-19/>.
- » WBA COVID-19 Resource Center for Consumers and Businesses: <https://www.wisbank.com/resources/coronavirus-covid-19/consumer-covid-19-resources-from-wisconsin-banks/>.

Public perception is another matter. Not long after SBA started releasing information on which companies had been approved for PPP loans, banks and their customers were in the crosshairs. Politicians, government officials, and other public figures expressed shock and disappointment that businesses had applied for and received funds under the PPP rules as written. Companies like the Los Angeles Lakers and Shake Shack returned the money in an effort to save face.

Banks were accused of prioritizing current customers (which was an expeditious way of adhering to BSA/AML and “know your customer” regulations while keeping up a breakneck pace for loan processing). Some small business owners have filed lawsuits against the nation’s largest banks (including Bank of America, JPMorgan Chase, U.S. Bancorp, and Wells Fargo) claiming they favored larger clients. Future claims, including discrimination and disparate-impact suits, could be forthcoming for smaller institutions, too.

Borrowers in the hot seat
On May 13, Treasury and SBA released an FAQ

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Paycheck Protection Program

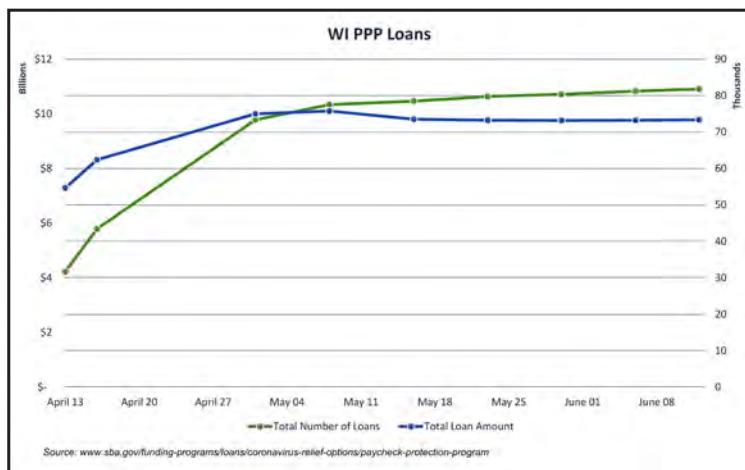
Over 81,000 PPP Loans in Wisconsin with Two Weeks Left

Wisconsin's financial institutions showed up strong in the initial round of Paycheck Protection Program (PPP) loans, ranking 10th in the nation for number of loans issued during the first week after the program's launch. As of June 12, Wisconsin lenders have issued over 81,000 PPP loans totaling nearly \$9.8 billion, placing the state 19th overall. That means banks' quick work resulted in Wisconsin businesses receiving the lifeline funds they needed early in the crisis.

applications (compared to 43,395 during the first round) totaling under \$1.5 billion, and nearly 30,000 of those were during the first week Round 2 loans became available. (*See WI PPP Loans chart, below.*)

In the initial round of funding, Wisconsin institutions helped about 30% of all business in Wisconsin (according to 2017 Census numbers) and affected 71% of total Eligible Payroll.

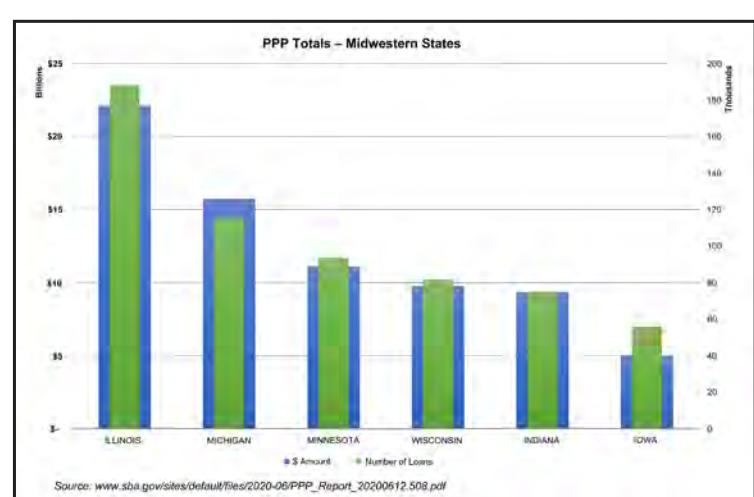
Those staggering numbers



After the initial spike, during which many of WBA's member bankers worked nights and weekends to ensure their clients received the funds necessary for survival, loan demand slowed. In fact, during the ongoing second round of PPP, Wisconsin institutions have only processed about 38,400

offer an explanation for the significant drop-off in demand: the Wisconsin businesses that needed PPP funds received them during the first flurry of activity, with the help of their local bank.

Nationally, as of June 12, SBA reports the 5,455 participating lenders have filed nearly 4.6 million PPP loans

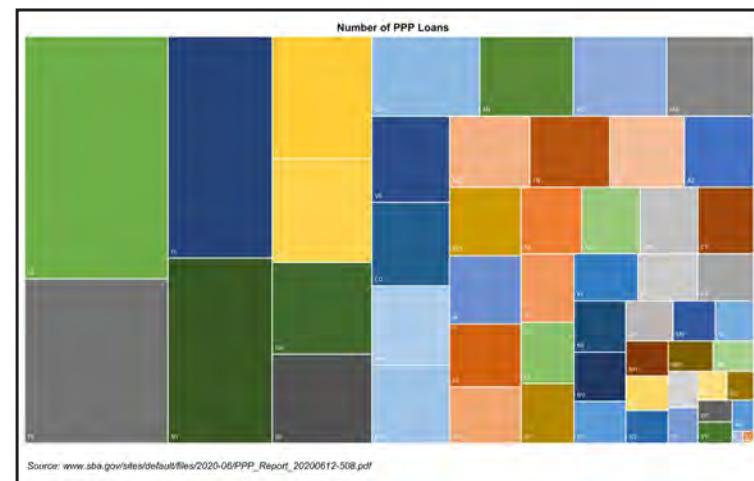


totaling over \$512 billion with an average loan size of just over \$111,000. (*See Number of PPP Loans chart, below.*)

In the Midwest, Wisconsin currently ranks fourth in the total loan amount and number of loans. (*See PPP Totals – Midwestern States chart, above.*)

All of this demonstrates that Wisconsin's banks entered this pandemic from a position of strength and are well-equipped to help their communities.

View the full report from SBA: www.sba.gov/sites/default/files/2020-06/PPP_Report_20200612-508.pdf.



Target on PPP

(continued from p. 20)

regarding their interpretation of a borrower's good-faith certification on PPP applications. The agencies declare PPP borrowers with original principal amounts less than \$2M will be given safe harbor for their good-faith certification concerning the necessity of their loan request. PPP guidelines

require borrowers to certify that the "current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant."

However, all loans above \$2M are subject to review by SBA for compliance with PPP's requirements (as set forth in the SBA's **Interim Final Rule** and in the Borrower Application

Form). To that end, on May 14, SBA notified PPP lenders that certain loans in their portfolios may require review for accuracy and completeness. SBA required lenders with these loans, marked by SBA as being in "research" status, to verify the borrower's name, EIN, or SSN via SBA's Capital Access Financial System (CAFS).

Caught between a rock and a hard place

Facing reputational risk for participating in PPP and not participating, banks could now be caught between the federal government's changing rules and customers on the hook for loans they thought they were allowed to take and have forgiven.

Seitz is WBA operations manager and senior writer.



» Thanks to all the Wisconsin members of Congress for supporting changes to the PPP to make it more flexible for small businesses.

PPP Flexibility Act – What Changed?

(continued from p. 1)

However, for PPP loans that were made prior to June 5, based upon language in the PPP Flexibility Act, the lender and borrower may mutually agree to modify the loan maturity term from 2 years to 5 years. The 1% interest rate remains unchanged.

Covered Period Extended

Borrowers were required to spend PPP loan proceeds for 8 weeks, beginning on date of loan disbursement. This time period was referred to as the “covered period.” The PPP Flexibility Act has extended the covered period from 8 weeks to 24 weeks. This provision is backdated to the enactment of PPP, however, a borrower who previously received a PPP loan before June 5, 2020, may elect to keep the original 8-week covered period.

The PPP Flexibility Act also corrected a technical issue that was created when Congress added funding to the PPP by changing the June 30, 2020 date by which eligible expenses must be incurred to Dec. 31, 2020. New program applications,

however, must be submitted no later than June 30, 2020.

Exemption Based on Employee Availability

New exemptions have been added to avoid a reduction in loan forgiveness. During the period beginning on Feb. 15, 2020 and ending Dec. 31, 2020, the amount of loan forgiveness is to be determined without regard to a proportional reduction in the number of FTEs if a borrower, in good faith can document:

- The inability to rehire individuals who were employees of the borrower on Feb. 15, 2020; and
- An inability to hire similarly qualified employees for unfilled positions on or before Dec. 31, 2020; or
- Is able to document an inability to return to the same level of business activity as was operating before Feb. 15, 2020, due to compliance with requirements established or guidance issued by Secretary of Health and Human Services, the CDC Director, or OSHA during a period beginning on March 1, 2020 and ending Dec. 31, 2020, related to the maintenance of standards for sanitation, social distancing, or any other worker or customer safety requirement related to COVID-19.

Percentage of PPP Loan Proceeds on Payroll Costs

Loan proceeds under PPP were to be used for certain expenses with a cap of 25% permitted for use on non-payroll costs during the covered period. The PPP Flexibility Act now allows for up to 40% of PPP loan proceeds to be used on non-payroll costs. For forgiveness, the borrower must now use at least 60% of PPP loan proceeds for payroll costs during the covered period.

Forgiveness Application Filing and Deferral Period

The PPP Flexibility Act requires borrower to apply for forgiveness of a covered loan within 10 months after the last day of the covered period. If borrower fails to file for forgiveness at that time, borrower will be required to make payments of principal, interest and fees, as applicable.

The Act also revised the previously set payment deferral period to coincide with a decision on the borrower's application for forgiveness or 10 months after the last day of the covered period if borrower failed to apply for forgiveness.

Payment of Payroll Taxes

The PPP Flexibility Act eliminates the CARES Act exception to now allow a borrower to delay the payment of payroll taxes if the borrower has indebtedness forgiven under PPP.

MacKinnon is WBA vice president – legal.

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.

Schoolhouse Rock: How a PPP Flexibility Bill Becomes a Law

By Amber Seitz

On June 5, President Donald Trump signed H.R. 7010, the Paycheck Protection Program Flexibility Act of 2020, bringing to fruition a quick, effective WBA advocacy campaign.

The PPP Flexibility Act makes several changes to the program to the benefit of small businesses. WBA supported these changes on behalf of our member banks and their business clients. Further guidance and clarification from SBA and Treasury will be forthcoming, but the legislation signed on June 5 accomplishes several positive changes:

- Extend from eight to 24 weeks the amount of time borrowers have to spend PPP funds.
- Lower the amount that must be spent on payroll costs from 75% to 60%.
- Remove the limits on loan forgiveness for businesses that were unable to rehire employees, hire

(continued on p. 23)

WBA Chair Kohler

(continued from p. 1)

In his 30+ years in banking, Kohler has done a little bit of everything, his favorite is commercial lending. “You get to go out and meet with all different clients and businesses,” he explained. “One day you’re dealing with a manufacturer, then a veterinarian, then a jewelry store. It’s the spice that you get working with something different every day.”

If variety is the spice of banking, then Wisconsin bankers have had a spicy few months! With the deluge of

Kohler’s primary goals as WBA Chair this year are for the association and industry to expand the banking workforce, develop current bankers, educate lawmakers and regulators about the industry, and encourage community involvement.

Paycheck Protection Program loans, operational changes to promote social distancing, and dramatic shifts in customer behavior away from in-person banking, change has not been in short supply.

That’s why one of Kohler’s primary goals for his term as chair is to evolve and innovate how the industry approaches professional development and how the association delivers the training that goes along with it. “We’ll have to be innovative moving forward,” Kohler said. “We’re going to need more training so we know how to handle the new challenges we face.”

Designate an Advocacy Officer from your bank or learn more at www.wisbank.com/advocacy/advocacy-officers.

Another key focus is advocacy. As a trade association, advocacy has always been a core WBA service. As the industry faces new challenges, it is even more important. “Advocacy is always a big part of what we do at WBA,” Kohler said. To that end, Kohler urges the entire WBA membership to rely on one another for mutual benefit. It will take the entire industry to make any headway in achieving a level playing field via tax parity with credit unions, for example. One way every bank can make an impact is by designating an Advocacy Officer. This

volunteer role is the go-to person at their institution for all things advocacy. Find out more and designate someone from your bank at www.wisbank.com/advocacy/advocacy-officers.

Finally, community support will remain a key focus of the association and its membership during Kohler’s term. Through campaigns such as **Power of Community**, WBA will continue to amplify the efforts of member banks to support their local businesses and families. “The banks in our state are the lifelines for our communities,” Kohler said. “We’re the ones sponsoring parades and making donations to make our communities thrive. I take a lot of pride in that, and it’s what drew me to banking.”

Seitz is WBA operations manager and senior writer.

How a PPP Flexibility Bill Becomes a Law

(continued from p. 22)

new employees, or return to the same level of business activity as before the virus.

- Extend the June 30 rehiring deadline to Dec. 31.
- Extend the period for when a business can apply for loan forgiveness, from within six months to within 10 months of the last day of the covered period.
- Extend the loan terms for any unforgiven portions that need to be repaid from two years to five years, at 1% interest.*

Getting these changes across the lawmaking finish line required the dedicated and coordinated efforts of WBA staff, members, and many other groups. To help this bill gain support and

traction, WBA joined several other business associations in communicating with federal lawmakers between the bill’s initial introduction in the House on May 25 and its passage on June 5. In that 12-day period, WBA was in nearly constant communication with the Wisconsin Delegation.

On May 27, WBA sent a request to each of Wisconsin House members asking them to urge their colleagues to support the PPP amendments. “This is critically important to the banking industry and to small businesses across the country, including Wisconsin, in light of the complicated forgiveness application published recently by SBA and Treasury,” wrote WBA President and CEO Rose Oswald Poels.

“Small businesses will need significant help from the banking industry and/or their accountants in order to complete this very detailed, complex application. Creating an ‘EZ’ version of the application for loans under \$350,000 would meaningfully help borrowers without jeopardizing any audit rights of SBA.”

WBA also signed on to a letter sent to Capitol Hill on May 27 with other state bankers associations and ICBA urging the entire Congress to consider the much-needed reforms.

The PPP Flexibility Act passed the House on May 28 and moved on to the Senate. On June 2, WBA asked all of the Wisconsin House Delegates to sign on to a letter to the senate urging swift

passage of the bill. In addition to Rep. **Mark Pocan**, Reps. **Mike Gallagher**, **Glenn Grothman**, **Ron Kind**, **Gwen Moore**, **Jim Sensenbrenner**, **Bryan Steil**, and **Tom Tiffany** were asked to sign on to a letter to the Senate authored by Reps. **Barr** (KY) and **Hill** (AR), and joined by Rep. **Horn** (OK), requesting a streamlined forgiveness application for PPP loans under \$350,000.

The Senate sent the bill to the president’s desk on June 5, and he immediately signed it into law.

WBA thanks all the Wisconsin members of Congress for supporting changes to the PPP to make it more flexible for small businesses.

Seitz is WBA operations manager and senior writer.

*Regarding the term extension, for PPP loans made before June 5, 2020, in order for the loan term to be extended from the current two years to the new 5-year term, both borrower and lender must agree to the new term. The change of term is not automatic for those PPP loans already closed.

WBA Opens Engagement Center With Enhanced Safety Considerations

The WBA Engagement Center, the centerpiece of our recent building renovation, was designed for our members' needs and is carefully opening its doors for member use.

The Engagement Center began hosting events in February to rave reviews from attendees. The center has been closed since March after Governor Evers issued his Safer-at-Home orders.

As state and local orders have changed, WBA has modified our operations surrounding the Engagement Center to focus on the safety of our guests and our staff. You can feel confident during your time at the Engagement Center and take full advantage of the top-notch training as well as state-of-the-art facilities.

We are following all CDC guidelines as we continue to monitor health recommendations and best practices. We continue to evolve our measures to best ensure your safety.



» The Wisconsin Training Room (*above*) and the Rock Training Room (*right*) in the WBA Engagement Center.

» See more photos of the Café and Engagement Center training rooms online at www.wisbank.com/wba-office-remodel.



Listed below are just a few of the highlights on what we are doing:

Before Your Arrival...

» If you are not feeling well, have a fever or have been in contact within the last 14 days with someone who has been positively diagnosed with COVID-19 we ask that you cancel your registration and we will offer a full refund.

» Our meeting rooms are reconfigured to accommodate physical distancing best practices. Both the room size and number of attendees have been considered so ample spacing is offered between tables and chairs.

» Cleaning and sanitizing of the entire building with special attention to high-touch areas occurs daily.

» Furniture in the Engagement Center is disinfected at the end of every day with an event.

» Attendees are encouraged to bring their own water bottles as we have touchless water stations in the Engagement Center and the Café.

» Face masks are not required but you are welcome to wear one. Please bring your own so you are wearing what is most comfortable to you.

» Your name badge and materials are handled by staff wearing gloves throughout all touchpoints.

During Your Stay...

» Automatic door openers available at the front entrance.

» Sanitizing stations are located in the Engagement Center, café, and throughout the building for your use.

» Restrooms are equipped with sanitizer spray and hand sanitizer.

» Staff wear single use gloves when making coffee and replenishing tea, soda, and water bottles.

All current recommended social distancing precautions/guidelines will be observed.

Visit www.wisbank.com/education/engagement-center-guidelines to learn more.

Mark Your Calendars!

» The **WBA Management Conference** will be held Sept. 15-16 at the Hyatt Regency in Green Bay.

» The **WBA Secur-I.T. Conference** will take place Sept. 22-23 at the Kalahari Resort and Conference Center in Wisconsin Dells.

Both of these events offer both in-person and virtual attendance options to accommodate your individual needs and preferences.

Watch for more information and registration to open soon at www.wisbank.com/education.

» We will be serving box lunches or premade/wrapped sandwiches provided from a licensed restaurant in the area. Staff will wear gloves any time your food items are being handled and distributed.

» The Café will be marked to accommodate physical distancing best practices.

» Café tables will be wiped down between meals and your usage.

» Staff will regularly clean touch points during the day such as door handles, drink fridges, and other high-touch point areas.

We look forward to seeing you soon for an onsite training event in our new Engagement Center facility.

If you have questions regarding our Engagement Center, our precautions, or what training events we are hosting, please email WBA Education at wbaeducation@wisbank.com or call 608-441-1252.

Association Update

WBA Members Receive \$169K in Premium Credits in July

By Darryl J. Lund

WBA EBC, a wholly owned subsidiary of the Wisconsin Bankers Association, is proud to announce two premium credits through our carriers. Combined, these credits amount to nearly \$170,000 for WBA member banks!

WBA members should also know that these carriers are strong partners to the banking industry and both have adopted broad relief efforts to help their customers during this pandemic. The premium credits below are just one example of this stewardship.

Delta Dental of Wisconsin

As a result of COVID-19 and the limited access to routine dental care, with providers offering emergency-only services in most cases,



Association Update

Darryl J. Lund

Delta Dental announced they will be offering some relief to our members as follows:

Credit details for group dental and members:

» Delta Dental will offer a 50% credit to April 2020 billed premiums. This is a one-time credit; there will be no retroactivity refunds reflected on future invoices. For example, if a client adds a new subscriber in June with an effective date of April 1, Delta Dental will not credit the premium for that subscriber

back to the group for the month of April.

» This credit will be applied to the July billing statement.

» Delta's premium credit is at group level and each employer may make a determination on how to handle this credit.

The total amount credited to our WBA member banks is \$134,000. Delta Dental has been a great partner with the WBA over the past 13 years and membership has grown to over 7,000 enrollees.

UnitedHealthcare

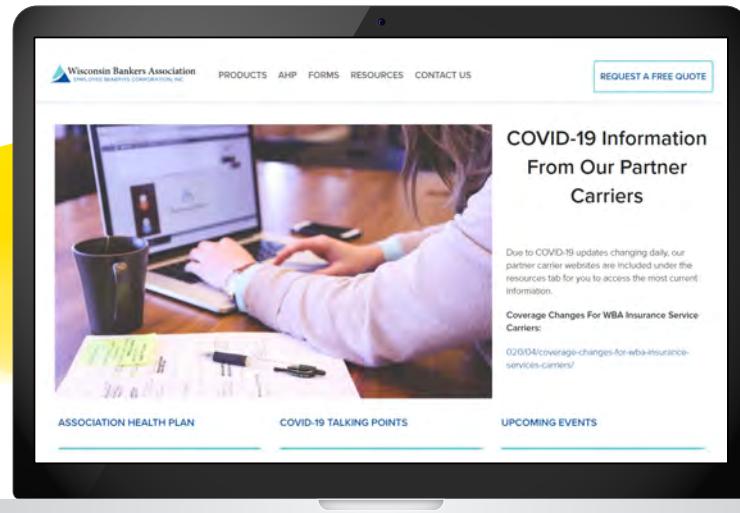
As the global COVID-19 crisis continues to evolve, UnitedHealthcare remains committed to offering assistance and support to WBA EBC's Association Health Plan (AHP) customers.

As part of its COVID-19 premium forgiveness program, UnitedHealthcare will soon apply a one-time premium credit to the July invoice issued to our AHP members. This credit will be calculated based on a percentage of the individual bank's May premium and applied to the July 2020 invoice automatically.

The total amount credited to WBA member banks is around \$35,000. UHC continues to be an excellent partner with WBA's AHP program, which currently has 1,300 members enrolled.

For more information, contact EBC's **Brian Siegenthaler** at 608-441-1211 or bsiegenthaler@wisbank.com.

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



HAVE YOU CHECKED OUT OUR WEBSITE LATELY?

Learn more about:

- Association Health Plan
- COVID-19 Talking Points
- Upcoming Events

Community Advocate of the Month

Wisconsin's bankers are the definition of "community advocates" in all that you do every day to improve your local economy through your bank's products and services, as well as through your generous philanthropy of time and money. This column shares and celebrates the diverse backgrounds, experiences, perspectives, and innovation of some of the extraordinary bankers in this state.



Rose Oswald Poels

Q&A

The following is a brief interview between WBA President and CEO **Rose Oswald Poels** and Cumberland Federal Bank President and CEO **Shay Horton**. Read past interviews at www.wisbank.com.



Shay Horton

a now happily retired vice president. She asked me if I had a degree in accounting and I said I did. Once she had confirmed, she turned on the sales pitch. She started telling me about the bank and its mission. I was intrigued, so I left my job and took a chance at a new opportunity in the banking world.

I hit the ground running and getting settled in the financial area of the bank, I soon took over the human resources area as the President oversaw that and was retiring. Things were going well, but I remember the day the senior teller said, "You are probably good at accounting, but you don't know anything about banking." First, I was a bit offended, but then I thought more about the comment and thought, there is some truth to that statement. So, I asked my supervisor (she was then President), how do I learn more about banking as a whole. The next summer I attended the Graduate School of Banking in Madison. After graduating and the President's retirement, I was named CEO in 2017.

What is your favorite aspect of your role at your bank?

My favorite aspect of my role is being able to see the teamwork and leadership that occurs in our bank. No one is afraid to pitch in and help to make sure our bank is the best it can be and our customers are served. During this pandemic, it has been more evident than ever. We have been running short-staffed on the front line to keep employees separated appropriately, are having the biggest refinance boom in years, and navigating SBA PPP loans, but our staff stepped up to the plate and have been able to put in the time and make sure our customers were served and other staff members had the support they needed. It is so rewarding to work with such a great team.

Rose: How did you first get into the banking industry?

Shay: I like to say I am an accountant by trade, banker by chance. I had been working as an accountant for a technical college when I was approached on a perfect sunny summer day in 2013 while sitting on a dock in beautiful Beaver Dam Lake by

What do you wish the general public understood about the banking industry?

The banking industry, and community banking in particular, does amazing things for customers and communities. Bankers are here to help you live a great life: save for the future, keep your money safe, buy your first car, buy your first home, and most importantly provide advice. I would also like people to know that banking has changed; it is not as stuffy as it once was. An experience at a bank should not be intimidating or uncomfortable. Our motto is "Friends Serving Friends" and it is true. In a community bank you are serving your friends and neighbors. You may be working with customers in the bank, in their home, in your home, in the grocery store or at the boat landing.

Community banks also give back to their communities, not just in dollars, but in participation as well. Our business plan states that we will give a minimum of 5% of our net income to charitable causes. We also have our own Foundation that provides endowments to large community projects. Most of our employees have commitments with one, if not multiple nonprofit organizations and are putting in time with those organizations. We want our community to be the best it can and we are willing to put in the time.

Where do you believe the industry's greatest challenges are in the next three to five years?

I believe one of the biggest challenges in the next five years for a community bank is being able to keep pace with rising customer expectations in technology and product offerings while maintaining low or no fees and providing the exceptional service customers are used to. Large banks, credit unions, and non-banks are constantly advertising how they can do things faster, for free and/or provide better interest rates on savings. What the customer is not seeing is that some of these places do not have the same regulatory burden or tax situation as a traditional bank.

Another challenge, especially being in a rural setting, is attracting new talent as retirements occur. I count my lucky stars to have the staff that we do, but replacements could be hard to come by.

(continued on p. 27)



Do you know a banker who should be recognized as a Community Advocate for the work that they do? Nominate them today by emailing Rose at ropoels@wisbank.com!

Bankers Marketplace

HELP WANTED

Credit Analyst

Northwestern Bank, a proud member of the Chippewa Valley community since 1904, is currently seeking a full-time Credit Analyst for our River Prairie Branch. The ideal candidate for this position will have strong analytical, organizational, and interpersonal skills, and will be able to multi-task in a fast-paced environment. Job duties include: Collect, analyze, and interpret customer financial information regarding income, assets, investments, debt, and cash flow to help determine which credit structures will best meet the needs of our customers and to analyze risk; Communicate with customers to gather all needed information and detail; Prepare spreadsheets and written reports for presentation at weekly loan officer committee meetings; Assist loan officers with the preparation of loan write ups and the ordering of credit bureaus, appraisals, title insurance, and flood determinations; and Assist in the preparation of monthly and quarterly management reports. Applicants should have a bachelor's or associate's degree in finance or accounting, with 2-3 years' experience as a credit analyst. Northwestern Bank offers a competitive salary and benefit package. To apply, please email cover letter and resume to hr@northwesternbank.com. Northwestern Bank is an Equal Opportunity Employer.

Commercial Lender

At **Capitol Bank**, people come first. Each customer and employee is important and deserves respect, courtesy, and professional service. We're committed to building relationships that make a difference. We want each of our employees to know that their needs matter to the Capitol Bank team. The Commercial Lender is responsible for managing loan and deposit portfolios which will include underwriting new loan requests and cross-selling additional bank products and services in order to enhance the satisfaction level as well as the profitability of each relationship. The Commercial Lender will

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work closely with the loan administration department, client relationship administrator, and the credit analysts in performing their assigned duties and will be responsible for following the bank's loan policies to ensure compliance with all state and federal regulations as well as the completeness of all loan files. The delivery of exceptional quality customer service will be their constant goal. In addition, the Commercial Lender will engage in business development efforts, meeting with potential customers, and assessing their financial needs. Bachelor's degree in finance, business, accounting or economics preferred with a minimum of 5 years required, 10 years preferred, in commercial lending experience. Knowledge of financial software, and banking practices, required. Great customer service skills, required. Capitol Bank is an EO/AAP employer. Full benefits package offered. Please submit a cover letter and resume with salary requirements to: Capitol Bank, 710 N. High Point Road, Madison, WI 53717 or email Mandy Ayers, Human Resources at Mandy.Ayers@CapitolBank.com.

Mortgage Loan Officer

Since 1935, **Great Midwest Bank** has maintained a strong reputation as a provider of top-quality mortgage and banking services to the communities that we serve. We are currently seeking an experienced, proactive, sales-focused Mortgage Loan Originator to join our Madison, Wis. office. Great Midwest is a family-run bank and prides itself on a simple, fast mortgage approval process. This is a salaried position with opportunity for growth. Please email hr@greatmidwestbank.com mail resume to: Great Midwest Bank, Attn: HR 15900 W. Bluemound Road, Brookfield, WI 53005. Please visit our Careers page www.GreatMidwestBank.com for more details.

Schoolhouse Rockin' WBA's Staff Advocacy Fundraiser

WBA recently finished its first-ever virtual staff advocacy fundraiser. The successful fundraiser brought in over \$9,000 for Wisbankpac (WBA's registered political action committee) and the Alliance of Bankers Political Conduit (which distributes individual contributions from bankers). During the fundraiser, WBA staff answered trivia questions regarding classic Schoolhouse Rock songs. Funds raised for the PAC and the Conduit go toward the defense of the banking industry.

Speaking of quizzes...

What's the difference between the PAC and the Conduit?

Wisbankpac is WBA's registered political action committee, and it supports candidates from both parties. Wisbankpac is the only PAC that represents the entire Wisconsin banking industry and can support candidates for both state and federal office.

The names of individuals who contribute to Wisbankpac are not listed on checks sent to candidates. To contribute, contact WBA's **Mike Semmann** at msemmann@wisbank.com.

The Alliance of Bankers Political Conduit is like a personal political bank account from which a banker may direct contributions to the pro-banking candidates of that banker's choice. The 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. Visit www.wisbank.com/advocacy to download the donation form.

The tangible return on this significant investment is sometimes hard to quantify but is very meaningful and real. Thank you for joining WBA staff in supporting the association and our industry.

Community Advocate

(continued from p. 26)

Please describe your current role at your bank and share with us one of your more rewarding experiences.

My current role at Cumberland Federal Bank is President and CEO. This is hard question to answer. It is hard to pinpoint a standout when there are so many positive impacts I have been able to be a part of since starting my banking career. One of the first times I knew how special it was to be on the Cumberland Federal Bank team was the grand opening of the oncology wing at our local hospital, in which we were able to give an endowment from our Foundation. Cancer affects so many in our community and to know that we were a small part in being the difference between people traveling and not traveling to get cancer treatment is really special.

Oswald Poels is WBA president and CEO | ropoels@wisbank.com
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WISCONSIN BANKER

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