INDEPENDENT COMMUNITY BANKS OF NORTH DAKOTA

COMMUNITY BANKER NEWSLETTER

Official Newsletter of Independent Community Banks of ND

Sept / Oct 2018 Issue

May this Autumn be a Harvest of Happy Times for You!

Happy Fall!

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Chairman's Remarks

Rick Braaten
American State
Bank & Trust Co
Williston
ICBND Chairman

It's been a busy summer and I am now looking forward to some beautiful North Dakota autumn days. It was the highlight of my banking career to be installed as the Chairman of ICBND this past August. I appreciate the opportunity to work with Barry and the amazing ICBND staff.

This year there will be lots of activity and continued challenges for Community Banks. We have seen some positive changes begin to happen but we must keep the momentum going so community bankers can continue to provide full banking services to our communities for generations.

With the legislature in session this year we can be thankful Community Banks can unite behind the strong voice of ICBND. The staying power of community banks has been a great success story however we must not be content to stand still.

I am thankful for all my fellow community bankers and for what you do for your communities each and every day. I look forward to seeing and visiting with many of you this year.

Rick

President's Remarks

Barry Haugen
ICBND President

Happy autumn everyone! Wendy is in Minot today for one of our Fall Frontline Seminars and informed me it was snowing. Goodness gracious! It's the first week of October only. I don't think I'm quite ready for the cold but the forecast seems to be screaming at me to get ready. I think Mother Nature wins this one. Again!

Of course, it's also the political season in North Dakota with mid-term elections just a month away and the 66th Assembly of the North Dakota Legislature exactly three months from today. At the federal level, all eyes are on the North Dakota Senate race with Congressman Cramer challenging Senator Heitkamp for that coveted seat. As you know by the deluge of ads, a boatload of money is being spent by the national parties, the campaigns themselves and other special interest groups on this particular race. It's a tight race and will play significantly into which party comes out of this election with a majority in the Senate when the election dust clears.

While the Senate race in our state has gobbled up most of the limelight, state representative Kelly Armstrong and former state senator Mac Schneider are battling for North Dakota's lone seat in the US House of Representatives. Both individuals are very well known in North Dakota political circles. Both federal races should be very interesting to watch as we head into the home stretch.

At the state level, we also have a number of interesting races with the odd numbered district candidates taking their turn in the election gauntlet. ICBND and your generous PAC dollars have been very active in this process as well distributing nearly $20,000 to candidates on both sides of the aisle who support community banking. ICBND looks forward to working with the legislature to advance the mission of community banking in our state.

Before I close, I do have one important request. Please do your homework on Measure 1 before you go to the polls. The ICBND Board of Directors has approved ICBND's formal opposition to Measure 1 and authorized financial support of that opposition. Let me be very clear - ICBND is not opposed to better ethics and transparency laws and believes elected officials should be subject to high ethical standards and that transparency in elections, and government actions, is vital. However, the writing of this constitutional measure has broad-reaching implications beyond its intent. I will let you do your own research, but I want to leave you with three important points regarding the Measure. First, it's carelessly written by out of state interests. Second, the Measure creates a costly new branch of government. And finally, the Measure would override every other article of our North Dakota Constitution. We just don't need it!

Barry

Featuring our newest Associate Members

CBIZ Benefits & Insurance Services, Inc.

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With more than 100 offices and 4,600 associates in major metropolitan areas and suburban cities throughout the U.S. CBIZ delivers top-level financial and benefits and insurance services to organizations of all sizes, as well as individual clients, by providing national-caliber expertise combined with highly personalized service delivered at the local level. We are one of the nation's leading: accounting providers; employee benefits specialists; property and casualty brokerage and risk consulting firms; valuation firms; and retirement plan service providers.

Silicon Plains

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Silicon Plains offers ICBND members all of the services of a full IT department, from help desk and backups to attending board meetings, for a fixed monthly amount that's less than hiring your own full-time employee.

We welcome our newest associate members and encourage all of you, our Member Banks, to refer to your Associate Members *first* to fulfill your growing community bank's needs.

Featuring other valued Associate Members

Shown alphabetically by logos

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Bank Executive & Director Benefit Plans

BHCA

BANKERS EQUIPMENT SERVICE

BEK

BlueCross BlueShield of North Dakota
An independent licensee of the Blue Cross & Blue Shield Association

BRADY MARTZ
CERTIFIED PUBLIC ACCOUNTANTS

ByteSpeed

CF CAPFIRST EQUIPMENT FINANCE

CBIZ

CPS | checkprintingsolutions

CSI

Connecting Point COMPUTER CENTER
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CROWLEY FLECK PLLP
ATTORNEYS

[Click Here for all Associate Members]

REBECA ROMERO RAINEY
PRESIDENT AND CEO

FLOURISH COLUMN

"YOUR CHARACTER, INTEGRITY AND STRONG REPUTATIONS WILL CONTINUE TO SERVE YOU WELL."

With the 10th anniversary of the Wall Street financial crisis just behind us, let us not forget the wrongdoings of the nation's largest and most systemically important banks—wrongdoings that led to the Great Recession and the undoing of one too many American dreams.

What's amazing to me is that 10 years later, nearly to the day, the megabanks are doubling down. As policymakers continue to review financial services regulations, the largest banks are working to roll back rules that were designed to mitigate the risks they pose to the financial system.

Regulators have issued a proposed rule to reduce capital levels for global systemically important bank holding companies and their federally insured subsidiaries. Meanwhile, some members of Congress are asking the Federal Reserve to eliminate a capital surcharge on the megabanks.

First things first: Washington needs to slow down and reevaluate. We cannot afford to repeat the mistakes that contributed to the 2008 financial catastrophe, which community bankers remember all too well. Policymakers should not be swayed by the largest and riskiest institutions to weaken vital safeguards on our financial system, especially when megabank misbehavior remains on full display.

Americans deserve better from their financial institutions. As relationship lenders, we community bankers pride ourselves on providing the best possible products and services to our customers—all while adding the personal touch that only community bankers can bring. This marked difference between us and the megabanks is yet another opportunity for us to tell the story of how community banks work differently from the transactional, take-a-number approach of the nation's largest and most systemically risky institutions.

As you go through your working day, I encourage you to note the differences in the way you conduct your business locally. Every time you think of something that makes your bank unique, whether it's going one step further to make a loan happen or making a decision that will shore up your capital position, write it down. These examples are at the heart of what makes the community bank business model different. Share those stories with ICBA, your local community and your regulators to show that banks can be successful by doing right by their customers.

This commitment to customers is one of the reasons why ICBA and community bankers were able to make generational regulatory relief a reality after years of advocacy (see cover story on page X). So thank you, community bankers. Thank you for doing what's right and for taking the high road in financial services. Your character, integrity and strong reputations will continue to serve you well in meeting the needs of your customers, and in ensuring more balanced, tailored and appropriate regulatory oversight.

[Where I'll be this month]

In October, I'll be traveling to Memphis to visit Vining Sparks and CRA Partners. I'll also be speaking at the Tennessee Bankers Association convention… just to name a few.

Rebeca Romero Rainey is president and CEO of the Independent Community Bankers of America® (ICBA), the leading advocacy organization exclusively representing community banks.

From the Top Column

Tim Zimmerman
Chairman, ICBA

"BANK-LIKE CREDIT UNIONS SHOULD BE SUBJECT TO THE SAME LAWS AND REGULATIONS AS BANKS. IT'S AS SIMPLE AS THAT."

ICBA is working to address a wide array of advocacy issues as policymakers implement the regulatory relief we achieved earlier this year. While the variety of rules and regulations affecting our industry is vast, ICBA's position is simple: We support a level playing field.

Community banks are ready, willing and able to compete in a fair and open marketplace. But too often, the regulatory and tax burdens we face don't apply to government-sponsored competitors. Ironically, their competitive advantage is funded in part by our tax dollars.

For instance, community bankers are united in opposition to the credit union industry's unwarranted federal tax subsidy. That's not because we have an innate aversion to these financial institutions, but because they have become virtually indistinguishable from taxpaying banks while enjoying their huge government subsidy and Community Reinvestment Act exemption.

Meanwhile, the National Credit Union Administration has repeatedly shown itself to be an industry advocate rather than regulator. It continuously pushes to advance the powers of the industry it is supposed to regulate. As Senate Finance Committee chairman Orrin Hatch (R-Utah) has pointed out, large credit unions don't even report financial information required of other tax-exempt institutions. Bank-like credit unions should be subject to the same laws and regulations as banks. It's as simple as that.

The same goes for the Farm Credit System (FCS), whose lenders enjoy unfair competitive advantages over community banks that serve rural areas. The FCS continues to use its tax-advantaged status to "cherry pick" the best loans, leaving only the more challenging and riskier loans for community banks to make. That jeopardizes the viability of many community banks and, in turn, the economic strength of the communities they serve. Amid its dramatic growth, the FCS is sharply reducing service to family farmers and expanding non-farm lending. ICBA's position: Reform the FCS to ensure it adheres to its historical mission of serving bona fide farmers and ranchers while preventing it from engaging in selective below-market pricing and non-farm lending.

Finally, ICBA remains concerned with the real and potential inequities of chartering industrial loan corporations and fintech companies, respectively. Because the ILC loophole allows commercial interests to own banks while avoiding the legal restrictions and regulatory supervision that apply to other bank holding companies, ICBA is seeking a moratorium on such charters from the FDIC and a permanent ban from Congress. Meanwhile, ICBA is working to ensure the pending special-purpose national bank charter for fintech firms subjects these companies to the same standards of safety, soundness and fairness as other federally chartered institutions.

These collective inequities are enough to make you want to bang your head against the wall, but there are many ways to rebalance our off-kilter financial services marketplace. ICBA is aggressive and offers numerous resources to help you stand up and make a difference on these and other issues. Read on to learn more.

Connect with Tim
@TimZimPgh

Did you know?

ICBA's policy objectives are approved annually by its Policy Development Committee and board of directors.

Timothy K. Zimmerman is chairman of the Independent Community Bankers of America® (ICBA), the only national advocacy organization that exclusively represents community banks and is CEO of Standard Bank in Monroeville, Pa.

Jim Reber, President and CEO of ICBA Securities

Portfolio Management

Can't Keep a Good Bank Down

Last decade has seen struggles, successes for the industry

September 7, 2018 is the mortgage finance industry's date of infamy. It's now been a full decade since the secondary market siblings, Fannie Mae and Freddie Mac, have been in legal custody of the Federal Government. For many community banks, that date was the tipping point of a tortuous era of poor loan demand, sketchy credit quality, weak yields and paltry margins. Not to mention Dodd-Frank.

Now, however, things look much better for the economy in general, and community banking in particular. There are many indicators that demonstrate how the industry's fortunes have turned, perhaps the most visible of which is, wait for it, earnings. For all of 2017, FDIC-insured institutions reported net income of $163 billion, which was a near record. In just the first six months in 2018, these same institutions have reported $116 billion in net income.

Not been made whole, yet

Several other macro-indicators of banking industry health have ebbed and flowed over the last 10 years. One of these would be housing prices. Nationally, single-family residential costs peaked in mid-2006, and much of the Great Recession can be traced to the collapse of the housing market several years later. Prices fell, on average, over 27 percent and bottomed out in 2012. Since then, housing values have recovered, and are now at all-time highs, but are still only about 11 percent ahead of where they were 12 full years ago.

As housing prices have improved, so have Fannie Mae's and Freddie Mac's fortunes. The two government sponsored enterprises (GSEs) both continued to post losses through 2011, as taxpayers provided capital draws to keep them solvent. Both have been profitable for the last seven years, and have more than paid back the draws, but as of yet, they are still operating with next to no capital, since the Treasury continues to sweep their earnings into its own coffers.

Go-to for investors

Still, they remain vital to both the housing industry (over 80 percent of mortgage loans are owned or guaranteed by Fannie or Freddie), and to community bank investors (around 40 percent of their bond portfolios are issued by them). Their popularity with portfolio managers is understandable, since these securities are highly liquid, easily pledged, carry a low 20 percent risk weighting, and their credit quality is considered to be one small rung below that of the U. S. Government's.

And, their supplies are dwindling. Both of these GSEs have been told by congress to decrease their debt loads, and at this point have only about 40 percent of the outstanding borrowings compared to 2013. In aggregate, the investment sector known as "agency securities" has shrunk by about 40 percent in the last decade, as FHLB borrowings also remain well below their 2008 peak. Add to this the finite quantities of mortgage securities and municipal bonds, and we have a fixed-income market that is very stable from the standpoints of liquidity and incremental yield spreads.

Trending up

Happier times now prevail in the community banking industry. About the only negative for community banks in the current *zeitgeist* is that their investment portfolios have declined in value. What I hasten to remind investors is this represents a myriad of opportunities. First and foremost is that the bond portfolio's yield is about to go up. Getting there may take some time, as many banks' liquidity stockpiles are low, but remember that's a reason that bank earnings are at record levels.

More immediately, bond swaps that remove some below-market yields and replace them with higher yielding investments can speed up that process. Your tax accountant would be pleased, as you'd effectively be deferring the payment of income taxes into future periods. Periods during which, hopefully, industry profitability will remain strong.

So, in summary, community bankers are enjoying the fruits of their efforts. These efforts include sound business practices, wise investing and steadfast advocacy. Here's hoping for another decade of success for community banking.

Economic outlook webinar

Craig Dismuke, Chief Economist for ICBA Securities' exclusive broker Vining Sparks, will present a quarterly Economic Outlook webinar on October 18. He will review recent Fed activity, analyze the key economic indicators and discuss the landscape for interest rates. Visit ***viningsparks.com*** or contact your Vining Sparks sales rep to register.

Jim Reber is president and CEO of ICBA Securities and can be reached at 800-422-6442 or jreber@icbasecurities.com.

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ICBA STATEMENT ON NELNET'S WITHDRAWAL OF ILC APPLICATION

Independent Community Bankers of America® (ICBA) President and CEO Rebeca Romero Rainey issued the following statement on Nelnet's withdrawal of its deposit-insurance and industrial loan corporation applications with the Federal Deposit Insurance Corp. and Utah Department of Financial Institutions.

"ICBA opposed Nelnet's deposit-insurance application to establish an industrial loan corporation and supports an end to the ILC loophole. Like the since-withdrawn applications of SoFi Bank and Square, Nelnet's was designed to avoid the legal restrictions and regulatory supervision that apply to other bank holding companies.

"The ILC loophole allows commercial interests to own full-service banks while avoiding Bank Holding Company Act regulations and consolidated supervision by the Federal Reserve—threatening the financial system and creating an uneven regulatory playing field. To support a safe and sound financial system and to maintain the separation of banking and commerce, the FDIC should reinstate the moratorium on ILC applications for two years and Congress should close the ILC loophole for good.

"Fintech firms that wish to own a bank should be subject to the same restrictions and supervision that apply to any other bank holding company. Our deposit-insurance system was created to protect depositors—not commercial firms. ICBA and the nation's community bankers look forward to continuing to work with policymakers to address the ILC loophole and maintain the separation of banking and commerce."

ICBA OFFERS TIPS TO HELP PREPARE FOR NATURAL DISASTERS

Hurricanes, earthquakes and wildfires can destroy property and wreak financial havoc on families and communities. As Hurricane Florence approaches the United States and Americans recognize National Preparedness Month in September, the Independent Community Bankers of America® (ICBA) and the nation's community banks remind consumers that they can help alleviate financial concerns by planning in advance of a natural disaster or emergency.

"Natural disasters prompt people to take stock of what they have and what they have lost," said ICBA Chairman Tim Zimmerman, CEO of Standard Bank in Monroeville, Pa. "Your local community bank can work with you on evaluating your financial preparedness prior to these unexpected, stressful events and help protect you and your loved ones from the long-term effects of lost, damaged or destroyed financial documents."

ICBA offers the following tips to help consumers prepare and recover from a natural disaster.

- **Prepare backup communications plans** if both cellular and landline service fail. You may want to be fully informed ahead of time of your cellular and satellite communications options.
- **Store digital and paper copies of critical documents** in a safe deposit box. These include a driver's license, passport or military ID, bank and investment account information, proof of occupancy, a mortgage deed, insurance policies and three years of tax returns. Consider placing these items in a waterproof bag.
- **Make additional copies of personal documents**—marriage license, birth certificates, adoption papers—for safekeeping and alert a relative, trustee or attorney of their location.
- **Print out contact information** for trustees, guardians and executors and store it in a safe deposit box or give a copy to a trusted family member or friend.
- **Create an inventory of personal and household valuables** and use photo or video documentation to help assess their value and determine replacement costs.
- **Contact your insurance agent or visit the Federal Emergency Management Agency's** (FEMA) website, www.fema.gov, to determine if you need a flood insurance policy. FEMA also offers a guide with checklists to help prepare for emergencies and natural disasters.

"Customers can rely on their neighborhood bank to provide critical resources and assistance for weather-related preparation and recovery," said Zimmerman. "It's the community banking way."

To find a community bank, visit www.banklocally.org. For more information on crisis preparedness, visit ICBA's website at www.icba.org/news/Crisis-Preparedness.

About ICBA

The Independent Community Bankers of America®, the nation's voice for nearly 5,700 community banks of all sizes and charter types, is dedicated exclusively to representing the interests of the community banking industry and its membership through effective advocacy, best-in-class education and high-quality products and services. For more information, visit ICBA's website at www.icba.org.

As the Senate Banking committee prepared to hear from regulators on September 13th about the implementation of the S.2155, the Economic Growth, Regulatory Relief and Consumer Protection Act, the Independent Community Bankers of America® (ICBA) released a comprehensive matrix on the implementation of S.2155 provisions affecting community banks. This quide, as follows, provides a line-by-line overview and status update on all relevant provisions of the regulatory relief law—distinguishing those which are in effect and operational, in effect and awaiting guidance, and pending implementation by regulators.

IMPLEMENTATION OF S. 2155

THE ECONOMIC GROWTH, REGULATORY RELIEF, AND CONSUMER PROTECTION ACT

Section/Subject	Summary	Agency	Status
Sec. 101 – Minimum Standards for Residential Mortgage Loans	Certain mortgage loans originated and retained in portfolio deemed to be qualified mortgages.	BCFP	**In effect** (*but awaiting guidance*)**.** Analysis indicates that banks can take advantage of the provision immediately, yet there are several ambiguities and details that ICBA expects the bureau to address in a forthcoming regulation. ICBA has met with bureau staff to discuss specific facts of the act. ICBA has also submitted comments, urging the bureau to promulgate a regulation soon.
Sec. 103 – Exemption from Appraisals of Real Property Located in Rural Areas	Exemption for rural mortgage portfolio loans of less than $400,000 if unable to find a state-certified/licensed appraiser to perform the appraisal in a timely manner.	FDIC, OCC, Fed	**In effect** (*but awaiting guidance*)**.** The agencies are reviewing the statutory provisions to determine whether further action is necessary.
Sec. 104 – Home Mortgage Disclosure Act Adjustment and Study	Exemptions from collecting the new Dodd-Frank Act data fields for banks with "satisfactory" CRA ratings that originate fewer than 500 closed-end mortgage loans or fewer than 500 open-end lines of credit.	BCFP	**In effect.** The interpretive and procedural rule is available here. At a later date, the bureau anticipates that it will initiate a notice-and-comment rulemaking to incorporate these interpretations and procedures into Regulation C and further implement S. 2155.
Sec. 108 – Escrow Requirements Relating to Certain Consumer Credit Transactions	Exemption from TILA escrow requirement for banks that make 1,000 or fewer first lien mortgages on principal dwellings.	BCFP	Banks will not be able to benefit from this provision until the bureau promulgates a regulation. ICBA has already submitted a comment letter to the bureau, asking that it quickly implement this change by issuing an interim final rule.
Sec. 109 – No Wait for Lower Mortgage Rates	Removes three-day waiting period required under TILA-RESPA mortgage disclosure when creditor extends a second offer of credit with lower APR.	BCFP	**In effect** (*but awaiting guidance*) Banks are already able to take advantage of this relief. The bureau issued guidance that incorporates this provision, which Congress codified in S. 2155.
Sec. 201 – Capital Simplification for Qualifying Community Banks	Agencies to establish a community bank leverage ratio (CBLR) between 8-10 percent; banks exceeding the ratio meet risk-based capital and leverage requirements and are "well-capitalized."	FDIC, OCC, Fed	**High-priority.** The agencies will establish the CLBR after notice and comment rulemaking and after consulting with the state bank supervisors. ICBA has met with the FDIC and is advocating for a CBLR that is close to 8 percent. The agencies also will establish procedures for the treatment of community banks that fall below the CBLR after exceeding the ratio.
Sec. 202 – Limited Exception for Reciprocal Deposits	Certain reciprocal deposits will not be considered brokered deposits.	FDIC	**In effect, proposed rule issued.** The FDIC has issued proposed conforming rules with a 30-day comment period. This is the first part of a two-part effort to revisit the brokered deposit rules. The FDIC plans later this year to seek comment on the brokered deposit regulations more generally.

Section/Subject	Summary	Agency	Status
Sec. 203 – Community Bank Relief from Volcker Rule	Banks under $10 billion in assets with total trading assets and liabilities not exceeding 5 percent of total assets exempt from the Volcker rule.	FDIC, OCC, Fed	**In effect** (*but awaiting guidance*)**.** The agencies have indicated that they will not enforce the final Volcker Rule in a manner inconsistent with the statutory changes. However, the agencies intend to address the statutory changes through a separate rulemaking process.
Sec. 205 – Short-Form Call Reports	Agencies required to reduce reporting requirements for the first and third quarters for banks under $5 billion in assets and that meet other appropriate criteria.	FDIC, OCC, Fed	**High-priority.** The new short-form call report will be established after notice and comment rulemaking. ICBA is advocating a short-form call report consisting of: balance sheet, income statement and statement of stockholders' equity, without additional schedules.
Sec. 206 – Option for Federal Savings Associations to Operate as Covered Savings Associations	Institutions with assets of $20 billion or less can elect to operate with national bank powers.	OCC	**Proposal issued.** The OCC issued a proposed rule with a 60-day comment period.
Sec. 207 – Small Bank Holding Company Policy Statement	Raises the Federal Reserve's Small Bank Holding Company Policy Statement's asset limit from $1 billion to $3 billion.	Fed	**In effect**. The interim final rule is available here.
Sec. 210 – Examination Cycle	Well-managed, well-capitalized banks with assets of less than $3 billion qualify for 18-month exam cycle, up from $1 billion.	FDIC, OCC, Fed	**In effect**. The interim final rule is available here.
Sec. 214 – Promoting Construction and Development on Main Street	Acquisition, development and construction loans that meet certain criteria will not have higher risk-weights under risk-based capital rules.	FDIC, OCC, Fed	**In effect.** The agencies issued a statement that this is effective immediately and that banks only need to risk-weight at 150 percent those CRE exposures they believe meet the statutory definition of HVCRE ADC loan. Also, when reporting HVCRE exposures on the call report, banks may use available information to reasonably estimate and report only HVCRE ADC loans. Alternatively, banks may also continue to report and risk-weight HVCRE exposures consistent with the current instructions for the call report until the agencies take further action. The agencies have also proposed to revise the definition of an "HVCRE exposure" to conform to the new statutory definition of "HVCRE ADC loan."
Sec. 401 – Enhanced Supervision and Prudential Standards for Certain Bank Holding Companies	Increases the asset threshold at which certain enhanced prudential standards shall apply, from $50 billion to $250 billion, while allowing the Fed discretion in determining whether a financial institution with assets of $100 billion or more must be subject to such standards. It also increases the asset threshold at which company-run stress tests are required, from $10 billion to $250 billion, and increases the asset threshold for mandatory risk committees, from $10 billion to $50 billion.	FDIC, OCC, Fed	To resolve a technical problem with the statute, the agencies are extending the deadlines for all regulatory requirements related to company-run stress testing for banks with average total consolidated assets of less than $100 billion until Nov. 25, 2019, at which time all banks and BHCs with total consolidated assets of less than $250 billion will be exempt. However, conforming regulations will be issued. Also, the agencies have indicated that while they will not take action to require company-run stress testing by banks with assets less than $100 billion – "the capital planning and risk management practices of these institutions would continue to be reviewed through the regular supervisory process."
Sec. 403 – Treatment of Certain Municipal Obligations	Agencies directed to classify investment-grade muni bonds as level 2B liquid assets under the liquidity coverage ratio rule.	FDIC, OCC, Fed	**In effect**. The interim final rule is available here.

ICBA Independent Community Bankers of America®

Blue rows are already in effect. Last updated: Sep. 13, 2018

ICBA Newswatch TODAY
Keeping Community Bankers Informed

FREE CREDIT FREEZES ARE HERE

A provision of S. 2155 requiring credit reporting agencies to freeze consumer credit reports at no charge took effect Friday, September 21st. These security or credit freezes restrict access to credit files to reduce identity theft.

A new blog post from the Bureau of Consumer Financial Protection outlines how consumers can contact the major credit bureaus to request a freeze, which must be granted within one business day. Additionally, consumers may place year-long fraud alerts, which tell businesses to check with customers before opening an account.

Read More from Bureau

FED RAISES RATES FOR THIRD TIME THIS YEAR

The Federal Open Market Committee raised target interest rates by 25 basis points to a range of 2 percent to 2.25 percent, the highest since April 2008. The widely expected move was the third interest rate increase of 2018 and the eighth since it began normalizing post-crisis rates in December 2015, with Fed projections anticipating one more hike this year.

In its policy statement, the FOMC said labor market conditions and economic activity continue improving. Meanwhile, the Fed released more optimistic economic forecasts. It increased projected 2018 growth in the gross domestic product from 2.8 percent to 3.1 percent, slowing to 2.5 percent next year.

While Fed watchers made much of the sudden absence of any reference to “accommodative” monetary policy in the panel’s statement, Fed Chairman Jerome Powell said the change “does not signal any change in the likely path of policy.”

The FOMC has two meetings left this year, on Nov. 7-8 and Dec. 18-19.

Read the Policy Statement View Fed Economic Projections

ICBA Newswatch TODAY
Keeping Community Bankers Informed

FARM BILL DEAL MISSES SEPTEMBER 30TH DEADLINE

House and Senate agriculture committee leaders said they will continue to negotiate the 2018 farm bill, indicating a final deal is unlikely before the current farm bill expires.

Following a closed-door meeting, the committee heads—and principal negotiators—said they have met more than a dozen times and "progress toward an agreement is taking shape," though many differences reportedly remain unresolved.

"We are going to get this right," said Sens. Pat Roberts (R-Kan.) and Debbie Stabenow (D-Mich.) and Reps. K. Michael Conaway (R-Texas) and Collin Peterson (D-Minn.).

If lawmakers can't reach a deal in time, Congress would likely pass a temporary extension of the current five-year bill. The House is expected to adjourn at the end of the week until after the Nov. 6 elections.

The full farm bill conference committee held a public meeting earlier this month. ICBA and community bankers have called on lawmakers to maintain the higher loan limits for USDA guaranteed farm loans incorporated in the House and Senate farm bills.

Read the Joint Statement
Read the Focus on Farm Policy

About ICBA
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INTRODUCING CBIZ Wellbeing Insights.
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Just a friendly reminder that if your bank has been the victim of any type of fraud please email the information to info@icbnd.com with as many details as you can so we may in turn alert our fellow community bankers around the state. It seems that there are more counterfeit bills, checks, and suspicious activity including robberies in our state at an increasing rate these days.

Please stay safe and help us to keep all our North Dakota Community banks, customers and employees safe by getting us your information to pass on to our members.

Office of Attorney General

ATTORNEY GENERAL STENEHJEM URGES CONGRESS TO CLOSE DEADLY FENTANYL LOOPHOLE

Attorney General Wayne Stenehjem joined a bipartisan group of 52 state and territory attorneys general calling on Congress to help end the opioid epidemic and close a loophole in federal law that allows those who traffic deadly fentanyl to stay a step ahead of law enforcement.

"North Dakota has already taken action to close the loophole, by changing state law last year. However, because drug trafficking rings operate both nationally and internationally, we need the same changes to be made at the federal level," said Stenehjem.

The attorneys general sent a letter to Congress in support of S. 1552 and H.R. 4922, Stopping Overdoses of Fentanyl Analogues (SOFA) Act. Fentanyl is currently a Schedule II controlled substance and when used as prescribed by a doctor, can be a safe painkiller. However without careful supervision, fentanyl and analogues manufactured illicitly can be lethal.

The SOFA Act, if passed by the U.S. Senate and U.S. House of Representatives, would eliminate the current loophole in federal law which keeps the controlled substance scheduling system one step behind those who manufacture fentanyl analogues and then put these powerful fentanyl analogues into the opioid supply. The SOFA Act utilizes catch-all language which will allow the Drug Enforcement Administration (DEA) to proactively schedule all newly-modified fentanyl analogues.

Stenehjem explained that criminal laws must specify what's outlawed but slight variations in the chemical structure make it a new compound. "The proposed change to federal law that this letter urges would make groups of substances illegal, starting with the core molecular structure and specifying the variations, so even if drug traffickers make a slight alteration to the chemical structure, the resulting new variation would still be an illegal substance," he continued.

The Act would make permanent the changes made by the DEA to the federal controlled substances schedules.

Read the Letter to Congress at https://attorneygeneral.nd.gov/sites/ag/files/documents/MediaAttachments/2018-08-23-SOFA-Act-Letter.pdf.

ANOTHER FRAUDULENT CONTRACTOR BANNED - Joshua James Vance of West Fargo

The Attorney General's Consumer Protection Division sued Joshua James Vance of West Fargo, ND, doing business as JMB Builders, Inc. and JMB Builders, LLC, for violations of the consumer fraud law and contractor licensing laws.

Vance has a history of fraudulent behavior going back several years. Vance was doing business as Vance Construction but let his contractor's license expire on March 1, 2014. The Consumer Protection division initiated an investigation in late 2014, after learning that Vance was continuing to do business as a contractor even after his contractor's license had expired. Investigators determined that Vance had not disclosed civil and criminal actions against him, and advised the Secretary of State's office against renewing the license.

The Consumer Protection Division initiated another investigation in September 2017, after receiving new complaints about Vance. Investigators determined that in 2015, Vance had his ex-wife submit a new application for a contractor's license, this time as JMB Builders, Inc. In 2017, again using his ex-wife as cover, Vance dissolved JMB Builders, Inc., and formed JMB Builders, LLC. Vance then submitted an application for a contractor's license under the new business name. Although he was not listed in the documents on file for either business, Vance had solicited advance deposits from consumers and then failed to complete work. The Cass County District Court found that Vance was operating without a contractor's license, diverted consumer funds, and had engaged in consumer fraud, and entered a judgment against him. The District Court's judgment includes $45,669.42 in consumer restitution, and $7,000 in civil penalties, fees, and costs.

The Court banned Vance from working as a contractor for a minimum of three years, and until he has paid restitution in full to all consumers to whom he owes refunds as well as the civil penalties, and thereafter he cannot work as a contractor unless properly licensed.

NORTH DAKOTA SEEING SURGE OF "THREATENING MESSAGE" SCAM CALLS - Citizens' Phone Numbers are being Hijacked

Attorney General Wayne Stenehjem reminds North Dakota residents to ignore any telephone message that threatens them with arrest. These recorded messages are a scam.

The scam artists are using readily available "spoofing" technology to display on the Caller ID a number that is not the one they are using to place the calls, even hijacking real 701-area code phone numbers. The Attorney General recently received a report from a local resident whose home phone number had been hijacked, resulting in dozens of calls to her from angry people who believed her number was the one responsible for making the scam calls.

The scam recorded message threatens the recipient with arrest unless they return the call immediately. The message is often hard to understand because it cuts out when the supposed reason for the arrest is being recited. The phone number given out on the message changes almost daily as the scam artists use and discard numbers quickly to stay ahead of federal authorities.

"There are so many variations of these imposter scams it simply is not possible to issue a warning about every recorded message, but the one thing they all have in common is that every single one of them is a scam," assured Stenehjem.

The fake IRS call is one of the most well-known variations of these scam threatening messages, but one new variation of the message claims that their social security number has been compromised and all their assets will be frozen unless they call back. Even though these scams have been around for several years, unfortunately they still find new victims.

"If you receive a recorded message threatening you with immediate arrest, whatever you do, please don't call them back. Simply delete the message, and then tell your friends and relatives so they know what to do," said Stenehjem.

Parrell Grossman, director of the consumer protection division, urged cell phone users not to answer calls from numbers that are not in their contacts. "If you receive one of these messages on your cell phone, use the call blocking feature to prevent any more calls from that number," he recommended.

NDTO
NORTH DAKOTA TRADE OFFICE

NORTH DAKOTA AWARDED NEARLY QUARTER MILLION IN GRANT FUNDING

The State of North Dakota has been awarded a $247,614 grant through the U.S. Small Business Administration's (SBA) competitive State Trade Expansion Program (STEP), which supports export growth among U.S. small businesses. The North Dakota Trade Office (NDTO) will administer the program for North Dakota applicants.

The NDTO will use the funds to establish STEP ND 2018, a program that will enable eligible North Dakota companies to receive monetary reimbursement for international business activities. The program will accept applications for activities occurring from September 30, 2018 through September 29, 2019. This is the fifth STEP Grant that the NDTO has received, with previous STEP grants awarded in 2012, 2015, 2016 and 2017.

"STEP ND gives emerging and expanding exporters the tools they need to become established exporters, and with that in mind, we've included several new activities under STEP ND 2018," said Simon Wilson, executive director of the NDTO. "In addition to reimbursement for foreign market sales trips and trade shows, funding will be available for an NDTO-led trade mission to a market that we've identified and we're also funding company-specific, in-depth market research by our partner, the U.S. Commercial Service office in Fargo."

To date, NDTO's STEP ND program has assisted nearly 70 North Dakota businesses with more than 280 international business activities. The returns on investment throughout the STEP ND program have exceeded $168 in sales by North Dakota companies for every $1 awarded to the state. A total of $1.42 million in grant funds has previously been awarded by the SBA and administered by the NDTO from October 2012-September 2018.

"I'm glad to see the North Dakota Trade Office be awarded the STEP grant for North Dakota," said Al Haut, district director for the Small Business Administration. "It shows their ongoing support of the program and the positive results their clients are getting from the grant funds."

STEP is designed to meet three distinctive goals: to increase the number of small businesses that export, to increase the value of exports from small businesses, and to increase the number of small businesses that explore significant new trade opportunities. Expanding the base of small business exporters and making the process as easy as possible is a key component of the SBA's small business strategy.

The 2018 STEP awards will allow states to assist small businesses with the information and tools they need to succeed in export related activities that are in line with the objectives of the program. These objectives include participation in foreign trade missions, foreign market sales trips, services provided by the U.S. Department of Commerce, as well as website translations, foreign marketing materials, export trade show exhibits, training workshops, market research and more.

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FDIC

Kansas City Region

Compliance Newsletter

HOME MORTGAGE DISCLOSURE ACT DEVELOPMENTS

On August 31, 2018, the Bureau of Consumer Financial Protection (Bureau) issued an interpretive and procedural rule addressing the implementation of amendments to the Home Mortgage Disclosure Act (HMDA) made by the Economic Growth, Regulatory Relief, and Consumer Protection Act (the Act). In general, the rule clarifies partial exemptions from collecting, recording, and reporting specific HMDA data points that are available to insured depository institutions and insured credit unions if certain conditions are met. The Bureau explained that the rule interprets and provides guidance regarding what Congress required in the HMDA amendments and does not impose new, or change existing, substantive requirements.

Among other clarifications, the rule identifies which data points are covered by the partial exemptions and clarifies that only HMDA-reportable loans and lines of credit count towards the partial exemption thresholds. In addition, the rule discusses permissible optional reporting of exempt data points, the exception to the partial exemption based on CRA performance evaluation ratings, and the use of non-universal loan identifiers.

Although the Act does not provide a specific effective date for the HMDA amendments, in the Bureau's view, the best interpretation is that the HMDA amendments became effective when the Act became law on May 24, 2018. Separately, the rule became effective upon publication in the Federal Register, which occurred on September 7, 2018.

A variety of resources are available to help you to understand whether your institution is eligible for a partial exemption and, if so, how to report HMDA data collected in 2018.

- ☐ Bureau HMDA Interpretive and Procedural Rule on Partial Exemptions
- ☐ Bureau Executive Summary of the HMDA Interpretive and Procedural Rule
- ☐ FFIEC Filing Instructions guide for HMDA data collected in 2018 (August 2018 version)
- ☐ Bureau Reference Chart: Reportable HMDA Data

NEWS

Do you have an article that is newsworthy?

We are always looking for interesting, informative, and credible articles and stories pertaining to Community Banking.
If you have a story you would like to see featured, please contact us at info@icbnd.com or 701-258-7121

CYBER BANK ARTICLE

By their very nature, banks are an attractive target for cyber criminals because of the assets they hold and the personal information of customers that they keep. Due to the evolving threats and uncertainty in today's cyber landscape, it is vital for banks to take the necessary steps to guard against vulnerabilities and exposures, and to protect themselves from malicious attacks that can cause serious harm. A single breach can result in significant losses, and the damage is often not limited to lost data. It can extend to loss of customer confidence, financial harm, legal challenges and business interruption.

Much like cyber threats such as ransomware, social engineering and phishing, cyber security has also evolved. Many insurance companies, including Travelers, offer risk management services that feature pre-breach cybersecurity expertise. These services go a long way toward strengthening the systems that banks use to keep cyber criminals at bay. In the event of a cyber attack, post-breach assistance kicks in, provided a bank has secured appropriate insurance coverage.

Over the past few years, banks have increased their focus on preparing for a cyber incident – in other words, recognizing that when it comes to a network compromise, "it's not if, it's when," even for a well-defended network. Banks are doing a better job of updating their incident response plans, business continuity plans, and disaster recovery plans, at least every one or two years, and they are conducting periodic tabletop exercises to make sure that the right people respond when an incident does occur. Staying up-to-date on cyber insurance coverage is another important part of being prepared.

The tough thing about cyber security is that defenders have to be vigilant at all times, while attackers only have to get through the defense once to create havoc. For that reason, it's important to have well-designed change control procedures in place to ensure that changes to network configurations and controls do not inadvertently introduce security vulnerabilities. Many network compromises can be traced back to change control procedures that either did not exist or were not properly followed.

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Implementing – and diligently following – established change control procedures can help prevent the mistakes that may lead to a data breach.

How can banks best prepare for a potential cyber incident? There are many "best practices" for cyber security, but let's highlight one that is particularly valuable for preventing complacency. Banks – all industries, really – should rotate their cyber-security assessment and testing providers. If the same team is used for penetration testing year after year, they will likely find the same kinds of vulnerabilities year after year. Sometimes a new set of eyes can be beneficial. If a rotating group of trusted cyber-security assessment and testing providers consistently reports that a bank's networks and systems are clean, the bank can feel more confident that nothing important has been overlooked.

Being proactive is key – educating employees and putting proper risk management systems in place should be a high priority. Banks should work with an independent insurance agent to identify coverage to manage potential cyber exposures and ensure that employees are exhibiting behaviors that limit cyber risks. Finally, banks should utilize resources such as Travelers.com/cyber to help understand and navigate the growing threat of cyber risks.

Travelers is committed to managing and mitigating cyber risk, and does so backed by financial stability and a dedicated team – from underwriters to claim professionals – whose mission is to insure and protect a company's assets. For more information, visit www.travelers.com/cyber.

Office of Attorney General

FREE CREDIT FREEZES BEGINNING FRIDAY

Changes in federal law that take effect on Friday this week will make it even easier to protect consumers' credit from identity theft, announced Attorney General Wayne Stenehjem. Beginning September 21, 2018, placing a security freeze on a credit file is free.

"A security freeze prevents an identity thief from opening new credit and charge accounts in your name," said Stenehjem. "It is the quickest and easiest way to make sure your personal and financial information stays safe, and I encourage everyone to do it." Stenehjem said he has had a credit freeze in place with all three credit bureaus for several years.

The new federal law takes effect a little over a year after the massive data breach at Equifax, where the social security numbers, bank account and credit card information of more than 60 million Americans were stolen. Equifax is one of the three major credit bureaus. TransUnion and Experian are the other two.

Credit bureaus compile information about bank and credit card accounts and loans, as well as income, work history, and assets. Most businesses will not open new credit or loan accounts without first checking a consumer's credit history. If a consumer's credit files are frozen, even someone who is using a stolen name and Social Security number probably will not be able to open new credit accounts. When a consumer places a freeze, the credit bureau issues a PIN that can be used to temporarily "thaw" the freeze so the consumer can apply for a new loan or charge account. Beginning Friday, the "thaw" will be free as well.

Instructions for how to place a credit security freeze are on the Attorney General's website at https://attorneygeneral.nd.gov/consumer-resources/credit-security-freeze.

Stenehjem noted that even with a credit freeze, credit information can still be released to existing creditors or collection agencies. He reassured consumers that a security freeze will not affect or lower a credit score, and they will still be able to order their own credit report, even with a security freeze in place.

The federal law overrides North Dakota's existing law, which had set a $5 fee for each credit freeze and another $5 fee for each temporary thaw.

HOVLAND UPHOLDS NORTH DAKOTA CORPORATE FARMING LAW

September 21st, U.S. District Court Judge Daniel Hovland upheld North Dakota's Corporate Farming Law. The order comes as a result of a lawsuit filed in August of 2016 by the North Dakota Farm Bureau and several farmers who claimed that the Corporate Farming Law was unconstitutional.

The Corporate Farming Law prohibits most corporations from farming or owning farmland in North Dakota. However, small family farms are excluded from this prohibition. The family farm exception in the Corporate Farming Law allows both in-state and out-of-state small family farmers to take advantage of forming corporations for agricultural purposes. The Office of the Attorney General and the Office of the Secretary of State have consistently permitted both North Dakota and out-of-state corporations to be eligible for the family farm exception in the Corporate Farming Law.

In the court order, Judge Hovland interpreted the family farm exception in the Corporate Farming Law. Because this exception referred to "domestic corporations," he ruled that the exception only allowed North Dakota corporations to take advantage of it but that the Commerce Clause of the U.S. Constitution requires that all corporations within the United States be permitted to take advantage of the family farm exception. This ruling is consistent with the way the Office of Attorney General and the Office of the Secretary of State have historically interpreted and implemented the Corporate Farming Law. "In accordance with the court order, my office and the Office of the Secretary of State will continue to permit qualifying family corporations to take advantage of the family farm exception," said Attorney General Wayne Stenehjem.

Additionally, Judge Hovland concurred with the State's longstanding position that there is no requirement under the family farm exception that a farmer maintain a physical presence on the farm. He agreed with how the State has, since 1982, implemented and enforced operational requirements of the family farm exception. Accordingly, Judge Hovland concluded that these operational requirements in the exception are constitutional.


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Consumers Have Spoken

And Bankers Should Listen

by Steve DuPerrieu

The most effective way to attract and retain customers is to understand them. But what are banking customers' expectations, and how can financial institutions utilize their input to form relevant banking strategies?

To find out, CSI commissioned an online survey, conducted by global market research firm The Harris Poll, of more than 2,000 U.S. adults age 18 and above. Through the survey, consumers gave us valuable feedback on their digital and in-branch banking experiences.

Here's what they had to say.

I Am Satisfied with My Bank's Digital Offerings … for Now

According to the survey, 86% of all Americans say they are happy with the current digital banking offerings available through their bank. This number varied only slightly when broken down into age and socio-economic groups, with respondents ages 65+ at the highest satisfaction rate of 89%.

"To see such widespread similarity is noteworthy here," says Bob Meara, senior analyst with Celent's banking practice. "It's not just the millennial who has expectations of a really whizz-bang digital experience."

True, the younger crowd—those ages 18-34—came in slightly lower, at 82%. For millennials, digital access to banking services has resulted in their constant use, and digital interactions are where these potentially lifelong customers are won or lost.

And, there remains that 10% of Americans who say they're not satisfied with their digital banking experiences. A small number, to be sure, but it is pause for reflection.

Eric Cook, digital strategist with WSI, agrees: "Those who were not satisfied with their financial institution's digital capabilities already left for another (likely larger) bank that could support them."

If that's the case, banks shouldn't rest on their laurels, but continue to ensure that their digital banking solutions rise above the rest, allowing flawless connectivity no matter the channel or device.

When I Visit a Branch, A Single Employee Should Have All the Answers

According to CSI's consumer survey, 85% of Americans want all their branch needs met by a single banker, at the initial point of contact. This number jumped still higher for certain demographics, with 92% of women age 65+ expecting this to be a reality.

"This experience needs to be delivered via educated banking professionals—enter the 'universal banker'—who have been crossed-trained in all areas of the bank to provide a seamless, holistic experience for the customer," says Cook. "This banker needs to be empowered by the right tools on the back end, such as AI and predictive technologies, to help prepare them for the right conversations with the right customers at the right time."

We're talking far beyond the routine here—toward a key factor in branch optimization—the staff.

"It's not a new idea, but there's still debate around how do we really do it well," says Meara. "Universal bankers cost more to acquire, train and compensate, so if we staff branches that way and they're still processing lots of teller transactions, then that's a waste of money. The human capital considerations are where banks wrestle with implementing universal bankers."

Clearly, based on the survey results, banks should be heading toward branch optimization with staff and technology.

Anticipate My Needs, and Offer Me a Solution

CSI's consumer poll found that 83% of Americans want advice from their institution toward reaching their financial goals. This proportion reached slightly higher, at 87%, for those whose household income is $100K or higher.

This should come as welcome news to financial institutions, and serve as a call to arms in the race for profitability.

"The one area where I see the biggest opportunity from a service and differentiator perspective is the expectations of the customer that the bank proactively offers the right mix of financial products and services," says Cook. "So many consumers don't know what they don't know, so they won't be coming into branches and asking for some of the services that will help them, not because they are not interested, but because even the customer likely does not know what's best for them."

Using solutions like business intelligence and CRM software, banking employees can provide proactive recommendations through a real-time view of the customer's footprint, including relevant transactions and appointments (e.g., mortgage inquiries).

Further, personal financial management (PFM) tools help customers track their expenses and progress toward goals, empowering them to manage their budgets and plan long-term objectives. And for younger customers, offering financial tips or classes taught by a staff member or other knowledgeable professional is an opportunity to deeply engage them in a way they prefer.

The Tip of the Iceberg

Understanding your banking customers is the key to fulfilling their wants and needs. So, when consumers voice their opinions, bankers should listen intently.

But, we've hardly scratched the surface here; to get the full results of our survey, including insight on security, social media and digital payments, download the entire Executive Report: CSI Consumer Poll 2018.

Steve DuPerrieu is vice president of channels and analytics for CSI. In his role, he provides leadership for CSI's delivery channel strategy, which includes digital banking, payment services, business and analytics software, and branch/retail delivery solutions. Steve is also a board member for the Association for Financial Technology (AFT).

NORTH DAKOTA TRADE OFFICE

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How to Apply

Selection of companies will be first-come-first-served, based on pre-approval of their STEP ND program application and export expansion plan. Any North Dakota small business as defined under SBA guidelines is eligible to apply. Information and applications for STEP ND 2018 will be available next week on the NDTO website at www.ndto.com.

NDTO will facilitate STEP ND 2018 with the help of partners including Impact Dakota, North Dakota Department of Agriculture, North Dakota District Office of the SBA, North Dakota Small Business Development Center (SBDC) and the U.S. Commercial Service.

About the North Dakota Trade Office and Small Business Administration

The NDTO is a member-based, public-private partnership dedicated to expanding trade through advocacy, education and expertise. The NDTO provides regular educational opportunities and technical training courses. In addition, the NDTO advocates on behalf of businesses that help strengthen the state's economy through exports.

The U.S. Small Business Administration (SBA) was created in 1953 and since January 13, 2012 has served as a Cabinet-level agency of the federal government to aid, counsel, assist and protect the interests of small business concerns, to preserve free competitive enterprise and to maintain and strengthen the overall economy of our nation. The SBA helps Americans start, build and grow businesses. Through an extensive network of field offices and partnerships with public and private organizations, the SBA delivers its services to people throughout the United States, Puerto

WAYNE STENEHJEM
NORTH DAKOTA ATTORNEY GENERAL

The Supreme Court issued a decision on July 30th in the lawsuit brought by North Dakota's Legislature against Governor Burgum over line-item vetoes he issued following the 2017 legislative session. The Supreme Court's decision dealt with the Legislature's challenge to the vetoes, as well as the Governor's cross-petition challenging the constitutionality of the Legislature's delegation to its Budget Section Committee to restrict the use of already-appropriated funds in two of the bills at issue. Attorney General Wayne Stenehjem represented the Governor and argued the case before the Supreme Court.

Stenehjem said, "I am very pleased with today's decision, particularly the Supreme Court's recognition of the significant constitutional principles raised in the cross-petition. The Supreme Court's decision is a recognition of the democratic process and the importance of the checks and balances between the executive and legislative branches of government inherent in our Constitution. The Supreme Court recognized the unconstitutionality of the Legislature's attempt to restrict the use of appropriations by requiring the approval of the Budget Section, which is a subset of the full legislative assembly."

The Supreme Court's decision was consistent with an opinion issued by Stenehjem prior to the Legislature's lawsuit, in which he had determined that three of the line-item vetoes were invalid. The Supreme Court also agreed with Stenehjem's argument that the provisions in House Bill 1020 and Senate Bill 2013, attempting to restrict the use of already-appropriated funds through the Budget Section, were unconstitutional. The Supreme Court held that the Legislature had improperly "encroache[d] upon the role of the executive, and also bypasse[d] the mandatory legislative process" for making appropriations.

Read the Decision: https://attorneygeneral.nd.gov/sites/ag/files/documents/MediaAttachments/20170436-NDSupCt.pdf.

ICBND
INDEPENDENT COMMUNITY BANKS
of NORTH DAKOTA

STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
RYAN RAUSCHENBERGER, COMMISSIONER

RAUSCHENBERGER: TAXABLE SALES AND PURCHASES INCREASE NEARLY 10 PERCENT FOR SECOND CONSECUTIVE QUARTER

Tax Commissioner Ryan Rauschenberger announced September 17th that North Dakota's taxable sales and purchases for the second quarter of 2018 had increased by nearly 10 percent. Taxable sales and purchases for April, May and June 2018 were nearly $5.15 billion, a 9.46 percent increase over those months in 2017.

"This is the second consecutive quarter North Dakota taxable sales and purchases have increased by nearly 10 percent, and the fifth consecutive quarter that we've seen growth in this report," Rauschenberger stated.

Nine of the 15 major sectors reported taxable sales and purchases gains when compared to the second quarter a year ago. Most notably, the mining and oil extraction sector increased by $208 million (a 43.31 percent increase) and the wholesale trade sector increased by $236 million (a 22.23 percent increase).

"There was strong growth in both the mining and oil extraction sector and the wholesale trade sector, two sectors associated with the oil industry," Rauschenberger said. "The retail trade sector, the sector often thought of as a measure of economic activity, saw a meager increase. Unlike the oil boom of earlier this decade, this oil expansion does not involve as rapid of population or jobs growth, with limited impact on the retail trade sector to-date."

Percent changes for the second quarter of 2018 (compared to the second quarter of 2017) for the top six largest cities in North Dakota were as follows:

- Williston – Increase of 29.27 percent
- Dickinson – Increase of 13.27 percent
- Minot – Increase of 1.49 percent
- Fargo – Increase of 0.67 percent
- Bismarck – Decrease of 2.81 percent
- Grand Forks – Decrease of 11.75 percent

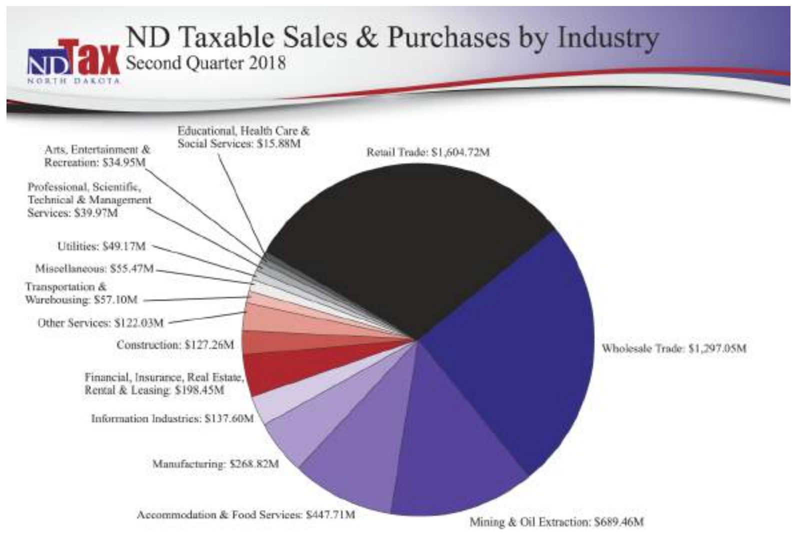
Of the 50 largest cities in North Dakota, the highest percent increases for the second quarter of 2018 (compared to the second quarter of 2017) were as follows:

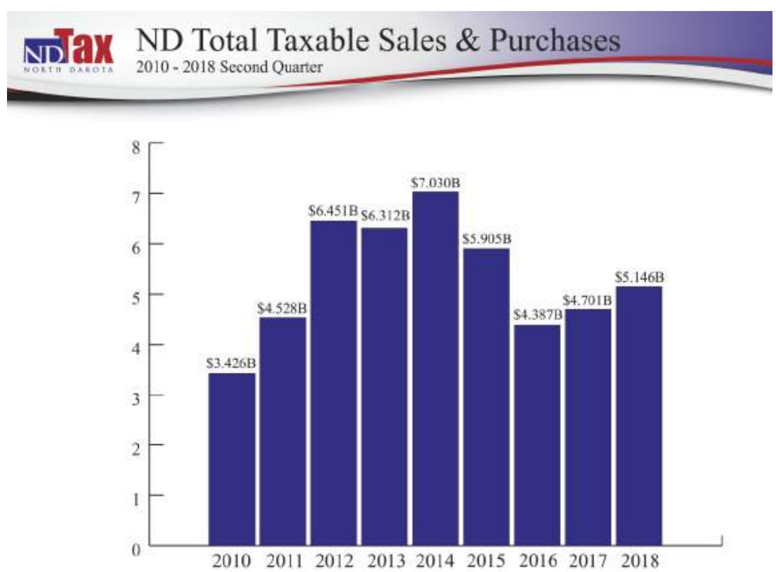
- Beach – Increase of 64.06 percent
- New Town – Increase of 60.66 percent
- Ashley – Increase of 53.29 percent
- Watford City – Increase of 44.96 percent
- Langdon – Increase of 33.22 percent

Counties with the highest percent increases for the second quarter of 2018 (compared to the second quarter of 2017) were as follows:

- Logan County – Increase of 62.38 percent
- Golden Valley County – Increase of 55.59 percent
- McKenzie County – Increase of 45.18 percent
- Mountrail County – Increase of 33.94 percent
- McHenry County – Increase of 28.95 percent
- Williams County – Increase of 28.94 percent

The complete second quarter 2018 North Dakota Sales and Use Tax Statistical Report can be accessed online at www.nd.gov/tax.





WAYS TO AVOID HR COMPLIANCE & PROCESS PITFALLS AT YEAR END – PART 1

HR professionals can easily overlook their year-end HR compliance checks and processes, resulting in costly errors and time consuming corrections. Even when the most minor mistakes happen, it's important to correct them immediately to avoid long-term, underlying problems and increased expenses. But wouldn't it be even better to avoid these errors altogether? With proper planning and the right resources, your year-end compliance checks and processes can be a breeze.

Let's begin to take a look at how to avoid HR compliance and process pitfalls at year end.

1. **Payroll Processing & Tax Preparation**

   Did you know that the number one reason for amended return needs is due to employees set up with an incorrect Social Security number? While it may seem like a tedious task, cleaning up your records can have a big impact – not only in terms of ensuring accuracy and timeliness but in preventing your headaches down the line.

   That's why it's important to ensure ahead of time all records are up-to-date and ready for when you issue the final payroll of the year. There can be penalties associated with incorrect information, as well as annoyances such as wrong addresses creating difficulties mailing out employee forms. Don't forget to:

   - Ensure that employee names and Social Security Numbers are accurate and in the correct format for the IRS
   - Order W-2 and 1099 Forms in advance
   - Review employee wage, tax and withholding information (such as W-4s)
   - Ensure proper withholdings have been made for the taxable benefits such as bonuses, sick pay, time off, etc.
   - Schedule and issue holiday bonuses
   - Confirm New Year payroll schedule
   - Prepare for the first payroll run of the New Year with new rates/limits set by government agencies (such as the Social Security Administration)

2. **Reporting Year-End Benefits/Earnings**

   In the craze of year end, it can be easy to overlook some benefits and earnings that must be included. There are many nuances in this area, so it would be wise to prepare a checklist for yourself earlier in the year so you're not scrambling come December. Here's a start… Be sure that all non-cash and cash income has been recorded and taxed properly so it is reported on the W-2 and the quarterly 941 tax return. Common W-2 adjustments include:

   - S-Corp health insurance
   - Group-term life insurance in excess of $50,000
   - Third-party sick pay
   - Taxable moving expense reimbursements (Consult with your tax advisor on the IRS definition of these benefits.)
   - Personal use of an employer-provided vehicle
   - Company-provided transportation or parking
   - Bonuses and commissions
   - Qualified business expense reimbursements (Issued to employees tax free but may still need to be reported in Box 12)
   - Company-made contributions to employee Health Savings Accounts (HSAs)
   - Employer-paid education not related to the employee's job
   - Non-cash payments

Prepare now for a trouble free year-end

CBIZ offers discount member pricing with referral compensation program for ICBND members and it's affiliates on payroll, time & attendance, HRIS, HSA and COBRA. 4Q promotions currently available. For further information please contact Carrie Hobrough, chobrough@cbiz.com, 651.387.9168

Literature compliments of CBIZ Human Capital Management

Thanks to all ye hearties that attended the 51st Annual ICBND Convention. Watch for the Convention Highlights Special Edition newsletter to come soon.

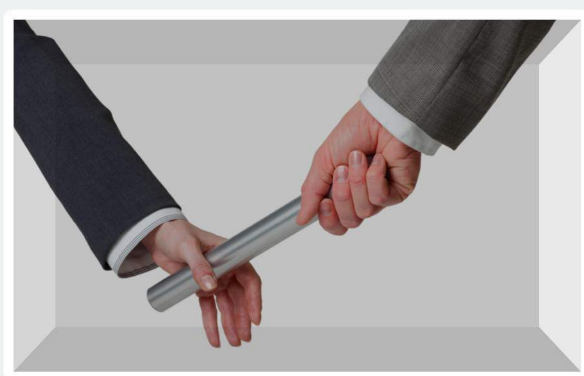
Planning for the Future for Both You and Your Community Bank

Presented by Winthrop & Weinstine, Eide Bailly, & ICBND

October 21, 2018

Delta Hotel

1635 42nd St S, Fargo, ND
8:00 AM - 11:45 AM
Crystal Ballroom I



ICBND is excited to offer a half-day session that will help you plan your bank's succession plan. This session will concentrate on ways to keep your community bank ownership in your community and family. Topics listed below are presented by industry leaders from both Winthrop & Weinstine and Eide Bailly. We encourage our members to attend the Eide Bailly Bankers Seminar on October 30 and stay to take in this important networking and educational opportunity the following morning. We will conclude by noon.

AUTOMATED OVERDRAFT PROGRAM AND ONE-TIME DEBIT AND ATM OPT-IN PROCEDURE CONSIDERATIONS

Examiners have recently encountered scenarios involving overdraft programs and the relationship with Regulation E opt-in requirements. This article includes information on effective practices to help prevent violations and potential consumer harm, in addition to, considerations regarding appropriate corrective action when these situations are identified.

Background

Regulation E contains requirements impacting overdraft programs. Section 1005.17(b) prohibits a financial institution from assessing a fee or charge on a consumer's account for paying an Automated Teller Machine (ATM) or one-time debit card transaction pursuant to the institution's overdraft program, unless the institution provides the customer a notice that is substantially similar to Model Form A-9; provides a reasonable time for the consumer to affirmatively consent, or opt-in; obtains the consumer's affirmative consent, or opt-in; and provides the consumer with confirmation of the consumer's consent. Further, Section 1005.17(g) requires the bank to deactivate the customer's opt-in selection when the financial institution terminates the customer's overdraft program. Per official staff commentary, this could occur in situations where the financial institution terminates the program as a result of excessive use.

Problematic Opt-in Processes

Some institutions have prescribed criteria to qualify for an automated overdraft program such as minimum timeframes for having a banking relationship with that institution, deposit activity and history, and other transaction requirements. For example, an account must be open for at least sixty days, have one direct deposit, and a positive balance to be eligible for the overdraft program. New accountholders are not enrolled until they have met the prescribed requirements and are not eligible to have one-time debit and ATM transactions paid. However, examiners have identified situations where new account representatives will describe the automated overdraft program and one-time debit and ATM card opt-in requirements at account opening, and allow customers to complete the opt-in election at that time. These actions imply consumers have full access to the institution's opt-in overdraft program, and in effect, this could be described as a "pre-emptive" opt-in.

The potential for violations and consumer harm arises when the affirmative opt-in status is activated in the deposit processing platform before automated overdraft coverage becomes effective. In such cases, most one-time debit card or ATM transactions that would overdraw the account are declined because there is no overdraft program in place. However, it is possible, either through an automated process or through manual account review, for overdraft charges to be assessed in required-pay or force-pay transactions. In such force-pay transactions, the new accountholder who has opted-in, but has not yet qualified for the overdraft program, is assessed a fee for a transaction that must be paid and for which no fee would be assessed if the consumer had not pre-emptively opted-in.

In essence, these accountholders are assessed overdraft fees without receiving access to the automated overdraft payment program. In other words, accountholders that pre-emptively opt in are being charged overdraft fees that would otherwise be prohibited, a scenario that may violate the Federal Trade Commission's Section 5 prohibitions against Unfair or Deceptive Acts or Practices (Section 5).

Deactivating the Opt-in Election

When accountholders are terminated from an overdraft program for excessive use or other reasons, they are no longer eligible for the overdraft program, including the payment of one-time debit and ATM transactions that overdraw the account. Per the previously described Regulation E requirements, the affirmative opt-in selection must be deactivated in these cases. Examiners have identified instances where bank personnel are unaware of this requirement, and the opt-in selection remains active in the deposit account processing platform even though the accountholder is no longer enrolled in the overdraft payment program. Similar to the new accountholder scenario, potential violations and consumer harm can result from fees assessed for force-pay transactions. Since the opt-in is still active, it is possible for accountholders to be charged overdraft fees in force-pay transactions, in error.

Examiners have also identified issues related to some financial institutions' practice of continuing to assess overdraft fees after extending customers loans (often referred to as "fresh start loans") to satisfy outstanding negative balances, despite providing disclosures to the contrary. Specifically, customers sign agreements and receive disclosures stating that until the fresh start loan is fully repaid, a customer no longer has access to the overdraft program. Nevertheless, the financial institutions continue to assess fees for required-pay or force-pay transactions that overdraw customers' accounts.

This practice is problematic as it conflicts with the agreement terms that use of the overdraft program would be suspended during the fresh start loan repayment period. As a result of the conflicting information that is provided to customers in the fresh start loan agreement (and other disclosures) compared to the institution's actual practice, there is a potential for consumer harm, as well as violations of Regulation E and/or Section 5. The representations in the agreements and disclosures could mislead consumers to believe that once approved for a fresh start loan, they will be removed from the overdraft program and accordingly will not incur any additional overdraft fees until reinstated in the overdraft program.

Effective Practices to Help Ensure Compliance

There are steps that can be taken to avoid violations and consumer harm. One option is to adopt procedures whereby customers may only opt-in for Regulation E purposes once they actually qualify for overdraft programs. Alternatively, if pre-emptive opt-in procedures are used, strong internal controls should be in place to ensure the opt-in status is not activated in the deposit processing platform until the accountholder is actually enrolled in the overdraft program. When accountholders are removed from the overdraft program, financial institutions should also ensure effective internal controls are in place to deactivate the opt-in status in their systems. This should be the case whether the removal is due to the origination of a fresh start loan, excessive use, or other reasons. Finally, consider periodic monitoring or audits to ensure continued compliance with applicable opt-in and revocation requirements to mitigate potential for consumer harm.

Corrective Action

If you self-identify violations or potential issues described in this article, management should immediately modify procedures to prevent consumer harm, identify any customers harmed by the practices, and address any harm resulting from the practices, such as by providing any appropriate restitution. Section II-2.1 of the FDIC Compliance Examination Manual discusses Evaluating the Impact of Consumer Harm. As always, feel free to contact your local FDIC office with any questions.

Sunrays Aren't the Only Thing You Can Catch at the Pool

Live Well, Work Well

Health and Wellness tips for your work, home and life brought to you by ND BANKS Benefit Trust.

Trouble Sleeping? Your Phone May Be to Blame

Yes, you read that headline right. According to a new study (*https://physoc.onlinelibrary.wiley.com/doi/10.14814/phy2.13692*) using your phone before you go to bed can disrupt your sleep schedule and prevent you from getting a good night's sleep.

Specifically, the study found that those who use smartphones or tablets before bed went to bed later and had a later sleep onset than those who didn't. The study also found that those who used their phone or tablet before going to sleep had lower levels of the sleep-regulating hormone, melatonin. Lastly, the study found that electronic device usage before bed reduced the period of rapid eye movement (REM) sleep, a vital component in our sleep patterns.

So, if you're having trouble sleeping, try putting your phone or tablet away before heading to bed.

As the temperature climbs, many Americans will flock to the pool to find some relief from the heat. While the cool waters can be refreshing, they could also be contaminated with bacteria that can make you sick. Read on to learn about the three most common illnesses you can catch from spending a day at the pool.

Cryptosporidium (Crypto for Short)

Crypto, a chlorine-resistant parasite, is one of the most common culprits for post-pool day illness and causes diarrhea, stomach pain and nausea. Unfortunately, symptoms can last for up to two weeks.

To avoid getting sick, don't swallow pool water or touch your face until you've showered with soap and hot water.

Pinkeye

Between the chemicals and other people's bodily fluids in the pool, it shouldn't be a surprise that you can catch pinkeye from swimming in a shared pool or hot tub.

To avoid getting this infection, wear well-fitted goggles every time you get into the water.

Hot Tub Rash

The warm water in hot tubs causes chlorine to break down quickly, making the chemical ineffective in killing the germ that causes an itchy skin infection that can lead to a bumpy, red rash.

To avoid getting this rash, shower immediately after going into the hot tub and be sure to wash your swimming suit before wearing it again. ■

Are You Up to Date On Your Immunizations?

Every August, the National Public Health Information Coalition sponsors National Immunization Awareness Month to promote the importance of immunizations at all life stages. Vaccination protects everyone, from infants to the elderly, from serious illnesses and complications of vaccine-preventable diseases.

Being properly vaccinated not only protects you, but everyone else around you, from falling ill with serious illnesses like measles, polio, hepatitis and meningococcal meningitis.

Follow the provided links to learn if you and your loved ones are up to date on the recommended vaccinations for each stage of life:

Infants and children (birth to age 6) https://www.cdc.gov/vaccines/schedules/easy-to-read/child.html#schedule

Preteens and teens (ages 7-18) https://www.cdc.gov/vaccines/schedules/easy-to-read/child.html#schedule

Adults (ages 19 and older) https://www.cdc.gov/vaccines/schedules/downloads/adult/adult-schedule-easy-read.pdf

Pregnancy and vaccines https://www.cdc.gov/vaccines/pregnancy/downloads/pregnancy-vaccination.pdf

For more information on vaccines, or to learn more about what vaccines you may need, click here or talk with your doctor. ■

KNOW YOUR VACCINES

Learn the differences between types of vaccines:

1. ***Live attenuated vaccine*** – These vaccines use a weakened virus strain to produce an asymptomatic infection in your body to produce a lifelong immunity to the illness.
2. ***Inactivated vaccine*** – These vaccines use "killed" strains of a bacterial or viral strain to evoke an immune response in your body.
3. ***Subunit/conjugate vaccine*** – These types of vaccines isolate a specific protein or carbohydrate within a virus or bacteria strain to evoke an immune response in your body.

ND BANKS
BENEFIT TRUST

Contact Angi Day at (701) 223-5303 or angi@ndba.com for more information on ND BANKS Benefit Trust.

Spinach Power Salad with Mandarin Vinaigrette

Dressing

- 6 ounces mandarin orange juice (reserve oranges)
- 2 Tbsp. apple cider vinegar
- ¼ cup olive oil
- ¼ cup pure cane sugar
- ½ small onion (chopped)
- 1 Tbsp. spicy brown mustard
- 1 Tbsp. yellow mustard
- ½ tsp. salt
- ½ tsp. pepper

Salad

- ½ pound chicken breast (cooked, chopped)
- 5 ounces baby spinach
- 1 large carrot (shredded)
- 24 seedless red grapes
- 1 ½ ounces walnuts (coarsely chopped)
- Reserved mandarin oranges

Directions:

Combine all of the dressing ingredients in a blender. Mix until combined. Divide the spinach among four bowls. Top each bowl with the shredded carrots, grapes, mandarin oranges, walnuts and chicken breast. Shake the dressing. Drizzle over each salad. Makes 4 servings.

Nutritional Information (per serving)

Total Calories	362
Total Fat	22 g
Protein	16 g
Carbohydrates	27 g
Dietary Fiber	3 g
Saturated Fat	3 g
Sodium	488 mg

2018 51st Annual
Convention Highlights
Special Edition newsletter
coming soon!

To learn more about advertisement opportunities in the Community Banker, please contact us at 701-258-7121 or at info@icbnd.com

Advertisement information available at
www.icbnd.com/get-involved/advertising

HOW TO ACHIEVE THE CAREER AND LIFE YOU DESIRE

New OnCourse Learning e-book offers tips on using lifelong learning for a lifetime

By Robert Watters, Vice President of e-Learning for OnCourse Learning, an IBC Preferred Provider

Taking the first step in a job search process can be difficult. Unsure of where to begin, people opt to stay where they are versus taking simple steps to find a better-paying job or a new career.

Even people who enjoy learning second guess whether they should pursue a new career or further their education. When I was 32 years old and working as an education coordinator, I grappled with my desire for a master's degree and the demands of working full time while being the best husband and father possible.

I eventually went for my master's degree, learned I could manage all of life's demands and advanced my career thanks to my new base of knowledge.

At OnCourse Learning, the focus every day is helping people get started and succeed in their chosen professions. Because it's difficult for people to know where to start, OnCourse Learning published a free, easy-to-review resource, "How to use lifelong learning for a lifetime of success."

The goal of the e-book is to inspire individuals to begin their professional or personal learning journey by providing the following food for thought:

1. Leading research, statistics and articles on continued learning for career and personal development, including:
   - Why lifelong learning in short spurts is the latest trend from the article, "The Third Education Revolution," published by the Atlantic.com.
   - The benefits of education for professional and personal learners from a Pew Research Center study on lifelong learning.
2. Personal lifelong learning stories and insight from internal and external OnCourse Learning thought leaders, such as:
   - How being a lifelong learner can make you popular at parties by Chris Chirafisi, senior technical trainer with American Home Inspectors Training by OnCourse Learning.
   - Why it pays to lead the charge in professional learning trends, according to Julie Hakman, president of AmericanChecked, an OnCourse Learning partner.
3. Cost-effective, time-saving tips to help everyone make learning part of a regular routine, which includes:
   - Lifelong learners suggest books to read for a lifetime of success.
   - OnCourse Learning real estate book author Dan Hamilton on prioritizing the learning process.

Download the OnCourse Learning e-book, "How to use lifelong learning for a lifetime of success," to get started or continue your learning journey.

OnCourse Learning Financial Services is a full-service education and regulatory compliance provider in the banking, credit union, MSB, mortgage, insurance and gaming industries. To learn more about how OnCourse Learning can help your organization remain compliant, please email Craig Johnson or call 803-238-1010.

Social Security Administration was pleased to announce that they recently added five new Compassionate Allowance conditions: Fibrolamellar Cancer, Megacystis Microcolon Intestinal Hypoperistalsis Syndrome (MMIHS), Megalencephaly Capillary Malformation Syndrome (MCAP), Superficial Siderosis of the Central Nervous System, and Tetrasomy 18p.

These are impairments that meet SSA's standard for disability under the law. When a Social Security Disability Insurance or Supplemental Security Income claim involves a Compassionate Allowances condition, they can often make a decision quickly and minimize the time required to begin paying benefits.

Please see their press release for details.

SAVE THE DATE

National Disability Forum on Advance Designation of Representative Payees

Session 1: How Advance Designation Can Improve Future Financial Management
Session 2: How to Leverage Advance Designation to Improve the Representative Payee Selection Process

Tuesday, October 30, 2018

10:00 a.m. – 3:00 p.m. EDT

U. S. Capitol Visitor Center
E. Capitol St NE & 1st St NE
Washington, DC 20004

To learn more about the National Disability Forum, visit us at https://www.socialsecurity.gov/ndf/
If you have any questions, feel free to email us at oea.net.post@ssa.gov.

SKIP-A-PAYMENT LOAN PROGRAMS

Unbelievably, the holiday season is quickly approaching. While many consumers are preparing for Black Friday shopping and gift giving, they also might be looking for extra ways to manage their budget during the holiday season. One of those ways might be taking advantage of a financial institution's Skip-A-Payment or Deferred Payment program ("Skip-A-Payment program"). These programs provide customers with a little breathing room for holiday purchases by skipping a loan payment in either December or January. Some institutions offer programs at other times of the year as a means of providing customers with extra cash for summer vacations.

This article discusses some best practices and issues that examiners have identified with Skip-A-Payment programs on closed-end consumer loans. Please note that each financial institution has unique product offerings so this article does not present an exhaustive list of all possible issues with these programs.

Examiners have noted the following best practices to help limit compliance risks when developing a Skip-A-Payment program:

- Establishing written policies and procedures that detail how the program will work;
- Defining customer eligibility criteria (non-discriminatory and beneficial);
- Assigning responsibilities of request reviews and processing;
- Providing training to staff in advance of launching the program; and
- Setting monitoring protocols for adherence to policy.

Additionally, institutions have further reduced their compliance risk by limiting marketing of these programs to only those customers who will receive reasonable benefit related to the cost of the program, in addition to a thorough review of the entire program by consumer compliance staff.

A common Skip-A-Payment program issue has been the failure to provide full disclosure of the program, its functionality, limitations, and the full impact of participation in the program on the borrower's loan. Disclosure of the effect the program has on interest paid by the borrower provides consumers with information to make an informed decision. Some questions to consider are the following:

- Does interest continue to accrue during the month the borrower skips the payment?
- When will the "skipped" payment's interest be paid?
- Will participating in the program result in the borrower paying additional interest over the life of their loan?
- How will skipping a payment affect the final loan payment?
- For example, will the skipped payment be added as an additional payment to the end of the loan, thus extending the maturity date? Or, will the skipped payment be added to, and therefore increase, the final loan payment as a balloon payment?

If the loan is insured with credit life/disability, debt cancellation, or has another type of credit contract-related add-on product:

- Does the borrower need to pay their debt cancellation coverage premium when skipping a loan payment to avoid the cancellation of this coverage?
- If the maturity date is extended when a consumer skips a payment, how does that impact the benefits of the add-on or insurance product?

If the Skip-A-Payment program is offered on residential real estate loans:

- Does enrolling in the program also cover the escrow account? Alternatively, does the borrower still need to make a separate escrow payment?
- Does participation in the program create an escrow deficiency resulting in a higher escrow payment for the next escrow year?

It is important to ensure the consumer is aware of all terms and conditions of the program before taking advantage of the offer. Skip-A-Payment program disclosures and solicitations that clearly state fees and how they are incurred, and any expiration or due date to apply for the program before a late charge is assessed will further assist in preventing confusion for customers and bank staff. This is particularly important when the program provides the option of skipping for example a December or January payment and the offer's expiration date is after the December payment grace period. In some instances, borrowers applied before the offer's expiration date but after the December payment grace period and were assessed late fees.

If a customer applies but does not meet the terms of the Skip-A-Payment program, Regulation B, which implements the Equal Credit Opportunity Act, requires that the institution provide a Notice of Adverse Action. In addition, if the financial institution relied on a credit report to evaluate the application, the Fair Credit Reporting Act requires notice to the applicant when a Skip-A-Payment program application is denied.

It is important for financial institutions to ensure that all Skip-A-Payment program disclosures and advertisements are clear and not misleading as violations of the Federal Trade Commission's Section 5 prohibiting Unfair and/or Deceptive Acts or Practices ("UDAP") may occur. Any costs or negative implications associated with the program, in addition to the advertised benefits of opting into the program will position customers to make informed choices. A compliance review of all promotional materials, including scripts, to ensure the terms and conditions, limitations and fees of the program are disclosed can assist in mitigating the consumer compliance risks.

Once a program is implemented, financial institution personnel can periodically assess the program's execution to ensure it is working as advertised. Personnel review of customer enquiries or complaints, loan histories, marketing materials, and system parameters to ensure loan settings match the disclosed terms and conditions can assist in pinpointing any issues with the program.

UNITED COMMUNITY BANK

United Community Bank has announced that **Jennifer Hubrig** has been promoted to vice president – marketing. Hubrig has been employed at United Community for four years and has been a marketing professional in the Minot area for six additional years.

United Community Bank has announced that **Patrick Streyle** has been named president of the United Community Bank – Leeds location. Streyle has been employed with United Community for 7 years, serving most recently as a commercial loan officer.

To have your employees featured in the *Member in the News* please send your articles and photos to info@icbnd.com

BANK OF NORTH DAKOTA

Bank of North Dakota promotes staff

Jennifer Huntley accepted the staff accountant position in Accounting and Treasury at **BND**. Huntley began her career at BND in 2016 as an account technician.

Devin Cunningham was promoted to the application support manager at **BND**. Cunningham has been with BND since 2011 as a computer and network specialist.

Jan Merkel accepted the investment associate position in Accounting and Treasury at **BND**. Merkel began her career at BND in 2006 in student loans, and was most recently a processing specialist.

Laura Brademeyer was promoted to retail banking manager at **BND**. Brademeyer has been with BND since 2011 and was most recently a merchant card coordinator.

Cynthia Sanford joined **BND** as the leader of education outreach and college planning. Sanford comes to BND with customer service office manager experience.

BELL BANK

Dawn Omdahl has been hired as personal banking officer at **Bell Bank**, located at 5680 23rd Avenue South in Fargo. In her new position, Omdahl will retain and expand existing personal deposit and loan relationships with customers.

Patty Bohnenstingl has been promoted to VP/retail sales and service manager at **Bell Bank**, located at 3100 13th Avenue South in Fargo. In her new position, Bohnenstingl is responsible for efficient and effective management of the Fargo branches. She has been in the banking field for over 30 years and has 23 years' experience at Bell Bank.

Shannon Gephart has been hired as VP/ wealth advisor at **Bell Bank**, located at 15 Broadway in downtown Fargo. In her new position with Bell's wealth management division, Gephart will provide financial planning and relationship management for high net worth households as well as nonprofit and institutional clientele. Gephart has been in the wealth management industry for 20 years. She holds Certified Financial Planner (CFP) and Certified Trust and Financial Advisor (CTFA) designations.

Bennett Lystad has been promoted to personal banking officer at **Bell Bank**, located at 2501 South University Drive in Fargo. In his new position, Lystad will retain and expand existing personal deposit and loan relationships with customers. Lystad joined Bell Bank in 2014 and has held various retail positions.

Rachel Meske has been hired as VP/trust officer at **Bell Bank**, located at 15 Broadway in downtown Fargo. In her new position with Bell's wealth management division, Meske will administer personal trust accounts, with a primary focus in the areas of estate administration and conservatorships. She has 6 years' legal experience with probate and estate administration.

ICBND Members in the News

BELL BANK

Craig Samuelson has been promoted to SVP/ wealth management chief operating officer at **Bell Bank**, located at 15 Broadway in downtown Fargo. In his new position, Samuelson will oversee the day-to-day business operations and functions of Bell's wealth management division. Samuelson joined Bell in 2014 and has been in financial services industry for 20 years.

Wendy Yoder has been hired as mortgage servicing operations lead at **Bell Bank**, located at 3100 13th Avenue South in Fargo. In her new position, Yoder will supervise the set-up, payment processing and reconciliation positions in the mortgage servicing department. Yoder has over 10 years' experience in banking and financial industries.

STARION BANK

Steve Heydt, retail banking, vice president, at **Starion Bank** in Bismarck recently graduated from the Graduate School of Banking at Colorado (GSBC).

GSBC is America's premier community banking school. This 25-month program provides management and leadership training for community banking professionals. Students complete training that focuses on the areas of general management, technology, lending, leadership, human resource management and financial management in banks. Requirements for graduation include comprehensive examinations, research projects and participation in a bank management simulation course.

Heydt joined Starion Bank in 2004 as a retail manager for Bismarck-Mandan. Over the past 14 years, he has held several leadership roles within the bank. In his current position, he also serves as a member of the bank's Management Committee.

Casey Carson has been promoted to operations specialist II. In the new position, Carson will provide internal and external customer support for commercial and retail deposit products and services, and perform quality control functions. Carson joined **Starion** in July 2017 as a loan operations specialist I and has more than a decade of customer service and transaction processing experience. Carson works in the Mandan location.

Jon Dinius has been promoted to credit analyst II in the Bismarck location. Dinius joined **Starion** in December 2015 as a credit analyst I. In his new role, Dinius will continue to focus on performing credit analysis, conducting annual reviews of agricultural credits and supporting the ag bankers.

Robin Thorstenson has been promoted to learning and organizational development, VP. In her new role, Thorstenson is responsible for the bank's learning and organizational development functions and strategies, supporting **Starion Bank**'s commitment to being a learning organization. This includes overseeing the learning and development team, leading learning initiatives, coaching leaders and facilitating development initiatives. She joined the bank August 2013 as a training coordinator and has served as talent and organizational development consultant, AVP.

Seth Weber has been promoted in Bismarck to business banking representative. In this position, he provides business support to new and existing customers; offers administrative, sales and service support to business bankers; and works on special projects. Weber joined **Starion** in 2015 as a teller in Mandan. Most recently he has been serving as a universal banker III. Weber has several years of retail and customer service experience.

UNITED BANKERS' BANK

United Bankers' Bank (UBB) has promoted **Mary Williams** to SVP, chief operations officer, effective August 6. Williams succeeds Anne Hofstede who retired after 41 years of service at UBB. In her role, Williams will lead UBB's Operations team and will oversee the bank's operational products and deposit services in addition to customer service. Williams has over 25 years of experience in the banking industry.

WESTERN STATE BANK

Cody Torbenson recently joined **Western State Bank** as a credit review analyst. He will be responsible for conducting reviews of loans originated by all bank locations and Western Equipment Finance, to ensure compliance with the bank's loan policy as well as sound underwriting and documentation procedures. He will also complete reviews of residential and commercial appraisals and will assist with the bank's Appraisal Committee process. His previous banking experience includes commercial credit review and underwriting, and inbound fraud and dispute case initiation.

Melissa Nelson recently joined **Western State Bank** as human resource specialist. Her duties include recruitment and onboarding of new team members while helping enhance the overall experience for candidates and new team members. She will also provide administrative and clerical support to the Human Resources team and assist in guiding management and team members through HR related processes.

DAKOTA HERITAGE BANK

Melissa Beach has joined **Dakota Heritage Bank** as an ag & business banker in their Hillsboro branch. Beach was previously the Traill County economic development executive director and was also named the 2017 Governor's Choice for Economic Developer of the Year – Rural Community.

ICBND

Barry Haugen, President of ICBND enjoys his visit from his one year old grandson, Felix Charles Krumm.

To have *your* announcements featured in the *Community Banker* please send your articles to info@icbnd.com

AMERICAN BANK CENTER

In order to help banks, especially those in rural communities, grow and better serve their customers, American Bank Center offers bank-to-bank loans. To show its commitment to this service, American now has a full-time, dedicated financial expert to facilitate these loans. Jonn Knecht has been promoted to senior vice president of Correspondent Banking and brings more than 20 years of experience to this position.

Knecht joined American in 2012 and has served as market president, regional president and senior vice president of business development. Knecht is responsible for correspondent bank lending and bank-wide sales training.

Correspondent banking involves American Bank Center engaging in participation loans for banks as well as business and personal loans for bankers, including Regulation O needs. American seeks to partner with other community banks to reduce risk of significant loan amounts, enhance loan yields by retaining a service fee and allow for bank liquidity by selling a portion of the loan. These loans are available for agricultural production, agricultural real estate, commercial, commercial real estate and lease purchases.

By providing this service, American aims to help bank partners, bankers and their customers succeed. For more information on these bank-to-bank loan options, contact Knecht at 701-441-1442.

Choice Financial

CHOICE FINANCIAL RAISES OVER $25,000 FOR ALTRU'S HOSPICE

Heroes for Hospice was held on July 17, 2018 at Choice Financial in Grand Forks. An estimated 600 people attended, raising $25,683 for Altru's Hospice. Attendees of the lunch enjoyed a feast provided by Red Pepper, Popolino's Pizza and O' For Heaven's Cakes. The event also featured a memorial wall where guests were invited to remember their loved ones.

"We couldn't be happier with the support the community has shown for our Heroes for Hospice fundraiser," Chris Johnson, Grand Forks Market President for Choice Financial said. "Altru's Hospice is a fantastic organization that helps so many people during times when they need it most. We are delighted to be able support them."

The Heroes for Hospice fundraiser helps provide funding for Altru's Hospice to offer end-of-life care for terminally ill patients and support for their families.

The first Hospice event was held in 2013 in Fargo. Since then, Choice Financial has held hospice fundraising events across North Dakota in Fargo, Dickinson, Bismarck, and now Grand Forks. Since 2013, Choice Financial has raised over $750,000 for four Hospice organizations (Hospice of the Red River Valley, Sanford Hospice, CHI Health at Home Hospice and Altru's Hospice) across North Dakota.

Photos: Above– Drone photo of the event; Left – Police and Fire Fighters were special guests at the event; Below– Chris Johnson, Grand Forks Market President

CHOICE FINANCIAL

Altru

About Altru Health Systems Hospice
Altru Health System is a community-owned, integrated system with an acute care hospital, a specialty hospital, more than a dozen clinics in Grand Forks and the region, and a large home care network. It employs nearly 200 physicians and 4,000 staff. As the first member of the Mayo Clinic Care Network, Altru's providers have access to clinically integrated tools extending Mayo Clinic's knowledge and expertise to patients.

Choice Financial

CHOICE FINANCIAL EMPLOYEES LAUNCH WISHING WELL PROGRAM

Choice Financial is helping communities by granting wishes through their newly launched Wishing Well program. The program encourages individuals to identify a need and make a wish for Choice Financial to fulfill that need. Wishes can be made in local Choice Financial banks, or online at choicefinancialgroup.com/wishing-well. Wishes are being accepted now through November 2.

The idea for the Wishing Well was inspired by a team building event in which Choice Financial employees were challenged to develop new ways Choice Financial can build upon their core values, including to better the places they live. The Wishing Well program allows for multiple wishes to be granted across many communities.

“During this team building exercise, we posed the question to 40 separate groups of employees, asking them how they would spend a substantial donation if given the opportunity,” says Tara McFadden, Choice Financial Vice President of Compliance. “One of our teams presented the Wishing Well concept,” continues McFadden. “We felt this concept truly embodied our #PeopleFirst values by granting multiple wishes to individuals, organizations or communities in need.”

Gaige Dunn, a Credit Banker for Choice Financial, is a member of the team that originated the Wishing Well concept and is overseeing its implementation. “It’s so amazing to see an idea that started on a phone call grow and become a reality,” Dunn says. “We felt honored that Choice Financial empowered us to create an out-of-the-box idea and trusted us to make it happen. We wanted to give that same empowerment to our customers and community members by listening to their ideas and discovering what is important to them,” Dunn continues. “At the end of the day, our #PeopleFirst commitment means we are here for our customers, communities and fellow employees.”

Choice Financial plans to begin announcing which wishes will be granted beginning in December 2018 and continue throughout the holiday season.

MAKE A WISH ONLINE AT CHOICEFINANCIALGROUP.COM/WISHING-WELL

CHOICE FINANCIAL RAISES $33,587 FOR CHI HEALTH AT HOME HOSPICE

The second annual Hoedown for Hospice was held on July 31, 2018 at Prairie Hills Mall in Dickinson. An estimated 650 people attended, raising $33,587 for CHI Health at Home Hospice. Attendees of the lunch enjoyed a hoedown-style feast of smoked brisket, baked beans, potato chips and YUM froyo ice cream. The event also featured a memorial wall where guests were invited to remember their loved ones.

“It is incredible seeing how much support the community has for this event and cause,” Tom Fath, SVP Business/Ag Banker for Choice Financial said. “CHI Hospice provides service and care that helps so many people and everyone wants to be able to show their support for such a good organization.”

The Hoedown for Hospice fundraiser helps provide funding for CHI Health at Home Hospice to offer end-of-life care for terminally ill patients and support for their families.

The first Hospice event was held in 2013 in Fargo. Since then, Choice Financial has held hospice fundraising events across North Dakota in Fargo, Dickinson, Bismarck, and now Grand Forks. Since 2013, Choice Financial has raised over $750,000 for four Hospice organizations (Hospice of the Red River Valley, Sanford Hospice, CHI Health at Home Hospice and Altru’s Hospice) across North Dakota.

About CHI Health at Home and Hospice<http://chihealthathome.info/>
CHI Health at Home is devoted to providing client-centered care. We work diligently to include clients, caregivers, and families in the design and implementation of Home Health and Hospice care services. We serve the following counties for Home care and Hospice Services: Billings, Dunn, Golden Valley, Hettinger, Morton, Slope and Stark.

United Bankers' Bank

UNITED BANKERS' BANK LAUNCHES MARKETING SOLUTIONS PARTNERSHIP WITH WORDCOM

This first of its kind program provides United Bankers Bank's community bank customers and prospects with affordable and direct access to intelligent data and bank marketing solutions.

United Bankers' Bank (UBB), the nation's first bankers' bank, today announced a collaboration with intelligent target marketing solutions provider, WordCom. Through this partnership, UBB will provide community banks with access to a suite of data and bank marketing solutions that will assist them in acquiring new customers, deposit accounts and loan products in addition to programs that will enhance the customer engagement and onboarding processes, with the primary focus on helping community banks market more efficiently and effectively.

"UBB's mission is to provide community banks, no matter the size of the institution, with the products and services they need to be successful in the communities they serve. We currently have the resources in place to assist them with their operations, lending, investments and consulting needs like compliance, HR and insurance, so adding a trusted source for marketing solutions made complete sense and only further solidifies our position as a truly full-service bankers' bank," commented Executive Vice President and Chief Marketing Officer John Peterson. "In today's competitive environment, community banks are no longer just competing against other financial institutions down the street or in their immediate communities, instead they are feeling additional pressure from a host of new service providers who didn't exist five or ten years ago. As a result, the need for efficient and intelligent marketing solutions has never been more important," Peterson said.

"WordCom has a long and impressive track record of providing the financial services industry with effective marketing solutions that get results. Their commitment to ensuring the needs of their clients are of the highest priority, along with maintaining a continued focus on innovating and enhancing their product offering was of great importance to us. We viewed these shared company values and culture as a vital component to a successful partnership," stated Tyson Doke, Vice President and Marketing Manager for United Bankers' Bank.

"WordCom has been assisting financial institutions for over 3 decades; providing professional service and marketing expertise to our valued clients. We are a full-service target marketing company that will be readily available to assist UBB customers with their marketing initiatives. We are excited to launch this partnership and are 100% committed to doing everything possible to help UBB's customers achieve their marketing goals," said Sean Mulvaney, Vice President, and Chief Strategy Officer for WordCom.

The marketing services partnership will involve direct collaboration between UBB and WordCom, focusing on aligning the needs of UBB's community bank customers with the intelligent marketing solutions provided by WordCom. Detailed information about the marketing solutions provided can be viewed by visiting www.ubbmarketingsolutions.com.

North Dakota Housing Finance Agency

OPENING DOORS FOR HOUSEHOLDS WITH RENTAL BARRIER

North Dakota Housing Finance Agency (NDHFA) is helping households with poor credit, a history of evictions or a criminal record to secure housing. The state agency launched a landlord risk mitigation fund in September to encourage property owners to lease apartments to individuals and families who may not meet their standard rental criteria.

The Opening Doors program helps Medicaid-eligible households secure housing by providing landlords with coverage beyond the security deposit if a participant causes excessive damage to a rental unit or a loss of revenue.

"Offering property owners a financial guarantee mitigates a portion of the risk in renting to these hard-to-house populations," said Jolene Kline, NDHFA executive director.

One of the key provisions of the program is care coordination provided by a social service agency.

"Households must apply through a care coordinator who agrees to provide services for the duration of the program coverage," said Kline. "This includes helping to find and secure housing, monitoring their tenancy, and mediating any disputes with the landlord."

Opening Doors program participants are covered for up to 18 months. During that time, the landlord may receive compensation for damage or lost rent claim coverage for up to $2,000.

"After the program participants' coverage ends, they may continue to rent from the same landlord or move on to another housing unit," said Kline. "By establishing a positive rental history, we make them better candidates for their next housing unit."

The Opening Doors program is a joint effort between NDHFA and the Medical Services Division of the North Dakota Department of Human Services. NDHFA is the administrator. NDDHS approved funding the program with the state's rebalancing funds. The program will cover up to 67 households. NDHFA will consider alternative funding sources as needed to support additional households.

"As part of a broader focus to connect housing and supportive services, the Opening Doors Program will be an efficient and effective tool to help Medicaid-eligible people with housing barriers be successful tenants and community members," said Kline. "Establishing these individuals in a stable setting with planned care coordination will produce cost savings for individuals, the community and state."

A Statewide and Regional Supportive Housing Collaborative identified a landlord risk mitigation fund as a solution to reduce housing barriers for individuals exiting institutional settings or to prevent institutionalization.

Opening Doors was modeled after a landlord risk mitigation program established by the Fargo-Moorhead Coalition for Homeless Person in 2014 that encourages property owners to rent to people who are experiencing homelessness.

NDHFA is a self-supporting state agency that finances the creation and rehabilitation of affordable housing across the state. The North Dakota Industrial Commission, consisting of Governor Doug Burgum as chairman, Agriculture Commissioner Doug Goehring and Attorney General Wayne Stenehjem, oversees the agency.

North Dakota Housing Finance Agency

HOUSING FOR CHRONICALLY HOMELESS INDIVIDUALS UNDERWAY

Construction has begun on Edwinton Place, a Permanent Supportive Housing (PSH) project that will offer stable housing and support services for 40 individuals who have experienced chronic homelessness in the Bismarck area. The approach that will be utilized is called 'Housing First'.

"Through the Housing First model, some of the barriers to rental housing entry are set aside. The individual is provided with a permanent, stable home and then support services are offered to address the underlying causes of their homelessness." said Dwight Barden, Burleigh County Housing Authority (BCHA) executive director.

Chronically homeless individuals typically have mental health or substance abuse issues, a chronic health condition, or a history of physical or sexual abuse. The need to provide supportive housing for these individuals was first discussed in 2008 in Bismarck-Mandan's 10-Year Plan to End Homeless. Since that time, local service providers have been planning and educating key stakeholders to gain support for a PSH development. As an experienced provider of affordable housing, BCHA agreed to take the lead and be the owner and manager of the property.

BCHA has partnered with Beyond Shelter Inc. (BSI), a nonprofit developer of affordable housing to develop Edwinton Place. "Beyond Shelter focuses on providing housing for the lowest income households in a community, the people whose needs are typically overlooked," said BSI CEO Dan Madler. "The underlying causes of chronic homeless not only negatively affects an individual's ability to be successful in traditional rental housing, these issues are also very costly to the community."

Chronically homeless individuals are frequent users of emergency services which can cost a community $30,000 to $50,000 per year per individual. Providing these individuals with immediate access to housing is estimated to save a community up to 40 percent of the total cost of experiencing chronic homelessness.

"North Dakota Housing Finance Agency has prioritized the use of our development resources, focusing on permanent supportive housing to help address chronic homelessness in North Dakota," said Jolene Kline, North Dakota Housing Finance Agency (NDHFA) executive director.

Funding commitments provided by NDHFA will cover the majority of Edwinton Place's development costs. The state agency awarded federal Low Income Housing Tax Credits that will provide the project with $7.2 million in equity, and awarded $1,026,147 from the National Housing Trust Fund, $500,000 from the state's Housing Incentive Fund and $460,000 from the Neighborhood Stabilization III Program. The total project cost is $10.3 million.

Edwinton Place also received support from the City of Bismarck, in agreement with Burleigh County and the Bismarck Public School District, a 20-year Payment in Lieu of Taxes for the property valued at more than $2 million. The North Dakota Department of Commerce committed $730,000 through the Neighborhood Stabilization I Program for land acquisition. Through Bank of North Dakota, the Federal Home Loan Bank awarded $750,000 from the Affordable Housing Program, and the Otto Bremer Trust committed $62,000 to help cover pre-development costs. The project's construction financing will be provided by Gate City Bank.

Edwinton Place is being built on an infill lot just south of Bismarck Expressway and is within an Opportunity Zone designated by Gov. Burgum earlier this year. The four-story building will have a controlled entrance with 24/7 staffing. On the first floor, offices, meeting rooms and an exam room will allow for services to be provided at the site. The upper floors will be made up of 40 one-bedroom/one-bath apartments. Eight of the units will be fully accessible for persons with a physical disability. All of the units will be furnished. The developers anticipate that the property will to be complete by next fall.

The tenants will be selected in partnership with the local Coordinated Entry System which is operated by agencies that provide service to people who are homeless. Project-Based Housing Choice Vouchers will be provided by BCHA to assure the affordability of the units for the extremely low-income tenants.

The mission of the Burleigh County Housing Authority is to serve the population of Burleigh County/City of Bismarck by providing affordable housing opportunities in a safe environment with priority given to special needs populations.

A nonprofit developer of affordable housing, Beyond Shelter, Inc. has partnered with like-minded organizations to develop 1,146 affordable residential units in North Dakota, South Dakota and Minnesota.

North Dakota Housing Finance Agency is a self-supporting state agency that finances the creation and rehabilitation of affordable housing across the state. The North Dakota Industrial Commission, consisting of Governor Doug Burgum as chairman, Agriculture Commissioner Doug Goehring and Attorney General Wayne Stenehjem, oversees the agency.

First Western Bank & Trust

TELLER OPERATIONS OFFICER/MANAGER

Full Time
Management
Minot, ND, US

The position is open due to a pending retirement.

Position Overview
Directly supervise and coordinate the activities of First Western Bank & Trust's tellers to provide courteous and efficient service for the Bank's customers.

Essential Job Functions

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- Provide Teller Supervisors/Managers with guidance in handling difficult transactions and resolving escalated customer complaints or disputes
- Oversee the processing of wire transfers
- Implement bank policies, procedures, and service standards in conjunction with management
- Prepare and issue teller schedules and assign specific job duties
- Evaluate employees' job performance, deliver performance reviews and recommend appropriate personnel actions

Please apply online at:
https://www.firstwestern.bank

ICBND MEMBERS

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Comfort Suites (701) 223-4009
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ICBND Member Rate……………………………………….$77.00

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ICBND Associate Member (701) 258-7000
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ICBND Member Rate……………………………………….$85.00

Ramkota Hotel & Conference Center (701) 258-7700
ICBND Associate Member
800 South Third Street-Bismarck
ICBND Member Rate……………………………………….$90.00

La Quinta (701) 751-3313
2240 North 12th Street-Bismarck
ICBND Member Rate ……………………………………….$99.00

Radisson Hotel (701) 255-6000
605 East Broadway-Bismarck
ICBND Member Rate………Use Rate Code T-40593…….$104.00

Holiday Inn (701) 751-8240
3903 State Street-Bismarck
ICBND Member Rate……………………………………….$99.00

Staybridge Suites (701) 223-1499
2801 Gateway Avenue-Bismarck
ICBND Member Rate (Studio Queen)……………………..$129.99
ICBND Member Rate (One Bedroom King)…………………$139.99

Expressway Suites (701) 222-3311
180 East Bismarck Expressway-Bismarck
ICBND Member Rate……………………………………….$89.95

Expressway Inn (701) 222-2900
200 East Bismarck Expressway-Bismarck
ICBND Member Rate………………………………………. $74.95

Quality Inn (701) 223-1991
1030 E Interstate Ave
ICBND Member Rate ……………………………………….$77.00

Main Stay Suites (701) 223-9119
2507 N 9th St
ICBND Member Rate ……………………………………….$83.00

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Whenever possible we encourage you to consider Associate Members first.

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1516 27th St NW– Mandan
ICBND Member Rate……………………………………….$84.00

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ICBND Member Rate………………………15% off
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4-17-18

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www.fourpointsminneapolisairport.com/set-banks-ND

We encourage all ICBND Bank Members to support these superbly referenced, Board-approved businesses for all your community banking needs. Click here for the directory.

2018
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"Together We Prosper"

A listing of ICBND Associate Members who provide exceptional services, products, and support to our Member Banks.

We encourage all ICBND Bank Members to support these superbly referenced, Board-Approved businesses for all of your community banking needs.

September Edition

ICBND Webinars

10/2/2018	Proper Preparation of the TRID Loan Estimate & Closing Disclosure Steven Van Beek, Howard & Howard Attorneys PLLC
10/3/2018	The Fair Labor Standards Act: Dos & Don'ts of Exempt & Nonexempt Pay Issues Kay Robinson, Robinson HR Consulting, LLC
10/4/2018	Medallion & Signature Guarantee Rules & Risks Elizabeth Fast, Spencer Fane LLP
10/5/2018 Morning	**SPECIAL EDITION** Handling Subpoenas, Summonses, Garnishments & Levies Elizabeth Fast, Spencer Fane LLP
10/10/2018	**New Accounts Series:** Opening Accounts for Nonresident Aliens Dawn Kincaid, Brode Consulting Services, Inc.
10/11/2018	Mortgage Lender Training Part 2: Mortgage Life-of-Loan: Processing, Underwriting & Notices Susan Costonis, Compliance Consulting and Training for Financial Institutions
10/12/2018 Morning	**SPECIAL EDITION** Commercial Real Estate Basics: Multi-Family, Commercial Rentals, Hotels Tommy Troyer, Young & Associates, Inc.
10/16/2018	Payment Systems Rules & Regulations for ACH, Cards, Wires & Checks Jen Kirk, EPCOR
10/17/2018	Understanding Title Insurance Policies, Commitments & ALTA Endorsements Elizabeth Fast, Spencer Fane LLP
10/18/2018	**Cyber Series:** Cyber Threats: Prevention, Detection & Response Veronica Madsen, ESTEE Compliance, LLC
10/23/2018	Roles, Responsibilities & Liabilities of Community Bank Directors Jeffrey C. Gerrish, Gerrish Smith Tuck, PC, Consultants & Attorneys
10/25/2018	**Call Report Series:** Complex Call Report Lending Schedule Preparation Amanda C. Garnett, CliftonLarsonAllen LLP
10/29/2018 Monday	**SPECIAL EDITION** Stop Payment Versus Written Statement of Unauthorized Debit (WSUD): Which Is It? Jen Kirk, EPCOR
10/30/2018	**Compliance Series:** Job-Specific Compliance Training for Deposit Operations Molly Stull, Brode Consulting Services, Inc.
10/31/2018	Form 1099 Reporting: Third-Party Vendors, Foreclosures, Debt Forgiveness & More Elizabeth Fast, Spencer Fane LLP
11/1/2018	Analyzing Common TRID Compliance Violations Steven Van Beek, Howard & Howard Attorneys PLLC
11/6/2018	Lending to Churches & Other Nonprofit Organizations S. Wayne Linder, Young & Associates, Inc.
11/7/2018	ACH Liabilities & Warranties for ODFIs: Reducing Your Exposure Angi Farren, UMACHA
11/8/2018	**Consumer Debt Series:** Proper Repossession, Notice & Sale of Non-Real Estate Collateral Elizabeth Fast, Spencer Fane LLP
11/9/2018 Morning	**SPECIAL EDITION** Board Secretary Basics: Agendas, Meeting Records & Board Package Assembly Dawn Kincaid, Brode Consulting Services, Inc.
11/13/2018	**SPECIAL EDITION** How to Obtain & Perfect a Security Interest in Unconventional Collateral Elizabeth Fast, Spencer Fane LLP
11/14/2018	Mortgage Lender Training Part 3: Mortgage Life-of-Loan: Decision-Making, Appraisals, Post-Closing Requirements Susan Costonis, Compliance Consulting and Training for Financial Institutions
11/15/2018	**SPECIAL EDITION** Cash Management: How Sales, Operations & Technology Can Collaborate to Generate More Fee Income Marcia Malzahn, Malzahn Strategic
11/20/2018	**IRA Series:** Top 10 IRA Rollover Mistakes Frank J. LaLoggia, LaLoggia Consulting, Inc.
11/27/2018	**Compliance Series:** Robbery Preparedness: Requirements & Proven Strategies Carol Dodgen, Dodgen Security

11/28/2018	Managing & Mitigating Card-Not-Present Fraud Lee Wetherington, Jack Henry & Associates, Inc.®
11/29/2018	Your Borrower Has Died: Actions to Take, Mistakes to Avoid Elizabeth Fast, Spencer Fane LLP
11/30/2018 Morning	**SPECIAL EDITION** New Focus on In-House Real Estate Evaluations Aaron Lewis, Young & Associates, Inc.
12/4/2018	Improving Teller Performance: Head Teller Development Molly Stull, Brode Consulting Services, Inc.
12/5/2018	**Cyber Series:** Compliance Questions & Issues in Deploying Mobile Remote Deposit Capture Michele L. Barlow, PAR/WACHA
12/6/2018	Auditing for HMDA Compliance, Including New Data Collection Rules Susan Costonis, Compliance Consulting and Training for Financial Institutions
12/11/2018	**Call Report Series:** Improving Efficiency in Call Report Preparation: Documentation, Accuracy & Common Errors Michael Gordon & Kris Trainor, Mauldin & Jenkins, LLC
12/12/2018	Your Depositor Has Died: Actions to Take, Mistakes to Avoid Elizabeth Fast, Spencer Fane LLP
12/13/2018	Dealing with Joint Signers in Consumer & Real Estate Lending Bill Elliott, Young & Associates, Inc.
12/14/2018 Morning	**SPECIAL EDITION** Commercial Appraisal Review: Income & Sales Approach Heidi C. Lee, Appraisal Review & Consultation
12/17/2018 Monday	**SPECIAL EDITION** Managing the Force-Placed Insurance Process Bill Elliott, Young & Associates, Inc.
12/18/2018	Handling Government ACH Payment Returns & Reclamations Michele L. Barlow, PAR/WACHA
12/19/2018	Closing or Changing Deposit Accounts for Consumers & Businesses Susan Costonis, Compliance Consulting and Training for Financial Institutions
12/20/2018	BSA Officer Reports to the Board Molly Stull, Brode Consulting Services, Inc.

Most webinars are scheduled from 2:00-3:30 PM Central Time unless otherwise indicated.
Director Series webinars are scheduled from 10:00-11:30 AM Central Time
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