INDEPENDENT COMMUNITY BANKS
OF NORTH DAKOTA

COMMUNITY BANKER NEWSLETTER

Official Newsletter of Independent Community Banks of ND

Jan/Feb 2019 Issue

JOIN US!

This session will address how growing community banks are changing the way they do business to account for the digital transformation occurring in the banking industry today. We will discuss why community banks are looking to fintech's for assistance and the best practices for successful fintech partnerships. The conversation will touch on the need for cultural transformation, personnel needs and challenges, what role innovation plays into the bank's strategy and the need for new solutions and external assistance. We will focus on what the future of banking looks like, how emerging technologies will play a role in the bank going forward. We will highlight the growing competition in the space and provide resources to assist with the innovation and fintech partnership process.

What You Will Learn:

* Why is innovation important for community banks
* What competition looks like today and in the future
* Approaches to Fintech
* What is Fintech and what does the Fintech Landscape look like
* Digital Lending Trends
* Fintech Resource Summary

Who Should Attend:

CEO's, COO's, CFO's, CIO's CTO's and those responsible for innovation and strategy.

For more information and to register!

PO Box 6128 ~ Bismarck, ND 58506 ~ e-mail: info@icbnd.com ~ Phone: 701.258.7121 ~ icbnd.com

Inside This Issue:

Independent Community Banks of North Dakota
PO box 6128
Bismarck ND 58506-6128

701.285.7121

INFO@ICBND.COM

WWW.ICBND.COM

Senator John Hoeven
338 Russell Senate Office Building
Washington DC 20510
Phone: 202-224-2551
Fax: 202-224-7999

Legislative Aide: Tyler Hardy
Tyler_Hardy@hoeven.senate.gov

Senator Kevin Cramer
516 Hart Senate Office Building
Washington DC 20510
Phone: 202-224-2043
Fax: 202-224-7776
Legislative Aide: Jason Stverak
Cell: 202.981.1090
Jason_Stverak@cramer.senate.gov

Congressman Kelly Armstrong
1004 Longworth House Office Building
Washington DC 20515
Phone: 202-225-2611
Fax: 202-226-0893

Legislative Aide: Casey Fitzpatrick
casey.fitzpatrick@mail.house.gov

Chairman's Remarks

Rick Braaten
American State
Bank & Trust Co
Williston
ICBND Chairman

Greetings,

Maybe I would be too optimistic to say Spring is in the air but it is sure nice to see the days getting longer and having a little daylight on the drive home after work. I trust that 2018 was a good year for all my fellow community bankers and hope we can all look forward to a great year in 2019. Hope to see many of you at the ICB National Convention in Nashville. So until next time all the best.

Rick

President's Remarks

Barry Haugen
ICBND President

I hope this message finds you all enjoying a happy and prosperous 2019. It's January of an odd-numbered year, so we are hunkering in to the 66th Assembly of the North Dakota Legislature. As I write this, we are in the third full week of the session. Nearly 950 bills have been introduced so far. ICBND is tracking about 75 bills that could have varying degrees of effect to community banking. Obviously, the higher priority bills get more attention. In my limited space here, I won't wander too far into the weeds of the bills and the issues we're following. However, the ICBND Legislative Update is distributed and posted weekly for your reference.

We've just completed the marketing materials for a Fintech educational session on April 15, 2019 which will be sponsored by our newest endorsed member, Dakota Carrier Network. The session will also be held at their beautiful facility in Bismarck. Our keynote presenter will be Kevin Tweddle who is ICBA's Chief Innovation Officer. We're excited to offer this timely session and hope to see you there.

Finally, let me shamelessly plug another great ICBND program. The Emerging Leaders Development Program provides opportunities for current and future banking leaders to accelerate their development and network with their peers throughout the state. Importantly, we make sure they have some fun as well. As further incentive, membership in the program also provides participants a complimentary registration to the ICBND Convention this summer.

Until next time, stay safe and warm!

Barry

Featuring ICBND's Newest Associate Members

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.

SecurityStudio

5909 Baker Road, Suite 500
Minnetonka, MN 55345
Website: **www.securitystudio.com**
Contact: Skyler Wickland, Account Manager
Phone: (612) 723-7181
Email: **swickland@securitystudio.com**

At SecurityStudio, we believe that every organization should know their most significant information security risks, and should leverage those risks when developing and managing an information security program. To help identify risks at your banks, SecurityStudio offers FISASCORE, a comprehensive risk assessment that pinpoints the gaps and vulnerabilities in your security posture, and VENDEFENSE, a SaaS-based vendor risk management tool that effortlessly guides you through the process of vendor inventory, classification, and assessment to protect your bank from third-party risk.

Rubrik

1001 Page Mill Rd, Bldg 2
Palo Alto, CA 94304
Website: **www.rubrik.com**
Contact: Shelley Beman, Channel Development Manager
Phone: (844) 478-2745
Email: **shelley.beman@rubrik.com**

Financial services institutions face challenges managing their data in the face of growing demands from customers, stringent regulations, and increased threats from cyber-attacks and Ransomware. Rubrik automates data management to keep data secure and accessible 24/7, whether it's physical or virtualized, across all locations – on-premises, at the edge, and in the cloud. Financial services institutions worldwide use Rubrik to automate workflows, recover from Ransomware attacks, and increase compliance with strict data regulations such as GDPR.

Rubrik integrates data orchestration, catalog management, and deduplicated storage into a plug-and-play appliance that scales linearly. Automate backup, replication, and archival with comprehensive at-rest and in-flight encryption to meet the highest security and compliance standards. Protect all your transaction, advisory, and enterprise data no matter where it resides. Deliver on-demand application data services through policy-based automation and a rich suite of APIs. Easily migrate workloads across your on-premises and cloud environments. Provide near-zero RTOs to increase compliance with GDPR data accessibility mandates. Instantly generate reports to track and demonstrate compliance. Recover from Ransomware instantly with zero data loss.

"I've been in the IT industry for 40 years and I know good technology when I see it. I can tell anybody considering this solution that what's in their sales materials is the absolute truth." – Sergio Garcia, CIO, Grove Bank & Trust

Featuring other valued Associate Members

Shown alphabetically by logos

HARLAND CLARKE

HEARTLAND TRUST COMPANY 25th Anniversary

HIGH POINT NETWORKS

HTG architects

JADESTONE CONSULTING

jack henry Banking

kinetic LEASING

LADG Lake Agassiz Development Group

Lewis & Clark DEVELOPMENT GROUP

MAIN STREET

marco taking technology further

Merchants Bank

Meyer-Chatfield CORPORATION

e4 Brokerage, LLC People Making a Difference

MIDDAUGH BENEFITS CONSULTING

Midwest Select INSURANCE GROUP LLC

MinnKota

MOUNTAIN PLAINS EQUITY GROUP

Click Here for all Associate Members

Rebeca Romero Rainey
President and CEO

"WHILE I KNOW MANY OF THESE SUCCESSES TOOK YEARS, OUR EFFORTS ARE PAYING OFF."

Flourish Column

It never ceases to amaze me how powerful we are when we work together, community bankers.

Since sharing our advocacy successes with you in early December, I've been thrilled to see more hard-fought victories come our way. And it's not by luck—it's through years of telling our unique stories and making our voices heard.

First and foremost, we have a new farm bill—something that is good for American agriculture and for community bankers' ability to provide credit to support their local economies. The adoption of the ICBA-backed legislation is remarkable given we were told that the most likely outcome would be a one-year extension, thus pushing the legislation's enactment into the next Congress.

The new law includes important commodity price protections that will provide producers and community banks with greater business-planning certainty over the next five years. This is essential during an era of low commodity prices, sharply lower net farm income and foreign trade uncertainties. It also maintains a strong crop insurance program, increases USDA guaranteed farm loan limits to $1.75 million and provides for the possible increase in guaranteed USDA rural development loans—all of which are ICBA and community bank priorities.

But the good news doesn't stop there. Appraisals are also on the table.

As a community banker in Taos, N.M., I know appraisals are not always clear cut. So, I was thrilled to see that the regulatory agencies are aiming to improve appraisal regulations. As you may have seen in our Main Street Matters blog, the agencies responded to industry requests with a proposed rule to increase the threshold where bankers could use a property evaluation in lieu of a full appraisal—completed by a licensed or certified appraiser—for mortgage loans they retain in portfolio. The agencies are proposing to increase this threshold from $250,000 to $400,000.

And while S.2155 provided for similar relief for banks in rural markets, the agencies' proposed rule would expand that relief to all institutions and markets. That's a meaningful result for all community banks!

While I know many of these successes took years, our efforts are paying off. As we begin to work with the new Congress, know that ICBA is here for you every step of the way. Together, we will continue to do great things for our great industry.

Where I'll Be This Month

I'll be heading to the Wisconsin Bankers Association and the Independent Bankers Association of Texas regional meetings.

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

"We are used to years-long fights for policy gains."

Community bankers know that hard work pays off, but sometimes not right away. For instance, take a recent bit of good news for community banks that has been years in the making.

The FDIC recently alerted community banks with assets under $10 billion of their share in approximately $750 million in deposit-insurance assessment credits because the Deposit Insurance Fund reserve ratio surpassed 1.35 percent. These banks are eligible for credits due to a 2016 agency rule implementing an ICBA-advocated provision dating all the way back to the Dodd-Frank Act of 2010.

That law requires the FDIC to offset the cost of increasing the reserve ratio from 1.15 percent to 1.35 percent on institutions with less than $10 billion in assets. Under the agency's final rule, these community banks can redeem their credits once the DIF reserve ratio reaches 1.38 percent, hence the messages from the FDIC to community bankers across the nation last month on their share.

This is certainly welcome news for qualifying community banks across the country, and it's due exclusively to our industry's grassroots outreach. We were the only ones who advocated the change as part of long-sought deposit-insurance reforms, and we did so with the long term in mind.

At the time of the original debate, the DIF was in negative territory amid the fallout of the Wall Street financial crisis. Looking at the big picture, ICBA and community banks fought hard to ensure Main Street institutions wouldn't be stuck footing the cost of the higher reserve ratio. It's been years in the making, but the industry is finally reaping the benefits of that success.

This is nothing new for community bankers—we are used to years-long fights for policy gains. Consider many of the provisions of last year's S.2155 relief law, such as relief from qualified mortgage, Home Mortgage Disclosure Act and appraisal requirements, which played out over multiple Congresses. Our campaigns to simplify the call report and regulatory capital rules remain unfinished.

With many advocacy initiatives ahead of us in 2019, we will all need to keep engaged and work hard to wage these battles with the knowledge that we can ultimately achieve success. We are faced with new challenges and threats to our franchises almost daily. I appreciate your service and dedication, and I look forward to working with you to ensure a bright future for community banks!

[FACTOID]

Did you know?

After reaching a low of negative $20.9 billion in the third quarter of 2009, the Deposit Insurance Fund balance now stands at $100.2 billion.

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

"municipal bonds have a big impact on community bank investment performance"

Portfolio Management

Muni Revolution

Tax-free supplies and demand are evolving

However you slice it, municipal bonds have a big impact on community bank investment performance—even if you don't own any. That's because your bank's collection of bonds is destined to be in the bottom of the rankings amongst its peers, unless you own some.

This, of course, is not news. For decades, a hallmark of high bond portfolio performance is a large weighting of tax-free securities. Among the investments that community banks are permitted to own, munis tend to be the highest yielding. There are several reasons for this.

First, they're not guaranteed by the federal government or one of its agencies. (That doesn't necessarily indicate they don't have really good credit quality.) Second, munis have a limited supply, which could mean they have a scarcity value that makes them expensive but instead means they have somewhat lesser liquidity than other sectors. Third, and most importantly, munis have the longest durations of any category in the portfolio, which is mainly a function of a perpetually steep yield curve.

Latest rankings

Remember also that the yield your bank earns on its tax-free securities is driven by its marginal tax bracket. The higher the tax rates, the bigger the tax-equivalent yields. This means S Corporations have higher yields on their munis than do C Corporations, although all tax-advantaged assets have seen their yields drop since the Tax Cuts and Jobs Act went into effect in 2017.

For example, a C Corporation that owned a muni at a tax-free yield of 2.75 percent prior to tax reform would have been earning a tax-equivalent yield of about 4.17 percent. Now, that same bond's tax-equivalent yield is about 3.45 percent. For S Corporations, the drop is similarly painful: from about 4.55 percent to 3.87 percent.

In response, banks have been right-sizing their muni holdings. For the one-year period ending Sept. 30, 2018, the typical community bank bond portfolio decreased its muni sector weighting from 28 percent of the total to 23 percent. It's likely more shifting will occur as bonds get called and mature.

Legislation implications

The 2017 Act will also affect municipal supply in the coming years. Attendant to tax reform was the elimination of the ability for muni issuers to "pre-refund" their outstanding debt any longer than 90 days before their call dates. Prior practice saw bonds being issued as long as three years in advance of outstanding issues they were to replace. What this meant for muni issuance in 2018 was that only about 31 percent of 2018-dated bonds were for refinancings of older bonds. That number was 74 percent just two years ago.

Also, the largest two years of muni issuance in history were 2009 and 2010, because the American Recovery and Reinvestment Act (ARRA) of 2009 created several new classes of municipal bonds and expanded the size limit for Bank Qualified bonds. These provisions only applied to those issued in the two years, so there was a lot of paper printed in that time frame. Many of the longer-dated maturities had 10-year call provisions embedded in them, which means that 2019 and 2020 will see a lot of bonds get called. Also, the entire muni market has been stuck at about $3.7 trillion for the past five years, and there are actually fewer bonds outstanding now than in 2010.

Built-in demand

Ironically, even though banks are shedding some of their munis, there should be decent liquidity and stability in the muni market. A lot of this is owing to robust demand from the retail sector, which owns about two-thirds of all municipal bonds. Individual tax rates didn't change much in the 2017 Act, so those individuals' tax-equivalents didn't change much, either. The aforementioned limited amount of outstanding muni debt will also help keep a relative floor under muni prices, particularly in the early months of 2019.

To be sure, banks have plenty of income these days to shield from the tax man. Industry earnings were up year-over-year by more than 30 percent through Sept. 30. By most indications, 2019 should be a solid year for community bank performance. You can help ensure it by actively managing and updating your municipal bond holdings to fit your institution's needs.

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

ICBA TO FDIC: DENY SQUARE'S LATEST APPLICATION

ICBA called on the FDIC to deny Square Financial Services Inc.'s recently refiled deposit-insurance application. In a letter on the application, which was filed Dec. 19 after Square withdrew its original ICBA-opposed bid, ICBA also repeated its call for the FDIC to impose a moratorium on ILC deposit-insurance applications and for Congress to permanently close the ILC loophole.
Read ICBA Comment Letter

ICBA URGES TRUE SHORT-FORM CALL REPORT

ICBA expressed disappointment in federal regulators' insufficient proposal to reduce reporting burdens and repeated its call for a true short-form call report. Following its weeks-long grassroots advocacy campaign, ICBA said the call report for the first and third quarters should consist of a balance sheet, income statement, and statement of changes in shareholders' equity.

In a formal comment letter and separate message from President and CEO Rebeca Romero Rainey, ICBA said the proposal does not meet the intent of Congress, which advanced ICBA's longtime push for a short-form call report via the S. 2155 regulatory relief law enacted last year. "The proposed 'short-form' call report results in a relatively insignificant reduction in quarterly reporting burden of 1.18 hours on average for most community banks," Romero Rainey wrote.

ICBA thanks the community bankers who submitted some 1,100 comment letters to the agencies calling for more meaningful relief.
Read ICBA Comment Letter
Read Romero Rainey's Letter

ICBA SEEKS HEARING ON 'EMERGENCY' CU MERGER

ICBA called on key congressional committees to hold hearings on the National Credit Union Administration's approval of an "emergency merger" between Pentagon Federal Credit Union and Progressive Credit Union.

The merger allows PenFed, the third-largest U.S. credit union, to benefit from Progressive's "open charter" to serve the entire country without restriction. ICBA's request went to the House Financial Services and Ways and Means committees and the Senate Banking and Finance committees.

In a recent blog post, ICBA President and CEO Rebeca Romero Rainey wrote that policymakers need to see this deal for what it really is—just the latest credit union industry power grab.
Read ICBA Letter
Read Recent Blog Post

ICBA-ADVOCATED REFORMS EXPAND ACCESS TO SUB S TAX CUT

Subchapter S bank shareholders will have significantly expanded access to the 20 percent tax deduction for pass-through businesses under a Treasury Department final rule that includes ICBA-advocated reforms.

The final rule expands the availability of the Tax Cuts and Jobs Act's deduction on qualified business income to include income from the origination and sale of mortgage loans. Advocated in community banker grassroots letters and ICBA meetings with Treasury officials, this is a significant change that will benefit hundreds of community banks.

While ICBA continues reviewing the final rule, it does not appear to rectify other banking activities ineligible for the deduction, such as wealth management and retirement planning. It remains unclear how the disqualification of "investing and investment management services" would apply to trust or fiduciary services offered by a bank. Further, de minimis thresholds to qualify for the full deduction were unchanged despite ICBA calls to raise the thresholds to a flat 25 percent.

ICBA is preparing an analysis of the final rule and will continue working with policymakers to maximize Sub S community bank eligibility for the tax deduction.
Read the Final Rule

KEVIN TWEDDLE, CHIEF OPERATING OFFICER, ICBA SERVICES NETWORK

“five years from now, ‘fintech’ and ‘banking’ will no longer be separate terms”

INNOVATION STATION

Navigating fintech? Help is on the way

I’ve had a number of conversations with bankers on not only how to get started in the process of working with fintech companies, but how to best evaluate them.

The hardest part is getting started. Where do I start? Google? Well, at ICBA, our innovation team started down the path to solve that problem. Our research showed that there was no Yelp, Angie’s List or Consumer Reports that community bankers could use to help find the right fintech. As we researched the marketplace, there were platforms that helped venture capital investors, but nothing that viewed the problem through the eyes of a community banker. As we evaluated our own “build, buy or partner” decision to address this problem, we decided to partner with the talented FinXTech team at Bank Director to help build this solution. Thus, the creation of our newest platform: the ICBA ThinkTECH Network.

Built specifically for the unique needs of community banks, the ICBA ThinkTECH Network is a curated directory of financial technology companies that are strategically partnering with community banks to provide innovative solutions. This robust new platform will allow community bankers to find relevant fintech companies and solutions through comprehensive company profiles that include solutions, reviews and testimonials.

The ICBA ThinkTECH Network will be a one-stop shop for community bankers looking for vetted, community bank-friendly fintech companies. It provides community banks with a straightforward tool for uncovering new innovation partners. Our goal is to provide more opportunities for community bank and fintech partnerships in 2019 and beyond.

Following the recent launch of our ICBA ThinkTECH Accelerator in partnership with The Venture Center, the ThinkTECH Network is the next step in our ICBA-community bank innovation story. We are seeking to provide the best solutions for community banks to thrive in an evolving financial technology ecosystem.

Companies included in the ThinkTECH Network powered by FinXTech Connect have been identified as “bank friendly” thanks to a proven history of financial performance and an existing roster of bank clients. Solutions include lending platforms, payment processing applications, security, data analytics and more. The platform includes features such as:

- a guided search function to allow banks to easily find solutions
- in-depth written profiles on fintech companies working with U.S. banks
- access to key technology leaders and contact information
- product features, pricing models and core processor capabilities
- a sample client list and testimonials from financial institutions
- a function to save company profiles for future reference.

The future of banking in this digital age will certainly involve assistance from fintech partners. I would argue that five years from now, “fintech” and “banking” will no longer be separate terms. They’ll just be called “banking.” No matter where you are on the digital transformation spectrum, help is on the way to make sure you have the resources to select the best fintech partners to help you achieve your goals.

Kevin Tweddle is chief operating officer of the ICBA Services Network and can be reached kevin.tweddle@icba.org.

ICBA Newswatch TODAY

Keeping Community Bankers Informed

NEW INFOGRAPHIC TOUTS FARM BILL GAINS

A new ICBA infographic thanks Congress and President Trump for enacting a strong farm bill that provides stability for the volatile farm sector and incorporates important policies. The infographic on the Agriculture and Nutrition Act of 2018 (H.R. 2) cites increased USDA guaranteed loan limits, the role of community banks in agricultural lending, and more.
View the Infographic

CFPB SEEKS MILITARY LENDING ACT SUPERVISION AUTHORITY

The Consumer Financial Protection Bureau asked Congress for clear authority to supervise for compliance with the Military Lending Act. In a letter to lawmakers, Director Kathleen Kraninger expressed support for legislation that would grant the CFPB authority to conduct exams that specifically review compliance with the MLA.

Mick Mulvaney, who ran the CFPB as acting director before Kraninger's confirmation, previously determined the bureau lacked military lending oversight without first receiving complaints from service members.
Read More from CFPB

SEC BRINGS CHARGES IN HACKING CASE

The Securities and Exchange Commission announced charges against nine defendants for participating in a previously disclosed scheme to hack into the agency's EDGAR system, which is used by publicly listed companies.

The defendants allegedly sought to extract nonpublic information to use for illegal trading following a similar scheme in 2015 involving newswire services, for which they are also being charged.
Read More from SEC

FISERV ACQUIRES FIRST DATA IN $22B DEAL

Fiserv is acquiring First Data Corp. in an all-stock transaction, the companies announced. The $22 billion deal will merge under one roof a range of payments and financial services, including digital banking, issuer processing and network services, e-commerce, and integrated payments. Fiserv and First Data said they will link their respective merchant and cash-management capabilities while providing First Data's Clover cloud-based platforms for small and medium-sized businesses.
Read More About the Deal

HOUSE FINANCIAL SERVICES COMMITTEE TAKES SHAPE

House Financial Services Committee membership is taking shape for the 116th Congress while Chairwoman Maxine Waters (D-Calif.) laid out her priorities for the panel.

The House Democratic caucus will need to confirm the steering committee's recommendations of Reps. Alma Adams (N.C.), Cynthia Axne (Iowa), Sean Casten (Ill.), Madeleine Dean (Pa.), Tulsi Gabbard (Hawaii), Chuy Garcia (Ill.), Sylvia Garcia (Texas), Al Lawson (Fla.), Ben McAdams (Utah), Alexandria Ocasio-Cortez (N.Y.), Katie Porter (Calif.), Ayanna Pressley (Mass.), Michael San Nicolas (Guam), Rashida Tlaib (Mich.), and Dean Phillips (Minn.).

Meanwhile, Republican Reps. Lance Gooden (Texas), Anthony Gonzalez (Ohio), Denver Riggelman (Va.), John Rose (Tenn.), and Bryan Steil (Wis.) have been formally named to the panel.

In her first policy speech of the new Congress, Waters said her priorities include ending the partial government shutdown, reversing Consumer Financial Protection Bureau reforms, ensuring protections for fintech consumers, passing housing-finance and fair-housing reforms, and promoting diversity and inclusion.

ICBA looks forward to working with all new and continuing members of the committee on the community banking industry's advocacy goals.
Read Waters' Speech

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.

Main Street Matters

Holding CECL Accountable

Years-long ICBA effort gains new traction

By Chris Cole and James Kendrick

A longtime community bank advocacy campaign has lately received new life, offering opportunities to expand on gains achieved over several years of outreach. With the Financial Accounting Standards Board's Current Expected Credit Loss accounting standard set to begin taking effect next year for publicly held banks, policymakers and others in the banking industry have shown a renewed interest in its impact on the financial sector.

With Republicans and Democrats expressing concerns over CECL as the deadline nears, House Financial Services subcommittee Chairman Blaine Luetkemeyer (R-Mo.) introduced legislation during the last Congress to block the standard. Meanwhile, 28 House members called on Treasury Secretary Steve Mnuchin to work to delay the effective date of the standard, which requires institutions to provide for credit losses the moment they make a loan.

While ICBA continues working to minimize the negative impact of CECL on community banks, we have been instrumental in making significant progress since FASB began proposing an expected-loss impairment model in the wake of the financial crisis.

ICBA has been meeting with FASB officials since 2011 on post-crisis accounting for financial instruments, introducing our own alternative impairment model in June 2013 that would rely on historical loss experience. That December, ICBA delivered a petition with 4,650 signatures urging FASB to withdraw its CECL plan, followed by a letter-writing campaign and roundtable discussion at FASB headquarters the next spring.

We really began making progress in the winter of 2015-2016, when comments from FASB Chairman Russell Golden suggested that community banks contributed to the financial crisis. Those comments drew a very strong reaction from ICBA and a significant bipartisan backlash in Washington. ICBA calls for a community banker meeting with the full FASB board were granted, ICBA leadership banker Tim Zimmerman joined a FASB council on CECL, and the board ultimately revised the standard to make it more flexible and scalable for community banks. The revised standard confirmed that complex models are not required, calculations using spreadsheets are acceptable, and community banks can use granular local information for forward-looking purposes.

In implementing the plan, regulators have said they don't expect community banks to need to adopt complex modeling techniques or engage third-party service providers. They also recently finalized a three-year transition period for recognizing the impact on regulatory capital of changes in credit losses due to a bank's adoption of CECL.

Although much has been accomplished to improve the standard for community banks, ICBA continues to express concerns to the banking regulators and FASB about the transition costs of CECL for community banks. We advocated a five-year transition period rather than a three-year period, and we will continue to urge regulators to include loan-loss reserves as part of tier one capital, particularly once CECL is fully implemented. So while ICBA works to build on our improvements to the CECL standard achieved over years of effort, community banks can take comfort in knowing that our work so far has led to meaningful gains.

Chris Cole is ICBA executive vice president and senior regulatory counsel. James Kendrick is ICBA first vice president of accounting and capital policy.

ICBA Independent Community Bankers of America®

Office of Attorney General

NORTH DAKOTA TO RECEIVE $1.2 MILLION FROM WELLS FARGO BANK

North Dakota will receive $1.2 million from Wells Fargo Bank under the terms of a national settlement agreement, announced Attorney General Wayne Stenehjem. The state's share of the $575 million settlement fund is for civil costs and attorney fees.

The multistate settlement agreement resolves claims that Wells Fargo Bank violated state consumer protection laws by opening millions of unauthorized customer accounts, enrolling customers in online banking services without their consent, improperly referring customers for enrollment in third-party insurance policies, charging insurance fees and premiums without consent, and other fraudulent practices. Wells Fargo has identified more than 3.5 million affected customer accounts.

"Wells Fargo created incentive programs and unrealistic sales goals which provided the opportunity for fraudulent conduct by its employees. This settlement is the most significant action involving a national bank by state attorneys general acting without a federal law enforcement partner. My office will continue to work with attorneys general across the nation to ensure corporate compliance with state consumer fraud laws," said Stenehjem.

In addition, Wells Fargo has previously agreed to consent orders with the federal Office of the Comptroller of the Currency and the Consumer Financial Protection Bureau, agreeing to provide restitution to customers in excess of $600 million through its agreements with those entities and through settlement of a related consumer class-action lawsuit.

As part of its settlement with the states, Wells Fargo must implement a program to provide financial relief for customers who have not previously received restitution. The states' settlement agreement gives Wells Fargo until February 26, 2019, to create a dedicated website for affected customers to file a request for relief.

ICBND

ICBA Newswatch TODAY
Keeping Community Bankers Informed

FASTER PAYMENTS COUNCIL NAMES INTERIM LEADERSHIP

The recently launched U.S. Faster Payments Council named SHAZAM Network senior executive Kevin Christensen as its acting executive director and interim board chair.

The organization works to modernize the U.S. payments system and ensure ubiquitous access to faster payments.
Read More from Council

NEW PODCAST FEATURES ICBA THINKTECH ACCELERATOR

ICBA Services Network Chief Operating Officer Kevin Tweddle discusses the ICBA ThinkTECH Accelerator on a new podcast.

Appearing on "GroundBanking," Tweddle details the goals of the first-of-its-kind product-development program, how it came about, and what community bankers can expect from it.
Listen to the Podcast
Learn More About ThinkTECH

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.

Office of Attorney General

THREE UNLICENSED CONTRACTORS BANNED FROM DOING BUSINESS IN NORTH DAKOTA

Attorney General Wayne Stenehjem issued Cease and Desist Orders banning three North Dakota unlicensed contractors from conducting any further business in the state. **Timothy Jacobson** of Fairmount, **Tyler Giles** of Fargo, and **Patrick Peltier** of Bottineau, violated the state's consumer fraud and contractor licensing laws.

Attorney General Stenehjem reiterated the importance of homeowners making sure a contractor has a North Dakota license, before handing over any money.

All three unlicensed contractors took thousands of dollars in advance payments from homeowners, but failed to do any work. After receiving complaints from affected homeowners, consumer protection investigators were able to make an initial contact with each unlicensed contractor, but thereafter each ignored communications from the Attorney General's office. Mail sent to their last known addresses was returned and the current whereabouts of Jacobson, Giles, and Peltier are unknown.

Contractors performing work valued at $4,000 or more must be licensed by the Secretary of State's office.

"The state's contractor license requirement exists to protect the homeowner, not the contractor. It is very easy to check if a contractor has a license, and that's a simple first step to guard against an unscrupulous individual who will take your money and run," said Stenehjem.

The list of currently licensed contractors is available online at http://sos.nd.gov/business/contractors, or by calling the Secretary of State's office at 701-328-2900.

In addition to the Cease & Desist Order issued against him, criminal charges are pending against Timothy Jacobson in both Barnes County and Cass County relating to his unlicensed contracting activity. A 2018 civil judgment obtained against Tyler Giles in Cass county for over $6,000 remains unpaid.

REGULATORY DEVELOPMENTS YEAR-IN-REVIEW

As in previous years, we would like to review certain changes to consumer compliance regulations and exam procedures that may affect your institution.

The table below chronologically lists some of the regulations, exam procedures, and other information that are upcoming changes that become effective in 2019. The table provides a brief summary for each item, hyperlinks to applicable reference documents, and the effective date of each change. The table is based on information available at the time of publication. While this information does not reflect every legislative or regulatory change affecting your institution, we hope it assists your institution with locating information about some important changes.

Type	Subject	Summary	Effective Date[1]
Final Rule	Expedited Funds Availability	The final rule amends Regulation CC to address situations where there is a dispute as to whether a check has been altered or was issued with an unauthorized signature, and the original paper check is not available for inspection. The rule adopts a presumption of alteration for disputes between banks over whether a substitute check or electronic check contains an alteration or is derived from an original check that was issued with an unauthorized signature of the drawer. Link to Federal Register	1/1/19
Final Rule	Prepaid Accounts under the Electronic Fund Transfer Act and Truth in Lending Act	The final rule creates comprehensive consumer protections for prepaid accounts under Regulations E and Z. The final rule modifies general Regulation E requirements to create tailored provisions governing disclosures, limited liability and error resolution, and periodic statements, and adds new requirements regarding the posting of account agreements. Additionally, the final rule regulates overdraft credit features that may be offered in conjunction with prepaid accounts. On January 25, 2018, the BCFP published a final rule regarding modifications to several aspects of the rule and extended the overall effective date of the rule to April 1, 2019. The BCFP released an unofficial, informal redline version of the amendments to assist industry and other stakeholders in reviewing the changes that the final rule made to the BCFP's 2016 Prepaid Accounts Final Rule. Link to Federal Register – 2016 Final Rule Click Here Link to Federal Register – 2018 Amendments Click Here Link to BCFP's Prepaid Rule Implementation Resources Page Click Here	4/1/19
Final Rule	Payday, Vehicle Title, and Certain High-Cost Installment Loans	The final rule governs the underwriting of certain personal loans with short term or balloon-payment structures, as well as lenders' payment withdrawal practices for those loans and certain additional installment loan products. For covered short-term and longer-term balloon-payment personal loans, the rule requires lenders to reasonably determine that consumers have the ability to repay the loans according to their terms. The final rule also requires lenders to report and obtain information about a consumer's financial obligations and borrowing history from certain consumer reporting agencies that are required to register with the BCFP. For all covered loans, the BCFP limits certain repeated payment withdrawal attempts from a consumer's transaction account and requires lenders to provide disclosures related to certain withdrawal attempts. The effective date of the rule is January 16, 2018; however, most provisions of the rule do not require compliance until August 19, 2019. On January 16, 2018, the BCFP issued a statement of its intent to engage in a rulemaking process so that the BCFP may reconsider the Payday Rule. In the preamble to its Fall 2018 rulemaking agenda and an associated agenda entry, the BCFP noted that it expects to issue a Notice of Proposed Rulemaking by no later than early 2019 that will address reconsideration of the rule on the merits as well as address changes to its compliance date. Link to Federal Register Click Here Link to BCFP's Payday Lending Rule Implementation Resources Page Click Here	8/19/19
Law	Secure and Fair Enforcement for Mortgage Licensing Act	Section 106 of EGRRCPA amended the SAFE Act of 2008 to allow loan originators that meet specified requirements to temporarily continue to originate loans after moving from one state to another or from a depository to non-depository institution. Link to the Economic Growth, Regulatory Relief, and Consumer Protection Act Click Here	11/24/19

[1] The earliest effective date is noted. Other provisions may have subsequent effective dates. Please refer to links for specific dates.

Legislative Updates

The 66th General Assembly of the North Dakota Legislature convened Thursday, January 3, 2019. ICBND will be there every step of the way representing the interests of community banking in our state. Legislative updates will be provided every Friday afternoon and can be found ***HERE***.

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

Two antennas met on a roof,
fell in love and got married.
The ceremony wasn't much,
but the reception was excellent!

BE SAFE OUT THERE!

Office of Attorney General

SETTLEMENT WITH FOR-PROFIT NATIONAL EDUCATION COMPANY BENEFITS ITS FORMER STUDENTS

Career Education Corp agrees to forgive almost $500M of student debts.

Attorney General Wayne Stenehjem announced that 151 North Dakota former students of the for-profit education company Career Education Corp (CEC), will receive student loan debt relief totaling more than $340,000. The debt relief is one of the conditions of a national settlement that CEC entered into earlier this month with Stenehjem and 48 other attorneys general.

“I am very pleased the efforts of this Office and the other Attorneys General have resulted in significant debt relief for North Dakota students who may have been misled about job placements or professional licensure and, unfortunately, were burdened with huge debts they could not repay,” said Stenehjem.

Under the terms of the agreement, CEC will change its recruiting and enrollment practices and forgo collecting about $493.7 million in debts owed by 179,529 students across the country. CEC will also pay $5 million to the states. North Dakota’s share will be $40,000.

The settlement capped a five-year investigation of CEC, initiated after the attorneys generals received complaints from students and a critical report on for-profit education by the U.S. Senate’s Health, Education, Labor and Pensions Committee. Among other questionable practices, the investigation found evidence that CEC:

- deceived prospective students about the total cost of enrollment by informing them only about the cost per credit hour, not the total of required credit hours;
- misled students about the transferability of credits and that some of its programs were not accredited; and
- deceived prospective students about the rate that graduates of CEC programs got a job in their field of study.

As a result, its students were saddled with substantial debts that they could not repay or discharge.

Illinois-based CEC currently offers primarily online courses through American InterContinental University (AIU) and Colorado Technical University (CTU). In addition, CEC has closed or phased out many of its schools over the past 10 years, including Briarcliffe College, Brooks Institute, Brown College, Harrington College of Design, International Academy of Design & Technology, Le Cordon Bleu, Missouri College, and Sanford-Brown.

Under the agreement, CEC will not collect debts owed by students who attended a CEC institution that closed before January 1, 2019, or those whose final day of attendance at AIU or CTU occurred on or before Dec. 31, 2013. Former CEC students should contact CEC at http://www.careered.com/About-Career-Education/Contact-Us for more information about how to obtain their debt relief.

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.

TAX COMMISSIONER REPORTS 18 PERCENT GROWTH IN 3RD QUARTER TAXABLE SALES & PURCHASES

Tax Commissioner Ryan Rauschenberger announced today that North Dakota's taxable sales and purchases for the third quarter of 2018 are up. Taxable sales and purchases for July, August and September of 2018 were nearly $5.610 billion, an 18.17 percent increase over those months in 2017.

"With the highest percent year-over-year increase since the third quarter of 2012, this is the best taxable sales and purchases report we've seen in several years." Rauschenberger said. "We have been seeing moderate growth in this report the past few quarters. This slightly-larger growth shows the continued momentum in North Dakota's economy."

Rauschenberger also pointed out that a vast majority of the cities, counties and sectors listed in the report showed increases.

Thirteen of the 15 major sectors reported taxable sales and purchases gains when compared to the third quarter a year ago. Most notably, the utilities sector increased by $112.4 million (a 202 percent increase), the mining and oil extraction sector increased by $257.9 million (a 46.5 percent increase), and the wholesale trade sector increased by $247.4 million (a 22.9 percent increase).

"Retail trade was up this quarter, which is a good sign heading into the holiday shopping season," Rauschenberger added. "It is also notable that all except one of the most populated cities in the state saw an increase."

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

- Williston – Increase of 28.86 percent
- Dickinson – Increase of 17.57 percent
- Minot – Increase of 9.26 percent
- Fargo – Increase of 4.52 percent
- Bismarck – Increase of 0.67 percent
- Grand Forks – Decrease of 8.75 percent

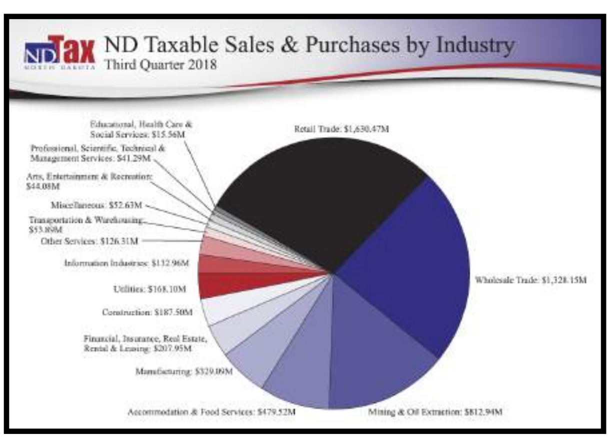
Of the 50 largest cities in North Dakota, the highest percent increases for the third quarter of 2018 (compared to the third quarter of 2017) were as follows:

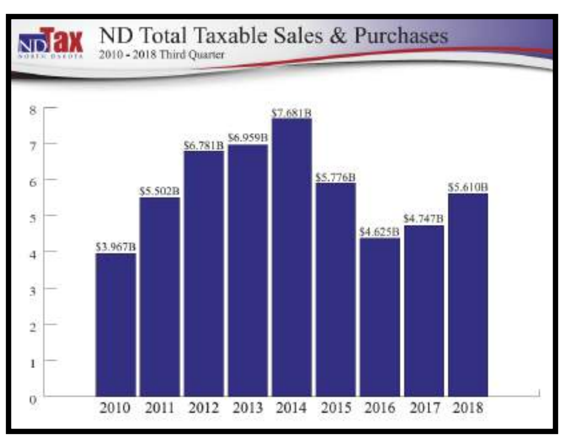
- Kenmare – Increase of 96.57 percent
- New Town – Increase of 71.86 percent
- Ellendale – Increase of 65.50 percent
- Watford City – Increase of 48.97 percent
- Stanley – Increase of 47.31 percent

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

- Dunn County – Increase of 69.54 percent
- Mountrail County – Increase of 66.44
- Logan County – Increase of 63.84
- Eddy County – Increase of 60.72
- McKenzie County – Increase of 51.32

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






Together, let's make it happen.
Callie Schlieman
Call me at 701.433.7430
Based in Fargo, N.D., specializing in bank stock and Regulation O lending
Why choose Bell as your bank's lending partner?
We're providing loans to banks across the country for capitalization, acquisitions, refinancing and restructuring. We'll tailor terms and conditions to your bank and its owners.
Bank stock & ownership loans
Bank building financing
Business & personal loans for bankers
Commercial & ag participation loans
Bell Bank
bellbanks.com
Member FDIC
EQUAL HOUSING LENDER
20167
Denise Bunbury
608.234.1438
Based in Madison, Wis., serving Wisconsin and Illinois
Perry Rassler
763.242.7518
Based in Minneapolis, Minn. serving Minnesota and Western Wisconsin
Tom Ishaug
701.866.4676
Based in Fargo, N.D., serving North Dakota, Minnesota
Jeff Restad
320.759.8401
Based in Alexandria, Minn., serving Minnesota
Mary Voss
515.577.0070
Based in Des Moines, Iowa, serving Iowa and Nebraska
Gene Uher
605.201.1864
Based in Sioux Falls, S.D., serving South Dakota, Nebraska, Minnesota and Iowa

REGULATION CRACKDOWN ON VENDOR RISK MANAGEMENT

By Suzy Feine, Director of Marketing Communications, SecurityStudio

By 2021, cyber crime is estimated to cost $6 trillion annually—more than the combined GDP of the UK and France[1]. In preparation, companies are strengthening their resources with the latest technologies, and management is moving information security to the top of the priority list.

According to a recent study by The Cybersecurity Imperative, the most significant risk to a company's IT infrastructure is data sharing with a vendor; 57% of more than 1,300 organizations surveyed revealed that data sharing with third parties is their greatest vulnerability[1].

The study also found that attacks through third-party vendors will grow by 247% over the next two years; however, increased information security for third parties are expected to grow just 106%[1].

In light of these statistics, regulators are cracking down.

KEY TAKEAWAYS

- Why banks are more susceptible to third-party risks.
- Regulators' expectations of banks to perform due care related to third-party vendors.
- The right way to do vendor risk management (VRM).
- Why it's important for your VRM program to create defensibility at your bank.

INTRODUCTION

Nearly every business in every industry utilizes third-party vendors to either reduce expenses, provide critical functions or expand service offerings. With third-party vendors come the risk of a security breach.

Banks are particularly susceptible to third-party related breaches because, according to the Risk Management Guidance Bulletin[2] by the Office of the Comptroller of the Currency (OCC), "Banks continue to increase the number and complexity of relationships with both foreign and domestic third parties, such as:

- outsourcing entire bank functions to third parties, such as tax, legal, audit, or information technology operations.
- outsourcing lines of business or products.
- relying on a single third party to perform multiple activities, often to such an extent that the third party becomes an integral component of the bank's operations.
- working with third parties that engage directly with customers.
- contracting with third parties that subcontract activities to other foreign and domestic providers.
- contracting with third parties whose employees, facilities, and subcontractors may be geographically concentrated.
- working with a third party to address deficiencies in bank operations or compliance with laws or regulations."

As a result, the OCC is, "concerned that the quality of risk management over third-party relationships may not be keeping pace with the level of risk and complexity of these relationships."

> ***"While they have important benefits and are in many ways an essential part of business, it can be easy for financial institutions to become overly dependent upon third parties and overly trusting. But just because these contractors have long client lists and hard-to-duplicate expertise doesn't mean they are infallible.[3]"***
>
> **—Thomas J. Curry**
> former Comptroller of the Currency, in a speech on cybersecurity at the 10th Annual Community Bankers Symposium

VRM REGULATIONS

Industry and governmental regulations are the primary drivers for organizations to adopt vendor risk management programs. In the past, the focus was on healthcare and finance but the trend for heightened regulatory compliance is growing across all industries.

Regulations mandating risk management policies for third-party vendors include: Basel II, Sarbanes-Oxley Act (SOX), the Payment Card Industry Data Security Standard (PCI DSS), the Healthcare Information Portability and Accountability Act (HIPAA), the Gramm-Leach-Bliley Act (GLBA), Federal Financial Institutions Examination Council (FFIEC) guidelines, New York State Department of Financial Services 23 NYCRR 500, Cybersecurity Information Sharing Act of 2015 (CISA) and Massachusetts 201 CMR 17.00, among others, and more are being added every day.

> "The FDIC reviews a financial institution's risk management program and the overall effect of its third-party relationships as a component of its normal examination process."

Failure to comply to these industry regulations can result in serious audit-related repercussions. Both the OCC and CFPB state that

Continued on page 24

Continued from page 23

banks will face deeper inspections by auditors in the future. According to the FDIC's Guidance For Managing Third-Party Risk, "The FDIC reviews a financial institution's risk management program and the overall effect of its third-party relationships as a component of its normal examination process[4]."

Regulators, like the OCC, will continue to expect banks and financial institutions to perform due diligence when it comes to third-party vendors.

According to the FDIC, "The key to the effective use of a third party in any capacity is for the financial institution's management to appropriately assess, measure, monitor, and control the risks associated with the relationship[4]."

YOUR DUE DILIGENCE

Incidents and breaches are inevitable, so you must consider how to defend your bank against the potential onslaught of regulatory investigations, civil suits, and loss of revenue.

In order to assess, measure, monitor, and control the risks associated with third-party vendors, your bank needs to implement a standardized vendor risk management program that shows due care:

- Due care refers to the effort made by an ordinarily prudent or reasonable party to avoid harm to another, taking the circumstances into account. It refers to the level of judgment, care, prudence, determination, and activity that a person would reasonably be expected to do under particular circumstances[5].

THE RIGHT WAY TO VRM

To satisfy industry regulations and create a defensible stance against a breach, your vendor risk management program must:

- Inventory ALL vendors. It's not enough to just inventory your highrisk vendors. To create a defensible position, all vendors must be accounted for.
- Evaluate the relationship you have with the vendor, including what access levels they have to your confidential data, and classify all vendors as High, Medium or Low risk.
- Vendors that pose a medium or high risk should be assessed by a thorough process that evaluates their administrative, physical, internal technical and external technical controls.
- Based on the assessment, determine if you want to continue the relationship with the vendor. Your bank should set thresholds that allow you to determine if you want to accept, reject, or request remediation.
- If you request remediation, a good vendor risk management software program will generate a comprehensive remediation plan for you since this step can be incredibly time consuming for a risk manager.

Third parties will continue to expose banks to additional regulatory risk. Before a breach occurs, it's important to create a defensible position. Just as your internal operations comply with current regulations by CFPB, OCC and other regulators, it's critical that your vendors now meet the same standards.

SOURCES

1. https://www.apnews.com/d4cf0a0ec41e4d1cb0f443cd3c3be8a8?utm_campaign=Monthly%20Newsletter&utm_source=hs_email&utm_medium=email&utm_content= 67087658&_hsenc=p2ANqtz--HagT-b2Dq- YAueb9drWGLssry614PkVDA61TtoudiYZJhEAGeoESgr-P5KRTZ85IgvSIn-JzN2ArKzhmMmYKZTVxhBQ&_hsmi=67087658

2. https://www.occ.gov/news-issuances/bulletins/2013/bulletin-2013-29.html

3. https://www.occ.gov/news-issuances/speeches/2014/pubspeech-2014-152.pdf

4. https://www.fdic.gov/news/news/financial/2008/fil08044a.html

5. https://definitions.uslegal.com/d/due-care

Be sure to SAVE THE DATE for ICBND's 52nd Annual Convention August 11-13, 2019!

IT'S PRIME TIME FOR IRA DEPOSITS—HERE'S WHY

BY STEVEN CHRISTENSON, EXECUTIVE VICE PRESIDENT, ASCENSUS LLC

I have seen a number of trends with community banks during my 30+ years of working with IRAs. As a bank service representative in the mid 1980s, I saw CDs paying 18 percent over 10 years. Customers were placing their IRA contributions and rollovers into deposit accounts as part of their investment plan. When the stock market and interest rates both fell dramatically in 2008—the Great Recession—customers were sent reeling in an attempt to secure their retirement dollars. The stock market has recovered over the past decade, but interest rates have only begun to do so.

I am hearing with greater frequency today that community banks are seeking more deposits. One key strategy to gain deposits is IRAs. But many banks have not focused beyond minimum maintenance with IRA for some time.

Customers Need Assistance

Over the past 10 years as interest rates remained low, banks were more able to borrow low cost funds and deposits were not a primary focus. IRAs became something that banks were required to service and there was little worry when IRAs were closed. Additionally, banks experienced a significant loss of knowledge over the past decade, often requiring other staff to absorb the IRA duties into their routines.

But with rates slowly beginning to rise and with recent volatile activity in the stock market, customers again are more actively considering where to place their retirement dollars.

Generational Characteristics for Saving

Baby Boomers – Baby boomers are actively retiring every day, thus slowly becoming a smaller part of the workforce. Some are leaving their primary career to work part-time to supplement their retirement. They are seeking modest growth and preservation of capital.

Baby boomers are also rolling over significant employer-sponsored retirement plan savings (new dollars) into IRAs, and are taking direct control of how they are invested and used. They remember when CD's offered a valued and safe choice for long-term dollars. And while they are comfortable using the Internet for financial services, boomers are also very willing to visit a branch if the service provides value. This group also is spending time planning on how best to provide for their beneficiaries.

Generation X – Generation Xers (a more quiet generation) are now entering their 50s. Many are sending their children to college or vocational school, and others have completed that phase in their life. This group is becoming more focused on accelerating their retirement plan savings and making up for lost time. A recent study by Allianz Life®, *Chasing Retirement Study*, found that approximately 50 percent of those approaching retirement are "chasers," meaning that they may have retirement savings, but are behind on their retirement savings plans. This group is looking for ways to get back on track.

One thing that is seldom referenced in retirement planning advice and online tools today is Traditional and Roth IRA catch-up contributions for individuals age 50 and older—this now comes into play for generation Xers, who are ages 39-53. An IRA owner can add to the maximum regular IRA contribution ($5,500 for 2018 and $6,000 for 2019) an additional $1,000 contribution annually to help them catch up on their savings.

Generation Xers also are willing to conduct online transactions, but because they have been busy raising their families and advancing their careers, many are not aware of this. Providing information and advice to generation Xers can be an important element, especially if it is done proactively.

Lastly, generation Xers likely are dealing with the loss of a parent or grandparent. They will look to their banks to provide assistance with beneficiary claims and all the complexities that come with those transactions. It provides bank employees with direct contact to these individuals along with an opportunity to provide information on IRAs as retirement savings tools.

Millennials – Millennials are good savers. They are tech-smart and communicate primarily through messaging. And while not heavily focused on retirement at this age (generally ages 22-37), they have started the saving process through their employer retirement plans. Ascensus® data for year-end 2017 shows millennials with an average retirement balance just over $11,000 in their 401(k) accounts.

This also is the group with the higher number of employment changes. While they appreciate and use the technology solutions offered by the larger financial services firms, millennials prefer the community presence and focus of local firms. They will not visit a branch often, but want to know that one is nearby. Banks can become trusted resources for this demographic group by providing straight forward and valued advice on items such as retirement plan rollovers to IRAs (new dollars coming in), and can build a long-term bond with this group.

Next Steps

Finding the right way to reach all of these groups effectively is a key challenge. Making sure you have the expertise available is equally critical.

Marketing – There is no single promotion that will reach each of these generations equally. But banks today have the ability to mine their own data and present more targeted marketing to each age group. They also have the ability to deliver a much focused message through email or text, and can invite the reader to review specific website content.

Each generation is seeking a trusted source for financial information. Your website can present content or brief video snippets that review key concepts. Your educational content can also easily include a call to action. The goal is for the user to take that next step.

Expertise – When the recession hit in 2008, many banks lost key expertise due to staff reductions and normal retirements (baby boomers). Many organizations relied on that one individual who took care of their IRAs for years. This is something that many banks had not planned for, and many didn't fully understand the effect on their IRA business.

As important as education is for your customers , it is as important for your employees. IRAs can be a valuable asset to your organization, but they can also cause negative events if handled incorrectly. To be successful, you'll need a commitment to spend money to educate your team and be willing to seek outside support from IRA experts.

IRAs are long-term investments for every consumer group. As deposit products become more competitive for every age group, banks have the opportunity to provide a valuable service and gain long-term customers and deposits.

About Ascensus®

Ascensus delivers technology and expertise to help millions of people save for what matters most—retirement, education, and healthcare. With more than 35 years of experience, the firm offers tailored solutions that meet the needs of asset managers, banks, credit unions, state governments, financial professionals, employers, and individuals. Ascensus supports over 73,000 retirement plans, more than 4.3 million 529 education savings accounts, and a growing number of ABLE savings accounts. It also administers more than 1.6 million IRAs and health savings accounts. As of June 30, 2018, Ascensus had over $196 billion in total assets under administration. For more information about Ascensus, visit ascensus.com.

Keep your business in front of customers 365 days a year

with the NORTH DAKOTA horizons Scenic Calendar 2020

ICB MARKETING SOLUTIONS

- Calendar size 12"x 24" when fully open
- Generous appointment squares
- Shrink-wrapped for your convenience
- Envelopes available for mailing
- Minimum order of 200 is required

ICB Marketing Solutions has teamed up with *North Dakota Horizons* to provide you discounted prices for the 2020 North Dakota scenic calendar. Give your customers or business associates a copy of this calendar as a holiday gift or year-end expression of appreciation. These customized calendars spotlight your business and keep your logo in front of your customers year-round. What a great way to promote your business and North Dakota at the same time! Each calendar will cost you $4.75, unless orders exceed 1,000, after which the price is $4.25. Retail price for the calendar is $10.95.

2020 Horizons Calendar Order Form

Please return this order form by **March 25.**

Mail to:
ICB Marketing Solutions
Attn: Lacey Kuhn
1136 W Divide Ave.,
Bismarck, ND 58501
or call 701-258-8748
Or:
E-mail order information and artwork to:
laceyk@icbnd.com

Bank Name ______________________________

Mailing Address ______________________________

____

E-mail ______________________________

Phone ____________________ **Fax** ____________________

Color choice for logo imprint: ☐ Blue ☐ Red ☐ Green ☐ Black

Quantity ____________________ **# of envelopes @ 30¢ each** __________

SURVEY SAYS: YOUR PEERS WEIGH IN ON 2019 BANKING STRATEGIES

by Steve DuPerrieu, CSI

What will rise as the hot-button issue for bankers in 2019? To find out, CSI annually polls executives at U.S. financial institutions across the country, asking questions that uncover the strategies and issues they believe will most affect the financial sector in the year ahead. 220 bankers answered our survey this year, and shared how they plan to exceed customer expectations in 2019.

As we analyzed the findings, five key topics stood out: Customer Acquisition, Digital Banking, Cybersecurity, Regulatory Compliance, and Lending.

Customer Acquisition

Key Data:

a. 44% of bankers are adding self-service options like online account opening, 17% are adding ITMs/ILTs and 19% are pursing M&A activity.
b. 39% of bankers recognized loans as the most important channel for attracting new customers in 2019.
c. 32% of bankers see self-service account opening as essential to improving the customer experience.

Customer acquisition is the name of the game, and it's a battlefield out there. So, how are banks stepping up to the fight? Automated online account -opening solutions are a strong vehicle to both increase banks' customer base and solidify existing account relationships through cross-sales.

Elsewhere, bankers are dead-on in naming loans as the most important channel for acquiring customers in 2019. The market is quite favorable, despite rising interest rates. However, without a solid presence in digital lending, you'll likely miss this opportunity.

Digital Banking

Key Data:

a. Approximately 3 in 4 banks plan to offer P2P by the end of 2019.
b. 72% of bankers cite expanding digital channels as the primary means to improve the customer experience.
c. 4 out of 5 bankers are confident in their institution's mobile banking app.

The average P2P transaction is $150+, clearly not the small-dollar, meal-splitting transactions originally thought. So why the hold-out for the remaining 25%?

"Is it that they think it's too expensive relative to customer demand, or simply that they don't think their customers want it?" says Dan Latimore, senior vice president and head of banking with Celent. "And fair enough, if they've done their homework, but if it's just a gut feel that their customers don't want it, that's not great."

In addition, while bankers plan to strengthen digital capabilities, they should remember that customer-facing technology that's delivered through seamless core integration empowers customer engagement.

Kari Book, human resources and compliance manager for The Fairfield National Bank in Fairfield, Ill., wholeheartedly agrees: "It is glaringly obvious that if we don't make things more convenient for our customers, both through digital channels and with our customer service in general, we're going to lose them to other companies like Amazon that know how to do it."

Cybersecurity

Key Data:

a. 44% of bankers say the number one issue affecting the financial industry is cybersecurity.
b. 72% of bankers said they will spend up to 20% of their budget on cybersecurity.
c. Nearly all bankers (96%) noted that employee education is the most important tactic to pursue in 2019.

It's no surprise respondents called cybersecurity the number one issue for 2019. This illustrates that cybersecurity awareness is finally accepted as a fundamentally important concept of business. Cybersecurity is an enterprisewide issue and affects all aspects of an institution.

It's also great to see employee education topping the list for 96% of respondents as the best cybersecurity tactic, as it's one of the strongest controls institutions can implement to provide tremendous security value in a cost-effective manner.

As to other tactics for battling hackers in 2019, on-going vulnerability assessments came in at 78%; social engineering/penetration testing at 79%. The survey's overall responses demonstrated that institutions realize the need for a layered security approach.

Regulatory Compliance

Key Data:

a. More than 75% of banks are spending up to 20% of their budgets on regulatory compliance alone.
b. Most banks (nearly 75%) will spend up to 40% of their budget on compliance and cybersecurity!
c. 16% of respondents think the Regulatory Relief Act will most affect the financial industry in 2019.

With the Regulatory Relief Act signed into law by President Trump, it's reasonable that bankers are anxiously awaiting the changes—and new rules—expected to regulatory guidelines.

Further, cybersecurity goes hand-in-hand with compliance, as prudential regulators will examine financial institutions' vendor management and incident response programs to ensure a robust cybersecurity program.

And, a good portion of institutions' budgets will surround the usual suspects:

- **CECL:** As the implementation date nears, many bankers are looking for third parties to assist in their CECL calculations.
- **BSA:** Bankers implemented the beneficial ownership rules and regulations, along with on-going monitoring known as the "fifth pillar" in 2018. Therefore, they must ensure their policies and procedures adhere to the recent guidance.
- **Change Management:** Regulators want to ensure that institutions have adequate resources to handle the changing regulatory landscape.

Continued on Page 29

We have become aware of reports of fraudulent telephone calls from individuals claiming to represent the Social Security Administration (SSA). In them, unknown callers are using threatening language to warn unknowing victims that they will be arrested or face other legal action if they fail to call a provided phone number or press the number indicated in the message to address the issue. In some instances, these unknown callers switch tactics and communicate that they want to help an individual with activating a suspended Social Security number. Such calls are a scam, and are **not** coming from official SSA representatives.

We encourage you to inform your members and extended networks not to engage with such callers, and to report any suspicious calls to Social Security's Office of the Inspector General by calling 1-800-269-0271 or submitting a report on the OIG website. We also urge you to read and share our Social Security Matters blog, which provides more information on the nature of these fraudulent calls, as well as instructions on how to report such activity.

Social Security is committed to protecting the privacy and security of the people we serve. We appreciate your help in spreading the word about this important topic.

We are committed to ensuring that our disability policies align with current medical practices.
Recently, we published an advance notice of proposed rulemaking (ANPRM) to request comments on how we consider pain in adult and child disability claims. Please encourage your members to review the ANPRM and submit any comments they may have **no later than February 15, 2019**.

Thank you for your support.

Sincerely,

Dawn Bystry
Acting Deputy Associate Commissioner
Office of Strategic and Digital Communications
(T) 410-965-1804
@SSAOutreach

Continued from page 28

Lending
Key Data:
a. 39% of respondents' customers are small businesses. And nearly 90% of bankers surveyed service small-business customers through commercial lending.
b. 40% of bankers identified loans as the most important channel for attracting new customers.
c. 10% of respondents say loan growth will be key in reaching new customers.

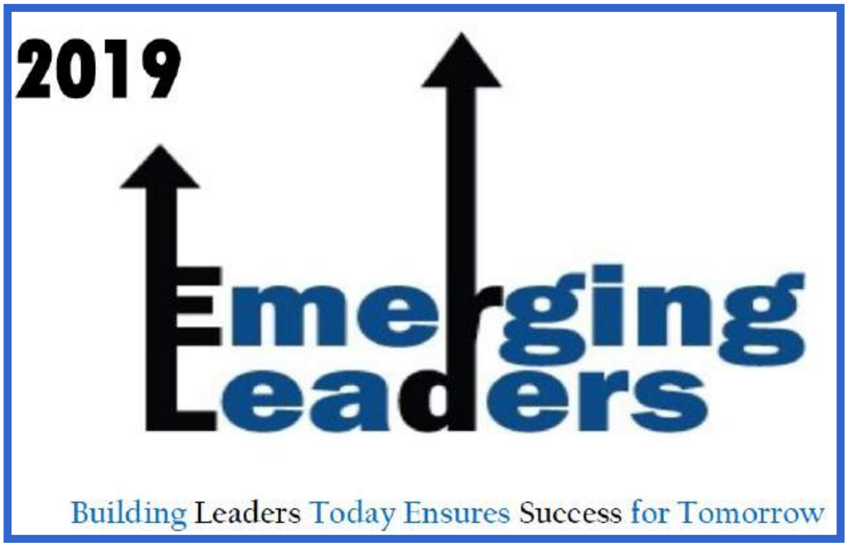
Bankers can augment their small-business lending by letting automated solutions handle the establishment of basic lines of credit and term notes.

And since lending is most certainly a top strategy for 2019, here are important things to consider:

1. It's difficult for small-business loans of less than $25K to be profitable for a bank. The market would suggest that there are better ways to originate loans in the small-business space, especially if those loans are less than $100K and NOT secured by real estate.
2. If your institution's loan volume is down, it's likely your customers are securing those funds elsewhere. The opportunity in this space becomes very appealing when digital technology is applied. These are high-margin, short-term loans you can deliver through a digital channel with minimal investment.
3. Flexible opportunities delivered via the proper channel of mobile banking services/internet banking are plentiful. Investments in digital technology as it pertains to traditional lending, like residential real estate, also are important.

Also, over the next few months, CSI's industry experts will be diving deeper into each of the areas mentioned above, so please watch for further insight on the survey results. In the meantime see how your strategies compare by downloading CSI's Executive Report: 2019 Banking Priorities.

Steve DuPerrieu is vice president of product management 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).



Register Here

Testimony

I can truly say the Emerging Leaders program is a journey of discovery, not only for me personally, but a discovery of my professional potential as well. It allows me to focus on achievement, not only as "flat numbers on a page" but as an indicator that I am getting better- making progress toward being the best that I can be.

There is no denying the camaraderie of my fellow Emerging Leader peers. We are like a group of soldiers at war who keep each other informed and upbeat despite the sometimes difficult circumstances known as banking regulation. It's often said that power comes naturally to a leader, but power is not the only tool of a leader. As a result of my experience with this group, I can confidently say I am more engaged and more devoted in my role as Vice President for Peoples State Bank of Velva.

Rest assured, this group continues to engage the next generation of bankers by marching with forward momentum taking community banking to new heights. A special thanks goes out to each and every community bank who continues to believe in this amazing program by being a part of it. To the novice or seasoned bankers considering joining this group- I promise you won't regret it. Cheers!

Missy Feist-Erickson
Vice President
Peoples State Bank of Velva

CBIZ Wellbeing Insights.
Click Here for your copy.

2019 LIVE EDUCATION OPPORTUNITIES LINE-UP

APRIL 9, 2019 ACH AUDIT WORKSHOP WITH UMACHA, COURTYARD BY MARRIOTT, MOORHEAD, MN
APRIL 9—10, 2019 COMMUNIITY BANKERS FOR COMPLIANCE, RAMKOTA, BISMARCK, ND
APRIL 10, 2019 UMACHA'S COMPLIANCE SYMPOSIUM 2019, COURTYARD BY MARRIOTT, MOORHEAD, MN
APRIL 11, 2019 ACH AUDIT WORKSHOP WITH UMACHA, ICBND OFFICE, BISMARCK, ND
APRIL 15, 2019 FINTECH WORKSHOP, DCN OFFICE, BISMARCK, ND
MAY 8-9, 2019 WOMEN IN COMMUNITY BANKING SUMMIT, RAMKOTA, BISMARCK, ND
MAY 20, 2019 FRAUD SYMPOSIUM 2019 WITH UMACHA, HILTON GARDEN INN, FARGO, ND
MAY 21-22, 2019 PAYMENTS UNIVERSITY 2019 WITH UMACHA, HILTON GARDEN INN, FARGO, ND
MAY 22, 2019 AFTERNOON:DOCUMENTATION/TITLING FOR PERSONAL AND BUSINESS ACCOUNTS, RAMKOTA, BISMARCK, ND
MAY 23, 2019 MORNING: DOCUMENTATION/TITLING FOR PERSONAL AND BUSINESS ACCOUNTS, RAMKOTA, BISMARCK, ND
JUNE 6-7, 2019 EMERGING LEADERS DEVELOPMENT GROUP SUMMER CONFERENCE, FIRESIDE INN, DEVILS LAKE, ND
JUNE 17-21, 2019 SCHOOL OF AGRICULTURAL LENDING, BSC, BISMARCK, ND
SEPTEMBER 10-12, 2019 FRONTLINE TWILIGHT SERIES, RAMKOTA-BISMARCK; GRAND HOTEL-MINOT; HILTON GARDEN-GRAND FORKS, ND
SEPTEMBER 27, 2019 EMERGING LEADERS DEVELOPMENT GROUP FALL SESSION, WATFORD CITY, ND
OCTOBER 2-3, 2019 COMMUNITY BANKERS FOR COMPLIANCE, RAMKOTA, BISMARCK, ND

WATCH FOR UPDATES ON OUR WEBSITE EDUCATION CALENDAR

ICBND Website Access

Live Well, Work Well

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

BEWARE:
New Year=New Fad Diets

Jan. 1 signals a new calendar year, and for many Americans, a "new year, new me" mentality. In fact, according to Business Insider, getting in shape is consistently the most popular New Year's resolution in the United States. While making lifestyle changes, as approved by a doctor, is not a bad thing, turning to a fad diet to achieve a resolution of getting in shape is not ideal or healthy.

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

What's a fad diet?

Fad diets typically promise quick weight loss, oftentimes through unhealthy and unbalanced dieting. A diet can be considered a fad if it:

- Claims to help you lose more than 1-2 pounds per week
- Promises that you'll lose weight and keep it off without giving up fatty foods or starting an exercise program
- Bases its claims only on "before and after" photos
- Limits your food choices and encourages you to only eat a specific set or type of food

What are the dangers of fad diets?

Fad diets can lead to things like gout, poor athleticism, heart disease and—ironically—poor, long-term weight-loss control. If you're looking to get in shape or lose weight this year, make lifestyle changes that encourage portion control, exercise more, avoid empty calories and eat a well-balanced diet. Keep in mind that forming healthy dieting practices now will keep you on track with your long-term weight-loss goal.

FINANCIAL WELLNESS

Live Well, Work Well

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

Coping with Financial Crises

Life has a way of throwing unexpected financial roadblocks, detours and potholes in our path. These might be large medical bills, car or home repairs, a death in the family, loss of a job or expensive legal situations. Such financial emergencies can derail your efforts to save for retirement. The following are some strategies for managing financial crises.

Establish an Emergency Fund

This can lessen the need to dip into retirement savings for a financial emergency. Building an emergency fund is tough if income is tight, but every dollar can help. Fund an emergency fund with pay from extra working hours or a temporary job, a tax refund or a raise. Put the money into a low-risk, accessible account such as a savings account or money market fund.

Insure Yourself

Insurance protects your financial assets, such as your retirement funds, by helping to take care of the really big financial disasters. Consider the following list of insurance coverage to help protect your assets.

- **HEALTH.** If you and your family aren't covered under an employer's policy, try to buy catastrophic medical coverage on your own.
- **DISABILITY.** Social Security Disability Insurance can pay yours and your family's benefits if you are severely disabled and are expected to be so for at least 12 months. Workers' compensation only helps you if the disability is work-related. In addition, your employer may offer some disability coverage, but you may need to supplement it with private coverage.
- **RENTERS.** Homeowners usually are insured against hazards such as fire, theft and liability, but the majority of renters aren't. Renter's insurance is inexpensive.
- **AUTOMOBILE.** Don't drive "bare." In many states it is against the law to drive without auto coverage, and it is also very costly if you are in an accident.
- **UMBRELLA.** This provides additional liability coverage, usually through your home or auto insurance policies, in the event you face a lawsuit.
- **LIFE.** Having life insurance can help you or your spouse continue to save if either one of you dies before retirement. Social Security may be able to pay benefits to your spouse and/or minor children. On the other hand, you may not need life insurance if no one depends financially on you. There are many types of life insurance, with a variety of fees and commissions attached.
- **LONG-TERM CARE.** This insurance can help pay for costly long-term health care either at home or in a health care facility or nursing home. It protects you from draining savings and assets you could use for retirement.

Borrow

If you must borrow because of a financial emergency, carefully compare the costs of all options available to you.

Sell Investments

It's usually advisable to sell taxable investments first. Try not to touch your faster growing retirement accounts. Taking money out of your retirement accounts could trigger income taxes and penalties.

Reserve the ICBND Mobile ATM Trailer in2019

Are you marking your 2019 calendar for special community events? Will you need to borrow the ICB Services Mobile ATM Trailer? Be sure to call to reserve the portable ATM now!

Scheduled on a first come, first serve basis.

Also available when your bank-owned ATM is out of service or in the case of a disaster, i.e. Fire, Tornado or Flood. This ATM trailer comes equipped with Verizon Mobile Communication, Emergency Battery Operation, Wheel & Hitch Locks, Multiple Cameras and DVR, Heat and Air Conditioning.

.

There is no rental costs to the individual bank that borrows the trailer. Your bank will be responsible for the travel expenses associated with picking up and returning the trailer for storage as well as insuring the trailer when it is in your bank's possession.
For more details and to check availability call:

Angie Olson ICB Services
701-258-8326 Email: angiet@icbnd.com

ICB SERVICES, INCORPORATED

FIRST INTERNATIONAL BANK & TRUST

Kailey Boraas, trust officer at **First International Bank and Trust**, was recently awarded the Certified Trust & Financial Advisor (CTFA) professional certification from the American Bankers Association. The CTFA certification is awarded to individuals who demonstrate excellence in the field of wealth management and trust. To qualify for the CTFA certification, individuals must have certain levels of experience and education in the trust profession, pass an exam, and agree to abide by a code of ethics. The CTFA exam covers many areas including fiduciary and trust activities, financial planning, tax law and planning, investment management and ethics.

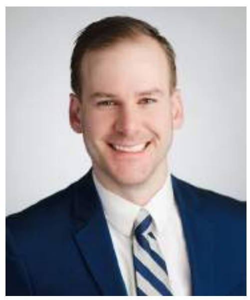
As a trust officer, Kailey Boraas helps manage and create wealth for individuals and families, while placing focus on their big picture planning. Kailey specializes in trust administration, investment portfolio management and retirement planning. She has been a part of the First International Bank & Trust family for over four years.

WESTERN STATE BANK

Kayla Kelly was recently promoted to bank operations - CSR support at **Western State Bank**. She will provide training and guidance to ensure consistency throughout all locations while developing processes and procedures to ensure they are compliant and minimize risk for our customers and the organization. She will also be involved in testing the Teller system and communicating updates.

Kelly joined Western in 2014 and previously served as Customer Service Manager. She has over 14 years of customer service experience.

Jace Greene was recently promoted to retail banking manager at **Western State Bank**. His duties include managing and supporting the Retail Team in Fargo while providing financial solutions and service to current and potential retail customers. Greene joined Western State Bank in 2012 as a Data Center Representative. He was promoted to Personal Banking/Mortgage Loan Officer in 2016 where he worked to develop business with a wide range of customers while producing compliant loan applications and services in Devils Lake, ND. He transitioned to Personal Banking Officer at Western in Fargo in July 2018.



Preston Sternson recently joined **Western State Bank** as digital marketing officer. He will focus on generating customer growth through effective digital marketing efforts including websites, social media, email marketing, search engine marketing, campaigns and related areas.

Dan Jacobson recently joined **Western State Bank** as the West Fargo/ Fargo Market President. His primary responsibilities include guiding Western's Business Banking team and forging solid partnerships with new and current customers. He will also provide bank leadership and grow Western's market presence. Prior to joining Western, Jacobson served in the roles as a chief lending officer, a business banker, a business banking manager and a senior credit officer for other associations.

DAKOTA BUSINESS LENDING

Dakota Business Lending is pleased to welcome **Teri Lingen** to the team as a credit and compliance specialist, working to ensure compliance with Agency rules and regulations, develop and complete new credit requests, and monitor and review all loans within our Corporate risk rate model. Overall, she will assist our team in maintaining their reputation as the leading small business lender in North Dakota and Western Minnesota and insuring quality service at all times. She has eight years of experience in the loan/lease document processing and closing industry and close to nine years of experience working with loan processing, loan servicing, and credit and collections.

BANK OF NORTH DAKOTA

Carrie Willits accepted the trust administrator position in accounting and treasury at **BND**. Willits began her career at BND in 2004 and most recently was an account and budget specialist.

Jeni Betsill was promoted to the university and student development coordinator at **BND**. Betsill has been with BND since 2016 as a student loans specialist.

Elesha McAlexander accepted the loan servicing associate position at **BND**. McAlexander began her career at BND in 2016 as a temporary employee in credit administration.

Lisa Grabar accepted the credit analyst position at **BND**. Grabar has been with BND since 2016 and worked as an auditor in risk management.

Michelle Schwab accepted the loan operations lead position at **BND**. Schwab has worked in loan operations since 2016.

AMERICAN BANK CENTER

American Bank Center is pleased to announce **Jared Bullinger** as the new Dickinson regional president. Bullinger will move into his new role upon Bruce Dolezal's retirement in March 2019. American thanks Bruce for his years of dedicated service.

Born and raised on a ranch near Dickinson, Bullinger understands the needs of western North Dakota. He has been with American more than a decade and will be responsible for the external services of the Dickinson region with an emphasis on business and ag lending.

Bullinger joined American in 2005 as an agriculture banking officer. In 2012, he moved to the credit officer position and in 2014 was promoted to vice president of external services.

WIDMER ROEL

Widmer Roel, a public accounting and business advisory firm with offices in Fargo, Bismarck and Hazen, has promoted **Seth Serhienko** to audit supervisor. Seth joined Widmer Roel in 2016 and has three years of experience.

Jennifer Kilber has joined the agricultural division of **Widmer Roel**, a public accounting and business advisory firm with offices in Fargo, Bismarck and Hazen. Kilber, as a staff accountant, provides audit and accounting services.

Renelle Allmaras has joined the audit department of **Widmer Roel**, a public accounting and business advisory firm with offices in Fargo, Bismarck and Hazen. Allmaras, as a staff accountant, provides audit and accounting services.

STARION BANK

Nagoshia Gangl, human resources business partner at **Starion Bank**, has earned the SHRM Certified Professional (SHRM-CP) credential through the Society for Human Resource Management.

A SHRM-CP certification distinguishes one as an expert in the HR field, with proven levels of skills and knowledge, and the competencies necessary to mitigate risks and drive business results. Based on in-depth research focused on – and backed by – global employers and business leaders, the SHRM-CP credentials reflect what HR practitioners need to know to be leaders in their organizations and in the profession.

Gangl joined Starion in August 2009. She served in the roles of teller, customer service representative and teller supervisor. In 2014, she joined the human resources team.

Monika Kitzan has been promoted to accounting specialist III (Proof). She joined **Starion** in 2006 as a part-time proof operator and in 2008 joined the team full-time. In 2015, Kitzan was promoted to proof operator II.

Andrea Mathern joined **Starion** as an accounting specialist II (Proof). Mathern has come to Starion with administrative and customer service experience.

Julie McCabe joined **Starion** as a senior internal auditor. McCabe has nearly 30 years of auditing experience.

Jamie Messer is a universal banker I. Messer brings to **Starion Bank** customer service experience in several industries.

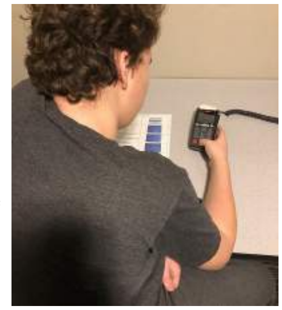
Rick Geloff, financial reporting manager, VP, at **Starion Bank**, has earned his Certified Public Accountant (CPA) accreditation from the North Dakota State Board of Accountancy.

A CPA license is the accounting profession's highest standard of competence. In order to obtain the accreditation, Geloff had to earn additional college credit and pass four CPA exams followed by an ethics test. This licensing validates that Geloff has the professional competencies to analyze and advise Starion's chief financial officer on the financial position of the bank.

Geloff first joined Starion in 2013 as a credit analyst. He has also served in the roles of business banking officer and special assets officer, VP, prior to being promoted to his current position in May 2018. He is located at the downtown Bismarck branch.

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

ICB Services, Inc.



ICB SERVICES, INC. DONATES DEBIT CARD TRANSACTION MACHINE

Red Door would like to give a warm shout out to Angie Olson at Independent Community Bank Services, Inc. for the donation of a debit card transaction machine. At Red Door, we work on teaching life skills to our adolescent population. This machine will allow teens to practice the use of debit and credit cards before performing this skill in real life. We are so proud of our community and businesses like Independent Community Bank Services. Our kids are lucky to live here!

Western State Bank

WESTERN STATE BANK TO OPEN MESA, ARIZONA LOCATION

Western State Bank will open a new full-service bank in Mesa, AZ, during the first quarter of 2019. The Mesa bank will be Western's sixth Arizona location in addition to its three banks in North Dakota.

The bank will be located at 5901 E McKellips Road in the Falcon View Plaza, a major Mesa retail shopping area near major highways including Loop 101, Loop 202 and US Highway 60.

"We're excited to expand our Arizona presence in the state's third-largest city," said Brian Houkom, Chief Executive Officer of Western State Bank. "Customers appreciate our community bank philosophy, and we'll bring our proven hometown banking approach to Mesa."

Western State Bank will add approximately four team members in Mesa, bringing the companywide employee total to more than 220.

First International Bank & Trust

FIRST INTERNATIONAL INSURANCE ACQUIRES JOHNSON & JOHNSON INSURANCE AGENCY, LLC IN MOORHEAD, MN

First International Insurance announced January 2, 2019 the acquisition of Moorhead, MN insurance agency, Johnson & Johnson Insurance.

"We are excited to have the employees of Johnson & Johnson join the First International Insurance family," says Daniel Toy, VP/Director of Insurance. "Both organizations operate as independent insurance agencies, providing a wide array of personal and commercial insurance products allowing agents to shop multiple companies and find the best coverage and value. It will be a smooth transition for all involved."

Clients of Johnson & Johnson Insurance can expect a seamless transition. Their relationships with their existing agents will remain in place and they will continue to offer commercial and personal insurance with expert service at the insurance office, located at 1730 30th Avenue South in Moorhead.

"It was important to us to find a company that had similar values and believed in providing the same exemplary level of one-on-one service for clients. We are in good hands and are excited for our future," says Greg Johnson, Insurance Agent and Manager of Johnson & Johnson Insurance.

Starion Bank

STARION BANK OFFERS LOAN PAYMENT DEFERMENT FOR FEDERAL EMPLOYEES

As a community bank, Starion Bank is committed to helping its neighbors in times of trouble and one way the bank can do that is by deferring consumer loan payments for federal employees.

Recognizing that the partial government shutdown may be impacting people's ability to make loan payments, Starion Bank is allowing payments on existing consumer loans to be deferred for the first quarter of 2019.

"We understand that some of our customers may be under financial pressure from the partial government shutdown and we want to help them feel a little more secure in their finances," said Arnie Strebe, Starion Bank president. "It is our hope that this deferment option will help ease the burdens of federal workers during this stressful time."

Federal employees who are interested in the program can talk to a Starion banker by calling 888-258-6050 or visiting www.starionbank.com/defer for more detailed information.

Choice Bank

CHOICE BANK EXPANDS INSURANCE EXPERTISE AT BISMARCK LOCATIONS

Choice Bank, through the Choice Insurance division, proudly announces the expansion of its insurance team and services at its banking location located at 207 E Front Avenue, Bismarck, ND.

Dan Werner joins Choice as an insurance advisor with 25 years of experience in commercial insurance. Werner's expertise covers a number of industry groups including oil and gas, construction, transportation, technology and more.

Joining Dan are client account executives Lesley Bentz and Ashley Farthing, possessing 20 years and 10+ years in insurance experience, respectively.

As a team, they have all been long time residents of Bismarck. Having worked together for over 10 years, they have spent considerable time building trust with customers in the communities they serve.

"We are excited to join the team at Choice Insurance. As a North Dakota based organization, we will be able to focus on serving our customers with local expertise" says Dan Werner, "and we now have the ability to offer more products and services to our clients."

Pictured left to right: Dan Werner, Lesley Bentz and Ashley Farthing

CHOICE BANK RECOGNIZED AS A TOP SBA LENDER IN NORTH DAKOTA WITH DIRECTOR'S AWARD

Choice Bank was recently awarded the Director's Award by the U.S. Small Business Administration for being a top SBA lender in North Dakota throughout 2018 (SBA Fiscal Year October 1, 2017 – September 30, 2018). The Director's Award is given each year to recognize institutions that help small businesses succeed through SBA financing. This year Choice was responsible for 15 of the 169 7(a) SBA loans that were guaranteed in North Dakota, totaling $3.4 million.

Throughout 2018, Choice has been making great efforts to help small businesses takeoff and expand their operations. A big enhancement in their efforts came in September, when they secured Preferred Lender Status with the SBA. To earn Preferred Lender Status, Choice had to demonstrate a thorough understanding of SBA lending policies as well as a successful track record of servicing SBA guaranteed loans.

"I'm pleased Choice Bank was able to secure Preferred Lender Status with SBA. This allows Choice to expedite their processing on SBA loan guarantees, cutting the approval time and getting funds in the hands of small business owners sooner," says Al Haut, District Director for the SBA in North Dakota.

Under the Preferred Lenders Program (PLP), financial institutions such as Choice are able to underwrite, close, and service SBA guaranteed loans in-house without prior review by the SBA. This allows for a more streamlined and faster loan approval process, allowing entrepreneurs and small businesses to obtain funding more quickly.

Choice is also a top SBA lender in the state of MN, servicing small businesses primarily in the Minneapolis/St. Paul metro area. In addition to the 15 loans extended in ND, an additional 48 were also funded in MN during 2018.

Pictured from left to right: Deb Kantrud, Lender Relations Specialist, SBA; Eddie Sheeley, VP Business Banking, Choice Bank; Landon Poss, Credit Banker, Choice Bank; and Al Haut, District Director SBA.

"We're honored to be recognized by the SBA for all of our efforts on behalf of our customers this year," says Brian L. Johnson, CEO & President, Choice Bank, "As a community bank we're invested in supporting small businesses by continuously working to find tailored, efficient solutions to set them up for success. Our bankers have done a great job, and we look forward to continuing to expand and improve our services for small businesses across our communities in the New Year."

American Bank Center

AMERICAN BANK CENTER ANNOUNCES RIBBON CUTTING FOR NEW NORTHWEST BISMARCK LOCATION

American Bank Center is proud to announce the celebration Jan. 14-17 for the grand opening of its newest location, in northwest Bismarck. The official ribbon cutting took place at 3 p.m. on Jan. 17. The new building is located at 1615 Burnt Boat Dr. next to the Eckroth Plaza.

American encouraged the community to explore the new building and register for prizes during the event. All were welcome and had a chance to win more than $2,000 worth of prizes. Packages included airline tickets, a Larks gift basket including game tickets and a tailgating basket.

“The Burnt Boat Drive location will feature American’s Branch of Tomorrow concept which includes industry leading technology and a new model of service that will provide more convenience for our customers” says President and CEO Dave Ehlis.

Customers will have one point of contact for all their banking needs, instead of being transferred from one person to another. Banking services offered in the new space include: retail, e-banking, consumer lending and home mortgage. In addition, there will be the opportunity to consult with financial experts at American Trust Center and American Insurance Center using video conference capabilities.

Dakota Business Lending

RURAL MONTANA SMALL BUSINESSES GAIN ACCESS TO FINANCING OPTIONS

Rural 504 Pilot Program Allows Dakota Business Lending to Enter Montana Market

Startup and existing businesses often have various financial needs that traditional financing cannot meet, making Small Business Administration (SBA) financing a viable option towards making that project possible. However, market research shows that rural communities throughout the United States, specifically the state of Montana, are often underserved regarding SBA 504 loan delivery to small businesses, preventing hundreds of entrepreneurs throughout the state from pursuing their dreams of starting or expanding their business.

The first step towards bridging this gap? Creative financing solutions. Earlier this year, the SBA announced the SBA 504 Loan Program Rural Initiative Pilot Program (504 Rural Pilot), which allows Certified Development Corporations (CDCs) like Dakota Business Lending to make 504 loans outside their original Area of Operations to businesses located within rural areas of the same SBA region as the operating CDC. After seeing this SBA financing delivery gap in Montana, Dakota Business Lending has decided to step forward and offer the 504 Loan Program to these businesses and help meet the goals of the SBA rural initiative. Capitalizing on this opportunity and expanding their services will allow Dakota Business Lending to bridge this gap and deliver creative financial solutions to Montana entrepreneurs by providing them with a greater opportunity to acquire the capital they need to pursue their dreams. “Dakota Business Lending has a rich, long history of delivering SBA financing options to small businesses in the area it serves,” said Dakota Business Lending’s President and CEO, Steve Dusek. “It is our intention to duplicate this 35-year history of expertise and responsiveness to the businesses, lenders and communities throughout Montana.” Dakota Business Lending has been the number one SBA lender in North Dakota for the past eight years, working alongside third party lenders and economic development professionals across the state to make these programs possible.

The SBA 504 loan program is designed to help small businesses preserve cash by offering lower down payment options than conventional financing (starting as low as 10% down) as well as reduce risk by providing a below-market, fixed interest rate for 10-, 20-, or 25-years for the purchase and improvement of real estate or other long-term fixed assets. The program is a partnership with the small business, their primary lender and Dakota Business Lending to secure this type of financing. One of the key aspects to creating and providing these financing solutions to small businesses in Montana is Dakota Business Lending’s decision to welcome back **Christie Williams** to our team. With background experience in lending, she joined the Dakota Business Lending team as a Commercial Loan Officer for three years until she and her family decided to move back to Montana in 2015. During her time with Dakota Business Lending, she developed and delivered the SBA 504 program in northwestern ND and forged solid relationships and partnerships that continue to help businesses in ND today. Williams has been welcomed back to the Dakota Business Lending team as a Commercial Loan Officer based in Lewistown, Montana, working to help jumpstart the 504 Rural

North Dakota Housing Finance Agency

REDEVELOPMENT OF JR. HIGH BRINGS AFFORDABLE HOUSING TO HEART OF MANDAN

A community landmark, once commonly known as Mandan's Jr. High School, was celebrated December 20th 2018 as Historic Apartments on 4th, an affordable home for individuals and families.

"With the first tenants moving in the week of December 20th, the Grand Opening celebration offered community members the opportunity to roam the halls of the school one last time," said Erin Anderson, The Commonwealth Companies vice president of development.

Mandan Public School District sold the property in 2012 to Yegen Development who, after failing in its attempt to redevelop the school, donated it to Spirit of Life Catholic Church. In 2016, the church transferred ownership to Commonwealth with the understanding that it would become affordable rental housing.

The renovation Commonwealth spearheaded preserved the property's historic features including terrazzo flooring, woodwork and school lockers, while providing the new tenants with 39 one- to three- bedroom apartments with modern amenities including energy-efficient appliances, central air conditioning and secured entrances.

"NDHFA is pleased to be able to provide the support needed to transform the property, restoring a community landmark and bringing affordable housing to the heart of Mandan," said Jolene Kline, NDHFA executive director. "The development resources the agency provided creates homes and being able to afford a 'home' is crucial to every North Dakotans' wellbeing."

NDHFA awarded $698,822 in tax credit authority to the project through the federal Low Income Housing Tax Credit program. The credits were syndicated by Redstone providing $6.2 million in project equity. NDHFA also awarded the project more than $1 million from the National Housing Trust Fund.

Historic Apartments on 4th received $1.3 million in Historic Tax Credits from the US Department of the Interior, and the City of Mandan approved a Payment in Lieu of Taxes which reduced the development's property tax burden. Construction financing was provided by Sterling Bank. The total cost of the redevelopment was more than $8.8 million.

Located at 406 4th Street NW in Mandan, ND, the original building on the site was completed in 1917, it and three adjoining buildings, constructed in 1924, 1954 and 1977, were redeveloped to create the apartments, a community room, fitness center, and a small daycare center with a private playground.

All of the housing units at Historic Apartments on 4th are reserved for income-qualified households and rent for $499 to $775 depending on unit size and household income. In addition to running the on-site daycare, the Mother Teresa Outreach, an affiliate of Spirit of Life Church, will offer supportive services to tenants who have experienced housing instability.

Individuals interested in learning more about the apartments should contact Kaycee Boehm, the property's on-site manager, (701) 751-1542 or customerservice@metroplains.com.

HOUSING AGENCY WRAPS UP RECORD BREAKING YEAR 2018

North Dakota Housing Finance Agency (NDHFA) wrapped up a record-breaking year 2018. The state agency, known primarily for the affordable financing it offers through its FirstHome™ program, set a production record in 2018 by purchasing 1,798 loans with a total value of more than $300 million.

"If the increased activity is indicative of more young families, both those new to North Dakota and life-long residents, pursuing homeownership, that's good for all of North Dakota because homeowners are typically more invested in their community than renters," said Jolene Kline, NDHFA executive director.

NDHFA's loan production was 134 percent higher in 2018 than the previous year. Activity peaked in May when NDHFA received 246 reservations for $41.5 million in financing. The agency's staff attributes some of the increased demand to the interest rates it was able to offer this past year.

"A favorable market for the mortgage-revenue bonds that fund our FirstHome program allowed NDHFA to offer financing for most of the year at a rate that was lower than what was available in the conventional marketplace," said Dave Flohr, NDHFA homeownership division director. "The one-half of one percent or more rate difference results in significant savings on monthly payments."

This past year, two-thirds of FirstHome program users also utilized the down payment and closing cost assistance NDHFA offers. "The assistance allows first-time buyers to enter the market sooner or to retain their savings for household expenses they didn't have as renters like purchasing a lawn mower or snow blower," said Flohr.

The purchase price of single-family homes financed through NDHFA's FirstHome program cannot exceed $271,164 to $303,882, depending on household size and the county in which the property is located. The average FirstHome loan purchased in 2018 was just under $166,000. The program is available to state residents earning up to $98,900 who have not owned a home in the last three years. The average FirstHome borrower's household income in 2018 was $58,600.

In addition to the FirstHome loans NDHFA purchased, the agency's production total for the year includes its HomeAccesss loans, a program for special needs households who may have previously owned a home, and North Dakota Roots, a program that assists moderate-income buyers who may have previously owned a home and first-time buyers whose income exceeds the FirstHome program limits.

In an average year, NDHFA purchases 1,200 loans. Private-sector lenders originate loans on the agency's behalf in communities statewide and sell them to NDHFA when the loans close. Currently 47 financial institutions across the state are partnered with the agency to offer its financing. The greatest overall program use is in Cass and Burleigh/Morton counties.

North Dakota Housing Finance Agency

HOUSING AGENCY A TOP FHA LOAN SERVICER

The U.S. Department of Housing and Urban Development's (HUD) National Servicing Center has ranked the North Dakota Housing Finance Agency (NDHFA) as a Tier 1 Federal Housing Administration (FHA) loan servicer for FY 2018.

A state agency, NDHFA provides first-time buyers with purchase assistance including loan guarantees that allow low- to moderate-income borrowers with low down payments to achieve homeownership.

"NDHFA's homeownership programs are not only affordable, all of our loans are serviced locally so that our borrowers are able to speak to a real person if they have a question about their loan," said Dave Flohr, the agency's homeownership division director.

The tier ranking system measures FHA servicer compliance with guidelines and intervention requirements, loss mitigation engagement, and reporting. The intention is to protect borrowers and alert HUD to potential problems. A high work-out ratio shows a servicer's effectiveness in working with delinquent borrowers to keep them out of foreclosure.

"HUD is very focused on timely reporting of delinquency issues with the intention of getting borrowers back on track as soon as possible," said Flohr.

The loan servicers receive quarterly scores that were averaged to produce the final fiscal year-end score. NDHFA scored 95.77 percent for the year.

Of the 9,000 loans NDHFA currently services, approximately 45 percent are FHA guaranteed.

Dakota Business Lending

SMALL BUSINESS ADMINISTRATION RECOGNIZES DAKOTA BUSINESS LENDING AS #1 SBA LENDER IN ND

Dakota Business Lending Remains North Dakota's Top SBA Lender for the 9th Consecutive Year

In December 2018, the U.S. Small Business Administration (SBA) North Dakota District Office recognized Dakota Business Lending as North Dakota's #1 SBA Lender for 2018. This award recognizes lenders throughout the state for their participation with the SBA in providing financing for start-up and existing small businesses in their area. Visiting the Dakota Business Lending headquarters to deliver this award was Alan Haut, District Director of the North Dakota District Office for the SBA. "As district director, I have the pleasure of recognizing lenders that excel in helping small businesses achieve their dreams by providing the capital that businesses need to succeed," notes Haut. "Dakota Business Lending's extra effort puts additional capital in the hands of small business owners to expand, hire more employees and help grow the economy in our local communities and across the state of North Dakota."

This award marks Dakota Business Lending's ninth consecutive year receiving North Dakota's #1 SBA Lender of the Year award. In 2018 alone, Dakota Business Lending provided 35 loans under the SBA's 504 and Community Advantage loan, totaling over $14 million in capital to assist small businesses as they start or expand their ventures. "This level of financing provides a major boost to the economy, making Dakota Business Lending a major player in the State's economic engine," applauded Haut. The SBA 504 loan program is one of eight loan programs that Dakota Business Lending offers to start-up and existing small businesses.

From a company name change, to a new headquarter facility, to opening an office in rural Montana, 2018 was a year of milestones for Dakota Business Lending. The #1 SBA Lender of the Year award was another great way of looking back at the year and celebrating their accomplishments. "Receiving the SBA Director Award again this year as the #1 SBA lender in North Dakota is a testament to the experienced, hardworking team we have in place which provides SBA loans across North Dakota and western Minnesota," expresses Steve Dusek, Dakota Business Lending's President and CEO. "We cannot achieve this level of success year in and year out without the confidence of our small business customers and the support of our third-party lenders. We share this award with all of them and thank them for working with us to achieve yet another record year."

At Dakota Business Lending, we know that small business ownership is an adventure. Along the road to success, a first-rate financing partner can provide the momentum needed to make a difference in the lives of people, building partnerships that make a difference. We have been providing creative financing options to businesses since 1982 – serving the state of ND, western MN and now also in rural MT. Offering flexible, customized loans that are an attractive alternative to conventional financing, Dakota Business Lending has 35-plus years of experience in developing strategies tailored to YOUR story and YOUR dream. Since inception, we have provided over $500 million in loans with total project impact exceeding $1 billion to small businesses and local economies.

ICBND Webinars

1/8/2019	Record Retention & Destruction Rules: Paper & Electronic Elizabeth Fast, Spencer Fane LLP
1/9/2019	Credit Analysis & Underwriting Series: Regulator Issues & Update for the Credit Analyst S. Wayne Linder, Young & Associates, Inc.
1/10/2019	Teller Training Series: Compliance Training for the Frontline Dawn Kincaid, Brode Consulting Services, Inc.
1/14/2019 Monday	FFIEC Exam Procedures for Business Continuity Molly Stull, Brode Consulting Services, Inc.
1/15/2019	2018 HMDA Submission Due March 1, 2019 Part 1: Identifying Reportable Loans, Data Integrity & FIG Analysis Susan Costonis, Compliance Consulting and Training for Financial Institutions
1/16/2019	Call Reports 2019 Update Michael Gordon & Kris Trainor, Mauldin & Jenkins, LLC
1/17/2019	IRA & HSA 2019 Update, Including Tax Reform Considerations Frank J. LaLoggia, LaLoggia Consulting, Inc.
1/23/2019	2018 HMDA Submission Due March 1, 2019, Part 2: Requirements, Clearing Edits, Exempt Fields & More Susan Costonis, Compliance Consulting and Training for Financial Institutions
1/24/2019	Determining Cash Flow from Personal Tax Returns After 2018 Tax Reform Part 1: Newly Revised Form 1040 & Schedules B & C Tim Harrington, TEAM Resources
1/28/2019 Monday	Real Estate Loan Collection Rules for Lenders & Mortgage Servicers Elizabeth Fast, Spencer Fane LLP
1/29/2019	Credit Analysis & Underwriting Series: Analyzing Financial Statements for the Credit Analyst S. Wayne Linder, Young & Associates, Inc.
1/30/2019	Teller Training Series: Frontline Fraud Prevention: Stopping Fraud at the Teller Line Mary-Lou Heighes, Compliance Plus, Inc.
1/31/2019	SBA Lending 2019 Update: Guidance on the Latest Changes to Policies, Procedures & Documentation Kimberly A. Rayer, Starfield & Smith, PC
2/4/2019 Monday	Flood Insurance Compliance Update & FAQs Ann Brode-Harner, Brode Consulting Services, Inc.
2/5/2019	ACH Specialist Series: ACH Tax Refund Exceptions, Posting & Liabilities Michele L. Barlow, PAR/WACHA
2/6/2019	Right of Setoff on Deposit Accounts & Loans: Legal Issues Elizabeth Fast, Spencer Fane LLP
2/7/2019	C-Suite Series: CAMELS Rating for Executives Ann Brode-Harner, Brode Consulting Services, Inc.
2/12/2019	Board Reporting Series: Board Secretary Procedural & Compliance Responsibilities Dawn Kincaid, Brode Consulting Services, Inc.
2/13/2019	Prepaid Cards: Your Bank's Responsibilities Under the New Rules, Effective April 1, 2019 Elizabeth Fast, Spencer Fane LLP
2/20/2019	Teller Training Series: Risks & Precautions for Endorsements & Other Negotiable Instruments Mary-Lou Heighes, Compliance Plus, Inc.
2/21/2019	Credit Analysis & Underwriting Series: Debt Service Coverage Calculations in Underwriting S. Wayne Linder, Young & Associates, Inc.
2/25/2019 Monday	Determining Cash Flow from Personal Tax Returns After 2018 Tax Reform Part 2: Schedules D, E & F Tim Harrington, TEAM Resources
2/26/2019	ACH Specialist Series: ACH Dispute Resolution Michele L. Barlow, PAR/WACHA
2/27/2019	The New NIST Digital Identity Guidelines: Impact on Passwords, Security Questions & Account Lockouts Chad Killingsworth, Jack Henry & Associates, Inc.®
2/28/2019	Debit Card Chargebacks: Understanding Visa Clams Resolution Diana Kern, SHAZAM, Inc.
3/5/2019	Board Reporting Series: Essential Board Reporting: Requirements, Timing, Delivery Options, Risks & Concerns Ann Brode-Harner, Brode Consulting Services, Inc.
3/6/2019	Federal Requirements for Tech-Based Marketing: Websites, Social Media, Robo Calls & More Steven Van Beek, Howard & Howard Attorneys PLLC
3/7/2019	C-Suite Series: Strategic Decisions Regarding CECL Methodologies, Processes & Governance Bob Viering, Young & Associates, Inc.
3/11/2019 Monday	Synthetic ID Fraud: What It Is, How It Works & Real-Life Scenarios Brian Vitale, Compliance Advisory Services
3/12/2019	Teller Training Series: Cross Selling: The Key to Accountholder Satisfaction & Retention Tim Tivis, Pinnacle Training Group

ICBND Educational Opportunities

3/13/2019 — Debit Card Chargebacks: Understanding Mastercard Dispute Resolution
Diana Kern, SHAZAM, Inc.

3/14/2019 — ACH Specialist Series:
2019 ACH Rules Update
Michele L. Barlow, PAR/WACHA

3/19/2019 — Advanced BSA Officer Training: In-Depth Risk Issues & Difficult Situations
Bill Elliott, Young & Associates, Inc.

3/20/2019 — Required Compliance for Commercial Loans Secured by Real Estate
Susan Costonis, Compliance Consulting and Training for Financial Institutions

3/21/2019 — Banking Marijuana-Related Businesses
Dawn Kincaid, Brode Consulting Services, Inc.

3/26/2019 — Credit Analysis & Underwriting Series:
Global Cash Flow Analysis for Underwriters & Credit Analysts
Aaron Lewis, Young & Associates, Inc.

3/27/2019 — Handling Power of Attorney & Living Trust Documents on Deposit Accounts & Loans
Elizabeth Fast, Spencer Fane LLP

3/28/2019 — Board Reporting Series:
Red Flags in Board Reports
Molly Stull, Brode Consulting Services, Inc.

4/2/2019 — UDAAP: Consumer Complaint Monitoring & Avoiding Harm
Dawn Kincaid, Brode Consulting Services, Inc.

4/3/2019 — C-Suite Series:
Enterprise Risk Management: Three Key Risk Assessments
Marcia Malzahn, Malzahn Strategic

4/4/2019 — Mobile Device Risks, Records & Compliance Rules:
Managing Your BYOD & COPE Policies & Procedures
Nancy Flynn, The ePolicy Institute™

4/9/2019 — Teller Training Series:
Accurately Completing the CTR Line-by-Line
Dawn Kincaid, Brode Consulting Services, Inc.

4/11/2019 — Notary Essentials & Legalities
Elizabeth Fast, Spencer Fane LLP

4/15/2019 Monday — ACH Specialist Series:
Liability with ACH Death Notification Entries (DNEs) & Reclamations
Michele L. Barlow, PAR/WACHA

4/16/2019 — Board Reporting Series:
Security Officer Reports to the Board: Fulfilling Your Annual Requirement
Barry Thompson, Thompson Consulting Group, LLC

4/17/2019 — Flood Insurance Compliance for Commercial Lending: Unique Issues & Case Studies
Susan Costonis, Compliance Consulting and Training for Financial Institutions

4/18/2019 — Consumer Collection Series:
Your Borrower Filed Bankruptcy, Now What?
Elizabeth Fast, Spencer Fane LLP

4/22/2019 Monday — Top 20 Questions About Completing the TRID Loan Estimate & Closing Disclosure
Steven Van Beek, Howard & Howard Attorneys PLLC

4/23/2019 — Hacking the Weakest Link: The Role of Staff in Maintaining IT Security
Brian Self, Brian Self Consulting

4/24/2019 — C-Suite Series:
Asset Liability Management Strategies in a Rising Rate Environment
Gary J. Young, Young & Associates, Inc.

4/25/2019 — Advanced Credit & Risk Management in Agricultural Lending
Dr. David Kohl, Virginia Tech

4/30/2019 — Escrow Account Shortages, Surpluses & Deficiencies
Ann Brode-Harner, 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**
Please check the brochure copy to confirm the time.

The **live webinar** option allows you to have **one internet connection from a single computer terminal**. You may have as many people as you like listen and watch from your office computer. Registrants receive a website address and passcode that allows entrance to the seminar. The session will be approximately 90 minutes, including question and answer sessions. Seminar materials, including instructions, passcode, and handouts will be emailed prior to the broadcast. You will need the most-current version of Adobe Reader available free at www.adobe.com.

Can't attend the live webinar? This option provides a recording of the live event, including audio, visuals, and handouts. We even provide the presenter's email address for follow-up questions. You will receive an email with the recorded webinar link, which can be viewed anytime 24/7, beginning 6 business days **after** the webinar. You will also receive instruction on how to download a **free digital copy** of the webinar to your PC, which you may keep and use indefinitely.

The recorded webinar may ONLY be ordered for 6 months following the live webinar. In addition, the download must be completed within 6 months of the live webinar date.

Remember for every 10 live webinar and/or recorded webinar+free digital download you purchase you will get one webinar FREE!

Independent Community Banks of North Dakota

1136 West Divide Avenue
PO Box 6128
Bismarck ND 58506-6128

Phone: 701.258.7121
800.862.0672

info@icbnd.com

www.icbnd.com

ICBND

ICBND Office Hours:

Business Hours
Mon-Fri
8:00am to 5:00pm

ICBND Staff:

Barry D. Haugen
President
barryh@icbnd.com

Wendy J. Ruud
Vice President
wendyr@icbnd.com

Nanci D. Fennern
Office & Marketing Coordinator/*Community Banker* Editor
nancif@icbnd.com or info@icbnd.com

Angie Olson
Director of Card Services
angiet@icbnd.com

Bill Walker
Card Services Coordinator
billw@icbnd.com

Charlene Davis
Card Services Specialist
cardservices@icbnd.com

Lacey Kuhn
ICB Marketing Solutions
Sales & Marketing Manager
laceyk@icbnd.com

Jess Voegele
ICB Marketing Solutions
Office Manager/CSR
purchasing@icbnd.com

2018-2019 ICBND Executive Committee

Chairman
Rick Braaten, American State Bank & Trust Co, Williston
rbraaten@asbt.com
701.774.4100

Chairman Elect
David Mason, First International Bank & Trust, Bismarck
dmason@firstintlbank.com
701.425.8584

Vice Chairman
Chad Aberle,Citizens State Bank of Finley, Finley
caberle@csbfinley.com
701.524.1921

Immediate Past Chairman
Tim Karsky, Choice Financial Group, Bismarck
t.karsky@choicefinancialgroup.com
701.595.2624

Past Chairman
Rick Beall, Peoples State Bank of Velva, Minot
rick@psbvelva.com
701.852.0328

The *Community Banker* can be an effective advertising tool for companies marketing to the financial industry!

For information on how to place an ad in the *Community Banker* contact ICBND at 701.258.7121 or Nanci at info@icbnd.com.

THANK YOU

TO OUR ADVERTISERS:

13 & 18 Bank of North Dakota
34 Bankers Equipment Service
22 Bell Bank
15 Datrue Process Automation
20 First Class Mortgage
24, 25, 27 & 38 ICB Marketing Solutions
34 ICB Services
25 Lewis & Clark Development Group
17 North Dakota Development Fund
20 North Dakota Guaranty & Title
32-33 ND Banks Benefit Trust
17 Wild / CRG
31 Winthrop & Weinstine