

# THE BOTTOM LINE

*Independent and Proud of It.*

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IS KEY TO OUR MISSION

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**ICBSD**

INDEPENDENT COMMUNITY BANKERS  
OF SOUTH DAKOTA



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JULY 18-20, 2024

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# ENGAGING YOUR EMPLOYEES IS KEY TO OUR MISSION

— **Megan Olson**, President & CEO, ICBSD



The ICBSD is driven by our mission to empower independent community banks. I cannot overstate the importance of engaged members for ensuring the continued growth, influence and prosperity of our association and the community banking industry across South Dakota. Active participation from yourselves and your respective teams is absolutely vital to achieve our shared objectives and advance this mission.

One of the biggest assets we have is the combined knowledge, experience and passion of our member banks and their teams. When employees at all levels stay informed about the latest developments, educational opportunities, legislative issues and networking events through our communications, it allows them to get the most value from their association membership.

An engaged workforce that understands the role ICBSD plays in advocacy, education and fostering connections between community bankers enriches our collective efforts. Informed and involved employees contribute fresh ideas, constructive feedback and can take advantage of professional development that ultimately helps your bank and our industry thrive.

I encourage you to make sure your staff's contact information is up-to-date so they receive our quarterly magazine, email updates, training calendars and other important announcements.

Don't worry, we respect your time and inboxes – our communications focus solely on sharing relevant association news and updates on key issues impacting community banking in South Dakota and across the nation.

It's a team effort to advance our mission. By working together and keeping communication channels wide open between the association and your bank team, we can overcome any challenges and continue providing exceptional service to communities across our state.

Updating your contact information is easy! Simply go to [icbsd.com/company-vitals/](https://icbsd.com/company-vitals/) and complete our company vitals form with updated contact information then click send. You can always send me an email too at [megan@icbsd.com](mailto:megan@icbsd.com) and I will gladly update contact details!

As your team grows and changes, please reach out using one of the methods above and we will make sure to update on our end.

I'm grateful for your membership and partnership in strengthening community banking. Thank you!

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SUPPORT THE ICBSD PAC

## PAC 100 CLUB

THE PAC 100 CLUB RECOGNIZES THE INDIVIDUALS WHO HAVE CONTRIBUTED \$100 TO THE ICBSD PAC.

David Johnson, Reliabank Dakota  
 Jan Johnson, Reliabank Dakota  
 Hugh Bartels, Reliabank Dakota  
 Josh Hogue, Reliabank Dakota  
 Jane Swenson, Reliabank Dakota  
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 Bob Smithback, Reliabank Dakota  
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 Bruce Anderson, Farmers State Bank, Canton  
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 Valerie Anderson-Boudaka, Farmers State Bank, Canton  
 Bryan Launderville, Farmers State Bank, Canton  
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Aaron Olson, Farmers State Bank, Turton  
 Mark Troske, Farmers State Bank, Turton  
 Rory Troske, Farmers State Bank, Turton  
 Wayne Board, Farmers State Bank, Turton  
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 Robert Hopkins, CorTrust Bank  
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 Jared Brockmueller, Merchants State Bank  
 Anne Christiansen, Merchants State Bank  
 Kelly Jorgensen, Merchants State Bank  
 Jeff Rehder, Rivers Edge Bank  
 Don Nolan, Rivers Edge Bank  
 Jodi Eich, Rivers Edge Bank  
 Cameron Becker, Rivers Edge Bank  
 Jim Viet, Rivers Edge Bank  
 Paul Richards, Rivers Edge Bank  
 Pete Melhaff, Great Plains Bank  
 Brian Gilbert, National Bank of Sioux Falls  
 Dillon Kjerstad, First National Bank in Philip

THANK YOU TO THE FOLLOWING INDIVIDUALS AND BANKS FOR YOUR SUPPORT!

### ABOUT PAC

The ICBSD Political Action Committee helps provide South Dakota community banks with a strong, united voice in Pierre. Your participation in the PAC helps ensure we have a seat at the table when issues affecting community banking are being discussed in the state capitol.

### GET INVOLVED

Thank you in advance for your support of the ICBSD PAC. To make a contribution or to learn more, email Megan at Megan@ICBSD.com. Checks can be mailed to: ICBSD PAC PO Box 615 Watertown, SD 57201.

## CENTURY CLUB

THE CENTURY CLUB RECOGNIZES COMMUNITY BANKS WHOSE ENTIRE BOARD OF DIRECTORS HAVE DONATED \$100 TO THE ICBSD PAC.

Reliabank Dakota  
 Farmers State Bank, Canton  
 First State Bank of Roscoe  
 CortTrust Bank

Farmers State Bank, Turton  
 Merchants State Bank, Freeman  
 Rivers Edge Bank

## GUARDIAN CLUB

THE GUARDIAN CLUB RECOGNIZES COMMUNITY BANKS WHOSE ENTIRE BANK STAFF HAS DONATED \$100 TO THE ICBSD PAC.

First State Bank of Roscoe

## Flourish LEADING AMID CHANGE

— **Rebeca Romero Rainey**, President & CEO, ICBA



The mere mention of change can send pulses racing and blood pressure rising. But while change can be hard, it's unavoidable, and it's only going to continue to accelerate in our evolving marketplace.

To address it, we have rooted ourselves in strategy, which ensures that each time we consider a new product, policy or procedure, we explore the reason behind it. Why do we need this change? Why is this shift necessary?

Consistently reminding ourselves of why we are transforming helps us remain successful in navigating the next steps. That constant focus on the reasoning behind the action ensures we continue on the right path.

As leaders, we must be ever confident in that journey. Whether we are deploying a new digital

solution, introducing process efficiencies that shift staff dynamics, realigning departments within our banks or considering a host of other possible developments, we must start with a clear focus on customer and employee impact to drive next steps and convey certainty in our decisions.

In addition, we must lead with full transparency. We need our teams and customers to trust this new direction but, even more, to trust us as leaders to guide it. By sharing what we know to be true, we build faith in our leadership. We will bring our teams and customers along with us, supporting them not just in the theory of change but in navigating the logistics of that shift.

Lessons in change management reiterate that to be successful, leaders must work beyond the change itself, addressing the emotions associated with it. To

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“Change may feel insurmountable —something to be avoided, as opposed to embraced — and we need to keep that perspective in mind as we take steps toward the future of our banks.”

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some community bank customers and employees, change may feel insurmountable—something to be avoided, as opposed to embraced—and we need to keep that perspective in mind as we take steps toward the future of our banks.

So, in a landscape where change is the norm, rest assured that ICBA remains a steadfast partner in helping you formulate your next steps. We're here to help, whether it's through our advocacy efforts in supporting smart, effective change; our trainings that help your teams expand their knowledge; or our innovation efforts that identify new potential partners and solutions.

Your peers can also be a tremendous resource, and we encourage you to connect with one another in our online ICBA Community.

By working together, we can normalize change, ensuring that as we collectively grow, evolve and adapt as community banks, we continue to flourish. Because, when done right, the only four-letter word that change evokes is “lead,” and leaders we will continue to be.

#### WHERE I'LL BE THIS MONTH

I'll be attending ICBA Services Network board meetings and speaking at the Tennessee Bankers Association Annual Meeting.



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# Strengthening Our Legislative Influence: THE ICBSD PAC

— **Josh Hogue**, Chairman of ICBSD & ICBA Federal Delegate,  
President, Reliabank Dakota



We all know how integral our local banks are to the financial well-being of South Dakotans. Your steadfast dedication to serving our communities is truly commendable and sets us apart. It's this solid commitment that makes us more than just financial institutions – we're woven into the fabric of the towns and cities we call home.

However, to ensure our voices are heard and our interests are protected, we must actively engage in the legislative process. This is where the Independent Community Bankers of South Dakota's Political Action Committee (ICBSD PAC) plays a vital role.

The ICBSD PAC gives us a seat at the table in Pierre, allowing us to advocate for policies and regulations that support the growth and success of our community banks. By contributing to the PAC, we can collectively amplify our voices and influence decisions that impact our industry and the communities we serve.

With an election year upon us, ensuring a strong presence in Pierre is crucial. That's why I'd like to echo Megan's recent call for your support and urge you to get involved in the ICBSD PAC in one of three ways:

## 1 PAC 100 CLUB

Join the PAC 100 Club by contributing \$100 as an individual. Every contribution, no matter the size, makes a difference.

## 2 CENTURY CLUB

Lead your bank to become a Century Club member by ensuring your entire board of directors contributes \$100 each. A united front speaks volumes.

## 3 GUARDIAN CLUB

Achieve Guardian Club status when every member of your bank staff contributes \$100 to the PAC. Strength lies in numbers, and your staff's support is invaluable.

If you're willing to support our cause, we kindly ask that you mail your contribution to: ICBSD PAC, PO Box 615 Watertown, SD 57201. Your generosity will go a long way in amplifying the voice of South Dakota's community banks.

Another great way to support the ICBSD PAC is by attending the 2024 Black Hills Retreat on July 18-20, 2024, at Cadillac Jack's in Deadwood. Not only will proceeds from the retreat benefit the PAC, but it's also an excellent opportunity to connect with fellow bankers, attend engaging education sessions, and explore the rich culture and history of the Black Hills with your family. Visit [ICBSD.com/black-hills-retreat](https://www.icbsd.com/black-hills-retreat) for more details and to register.

Thank you for your consideration and support of the ICBSD PAC!

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"The ICBSD PAC gives us a seat at the table in Pierre, allowing us to advocate for policies and regulations that support the growth and success of our community banks."

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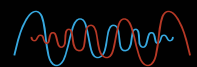


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## From the Top

# STEPPING UP TO LEAD IN TODAY'S ENVIRONMENT

— **Derek B. Williams**, Immediate Past Chairman, ICBA, President & CEO, Century Bank & Trust, Milledgeville, GA



Throughout his banking career, my dad had a standard saying that became a regular refrain: “If you need a quick answer, it’s no.” Even though he worked to get to a “yes” more often than a “no,” his point was that if you don’t have time to thoughtfully consider options, then the project doesn’t need to move forward.

It strikes me that this serves as excellent advice today. With so much competing for our attention, banking has become increasingly fast-paced. From the heightened speed of the digital environment to the immediacy expected by our customers, there’s a sense of urgency around every decision.

But to be good leaders, we have to hit pause. We can’t just react to the world around us. Instead, we must consider all angles of a scenario. For instance, I learned early on that when someone says, “We have a major problem,” there’s another side to the story. As a leader, you can’t rush to judgement; you have to investigate and address the issue from a broader vantage point—and that applies to everything from technology decisions and staffing to loan approvals and beyond. Slowing down and considering a challenge or opportunity from multiple angles will benefit you and give you a broader outlook.

That bigger picture is part of our calling. As community bankers, we’re set up to lead—not just in our communities but in the larger financial services industry. Being a leader for community banking means you care about the industry beyond just your shareholders, your bank and your job. You care about all community banks.

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“Being a leader for community banking means you care about the industry beyond just your shareholders, your bank and your job. You care about all community banks.”

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That sense of union has driven our advocacy efforts, which have emerged as a central requirement of today’s community bank leader, because they are critical to maintaining our business model. With increasing pressure from regulators, legislators and industry, if we don’t advocate for ourselves, we will be lost. That’s where ICBA steps in to support us, ensuring we have the knowledge we need to be successful and the connected voices to make an impact for the whole community banking industry.

So, as you read this month’s issue and evaluate your leadership style, consider how you can get involved in championing our industry. Community banking is more than just a job; it is a way of life. When we step up, we are advocating not for what we have today but for what it will transform into, and ways to preserve the industry for the future. And in that essential work, we can’t take no for an answer.

### LEADERS I’D LIKE TO MEET

1. **Socrates:** *I was a philosophy major in college.*
2. **Lorenzo de’ Medici:** *He was a banking and Renaissance visionary.*
3. **Abraham Lincoln:** *It would be good to have his perspective in today’s landscape.*



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# PLAY BALL!

## National pastime gives us some portfolio management guidance.

— **Jim Reber**, President & CEO, ICBA Securities, an ICBSD Preferred Partner



As we're getting into the warmer months, it's reassuring that baseball season is well underway. Your correspondent confesses a deep and abiding passion for the sport. While I've been only partially successful in getting my wife engaged in watching live baseball, she has gamely accompanied me to over two dozen major league stadiums. Nothing says "springtime" to me quite like the crack of a wooden bat on horsehide, and the roar of a crowd. Might I add a beer and a hot dog?

It occurs to me that with a little thought there may be some parallels between our national pastime and community banking. Follow along as we see what lessons we might glean from the grand old game. And don't buy what Yogi Berra asked: "Who can think and play baseball at the same time?"

### BUNT

This strategy is something of a lost art in this era of home run hysteria. It's intentionally tapping a pitch very softly in front of the plate in hopes of reaching base safely before the defense can react. The ball doesn't travel very far, but it can be very effective. For a portfolio manager in 2024, it can mean a money-market instrument that matures in less than a year. Lately, three-month t-bills out-yield everything on the treasury curve, including the 30-year bond.

### DOUBLE

The ultimate goal of bond portfolio managers. I've had many astute bankers tell me that they're not trying to maximize yield from their securities collection. They'd much rather have great liquidity and modest price volatility, and they'll leave

the riskiness to the loan portfolio. A two-base hit automatically puts the portfolio in scoring position.

### RELIEF PITCHER

When the starting pitcher is beginning to tire out (which these days is more like the fifth inning versus the eighth), a quick fix can often be found by bringing in a fresh arm from the bullpen. For a community bank's balance sheet which suddenly has some interest rate exposure, whether due to a shock in rates, a surge in certain types of credit products, or a shift in deposit makeup, a quick fix can often be found by executing an interest rate swap. A bank can efficiently increase or decrease rate sensitivity as needed, on virtually any segment of the balance sheet.

### UMPIRE

The Federal Reserve. The various branches and broad powers of our central bank can in some ways dictate the tenor and the flow of the whole financial services industry. As a regulator, it acts as the arbiter of balls and strikes, whether a batted ball is foul or fair, and whether a baserunner is safe or out. As the setter of monetary policy, it determines the ground rules that govern play.

### STOLEN BASE

This is akin to a tax swap. A runner advancing one base after the pitcher begins his delivery puts the player 90 feet closer to scoring a run, assuming he beats the throw from the catcher. A tax swap is a strategy in which an investor sells a bond, any bond, at a loss, and reinvests the proceeds into a tax-free muni. The loss on sale is recorded at the net-of-tax number; the earnings on the new bond are 100% tax



free. This built-in head start helps to advance your earnings closer to home plate. Even better: while “stolen” has a pejorative tone, a tax swap is totally within the rules of the game.

### SQUEEZE PLAY

This combines several of the tactics already mentioned in this column. The batter will attempt a bunt simultaneously with a runner attempting a steal of home. If the ball is successfully put in play by the hitter, the run scores, and hitter is credited with a run batted in. For a community bank, its corollary is a leverage transaction. An institution with adequate capital can purchase assets simultaneously with adding the related debt that result in higher earnings, an acceptable risk profile, and improved return on equity. Just like baseball’s squeeze play, a lot of care must be exercised to improve the chances of this strategy having an ideal outcome. And finally...

### THE LONG BALL

This is not a recommendation! The long ball, a.k.a. the home run, is the single most game-changing play in the sport. Home runs win games, home run hitters are revered, and home run kings have fat contracts. Lost in the glory is that many of the long ball hitters strike out frequently. If a community bank wants to ramp up its returns by increasing its risk, either by buying long durations, uncertain cash flows, or marginal credit quality, it can expect some swings-and-misses. As Ernest Lawrence Thayer wrote back in 1888: “...there is no joy in Mudville—mighty Casey has struck out.”

Batter up!

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“For An institution with adequate capital can purchase assets simultaneously with adding the related debt that result in higher earnings, an acceptable risk profile, and improved return on equity.”

— Jim Reber

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### VIRTUAL BOND SCHOOL

ICBA Securities and its exclusive broker Stifel will present a three-part bond academy June 11-13 from approximately 1:00 until 4:00 p.m. Eastern. This bond basics curriculum will offer up to nine hours of CPE. The program is complimentary. To register, visit [icbasecurities.com](http://icbasecurities.com).

*Jim Reber (jreber@icbasecurities.com) is president and CEO of ICBA Securities, ICBA’s institutional, fixed-income broker-dealer for community banks.*

# Innovation Station

## SETTING THE STAGE FOR BANKING THE NEXT GENERATION

— **Charles E. Potts**, ICBA Executive Vice President & Chief Innovation Officer



In recent years, community bankers have embraced constant change to drive the future of banking. As you follow your innovation journeys, you also are leaning into a cycle of continuous improvement: hiring, recruiting, building products and offering solutions on an ongoing basis. The start-and-stop approach of the past has given way to an approach that's more fluid and responsive to today's needs.

Part of that decisioning stems from the pace of technology in today's landscape, but it also grows out of the fact that the needs and attributes of customers and staff themselves are ever-changing. Remember when preparing for millennials was our primary focus? The oldest members of that cohort are now in their 40s, with elder Gen Z already in their mid- to late 20s. If that isn't indicative of how much change is happening at all times, nothing is.

### GENERATIONAL EVOLUTION

We're really getting at the important business concept of generational evolution, where preparing for the next generation develops into a continuous, cyclical flow. For instance, if you're going to invest in a banking product for teenagers, you have to consider what happens when those customers aren't teenagers anymore. Or, if you put an emphasis on a banking product for seniors, what happens when you have fewer senior citizen accounts? You must factor in the generational evolution of your customers, not just build point-in-time solutions.

To that point, next-generation customers may never step foot in a branch. While people of my generation are digital migrants having moved into a digital space, Gen Z comprises digital natives who have never known anything but digital-first

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**"We're really getting at the important business concept of generational evolution, where preparing for the next generation develops into a continuous, cyclical flow."**

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solutions. This leads to a profound generational and cultural difference in how Gen Z views acquiring services of all kinds: their expectations start with digital and self-service. While they will still seek the high-touch support of community banks, that digital banking experience becomes the entry point to banking for this generation.

### DESIGNING NEXT-GENERATION BANKING

As community banks continue to advance on this intergenerational path, start with your current and target customers. Talking to them and getting their perspectives on how they acquire and consume banking services can provide the insights necessary for what's next. The more you talk to them, the better you can anticipate their continuous evolution so you can effectively position your bank to reflect the customers you are trying to grow and nurture.

With that in mind, I hope you'll peruse this month's leadership issue and the 40 Under 40 feature with an eye toward building for the future. Because while change is constant, it also provides an opportunity to strengthen your standing in your community with customers of all generations. And ultimately, isn't that focus on the customer what it means to be a true community banking leader?



# THE BIDEN REGULATORY ONSLAUGHT CONTINUES

— **Senator John Thune** (R-S.D.)

With Democrats in control of the White House and the U.S. Senate, much of my efforts lately are focused on stopping the dangerous Biden-Schumer agenda in Congress. However, the Biden administration has abused the power of regulation to enact a slew of bad policies without a single vote in Congress. All of those executive actions bear costs and consequences for our country and for the American people. A recent spate of regulations has brought the total cost of the Biden administration's new rules to a whopping \$1.47 trillion, which will be felt by workers and families across the country.

One of the areas where the Biden administration has been most prolific with new regulations is in the energy sector. For example, the president's new power plant rule would force electric generation facilities to spend millions of dollars on carbon capture systems or be forced to close, while adding significant cost burdens for new natural gas-fired power plants. The so-called "Good Neighbor" rule would also drive up the cost of producing energy and manufacturing by imposing onerous emissions standards, likely resulting in a less reliable energy supply. And there's the president's inexplicable decision to pause permits for liquefied natural gas exports at a time when our allies depend on American natural gas.

At the same time, President Biden is pushing costly environmental regulations on the American people. There was his now-dashed attempt to revive the Obama administration's Waters of the United States (WOTUS) rule that would have forced farmers, ranchers, and private landowners to spend tens or hundreds of thousands of dollars on environmental strictures on their land. Now he's pushing a tailpipe emissions rule that is an effective mandate for more expensive electric vehicles. And new requirements

on certain federally connected homes will add an estimated \$7,000 to the cost of construction.

The Biden regulatory regime also extends the heavy hand of government to job creators. Take for example the new overtime rule, which imposes a 65 percent hike in the overtime exemption threshold. Small businesses are likely to face the difficult choice of raising prices, reducing the number positions, or lowering workers' pay. I don't see any of those as good for workers, customers, or business owners.

Unsurprisingly, a number of regulations coming out of Washington demonstrate a lack of understanding about life in places like South Dakota. WOTUS was simply unworkable and unreasonable for farmers and ranchers. South Dakotans aren't eager to switch to electric vehicles, especially with our harsh winters and the demands we put on our cars and trucks. And last year, the Biden administration tried to prevent hunting and archery education programs from receiving federal funding. Thanks to congressional action, that regulation was stopped, but the fact that it was proposed at all is emblematic of Washington bureaucrats' overreach and their lack of understanding of our way life.

The Biden administration has not been shy about using its regulatory power. The sticker shock of \$1.47 trillion in regulatory costs is a lot, but it's even worse when you consider that President Trump had actually reduced regulatory costs at this point in his administration. Even compared to President Obama, President Biden's regulations cost almost five times as much. I shudder to consider how many more costly regulations the Biden administration is dreaming up for the future.

# FOLLOWING HISTORIC AI INSIGHT FORUMS OVER THE PAST YEAR, SENATOR ROUNDS, LEADER SCHUMER, SENATORS HEINRICH & YOUNG REVEAL BIPARTISAN ROADMAP FOR ARTIFICIAL INTELLIGENCE POLICY IN THE UNITED STATES SENATE



— **Senator Mike Rounds** (R-S.D.)

The Bipartisan Senate AI Working Group comprised of Senator Mike Rounds (R-S.D.), Majority Leader Charles Schumer (D-N.Y.), Senator Martin Heinrich (D-N.M.) and Senator Todd Young (R-Ind.) today released a roadmap for artificial intelligence policy in the United States Senate. A one-pager detailing the roadmap can be found at [rounds.senate.gov/imo/media/doc/ai\\_roadmap.pdf](https://rounds.senate.gov/imo/media/doc/ai_roadmap.pdf)

Today, after months of discussion, hundreds of stakeholder meetings, and nine first-of-their-kind, all-Senator AI Insight Forums, the Bipartisan Senate AI Working Group comprised of Senator Mike Rounds (R-S.D.), Majority Leader Charles Schumer (D-N.Y.), Senator Martin Heinrich (D-N.M.) and Senator Todd Young (R-Ind.) released an AI policy roadmap that summarizes their findings and lays out policy topics that the group believes merit bipartisan committee consideration in the 118th Congress and beyond.

“Artificial intelligence is already changing our world as we know it,” said Rounds. “After hosting nine AI Insight Forums to educate ourselves and our colleagues, we have created a first-of-its-kind AI roadmap highlighting specific topics we believe Congress should address. This roadmap to the future of AI sets the stage as we seek to harness its power to bring greater prosperity to the American people while also mitigating

potential long-term risks. I look forward to seeing how my colleagues use their policy expertise in each committee to address these issues through regular order. We have a real opportunity to shape its future, and we need to embrace this challenge with open arms.”

No technology offers more promise to our modern world than artificial intelligence. But AI also presents a host of new policy challenges. Harnessing the potential of AI demands an all-hands-on-deck approach and that’s exactly what our bipartisan AI working group has been leading,” said Schumer. “After talking to advocates, critics, academics, labor groups, civil rights leaders, stakeholders, developers, and more, our working group was able to identify key areas of policy that have bipartisan consensus. Now, the work continues with our Committees, Chairmen, and Ranking Members to develop and advance legislation with urgency and humility.”

“In the midst of rapid AI advancements, the Senate can lead or be led. We plan to lead, to deliver for the American people, helping ensure that AI comes as a benefit to society, not a threat,” said Heinrich. “This roadmap positions us to unlock AI innovation that will deliver major scientific and medical advancements and help maintain our global leadership. Most importantly,



the roadmap lays out the guardrails necessary to mitigate the risks of AI — from blocking corporations from trying to use American’s data against them, to safeguarding the work of creative professionals and protecting workers’ jobs by preventing the automation of tasks that only should be done by humans. Now it’s time for the Senate to act on these recommendations.”

“The rapid pace of AI innovation brought this bipartisan working group together to consider how policymakers can ensure the incredible and promising aspects of AI are able to flourish while guarding against its risks,” said Young. “This roadmap represents the most comprehensive and impactful bipartisan recommendations on artificial intelligence ever issued by the legislative branch. Our goal is to ensure the United States maintains its leadership in AI innovation, enabling the American people to reap the substantial national security, economic, and societal benefits of an AI-driven future.”

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“After hosting nine AI Insight Forums to educate ourselves and our colleagues, we have created a first-of-its-kind AI roadmap highlighting specific topics we believe Congress should address.”

— *Senator Mike Rounds*

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This AI policy roadmap summarizes the findings of the bipartisan working group and highlights policy topics that the group believes merit bipartisan consideration in the Senate in the 118th Congress and beyond. Ultimately, it is the hope of this group that this roadmap helps to inform consideration of bipartisan AI legislation that maintains U.S. leadership on innovation, promotes safety and accountability in AI and makes certain all Americans benefit from the opportunities created by AI.



## Save the Date!

### **ICBA LEAD FWD Summit**

Hyatt Regency  
Milwaukee, WI

Sept. 9-10, 2024

*Registration opens soon!*

[icba.org/leadfwd](https://icba.org/leadfwd)

# Banking & Baseball: THE PLANKINTON F&M BANKERS

FARMERS AND MERCHANTS STATE BANK

In the small town of Plankinton, South Dakota, baseball is more than just a game - it's a community tradition deeply rooted in the heart of Farmers and Merchants State Bank. For over four decades, the bank has been the driving force behind the local amateur baseball team, the Plankinton F&M Bankers, fostering a sense of camaraderie and pride that extends far beyond the diamond.

The Bankers' origin can be traced back to 1982 when the bank's beloved president at the time, Hershell Page, a fervent baseball enthusiast, decided to sponsor the team. Showing his commitment, Hershell provided equipment, uniforms, and a heartbeat to the squad, and hardly ever missed a game until the remarkable age of 90.

"Hershell Page loved baseball," recalls Ron Kristensen, former President of the bank and a player himself from 1982 - 1996 (ish). "It meant a lot to us that he sponsored the team's equipment and uniforms, and his presence at every game was a constant source of inspiration. In 2018, he even got to throw the first pitch at the State Amateur Baseball tournament in Sioux Falls."

In the early days of the team, players from surrounding towns flocked to join the Bankers, creating a melting pot of talent and a deep sense of community. As the team's reputation grew, so did its connection to the bank, with many players choosing to bank with Farmers and Merchants State Bank – a savvy marketing strategy that was a byproduct of strong friendships with the players who lived outside of Plankinton.



The Bankers' journey has been a rollercoaster ride throughout the decades, with ebbs and flows that brought winning seasons and seasons of learning and improving. Chris Hill, a player for several years and team manager from 2002 - 2022, remembers the lean years of the early 2000s, when poor seasons threatened to dampen spirits. With the re-opening of Aurora Plains Academy (known as the State Training School before) in 2007, several people came back to live and work in their hometown of Plankinton. A large handful of them joined the Bankers baseball team in the next few years.

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In 2011, fueled by a new wave of local talent, a strong winning streak began, with the Bankers capturing an astonishing EIGHT district championships over the next decade.

"It's about more than just winning," says Chris, however. "It's about the friendships, bringing our families and kids together, the commitment to the game, and the unwavering support of our community."

That support has manifested in numerous ways, from the raucous crowds that pack Hubie Dunn Field in Plankinton to the fundraisers that have become cherished community events. Highlights over the decades include the Kyle & Company and Rick Larsen band performances, and a Purple vs. Gold game in 2020 that provided a bit of fun and fundraising in the thick of the Covid-19 pandemic, where area business people and former Banker players even got to take a crack at the bat in between innings.

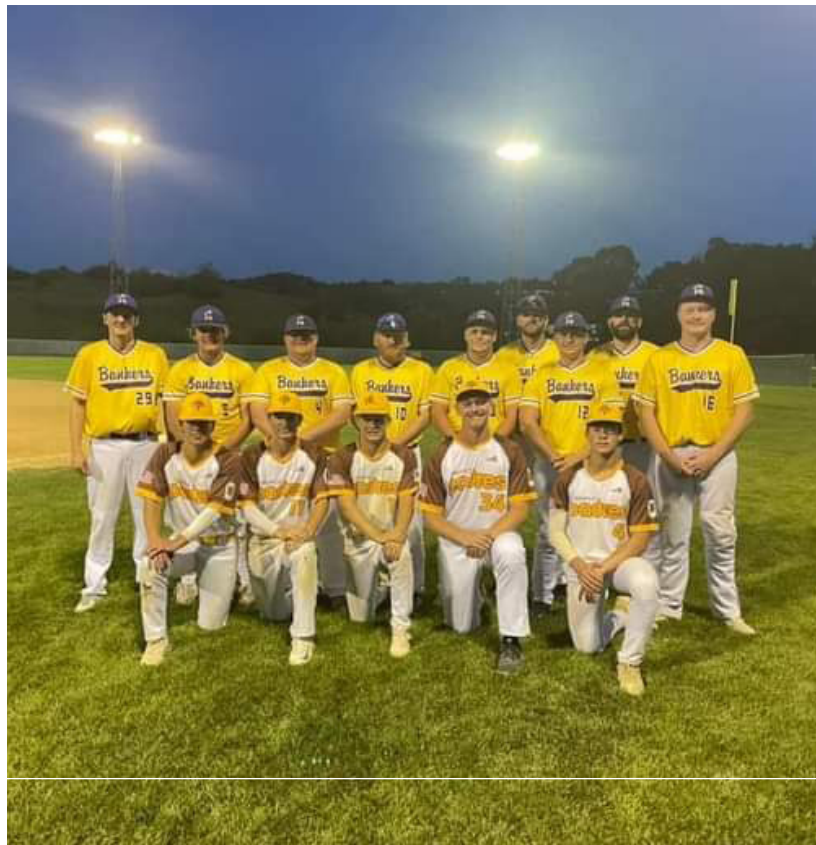
The 2023 season last year brought in a new wave of younger players, as the "seasoned" ones hung up their uniforms to join the crowd of supporters. That was the same year that Chris Hill passed the team manager torch to his younger brother, Marcus Hill. Naturally,

with a large crop of younger players, there is a learning curve, but the only place they can go is up as they improve their craft and skills in the upcoming years.

This 2024 season, a new generation of players are already adding their names to the Bankers' storied history. One thing remains constant: the steadfast backing of Farmers and Merchants State Bank, a pillar of the Plankinton community that understands the value of investing in more than just finances – but in the very fabric of the town.

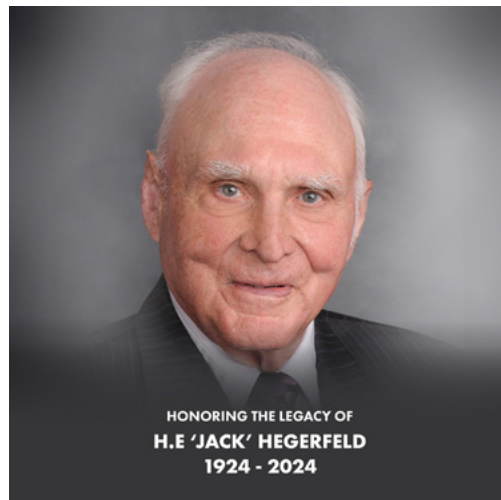
"Our overall goal every year is to make it to the state tournament," Chris says. "But win or lose, we know that the real victory lies in the memories we create with our teammates, friends, and families, and the bonds we forge, both on and off the field."

With a small-town tradition that spans generations, the Bankers stand as a testament to the power of community and the spirit of America's pastime. And at the heart of it all, Farmers and Merchants State Bank beats steadily, a driving force behind a team that has become an indelible part of Plankinton's identity.



# REMEMBER

## H.E. "Jack" Hegerfeld



South Dakota community banking lost a pioneer, patriot and, above all, a friend. We honor and remember our dear friend H.E. "Jack" Hegerfeld.

Harold Elroy (Jack) Hegerfeld was born on November 13, 1924, on a farm NW of Elkton to Fred and Anna Hegerfeld, and passed away at home with his family at his side on April 16, 2024.

By the way, a little known fact about that nickname "Jack"-it seems that the hired man always called him Jack because he was as stubborn as a jackass! We, his children, are not surprised!

After graduating high school he spent two years in the U.S. Navy, returning to Elkton to farm and eventually join the Corn Exchange Bank, which formally became BankStar Financial in 2001. He worked from 1950 to the present, though he officially retired in 1998.

On September 25, 1950, he married Genevieve Ann Hurney. They had six children, Anna Marie (Hartman) Erickson, Frederick (Laura) Hegerfeld, Mary (Tim) Harvey, Sue (John) Davis, Charles (Toni) Hegerfeld and Pat Hegerfeld and friend Alan Kovanda.

Jack was a life-long member of the Glen Stafford Post 198 of the American Legion, Elkton Community Club, Elkton Volunteer Fire Department and was instrumental in the founding of the Elkton ambulance service. He loved serving and supporting the Elkton Community.

He also enjoyed hunting and fishing with his friends and family and especially those special trips to Alaska to fish with Sue and John and trips to Devils Lake, ND. Jack and G'Ann enjoyed gardening, canning and sharing their bounty with family and friends. Like it or not, it was hard to share a meal with the Hegerfelds without sauerkraut or rye bread.

Jack is lovingly remembered by his children, 19 grandchildren, and 27 great-grandchildren, as well as his special family of in-laws, the Hurney kids, and extended family. He was preceded in death by his parents, wife Genevieve (G'Ann), his siblings Lambert Hegerfeld, Margaret Speers, Arlene Fischer, Marvin Hegerfeld, and great grand-daughter Kate Sawyer Fairbanks.

His family was designated as a Gold Star family due to the death of his brother Lambert in WWII. Jack was severely injured in military training and spent eight months recovering in a military hospital burn unit. Jack was the last living member of his immediate family.



# 2024 ICBA Education Seminars, Institutes, Forums and Conferences

## JUNE

- 4-6 & 11-13: Compliance Institute (Virtual)
- 6: NEW - Bank Credit Portfolio Management for Senior Managers Seminar (Virtual)
- 6: NEW - Credit Portfolio Management for Bankers Seminar (Virtual)
- 12: Analyzing Your Bank's Financial Statement Seminar (Virtual)
- 13: Commercial Real Estate Lending Seminar (Virtual)
- TBD: Risk Management Institute (In-person, TBD)

## JULY

- 30-31: Vendor Management Seminar (Virtual)
- 31: Agricultural Credit Analysis Seminar (Virtual)

## AUGUST

- 1: Identifying and Addressing Distressed Loans Seminar (Virtual)
- 6-8: BSA/AML Institute (Virtual)
- 6-8: Community Bank Human Resources Seminar (In-person, Bloomington, MN)
- 11-14: Credit Analyst Institute (In-person, Dallas, TX)
- 18-23: Commercial Lending Institute (In-person, Bloomington, MN)
- 27-29: Bank Security Institute (In-person, Bloomington, MN)
- TBD: CFO Forum (In-person, TBD)

## SEPTEMBER

- 8-13: Audit Institute (In-person, Bloomington, MN)
- 17-19: Marketing Seminar (In-person, Bloomington, MN)
- 17-19: Advanced IT Seminar (Virtual)
- 23-26: Annual Current Issues Certification Conference (In-person, Nashville, TN)
- 24-26: Consumer Lending Institute (Virtual)
- 29-October 3: IT Institute (In-person, Dallas, TX)

## OCTOBER

- 1-2: Auditing IT General Controls Seminar (Virtual)
- 6-11: Compliance Institute (In-person, Bloomington, MN)
- 21-24: Annual Current Issues Certification Conference (Virtual)

## NOVEMBER

- 5-7: BSA/AML Institute (In-person, Dallas, TX)

**Dates and locations are subject to change. Registration for the 2024 events will be open soon. Watch the [icba.org](https://www.icba.org) website for more!**

**Plan Your 2024 Training NOW!**

For more detailed information call ICBA Education at 800-422-7285



# Is your community bank skilled up?

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Cindy is the voice on the other end of the phone when bankers call about ICBA Education's bank director program, webinars, and other educational offerings. She takes the time to talk through bankers' professional goals, next steps, and ICBA's available options (all at a discount to members).

In the evenings and on the weekends, she can be found on her 150-acre farm in Central Minnesota or spending time with family and friends visiting and supporting our community.

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**[icba.org/education](https://icba.org/education)**



**ICBA**  
Education



## MEET ADAM LAMPRECHT – A Community Banking Professional



Originally from the small town of Newcastle, Nebraska, Adam's path led him to a career in community banking after he earned his degree in business administration with a concentration in accounting from Wayne State College in 2008.

He started his journey in the banking world at the Sioux City courthouse before moving to Sioux Falls in 2009, where he began working as a personal banker at The First National Bank in Sioux Falls. He spent four years as a customer relationship manager and personal banker before transitioning to his current role at The Advantage Network, which operates within First National Bank, more than 11 years ago.





As the chargeback and adjustments specialist at The Advantage Network, Adam processes checkcard disputes and handles fraud mitigation. He's seen a lot of changes over the years.

"The dispute process has really improved, leading to higher success rates," he notes. "Fraud mitigation has also improved tremendously from what it was 11 years ago. The chip card has helped drop counterfeit card fraud, where hackers used to steal the card information and put them on blank cards. Now, fraud has largely transitioned to online and e-commerce fraud, as the chips are much more difficult to recreate."

Education is key when it comes to preventing fraud, according to Adam. "The best line of defense is an educated cardholder. Check your accounts often, set up alerts, and take advantage of tools like SecurLOCK and consumer alerts that can detect potential fraud."

His role involves not just disputes, but all aspects of card processing — taking calls from member institutions, opening tickets, billing, and more.

For Adam Lamprecht, the importance of community banking can't be overstated. "At a community bank, you're not just a number. They know you and are a part of your life. It's all about relationships and being hands-on."

Many community banks, such as First National Bank, even offer specialty cards where a portion of every transaction goes back to support local schools.

When he's not at the bank, you might find Adam throwing darts — something he's done locally for a decade. He also has a longtime hobby of drag racing with his dad and family, a tradition more than 20 years in the making.

A true community banking professional, Adam Lamprecht is committed to helping financial institutions serve and protect their customers.



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"Fraud mitigation has also improved tremendously since 11 years ago. The chip card has really helped drop counterfeit card fraud where hackers used to get the numbers and put them on blank cards."

— Adam Lamprecht

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## State Banks and Interstate Lending: THE PLAYING FIELD COULD BECOME UNEVEN

– **Charles Gullickson**, Davenport Evans, an ICBSD Preferred Partner



When it comes to interstate lending, bankers have long known that their banks have the ability to “export” their home state usury rates to borrowers across the country regardless of the borrowers’ home state usury limitations. When making loans to borrowers across state lines, a banker simply needs to worry about whether the interest rate is permissible under the laws of the bank’s home state. Lesser known perhaps is that different statutes create this ability for national banks and state banks, and they are distinct in one crucial aspect.

For national banks, the ability to export home state usury rates is found in Section 85 of the National Bank Act (codified at 12 U.S.C. § 85), while for state banks the exportation provision flows from the Depository Institutions Deregulation and Monetary Control Act (“DIDMCA”) enacted by Congress in 1980 (the key provision of DIDMCA for state banks is codified at 12 U.S.C. § 1831d). What distinguishes the relevant provisions of DIDMCA is that Section 525 of the Act allows states to opt out of the DIDMCA interest rate exportation provisions while Section 85 of the National Bank Act does not give a state any ability to opt out of the National Bank Act provisions.

Sections 521-523 of DIDMCA grant state-chartered banks the same power as national banks under Section 85 of the National Bank Act. As the preamble to Section 521 states, “to prevent discrimination against State-chartered insured depository institutions,” it was Congress’s intent to level the playing field between state-chartered and national banks with respect to usury laws. Section 525 of DIDMCA, however, allows for a state to opt out of the provisions in Sections 521-523. An opt-out

under DIDMCA precludes a chartered bank in an opt-out state from exporting their home interest rate to other states. When a state chooses to opt out, the opt out only applies to loans made in that state.

In 2023 Colorado passed and signed into law Colorado HB 23-1229. This law, to take effect July 1, 2024, will exercise Colorado’s right under Section 525 of DIDMCA to opt out of Sections 521-523. However, Colorado seeks to expand the definition of where a loan is made to also include the state where the borrower is physically located when entering into the transaction. This definition would subject state-chartered banks across the nation to Colorado’s usury laws when making a loan to a Colorado resident. Colorado asserts the law will apply to not only Colorado chartered banks but also to state banks chartered in other states as well.

The National Association of Industrial Bankers, American Financial Services Association, and American Fintech Council (collectively, “Trade Associations”) filed a complaint in the United States District Court for the District of Colorado challenging Colorado’s opt out legislation and its expansive interpretation of where a loan is made. Under previously established federal law, a loan is made only in a state other than the state where the bank is chartered when all the key functions associated with originating the loan occur in that other state. These key functions include the bank’s decision to lend, communication of the loan approval decision, and disbursal of loan proceeds, all of which typically occur where the bank is located. Under this interpretation, only Colorado’s state-charted banks would be subject to Colorado’s usury laws, unless

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“When making loans to borrowers across state lines, a banker simply needs to worry about whether the interest rate is permissible under the laws of the bank’s home state.”

— Charles Gullickson

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the key functions test was satisfied in Colorado by an out-of-state bank.

In the litigation filed by the Trade Associations challenging the Colorado legislation, the FDIC filed an amicus or “friend of the court” brief in support of the legislation enacted in Colorado. The FDIC, contrary to any previously established regulation or opinion letter, has sided with Colorado’s interpretation of where a loan is made for purposes of Section 525 of DIDMCA. The FDIC has previously taken the position that state-chartered banks are able to export the interest rate from the bank’s location for purposes of Section 521. Contrary to this, in its brief the FDIC now asserts, for purposes of Section 525, that a loan is made both in the state where the bank is located and where the borrower is physically located. In its brief the FDIC essentially backpedaled from a legal opinion issued by the FDIC in 1998 (often referred to as General Counsel’s Opinion No. 11) which broadly interpreted DIDMCA to make a state bank’s ability to export its home state usury rates precisely track the ability of national banks.

If the Colorado and FDIC interpretations are adopted, all state-chartered banks would be subject to Colorado’s usury laws when lending to Colorado residents. If other states adopt similar legislation, this would require state-chartered banks to comply with numerous inconsistent state laws. The Trade Associations, in their pending litigation, argue this would violate the Commerce Clause of the U.S. Constitution. They argue Colorado’s and the FDIC’s interpretation impedes the flow of interstate commerce by creating a significant burden on banks to comply with the varying usury laws across

the states. Additionally, state-chartered banks will have the same competitive disadvantage to national banks they faced prior to the enactment of DIDMCA—exactly what the statute sought to prevent.

National banks have the freedom to disregard the Colorado opt-out legislation because states do not have the ability to opt out of the federal statute that creates the exportation doctrine for national banks. On the other hand, state banks do not have the same luxury to ignore the Colorado legislation when making loans to Colorado residents. Because of the Colorado opt-out legislation applies to any loans made to a Colorado resident, regardless of where the bank lender is located, state banks do need to pay heed to Colorado interest rate limitations. The FDIC in its brief filed in Colorado should be cause for concern for state banks everywhere because it endorses the proposition that a state can draft its DIDMCA opt out legislation to apply to any loans to borrowers residing in that state, regardless of where the bank is located.

**DAVENPORT  
EVANS**  
LAWYERS

2024

# BLACK HILLS RETREAT

THURS. JULY 18, 2024 - SAT. JULY 20, 2024

*CADILLAC JACK'S GAMING RESORT*  
DEADWOOD, SD

TO REGISTER VISIT [ICBSD.COM/2024-BLACK-HILLS-RETREAT](https://icbsd.com/2024-black-hills-retreat)

## MEET THE PRESENTERS



**CHARLES POTTS**  
EVP, Chief Innovation  
Officer

### PRESENTATION

#### REVOLUTIONIZING BANKING: HARNESSING THE POWER OF ARTIFICIAL INTELLIGENCE

Explore the dynamic intersection of Artificial Intelligence (AI) and the banking industry. Discover how AI is reshaping traditional banking processes, enhancing customer experiences, and driving unprecedented growth. Join Charles Potts as he delves into real-world applications, challenges, and opportunities that AI presents to banks and financial institutions.

### BREAKOUT SESSION

#### HOW TO CREATE A CULTURE OF INNOVATION

In today's rapidly evolving banking landscape, community banks must continuously innovate to meet customer expectations and maintain a competitive edge. However, driving an innovative spirit throughout an organization is often easier said than done.

In this breakout session, Charles E. Potts reveals proven strategies for fostering a culture of innovation at your community bank.

### PRESENTER BIOGRAPHY

Charles E. Potts is executive vice president and chief innovation officer for the Independent Community Bankers of America® (ICBA).

In this role Potts drives ICBA's innovation initiatives, and financial technology strategies, working with ICBA leadership to develop impactful, value-added

solutions that help community banks seize new market opportunities to meet customers' evolving financial services' needs.

Potts' extensive experience in banking and financial service firms provided the background Potts needed to start, co-found or lead various fintech start-ups including digital banking, mobile engagement, financial management and payments providers. Many had successful exits via IPO's or acquisition via strategic acquirers.

A frequent speaker at national trade shows and conferences, Potts previously served as executive managing director at First Performance Global, where he led international business and corporate development activities for its card-control and fraud alert platform. Before that he served as CEO for NetClarity, a start-up in the University of Florida's Business Incubation Hub. Prior to ICBA, he worked at the Advanced Technology Development Center (ATDC), leading the fintech practice where he mentored startups as part of the Georgia Tech-based incubator.

Charles attended the Georgia Institute of Technology, did his graduate studies at Georgia State University in Atlanta and attended the Graduate School of Banking at LSU. Potts, an avid masters runner, cyclist and soccer fan, lives with his wife in Atlanta, GA. They have a daughter who recently graduated from the University of North Carolina at Chapel Hill where she was a nationally ranked pole vaulter on the Track and Field team.



**GREG SWEENEY**  
CFA, Senior Vice  
President/Chief  
Investment Officer,  
Bell Bank

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## PRESENTATION

### RISKS RISING BUT STILL RESILIENT

While economic risks are escalating from factors like persistent inflation, aggressive Fed tightening, and market volatility, the underlying resilience of the consumer, businesses, and overall economy provides some cushion. During his presentation, Greg Sweeney will cover key areas of focus including elevated but moderating inflation, the Fed's rate hike path, impacts on consumer spending, corporate earnings, and the overall economy.

## BREAKOUT DISCUSSION

### ECONOMIC Q&A

The economy is top of mind for community banks looking to navigate today's volatile landscape and position their institutions for continued success. Get your burning economic questions answered by one of the industry's most respected voices.

In this highly engaging breakout session, Greg Sweeney opens the floor for an interactive exploration of the economic forces impacting community banks.

## PRESENTER BIOGRAPHY

As chief investment officer at Bell Institutional Investment Management (BIIM), Greg serves as the thought leader and chair of the BIIM Investment Committee. Working for Bell since 1992, Greg has been a highly regarded

speaker at various industry conferences and named several times on Thompson Financial's list of the World's Best Money Managers. Published strategies include pieces in Institutional Investor's Bondweek, the Insurance and Finance Journal and the Wall Street Transcript. He also writes Bell's Economic Outlook, giving his take on the state of the economy, monetary policy, and the markets, published monthly online at bell.bank/news.

Greg demonstrates expertise and vision in economics, trading, analysis, statistics, portfolio management and asset allocation for insurance companies, foundations, retirement plans and high-net-worth clients. He uses his extensive experience, critical thinking and judgment to plan, build and implement successful institutional portfolio strategies.

Greg leads BIIM's portfolio managers in developing and aligning investment strategies to investment policy guidelines, implementing these tactics into successful portfolio structures and performing regular ongoing evaluations of portfolio configurations and results.

Graduating from the University of North Dakota in Grand Forks, Greg earned a bachelor's degree in business administration in 1985 with finance and investment disciplines. Greg has been a Chartered Financial Analyst (CFA) charterholder since 1993.

Outside of work, Greg's adventurous interests include deep-powder snowmobiling, riding motorcycles, water skiing, snow skiing and hockey.



**JIM REBER**  
President & CEO  
ICBA Securities

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## PRESENTATION STIMULUS, AND RESPONSE

The Federal Reserve has been trying to slow down the economy for two full years now, with some tangible measures of success. The "stimulus" to the bond market recently has been the Fed's comments, since Fed Funds levels have been on hold since August. The "response" has been the reaction to these comments, and economic releases. We will review 2024 commentary, and the "data," and the market's current expectations.

## PRESENTER BIOGRAPHY

Jim Reber is President and CEO of ICBA Securities. He is a frequent speaker and lecturer at bank investment seminars and workshops. Jim also writes a monthly investment column for Independent Banker magazine. He is on the faculty at Barret School of Banking in Memphis, TN, and serves on the Board of Regents and a term as Chairman. Jim is a Certified Public Accountant and a Chartered Financial Analyst, and is a graduate of Christian Brothers University, where he served on the Board of Trustees as Chairman of the Finance Committee and University Treasurer.



**DEREK WILLIAMS**  
ICBA Immediate Past  
Chairman President & CEO,  
Century Bank & Trust

## PRESENTATION

### AN UPDATE FROM ICBA

As the independent voice for community banks across the nation, ICBA continues its unwavering efforts to create a level playing field and promote policies that allow independent community financial institutions to flourish.

Immediate past ICBA chairman Derek Williams will draw from his tenure leading the association to provide South Dakota's community bankers with an exclusive perspective on ICBA's latest advocacy efforts.

## BREAKOUT SESSION

### BANKER BANTER

In this breakout session, Derek Williams will discuss hot topics and industry changes that South Dakota community banks are facing.

## PRESENTER BIOGRAPHY

Derek B. Williams is immediate past chairman of the Independent Community Bankers of America® (ICBA), the only national organization that exclusively represents community banks.

President and CEO of Century Bank & Trust in Milledgeville, Ga., Williams has served ICBA and the community banking industry for many years. Williams serves in many leadership roles at ICBA. He is chairman of the ICBA Nominating Committee, a member of the Policy Development committee and Executive Committee liaison for the Independent Community Bankers Political Action Committee and the Cyber and Data Security Committee. Williams served as ICBA Chairman in 2023-2024.

Williams previously served on the Executive Committee as treasurer from 2016-18 and also served three years on the FDIC Community Bank Advisory Committee.

Active in his local community, Williams serves as chairman of the Communities in Schools of Milledgeville, Baldwin County; vice chairman of the Milledgeville Baldwin County Development Authority; and member of the Middle Georgia Regional Commission Council. He also previously served as chairman of the American Cancer Society of Muscogee County in Columbus, Ga., is a past chairman of the Community Bankers Association of Georgia and is former treasurer of the Milledgeville Rotary Club.

Williams received his Bachelor of Business Administration in finance from the University of Georgia. He is also a graduate of Louisiana State University's Graduate School of Banking.



**NICK PODHRADSKY**  
Executive Vice President  
SBS CyberSecurity

## PRESENTATION

### CYBERSECURITY TRENDS YOU SHOULD KNOW ABOUT

The world of technology is very different today than it was just 5 years ago. From the technologies we use (cloud computing) to the threats we face (Ransomware, BEC) to the way we protect our data (MFA, Zero Trust), the cybersecurity landscape continues to evolve rapidly. It's highly likely that we'll look back 5 years from now and talk about how different our technologies and protections are today compared to back then.

In this session, we'll discuss the continued evolution and trends in cybersecurity we believe are likely to occur in the next few years, including:

- Cloud Computing Adoption
- Continued reliance on Vendors (Vendor Management)
- Machine Learning and Artificial Intelligence
- Advanced Cybersecurity Controls (Zero Trust, Behavioral Analytics, Automation, Threat Hunting)
- Future/Evolving Threats
- Customer Adoption of Technologies

## PRESENTER BIOGRAPHY

Nick Podhradsky is an accomplished cybersecurity professional, serving as the EVP of Business Development at SBS Cybersecurity. He is also well-known for hosting the popular monthly webinar series called "Hacker Hour," which focuses on educating and empowering community bank leaders to make informed cybersecurity decisions. Nick has over 15 years of extensive experience in partnering with community bankers to create efficiencies and visibility into the art of managing cyber risk. He holds a master's degree in educational technology from Dakota State University and is a Certified Banking Security Manager. Through his leadership, many organizations have been able to better protect their business and minimize the risk of cyber attacks.



**RAYMOND "JAY" GARREN**  
Managing Partner, ProAg  
Bankware Technologies

## BREAKOUT SESSION

### UNDERSTANDING THE FINE PRINT IN VENDOR CONTRACTS

This session will equip you with the essential skills to navigate and interpret complex vendor agreements. Learn to identify critical clauses, avoid common pitfalls, and negotiate favorable terms to protect your institution's interests. Perfect for bankers involved in procurement, legal, and contract management, this session ensures you are well-prepared to manage vendor relationships effectively.

## PRESENTER BIOGRAPHY

Raymond Garren is a start-up executive and is the founder and CEO of ProAG Bankware Technologies Inc., in Omaha, Nebraska. His company provides banking services to banks nationwide and focuses on improving commercial and AG loan processes. He also owns a technology company called Midwest Cloud Computing. Prior to owning his companies, he



served as Senior Vice President, Chief Information Officer for American National Bank. Raymond has 38 years of experience in technology and banking systems.

Raymond Garren has also been First Vice President of Technology for First National Bank Omaha, Director of Technology for Goodyear Tire and Rubber. He participated in the creation of Mutual of Omaha Bank and was Chief of Global Operations for eBay.

Raymond holds a Bachelor of Science in Management Information Systems from Bellevue University, a degree in Mechanical Engineering from the University of Nebraska as well as many certifications in technology and banking.



**JACK YOUNGBERG**  
Vice President of  
Lending, United  
Bankers' Bank



**ERIC SUNDBERG**  
Vice President of  
Investments, United  
Bankers' Bank

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## PRESENTATION

### INFLATION, INTEREST RATES, LIQUIDITY AND LENDING

Explore the critical challenges and updates in inflation, interest rates, liquidity, and lending. This session will delve into how these factors impact community banking and provide strategies to navigate a changing economic landscape.

### PRESENTER BIOGRAPHY

Jack Youngberg is a Vice President of Lending. He has a Master in Business Administration degree from the University of South Dakota and a Bachelor of Arts degree from South Dakota State University. Jack joined United Bankers' Bank in 2005 with extensive industry experience, including work as a regulator, risk manager, credit department manager and chief credit officer. Youngberg is an expert in bank stock lending.

Jack has taught lending and banking courses for the Minnesota Bankers Association, the American Institute of Banking, the South Dakota Bankers Association and the University of South Dakota.

### PRESENTER BIOGRAPHY

Eric Sundberg is a Vice President of Investments. He received his Bachelor of Arts degree in Business Administration from the University of Wisconsin. Eric joined the United Bankers' Bank Securities department in 1997 and is licensed as a Municipal Securities Principal and Municipal Securities Representative.

# COMMUNITY BANKERS In Action

We applaud these community bankers in action for your efforts volunteering within your communities. You go above and beyond, investing your time and resources to make a tangible difference in your neighborhoods. From organizing local events to supporting charitable causes, your commitment to fostering growth and well-being is constant. The impact of your dedication is evident in the vibrant, thriving communities you help nurture!



## BankWest celebrated National Volunteer Week

BankWest celebrated National Volunteer Week by honoring their outstanding employees who go above and beyond to help their communities. Pictured are Pierre employees who assisted with a Sleep in Heavenly Peace - SD, Pierre build day.

## Farmers State Bank in Canton hosted a pop up soda bar

Farmers State Bank in Canton hosted a pop up soda bar for the staff at Lawrence Elementary to help them push through the end of the school year!



# Elkhorn Valley Bank & Trust's Employee Volunteer Brigade visited S.M.I.L.E. Inc.

Elkhorn Valley Bank & Trust's Employee Volunteer Brigade visited S.M.I.L.E. Inc. to help with some spring cleaning! S.M.I.L.E (Stephanie's Miracles in Loving Equine) is a local nonprofit that provides therapeutic horseback riding for special needs children and adults. Visit [www.smilehorsetherapy.org](http://www.smilehorsetherapy.org) to learn more about this outstanding organization.



# Reliabank Community Clean-up Kits

The Reliabank team made good use of their Community Clean-up Kits in celebration of Community Banking Month!





## First National Bank in Sioux Falls gives back

First National Bank in Sioux Falls gave back to their community by volunteering with the Veterans Community Project of Sioux Falls. As part of this project, FNB teammates and veterans, Jeff and Scott, helped build a tiny home in a 25-unit community that will one day house homeless veterans.

2024

# CHAIRMAN'S CHOICE

*THURS. JULY 18, 2024*

**SPEARFISH CANYON GOLF CLUB  
AT 10:30AM  
SPEARFISH, SOUTH DAKOTA**

Join ICBSD Chairman Josh Hogue for the 2024 Chairman's Choice Golf Event.

This event is made possible by our generous sponsors:

FIRST NATIONAL BANK OF SIOUX FALLS • RELIABANK • FIRST NATIONAL BANK OF PHILIP  
• MERCHANTS STATE BANK • CORTRUST BANK • FIRST STATE BANK OF ROSCOE



*Free will donation to  
the ICBSD PAC.*

**ICBSD**  
INDEPENDENT COMMUNITY BANKERS  
OF SOUTH DAKOTA  
**PAC**

# Another successful Shred Event in the Books!

Reliabank raised \$1825 for Sleep in Heavenly Peace - SD, Watertown - plus had a \$100 donation made to Make-a-Wish on their behalf.



# Stamp Out Hunger Food Drive

The Plains Commerce Aberdeen branch participated in the Stamp Out Hunger Food Drive and received an amazing amount of donations!



## American Bank & Trust sponsors the Avera Race against Cancer

American Bank & Trust was a proud sponsor of the Avera Race against Cancer in May. It was an incredible event supporting a vital cause. Alongside their customers, they're making a difference in the fight against cancer.

## First Bank & Trust Mortgage Team Supports Brookings Behavioral Health

The First Bank & Trust Brookings mortgage team delivered lunch to the Brookings Behavioral Health & Wellness crew in honor of National Mental Health Awareness Month. They also delivered to the Brookings Area Habitat for Humanity staff and volunteers.



# THANK YOU

to our 2024 Preferred Partners for your endless support of community banking in South Dakota.





**INDEPENDENT COMMUNITY BANKERS**  
OF SOUTH DAKOTA

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