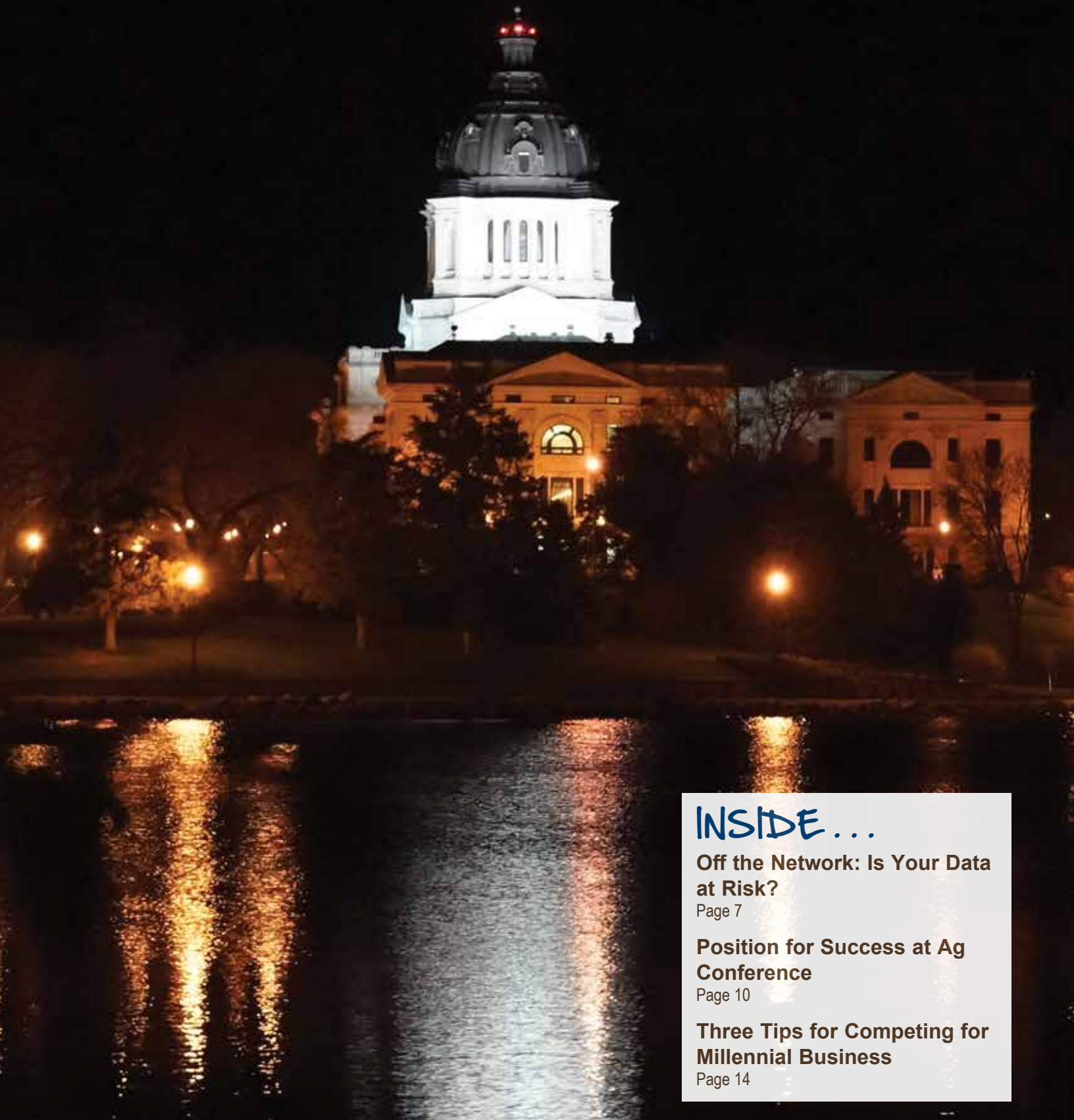


South Dakota Banker

Your Premier Source to South Dakota's Financial Services Industry | February 2017



INSIDE...

Off the Network: Is Your Data at Risk?

Page 7

Position for Success at Ag Conference

Page 10

Three Tips for Competing for Millennial Business

Page 14

WHATEVER YOUR NEEDS - WE HAVE A PROGRAM TO HELP



SBA GROW formerly SBA 504

The basics:

- Long-term, fixed-rate financing
- 10 to 20 year term, depending on assets financed
- Minimum of 10% down payment, in some cases up to 20% required
- SBA takes a second collateral position behind lead lender
- Loans available up to \$5.5 million
- No limit on project size



LANKOTA, HURON - SBA GROW USER

Breakdown on a \$1,000,000 project:

50% Bank: \$500,000

40% SBA Grow: \$400,000

10% Equity: \$100,000

Monthly Payment, including fees: \$2,613 (20-Year Term)

**Fixed, competitive interest rate determined at closing. Based on January 2017 rate of 4.88%*

For more information, contact Loan Officer LaJena Gruis at (605) 773-GOED, or lajena.gruis@sdreadytowork.com.

LONG
TERM
RATES



OLD MARKET, BROOKINGS - MICROLOAN USER

Breakdown on a \$250,000 project:

50% Bank: \$125,000

40% MicroLOAN: \$100,000

10% Equity: \$25,000

3% Fixed Interest Rate

Monthly Payment: \$966 (10-Year Term)

MicroLOAN

The basics:

- Up to a 10 year term
- May take a second collateral position behind a bank or credit union
- Takes a shared first collateral position if the lead lender is a regional or local revolving loan fund
- Loan amount from \$1,000 to \$100,000
- Project size may not exceed \$500,000

10
YEAR
TERM

3%
FIXED RATE

For more information, contact Loan Officer Charlie Van Gerpen at (605) 773-GOED, or charlie.vangerpen@sdreadytowork.com

SOUTH DAKOTA

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

WWW.SDREADYTOWORK.COM/FINANCE



Serving Bankers Since 1884

PO Box 1081 | 109 West Missouri Avenue
Pierre, SD 57501
Phone: 605.224.1653 | Fax: 605.224.7835
Website: www.sdba.com

SDBA OFFICERS

CHAIRMAN

Paul Domke, Heartland State Bank, Redfield

CHAIRMAN-ELECT

Dave Rozenboom, First PREMIER Bank, Sioux Falls

VICE CHAIRMAN

Karl Adam, First Dakota National Bank, Pierre

IMMEDIATE PAST CHAIRMAN

Rick Rylance, Dacotah Bank, Rapid City

SDBA BOARD OF DIRECTORS

David Bangasser, Dacotah Bank, Sioux Falls

Steve Bumann, BankWest, Pierre

Jeff Davis, Bryant State Bank, Bryant

Jerry Nachtigal, Citibank, N.A., Sioux Falls

David D. Nelson, First Fidelity Bank, Platte

Shawn Rost, First Interstate Bank, Rapid City

Kristina Schaefer, First Bank & Trust, Sioux Falls

Brad Seaman, First State Bank of Warner, Aberdeen

Kevin Whitelock, Pioneer Bank & Trust, Spearfish

SDBA STAFF

Curt Everson, SDBA President

ceverson@sdba.com

Mike Feimer, President of Insurance and Services

mfeimer@sdba.com

Halley Lee, Administrative Vice President

hlee@sdba.com

Alisa DeMers, Communications Coordinator

ademers@sdba.com

Nadine Kepford, IS/Business Manager

nkepford@sdba.com

Jeanine Dyce, Administrative Assistant

jdyce@sdba.com

Roger Larson, Commercial Lines Specialist

rlarson@sdba.com

Michelle Guthmiller, Licensed Insurance Specialist

mguthmiller@sdba.com

Robin Feimer, Licensed Customer Service Representative

rfeimer@sdba.com

EDITORIAL: Published monthly by the South Dakota Bankers Association, South Dakota Banker is dedicated to enhancing the state's banking profession by providing useful and timely information on important events and trends in the banking industry. Statements of fact and opinion are made on the responsibility of the authors alone and do not represent the opinion or endorsement of the SDBA. The magazine welcomes news from SDBA members. Articles may be reprinted with permission. Email ademers@sdba.com.

ADVERTISING: Advertisements within this publication do not necessarily represent endorsement of those products and services by the SDBA. The editor reserves the right to refuse any advertisement or editorial copy deemed to be unsuitable. For advertising details, see the SDBA 2017 Media Kit at www.southdakotabanker.com.

SUBSCRIPTIONS: Member banks, branches and associate members receive one complimentary subscription. Additional subscriptions are \$45 per year for members or \$90 for non-members. Call 605.224.1653 or email ademers@sdba.com.

South Dakota Banker

Your Premier Source to South Dakota's Financial Services Industry | February 2017



Front cover photo by Lee Anderbery, Lincoln, Neb.

features

7 Technology

Off the Network: Is Your Data at Risk?

10 Ag Banking

Position for Success at Ag Conference

11 Education

Promontory Offers FDIC Insurance Coverage Webinar

12 Quad States Convention

Accommodations & Fellowship Breakfast Keynote Speaker

14 Marketing

Three Tips for Competing for Millennial Business

16 Correspondent Banking

Choosing the Right Loan Correspondent Partner

18 Customer Service

A Culture of Service Excellence in 10 Minutes a Day

in every issue

4 Message from the Chairman

The Time Is Now; SDBA Seeks Candidates for 2017-2018 Officers

5 From the Executive Office

Making Regulatory Relief a Priority in Washington

6 SDBIS Update

The Challenge of Cyber Liability

17 Ask the Appraiser

Appraisal Reporting—Certification and Signatures

19 Bank Notes

21 Classifieds

22 Education Calendar

message from the chairman

BY PAUL DOMKE | President/CEO/CCO | Heartland State Bank, Redfield

The Time Is NOW



For as long as I can remember growing up, I heard my father talk about the unlevel playing field that banks have in the financial services sector versus credit unions and the Farm Credit Administration.

Through all those years of hearing it, seeing banks and those industry's advocacy associations speak to our elected officials, the outcome over the long haul has been this—the ones that provide the least to our tax system have received the most benefits for growth from the government which is funded by taxes paid by the ones asking for an equal playing field. What bankers tried to do in the past quite honestly didn't work.

While some battles have been fought and won, I feel that there is definitely a change in the way Washington will either do or react to messages now. As we advocate for an equal playing field, we all need to deliver our messages and stories.

A great time to do that is now! Bankers have not been in a better position for years to seek regulatory relief and equal business treatment of financial services companies.

SDBA President Curt Everson wrote a great article last month on the customer stories that our elected officials

.....
Bankers have not been in a better position for years to seek regulatory relief and equal business treatment of financial services companies.
.....

wish to hear and how to deliver those messages. The upcoming ABA Government Relations Summit on March 20-22 in Washington, D.C., is a great way for bankers to get some face time with our elected officials as a unified group to deliver those stories and messages.

We hope to have the largest contingency ever in attendance, so send as many people as possible to this event. SDBA does provide a stipend to each member bank to help defray the cost. I hope to see you there! ■

Paul Domke is president/CEO/CCO of Heartland State Bank in Redfield. Domke can be reached at 605.475.5500 or pdomke@hsbsd.com.

SDBA Seeks Candidates for 2017-2018 Officers

Are you interested in becoming an officer of the South Dakota Bankers Association?

SDBA officers include the chairman, chairman-elect, vice chairman and immediate past chairman. The SDBA is currently seeking people who are interested in running for the vice chairman position, which will be elected at the Annual Convention on June 6, 2017, in Rapid City

The current chairman-elect, Dave Rozenboom (First PREMIER Bank, Sioux Falls), will automatically assume the chairman position on June 6, 2017. The current vice chairman, Karl Adam (First Dakota National Bank, Pierre), will be eligible to run for chairman-elect. The position of vice chairman will be up for election. Current Chairman Paul Domke (Heartland State Bank, Redfield) will automatically become the immediate past chairman.

Executive officers of any SDBA voting member bank are eligible to run for vice chairman. If you are interested in running for the position, contact a member of the nominating committee listed to the right for more information and submit a letter of intent to SDBA President Curt Everson at ceverson@sdba.com. ■

Officer Election Nominating Committee

Chairman Rick Rylance

Dacotah Bank

PO Box 1210

Aberdeen, SD 57402-1210

Phone: 605.225.5611

Email: rick.rylance@dacotahbank.com

George Kenzy

First Fidelity Bank

PO Box 376

Burke, SD 57523-0376

Phone: 605.775.2641

Email: georgekenzy@ffb-sd.com

Kevin Tezlaff

First Bank & Trust

PO Box 5057

Brookings, SD 57006-5057

Phone: 605.696.2200

Email: kevin.tetzlaff@bankeasy.com

Making Regulatory Relief a Priority in Washington



Political pundits will mark the results of the 2016 general election as among the most improbable in the nation's history. Donald Trump, the consummate political outsider, won the popular vote in enough states to capture a majority in the electoral, besting career politician Hillary Clinton.

Smart money said that the Democrat Party would regain control of the United States Senate and would also gain at least 20 seats in the U.S. House of Representatives. Neither were realized. Political pollsters and analysts consistently misread the sentiments of American voters, especially those living some place other than on the nation's coasts or in our largest cities. Did they fail to ask the right questions? Did they fail to connect with the right people? Or did they simply fail to hear, analyze and report what disenfranchised Americans were saying? The debate surrounding what really happened in the 2016 election will continue for a long time to come.

I believe a key reason why Donald Trump is our 45th president and why the Republican Party outperformed conventional expectations up and down ballots across the country in 2016 is because voters had grown increasingly dissatisfied with government as represented by the sitting two-term president. Many Americans looked at how their lives, livelihoods and neighborhoods had been impacted by big government solutions and didn't like what they saw. In sector after sector, voters recognized that complex, expensive, D.C.-driven regulations were killing jobs, and they decided it was time to change direction.

But the election is over. A new president and newly-elected members of Congress have taken their oaths of office. Now it is time to get down to business. The countdown has begun on the Trump administration's first 100 days. So the big question is just how President Trump and the new Congress will go about the task of governing.

Bankers understand the complexities and costs of the one-size-fits-all regulatory framework that stems from Dodd-Frank. They know that earnings spent on staff, systems and consultants needed to pass muster in the next compliance exam are dollars that can't be used to make loans to their customers. But how do bankers convince Congress that continuing the status quo is not an acceptable course of action for this nation's economy? How do we make sure regulatory relief is a priority for the new Congress and administration?

For several years now, Republicans who serve on the House Financial Services Committee, the Senate Banking Committee and who hold Congressional leadership positions have told our industry that they support the vast majority of our regulatory reform priorities. The need to get to 60 yes votes in the Senate combined with the threat of a presidential veto effectively stopped progress on

reasonable regulatory reform dead in its tracks.

While it is still too early to know how the Trump administration might view every one of our industry's priorities, we do know they believe that government often gets in the way of American business and job growth. I think it is safe to assume that our new president would look favorably at legislation like a TAILOR Act that is designed to align bank regulation with bank risk or some version of a CHOICE Act which, as the acronym symbolizes, "Creates Hope and Opportunity for Investors, Consumers and Entrepreneurs."

But how do we get the magic 60 votes needed to pass almost any substantive legislation in the U.S. Senate? Part of the answer is that we must communicate our priorities in a way that will move moderate Democrats to support common sense changes to Dodd Frank.

Generally speaking, we know that the dizzying complexity and escalating costs associated with bank regulation has caused small community bankers to give up. Thirty years ago, of the 18,000 banking institutions operating in this country, about 13,500 were under \$100 million in assets. Today, there are less than 1,700 banks left in that category. Since almost all of those small community banks serve rural communities, a couple of key policy questions include:

- Who serves customers in those small towns when the community bank goes away?
- How is the closure of small town community banks good for customers or for the communities they serve?

We know that the rigidity and complexity of regulations combined with outsized penalties for making an honest mistake has caused many small community banks to exit the home mortgage market.

- How is diminished competition in mortgage lending good for customers?
- What does lack of ability to put workers in homes do to prospects for job growth and economic viability of small towns throughout rural America?

The days of blind allegiance to every word, sentence, paragraph and section of the Wall Street Reform and Consumer Financial Protection Act of 2010, without regard to known negative consequences, must come to an end. We stand ready to work hand in hand with members of both parties in Congress to design, debate and push to enact legislation that would right-size bank regulation, maintain reasonable consumer protection standards, and continue assuring the safety and soundness of the nation's depository institutions. Will reasonable members in both political parties in Congress do likewise? ■

Curt Everson is president of the South Dakota Bankers Association. Everson can be reached at 605.224.1653 or ceverson@sdba.com.

The Challenge of Cyber Liability



During the last 20 years, many changes have occurred, particularly in the realm of technology. These technological advances have significantly changed the way financial institutions and their customers now conduct business, and although these advances have brought about a multitude of benefits, they also pose more risks for businesses.

The issue of cybersecurity has been brought to light in recent years by various news outlets. More and more, fraudsters are attempting to obtain private and sensitive information from electronic systems, as well as from physical sources such as paper files and records. Attempts by these individuals also often make use of social engineering to induce unwary parties to disclose private or personal information.

Unfortunately, the frequency of these attempts is on the rise. Through October of 2016, the Identity Theft Resource Center (ITRC) reported that there had been 809 data breaches in 2016, and that nearly 30 million records had been exposed. The 809 data breaches reported in 2016 were nearly 22 percent above the number reported (666) for the same period in 2015. Since beginning to track data breaches in 2005, ITRC had counted 6,619 breaches through October of 2016, involving more than 881 million records.

A 2016 Claims Study by Netdiligence revealed that the most expensive cyber breaches between 2013 and 2015 occurred in the financial services sector, with upwards of \$15 million in losses and costs. In addition, financial services had the highest average breach cost at \$1.8 million and the highest average claim payout at \$1.3 million. In their study of actual claim payouts, they determined that hackers were the most frequent cause of loss (23 percent), followed by malware/virus (21 percent), staff mistakes (9 percent) and rogue employees (7 percent). Insiders were involved in 30 percent of all the submitted claims.

Having strong internal controls and security systems in place is essential in the prevention of data breaches. According to studies, having an incident response team in place, employee training, board involvement and insurance protection can reduce the cost per breach. Cyber liability insurance is a very important aspect of protecting you from the extreme costs that can be associated with a data breach.

It is now more important than ever to review the coverage and limits that you currently have in place on your cyber liability policy. Coverage limits that have

been carried in the past may not be sufficient to cover the increased cost and frequency of data breaches. In addition to third-party liability coverage, most modern cyber policies include coverage for first-party costs associated with identifying and mitigating the impact of a data breach.

Common first-party costs when a security failure or data breach occurs can include:

- Forensic investigation of the breach
- Legal advice to determine your notification and regulatory obligations
- Notification costs of communicating the breach
- Offering credit and identity monitoring and repair services to customers as a result of the data breach
- Public relations and crisis management expenses
- Loss of profits and extra expense during the time your network is down
- Costs to banks for re-issuing cards

Common third-party costs include:

- Legal defense
- Settlements, damages and judgments related to the breach
- Cost of responding to regulatory inquiries
- Regulatory fines and penalties

Coverage such as crisis mitigation expense, regulatory defense and penalties, security breach expense, public relations expense and business interruption may be included in your current policy or may be added to your policy for an additional premium. Most cyber insurance policies now offer some level of breach response support. This type of support can be very valuable in helping guide you through a breach situation.

Many financial institutions include their cyber liability coverage on the management liability policy, although there are also stand-alone cyber liability policies available that are separate from management liability policies. Some experts recommend that insureds reconsider the wisdom of including their cyber liability coverage along with their management liability policies.

During the last 20-plus years, carriers serving the market have increased the coverage available under these policy forms. That time has also seen the addition

Continued on page 8

OFF THE NETWORK: *Is Your Data at Risk?*



Data breaches in the banking/credit/financial sector are on the rise. According to the Identity Theft Resource Center, 2015 marked the first time in history that the financial industry has ranked in the top three, at 9.1 percent of all breaches, nearly doubling the average from 2014.

When IT equipment reaches the end of its operational lifespan, it becomes a key area of risk. Secure information is left vulnerable, and data may be exposed if assets are not handled or disposed of properly.

As companies grow, consolidate and go through equipment refresh cycles, the need for a comprehensive IT asset management plan is critical. With the ever-changing technology and regulatory requirements, navigating this complex process can be challenging. A newly-endorsed SDBA vendor brings a unique set of services to make this process easier.

Secure Enterprise Asset Management, Inc. (SEAM) provides a local, secure and responsible solution for financial institutions of all sizes. The company handles any obsolete and end-of-use electronic device that makes up an organization's complex IT infrastructure – from desktop and laptop computers to network systems and servers.

Who is SEAM

SEAM originated as a small division of Millennium Recycling Inc., one of the largest materials recovery facilities in the Upper Midwest. In 2004, the company became the first in the state of South Dakota to recycle consumer electronics and soon discovered the high demand for gently-used systems and parts. As a result, a retail store named Bargain Bytes was opened in 2006 and operated as a division of Millennium Recycling until 2013, when it formed as a separate company.

By 2015, the growing client demand for a full-service

suite of secure data destruction and IT recycling steered the company to invest in mobile and in-plant industrial shredders, as well as a proprietary equipment tracking system to provide transparent, chain-of-custody reporting. Bargain Bytes rebranded as SEAM in 2016 with a vision to help companies mitigate the risks of IT management in a cost effective way.

IT Asset Lifecycle Management

IT asset lifecycle management can mean many different things to many different types of organizations. At SEAM, it means responsibly managing technology devices while maximizing value, optimizing efficiency and eliminating risk.

The Ponemon Institute estimates the average cost of a data breach is \$4 million due to fines, remediation, expenses, reduced productivity and lost customers. Regulated industries, such as financial services, have the most costly data breaches.

When removed from the network, IT equipment can be easily misplaced, lost or stolen, leaving sensitive data vulnerable and organizations open to potential threats. For those who understand these risks, making a commitment to maintaining control, protecting sensitive data and ensuring compliance at all stages of an asset's lifecycle is of high importance.

"Having control and visibility to how our IT equipment is handled is crucial in our industry," says Sam Marinaro, desktop system administrator of Great Western Bank. "When it comes to data destruction and itemized reporting, SEAM is the only viable choice. Their certifications and spot on reporting keep us in security compliance, and when we need something done, they make it a priority."

As the only fully-certified IT asset disposition provider in all of the Dakotas, SEAM recognizes the importance of working with a trusted partner who can provide transparency and guaranteed security.

Stability, Security and Compliance

Every step of the process, from asset recovery, to data destruction, to reuse and recycling should be 100 percent auditable. SEAM assists companies in implementing and maintaining "responsible measures" to ensure private information is protected and all regulatory requirements are met through the entire disposition process.

Regulations including the Gramm-Leach-Bliley Act (GLB), the Fair and Accurate Credit Transaction Act (FACTA) and the Sarbanes-Oxley Act (SARBOX or SOX)

Continued on next page

OFF THE NETWORK: *Is Your Data at Risk?...continued from page 7*

require financial institutions to have a comprehensive, written information security program implemented with regard to asset disposal and data destruction. Any vendors handling data-containing devices should have a contract in place that requires them to maintain safeguards and oversee the protection of customer information.

For data-bearing devices, sanitization and destruction should be performed using methods aligned with NIST SP 800-88 Rev. 1 guidelines, the current U.S. government standard for data destruction and sanitization. With SEAM, electronic media devices can be sanitized in accordance with these standards or shredded either onsite at the customer's location or offsite at the secure facility located in Sioux Falls. Comprehensive online reporting provides readily available documented proof to satisfy any auditing requirements.

Another valid concern for financial institutions is local legislative bans on the landfilling of e-waste. For assets that are at the end of their operational life, SEAM provides proper electronics recycling to prevent environmental regulation violations or costly cleanup efforts. Certified to e-Stewards, R2:2013, OHSAS 18001 and ISO 14001:2004, SEAM complies with the highest worldwide standards for data security, environmental management, health, safety and quality processes. The company undergoes rigorous audits on an annual basis for safe, responsible and secure recycling practices, and complete transparency is provided from the point of pickup through final disposition.

SEAM Services

Maximizing value is a commitment SEAM does not take lightly. Specializing in IT asset disposition, data destruction, remarketing and recycling, they create programs to meet their customers' unique needs and goals. With increased efficiencies, greater return

on equipment and sustainability benefits, the value offered comes in many forms.

Secure transportation and logistics services ensure a complete chain of custody, minimizing risk, time and expense. From packing equipment, loading, transporting and tracking, working with a partner like SEAM simplifies the process.

Depending on organizational security policies, multiple options for data security and destruction are available. Services include locked hard drive collection bins, onsite physical shredding at customer location, certified data wiping and offsite shredding at SEAM's secure facility. Customers are always welcome for a tour and may even witness the data destruction process if they choose.

Remarketing services allow companies to recover some of their initial investment for equipment based on quantity, condition and age. SEAM's resale technicians follow the latest hardware and software trends to market assets for maximum value. Their knowledge of the resale market and secure data destruction procedures ensure only equipment is resold, not data.

When banks need a more cost-effective, efficient and lower-risk solution for complete, traceable data security, SEAM can help. ■



For more information on Secure Enterprise Asset Management, Inc. (SEAM), an SDBA endorsed vendor and associate member, contact Director of Business Development Levi Hentges at 605.274.7326 or levi@seamservices.com. Or visit www.seamservices.com.

The Challenge of Cyber Liability...continued from page 6

of entity coverage and the inclusion of coverage for additional exposures such as professional, employment practices, fiduciary liability and more, with cyber liability being the newest of these policy forms. Even if the management liability carrier provides a separate limit of liability for cyber, insureds should understand that an adverse cyber liability experience could affect the loss experience on the management liability policy.

Ultimately, it is up to the insurance buyer to decide how to purchase insurance coverage that meets with his or her risk tolerance, regulatory directives and overall sensibilities. When it comes to cyber liability insurance, insureds should consider taking a closer

look at their options at their next renewal or even sooner. Customers, regulators, shareholders and other stakeholders are concerning themselves to a greater degree with the data security measures and risk management efforts employed by the financial institutions with which they interact.

With this increased scrutiny, the conventional wisdom with regard to buying insurance may no longer apply when it comes to cyber liability. ■

Roger Larson is commercial lines specialist for the South Dakota Bankers Insurance & Services (SDBIS), Inc. Larson can be reached at 605.280.0912 or rlarson@sdba.com.



YOU'RE INVITED!

TEACH CHILDREN TO **SAVE** IS TURNING 20!

Join STASH, the Teach Children to Save pig, and bankers across the country in this 20-year celebration—and pledge to inspire local youth to become savvy savers!

Location: Classrooms and Community Centers across the country

Date: April 28, 2017 and throughout the calendar year

RSVP: aba.com/Teach

#TeachChildrenToSave

 **ABA
FOUNDATION**

Position for Success at Ag Conference

This year's lineup of presenters at the SDBA's Agricultural Credit Conference can help ag bankers position for success in uncertain times. The annual conference will be held April 12-14, 2017, at the Ramkota Hotel and Conference Center in Pierre.

Speakers will offer ag bankers useful and timely information on a wide variety of topics:

My View of Agriculture and Risk: Kevin Van Trump



The Van Trump Report is a daily agricultural newswire that outlines the changing dynamics that all agribusinesses are faced with today. Through Kevin Van Trump's network of business leaders, he is able to assemble daily thoughts addressing the macro markets, hedge fund money flow, global geo political events and grain markets that will connect the dots of a complex market place, filtering out the noise to provide unbiased information.

Ag Policy Under the New Administration: Dr. Barry Flinchbaugh



We have entered the age of uncertainty under the Trump administration. It will clearly be, however, a mixed bag for agriculture. The President is a strong supporter of deregulation, GMOs and a market orientation farm policy. He is strongly opposed to trade agreements like TPP and NAFTA, which is bad news for a trade dependent industry like agriculture. Agriculture needs a dependable and legal immigrant labor force. This is problematic under the new administration. Professor Barry Flinchbaugh will discuss these issues in his blunt, but entertaining fashion.

Communicating Ag to the Public: Malcolm DeKryger



Agriculture is the oldest and most fundamental industry, however, today's consumer is naïve to livestock and crop agriculture. Fair Oaks Farms is the largest agriculture education experience in the world (more than 100,000 people per year). Thousands of dairy cows and pigs, crop sciences and vegetables are all displayed and explained correctly. We use "edu-tainment," a combination of education and entertainment to captivate and connect the consumer to the farm animal and crop production.

Adjustments Will Be Made. Ag Banking in the Post Farm Boom Economy: John Blanchfield



The chances are good that for agriculture, 2017 will look a lot like 2016. As cash flow gets tighter, bankers and their customers will have to make more difficult adjustments. Challenges will be many this year as we try to understand the policies of a new administration, new leadership at USDA and new fiscal policy. John Blanchfield returns to Pierre with new stories and new analysis of how bankers can manage in the post farm boom economy.

Ignite Brilliance in Your Leadership: AmyK Hutchens



AmyK Hutchens is the founder of AmyK Inc., a firm specializing in leadership, innovation and sales think tanks. Author of the Amazon bestseller "The Secrets Leaders Keep" and a featured contributor for Entrepreneur magazine, Hutchens is a catalyst for igniting brilliance in leaders. More than 45,000 executives in more than nine countries have benefited from her keen insight and intuitive understanding of the issues leaders face.

Livestock Outlook: Andy Gottschalk



Following several years of market turmoil, what lies ahead? The supply/demand outlook for livestock, cattle and hogs will be explored. Andy Gottschalk, a livestock market analyst and futures broker for the past 42 years, will analyze factors positively impacting domestic and export demand.

Wrap Up Speaker: Chad Greenway



Chad Greenway, linebacker for the Minnesota Vikings, has been recognized as 2016 Vikings Community Man of the Year for his generosity and charity in the Twin Cities and his home state of South Dakota, his fourth time earning the honor. Raised on a hog and crop farm in Mount Vernon, he continues to be involved in farming today, including with America Needs Farmers.

For the complete list of conference presenters, full agenda and to register, visit www.sdb.com. ■

Promontory Offers FDIC Insurance Coverage Webinar

Now is a great time for bankers to refresh their knowledge on FDIC insurance regulations as the FDIC continues to examine bankers' understanding of deposit insurance rules that apply to third-party agency accounts.

FDIC insurance eligibility is a key benefit banks provide to depositors. It can be an important selling point in maintaining key customer relationships and obtaining bank funding.

Promontory Interfinancial Network, LLC is offering two free webinars on FDIC insurance coverage:

- Feb. 28, 10 a.m. CST
- March 2, 2 p.m. CST

This 45-minute educational webinar is designed for all levels of bank employees and executives and will include a Q&A segment to address specific concerns. The webinar will be presented by Joe DiNuzzo, a former attorney with the FDIC and an expert in FDIC insurance regulations.

Attendees will receive a certificate of completion. To register, visit the SDBA's online calendar of events at www.sdba.com/events. Questions, contact Promontory

at contactus@promnetwork.com.

Promontory, an SDBA associate member, offers services to help banks build multi-million-dollar relationships, reduce collateral requirements, purchase funding, manage liquidity, and buy or sell loans. ■

Department of Revenue to Hold Tax Seminars in March

The South Dakota Department of Revenue (DOR) will hold free Agriculture Tax Seminars in Gettysburg and Winner in March.

The seminars are designed for those looking for a specific understanding of ag-related issues. DOR will have representatives from its audit, business tax and motor vehicle divisions and provide detailed information for specific situations one might encounter.

The Gettysburg session will be held 9 a.m. to noon or 1-4 p.m. on March 14 at the Gettysburg City Fire Hall. The Winner session will be 1-4 p.m. on March 15 at the Holiday Inn Express.

DOR recommends sending specific questions and scenarios in advance so tax experts can provide in-depth answers. To register, visit dor.sd.gov. ■

HELPING FIRST TIME (& NOW REPEAT)
BUYERS' DREAMS
COME TRUE SINCE 1973.

**FIRST-TIME & REPEAT
HOMEBUYER PROGRAMS:**

- 🏠 Downpayment & Closing Cost Assistance
- 🏠 Competitive Rates
- 🏠 Tax Credit – Mortgage Credit Certificate (MCC)

**SOUTH DAKOTA
HOUSING**
DEVELOPMENT AUTHORITY

605-773-3181 | www.sdhda.org



ATM



Offer the best ATM experience, including imaging check deposit, at an affordable price

ITM



Offer assisted video to video and/or enhanced self-service transactions anywhere

CASH RECYCLER



Reduce teller offages, eliminate dual control for cash, decrease drawer limits and increase security

COIN COUNTING



Offer faster and more efficient transactions including lobby coin counting

CURRENCY COUNTING



Improve cash handling efficiency, reduce offages and speed up transaction time

SERVICE



Over 60 years of service experience & strategically placed technicians to serve you best



MHM
MONEY HANDLING MACHINES
ESTABLISHED 1953

Your trusted banking
equipment partner
for over 60 years

800.228.2581 | www.MoneyHandlingMachines.com



2017 Quad States Convention

ACCOMMODATIONS

Follow the Yellow Brick Road to Rapid City

We will be **BANKING BEYOND BORDERS** at the 2017 Quad States Convention June 4-6 at the Rushmore Plaza Civic Center in Rapid City, S.D. Hosted by the South Dakota Bankers Association, this year's event will include bankers from South Dakota, North Dakota, Montana and Wyoming—we're not in Kansas anymore!

Attendees will receive special convention rates at two Rapid City hotels—Rushmore Plaza Holiday Inn and Best Western Ramkota Hotel. The hotel blocks are now open for reservations.

The full convention agenda and registration will be available in March. Be watching for more convention details to come at www.sdba.com.

Rushmore Plaza Holiday Inn

(adjacent to Rushmore Plaza Civic Center)

Address: 505 North Fifth Street, Rapid City

Phone: 605.348.4000

Web: www.rushmoreplaza.com

Standard/King Leisure: \$104 plus taxes/fees

2 Queen Executive: \$114 plus taxes/fees

Plaza Suite: \$134 plus taxes/fees

(Use code SN4 when making online reservations or ask for a room from SD Bankers Association block.)

Reservation Deadline: May 3, 2017

Best Western Ramkota Hotel

(1.5 miles from Rushmore Plaza Civic Center)

Address: 2111 N LaCrosse Street, Rapid City

Phone: 605.343.8550

Web: www.rapidcity.bwramkota.com

Rate: \$117.99 plus taxes/fees

(Ask for a room from the SD Bankers Association block when making reservations.)

Reservation Deadline: May 3, 2017



2017 Quad States Convention

FELLOWSHIP BREAKFAST KEYNOTE SPEAKER

Chad Greenway Minnesota Vikings Linebacker



Chad Greenway, linebacker for the Minnesota Vikings, has been recognized as 2016 Vikings Community Man of the Year for his generosity and charity in the Twin Cities and his home state of South Dakota, his fourth time earning the honor.

He and his wife, Jenni, have donated several “Chad’s Lockers” to hospitals throughout the Upper Midwest, giving patients and their families a resource to find games and books. Greenway continues his work through his “Lead The Way Foundation,” which focuses on enhancing education and health opportunities for children.

In 2015, Greenway was named the Byron “Whizzer” White Award winner from the NFL Players Association for his work in the community.

Greenway will be the fellowship breakfast keynote speaker on Monday, June, 5, at the 2017 Quad States Convention.

Sponsored by **First PREMIER Bank**
Diamond Sponsor

3 Tips for Competing for Millennial Business

By Barry Adcock, Financial Performance Strategist, Deluxe Financial Services



Millennials are the most educated generation ever, the largest segment of the American workforce, and

many are starting to attain important financial milestones in their personal and professional lives.

There's no question, Generation Y represents the single most important demographic for the future of the banking industry. But how bright will that future be? Will big banks fare better than community institutions in turning millennials into loyal, profitable customers?

In general, millennials aren't yet in love with traditional banks. They're far more likely than any other generation to give their financial business to alternative institutions like online banks.

What's more, those who do have relationships with traditional banks seem to prefer larger institutions. Given Gen Y's preference for personalized experiences, you might think they'd be drawn to the more personal relationships community banks are known for cultivating with their customers.

Two factors seem to be giving bigger banks the edge in winning millennial business: they have better tech, and they're investing heavily in marketing themselves to the millennial segment. They appear to be making progress, too. Earlier this year, for the first time ever, JD Power & Associates reported that customers gave higher satisfaction marks to the country's six largest financial institutions than to smaller banks, American Banker says.



Winning Over Millennials

Community banks can't afford to give up on millennials. The demographic is simply too vast, and their financial potential too great, to ignore. Yet few community banks will ever have the budget to go head-to-head with mega-banks in all the areas that matter to millennials. Instead, community banks should focus on a few key areas important to millennials and establish their edge in those specific areas.

1. Hone your mobile might.

Millennials are notoriously addicted to their mobile devices, and they want their mobile banking experience to be effortless and effective. More than 90 percent of millennials own a smartphone, according to research by Digital Scientists, and nearly a quarter of millennials who have switched banks did so because of mobile banking quality. They use mobile devices to check account balances at least once a week (56 percent), transfer money

between accounts (41 percent), pay bills online (35 percent), deposit checks (29 percent) and conduct P-to-P transactions (32 percent).

A robust, versatile and multi-featured mobile banking app is essential for any bank, large or small, that wants to win millennial customers.

2. Talk their talk.

Millennials like to interact with brands digitally. They are more inclined to search for consumer information online and favor electronic communications such as email and messaging. Banks that want to successfully communicate with millennial customers need to do so through their preferred channels.

Digital Scientists found emails with links to products and email newsletters were the preferred channels of communication for members of Gen Y. However, don't overlook other digital communication devices such as text messaging and push alerts.

3. Emphasize the customer experience.

Community banks have long excelled at creating personalized, relatable and rewarding customer experiences. To succeed with millennials, smaller financial institutions will need to continue emphasizing their customer-centric culture. Millennials not only expect faster, easier service from their financial institutions, but they also want to be known by their banks. They want to feel their banks understand their unique needs and can help them fulfill their needs with relevant products, services and information.

A great mobile banking experience and communication through preferred channels are just part of the overall customer experience millennials desire. Personalized and segmented marketing that illustrates your community bank understands your millennial customers is also a critical component of your outreach to millennials.

Likewise, you should keep your millennial customers in mind when making decisions about branch design. Millennials are looking for an efficient, customer-centric and stylish environment from their bank branches.

For more insight into how community banks can market to millennial customers, download Deluxe's free Millennial Banking Report at <http://fi.deluxe.com/resources-library/obstacles-opportunities-and-realities-of-building-relationships-with-millennials>. ■

Duluxe Financial Services is a trusted partner to more than 5,100 financial institutions across North America. An SDBA endorsed vendor and associate member, Deluxe helps its clients increase customer engagement and turn those relationships into profitable revenue through a diverse portfolio of financial technology solutions. For more information, visit www.fi.deluxe.com.

ask the Fed

Ask the Fed® is a national webinar program that provides critical information on recent financial and regulatory developments.

"In the midst of the financial crisis, banking organizations told us there was a need for the Fed to take a leadership role in providing critical information to the banking community," according to an Ask the Fed Fact Sheet. "While developments may have caused some other banking supervisors to become less accessible, a number of banking organizations turned to the Fed to help them make more informed decisions. Ask the Fed® was introduced in November 2008 as a solution to share timely updates on emerging and important topics."

Selected topics must be timely and represent new information

for the audience. Ask the Fed is designed for executive-level officials at state member banks and bank and savings and loan holding companies and their boards of directors. They also invite state banking commissioners and state banking associations to take part.

Expert speakers discuss topics for 30 to 45 minutes, followed by a "live" question-and-answer period. Bankers can register for a free account and can access all sessions, including archived sessions.

Each session is hosted by Julie Stackhouse, executive vice president of the St. Louis Fed's supervision division. She is accompanied by topical experts, including subject matter experts from the Board of Governors and each of the other Reserve Banks.

To learn more and register, visit www.askthefed.org. ■



Call me at
605.201.1864

Gene Uher

Based in Sioux Falls, SD,
serving South Dakota, Nebraska,
Minnesota and Iowa.

Bell Bank

Why choose Bell as your
bank's lending partner?

We'd love to hear about
participations or loans you
need from us.

Together, let's make it happen.

- Commercial & ag participation loans
- Bank stock & ownership loans
- Bank building financing
- Business & personal loans for bankers

bellbanks.com | Member FDIC



14027-V2

Choosing the Right Loan Correspondent Partner

As interest rates continue to rise, it can be increasingly difficult to originate loan deals. But the right correspondent banking partner can help you better help your customers.

Healthy competition is good for all of us, but it can also be difficult, especially when competitors offer impossibly low rates. Correspondent banking partners can help community banks compete against the big guys in your market by partnering with you to enhance your bank's competitiveness, profitability and ability to serve your commercial and agricultural customers.

More people are investing their money in the stock market than they are into CDs. That makes liquidity even more difficult for community banks. A correspondent banking partner can help with that by expanding your customer prospect list to include larger relationships in your markets. Correspondent banks can help you target customers who are too large to handle on your own.

In addition to buying and selling loan participations, correspondent banking partners can provide bank stock loan funding for the purchase of acquisitions, refinancing, restructuring and regulatory capital requirements. A correspondent bank can also offer business and personal loans to bank owners, insiders, directors, managers and officers.

Correspondent banking partners can help in the underwriting process, and they can offer expertise on loans that might not be as commonplace at smaller, rural banks.

When working with a correspondent bank, it's important to make sure you have a strong partner on your side. To do so, there are a few questions you should ask:

- **Is the correspondent bank large enough to take the entire participation?**

Working with only one correspondent makes your staff more efficient. You'll also want to make sure the bank can take larger portions of your credits to allow you to keep within your asset-liability committee (ALCO) limits.

- **Does the correspondent offer longer fixed terms?**

Make sure the correspondent you decide to work with can give you the flexibility you need.

- **How much experience does the correspondent have?**

During the recession of 2007-2009, many banks

stopped purchasing loans from community banks. They might have since re-entered the game, but if they got out once, think about what might happen the next time a recession hits. When looking for a correspondent banking partner, make sure the bank has a strong commitment to correspondent banking.

Banks experienced in correspondent banking look to do more than either decline or approve a loan. They find ways to work with community banks to make a participation deal better. Their job is to help the correspondent make the loan more solid.

- **Does the bank offer participations on agricultural loans?**

It's a challenging time in the ag industry, so it's especially important to look for a banking partner experienced in ag lending and committed to helping you take care of your ag customers. Experienced ag lenders know that the ag economy is cyclical, and many of them have been through harder times than this. A correspondent banking partner with ag lending experience can help you compete for and retain larger, high-quality agribusiness customers.

Correspondent banks are not in competition with you, but work as your business partner. Regardless of whether you are a bank with few or many shareholders, if you want to sell your institution or purchase another, it's important to keep your organization strong through a solid balance sheet and great earnings. It's also crucial to have a strong customer base. A correspondent bank with a strong, experienced correspondent banking department can help. ■



Gene Uher is a senior vice president and correspondent banking business development officer for Bell Bank, the largest independently-owned bank in North Dakota, South Dakota and Minnesota, with more than \$4 billion in assets. Bell, which is an SDBA associate member, handles close to \$500 million in bank stock loans and participations. Uher has worked in banking for more than 40 years and has been with Bell since 2009. Bell Bank is an equal housing lender, member FDIC. For more information, contact Uher at 605.201.1864 or guher@bellbanks.com.

ask the appraiser

BY SHERRY BREN | Executive Director | South Dakota Appraiser Certification Program

Appraisal Reporting—Certification & Signatures



Use of Certification with Form 1004D/442

Question: My client has asked me to re-inspect the property and provide them with a certification of completion for an appraisal that I completed for them eight months ago and submit

the report on the Fannie Mae Form 1004D/Freddie Mac Form 442. The assignment does not include an updated value opinion. Does this assignment require a certification regarding the prior service?

Response: No. Because this is neither an appraisal nor appraisal review assignment, USPAP does not require a certification. Although a disclosure of the prior service is required at the time of accepting this assignment no certification is required. The Conduct section of the ETHICS RULE states in part:

In assignments in which there is no appraisal or appraisal review report, only the initial disclosure to the client is required.

Changing the Certification

Question: Must the certification be exactly the same as that presented in USPAP? May an appraiser add items to the certification?

Response: USPAP states that the report must contain a signed certification that is similar in content to the form provided in the Rules related to reporting. An appraiser may modify or add to the certification as necessary. For example, the names of appraisers providing significant appraisal assistance who do not sign the certification must be stated in the certification. There are also certification requirements in some jurisdictions for real property appraisal certifications and licenses as well as requirements related to membership in a professional association. Clients, intended users and the intended use may also require additional certification items.

Appraisers using preprinted appraisal forms should be aware that clients and client groups may prohibit altering the preprinted certification used in assignments performed for them, but any such prohibition is not contained in USPAP.

Revising Pre-Printed Certification to Disclose Prior Services

Question: I perform residential real estate appraisals using “standard” pre-printed appraisal forms, such as those developed by Fannie Mae. I’ve heard that Fannie Mae does not allow any changes to their certifications, so how can I comply with the USPAP requirement to disclose, in the certification, any prior services I have or have not performed on the property within the prior three years?

Response: Fannie Mae does not prohibit additional certifications to their appraisal forms, as long as those additional certifications do not conflict with or diminish the “standard” certification items appearing on their forms. Therefore, appraisers may create an additional certification to comply with the obligations of the Conduct section of the ETHICS RULE. ■

If you have an appraisal related question that you would like to have answered in the “Ask the Appraiser” column, submit it to Sherry Bren, executive director of the Appraiser Certification Program, 308 S. Pierre St., Pierre, SD 57501, fax 605.773.5405 or by email at Sherry.Bren@state.sd.us.

Brian J. Gatzke, ARA, MBA
Certified General Appraiser, SD & MN

311 Third St | PO Box 63 | Brookings, SD 57006-0063
P: 605.692.9445 | F: 605.610.0948
info@northernplainsappraisal.com | www.northernplainsappraisal.com

Our team of valuation professionals provide reports in Uniform Standards of Professional Appraisal Practice (USPAP), Yellow Book (USFLA) and IRS appraisal standards. Having grown up in rural communities and family farms in the Dakotas, we know the value of professionalism and integrity. We specialize in:

- Agricultural Properties
- Dairies, Farms & C.A.F.O.s
- Conservation Easements
- Wildlife Habitat
- Rural Residential
- Commercial Properties
- Single and Multi Family
- IRS
- Yellow Book (USFLA)
- Mini-Storage Warehouses
- Lake Properties
- Estates, Donations, & Trusts

Our team also offers: consulting services, MLS research, agricultural land advising and real property valuation.

Contact us today for a personalized quote!

A Culture of Service Excellence in 10 Minutes a Day

By Jeff Rendel, Certified Speaking Professional



Remarkable results in just 10 minutes a day? That's what the infomercial gurus tell us as they sell their wares for

amazing abs, real estate investing and dogs that won't bark.

In spite of their claims, there is plenty of power in short, focused efforts performed consistently. Your bank can build its commitment to service excellence in just 10 minutes a day.

For three decades, The Ritz-Carlton Hotels have held the "Daily Line-Up," a 10-minute department huddle to prepare for the day ahead. It's a chance for every department—around the world—to discuss and focus on one of its dozen-plus service principles and standards of service.

Team members share "wow" stories of how they provided a great experience to a guest or colleague, and they focus on a standard to execute through the day (like "a warm greeting," "a fond farewell" or creating a "guest for life.") For the Ritz Carlton's full list of gold standards, visit www.ritzcarlton.com/en/Corporate/GoldStandards/Default.htm.

The Daily Line-Up is simple to execute at your bank. Before opening (or before every shift), huddle up in a small group to discuss a single aspect of service. Ideally, the feature to discuss comes from an established list of service standards unique to your bank with the discussion tailored to practical methods and examples of excellent service.

If your bank's service standards



are still in the works, incorporate some service principles discovered in articles on state association websites.

To increase participation in the Daily Line-Up, see that leading the discussion doesn't fall on the manager or trainer. Mix it up and choose a different leader every day. Tellers, loan officers, branch managers, call center agents, the CEO, IT professionals and many more can contribute to learning and teaching what's most important for service. In distinct ways, every professional at your bank is a leader for all customers. Each can provide valuable insight to enrich customer service.

Keep the Daily Line-Up short—10 minutes is best, long enough to elaborate on content and short enough that it doesn't feel like a meeting. What's most important is that everyone is hearing the same message and taking the day's element into their duties to keep your customer service culture alive.

When it comes to customer

service, the greatest challenge isn't skills, details and the nuts and bolts of working with customers. The challenge is focus and performance during the day-to-day schedule. The Daily Line-Up provides an opportunity to align varieties of activities with a specific value at your bank.

Try the Daily Line-Up model at your bank every day for just 10 minutes. You'll discover that short sessions create dramatic and sustainable enhancements that are easy to execute and add alignment and power to your bank's culture of service excellence. ■

Jeff Rendel, certified speaking professional and president of Rising Above Enterprises, works with banks that want entrepreneurial results in leadership, sales and strategy. Each year, he addresses and facilitates for more than 100 banks and their business partners. For more information, contact Rendel at jeff@jeffrendel.com, www.jeffrendel.com or 951.340.3770.

American Bank & Trust Celebrates 125th Anniversary

During the wake of the first Dakota land boom, in the young and thriving, dirt-road town of Alpena, on Jan. 8, 1892, the Bank of Alpena was chartered by the state of South Dakota. During the last 125 years, this community bank, now known as American Bank & Trust, has grown into nine locations and more than 130 employees.



Lynn Schneider "It's amazing to think about the fact that our bank was formed just three years after South Dakota was admitted into the Union," says Lynn Schneider, CEO, American Bank & Trust. "I am proud to be part of this organization and to build upon the vision and values that were established by our founders."

During the '40s and '50s, the bank grew in customers and capital. In 1952 Howard Peters, president of the bank, decided to build a branch bank in Wolsey. In 1964, the parent bank was moved from Alpena to Wessington Springs, and the name of the bank was changed to American State Bank.

With minds for finance and a shared commitment to service, Leland Steele and his son Jack purchased American State Bank in 1972 from Peters.

"My dad had always been a forward and optimistic thinker. He constantly had an eye out for new opportunities," says Jack Steele. "We talked with Howard for several years about purchasing the bank. It was very important to Howard that the bank remain under local ownership and management. So, it was a perfect fit for us to purchase American State Bank from him."

Leland and Jack Steele worked diligently for the next eight years together on the strategy and direction

for the bank until the unfortunate death of Leland in April 1980. At this time, Jack was named president and CEO.

Through the '90s, American State Bank was still growing strong, opening two more branches — one in Mellette and one in Miller. A new bank building was also completed in Wessington Springs. Preston Steele, Jack's son, joined the bank and brought the third generation of the family into the banking business.

In 2002, growth was on the horizon once again for the bank and a sixth branch was added in Huron at the corner of 18th and Dakota. In that same year, Schneider took over the reins as president and CEO from Jack Steele, and the bank's name was changed to American Bank & Trust.

During 2011, People's State Bank in De Smet merged with American Bank & Trust. In 2012, American State Bank in Pierre was acquired and subsequently merged. Also, the Mansfield State Bank in Mansfield was acquired in 2012. In February 2016, the bank opened its most recent location in southern Sioux Falls.

As part of the 125th anniversary celebration, the bank has several special activities and events planned throughout the year. The first is an updated logo.

"Over the last 125 years as our bank has grown and changed, but what has never changed is our dedication toward making our customers' banking experience the very best possible," says Schneider. "Special thanks to our team of employees that provide exceptional service to our customers day after day. Each employee shares in our vision and values of being friendly, compassionate, trustworthy and making a difference." ■



Herrboldt Named Market President, First Bank & Trust, Sioux Falls



Jason Herrboldt

Jason Herrboldt has been promoted to market president for First Bank & Trust's Sioux Falls operation. Herrboldt, who was formerly executive vice president, will now oversee the retail, business, wealth management and mortgage divisions.

With 16 years of financial services experience, specializing in commercial, construction and retail banking, Herrboldt holds a bachelor's degree in business management and an MBA from the University of South Dakota and a degree from Graduate School of Banking in Boulder, Colo.

"Jason has been with the bank since our 2006 entrance into the Sioux Falls market," said Brian Thompson, CEO/president of First Bank & Trust's Sioux Falls charter. "His leadership has helped us more than triple the size of the bank since then, and his innovative vision has lead us down new and exciting paths. We are proud to have Jason spearhead our efforts in this important growth market."

Thompson continues his role as CEO/president and vice chairman of the Board of Directors for First Bank & Trust's Sioux Falls charter.

Herrboldt has been active in many community organizations including the Sioux Falls Firefighters Pension Fund Board of Trustees, Sioux Empire Arts Council, Sioux Falls Area Chamber of Commerce, Home Builders Association, Rotary and the Sioux Empire Friends of Scouting. Herrboldt is an active long-distance runner, competing in marathons across the country. He and his wife, Angela, have four children. ■

Faulkon Dacotah Bank President to Retire



Dwight Hossle

After more than 40 years in banking and finance, Dwight Hossle, market president for Dacotah Bank in Faulkton, is retiring. Hossle began his career as an agricultural lender with 1st National Bank in Aberdeen, now Wells Fargo. He spent the past 35 years in Faulkton and will retire on April 15.

Hossle grew up on a ranch near Winner, where he graduated from Winner High School in 1971. He attended Northern State University in Aberdeen, playing football while earning a bachelor of science degree in business administration. Following four years with 1st National Bank of Aberdeen, Hossle worked for South Dakota Student Loan Finance Corp.

In January 1982, Hossle joined what was to become Dacotah Bank in Aberdeen and in February of that year transferred to Faulk County State Bank in Faulkton, later to be renamed Dacotah Bank. There, he started as an ag lender under the leadership of Robert Wherry, the

local bank president, later becoming the senior vice president and eventually the market president.

Hossle and Rhonda Erickson of Gettysburg were married in May of 1982. Rhonda also started at the bank in 1982, and is celebrating 35 years of employment with the company this year. The couple has two daughters. Amanda works for the South Dakota Department of Public Safety in Pierre, and Kalli Jo is a department manager for Target in Aberdeen.

Dwight has been active in the cattle industry as a producer and a long-time member of the South Dakota Cattlemen's Association. He attended the Graduate School of Banking at Madison, Wis., graduating in 1996. For 25 years, Hossle has served on the SDBA's Agricultural Credit Committee and the Faulkton Economic Development Corporation. He was also a member of the 2006 class of South Dakota Ag and Rural Leadership, where he had the opportunity to tour Brazil and experience their agricultural lifestyle.

"Banking has seen numerous changes in the past 35 years," Hossle said. "Increased regulations have been a big part of that change, good or bad. Also the sheer volume of

dollars it takes to finance agricultural operations today compared to what it took in the 1980s is staggering and something nobody could have predicted."

"I will miss the people that I have had the pleasure of working with over the past 35 years on a daily basis, both employees and customers," he said. "The employees, past and present, have made every day of my career very enjoyable. It's important to enjoy every day, and the people I have worked with have made that possible. There comes a time when the trail ends and it's time to dismount and unsaddle. That time has come."

Brad Moore, Mid-Dakota regional president for Dacotah Bank, recognized Hossle for his steadfast service.

"Dwight has served the Faulkton and Cresbard markets for 35 years. While there have been many changes in the banking and financial services industry throughout this period, Dwight's focus on the customer, employees and the community always remained the same," Moore said. "We thank Dwight for his years of service and wish him the best in his retirement years." ■

Dacotah Bank Helps With \$1.5 Million Housing Grant

Dacotah Bank has been successful in helping several organizations receive more than \$1.5 million in Federal Home Loan Bank (FHLB) Competitive Affordable Housing Program grants.

Peggy Lunzman, director of mortgage banking at Dacotah Bank, Aberdeen, said \$1,525,000 was approved and will be used by four housing assistance organizations: Homes Are Possible, Inc. (HAPI) in Aberdeen (\$75,000), Oglala Sioux (Lakota) Housing on the Pine Ridge Reservation (\$450,000), North Dakota Lutheran Social Services Housing, Inc. (\$500,000) and the Sisseton Wahpeton Housing Authority in

Sisseton (\$500,000).

Grants received will be used by HAPI to make affordable housing available in the Northwood development in Aberdeen. Fifteen existing low-rent housing units will be renovated on the Pine Ridge Reservation by the Oglala Sioux (Lakota) Housing administration. An affordable housing apartment complex in Rolla, N.D., will have access to \$500,000 as a result of the efforts of Dacotah Bank's mortgage team and North Dakota Lutheran Social Services. The remaining \$500,000 grant to the Sisseton Wahpeton Housing Authority is earmarked for rehabilitation of

homes owned by Native Americans.

On a related note, Dacotah Bank is among eight community banks in the nation recognized on a map in the January/February issue of Banking Journal, published by the American Bankers Association. The U.S. map highlights Dacotah Bank and its "partnership with the Federal Home Loan Bank of Des Moines and the Coalition of Indian Housing Authorities and Native Developers. Dacotah Bank provides down payment funds and zero-interest financing to support home ownership among Native American families in some of America's most impoverished communities." ■

classifieds

Ag Credit Analyst, Plains Commerce Bank, Sioux Falls

Plains Commerce Bank is looking for an experienced, energetic, self-motivated person to fill a full-time ag credit analyst position in our Sioux Falls location. A successful candidate must have a bachelor's degree in business, finance, a business field or a minimum of four years related work experience. One must also possess strong analytical and problem solving skills, the ability to work under pressure, and have knowledge in word processing and spreadsheet use with the ability to learn new programs. Responsibilities of the position include (but are not limited to) analyzing and interpreting financial statements including projections for business and agricultural loans, independent financial analysis of trends, ratios, cash flow, and industry average, preparing written credit write-ups based on issues uncovered in financial or collateral analysis, reviewing of internal loan accounting systems, compliance with bank policy, provide written support for the recommended risk rating of each borrower, ensuring the accurate entry of financial information into software, and attending loan committee meetings. We offer a competitive compensations and benefits package. Visit www.plainscommerce.com/about/careers to apply. Member FDIC. Equal Housing Lender. ■

Credit Analyst, First National Bank, Pierre

First National Bank in Pierre, S.D., has an opening for a credit analyst. This is a great opportunity for a motivated, progressive individual with a four-year college degree. This position will allow the successful candidate to begin a career in central South Dakota that has the potential to grow and evolve with a banking organization that consistently sets the standard in community banking. The successful applicant will participate in all facets of lending and branch banking with emphasis in analyzing our commercial customer's financial condition. A strong sense of business opportunities, together with the creativity, energy and enthusiasm necessary to formulate and implement business development strategies is essential. Upward movement is available for the successful applicant. This position can progress into many areas of our current operation such as commercial lending and/or personal banking. Strong interpersonal communication and analytical skills, as well as the ability to practice sound decision making are required. A degree in business, finance or related area is required. Join a progressive banking organization that offers a competitive salary and benefits package. Submit resume to Matt Judson, First National Bank, PO Box 730, Pierre, SD 57501. EOE ■

Mortgage Loan Officer, Security First Bank, Rapid City

Security First Bank is currently seeking an experienced mortgage loan officer to develop new and expand existing mortgage lending relationships. Duties include examining, evaluating, authorizing or recommending approval of customer applications for consumer residential real estate loans at various locations. The position will promote and represent the bank and mark referrals at various locations. The successful candidate will have a background in banking, real estate or title work. The ideal candidate will have excellent communication and customer service skills as well as the ability to maintain a high level of accuracy at all times. An undergraduate degree in finance or accounting or equivalent experience required. We offer a competitive compensation and benefits package including medical, dental, vision, 401(k), paid time off and holidays. Security First Bank is an Equal Opportunity/Affirmative Action Employer. All qualified applicants will receive consideration for employment without regard to race, color, religion, sex or nation origin. We are also an equal opportunity employer of individuals with disabilities and protected veterans. Resumes may be mailed to: Security First Bank, PO Box 3490, Rapid City, SD 57709 or www.security1stbank.com. ■

If you have a job opening at your bank or something to sell, send your classified listing via email to ademers@sdba.com and we will post it on the SDBA website, print it in one issue of South Dakota Banker and include it in the SDBA eNews. This service is free to member banks and associate members (200 word limit). The fee is \$50 for nonmembers. Questions, call 605.224.1653.

DSU Students Receive Bankers Foundation Scholarships

Five students from Dakota State University (DSU) in Madison received scholarship from the South Dakota Bankers Association for the 2016-2017 school year.

Three of the students receiving scholarships are majoring in cyber operations: Lee Flowers Jr., Charleston, S.C.; Joel Pilling, Mt. Pleasant, S.C.; and Mike Shlanta, Sioux Falls.

Steve Schmidt from Madison is majoring in network and security administration, and Paul Borota from Yankton is majoring in computer science. ■



L-R: Joel Pilling, Steve Schmidt and Lee Flowers Jr.

Seminars/Conferences/Webinars/Schools

SDBA Events

SDBA 2017 State Legislative Day

Feb. 8, 2017: Ramkota Conference Center, Pierre

IRA Update

Feb. 24, 2017: Ramkota Hotel, Sioux Falls

ABA 2017 Government Relations Summit

March 20-22, 2017: Washington Marriott Marquis, Washington, D.C.

SDBA 2017 Agricultural Credit Conference

April 12-14, 2017: Ramkota Conference Center, Pierre

2017 FDIC Directors' College

May 2, 2017: Sioux Falls Convention Center, Sioux Falls

2017 Quad States Convention

June 4-6, 2017: Rushmore Plaza Civic Center, Rapid City

2017 National School for Beginning Ag Lenders

June 19-22, 2017: Black Hills State University, Spearfish, S.D.

SDBA 2017 IRA School

Sept. 6-8, 2017: Clubhouse Hotel & Suites, Sioux Falls

SDBA 2017 Bank Technology Conference

Sept. 19-20, 2017: Ramkota Inn, Sioux Falls

Webinars

The following are available as live webinars and/or recorded seminars. For more information and additional webinars, visit www.sdba.com/webinars.

- Feb. 13, 2017: For Sales Managers: How to Hire Better Bankers Who Can Sell
- Feb. 14, 2017: It's Time for a TRID Check Up
- Feb. 14, 2017: Smart Social Media
- Feb. 15, 2017: Real Estate Law for Bankers
- Feb. 15, 2017: Federal Benefit Payments Garnishment Requirements
- Feb. 16, 2017: Call Report for Banks – Recent Changes, Highlights and Pitfalls
- Feb. 16, 2017: Excel Explained: Dealing with Duplicate Data
- Feb. 21, 2017: Accounts Receivable and Inventory Financing
- Feb. 22, 2017: Servicemember Issues: The Military Lending Act & SCRA
- Feb. 22, 2017: New BSA Officer Training
- Feb. 23, 2017: Compliance Perspectives
- Feb. 23, 2017: Business Account Mapping: New CDD

Rules in a Multi-tiered Business Environment

- Feb. 23, 2017: Signature Card Danger Zones
- Feb. 24, 2017: Ransomware and Cyber Extortion
- Feb. 27, 2017: Overdraft Protection Programs
- Feb. 27, 2017: Basic Personal & Business Tax Return Analysis
- March 2, 2017: FCRA Review and Update
- March 2, 2017: Achieving Unclaimed Property Compliance Best Practices for the Banking Industry
- March 7, 2017: HSA
- March 7, 2017: Compliance 101: Rules for Consumer & Mortgage Lenders
- March 8, 2017: Vital Check and Deposit Issues
- March 9, 2017: Regulation E Final Changes of Prepaid Cards
- March 9, 2017: Legal Liabilities when Check Fraud Occurs

Banking Schools

Schools of Banking: School of Lending Principles

March 6-10, 2017: Manhattan, Kan.

GSB Bank Technology Management School

March 19-24, 2017: University of Wisconsin-Madison

GSB Human Resource Management School

March 26-31, 2017: University of Wisconsin-Madison

Schools of Banking: School of Banking Fundamentals

April 3-7, 2017: Grand Island, Neb.

2017 National School for Beginning Ag Lenders

June 19-22, 2017: Black Hills State University, Spearfish, S.D.

Graduate School of Banking at Colorado

July 16-28, 2017: University of Colorado-Boulder

Graduate School of Banking at Wisconsin

July 30-Aug. 11, 2017: University of Wisconsin-Madison

SDBA 2017 IRA School

Sept. 6-8, 2017: Clubhouse Hotel & Suites, Sioux Falls

GSB Financial Managers School

Sept. 10-15, 2017: University of Wisconsin-Madison

GSB Bank Technology Security School

Oct. 15-20, 2017: Dallas, Texas

GSB Advanced IT Forum

Oct. 24-26, 2017: University of Wisconsin-Madison

For more details and to register for a training, visit the SDBA's online event calendar at www.sdba.com.

South Dakota Bankers Association's 2017 Agricultural Credit Conference



April 12-14, 2017

Ramkota Hotel & Conference Center
Pierre, South Dakota



There are ways banks can position for success in agriculture's challenging times, and attending the SDBA 2017 Agricultural Credit Conference will be a step in the right direction. The SDBA has lined up speakers on a variety of timely topics to help bankers navigate through stressful times. Experienced and new ag lenders, as well as CEOs, will all benefit from this conference.

Sponsored by:





ABA government relations. summit 2017

March 20–22 | Washington, DC

It's a pivotal year for Washington—and soon a new presidential administration, and a new Congress, will take office. These changes are an opportunity to ensure incoming lawmakers know the value of a strong banking industry.

Join us as we come together to tell Congress how America's Banks deliver jobs and growth to communities across the country.

OTHER EVENTS TAKING PLACE:

Mutual Community Bank Forum, March 19–20

Emerging Leaders Forum, March 20

Women's Leadership Forum, March 19

Register today
aba.com/Summit



American
Bankers
Association®