

South Dakota Banker

Your Premier Source to South Dakota's Financial Services Industry | May 2016



Record Numbers Attend Ag Credit Conference

Ag Bankers Learn to
Position for Success in
Tough Times

Page 12

INSIDE ...

**Two Elected to SDBA Board of
Directors**

Page 8

**Experienced Bankers Help
Lenders Expand Skills**

Page 10

Holding Your Data Ransom

Page 14

SOUTH DAKOTA

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At the Governor's Office of Economic Development, we understand the needs of growing businesses. We also understand the requirements of lending institutions across the state. That's why we work alongside bankers and business owners to bring to the table some of the best small-business financing available. Whether it is short-term or long-term financing needs, our dedicated team is ready to assist in growing South Dakota's businesses.

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South Dakota Banker is a monthly magazine published by the South Dakota Bankers Association that is dedicated to enhancing the banking profession by providing useful and timely information on important events and trends in the banking industry. Members are invited to submit news and information.

The advertisements within this publication do not necessarily represent endorsed vendors of the SDBA. With the exception of official announcements, the SDBA disclaims responsibility for the opinions expressed and statements made. The editor reserves the right to refuse any advertisement or editorial copy. Advertising rates are available upon request.

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contents

Message from the Chairman	4
Ag Conference Continues Tradition of Quality; SDBA, Banks Run Ad on Tax Day	
From the Executive Office	5
Implementing New Legislation to Prevent Financial Exploitation, Abuse at Your Bank	
South Dakota Bankers Insurance & Services Update	6
Why Drug Prices Remain Insanely High and Six Things You Can Do To Save	
SDBA Board	8
Two Elected to SDBA Board of Directors	
Area Event	9
2016 Annual Convention Registration Open	
Banker Training	10
Experienced Bankers Help Lenders Expand Skills	
Ag News	11
Training Ag Leaders in Rangeland and Natural Resource Management	
Ag Banking	12
Record Numbers Attend Ag Credit Conference	
Bank Security	14
Holding Your Data Ransom	
Washington Update	16
Help Us 'POWER UP'	
IRA Update	17
Why an IRA Audit? Why In-House Training?	
Board of Directors	18
Appetite for Disruption	
Bank Notes	20
Classifieds	21
Education Calendar	22

Front Cover: Pictured from left are Jordan Wollschlager, Great Western Bank, Watertown; Brandon Herr, Dacotah Bank, Clark; Darrell Schlepp, Dacotah Bank, Mobridge; and Eric Hanson, Dacotah Bank, Clark.



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message from the chairman

BY RICK RYLANCE | Regional President | Dacotah Bank, Rapid City

Ag Conference Continues Tradition of Quality



I just returned from attending the SDBA's Agricultural Credit Conference in Pierre. A big THANK YOU goes out to Agricultural Credit Committee Chairman Darrell Schlepp and the rest of the committee, along with Deb Gates and her staff, for putting on a great conference.

There was record attendance and for good reason as the quality of speakers was outstanding. The speakers delivered a good message for all lenders given the ag economy we are facing.

I would also like to give a shout out to those CEOs,

managers and supervisors who sent individuals from their banks. It is not always easy to send staff to training and conferences, but I believe that everybody in attendance took away great information that will make them better lenders in these uncertain times.

It has been a number of years since I attended an Ag Credit Conference, and I am grateful to see that the quality of this conference is as meaningful today as when I attended as a young lender many years ago. ■

Rick Rylance is regional president for Dacotah Bank in Rapid City. Rylance can be reached at 605.394-9000 or rick.rylance@dacotahbank.com.

SDBA, Banks Run Ad on Tax Day



Today, the average American family will pay
\$14,057
in federal income taxes

The \$1 trillion credit union industry will pay
\$0



aba.com/ItsTimeToPay
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This message is brought to you by your local tax-paying banks.
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Source: IRS, Statistics of Income Division, Individual Income Tax Rates and Shares

As part of the SDBA's ongoing efforts to educate the general public about the differences between tax-paying banks and tax-exempt credit unions, the SDBA ran an ad originally designed by the ABA as a quarter-page, full-color ad in South Dakota's 11 daily newspapers on April 15. (The ad appeared in the *Capital Journal* on April 18.)

Some SDBA member banks also made the decision to run the ad in their local weekly newspapers. Now, it is more crucial than ever that we power up, expand bankers' participation in the political process and work to rebuild the banking industry's political clout. Running this ad on or around Tax Day was just one small step in that direction.

The message is pretty simple. According to the IRS, an American family of four will pay \$14,057 in federal income taxes. This nation's one-trillion-dollar credit union industry will pay \$0.

The SDBA also shared this message on its website at www.sdba.com, via Facebook at www.facebook.com/SDStateBankers and on Twitter. The SDBA asks bankers to help spread this message through social media. ■

Implementing New Legislation to Prevent Financial Exploitation, Abuse at Your Bank



The 2016 State Legislative Session is finished, and our spring pilgrimage to Washington, D.C., to address banking legislative policy priorities too has passed. So what's next?

How about a bit of introspection, fact gathering and strategic planning? For the past couple of months, we

have been working with Terry Saber and her associates at WIPFLI Consultants, laying the groundwork for a strategic planning retreat that will take place in early May. I want to say a big THANK YOU to all of the SDBA member CEOs or their designees who completed an online survey during the early part of April. The insights you provided will serve as the foundation for discussions between SDBA staff and the Association's volunteer banker leaders as we deliberate over Association and industry priorities, plotting a course for the future of the SDBA.

One of the SDBA's near-term priorities has already been determined by the recent passage of SB54 – legislation aimed at preventing the financial exploitation and abuse of South Dakotans who are elderly or have an intellectual or developmental disability. South Dakota's banking industry had a hand in crafting the banking-related provisions of the bill through the good work of SDBA Chairman Rick Rylance and Past Legislative Committee Chair Kristina Schaefer on a diverse task force created by the Legislature in 2015. It follows that the SDBA will play a role in implementing those provisions. Our work will include:

- Informing bankers about what SB54 did and did not do.
- Providing training to help bankers recognize suspicious activity relating to an elder's bank accounts and about how to report suspected cases to state and local authorities.
- Providing access to materials bankers can use to communicate with elderly customers about how to avoid exploitation or abuse.

Because the training components associated with financial exploitation and abuse are sizable subjects by themselves, I am not going to attempt to get into them in this column. What I will try to do this month is to give you a general sense of what SB54 did and did not do with

regard to bankers' interaction with their elderly customers or those with intellectual or developmental disabilities. But first, a bit of background.

Early in 2011, the federal Financial Crimes Enforcement Network (FinCEN) issued an advisory to all banks, providing SAR filers a list of red flags that could potentially signal elder financial exploitation, prompting an almost immediate spike in those types of filings. At that time, bankers were encouraged to write the term "elder financial exploitation" somewhere in the report narrative so that such reports could be counted and presumably flagged for follow-up. More recently, FinCEN actually added "elder financial exploitation" as a separate category on SAR report forms. Since April of 2013, all SAR reports must be filed online. So in theory, capturing, analyzing and sharing of SAR reports relating to elder financial exploitation should be able to occur at the touch of a button. Well, not exactly. During last year's task force discussions, we learned that access to elder financial abuse-related SARs was limited.

Bankers who filed SARs could only do so with FinCEN – not with state or local law enforcement officers. FinCEN only allows access to SARs to one single point of contact for each state. Plus, there was no pro-active sharing of that information between FinCEN and the states. The only way that single state point of contact would ever find out about a SAR was to ask.

Importantly, SB54 gives bankers the legal authority to share information about suspected cases of financial exploitation or abuse directly with state and local law enforcement. Bankers are permitted, but not required, to report suspected cases of financial exploitation of an elderly customer or an adult customer with a disability. Equally as important, SB54 provides a financial institution with immunity from any civil or criminal liability that might otherwise result from filing such reports or for cooperating with law enforcement in a subsequent investigation. I am currently having positive conversations with people in the South Dakota Attorney General's Office about the mechanics of how this information sharing will take place.

Look for more information to assist your bank in implementing SB54 in future editions. ■

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

Why Drug Prices Remain Insanely High and Six Things You Can Do To Save



The SDBA large group health plan is doing quite well—what I am seeing is the unprecedented rise in generic prescription drug costs. It is a complex issue that needs congressional attention. The following article will be helpful in summing up the situation.

By Elizabeth O'Brien, Retirement Reporter, MarketWatch, Sept. 21, 2015

Andi Royer's discretionary income goes largely toward medical expenses, so she lives frugally, forgoing new clothes and rarely eating out.

While she has health insurance, the 27-year-old Los Angeles administrative assistant and her husband still spend about \$6,000 out of pocket each year on insulin, testing supplies and doctors' visits to manage the Type I diabetes she will have for the rest of her life.

"This is a very, very expensive disease to have," Royer said.

For Americans with substantial prescription drug needs, today's consumer-driven health marketplace requires them to be savvy shoppers who hunt for drug deals like they were bargains on flat-screen televisions.

Some can mitigate expenses by shifting to generic drugs. Others—like Royer, whose insulin has no generic alternative—must use a patchwork of strategies in an effort to control costs. Ultimately, it's the consumer, rather than doctors, who bears the most responsibility for managing prescription drug bills.

Generics are popular, but not always cheaper.

Total U.S. drug spending hit \$374 billion in 2014, up 13 percent from 2013, the highest annual growth rate since 2001, according to IMS Health. The market has shifted dramatically since the late 1990s when, according to Conjecture, nearly half of prescriptions were filled with generic medications. That rose to 88 percent in 2014.

That hasn't meant lower drug costs for all consumers. In fact, some prices have risen spectacularly. The New York Times reports on the overnight rise in the price of Daraprim, a drug that treats serious parasitic infections, from \$13.50 a tablet to \$750. Start-up company Turing Pharmaceuticals raised the price in August after acquiring the drug, the Times reports, and the company's chief executive says proceeds will be used to develop better treatments for toxoplasmosis, a parasitic infection.

In short, the specifics of a patient's diagnosis still drive most of the expense. Someone with diabetes, for example, has less leeway to slash her bills than someone with high cholesterol or depression. While the latter conditions can be treated with low-cost generic medications, there is no such version of the synthetic insulin most American diabetics take.

So while the country's annual spending on diabetes therapies grew 18 percent from 2013 to 2014, according to pharmacy benefit manager Express Scripts, spending on high blood pressure and depression fell 12.6 percent and 18.4 percent, respectively, during the same time largely due to the increased use of generics to treat those conditions.

Yet generic drug prices can also rise substantially in the U.S., where the government doesn't negotiate directly with pharmaceutical companies. While the wholesale price of branded drugs tends to increase at an annual rate in the low double digits, the prices of generic drugs fluctuate.

Out of more than 21,000 generic drug products analyzed by Connecture, more than half showed no price change from 2008 to 2015. More than 3,500, however, saw their price at least double during that time, with nearly 400 up more than 1,000 percent. Nearly 1,100, meanwhile, saw prices fall more than 30 percent.

The reasons for changes in generic drug prices vary. Some rose in 2014 when the Food and Drug Administration banned imports from some Indian plants over quality concerns. Others have fluctuated in part because of competition and consolidation among drugmakers, according to Connecture.

Until recently, there had been a certain symbiosis between the prices of branded and generic drugs, said Steve Miller, a physician who is chief medical officer for Express Scripts. Over the years, the expanding generic market helped offset the expenses related to brand-name and specialty drugs.

When generic statins caused the cost of treating high cholesterol to plunge, for example, insurers had more money to spend on other treatments. Patients with lower-cost treatments were, in effect, subsidizing those with higher-cost treatments.

In recent years, however, the generic market has approached a saturation point, and incremental increases in generic drug use have delivered shrinking returns. Patent expirations resulted in a reduction in spending of \$11.9 billion in 2014, down from \$29.3 billion in 2012, according to IMS Health. Meanwhile, spending on branded and specialty drugs continues to climb. Now,

Miller said, “Every patient who needs expensive drugs hits the bottom line.”

Insurance carriers and large, self-insuring companies absorb the immediate brunt of increased drug costs, but they eventually filter down to patients. The amount patients pay for medication generally tracks drugs’ wholesale prices, though the rebates their insurance carrier obtains from its pharmacy-benefits manager, as well as the co-payments and deductibles associated with their particular plan, also affect prices. Insurers pass price increases down to patients as higher co-payments and plan designs that encourage customers to select less-expensive drugs.

And rising prices affect more than the roughly half of all Americans who take prescription drugs. Spending by the federal government accounts for about a quarter of the nation’s health-care spending through Medicare and other programs. Rising prices strain those programs and the tax dollars that fund them.

Strategies for Controlling Drug Costs

Not all consumers have the same ability to reduce prescription drug spending. While the strategies discussed below won’t work the same way for every diagnosis, they’re still worth considering for those trying to limit pain at the pharmacy counter.

Talk to your doctor. When a patient visits a doctor with a given disease, the doctor will generally prescribe her go-to medication for that condition, regardless of the patient’s insurance coverage. Doctors sometimes prescribe a branded drug out of habit, experts say.

It is up to the patient to figure out what his insurance covers and to request a lower-cost alternative if possible. “Wherever there’s more than one drug choice, doctors and patients go through this dance,” Yocum said.

Leave your insurance card at home. Most people assume they’ll get the best deal buying medications through their insurance plan, but this isn’t always the case.

Retailers including Target and Wal-Mart have generic medication lists from which consumers can purchase a month’s supply of generics for \$4 without going through their insurance. Some independent pharmacies may be willing to match these prices, said Lisa Gill, prescription drugs editor at Consumer Reports.

Even if a drug isn’t on the generic list, it pays to ask a pharmacist what its retail price is. If the insurance plan requires hefty copay for the drug, the retail price may be cheaper than the copay. But consumers should note that buying retail won’t count toward their insurance plan’s prescription deductible, adding potential complexity to their cost calculations.

The website and mobile app GoodRx is one source of information about the retail cost of different medications at local pharmacies, which can vary. It also offers coupons consumers can use if they don’t go through their insurance.

As much as coupons encourage consumers to shop around, checking different pharmacies to find the best deal on a particular prescription, patients on multiple medications should keep in mind that doing so might increase their risk of adverse drug interactions if Pharmacy A doesn’t know what Pharmacy B has dispensed.

Shop abroad. Those tempted to buy drugs abroad, either in person or online, should note that it’s illegal to do so except under certain circumstances.

The FDA generally doesn’t object to personal imports of drugs for a serious condition for which effective treatment isn’t available in the U.S., as long as various conditions—including the acquisition of the prescribing doctor’s contact information and a three-month limit on supply—are met.

More than a million Americans buy medications abroad to save money. The FDA has largely turned a blind eye toward the purchases of limited quantities of medication for personal use.

Try patient assistance programs and discount cards. NeedyMeds.org is a national nonprofit organization that maintains a website of free information on programs that help people who can’t afford their medications or other health-care costs. It also offers a free drug discount card.

RxAssist.org, meanwhile, maintains a comprehensive database of patient assistance programs set up by drug companies for those who have trouble affording their medications. The site also maintains a list of foundations and other organizations that help patients afford their copayments.

Examine your health coverage. Fall is open enrollment season for many employer-sponsored plans, as well as for Medicare and for the Obamacare marketplaces. While it can be a tedious exercise, it pays to check out the approved drug list of each plan option. This list is known as the formulary, and it can change from year to year, or even midyear. That means a drug that is covered by your plan at one point may not always be; the prices you pay for those drugs could also change with little notice.

Experiment with generics. Generic medications must be equivalent to their branded counterparts, but that doesn’t mean that each patient tolerates them the same way they do the branded version. Consequently, some patients may feel that a generic doesn’t work as well and give up on the potentially money-saving option.

But patients may be able to get their desired results in consultation with their doctor by modifying their dosage, taking the drugs more frequently or investigating different generic treatments, experts say. ■

Mike Feimer is president of the South Dakota Bankers Insurance & Services (SDBIS), Inc. Feimer can be reached at 605.660.2341 or mfeimer@sdba.com.

Two Elected to SDBA Board of Directors

Congratulations to Kristina Schaefer, First Bank & Trust, Sioux Falls, and David D. Nelson, First Fidelity Bank, Platte, who were elected to serve on the SDBA Board of Directors. They began serving their three-year terms on May 1.

Kristina Schaefer, First Bank & Trust, Sioux Falls

Kristina Schaefer is serving her first term on the SDBA Board of Directors, representing banks in Group I.



Banking Career:

Kristina Schaefer serves as general counsel and director of risk management for Fishback Financial Corporation (FFC)/First Bank & Trust in Sioux Falls. As the primary legal resource for the organization, Schaefer provides advice and counsel on all legal matters, including lending

transactions, payment systems issues, contracts and corporate governance. In addition, Schaefer oversees the compliance, fraud, BSA/AML, and third-party oversight functions, and serves on the governing policy body for FFC. During the past eight years, she has also held the titles of general and corporate counsel. Prior to joining FFC, Schaefer worked as an attorney in a private practice where she specialized in banking law and general corporate law. Before attending law school, she was employed at First Bank & Trust and worked in customer service and risk management. Schaefer currently serves on the SDBA Legislative Committee, which she has chaired, and the ABA Regional Bank General Counsels Group and the ABA Cyber and Information Security Working Group.

Community Involvement:

Schaefer regularly coaches Girls on the Run and volunteers at John Harris Elementary School in Sioux Falls. She also serves as a mentor to two young girls as part of the LSS School Based Mentoring Program and is active in its Everyday Heroes Recruitment Campaign and Advisory Committee. She was also a member of South Dakota's Elder Abuse Prevention Task Force.

Family:

Schaefer and her husband, Scott, have two daughters: Olivia (9) and Harper (3).

Goals as an SDBA Director:

"Serving the industry is important to me. I would also like to use my specialized knowledge in areas like compliance, fraud and legal to advocate for banks in those areas." ■

David D. Nelson, First Fidelity Bank, Platte

David D. Nelson is serving his first term on the SDBA Board of Directors, representing banks in Group III.



Banking Career:

David D. Nelson serves as a senior vice president at First Fidelity Bank and manager of its Platte branch. He is also the bank's investment officer, a member of the executive loan committee and a member of its board of directors. Nelson has a bachelor of science degree in business administration and a

master of business administration from the University of South Dakota and has attended the Graduate School of Banking—Wisconsin. He has his Series 7, 63 and 65 national securities licenses. Nelson previously worked as an investment representative for American Express before joining First Fidelity Bank in 1995. He has also served on the SDBA Legislative Committee, which he has chaired.

Community Involvement:

Nelson currently serves on the board and is past president of the Platte Development Corporation. He is also on the Platte Area Foundation Board. Previously, Nelson served on the Platte Chamber of Commerce Board, St. Peter's Catholic Church Council and the Platte Black Panther Booster Club Board. He is a member of St. Peter's Catholic Church and the Knights of Columbus.

Family:

Nelson and his wife, Bernadette, have been married for 37 years. They have three grown daughters: Briana (Nathan) Kraayenbrink, Chelsey (Nick) Kortan, and Megan (Heath) Kuipers. They also have six grandchildren.

Goals as an SDBA Director:

"To continue to be an advocate for the banking industry. More bankers need to become involved to help promote the banking industry to let lawmakers and regulators know that our industry is important to us as bankers, our customers and our communities. We also need to continue to advocate for relief from regulatory burdens and to provide a level playing field to ensure the continued viability of our community banks." ■

2016 Annual Convention Registration Open

We all want to win. We want to be successful—personally and professionally—so we can help our customers and communities win. How do we achieve that? By coming together with like-minded professionals to network, recharge, hit the jackpot with two days of timely information critical to the banking industry and have a high time doing it!

At this year's NDBA/SDBA Annual Convention, June 12-14, at the Best Western Ramkota Hotel Plus in Bismarck, N.D., we will do all that and more. The "Winning Together" theme not only encompasses the fun Las Vegas vibe but also delves a bit deeper. By gathering ideas from each other and learning from a wide variety of presenters, we will take key points back to our hometown banks to effect positive change... because "what happens at convention shouldn't stay at convention."

With nationally-acclaimed speakers, great networking opportunities, fantastic special events and visits to local destinations, the NDBA and SDBA are confident you will not want to miss our largest event of the year.

The NDBA and SDBA look forward to seeing all you "high rollers" at this lively and entertaining convention.



We will definitely be "Winning Together!"

The complete agenda and registration form were recently mailed to all banks, branches and associate members and can also be found at www.ndbaconvention.com. For more information, contact the NDBA at 701.223.5303 or email ndba@ndba.com. ■

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Experienced Bankers Help Lenders Expand Skills

Graduates of the 2016 Dakota School of Lending Principles held March 29 to April 1 in Bismarck, N.D.



With four knowledgeable and experienced bankers as instructors, learning happens at a high level. At the Dakota School of Lending Principles, held March 29 to April 1 in Bismarck, N.D., more than 70 bankers experienced an outstanding week of learning the lending process from respected faculty members—as well as peers—while expanding their skills and knowledge.

Bankers from four states gained lending skills and broadened their critical thinking skills. With one foot grounded in the classroom and one foot in the bank, the school helped students learn the theory and process of basic lending and then put the knowledge to work in hands-on sessions. South Dakota graduates were:

- Steele Bendigo, Pioneer Bank & Trust, Rapid City
- Donna Danielson, Pioneer Bank & Trust, Rapid City
- Julie Gardner, First Interstate Bank, Lead
- Hayden Handcock, BankWest, Inc., Onida
- Vicky Hauck, First Interstate Bank, Belle Fourche
- Nick Lentz, Sunrise Bank Dakota, Onida
- Jordan Melius, Dacotah Bank, Aberdeen
- Jeff Morehouse, First Bank & Trust, Brookings
- Valeri Reed, First Interstate Bank, Spearfish
- Tim Schut, First PREMIER Bank, Sioux Falls
- Mary Weber, First Interstate Bank, Sturgis

Instructor Rich Beck of STAR Financial Bank in Fort Wayne, Ind., presented the consumer lending module; and Perry Haralson from Cornhusker Bank in Lincoln, Neb., presented a day of real estate lending training. North Dakota's own Tom Capouch, president of The First and Farmers Bank in Portland, taught attendees how to analyze small business loans and ensure proper loan documentation. On the final day of the school, Tim Ohlde, president of The Elk State Bank in Clyde, Kan., led students through the process of agricultural lending.

The Dakota School of Lending Principles is offered by NDBA and SDBA every other year. Watch for the next school in spring 2018 in South Dakota. ■



From left are Hayden Handcock, BankWest, Inc., Onida, and Jeff Morehouse, First Bank & Trust, Brookings.



From left are Mary Weber, First Interstate Bank, Sturgis; Julie Gardner, First Interstate Bank, Lead; Jordan Melius, Dacotah Bank, Aberdeen; Valeri Reed, First Interstate Bank, Spearfish; and Vicky Hauck, First Interstate Bank, Belle Fourche.

South Dakota Professionals Range Camp

Training Ag Leaders in Rangeland and Natural Resource Management

The South Dakota Professionals Range Camp is set for June 8-10, 2016, at Lamphere Campground near Sturgis (East Hwy 34).

"This camp had its origins with the Ag Lender's Range Camp and has expanded its educational content to meet continuing education credit requirements for appraisers, assessors, realtors, as well as undergraduate/graduate credits for agriculture educators and agriculture industry-related professionals," explained David Ollila, SDSU Extension sheep field specialist and co-coordinator for the camp.

With rangelands covering approximately 50 percent of South Dakota, they are an important natural resource that impacts the economy of the state. "Rangeland is a kind of land, not a land use," Ollila said. "Rangeland is fragile, yet durable and resilient. Management profoundly impacts the rangeland forage productivity and its value for livestock, wildlife and humans."

The Professionals Range Camp seeks to educate attendees about the productive potential of the rangeland based on the ecological range site, the similarity index of the range plant composition and the management

practices that will support sustainable multiple uses. Participants will be able to better determine the economic value of the rangelands as well as the production and conservation practices that will improve or sustain this precious resource.

The camp's itinerary is designed to place participants on area ranches that will serve as case studies toward meeting the objectives of the program.

"Attendees will participate in hands-on activities that ranchers actually use to manage their rangelands and determine the appropriate livestock carrying capacity for the current year," Ollila said.

Regionally and nationally-recognized rangeland management professionals, practitioners and ranchers will present key messages and concepts. Activities are scheduled into the agenda to promote valuable networking opportunities, and listening sessions will occur each evening with a question-and-answer period.

For more information contact Ollila at david.ollila@sdsu.edu or 605.394.1722. The registration form is available at www.sdba.com/assets/docs/eNews/2016professionalrangecampbrochure.pdf. ■



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**For more information, contact your
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Record Numbers Attend Ag Credit Conference



Darrell Schlepp (left), Dacotah Bank, Mobridge, and Nate Franzen (right), First Dakota National Bank, Yankton, recognize SDBA Ag Credit Conference organizer Deb Gates, who plans to retire at the end of the year.



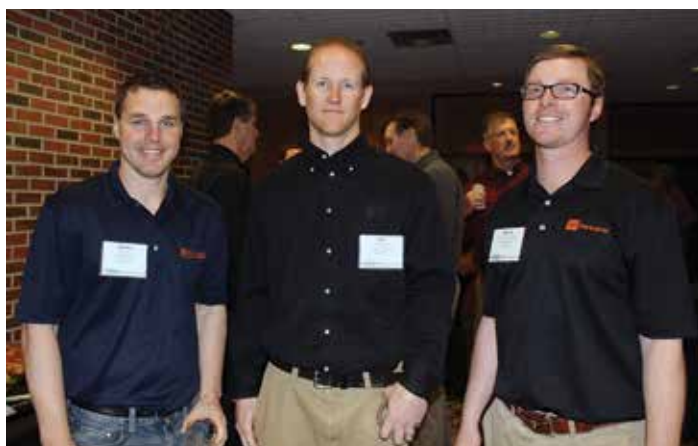
From left, Jason Stone, Great Western Bank, Chamberlain; Doug Theel, Great Western Bank, Rapid City; Scott Gray, First National Bank in Faith; and Roger Porch, First National Bank in Philip.



From left, Dacotah Bank employees Lexy Inghram, Bison, and Heather Dauwen, Lemmon.



From left, The First National Bank in Sioux Falls employees Blake Willman, Sioux Falls, and Jason Long, Brandon.



From left, Jason Grim, BankWest Inc., Gregory; Tim Glover, First Fidelity Bank, Platte; and Hank Wonnenberg, BankWest Inc., Gregory.



From left, John Crompton and Bret Afdahl, both with the South Dakota Division of Banking, Pierre, and Casey Cowan, First Dakota National Bank, Blunt.



Dave Kohl, Blacksburg, Va., spoke about positioning for success in the economic reset during his keynote address.



Lt. Colonel Robert J. Darling (seated) spoke about his role in the presidential bunker on Sept. 11, 2001.



Sarah Gibson, Stoughton, Wis., spoke about how our generational differences effect communication and work styles.



Exhibitor and sponsor Jodi Massanet, Conterra Asset Management, West Des Moines, Iowa.



Exhibitors Lori Tonak and Will Walter, South Dakota Center for Farm/Ranch Management, Mitchell.



Exhibitor, sponsor and presenter Larry Jones, Farmer Mac, Washington, D.C.

Ag Bankers Learn to Position for Success in Tough Times

By Alisa DeMers, Editor

Dave Kohl with AgriVisions in Blacksburg, Va., kicked off the SDBA's 2016 Agricultural Credit Conference by saying, "I tell groups that good times don't last forever, nor do bad times."

This year's event, held April 13-15 in Pierre, drew a record 173 attendees. Kohl, who was the keynote speaker Thursday morning, spoke about how ag bankers can help their customers position for success in the economic reset ahead.

Kohl shared with attendees traits that can signal a dangerous ag customer and his top 10 credit risks/issues on the horizon. He also provided a screening guide for negative margins and encouraged bankers to sit down with their producers and ask questions.

Another popular session during this year's conference was a panel discussion narrated by Kohl titled "How Can I Help My Borrowers

Be Successful as We Prepare for Challenging Times Ahead." Attendees heard from retired ag banker Denny Everson, First Dakota National Bank, Yankton; Walt Bones, Hexad Farms, Parker; Neal Wietgreffe, a senior regional credit officer with Wells Fargo, Aberdeen; and Jared Knock, Dakota Vision Ag, Willow Lake.

Everson followed the panel discussion with a session titled "How Can I Counsel Borrowers Without Facing Lender Liability?"

On Friday, presenter Sarah Gibson, Accent Learning and Consulting, Stoughton, Wis., explored how our generational differences effect communication preferences and work styles and how we can use our differences to connect with customers of all ages. Gibson spoke about relating to other generations in the workplace, which can unite employees as a more effective work team.

Lt. Colonel Robert J. Darling, who is retired from the U.S. Marine Corps, closed the conference by speaking about how he supported the president, vice president and national security advisor in the president's emergency operations center on Sept. 11, 2001.

An optional session Wednesday afternoon featured leveraging Farmer Mac to compete in today's tough ag lending environment.

Thank you to the following companies which sponsored this year's conference: Farmer Mac, Federal Homes Loan Bank of Des Moines, Conterra Asset Management and Dakota Prairie Bank. Three companies exhibited at the event: Farmer Mac, South Dakota Center for Farm/Ranch Management and Conterra Asset Management.

Mark your calendars for the SDBA's next Agricultural Credit Conference, set for April 12-14, 2017, in Pierre. ■

HOLDING YOUR DATA RANSOM

By Jon Waldman, partner, CISA, CRISC, and Dylan Kreutzfeldt, cyber security engineer, Secure Banking Solutions, LLC

What is ransomware?

It's a day that starts just like every other day. You walk into the office, grab some coffee and power up your computer. Only instead of being able to access your data, you see an image demanding you to pay \$10,000 in the next 48 hours for the return of your data, or the price goes up. Today, it seems, won't be just like every other day; you've been victimized by ransomware.

Ransomware is one of the fastest-growing methods of attack currently being deployed by hackers. From large organizations, like banks and hospitals, to medium-sized retailers, all the way down to individual devices, such as personal cell phones, everyone is at risk.

Ransomware is a type of malware that will encrypt files and information on your organization's network, rendering your information (including customer records) inaccessible and denying access to other networked devices. Ransomware gains control of your organization's network through phishing emails, unpatched software, unsupported servers and other vulnerabilities. Once

ransomware has essentially rendered your network and information unusable, the attacker will demand payment in exchange for the encryption key and the promise of being able to decrypt your data once the organization has paid the ransom.

Who is this effecting?

As cybercrime has evolved into a business, hackers are now deploying ransomware as a new way of funding themselves. Cryptolocker, one of the first known versions of modern ransomware reported back in late 2013, infected thousands of computers before antivirus companies were able to update malware definitions in order to stop the attacks. In 2015, the amount of ransomware attacks grew by roughly 165 percent.

Some companies that paid the ransom found that the hackers did not provide the encryption keys or were unable to decrypt the data, leaving them without their data and/or the money they paid in ransom. However, in many cases, hackers followed through on their promise

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to restore the data. Additionally, hackers frequently utilize “help desks” to assist with the ransom payment, often asked for via digital currency like Bitcoin, and even to help with the decryption of data. Since hacking has become a business, leaving victims without information and money does not help proliferate the scam; instead, hackers want you to regain access to your information, helping spread the word that paying the ransom is the best course of action.

In most of the organizations that have been infected by ransomware, such as the Hollywood Presbyterian Medical Center (which was forced to pay \$17,000 US earlier this year), the clicking of malicious links in phishing emails was reported to be the cause of the breach. In the case of Hollywood Presbyterian, the hospital was unable to access email or treat their patients due to the encryption of information and loss of technology-related services. The hospital’s network was non-functional for 10 days, and some patients had to be diverted to other medical centers.

It is estimated that most ransomware attacks have gone undocumented after companies pay for the return of their data, in an attempt to protect public relations. There are ways, however, to mitigate the risks of ransomware affecting your organization.

How can I prevent this?

The most effective solution to ransomware is simple: ensure you have good backups. There are two types of organizations: those that back up their data and those that wish they had backed up their data. If an organization employs a constant backup procedure that keeps backed-up information off the network, hackers will find their efforts in vain. If your backups are handled through a third party, be sure that you are performing proper due diligence to ensure that your vendor is taking steps to mitigate the risk of ransomware compromising your backed-up data as well.

Another way to mitigate risk is to be sure all software on the

network is updated. Maintain a patch management program that regularly checks for updates for your systems and software. It is also good practice to delete any software not required for business functions.

Lastly, social engineering training and testing should be performed for all employees in order to teach them the dangers that exist in negligent computer use. Even the best antivirus software and firewall can’t always help you once that employee has clicked that malicious link.

What can SBS do to help?

Secure Banking Solutions (SBS) has a team of auditors and consultants that can assist you in developing sound information security program practices, such as data backup procedures, patch management programs, and other risk mitigation strategies, as well as testing to ensure these practices are in place and working the way they should.

Additionally SBS has recently partnered with KnowBe4 to provide social engineering testing and training for financial institutions. If you are interested in performing your own internal testing and finding out how your employees will react to phishing emails containing potentially harmful malware, KnowBe4 makes this task simple and provides fast reports that are easy to read.

Contact SBS by calling 605.923.8722 to speak with one of our help desk representatives about our services. If you have any additional questions, comments or concerns, please let us know; we are always happy to help. For more information, visit www.protectmybank.com. ■

Sources: www.cbc.ca/news/technology/hollywood-hospital-hack-ransomware-trends-1.3462062 and betanews.com/2015/06/09/ransomware-sees-165-percent-increase-in-2015.

Secure Banking Solutions located in Madison, S.D., an SDBA endorsed vendor, is the Midwest’s leading information security consulting and auditing firm. Visit www.protectmybank.com.

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Help Us ‘POWER UP’



I think most bankers would agree that the policy environment today is not a heck of a lot better for our industry than it was in 2008. Politicians continue to take cheap shots at banks, even going so far as to force the industry to pay for the highway spending bill enacted last December.

This is an untenable position. Banks are far too important to hometowns across America to unfairly remain a political punching bag. It's not just that the continued sweeping, anti-bank rhetoric damages our reputation, which could deter customers from banking. That is a problem, to be sure—and policymakers should see how counterproductive it is to send consumers away from the safety of regulated institutions.

But the more damaging result is the policies—particularly in the form of overly prescriptive regulations—that follow the rhetoric. Policies that do not recognize how banks interact with their customers, or how bank lending propels the growth and prosperity of their communities, do more far more harm than good. They deny credit to credit-worthy borrowers, make homeownership prohibitive and perversely promote consolidation among smaller banks that are sometimes the only financial services provider in town.

This needs to change.

That's why ABA spent the first few months of 2016 reviewing and revitalizing the advocacy tools and programs bankers use to amplify their voice in Washington. We found we do some things well, but also that there were other things we should be doing better, differently, new or on a grander scale. We'll be implementing changes on our end, including using new social and digital advocacy tools to better communicate, mobilize and coordinate our efforts. But we need bankers to make a shift as well.

Specifically, we are asking bankers to do three things that we think will help rebuild the banking industry's political clout. We are calling this initiative “Power Up,” and I am asking for your active participation.

Three Steps to ‘Power Up’

1. Engage in grassroots leadership. You are already community leaders, which makes you important to elected officials. We need to go the next level and become an invaluable resource to them. Host lawmakers in your community and in your bank. Introduce them to other community VIPs, including your business customers. Help them with their campaigns either by hosting a fundraiser or providing manpower.

As you do so, your member of Congress will learn the

valuable role your bank plays in the community and how policy affects your customers—their constituents. That is the best way to ensure they will consider your views when a banking issue comes up for a vote.

If you have or are willing to build or deepen a relationship with your lawmaker, please let ABA know by filling out our Lawmaker Relationship Form on aba.com/PowerUp.

2. Join BankPac—or your state's federal Pac.

BankPac and connected state political action committees comprise a critical tool for advancing a pro-banking agenda in Washington, but we can only talk to bankers about it—and how they can support it—if a senior executive at the bank provides prior approval.

It is critical that we obtain this prior approval as soon as possible. ABA is already contacting those banks that have provided approval—particularly those whose leaders serve on ABA councils—about hosting in-bank campaigns for BankPac. A signed prior approval form will permit us to help banks implement a simple employee deduction plan which, when multiplied by thousands of banks, can yield big results. The BankPac prior approval form is available on aba.com/PowerUp; please fill it out.

3. Donate to the Fund for Economic Growth. The Fund is the new name for the 501c4 that several ABA banker leaders started in 2012. It helps demonstrate the economic impact of U.S. banks and pro-growth policies by educating policymakers and the public, promoting legislation and bolstering political candidates.

Unlike BankPac, the Fund can accept both personal and corporate contributions, which are unlimited. The more contributions the Fund receives, the more we can do to improve the policy environment in Washington. More information and a donation form are available on aba.com/PowerUp.

All of these steps are aimed at dramatically expanding bankers' participation in the political process and thereby increasing our political strength. But it is equally important that we deploy our expanded resources more deliberately and aggressively. That means being more discerning in our financial support to lawmakers and more proactive in our use of media in political campaigns. Rest assured that the state associations will remain critical partners in making these kinds of funding decisions.

I firmly believe that the three components of our Power Up initiative will set banking on the path to becoming a more formidable political force. We won't get there overnight. In fact, I expect we will need a good two years to fully “power up.” But with your support and leadership, I'm confident we will build banking's clout and create a more positive policy environment for your customers and communities. ■

Why an IRA Audit? Why In-House Training?



It may be time for your financial institution to consider having an outside IRA audit. Most bank examiners or internal auditors do not look at your IRA accounts. We live in a time of greater and greater compliance. The bank may think it's in compliance, but is it? Your operation department is

doing its best, but who checks the work? In all other areas of the bank, there is a check-and-balance system.

Nobody does anything wrong intentionally, but I guarantee I can go into any financial institution and find multiple errors or incorrect operation/IRS errors. The question is how many errors and how severe the errors. We know this is not a mandatory expense to the bank, but in return we know an audit will provide a great return on the expense.

Management needs peace of mind to know that everything is being done correctly or taking the results of the audit to get things operating in compliance. The very best time to schedule IRA audits is between May 15 and Oct. 30 because the bank will receive a written audit report back within 30 days of the on-site audit and still have time to make any major changes that need to be made before you start the reporting process to the IRS and to the accountholder.

Reasons to Have an IRA Audit

1. It is much easier to correct any possible errors and reduce/prevent any IRS penalties before the IRS finds them.
2. An IRA error may affect the IRA accountholder.
3. The IRS continues to increase the dollar value of the penalties as long as the error is in effect.
4. The IRS continues to increase its audit schedules.
5. Any changes of software, operational procedures, IRA personnel or increase in bank size could lead to IRA mishandling.
6. Most bank examiners do not audit IRA files.
7. It is the bank's fiduciary responsibility to make sure there are no compliance problems.
8. Your staff may not know all the necessary information about IRAs.
9. Proper notices such as RMD letters, withholding notification letters, amendments, 5498s and 1099-Rs need to be sent out on a regular basis. An audit will ensure you bank is doing this.
10. An IRA audit will check to make sure your bank is handling special transactions properly such as death distributions, reporting, recharacterizations, excess contributions, divorce, and the handling of transfer versus rollovers versus direct rollovers to name a few.

Does your staff have some special issues that it would like to have training for itself? It is proven that staff will ask more questions if they are in a friendly, supportive environment. Have you had a lot of changes in staff? This could be another reason to have in-house training. We can customize the training to meet your needs and wants. It can be broken down in a basic day or into an intermediate day.

Do you offer SEPs, SIMPLEs or HSAs? If you do, we can incorporate that material into your training. This is because we usually do not cover those topics in a general session where many banks are attendees.

Most banks want to have IRA training between September and March, and we are in the process of scheduling dates for that time period. Last year, we had more than we could handle, so we are adding instructors and scheduling earlier. We would like to talk with you about what sets us apart from all the competitors. For one, we truly do customize the program to fit your needs!

Reasons for Customized In-House Training

1. Customized – The financial institution designs the course content to its specific needs and wants.
2. Length – The seminar can be a half day, full day, an evening, multiple days or whatever best fits the financial institution.
3. Less Expensive – It may be less expensive to provide in-house training versus sending bank staff to off-site training.
4. Questions – It is proven that employees will ask more questions when they are with fellow staff members versus strangers.
5. Importance – As a bank patron, would you like to invest your money with someone who is not knowledgeable?
6. Current – Training allows IRA staff to be up to date with all the IRA changes that are constantly occurring.
7. Compliance – The cost of being out of compliance is significant.
8. Forms – The financial institution's IRA forms become part of the presentations to keep the seminar applicable to bank employees.
9. Proper Level – In-house training can be given on whatever level the employees need – beginners, intermediate or advanced.
10. Presentation – The in-house training seminar will be presented in a non-threatening, enjoyable, learning environment. ■

Mike Nelson is the SDBA's endorsed IRA training and audit provider. He is president of JM Consultants, which offers all IRA products and services. Nelson can be reached at 218.831.1858 or m88nelson@hotmail.com.

Appetite for Disruption

By Jeff Rendel, Certified Speaking Professional



Peer-to-peer lending. Alternative depositories, lenders and currencies. Digital delivery and wearable technology with payments apps. All cases of tangible, existing and disruptive influences to your bank's business model. Disruption is here to stay, and it always has been (remember

the arrival of money market accounts, variable-rate mortgages and that unfeeling, faceless ATM?).

Bank directors and executives realize that disruption and change is relentless. While the business model of deposits and loans can provide profits, directors and executives also recognize that fine-tuning for the future parallels remaining relevant for today. It requires an appetite for disruption. To lead their strategic adaptations, banks need to be their own agents of change and forces of disruption.

Getting your board on board behind new strategies and ways of serving your customers requires the chair and CEO to demonstrate the value of new ideas and how they improve more than just financial objectives; they improve a range of growth and relevancy objectives. Here are four ways to gain buy-in for your bank's do-it-yourself commitment to disruption.

1. Be a sounding board. As directors, you want what's best for your customers; it's a must for an evolving bank. With your CEO, craft a boardroom dynamic that is aligned with your vision, yet receptive to disruption. Ask your CEO to frequently update, discuss and introduce new ideas that add value to your bank. As a board, convey your support to your CEO through your readiness to listen to and provide fresh ideas, lend assurance to current and new directions, and give disruptive concepts a tailwind of backing for outstanding execution.

2. Uphold a spirit of experimentation. One CEO described his board's support of disruption and intentional change as, "...self-administered inoculation. We're used to it now." Promote the notion of constantly experimenting with new ideas and making small changes along the way. Get to know managers and executives who act as internal change agents. Your board benefits as it understands practical change from the experiences of those working daily on your bank's future.

3. Look outside the bank. Consumer trends and expectations tell a story, regardless of industry.



Technological advances reach beyond Silicon Valley. What are these changes, how do they affect your bank and what do your customers expect? Your bank has the opportunity to match your delivery with forward-thinking products, services and experiences. Your board's awareness of consumer changes gives it an appreciation for agility, allowing your bank to meet disruption with a plan for action.

4. Know the numbers and the stories.

Disruption leads to change, and change is monitored to gauge success. Your board's fiduciary responsibility requires that it balance risk with reward, all with an eye toward safety and soundness. As your board reviews the quantitative and financial data of operations and major initiatives, don't overlook the qualitative and first-hand evidence that tells the stories of your customers' successes with your disruptive changes on their behalves. Your board witnesses success in the financial statements, but also in the lives of the customers and owners it represents.

The business of your bank is completely different than it was 10 years ago. And, 10 years from now, it will entirely change again. Disruption has a permanent place in your bank. An appetite for disruption has a permanent place in your board room. Serve your customers well today by creating the bank they will expect tomorrow. ■

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. Contact Rendel at jeff@jeffrendel.com, www.jeffrendel.com or 951.340.3770. ■



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Rick Nath Named President of Citi in Sioux Falls



Rick Nath, who has held several management positions in information technology during his 20-year career with Citi in Sioux Falls, has been named president of the company's South Dakota site.

Nath, 46, succeeds Ken Stork, who retired April 1 after 28 years with Citi, including the past 16 years as Sioux Falls site president. As site president, Nath will be responsible for driving and executing site governance, people strategy, site culture and community involvement.

In addition to his new duties as site president, Nath is also a senior vice president for Citi Cards. Nath earned a bachelor's degree in math from South Dakota State University and serves on the Industry Advisory Board for Computer Science at his alma mater. He is also a board member of the Sioux Empire Baseball Association.

Nath is the sixth president of Citi's Sioux Falls facility, which marked its 35th anniversary in South Dakota in February. ■

Dacotah Bank Names Zebroski New Watertown Market President



Dacotah Bank announced a new market president for the company's location in Watertown. This summer, Troy Zebroski will replace Kip Hansen as Dacotah Bank's new manager in the market.

Dave Bangasser, regional president for Dacotah Bank's southeast region, recognized Zebroski's promotion as deserving because of the many roles he has had with the organization. "Troy has been with Dacotah Bank since 1999. He joined the company as an insurance agent and became an agricultural banker in 2007. Indicative of his leadership skills, Troy is also an inaugural member of Dacotah Bank's Academy for rising performers," Bangasser stated.

Zebroski is an active community volunteer serving as a member of the Financial Advisory Board for Lake Area Technical Institute. He is also a member of the Watertown Area Chamber of Commerce Ag Committee and Leadership Watertown.

Zebroski has been named to the position of market president in Watertown following the promotion and transfer of Kip Hansen to Aberdeen as the market president for Dacotah Bank's flagship location. Both managers will assume their new roles on or before July 1.

Hansen has been with Dacotah Bank for more than 20 years. He is a graduate of South Dakota State University and completed the Graduate School of Banking at Colorado in 2006. ■

Dacotah Bank Promotes Altfillisch



Dacotah Bank has promoted Melissa Altfillisch of Clark to the position of insurance operations manager.

Aaron McCardle, senior vice president of insurance services, recognized Melissa's experience with insurance clients and insurance carriers in making the announcement. "For the past thirteen years, Melissa has proven that she is exceptional at balancing client priorities with the processes and opportunities featured by our independent agency," McCardle said.

While the Dacotah Insurance agency home office is located in Aberdeen, Altfillisch will work from the bank's location in Clark. She will be responsible for operational functions at all 14 Dacotah Insurance offices throughout South Dakota, North Dakota and Minnesota. Specifically, she will provide oversight to compliance with policies and procedures, quality control and workflow standards. Altfillisch will provide local agents and account managers with sales and marketing support, service efficiency and management information.

Originally from Milbank, Melissa attended Willmar Community College in Willmar, Minn, and holds licenses for property and casualty, life and health insurance. ■

Dacotah Bank Promotes Hammond



Dacotah Bank has promoted Kathy Hammond of Sioux Falls to the position of insurance marketing manager.

Aaron McCardle, senior vice president of insurance services, recognized Kathy's experience when making the announcement. "Kathy has been with our organization since 1996. She started her career as a bank teller and has been with Dacotah Insurance thirteen years. Her background and professionalism will serve our clients, agents and account managers well," McCardle said.

While the Dacotah Insurance agency home office is located in Aberdeen, Hammond will work from the bank's location at the Phillips Centre complex in downtown Sioux Falls. She will be responsible for marketing functions at all 14 Dacotah Insurance offices throughout South Dakota, North Dakota and Minnesota. Specifically, she will provide prompt, accurate and courteous service to clients, the agency's sales representatives and insurance carriers to ensure long-term relationships with all.

A native of Milbank, Hammond is a graduate of Lake Area Technical Institute in Watertown and holds licenses for property and casualty, life and health insurance. ■

Reints Promoted at Wells Fargo, Aberdeen



Melinda Reints has been named business banking manager and market president for Wells Fargo in Aberdeen.

In her new role, Reints leads the business banking team and works with business and ag customers to help meet their deposit, cash management and credit needs. As market president, she also coordinates activity between various lines of business and focuses on growing market share.

A 13-year company veteran, Reints joined Wells Fargo in 2003 as a teller in Groton. She then worked as a business associate in Groton before becoming a credit analyst, working on agricultural, commercial and tribal credits across South Dakota. In 2013, she was promoted to business relationship manager for Aberdeen. She holds a bachelor's degree in business administration from Dakota State University in Madison.

Raised on a farm near Eden, Reints lives on a hobby farm near Pierpont. Active in her community, she served as a board member for the Langford Area School board for six years and is a Junior Achievement volunteer.

Reints is based at 204 S. First St. in Aberdeen. ■

Jason Mischel Named CEO of SD Agricultural and Rural Leadership



Jason Mischel, Milbank, has been named CEO of South Dakota Agricultural and Rural Leadership (SDARL).

In his new role, Mischel will have ultimate day-to-day leadership responsibility of SDARL. This includes leading personnel, retaining and expanding stakeholders, and maintaining and building on SDARL's vision and mission. Lori Cope, executive director, will continue to be a key member of the SDARL executive management team. With these changes, she will be able to turn more of her focus to delivering the best 18-month leadership program in the country.

Mischel is a proven leader, entrepreneur and executive in the agriculture industry. For the past nine years, he has been vice president of sales and milk procurement for Valley Queen Cheese Factory. In that role, he was responsible for dairy ingredient sales, the administration of milk procurement policies and was deeply involved with dairy recruitment efforts along the I-29 corridor. Prior to joining Valley Queen, he owned and operated a direct marketing business for 12 years before selling it in 2007. Mischel received his accounting degree from Gustavus Adolphus College in 1996.

SDARL is dedicated to identifying and developing leaders in agriculture and rural communities to enhance the quality of life for all South Dakotans. It is designed to provide leadership training to rural residents from farming, ranching, agri-business and ag organizations. ■



From left are Ken Lacher, Great Western Bank, and Cassie Stoesser, Governor's Office of Economic Development.

Ken Lacher Receives GOED Lending Partner of the Year Award

Ken Lacher of Great Western Bank in Watertown was the winner of the South Dakota Governor's Office of Economic Development (GOED) 2016 Lending Partner of the Year award.

Lacher partnered with GOED on the expansion of Dakota Bodies, Inc., a Watertown company that produces vehicles primarily used by electric and telecommunication companies. The company is expected to create an additional 115 job. ■

classifieds

Compliance Officer, Security Savings Bank, Canton, S.D.

Security Savings Bank is looking for an individual to fill a compliance officer position. This person should have a bachelor's degree and a minimum of two years of experience as a compliance professional or experience in dealing with risk in other areas of banking, or the equivalent. Strong written and verbal communication skills are required along with strong analytical and problem solving skills. This individual should have an above-average knowledge of Microsoft Office application. Please send resumes to Nancy Eiesland, nancy@ssbia.net or Joel Klatt, joel@ssbia.net. ■

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 the South Dakota Banker Magazine 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, contact Alisa DeMers at 800.726.7322.

Seminars and Conferences

FHA and USDA Mortgage Skills Course

May 18-19, 2016: RedRossa Italian Grille, Pierre

2016 NDBA/SDBA Annual Convention

June 12-14, 2016: Ramkota Hotel, Bismarck, N.D.

2016 National School for Experienced Ag Lenders

June 20-23, 2016: Black Hills State University,
Spearfish, S.D.

2016 SDBA IRA School

Sept. 7-9, 2016: Clubhouse Hotel & Suites, Sioux Falls

2016 SDBA Bank Technology Conference

Sept. 20-21, 2016: 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.

- May 3, 2016: RC-C Loan Codes for the Call Report
- May 4, 2016: Real Estate Law for Bankers
- May 4, 2016: Coaching Excellence: The Real Solution
- May 5, 2016: Writing an Effective Credit Memorandum
- May 5, 2016: Escrows
- May 9, 2016: Are They Really a Bank Prospect?
- May 11, 2016: Commercial Loan Documentation
- May 11, 2016: Lending 101
- May 12, 2016: Excel Explained: Minimize Spreadsheet Errors
- May 12, 2016: BSA for the Frontline
- May 24, 2016: Officer Calling: Prospecting, Preparing and Presentation
- May 24, 2016: Marketing & Advertising Compliance, including UDAAP Expectation
- May 25, 2016: Current Expected Credit Losses (CECL): How to Calculate and Maintain a Proper Allowance
- May 26, 2016: What Bankers Need to Know About Loan Participations
- May 26, 2016: Compliance Perspectives
- May 26, 2016: The Carrot and the Stick: Incentive and Motivation in the Workplace

- June 2, 2016: Customer Dies
- June 2, 2016: Fair Lending
- June 7, 2016: Basic Underwriting
- June 7, 2016: BSA Examinations: 10 Hot Spots
- June 8, 2016: Excel Explained: Pivot Tables
- June 8, 2016: Regulation CC—Check Holds
- June 9, 2016: Subpoenas
- June 9, 2016: New Federal Rules Target Student Bank Accounts—Top 10 Issues
- June 14, 2016: How to Analyze the Purchase of an Existing Business
- June 16, 2016: Credit Administration in Commercial Banks: Seven Effective Habits
- June 16, 2016: SSNs, EINs, and ITINs: Understanding our Job as a Withholding Agent

Banking Schools

GSB Financial Managers School

May 9-13, 2016: Amherst, Ma.

2016 Dakota School of Banking

June 19-24, 2016: University of Jamestown, N.D.

2016 National School for Experienced Ag Lenders

June 20-23, 2016, Black Hills State University,
Spearfish, S.D.

Graduate School of Banking at Colorado

July 17-29, 2016: University of Colorado in Boulder

Graduate School of Banking at Wisconsin

July 31-Aug. 12, 2016: University of Wisconsin-Madison

2016 SDBA IRA School

Sept. 7-9, 2016: Clubhouse Hotel & Suites, Sioux Falls

GSB Financial Managers School

Sept. 18-23, 2016: Madison, Wis.

GSB Bank Technology Security School

Oct. 23-28, 2016: Madison, Wis.

Program and registration information is available six to eight weeks before each conference. For complete registration information, visit www.sdba.com.

Scheduled Performer

Aaron Thomas
Parkersburg, IA



A man whose family – and community – were shattered by a profound personal loss, Aaron Thomas is an inspiring example of courage, resilience and the very best of the human spirit.

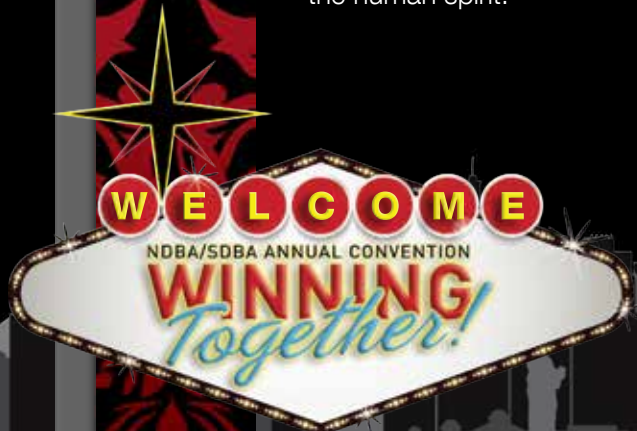
Aaron Thomas shares his family's journey of showing uncommon strength during the darkest of times. Having made it through tremendous adversity, Thomas shares the importance of living a life of passion and meaning while challenging audiences to set the goals necessary to stand out in both life and business. Picking up the mantle of his father as the athletic director of Aplington-Parkersburg High School shortly after his death, he and his family are the recipients of the Arthur Ashe Award for Courage presented at the 2010 ESPY Awards

"My Family's Story: Courage, Passion and Overcoming the Odds"

When life puts you to the ultimate test, how will you react? So was the question posed to Aaron Thomas and his family of a small town in Iowa when their father, a much-loved coach and pillar of the community who helped his town recover in the wake of a deadly tornado, was killed at the hands of a mentally ill former player. The personification of courage, Thomas and his family found the strength to immediately extend grace and kindness to the family of the man who murdered his father. In this moving, powerful presentation, Aaron Thomas shares his family's story and shows audiences how to deal with adversity, set important goals and live a meaningful life of passion. Imparting the lessons of his father and lessons from his own career inspiring young people, Thomas challenges organizations to think through what they must do to stand out, be the best in their field and define—and exemplify—the true value they provide to their members, customers and employees. Thomas' journey is one of faith, courage, remembering where you came from, always doing the right thing and embracing the values that reflect the very best of the human spirit.

This performer sponsored by:

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South Dakota Bankers Association 2017 Scenes of South Dakota Calendar



The South Dakota Bankers Association is pleased to offer you the Scenes of South Dakota Calendar. This calendar will feature photos of South Dakota submitted by South Dakota bankers, their family members and customers. Your bank logo and name can be printed on each calendar to display in homes and businesses all year long. **Calendar orders are due by September 1, 2016, to get the low price of \$1.19* per calendar.**

The Scenes of South Dakota calendars are exclusive to SDBA member banks. These calendars are a great opportunity to thank your customers for their business and promote your bank. The SDBA logo is also included to emphasize the strength and security of South Dakota's banking industry. Please see the information below and order today! All orders will be shipped November 1, 2016.



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Bank logo and/or name to imprint needs to be provided in an Illustrator EPS or high resolution (300 dpi) TIF or JPG file and emailed to {email address}. Please supply all linked art and fonts required to print your file.**

- ☐ Black bank logo (FREE) ☐ Color logo (add \$100 to order)
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Would you like a proof emailed to you? ☐ Yes ☐ No, I do not need to see a proof.

Special Requests: _____

**\$65.00/hour (prorated) charge may apply if logo or imprint design changes need to be made to artwork supplied.

How to Submit Your Order

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ademers@sdba.com

PHONE:
800.726.7322

WEBSITE:
www.sdba.com/calendar

***Pricing Information:** Orders placed by September 1, 2016 receive the low price of \$1.19 per calendar. After September 1, price is \$1.49. Each order will have an additional \$25.00 production fulfillment charge (layout for press run, in-house press proof, boxing, labeling), plus shipping. Logo will be black unless color is requested. Send no money now. Orders will be billed when shipped. Orders cannot be accepted after September 15, 2016.

