

# Kansas Bankers Association

## 2020 - 2021 Annual Report



KANSAS BANKERS  
ASSOCIATION

### *A message from our President & CEO* Doug Wareham

Hello Kansas bankers,

I believe KBA's 2020-21 fiscal year will forever be remembered as a test of our individual and collective resilience and fortitude. The onset of the Coronavirus pandemic, which reached Kansas in early March of 2020, was a proverbial gut-punch that shuttered broad sectors of our economy, largely halted global travel and tourism, and pushed our health care industry beyond the point of exhaustion and vitally needed resources. With over 5,000 lives lost in Kansas and nearly 600,000 lives lost nationally to COVID-19, it's difficult to look back at the previous year without some degree of sadness and quiet reflection. While I personally knew a handful of individuals that succumbed to COVID-19 and deeply regret any loss of life, I am grateful that my personal family and professional family at the KBA office were able to overcome this historic health malady. My heart goes out to all that were less fortunate this past year.



When COVID-19 placed its initial grip on our state, I penned an article for The Kansas Banker magazine titled: Keep Moving Forward. Little did I know at that early moment of the health crisis, that I would subsequently witness Kansas bankers not only move forward but become economic first responders for their customers and communities impacted by economic fallout triggered by the pandemic and accompanying lock-down orders. This past year, Kansas banks and Kansas bankers showed levels of resilience and fortitude worthy of recognition by Hollywood, not that I anticipate a call from Warner Brothers or Universal Studios anytime soon. I doubt a PG-13 movie centered on the fact that relationship banking saved thousands of businesses and millions of jobs is quite sexy enough for the movie elites in Tinseltown, but I still believe this story merits a feature film or at least a Ken Burns documentary. I might just give Mr. Burns a call and suggest this project to him.

Since I've journeyed down the Hollywood rabbit hole, I might as well share one of my favorite movie quotes credited to my favorite fictitious movie character: Rocky Balboa. In the final film of the infamous Rocky series, Sylvester Stallone (aka Rocky) shared the following advice with his son:

***"It ain't how hard you can hit, it's about how hard you can get hit and keep moving forward. How much you can take and keep moving forward. That's how winning is done."***

Our strong network of Kansas banks, from the largest to the smallest from the most rural to the most urban, proved they could take a hit for the communities and customers they serve. That same network of Kansas banks also proved they could hit back and did so to the tune of providing 126,282 paycheck protection loans totaling \$7,379,599,034 and counting. As I shared above, this pandemic arrived as a gut-punch followed by several straight right hands that would have been a knock-out blow for thousands of Kansas businesses had it not been for the left hook provided in the form of PPP loans provided by Kansas banks. I'll stop here with the movie analogies, but I'll never stop being extremely proud of the critically important role Kansas banks played this past year.

On behalf of the entire KBA staff team, I want to thank you for your leadership, resilience, and fortitude this past year. I'm confident this annual report will confirm that your Association has worked tirelessly to support you and your bank. It's an honor to work for this incredibly dynamic industry and we consider it our privilege to serve Kansas bankers. And never forget, we are always At Your Service!

## KBA STRONG CAPITAL CAMPAIGN REPORT

A tremendous Thank You to all the banks and individuals who generously supported our KBA Strong Capital Campaign with the goal of strengthening our association, our industry, and our communities.

### Objectives

To ensure a robust future, KBA's Board of Directors adopted a forward-thinking strategic plan to address unfair competition, workforce development and modernizing KBA's headquarters.

### Strong Banks, Strong Communities

- Fighting for tax equity, addressing unfair competition and defending banks' legal interests

### Kansas Bankers Educational Foundation

- Enhancing the image of Kansas banking, recruiting the next generation of Kansas bankers and spearheading scholarship and internship opportunities.

### KBA Headquarters

- Maintaining the value of KBA's top physical asset with structural enhancements, facility renovation and technology modernization.

*"The financial support provided to the KBA Strong Capital Campaign has allowed us to more aggressively advocate for Kansas banks, showcase career opportunities in banking and modernize KBA's headquarters in Topeka. On behalf of KBA's Board of Directors, I want to thank every Kansas bank that has supported the first two years of this campaign and I hope you will help us finish strong by lending support one final time this fall. Resources from the capital campaign have been and will continue to be strategically invested to build upon the strong historic foundation of the KBA and its primary objective of promoting and defending our industry."*

- Jonathon Johnson, KBA Board Chairman  
(Home Savings Bank, Chanute)



### Capital Campaign Financial Update

	Advocacy	Industry Image	Headquarters	TOTAL
<b>Year 1 Contributions</b>	\$106,935	\$110,436	\$117,024	\$334,395
<b>Year 2 Contributions</b>	\$80,918	\$80,918	\$80,918	\$242,753
<b>Total Collected Revenue</b>	<u>\$187,853</u>	<u>\$191,354</u>	<u>\$197,942</u>	<u>\$577,149</u>
<b>Expenditure as of 3-31-2021</b>	<u>\$108,859</u>	<u>\$140,424</u>	<u>\$154,233</u>	<u>\$403,516</u>
<b>Fund Balances</b>	<u>\$78,994</u>	<u>\$50,930</u>	<u>\$43,709</u>	<u>\$173,633</u>

## KBA FINANCIAL REPORT

Period Covered 03/31/2021 - 12 months	KBA	KBSI	KBAI	Total	Eliminations	Consolidated Total
<b>Assets</b>						
Current assets	\$ 1,645,792	\$ 863,276	\$ 1,044,642	\$ 3,553,710	\$ (380,953)	\$ 3,172,757
Capital campaign	270,992	-	-	270,992	-	270,992
Reserve cash account	-	1,000	-	1,000	-	1,000
Investments in subsidiary	3,098,015	1,119,761	-	4,217,776	(4,217,776)	-
Fixed assets	-	1,676,420	43,948	1,720,368	-	1,720,368
Other Assets	847,020	1,246,048	362,500	2,455,568	-	2,455,568
<b>Total Assets</b>	<u>5,861,819</u>	<u>4,906,505</u>	<u>1,451,090</u>	<u>12,219,414</u>	<u>(4,598,729)</u>	<u>7,620,685</u>
<b>Liabilities</b>						
Current liabilities	2,415,163	35,605	331,328	2,782,096	(380,953)	2,401,143
PPP Loan	-	600,609	-	600,609	-	600,609
Long-term liabilities	847,020	1,172,276	-	2,019,296	-	2,019,296
<b>Total Liabilities</b>	<u>3,262,183</u>	<u>1,808,490</u>	<u>331,328</u>	<u>5,402,001</u>	<u>(380,953)</u>	<u>5,021,048</u>
<b>Net Assets/Stockholders Equity</b>	<u>\$ 2,599,635</u>	<u>\$ 3,098,015</u>	<u>\$ 1,119,761</u>	<u>\$ 6,817,411</u>	<u>\$ (4,217,776)</u>	<u>\$ 2,599,635</u>

<b>Revenues</b>	\$ 2,628,626	\$ 1,490,349	\$ 1,859,970	\$ 5,978,945	\$ (335,847)	\$ 5,643,098
<b>Expenses</b>						
Personnel	1,571,640	1,390,235	825,327	3,787,202	-	3,787,202
Administrative	283,417	503,051	234,961	1,021,429	(302,335)	719,094
Auto & Travel	23,394	18,451	63,915	105,760	-	105,760
Amortization	-	-	72,500	72,500	-	72,500
Committees & Promos	147,848	-	19,434	167,282	-	167,282
Conferences & Seminars	205,164	-	-	205,164	(33,512)	171,652
Building	-	121,484	-	121,484	-	121,484
<b>Total Expenses</b>	<u>2,231,463</u>	<u>2,033,221</u>	<u>1,216,137</u>	<u>5,480,821</u>	<u>(335,847)</u>	<u>5,144,974</u>
<b>Excess of Revenues over Expenses before Dividends and Taxes</b>	<u>397,163</u>	<u>(542,872)</u>	<u>643,833</u>	<u>498,124</u>	<u>-</u>	<u>498,124</u>
<b>Inc Taxes Paid</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenue over Expenses</b>	<u>397,163</u>	<u>(542,872)</u>	<u>643,833</u>	<u>498,124</u>	<u>-</u>	<u>498,124</u>
<b>Equity in Earnings of Subsidiary</b>	<u>102,179</u>	<u>(101,167)</u>	<u>-</u>	<u>1,012</u>	<u>(1,012)</u>	<u>-</u>
<b>Dividends Received (Paid)</b>	<u>-</u>	<u>746,218</u>	<u>(745,000)</u>	<u>1,218</u>	<u>-</u>	<u>1,218</u>
<b>Change in Net Assets/Net Income</b>	<u>\$ 499,342</u>	<u>\$ 102,179</u>	<u>\$ (101,167)</u>	<u>\$ 500,354</u>	<u>\$ (1,012)</u>	<u>\$ 499,342</u>
<b>Net Assets, beginning of year</b>	<u>2,100,294</u>	<u>2,995,836</u>	<u>1,220,928</u>	<u>6,317,058</u>	<u>(4,216,764)</u>	<u>2,100,294</u>
<b>Net Assets, end of period</b>	<u>\$ 2,599,635</u>	<u>\$ 3,098,015</u>	<u>\$ 1,119,761</u>	<u>\$ 6,817,411</u>	<u>\$ (4,217,776)</u>	<u>\$ 2,599,635</u>

## GOVERNMENT RELATIONS

The Kansas Legislature wrapped up the 2021 Legislative Session at the end of May and this year was one of the most successful sessions the Kansas banking industry has ever experienced. Multiple bills supported by the KBA were either signed into law or passed through a veto override. This achievement is a team effort and is not possible without the work of our government relations team, banker engagement across the state, and BankPAC, which is supported by many of you to help elect pro-banking legislators across the state.

Between KBA's two significant pieces of supported legislation, SB 15 (Tax Equity and Economic Recovery Legislation) and SB 50 (Major Tax Reform, Deduction of FDIC Premiums), the Kansas banking industry will save \$6.4 million annually moving forward in taxes. These tax savings will allow our industry to help our customers by offering them the most competitive interest rates moving forward, ultimately benefitting the communities and customers you serve!

One of the significant driving forces along with banker engagement that led to success in the 2021 legislative session was the work of KBA's BankPAC in the 2020 election. BankPAC had a historic year in 2020, helping elect pro-banking candidates at the state and federal levels. At the state level alone, BankPAC engaged in 159 of the 165 Kansas Legislative seats. When all the ballots were counted, we supported the winner in 152 of those 159 races for a success rate of 95%! ***The highest success rate in the history of BankPAC!***

The accomplishment of BankPAC in last year's election helped the KBA team and its ability to work with pro-banking candidates on both sides of the aisle to continue to advocate on behalf of our industry this year. ***Without the success and support that BankPAC had in last year's election cycle, this might not have been possible.***



*KBA leadership participating in the special bill signing ceremony for S.B. 15 (tax equity) included KBA Chairman Jonathon Johnson, KBA State Affairs Committee Chairman Kyle Campbell, KBA Tax Equity Task Force Chairman Leonard Wolfe and Doug Wareham and Alex Orel from the KBA staff.*

**\$6.4 million in tax savings | \$130,751 BankPAC dollars raised in 2020 | 85+ bills monitored | \$158,750 BankPAC dollars invested | 6 KBA sponsored bills became law | 2,250 banker emails to legislators**

## LEGAL & COMPLIANCE

The KBA Legal Department is a vital resource for Kansas banks. To our knowledge, we are the only state bankers' association in the country that systemically offers all of its member banks free, in-depth assistance with day-to-day compliance issues. With KBA's fee-based legal/compliance/audit/consulting subsidiary, Kansas Bankers Consulting Services, LLC (KBCS) the KBA is perfectly positioned to provide a wide range of legal and other compliance services to Kansas banks.

The combined staff of the KBA Legal Department and KBCS has grown to fifteen employees comprised of attorneys and compliance specialists. Each member has been selected because of his or her expertise in dealing with today's complex banking issues, whether arising in lending, deposits, operations, or human resources.

This year, we also introduced our new division, Compliance First Banking Solutions, to support the bank exam prep center initiative and provide audit and consulting services to non-Kansas banks. This is an exciting new way for the KBA to grow its services to help more banks and bankers nationwide.



*Terri Thomas (EVP-Legal Department Director) and her 14-member team provide legal and compliance solutions for KBA member banks.*

**Over 4100 bank inquiries received | Hundreds of COVID-19 related questions answered | 200 Operations Manuals sent out | Over 50 Audits done | 15 Legal & Compliance staff members | 10 Pandemic Power Hour zoom calls with 100+ attendees each**

## DIVISION REPORTS

### KBA - TRUST DIVISION

We currently have 39 bank trust departments and stand-alone trust companies as members of the KBA Trust Division. The 2020 KBA Trust Conference was held virtually this year due to the COVID-19 pandemic. The 2021 Conference will be held in Lawrence this year on October 20-21. The 42nd annual MOKAN Trust & Financial Services Conference will be held August 18-20, 2021 at the Sheraton Hotel in Kansas City, MO. MOKAN is one of the premier trust events in the country and would not be possible without the expertise and knowledge shared by the planning committee with representation from the KBA Trust Division Board, along with committee members appointed by the banking associations in Missouri, Oklahoma, Iowa, and Nebraska.



2021 KBA Trust Division Board Members

**39 Bank Trust Division members | Celebrating over 100 years**

### KBA - YOUNG BANK OFFICERS OF KANSAS DIVISION (YBOK)



*YBOK continues to provide emerging bank leaders with educational and networking opportunities that strengthen their banking careers.*

2020 was a crazy year for everyone, but it didn't hinder the spirits of KBA's Young Bank Officers of Kansas (YBOK) Division. Even though our annual in-person conference was canceled, the Division moved forward and put on its first-ever virtual conference. We had a rock star lineup of speakers to address those tuning in, including then-candidate and now U.S. Senator Roger Marshall as he was crossing the state, working hard to be elected as our next U.S. Senator. We also had the chance to hear from a panel of Kansas banking industry leaders, including Frank Carson III (Carson Bank), Charlie Chandler (INTRUST Bank), and Jeannette Richardson (Prairie Bank of Kansas). The attendees closed the conference and heard from Astronaut Sam Gemar, who has flown on three Space Shuttle missions, as he took our conference on a journey of space and the voyage back to earth.

The 2021 YBOK Annual Conference, scheduled for September 8-10 in Wichita, will offer excellent opportunities for networking and professional development for members aged 22-45! If you or your bank is interested in joining the YBOK Division, please reach out to Alex Orel or Bree Magee at the KBA.

**84+ member banks | 200+ young bankers**

### KBA - KANSAS AG BANKERS DIVISION

Celebrating 13 years in 2021 as a division of the Kansas Bankers Association, the Kansas Ag Bankers (KAB) continued their two-fold mission to promote the agricultural banking industry in our state and to provide agricultural lenders the opportunity to enhance their professional skillset. That mission robustly continued this past year as the KAB Division provided more than \$27,000 in financial support to pro-agriculture programs and projects. Support for agricultural and youth leadership development programs continues to be a high priority with investments targeted to the Kansas FFA Foundation and the Kansas 4-H Foundation. KAB also once again provided financial resources to the Kansas Ag Rural Leadership (KARL) program, the Kansas Foundation for Ag in the Classroom, Kansas Pride, Inc., Women Managing the Farm and Governor's Conference on the Future of Water in Kansas. New this year, was a sponsorship for the Kansas Commodity Classic and Kansas Wheat. The many programs and projects generously supported by the KAB Division would not be possible without the collective support provided by agricultural banks across our state.



2021 Kansas Ag Bankers Division Board Members

**121 member banks | Celebrating 13 years | First virtual conference |  
Over \$27,000 donated to pro-agriculture programs**

## KBA INSURANCE

2020-2021 was a different, but strong year for KBA Insurance (KBAI). Revenues were slightly under budget, but due to decreased expenses, overall profit for the period exceeded budget projections by more than 10%. In October 2020, the KBAI team had its first-ever strategic planning session. The initiatives identified will guide our business through 2023 and beyond. Bank consolidation through mergers and acquisitions continues to be a stressor on KBAI business. While we lost a few banks, we added two banks with whom we haven't done business for years. Jenny Figge has been on board for over a year as VP of Operations and has been leading the charge to modernize the agency. Ed Griffith and Susan Salyer continue to provide exemplary service to our Employee Benefits Plan Participants. Ed will be retiring at the end of August and Elizabeth Roche joined the team on 2/1/21. Elizabeth will be Ed's successor and has been doing an excellent job learning the details of our plan and helping our members. Kent Owens and Cari Charter continue to support our member banks with Collateral Protection products. Cari has picked up notary and COBRA responsibilities in the past year as well. The hard work of the KBA Insurance team has allowed us to maintain insurance coverage in over 85% of Kansas banks.



*KBA Insurance, Inc. Team pictured l to r: Ed Griffith, Kent Owens, Ryan McLaughlin, Cari Charter, Elizabeth Roche and Jenny Figge. (Susan Salyer not pictured.)*

**Overall profit exceeded projections by 10% | Jenny Figge spearheading agency modernization  
| Ed Griffith will be retiring at the end of August |  
Elizabeth Roche joined the team on 2/1/21 | Maintaining insurance coverage in  
over 85% of Kansas banks**

## BLOK - BANK LEADERS OF KANSAS

At this year's virtual Public Affairs Conference, the 2019 BLOK class was congratulated on their delayed graduation due to the pandemic. In turn, the 2020 class was unable to complete their requirements so their session will occur in 2021.

### **The 2020/2021 class is comprised of:**

Chris Bartlett, First National Bank of Kansas, Waverly  
Lance Caldwell, IntraFi Network, Overland Park  
Heather Campbell, KCoe Isom, LLP, Wichita  
Shelly Coats, TriCentury Bank, Spring Hill  
Ed Dewey, GNBANK, N.A., Bucklin  
Andrew Ellner, Country Club Bank, Olathe  
Tricia Fowler, Heartland Tri-State Bank, Arlington  
Lacey Frehe, United Bank & Trust, Seneca  
Alex Jones, Bank of Commerce, Neodesha  
Denise Kissinger, INTRUST Bank, Lawrence  
Christopher Kuckelman, Exchange Bank & Trust, Lansing  
Jim Metz, Citizens State Bank & Trust Co., Lincoln  
David Moore, Central National Bank, Lawrence  
Kaylene Plummer, Farmers State Bank, Westmoreland  
Brian Schwarz, First Bank Kansas, Salina  
Jeff Steiner, FHLBank Topeka, Topeka  
Grady Trumble, Legacy Bank, Wichita  
Kelly VanZwoll, Kansas Bankers Association, Topeka  
Brian Whitesell, Landmark National Bank, Manhattan  
Blake Yakel, Equity Bank, Wichita  
Aaron Zadina, Centera Bank, Greensburg

### **Thank you to the sponsors of the BLOK program!**

- Bankers' Bank of Kansas
- CalTech
- Central States Capital Markets
- IntraFi Network
- INTRUST Bank
- KBA Insurance, Inc.
- Professional Bank Consultants, LLC



## EDUCATION & CONFERENCES

### Mission

To be recognized as the premier educational resource for Kansas banks and bankers by providing banker-driven, high-quality programs that produce knowledgeable and well-informed bankers.

In late 2020, after a 40-year career at the KBA, Becky Tongish handed the reins of the Education & Conferences Department to Brenda L. Unruh to continue providing high-quality education and training programs. With an outstanding team comprised of Becky Milne, Nicole Ortiz, and LeAnn Mott, our KBA programming provides a comprehensive array of learning opportunities for KBA member institutions. KBA committee and staff members work together to ensure that you have access to current information and flexible training whenever and however you need it, at affordable costs. We hope you will make KBA your primary source for banker education.

### Kansas Bankers Educational Foundation (KBEF)

KBEF is a 501(c)3 corporation with the goal of enhancing the image of the Kansas banking industry through workforce development and scholarships. In 2019, KBEF awarded six scholarships: three \$1000 scholarships to children of Kansas bankers and three \$1000 scholarships to select students at The Robbins Banking Institute, Benedictine College and the University of Missouri KC.



*Thank you, Becky, for over 40 years of dedicated service to the KBA.*

**2,322 attendees | 7 conferences**  
**| 30 seminars/workshops | 5 banking schools | 675 webinars | 8 IT certification courses | Online training courses | Discussion forums**

## TRAINING PARTNERS



## ENDORSED VENDORS



Check Printing Contract Consulting



## 2020 - 2021 BOARD OF DIRECTORS

### KBA Elected Officers:

- Chairman – Jonathon Johnson, Home Savings Bank, Chanute
- Chairman-Elect – Mike Ewy, Community State Bank, Coffeyville
- Vice Chairman – Shan Hanes, Heartland Tri-State Bank, Elkhart
- Past Chairman – Kurt Knutson, Freedom Bank, Overland Park

### Regional Representatives

#### Region 1

1. Jayne Coleman, Kendall Bank, Valley Falls
2. Dan Bolen, Bank of Prairie Village, Prairie Village
3. Pat Wiederholt, Flint Hills Bank, Hartford

#### Region 2

1. Craig Heideman, Kaw Valley Bank, Topeka
2. Ron Wentz, Golden Belt Bank FSA, Hays
3. Mike Day, Denison State Bank, Holton

#### Region 3

1. Brad Zimmerman, First National Bank, Scott City
2. Alex Williams, The Halstead Bank, Halstead
3. Brad Yaeger, Legacy Bank, Wichita

### At Large Representatives

David Brownback, Citizens State Bank & Trust Co., Ellsworth  
 Allison Grace, Andover State Bank, Andover  
 John Hill, The City State Bank, Fort Scott

### Directors Appointed by KBA Chairman

Gil Trout, Emprise Bank, Wichita  
 Dennis Zimmerman, Commerce Bank, Kansas City

### KBA Trust Division President

Susie Roberts, Bank of Labor, Kansas City

### Kansas Ag Bankers (KAB) Division President

Tim Smith, First State Bank, Plainville

### Young Bank Officers of Kansas (YBOK)

#### Division President

Derek Bailey, Great Western Bank, Shawnee Mission

# KANSAS BANKERS ASSOCIATION STAFF

## LEADERSHIP



**Doug Wareham**  
President & CEO



**Ryan McLaughlin**  
President, KBA  
Insurance, Inc.



**Kathy Taylor**  
EVP - General  
Counsel



**Terri D. Thomas**  
EVP - Legal  
Department  
Director



**Brenda L. Unruh**  
SVP - Director  
Education &  
Conferences,  
Member  
Services



**Alex Orel**  
SVP -  
Government  
Relations



**Eric Stofer**  
SVP - Chief  
Financial Officer



**Mary Taylor**  
SVP -  
Communications  
& Marketing

## ADMINISTRATION



**Julie Taylor**  
VP - Computer  
& Information  
Systems



**Sara Blubaugh**  
VP -  
Executive  
Assistant  
to the  
President & CEO



**Lynne Mills**  
Receptionist/  
Special Projects



**Brianna Magee**  
Communications  
& Marketing  
Coordinator

## EDUCATION & CONFERENCES



**Becky Milne**  
VP - Education  
& Conferences



**Nicole Ortiz**  
AVP - Education  
& Conferences,  
Division  
Coordinator



**LeAnn Mott**  
AVP - Education  
& Conferences,  
Division  
Coordinator

## KBA INSURANCE, INC.



**Jenny Figge**  
VP - Operations,  
KBA Insurance,  
Inc.



**Ed Griffith**  
EVP - Employee  
Benefits



**Kent Owens**  
VP - KBA  
Insurance, Inc.



**Susan Salyer**  
VP - Employee  
Benefits



**Elizabeth Roche**  
VP - Employee  
Benefits  
Administration



**Cari Charter**  
AVP - KBA  
Insurance, Inc.

## LEGAL & COMPLIANCE



**Jackie Kuhn**  
VP - Staff Atty



**Gwen Hill**  
VP - Staff Atty



**Allison Carpenter**  
VP - Staff Atty -  
Senior  
Compliance  
Auditor



**Dylan Serrault**  
VP - Staff Atty -  
Compliance  
Auditor



**Bobby Young**  
VP - Staff Atty -  
HR & IT  
Consultant



**Neal Barclay**  
AVP -  
Compliance  
Specialist/  
Auditor



**Adeel Syed**  
AVP - Staff Atty



**Jeff Narron**  
AVP -  
Compliance  
Specialist/  
Auditor



**Kelly VanZwoll**  
Staff Atty &  
Government  
Relations



**Lewis Walton**  
Compliance  
Auditor



**Meredith DeForest**  
Admin. Legal  
Assistant



**Koren Kabriel**  
Part-time  
Admin. Legal  
Assistant



**Kerry Clark**  
Publications  
Editor &  
Compliance  
Auditor



**Ben Gienke**  
Legal Intern