I am pleased to share with you the Nebraska Bankers Association’s 2018-2019 Annual Report. The past twelve months have brought continued change to the banking industry. We should feel energized by the positive momentum and motivated by the opportunities that lie ahead.

The information enclosed features the highlights from the past year’s NBA activities, most notably the tremendous response by Nebraska bankers to the devasting March floods. To witness our members joining together, supporting other bankers and communities, makes me proud to say I work for this industry, and with each and every one of you.

I would like to thank our financial institution members, associate members and our endorsed vendors for your loyalty, dedication and participation—all of which makes our association successful.

I hope you will sustain your commitment to the Nebraska Bankers Association as we strive to be the foremost resource and advocate for the banking industry in our state.

As the banking industry continues to evolve, we pledge that your association will remain banker-driven and that the NBA staff will continue to champion the interests of the banking industry in Nebraska.

Sincerely,

Richard J. Baier
President & CEO
richard.baier@nebankers.org

OUR VISION: Our vision is to be the foremost resource and advocate for Nebraska's banking industry.

OUR MISSION: Our mission is to provide extraordinary service for extraordinary members.
174 NBA Member Institutions

NBA membership includes 174 of the 181 financial institutions in Nebraska.

INDUSTRY STRENGTH

NEBRASKA BANKERS REPRESENT

15,819 FTEs

The number of full-time bank employees increased 10.1% since last year which equates to 1,455 additional jobs.  
(Source: FDIC)

$60 Billion

The combined deposits of the NBA member financial institutions totaled just over $60 billion. This figure is up from $58.4 billion in 2017-2018.

177 Volunteers

The NBA is a banker driven association, with 177 bankers serving on boards and committees this past year.

95 Associates

Associate membership in the NBA includes 95 industry-related organizations.
ASSETS
Current Assets $2,209,313
Property and Equipment 120,725
Other Assets 1,304,008
Total Assets $3,634,046

LIABILITIES AND MEMBER EQUITY
Current Liabilities $377,116
Long-Term Liabilities 11,016
Total Liabilities $388,132

Fund Balance – Undesignated $2,563,314
Board Designated Funds 505,000
Est. Change in Net Assets 177,600
Total Member Equity $3,245,914

Total Liabilities & Member Equity $3,634,046

NBA Statement of Change in Equity
Estimated for the FY Ending April 30, 2019 (Unaudited)
Total Revenues $3,390,325
Total Expenses $3,212,725
Excess of Revenues Over Expenses $177,600

Equity as of April 30, 2018 $3,068,314
Equity as of April 30, 2019 $3,245,914

NBA Impact on Cash Reserves
Estimated for the FY Ending April 30, 2019 (Unaudited)
Excess of Revenue Over Expenses $177,600
Minus: Non-Cash Activities ($27,600)
Minus: Capital Purchases $ 0
Net Change in Cash Reserves $150,000

OFFICERS:
DAVID DANNEHL, Chairman
First State Bank of Loomis, Loomis

ALAN EMSHOFF, Chairman-Elect
Generations Bank, Exeter

KRISTIE HOLOCH, Past Chairman
Cornerstone Bank, York

GROUP 1: KRISTA HEISS, NebraskaLand National Bank, North Platte / SCOTT ZIMBELMAN, Homestead Bank, Cozad

GROUP 2: DONALD JIVIDEN, Heartland Bank, Geneva / STEVE KUNZMAN, Home Federal Bank, Grand Island

GROUP 3: DANIEL FULLNER, Madison County Bank, Madison / REX HASKELL, First Northeast Bank of Nebraska, Lyons

GROUP 4: KATHRYN BARKER, Core Bank, Omaha / DANA HENRICKSEN, ACCESSbank, Omaha

GROUP 5: JOHN DAUBERT, Security First Bank, Lincoln / KARL GRAMANN, Adams State Bank, Adams

AT-LARGE MEMBERS:
KAYE MONIE, Hershey State Bank, Hershey / DEBBIE NEWKIRK, Security National Bank of Omaha, Omaha
JASON SMITH, F&M Bank, West Point / STEVE STULL, Farmers State Bank, Bridgeport
LYDELL WOODBURY, First Nebraska Bank, Columbus

LARGE BANKS:
NICHOLAS BAXTER, First National Bank of Omaha, Omaha / CORY BERGT, Wells Fargo Bank, N.A., Lincoln
BRANDON MASON, Bank of the West, Omaha / CHRISTINE WILCOX, Union Bank & Trust Co., Lincoln
JOHN KOTOUC, American National Bank, Omaha / BRIAN LIERMAN, Great Western Bank, Hastings
RAYMOND MCKENNA, Cornerstone Bank, York / JOSEPH SULLIVAN III, U.S. Bank, N.A., Omaha
The Nebraska Bankers Insurance & Services Co. (NBISCO) is the wholly owned NBA subsidiary formed in 1981 to provide insurance products and services to member financial institutions. NBISCO has contributed $12.3 million to the NBA since its formation and continues to grow with product and service options to best serve member needs.

Approximately 85% of NBA member banks are enrolled in one or more of the group insurance plans. More than 10,000 Nebraskans participate in the NBA’s Voluntary Employees Beneficiary Association (VEBA) health insurance plans.

Agency Services meets the needs of approximately 100 bank-owned insurance agencies in Nebraska. Agency Services provides a variety of markets for your insurance agency customers.
During the first session of the 106th Legislature, five bills were introduced on behalf of the NBA. Three of these bills have passed and will provide benefits to member banks. LB 622 (Public Funds Pooled Collateral) will authorize the use of a single bank pooled collateral method to collateralize public funds in excess of the FDIC insured amounts. LB 121 will clarify and enhance the ability of banks to make direct loans to cities and villages.

Bills that have already PASSED:
- LB 121 Direct Borrowing by Cities and Villages
- LB 172 Multi-party Accounts/Loans to Minors/Co-Fiduciaries
- LB 622 Public Funds Pooled Collateral

State Government Relations Forum – Record Attendance
Twenty-eight state senators joined bankers at the NBA’s State Government Relations Forum featuring Gov. Pete Ricketts, Nebraska Department of Banking & Finance Director Mark Quandahl, Speaker of the Legislature Jim Scheer, and University of Nebraska President Hank Bounds.

Credit Union Expansion Objections
In June 2018, Liberty First Credit Union of Lincoln (LFCU) filed an application with the Nebraska Department of Banking and Finance (NDBF) to expand its field of membership to include persons who live, work, worship or attend school in 50 additional counties.

MembersOwn Credit Union also of Lincoln (MOCU) filed a similar application to expand into an additional 11 counties.

The NBA team, in concert with several NBA member banks and bankers, filed formal objections to LFCU and MOCU applications with the NDBF. Ultimately, LFCU withdrew its application, and a decision has yet to be made by the NDBF on the MOCU application.
The NBA submitted numerous letters throughout the year to federal regulators and elected officials regarding several key issues that affect banks and their customers including:

- Support the Secure and Fair Enforcement Banking Act;
- Community Reinvestment Act Modernization;
- SBA Proposed Revisions to Express Loan Programs;
- Opposition of Credit Union Field of Membership Expansion; and
- Inclusion of a banker on the FDIC Board.

The Nebraska banking industry was well represented this past year in Washington, D.C. In April 2019, 25 Nebraska bankers attended the NBA Washington Legislative Visit/ABA Government Relations Summit.

The NBA is currently supporting federal legislation to clarify and enhance the ability of banks to maintain accounts for cannabis-related businesses, and to increase reporting thresholds under the Bank Secrecy Act and for Currency Transaction Reports.

The NBA BankPAC continues to reach new milestones and reigns as one of the top-contributing business PACs in the state. This success is possible thanks to the generous support of NBA member banks and associate members.

The 2019 BankPAC goal has been set to raise $155,000 for the combined Federal ($53,000) and State BankPAC ($102,000) funds and to increase the number of members contributing to each PAC.

### State BankPAC

**2018 Silent Auction**

63 items donated  
Funds Raised = $14,761
The NBA provides bankers at all levels of their careers with professional continuing education programs, educating more than 4,000 bankers each year. These programs are planned by bankers for bankers to keep the entire bank staff abreast of new developments and technologies affecting the financial industry. Each year, approximately 55 banker volunteers are selected to serve on the Education Advisory Committee.

The NBA Education Advisory Committees offered targeted programming through the delivery of the following annual conferences this past fiscal year:

- Bank Operations Conference
- Bank Executive Conference
- Tri-State Leadership & Human Resources Conference
- Spring & Fall Agri-business Conferences
- Young Bankers of Nebraska Conference
- Women in Banking Conference
- Bank Investment, Funding & Economic Outlook Conference

The NBA Education Center also delivered day-long workshops with targeted programming throughout the state.

Additional NBA Education Resources:

- Webinars – numerous webinars throughout the year on a variety of topics relevant to bankers.
- ABA Online Training – facilitated and self-paced online bank training.
- Online Seminars – in cooperation the Graduate School of Banking at the University of Wisconsin-Madison.
- The Schools of Banking, sponsored by the Kansas and Nebraska Bankers Associations, offers week-long schools, providing a comprehensive, hands-on experience for bankers.
EDUCATING OTHERS

DEVELOPING OUR FUTURE WORKFORCE

The NBA understands the importance of building and maintaining a well-educated, well-trained workforce in the state. One of the NBA’s goals is to keep the best and brightest in our state and to feature banking as a premier career path.

University of Nebraska Foundation Scholarships
- The NBA’s University Foundation Allocation Committee (UFAC) directed $173,167 to the University of Nebraska campuses for 2019-2020 scholarships, professorships, and equipment purchases.
- Since 1995, nearly $2.96 million has been awarded in scholarships to nearly 1,450 students.
- Total grants for equipment, building, and professorships since 1981 amount to more than $2 million.
- Since 1981, total allocations to all University of Nebraska campuses stand at just over $5 million.

NBEF William B. Brandt Memorial Scholarships
- Scholarships are available to assist Nebraska business students enrolled at state or privately funded Nebraska colleges and universities through the Nebraska Bankers Educational Foundation (NBEF).
- This year, NBEF awarded ten $2,000, William B. Brandt Memorial Scholarships.
- Since 2002, the foundation has awarded 174 scholarships worth a total of $220,250.

Bank Internships for College Students
- During the summer of 2018, 16 students completed NBA member bank internships through the University of Nebraska-Lincoln Ag Banking & Finance program.
- In addition, the NBA provided internship and job placement assistance for University of Nebraska-Kearney and University of Nebraska-Omaha students pursuing banking related careers.
The NBA continues to increase its social media presence to create and build community online.

- Facebook likes total 1,712.
- Twitter follows total 1,244 and spark thousands of impressions.
- LinkedIn has 1,109 followers.
- The NBA also maintains a YouTube channel, a blog for our CEO, and a new Pinterest page.
The NBA established the Bank On Nebraska Strong fund in coordination with United Ways and other regional and statewide relief organizations to ensure all contributions provide the greatest impact for long-term rebuilding after the devastating March floods across the state. The NBA designated an initial $50,000 contribution toward relief efforts, which was shortly followed by contributions by member banks, bankers, the ABA, several other industry partners and individuals. Nebraska bankers have most certainly answered the call to provide support to the communities that have been impacted.

To assist with recovery efforts, the NBA organized a conference call with nine government agencies. Nearly 150 bankers participated, gaining informative updates, guidelines and reference materials to better navigate post-flood banking challenges. The NBA compiled various resources and placed the content on a newly created webpage to serve as a hub for disaster recovery tools.

♦ This past year, more than 500 bankers in 46 banks trained 22,507 youth and adults throughout the state through approximately 1,050 financial literacy presentations.

♦ The NBA continues to partner with EverFi, which offers a web-based financial literacy platform for K-12 grade students. The program is sponsored by 12 banks, implemented in 136 schools, and reaches nearly 7,000 students across the state.

♦ On March 11, 2019, the NBA sponsored a Financial Literacy Networking Summit in a joint effort with the Nebraska Council on Economic Education for area organizations, agencies, elected officials and bankers.
Thank you

to the 177 bankers that have volunteered to serve the association in 2018-2019.