

MAIN SESSIONS

High Performance Idea Exchange

The High Performance Idea Exchange provides CEOs with a unique opportunity to discover best practices and to learn from the bankers who are implementing these ideas. Attendees will share their innovative thoughts and ideas in a roundtable format. In addition, we will utilize pre-meeting attendee survey results to focus on the topics of greatest interest to all. This session will:

- Encourage the free exchange of ideas among bankers
- Explore methods to improve your bank's overall performance and productivity
- Evaluate the challenges banks are facing and how they are addressing these challenges
- Consider ways to foster and encourage more innovation and creativity

How to Thrive as a Community Bank

Between regulatory pressures, the economic environment and customer expectations, there are many threats to the future of community banking. As recent events have propelled changes in customer behavior and expectations, we all want to anticipate how to permanently adjust. One thing is certain: the surviving community banks will be profitable institutions with efficient operations that support the exceptional customer experience. So, how does a community bank executive drive to create a culture that is efficient while also ensuring that the bank is generating plenty of non-interest income? This session will explore and encourage discussion on the following topics:

- Strategies and details behind increasing non-interest income
- Key benchmarks to drive towards improved interchange income and other NII sources
- Steps to take to ensure all areas of the bank embrace a "culture of efficiency"
- Key benchmarks for bank leaders to verify that the bank is operating efficiently in all areas
- Process for implementing a culture of efficiency

Corporate Planning for Your Bank's Present and Future

As a result of the contracting banking sector combined with massive government stimulus, the average community bank size is increasing at a fast pace. Banks of all sizes and geographies face new prospects – and uncertainties – posed by this shift. In this setting, the conversation for many bank boards often turns to the subject of strategic planning alternatives: capital needs, organic growth, acquisitions or merging with another bank, buying back shares, increasing dividends, etc. How can you determine which direction is best for your bank?

This interactive session, co-led by professionals from legal and M&A backgrounds, will examine industry and profitability trends, focusing on the value implications of recent developments as well as a broad range of corporate governance issues. We will set aside time for open-ended Q&A with our experts combined with peer feedback from other bankers, giving you the opportunity to ask specific questions about various elements of capital and strategic planning, all with an eye on the ever-changing tax and regulatory landscape. A sample of topics to be addressed:

- Creative approaches to raising capital and deploying it
- Share buybacks funded through excess capital or new sources such as sub debt
- Compensation structures to help attract and retain talent
- Best practices surrounding employment contracts
- Real life examples of hurdles and workarounds in merger transactions
- Corporate governance and regulatory hot topics (ESG trends)
- Board fiduciary duties and liability exposure

BREAKOUT SESSIONS

Interest Rate Risk, Liquidity and Investment Strategies for Uncertain Times

Seemingly endless rounds of government stimulus have left community banks flush with liquidity and they are understandably unsure how to deploy that liquidity given the uncertainty of deposit stability and loan demand going forward. This has led to a record compression of margin as banks remain highly asset sensitive even though the Federal Reserve has indicated they will leave short-term rates unchanged until at least 2023. Should banks continue holding record amounts of cash while waiting for loan demand to pick up or should they invest now to help fight margin compression that only threatens to be worse in 2022? This broad-based session will focus on the challenges banks face in managing liquidity, interest rate risk and the investment portfolio in an extended low rate environment including specific strategies to meet those challenges successfully. Topics will include:

- A Look Inside Industry Trends for Balance Sheets, Performance and the Investment Portfolios Including Bank Specific Peer Data for Each Attendee
- Best Practices for Managing IRR and Liquidity While Complying with the Latest Regulatory Guidance
- How To Effectively Deploy Excess Liquidity in the Best Relative Value While Avoiding the Pitfalls of Higher Risk Alternatives
- Managing Cashflows to Protect Against Extension and Depreciation as Rates Rise

The Future is Now: Virtual Currencies, Blockchain, Smart Contracts and Artificial Intelligence for Financial Institutions

The global banking and payments system as we know it was established during WW2 and has lasted for 80 years helped in large part by the stability of the US Dollar. That system is reaching the end of its useful life as both changing economic conditions and new technology act as a catalyst for its inevitable demise. These new technologies are changing the way services are delivered and creating new financial products. This session will provide examples of how these products or technologies are currently being implemented at financial institutions and explore how community banks are working through partnerships to provide these products and services going forward.

GENERAL SESSION

Economic Update

The Great COVID Recession of 2020 is now behind us, barring another wave of COVID infections or the appearance of a new variant that circumvents the protection provided by the various vaccines. The spring 2021 GDP Report showed the US economy has completely recovered from the COVID Recession. The report indicates the 2021 (I) GDP is now higher than the GDP of 2019 (IV). However, the economy is not out of the woods yet. There are two recoveries from every recession, a GDP recovery which has occurred and a jobs or employment recovery, which may not occur until 2023-2024.

Inflation has become the major economic worry of 2021. Massive federal spending, the Biden administration's war on fossil fuel, labor shortages, pandemic-inspired supply line disruptions and the reopening of much of the economy, have caused alarming increases in prices. Producer prices are rising at rates that have not been seen for decades, and consumer prices are spiking.

The Consumer Price Index (CPI) increased in April 2020 by 4.2% on a year-over year basis. Massive increases in all energy sector prices were the main culprit for the sharp increase in the overall index. Gasoline increased approximately 50% over the last twelve months, and used car prices rose 20% over the same period.

Dr. Ed will try to determine if this wave of inflation is merely transitory in nature, or a major problem for the US economy. Of course, the Federal Reserve is the government agency charged with keeping inflation under control and Dr Ed will discuss and analyze the Fed's latest policy actions.