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• January 1, 2021 for public business entity non-SEC filers*
*An extension of the effective date for non-public business entities (private entities) to January 1, 2022 is currently under consideration by FASB, which issued a related exposure draft on August 20, 2018.

Act Now.

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BANKER OF THE YEAR
Harris Simmons, Zions Bancorp.
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Cover Art: Jason Seiler

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Not in the cards

U.S. workers who deposit their earnings onto Netspend prepaid cards were unable to access paychecks. Cardholders went on Facebook and Twitter to complain. They got few immediate answers from Netspend or Netspend’s bank partners. “I want my money. I worked hard for it,” one customer tweeted.

Prepaid, by the numbers

Purchases made with general-purpose prepaid cards accounted for about 4% of all U.S. card payments in 2016

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Warren rebukes Comerica

A string of fraud cases tied to a Comerica Bank program for federal benefits recipients got Elizabeth Warren’s attention. “I am particularly concerned about the lack of transparency about the security breaches and subsequent fraud schemes that compromised Americans’ federal benefits,” the senator said in a letter to Comerica’s CEO.
“The key to this business is advice. The way we combine technology and our advisors to deliver it is what sets us apart.”

— RHOMES AUR
CEO, FTB Advisors, Inc.
EVP, First Tennessee Bank

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Opportunity Knocks

Will new legislation to spur development in low-income areas help CRE lenders?

By Andy Peters

Commercial real estate lenders could be in for a boost at just the right time.

Low-income communities across the country are set to benefit from a new federal rule designed to encourage economic development. Tax benefits will accrue to investors who put money into projects located in thousands of districts designated as Opportunity Zones.

That, in turn, could stimulate more construction lending at a time when overall CRE lending has stagnated.

Projects that otherwise would not get a second glance may now be appealing, said Roger Shumway, chief credit officer at the $1.3 billion-asset Bank of Utah in Ogden. “I can see it helping us quite a bit,” Shumway said.

According to regulatory guidance issued on Oct. 19 by the Treasury Department, private investors can defer capital-gains taxes for 10 years on prior investments if the gains are transferred to projects located within Opportunity Zones.

That tax benefit could create a huge influx of capital into Opportunity Zones, Shumway said.

Some development projects in these communities previously would not have passed financial muster with banks’ credit departments, said George Morrison, a banking attorney at McNair Law Firm in Charleston, S.C.

“Lenders may be more willing to make CRE loans in these projects in these areas with what is going to be an enhanced equity contribution,” Morrison said.

There are two main categories of CRE: loans to develop property and construct buildings, and the permanent mortgage on the finished product. The latter category has been stagnant for banks, but construction loans have been on the rebound.

Opportunity Zones could provide an additional boost as higher levels of equity capital investments improve a potential loan’s risk profile.
More than 8,000 communities in every state and U.S. territory have been designated as Opportunity Zones. They range from inner-city neighborhoods in the Bronx, N.Y., and Portland, Ore., to remote rural areas of South Dakota and Wyoming.

Individuals who make investments in these areas can avoid a huge tax bill on a corporate stock that has soared in value, said Andy Hart, president of Delegate Advisors, a San Francisco wealth management firm.

Taxes on capital gains can be deferred over a decade, and in that time Opportunity Zone developments could appreciate in value. So the returns could in effect cancel out the tax debt that had been postponed.

“For a person who’s got a gain in a highly appreciated tech stock, they’re going to look for Opportunity Zone investments,” Hart said.

Some banks are lining up resources to lend to Opportunity Zone projects. PNC Financial Services Group in Pittsburgh has formed a fund to encourage community development financial institutions to provide debt financing to projects where it could be a lender, according to the Opportunity Finance Network, a trade association for CDFIs.

Others are still evaluating how they might participate, but are upbeat about the prospects. “We’re hearing a lot about potential projects,” said Jeremy Starkey, president of commercial real estate finance at the $10.8 billion-asset TowneBank in Portsmouth, Va.

Almost the entire island of Puerto Rico, and the territory’s associated islands, are designated as an Opportunity Zone, which will help with the Hurricane Maria rebuilding efforts, José Rafael Fernández, chief executive of the $6.7 billion-asset OFG Bancorp in San Juan, Puerto Rico, said during an Oct. 19 conference call.

“There’s an interplay here between the rebuilding of the island, the federal funds that are being allocated, and the investors of private capital coming to Puerto Rico,” he said.

Opportunity Zones have the potential to benefit CRE lenders in any part of the country, said Chris Marinac, an analyst at FIG Partners. “This is another example where the recent investor concerns about slower loan growth and reduced loan demand are somewhat misplaced,” Marinac said.

**Strictly for Farmers**

A Maine credit union would be the first of its kind

Farmers in Maine could soon have another option for financing — but it won’t be a bank.

The state has a robust agricultural sector, with more than 8,000 farms that produce $3.8 billion in sales. But it lacks lenders willing to provide the roughly $186 million these mostly small operations will need in coming years to finance farmland, according to Maine Farmland Trust, an advocacy group.

A credit union Maine Farmland Trust is helping organize aims to fill that gap. The Maine Harvest Credit Project would be the country’s first credit union to focus exclusively on loans and mortgages to local farmers and others in the food industry.

So far, the organizers have raised $2.4 million in capital from 23 donors that include the Maine Credit Union League, financial experts, local businessmen and farmers.

John Blanchfield, a principal at Agricultural Banking Advisory Service, agreed that there is a need for such an effort in Maine, thanks to the booming farm-to-table movement.

Agricultural lending in the state is dominated by farm credit lenders, and bankers tend to focus on existing customers, Blanchfield said.

Jim McConnon, a business and economics specialist and professor of economics at the University of Maine, said the state’s agricultural sector is “strong and diverse,” with the number of food and beverage manufacturing companies growing at 3.5% annually for the last decade.

There also has been an influx of younger people in Maine who want to work in the food, farm and agricultural sectors, McConnon said.

The Maine Harvest Credit Project noted that 40% of the state’s farmers are 34 or younger. By comparison, the average age of farmers and ranchers across the country was 58 in 2012, according to the latest data from the U.S. Department of Agriculture.

The field of membership for the proposed credit union will include two statewide organizations, Maine Organic Farmers and Gardeners Association and Maine Farmland Trust.

The Maine Harvest Organizer Group, an affiliate of the Maine Harvest Credit Project, is spearheading the charter process, which can be challenging. The National Credit Union Administration has chartered just one new federal credit union this year and four last year.

At most credit unions, a legal cap restricts total business loans to about 12.25% of total assets.

But credit unions that are created for the purpose of business lending and that can show a need from members are exempt, said Scott Budde, one of the leaders of the Maine effort.

If all goes smoothly, the credit union, which would be based in Unity, could open by next summer, he said.

— Palash Ghosh and John Reosti
On display in Harris Simmons' office is a massive stack of paper — a single year's stress test submission.
When Harris Simmons was a small boy, he asked his father, Roy, the longtime chief executive of Zions Bancorp. in Salt Lake City, to explain what he did for a living. "We take money from some people and give it to other people," Roy told his son, whose mind started racing. "I was just certain he was going to go to jail for that," Simmons recalled with a laugh during a recent interview. "I remember my shock."

But it didn't take long for the younger Simmons to figure out how banking works. He got involved at Zions early on, taking a job there in 1970, the week after his 16th birthday, filing canceled checks. As an undergraduate at the University of Utah, he was splitting his time between campus and the bank.

At age 27, he became chief financial officer. Nine years after that, he was named CEO, succeeding his father.

"I grew up learning the banking business from my father — at his knee, if you will," Simmons said.

In his nearly three decades at the helm, Simmons has applied his analytical mind to an industry that looks far different than it did during his father's era. He has repeatedly demonstrated an ability to see around the next corner, a strong grasp of the operational side of banking, and a determination to play the long game.

Because of that rare combination of traits — which are evident in three bold moves Zions made recently — American Banker is honoring Simmons as its Banker of the Year for 2018.

After taking stock of the changing demands of regulators and the rise of digital banking, Simmons decided to rethink Zions' decentralized business structure. He later took the streamlining a step further by shedding the consolidated bank's holding company. Simmons also launched a massive technology project, unmatched by any other large U.S. bank, to modernize Zions' core processing system.

"He's a leader that leans into the really
tough decisions," said Scott McLean, Zions Bancorp’s president and chief operating officer.

**Deep roots in Utah**

Harris Simmons was 6 years old when his father led an investment group that purchased a majority stake in Zions First National Bank. It was 1960, and for more than eight decades, the bank had been controlled by the Church of Jesus Christ of Latter-day Saints.

Sitting inside his second-floor office in downtown Salt Lake City, Simmons narrated a history of the connection between his bank and his church. He noted that following the migration of Mormons to Utah in the mid-19th century, their leader, Brigham Young, needed to figure out how to start an economy.

"He was a very entrepreneurial individual, of necessity," Simmons said.

Young started two banks in the early 1870s. Zions Savings Bank and Trust Co., the second one, was created in 1873 to provide competition for the first. Today, the organizational documents for the bank that was Zions Bancorp’s earliest forerunner are on display in Simmons’ office.

Simmons’ father overcame a rough start to rise to prominence in Utah. He was given up for adoption as a baby, and after his adoptive mother died when he was 8 years old, he was sent to live with a family friend in Salt Lake City.

Roy Simmons entered the banking business in 1940 — working for his father-in-law, whose family had started the First National Bank of Layton, located in a small city about 25 miles north of Salt Lake City. He went on to serve as state banking commissioner from 1949 to 1951.

Later, he operated the Lockhart Co., an industrial loan company that carved out a lucrative business by taking advantage of certain regulations that restricted banks’ activities.

Specifically, Lockhart was able to pay higher interest rates on deposits than banks could, and it used those deposits to fund the second mortgages it offered — a revenue stream that was shut off to banks at the time.

When Roy Simmons became CEO of Zions in 1964, the bank was smaller than two other Utah competitors, and it was focused on the Salt Lake City market. He set out to build a statewide franchise.

"So my dad started to do acquisitions, ultimately from St. George up to Logan, across the state," Harris Simmons said. As he reminisced, he pointed to a portrait of Roy Simmons that hangs in the hallway just outside his office door.

Roy Simmons died in 2006 at age 90. In his obituary, one former colleague was quoted saying: "Roy was an individual who had a tremendous ability to deal with the details of the business and who yet understood that in the end this was all about personal relationships."

Friends and colleagues say much the same about the son who followed him into the banking business.

**Interstate and digital pioneer**

As a young man, Harris Simmons served on a two-year church mission in Sweden, got an MBA from Harvard Business School and did a short stint at a bank in Houston. But by the early 1980s the low-key banker was back in Utah.

Soon he saw an opportunity to grow Zions by crossing state lines — a novel concept at the time. "Harris saw, very early on, the future of this," recalled H. Rodgin Cohen, an attorney at Sullivan & Cromwell who has done work for Zions over several decades.

Before a change in federal law in 1994, a bank could acquire an out-of-state depository only if the two states had entered into compacts that allowed for such deals.

Zions played a pivotal role in persuading lawmakers in the neighboring Silver State to pave the way for its 1985 purchase of Nevada State Bank.

One question that Zions had to answer was whether a bank with a deep historical connection to the LDS Church would be willing to finance the gaming industry.

In fact, Zions had been financing casinos near the Utah-Nevada border for some time. "So it was like, been there, done that," Simmons recalled.

After the Nevada acquisition, Zions expanded into Arizona, California, Colorado, Idaho, New Mexico, Oregon, Texas, Washington and Wyoming.

Simmons also showed foresight with respect to the impact that technology would have on the banking business. In the late 1990s, long before the first smartphones were in consumers’ pockets, Zions emerged as a pioneer in the remote deposit of checks.

In recounting that chapter of the
Simmons recalled that the decision to buy First Security was “a very taxing period of time,” he said. “It was a very taxing period of time,” he said.

In recounting that chapter of the bank’s history, Simmons credited Danne Buchanan, who was then the chief information officer at Zions, with having an idea for how to clear checks electronically.

“He said, ‘I’ve been thinking about an approach that on the surface doesn’t seem very elegant, except that it works,’” Simmons recalled.

Under this early concept, a bank would take pictures of the checks it received, and then send those photos to the payer’s bank, which would reproduce a paper copy of the check. Unfortunately, the process would not be all that useful unless federal law were modernized.

Simmons met during the summer of 2001 with Roger Ferguson, then the vice chairman of the Federal Reserve Board, in an effort to sell the concept. The meeting was pleasant, but the idea of clearing checks electronically did not appear to be high on the Fed’s agenda.

Then came the terrorist attacks of Sept. 11, 2001, which led to a temporary halt in air travel, grounding the planes that the Fed used to ferry checks across the country.

“About three days later, we received a call from the Federal Reserve saying, ‘We’d like to talk again,’” Simmons recounted. The law known as the Check 21 Act was enacted two years later.

“It actually took 9/11 for them to understand we have a weakness in the payment system,” Simmons said.

‘A very taxing period of time’

In March 2000, Simmons experienced what he remembers as the biggest disappointment of his career, when Zions’ proposed merger with First Security Corp. fell apart.

The deal, which was billed as a merger of equals, would have offered Zions an opportunity to expand in western states, while also consolidating operations. “So the math of it looked reasonably compelling,” Simmons said.

But the acquisition hit a snag when an accounting issue drew attention from the Securities and Exchange Commission. That led to the postponement of the meeting where Zions shareholders were scheduled to vote. During the delay, First Security issued a disappointing earnings report, and its share price tumbled, which made the deal less attractive to Zions.

In the end, investors representing just 33.7% of Zions shares voted to approve the acquisition, while 45.2% were opposed. The deal’s unraveling was particularly painful because Zions had already laid extensive groundwork for integrating its crosstown rival. Less than two weeks after the vote, Wells Fargo announced a deal to buy First Security.

As Simmons reflected on the failed acquisition, he was thoughtful and soft-spoken. “It was a very taxing period of time,” he said.

A key lesson that Simmons drew from the episode was that the bigger the merger, the more the acquiring bank has to sacrifice of its own culture. After shareholders rejected the deal, Simmons held a series of emotionally charged meetings with Zions employees.

He told them: “I can’t tell you that we’ll never engage in larger deals again, but what I can tell you is that never again while I’m working here will we ever call anything a merger of equals. There has to be a buyer; there has to be a seller.”

LeeAnne Linderman, who recently retired as Zions’ director of retail banking, said that during those meetings Simmons took full responsibility for the demise of the First Security deal.

“Any employee who has ever seen Harris speak understands his authenticity,” she said. “He tells it like it is.”

The financial crisis that gripped the country in 2008 presented the next big challenge for Zions. The company, which operates in three Southwest states, was hit particularly hard by the mortgage meltdown, had a large concentration of commercial real estate loans, and many of them were delinquent.

In 2012, Zions repaid the $1.4 billion it received from the Troubled Asset Relief Program. But it was still holding a large portfolio of collateralized debt obligations whose value had fallen—a situation that led to Zions’ first big run-in with the post-crisis regulatory regime.

In December 2013, Zions announced that due to the portion of the Dodd-Frank Act known as the Volcker Rule, it would not be allowed to hold the CDOs to maturity. The company said that it would have to take a one-time,
Banker of the Year

after-tax charge of $387 million as a result.

One month later, five federal agencies issued an interim final Volcker Rule that cushioned the blow to Zions, though the company still decided to sell off a portion its CDO portfolio in an effort to reduce its risk profile.

Simmons chafed at what he saw as the unfairness of post-crisis rules aimed primarily at big banks being applied to Zions, which was among the smallest companies designated as a systemically important financial institution. At the time, Zions Bancorp. had around $55 billion in assets, putting it not far above the $50 billion SIFI threshold.

"Sometimes we joke about ourselves as being an itty-bitty SIFI," Simmons later told a congressional panel.

Rethinking a longtime strategy
Zions has long prided itself on being a collection of distinct banks sprinkled throughout the West. The company operates California Bank & Trust, Nevada State Bank and National Bank of Arizona, among other units.

An emphasis on local control has been intertwined with a heavy reliance on commercial lending. Personal relationships with bankers tend to matter to business owners, and commercial loans, including commercial real estate, account for about three-quarters of Zions’ total loans and leases.

For years, various Zions-owned banks operated under different charters. But by 2015, Zions had brought certain back-office functions under one roof, and Simmons was questioning whether the decentralized legal structure still made sense.

The central problem for Zions was that various units were reporting data in incompatible ways at a time when data consistency was becoming more important.

This industrywide shift was partly a result of post-crisis regulatory changes; banking agencies were placing greater emphasis on enterprise risk management, for example. And it was partly due to technology-driven business trends, such as the rise of digital marketing. In June 2015, Zions announced a plan to consolidate its seven charters into one.

Reflecting on his decision to undo the decentralized structure that he had put together over the course of decades, Simmons said: "It just wasn't a model that I thought was compatible with the digital world."

While the charter consolidation has led to greater efficiency, Zions retains its tradition of local authority. Executives across its 11-state footprint still operate under separate brands and still control pricing and most credit decisions, as long as they heed the company’s risk appetite.

"It's still the local management teams and the connection to the community," said Brian Klock, a banking analyst at Keefe, Bruyette & Woods. "Being able to keep the bank running every day, as if nothing has really changed, is big."

Battling new regulations
Throughout his career, Simmons has been aggressive on the legislative and regulatory fronts. When he was elected as chairman of the American Bankers Association in 2005, it ruffled some feathers in the credit union industry. After the passage of the Dodd-Frank Act, his position as CEO of a midsize bank gave him the opportunity to be more persuasive than his peers at the crisis-tarnished megabanks were.

So it was no surprise that Simmons emerged as a key advocate for the regulatory relief law — signed by President Trump in May — that helps regional banks like Zions. On display in his office is a massive stack of paper — a single year's stress test submission — that he showed to visiting lawmakers as a visual representation of the burdens imposed by the 2010 regulatory overhaul.

Simmons has been particularly galled by some stances of the Fed, whose stress test Zions failed in 2014. Though the central bank recently began promising more transparency, it has long kept its stress-testing models confidential in order to guard against banks’ efforts to game the results.

"Their approach to stress testing has been in my mind at best un-American and at worst illegal, with respect to the lack of transparency that it entails," Simmons said.

He fought back on two separate tracks. First, he lobbyed members of Congress to pass the regulatory relief measure, which raised the asset threshold for banks to be designated as systemically important. And second, he devised a plan that would help Zions even if the legislative effort failed.

The latter effort began back in 2015. Simmons figured that Zions ought to be able to escape its designation as systemically important if he could get rid of its holding company. He took the idea to a former senior regulator in Washington, who shot it down as unworkable.

But Simmons later got a different answer from Cohen of Sullivan & Cromwell, who noted that a provision in Dodd-Frank allows a systemically important financial institution to appeal its designation to the Financial Stability Oversight Council.

"It took about five seconds," Cohen said, but Simmons was sold.

In the end, the vote still needed to be formally made by the Comptroller of the Currency, and Simmons once got stranded at the Denver airport when an airline's ticketing system went down. When his Harris’ leadership style,” said Paul Cromwell, who noted that a provision in Dodd-Frank allows a systemically important financial institution to appeal its designation to the Financial Stability Oversight Council.

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A long-term perspective

Simmons, now 64, has been thinking a lot recently about the bank that he will eventually leave to his successor. And the question of whether Zions will be positioned to compete in the digital economy is at the heart of a large initiative to replace its core processing system.

“This project is an indication of Harris’ leadership style,” said Paul Burdiss, Zions’ chief financial officer. “Every decision he makes is for the long term.”

Simmons once got stranded at the Denver airport when an airline’s ticketing system went down. When his flight finally began boarding, the gate agent resorted to writing down passengers’ names. Looking back at the episode, he shuddered at the thought that the same scenario could one day plague the banking industry.

Zions’ core conversion project, which was announced in 2013, is being overseen by Chief Information Officer Jennifer Smith. She said in an interview that the project has been broken into three phases. The overhaul of consumer lending systems is complete, and commercial lending systems are scheduled to be finished early next year. That will leave the company’s deposit systems as the final phase.

“We’re not replacing one system. We’re replacing multiple systems. And that’s what makes it so complex,” Smith said.

Zions’ new core system, which is being built with Tata Consultancy Services, a vendor based in India, is expected to offer a range of benefits. Those advantages include the ability to plug in services much more quickly and real-time payment functionality.

Smith described Simmons as a CEO who is steeped in the operational details of banking. “He needs to know how it all works,” she said.

The next phase

Zions Bancorp. has been led by a Simmons for the last 54 years, but the day will come when that is no longer the case.

“I don’t have any immediate plans to retire,” Harris Simmons said, “but time will bring that to pass at some point.”

He added that he is spending a lot of time on succession planning, focusing on a group of talented midcareer professionals who will eventually run the company.

Whoever does get tapped next will have big shoes to fill. Simmons has not only turned a Utah bank into a regional force — for the first six months of 2018, Zions reported a slightly higher return on equity than the industry average — he also has found many ways to give back to local communities.

Simmons serves as chairman of the board of regents of Utah’s higher education system. He is a longtime benefactor of the Utah Symphony. He has spent decades leading the efforts to fight homelessness in Salt Lake City. He also takes part in Zions’ annual Paint-a-thon, during which he joins other company employees in painting the homes of low-income residents of Utah and Idaho.

When asked about his extensive work in the community, Simmons was characteristically modest, deflecting the attention to others. “This is, I think, part of the DNA of people who’ve been in this industry for a long time,” he said.

Scott Anderson, who is the president and CEO of Zions First National Bank and has worked with Simmons for 28 years, praised his boss’ community involvement, as well as his dedication to employees, customers and shareholders. Then he made a remark that surely would have made Roy Simmons proud.

“Harris is a banker to the core,” he said.
By Alan Kline

By any measure, WSFS Financial in Wilmington, Del., has been a community banking standout under the leadership of its chairman, president and chief executive, Mark Turner.

It has been highly profitable, consistently posting industry-leading returns on assets and equity, largely because management decided during the depths of the financial crisis to accelerate its growth while many others were retrenching.

WSFS is also among the industry’s most respected banks, as evidenced by the stack of awards it has received for customer service and employee satisfaction.

Yet for all its recent success, the $7 billion-asset WSFS is about to face arguably its biggest challenge yet: incorporating Beneficial Bancorp in Philadelphia.

The acquisition, expected to close early next year, would be WSFS’ largest to date, almost doubling its asset size, to nearly $13 billion, and vastly increasing its visibility and deposit share in the nation’s eighth-largest metropolitan market.

But what makes the $1.5 billion deal for Beneficial especially compelling is the estimated cost savings, which WSFS intends to use to fund what Turner calls its “tech transformation.” Within six months of the deal’s closing, WSFS intends to consolidate about 30 overlapping branches and begin investing half the savings — roughly $32 million over the next five years — in a host of customer-facing and back-office technologies. The goal is to improve the delivery of retail services and help WSFS chip away at big banks’ dominance.

“If you look at Bank of America or JPMorgan Chase, they are already taking most of the new entrants into the marketplace,” Turner said in a recent interview. “We are not losing customers, but we are not getting our fair share of new ones coming into the market.”

If the Beneficial deal meets projections, it could position WSFS as a consumer and commercial banking powerhouse in the mid-Atlantic for years to come.

Once the acquisition closes, WSFS would leapfrog over M&T Bank and BB&T to claim the No. 6 deposit share in the Philadelphia area, which is dominated by national banks. Even with the planned branch consolidation, WSFS would still have more than 110 branches in Pennsylvania, Delaware and New Jersey, and the addition of Beneficial’s balance sheet would give it nearly three times the lending capacity of any other community bank in the market.

It’s a potentially transformative deal and, as the driving force behind it, Turner is being honored by American Banker as one of its community bankers of the year for 2018.

Engineering a transformation

The recognition also acknowledges the extraordinary job Turner has done leading the 186-year-old WSFS over the past dozen years and building — through a series of acquisitions and partnerships — what was in many ways a traditional local thrift into a modern, high-performing community bank.

On Turner’s watch, WSFS has expanded into Pennsylvania and New Jersey, added several new business lines, including a thriving wealth management operation, and teamed with fintechs to offer such products as online student loans and online home equity loans. It also took advantage of market disruption — notably Wilmington Trust’s sale to M&T in 2011 — to add teams of lenders who brought new commercial customers.

For the last five years, Turner has been running a $5.3 billion-asset Beneficial, which he acquired in 2013.

Though just 55, he is stepping down from the CEO role at the end of this year and handing the reins to Chief Operating Officer Rodger Levenson, 57. Turner will stay on as executive chairman, but give up day-to-day responsibilities to focus on business development for WSFS and economic and workforce development in the markets it serves.

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Community Bankers of the Year

Enterprising Builder: WSFS Financial’s Mark Turner

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The $5.3 billion-asset Beneficial was Turner’s last acquisition as CEO.

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Turner was named CEO in 2007 and before that spent three years in what was called the office of the CEO under his predecessor, Marvin “Skip” Schoenhals. Turner told the board years ago that he planned to stay in the role for no longer than 15 years and he said he is stepping away now because Levenson, who he had been grooming for the job since 2014, is more than ready.

“In my opinion, 10 to 15 years is the optimal amount of time to be the CEO of a public company,” Turner said. “If you stay too long, you run one or more of the following risks: becoming complacent, becoming arrogant, losing energy or becoming irrelevant.

“The world is moving pretty fast these days and you have to stay on top of your game mentally,” Turner added. “Even though Rodger is a couple of years older than me, he brings a different energy, a different view and a different vision.”

Pivoting after the financial crisis

An accountant by training, Turner joined WSFS in 1996 as comptroller under Schoenhals, was promoted to chief financial officer in 1998 and named COO in 2001. Over the course of the next several years, Schoenhals gave his protégé a range of responsibilities — appointing him head of retail banking at one point and head of technology and operations at another — to broaden his experience and better prepare Turner for his eventual promotion to CEO.

Then, just a year after Turner took the helm, the housing market crashed
and triggered the Great Recession.

Like most banks, WSFS suffered steep losses on real estate loans during the crisis, but some crucial decisions made in the years prior — selling off a subprime mortgage subsidiary in 2003 and intentionally scaling back its construction lending in 2005 — helped it weather the downturn better than most.

Then once WSFS got a handle on the credit problems, Turner and the management team decided in 2010 that it was time to focus on growth.

Over a two-year stretch, WSFS hired dozens of relationship managers, added de novo branches and relocated others to better locations. It also entered the wealth management business with its acquisition of Christiana Bank & Trust in Greenville, Del. WSFS would go on to acquire three more banks, including its first two in Pennsylvania, and two other wealth management firms in the next several years.

Levenson, who joined in 2006 from Citizens Financial, said that WSFS would not be in the position it is in today if Turner had not decided to switch from defense to offense in 2010.

“A lot of banks were hunkered down trying to figure out what was going on, but once we got our arms around the credit, Mark said, ‘Let’s go after it,’” even though it meant that our earnings would be depressed for a couple of years,” Levenson said. “That took a lot of courage from management, and from our board.”

Added Turner: “We felt like that was the best time for us to be investing in our future.”

The success of the strategy has been evident in steadily improving profitability numbers. This year’s third quarter was one of its best ever. Net income nearly doubled from the same period a year earlier, to $38.9 million, and its core return on assets, excluding some one-time gains, climbed by more than 50 basis points, to 1.72%.

WSFS’ numbers look even better when measured against the overall industry. Through the first half of this year, its return on assets was 24 basis points higher than the industry average, at 1.57%, and its return on equity was 163 basis points above average, at 13.46%, according to Federal Deposit Insurance Corp. data.

Fostering employee engagement
Turner is understandably proud of the returns WSFS has produced, but he’s even more proud of the culture he has helped to create at the bank.

Fifteen years ago, when Turner was COO, WSFS brought in the Gallup Organization to measure employee engagement, and the initial results were discouraging. For every three engaged employees at the bank, there were two disengaged employees.

Schoehals and Turner responded by adopting a series of measures that empowered employees to make decisions to better serve customers and encouraged them to publicly celebrate the work of their colleagues. By the time Turner took over as CEO, the numbers had improved dramatically: 29 engaged employees for every two disengaged employees.

The numbers have held up over the past decade and they help explain why WSFS has been named a top workplace in Delaware by the Wilmington News-Journal for 13 years running and a top global workplace by the Gallup Organization for three consecutive years.

The culture of engagement that Turner helped foster was never more evident than on the day after Thanksgiving last year.

Because of a processing glitch, direct deposits that WSFS customers were counting on that Black Friday did not make it into their accounts, and many didn’t find out until their debit cards were declined while they were out Christmas shopping.

The bank was bombarded with phone calls from angry customers looking for answers — on a day when many call center employees had taken personal time off. So Peggy Eddens, the chief human capital officer, and her team called all the employees who had scheduled days off and asked them to come in and help handle the flood of calls and help soothe customers’ nerves. Every single one of them showed up, according to Eddens. (The glitch was fixed by 11 a.m.)

In a social media post a few days later, Turner praised the employees who “rallied to make a bad situation better.” He also took full responsibility for the glitch, never once placing blame on the bank’s core processor, and that resonated with customers. WSFS’ “transparency and ‘customer-first’ mentality are reasons why we will continue to bank with them for years to come,” one customer wrote in a comment on the post.

Eddens shared a similar story of employee selflessness that occurred several years earlier, when rival TD Bank’s direct-deposit platform malfunctioned on the day it closed its acquisition of Commerce Bank.

Many of TD’s branches were overflowing with customers demanding an explanation, and some employees of other local banks tried to capitalize on the unrest by encouraging the angry customers to ditch TD.

To Turner, though, it felt unseemly to kick a rival when it was down, and he instead instructed WSFS employees to go to nearby TD branches to lend moral support and offer to do whatever they could to help. Some WSFS employees ended up working at TD for several hours.

It was a textbook example of what kind of company WSFS is trying to be.

“Doing the right thing can be the core of a culture. It’s something that’s almost like a badge of honor around here,” Turner said.

Turner likes to call it a “secret sauce” — that the ingredients for the big bank’s core culture were initially integrated with the acquisition of Beneficial. Now the bank must take the same approach when it integrates Beneficial branches and converts them to WSFS locations.

“Managing the integration is an area we need to basically learn by doing,” Turner said. “It’s not like a textbook.”

Eddens and WSFS’ retail banking executive vice president said that they’re working on the biggest challenge the bank faces as it continues to integrate Beneficial branches and convert them to WSFS locations.

She said the biggest challenges will be risking the culture of employee engagement and making the employees feel valued.

Making the deal work
The deal certainly has skeptics. WSFS’ stock price has soared in recent years to the value of culture.”

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difference did not help, and he went ahead with the same strategy. "I'm not going to let you out of the game," he said. "I'm going to take your money and do what I want with it."

Some of TD’s branches were malfunctioning on the day it closed its Commerce Bank's direct-deposit platform several years earlier, when rival TD had instructed employees to kick a rival when it was down, and he had told Eddens to do what he wanted to do. If they didn't, they would be fired. This act of kindness that WSFS has, until now, never made public.

"Doing the right thing is one of our core values," said Eddens. "And sometimes that takes you to places, like a competitor's bank lobby, that you wouldn't normally go."

Turner said that WSFS' culture is its "secret sauce," but he acknowledges that maintaining it is among the biggest challenges the bank faces as it integrates Beneficial. WSFS plans to take at least six months after closing the acquisition to change signs on Beneficial branches and convert systems, because Levenson said it needs at least that long to properly train Beneficial employees and introduce its brand to the marketplace.

Eddens and WSFS' retail banking executives also have been upfront about the fact that jobs will be lost once the banks are fully integrated. In the weeks after the deal was announced, they traveled to every Beneficial location to discuss the branch consolidation plan and encourage employees whose jobs may be at risk to consider other opportunities within WSFS.

"We were very honest in telling them that there is overlap and that there won't be jobs for everyone," Eddens said. "It's a hard message to share, but I think these truthful conversations really start to plant the value of culture."

**Making the deal work**
The deal certainly has skeptics. WSFS' stock price has soared in recent years because of the record profits, but the shares started falling after the announcement about Beneficial, partly because some investors worry that the acquisition will suppress earnings in the near term or that the tech investment will take too long to pay off. (The stock dropped 22% between early August and early November.)

Frank Schiraldi, an analyst at Sandler O'Neill & Partners, said he understands why some investors may be skeptical.

While WSFS has plenty of experience with acquisitions, it has never integrated a bank as large as Beneficial, he said. Moreover, Beneficial is just three years removed from a second-step mutual-to-stock conversion and, as such, is flush with capital that WSFS would need to find ways to deploy if it hopes to hit its profitability targets.

"It's a show-me story at this point," Schiraldi said.

Even so, the analyst sees the deal as a good bet. "Ultimately I think it will prove out as successful," said Schiraldi, who has a “buy” rating on the stock. "There's a lot of growth potential in Philadelphia, and there's an opportunity for a sizable community bank to do well there."

As executive chairman, Turner said that a big part of his responsibility will be "making the Beneficial acquisition work." He is a Philadelphia native, and he intends to spend significant time in and around the city developing and rekindling relationships with business and civic leaders and prospective clients.

He also will be keeping close tabs on WSFS' tech transformation. Two years ago, he went on a three-month "learning tour" in which he visited a wide range of financial, technology and retail firms to gain insight into how they were embracing innovation, and he came away from it believing that WSFS needed to up its game.

"You can open a deposit account online with us, but it's clunky — it takes 20 minutes," Turner said, identifying one of WSFS' top tech priorities. "There are products out

**Some are skeptical of the Beneficial deal, and Turner acknowledges that maintaining the WSFS culture will be a challenge.**
Skip Hageboeck's reluctance to move put so much else in motion.

Hageboeck was a treasury manager in Indianapolis when the bank he worked for was sold in 1995 to First Chicago. Rather than relocate to the Windy City, he agreed to become the chief financial officer at Peoples Bank.

For Hageboeck, it was a logical decision. He wanted to stay at a small community bank locally and jumped at the chance to be a CFO. Peoples in Indianapolis had been owned by the same family for 107 years, which was a selling point.

"I thought this would be a great experience," he said.

The decision altered the trajectory of Hageboeck's career, in a way that he finds entirely satisfying. First Chicago became part of Bank One, which in turn was sold to JPMorgan Chase, now the nation's largest banking company by assets.

Hageboeck, the president and chief executive of City Holding in Charleston, W.Va., since 2005, would go on to become a standout community banking leader.

Since joining City, he has helped oversee a turnaround and navigated the financial crisis deftly. Pursuing acquisitions in nearby markets, he has more than doubled the size of its City National Bank of West Virginia, to $4.4 billion in assets, while maintaining superior efficiency. And he has used this strategy to build a dependable performer in a state that isn't known for its growth potential.

"He is incredibly thoughtful and diligent," said Russell Gunther, an analyst at D.A. Davidson. "He does his homework, pencils it out, and when the math works, he's going to move — but it's not a knee-jerk reaction. It's something that he's spent a considerable amount of time and energy on."

For his meticulous approach to expansion and ability to consistently produce solid results, Hageboeck is being recognized as one of our community bankers of the year for 2018.

An academic at heart
Hageboeck grew up in a middle-class family in the heart of Indiana. When he was young, his family moved from Richmond, a town about 70 miles east of Indianapolis, to West Lafayette so his father could complete a doctorate in pharmacy at Purdue University.

The family would move again, to Indianapolis, when Hageboeck's father joined the pharmacy faculty at Butler University.

After attending a summer business program in high school, and drawing inspiration from a professor there, Hageboeck decided to pursue a doctorate in economics. He earned an undergrad degree at Butler — in two years — then completed a Ph.D. program in economics at Indiana University in 1991.

College professors advised him to go into teaching or to take a government post. While he liked the idea of teaching, Hageboeck said he couldn't imagine lecturing on economic principles over a 40-year career.

Hageboeck also wanted a job where he could eventually build something, so he joined Indiana National Bank as an asset liability analyst.

"It was a perfect job for someone with an academic background because asset liability management is very mathematical and sort of intellectual," Hageboeck said.

Shortly after he joined Indiana National, it was sold to NBD Bank, which became First Chicago.

Frankly, Hageboeck would have been happy if his career had ended there. However, things were about to change.

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which, in turn, was sold to First Chicago.

So Hageboeck went to Peoples, which soon brought in Gerald “Jerry” Francis as its CEO. The veteran banker would have a major impact on Hageboeck’s career.

Over nearly four years, Francis and Hageboeck roughly doubled Peoples’ size, to $700 million in assets.

“IT went from being an average performer to being a high-performing bank,” Hageboeck said. Francis “saw the writing on the wall before he got there. He realized what would be possible.”

Peoples was sold to Fifth Third Bancorp in 1999 for a hefty premium, and Hageboeck stepped away from banking to join Roche Diagnostics, a research and medical diagnostics firm.

But it didn’t take long for Francis to coax Hageboeck back to banking.

Francis had found a struggling bank in West Virginia that he was determined to turn around. He recruited five former Peoples bankers to help, managing to convince Hageboeck to join even though the job required leaving Indiana.

When Hageboeck arrived in June 2001, City was operating under a regulatory order and had just fired most of its management team — including the CFO. It had less than $500 million in assets.

City “was trading for half of book value,” Hageboeck recalled. “It had a lot of serious problems. But Jerry recognized it was a great franchise that could be easily saved, so he brought us all to West Virginia.”

The Francis-led team spent the next five years downsizing City’s national businesses in California and Texas to focus on its core strengths, which include a valuable deposit base despite being in some slow markets, said Austin Nicholas, an analyst at Stephens.

For those efforts, Francis was named one of American Banker’s Community Bankers of the Year in 2002. He stepped aside from City in 2005, when most of the heavy lifting was complete, to work on another turnaround, at First National Bank & Trust in Indiana, which was sold in 2007 to BMO Financial Group.

Hageboeck, however, didn’t want to keep putting out fires at troubled banks, preferring to stay put and focus on building City instead.

“It’s fun to run a bank day in and day out,” said Hageboeck, who became CEO when Francis left.

The father of four also found Charleston to be a great place to raise a family and get involved in the community.

Three of his children are students at Washington and Lee University in Lexington, Va., and the fourth is a credit analyst at First Merchants Bank in Indianapolis.

“It’s been a great life for us and it’s a great company,” Hageboeck said.

Thriving amid tough conditions
West Virginia can be a challenging market for growth-minded bankers. Though the national economy is thriving, West Virginia had the fourth-lowest per capita GDP of any state last year. It had the nation’s second-highest unemployment rate, at
5.2% in September, while the U.S. average was 3.7%, according to the Bureau of Labor Statistics.

“Our core business is in one of the toughest economies in the country and Skip turns that into a positive,” said Dallas Kayser, City’s chairman and a director since 1995. “He is a tremendous strategic thinker and planner.”

Hageboeck held to a simple strategy at City.

Expense control has long been a priority. City’s 50.4% efficiency ratio at June 30 outperformed the 56.7% average for U.S. banks with $4 billion to $10 billion in assets, according to data from the Federal Deposit Insurance Corp. City lowered its ratio in the third quarter to 48.6%.

The company, which narrowly dodged disaster before Hageboeck arrived, also prides itself on its credit culture.

That approach helped City weather the financial crisis. Its only financial blemish was a $2.3 million loss in the third quarter of 2008 tied to securities losses, and it didn’t have mounds of delinquent loans to address.

City rejected the idea of participating in the Troubled Asset Relief Program.

To be sure, there were moments during the crisis that scared Hageboeck, including the time a customer who distrusted the banking system withdrew $100,000 to bury it in a tin can in his backyard.

“Our credit culture was strong,” Hageboeck said.

“If you were astute enough to see the strength of the franchise, you would know that we could not fail. We had too many customers and were too profitable.”

Distinctive deal philosophy
Emerging from the crisis in a position of relative strength allowed Hageboeck to pursue an acquisition strategy designed to let City diversify and enter faster-growing markets.

City has completed three bank acquisitions since the crisis, buying Classic Bancshares in Ashland, Ky., in 2005; Virginia Savings in Front Royal in 2012; and Community Financial in Staunton, Va., in 2013.

In July it agreed to buy two more Kentucky banks: Poage Bankshares in Ashland and Farmers Deposit Bancorp in Cynthiana. The deals, which should close by the end of this year, are expected to strengthen City’s operations in Lexington, Ky., and Huntington, W.Va.

Though none of the deals have been large or transformative, they brought City into three adjacent states.

For Hageboeck, acquisitions aren’t about scale.

“We don’t judge our success based on how large the company is,” he said. “We judge it on how well we perform. We have walked away from opportunities that we didn’t think would make the company stronger, just bigger. I think we’re fairly unique in that.”

City also has bought branches in Kentucky, and hired lenders in markets like Columbus, Ohio, and Pittsburgh. It brought in a former BB&T lender to open a loan production office in Charlotte, N.C., as well.

“More and more of their franchise is no longer in slow-growth markets,” said Matthew Schultheis, an analyst at Boenning & Scattergood.

Hageboeck still sees opportunity in his home state, though.

He said it just requires a different way of thinking and a realistic view of borrowers, projects and the underlying economy.

“While the markets are slow-growing, it doesn’t necessarily mean you can’t grow,” he said. “In West Virginia, you know you’re in trouble if you build a huge office building — there’s no one to lease it from you.”

City also benefited when bigger banks pulled back in West Virginia.

In mid-2018 City’s deposit market share was 7.6%, up from 6.5% a decade ago. Over that time, BB&T’s share went from 18% to 15.8%, while JPMorgan Chase’s went from 6.5% to 5.6%.

“When they stepped back, we got hundreds or thousands of new relationships,” Hageboeck said. “Because we’re a community bank, we can take business from the big banks, and customers know we’re going to provide better service.”

Hageboeck aims to empower his employees, and he is quick to give them credit for City’s success. Many employees have been there since the turnaround days.

“Companies don’t succeed because of their management or any one person,” he said. “You succeed because of the team you have working for you. A CEO can cause a company to fail, but he or she cannot cause it to succeed.”

While Hageboeck sets the overall vision, he trusts each of the managers to run their departments, said Craig Stilwell, City’s executive vice president of retail banking.

Hageboeck also sits down with new hires to discuss City’s history and the turnaround effort.

Future plans
Expect more of the same from City in the coming years.

“Some of that growth will be in slow-growth markets,” Hageboeck conceded. “We’re seen as the strongest community bank in slow-growth markets.”

While it is still too early to discuss retirement, Hageboeck, 56, said he can’t imagine leaving “the best bank in
the country” to go to another bank.
Besides, he doesn't think retirement would suit him.
Perhaps one day his second act will involve work in the nonprofit sector, or maybe he will have another chance to become a teacher.
It shouldn't be too hard to guess the subject.
“A day may come when I'd like to go back to teach five years about the principles of economics,” he mused.
For now, Hageboeck is finding other ways to connect with younger generations.
City’s last three annual meetings have convened on college campuses: Shenandoah University in Winchester, Va., Marshall University in Huntington, West Virginia, and Washington and Lee.
Students and faculty are invited to attend the meetings. Hageboeck often delivers a guest lecture on corporate governance before the meeting, and he invites students to dinner afterward.
“It was a very educational experience for students, the community and shareholders,” Kayser said. “I don't think I've known of a CEO willing to open up to that venue. Skip wanted to do it, so we did it. That’s the type of forward thinking he will come up with.”

There is a self-serving purpose to the effort. Hageboeck uses the platform to discuss career opportunities.
City also offers summer internships in hopes of encouraging more college students to get involved with banking.
Hageboeck recently got in touch with the West Virginia Bankers Association to brainstorm ways to connect young people with community banks, said Sally Cline, the association’s president and CEO.
“He’s the first banker who has reached out to me to say, ‘I think we have a problem here. I’d like to get more young talent. What can we do to change the optics?’ ” she said. “He is leading the charge and wants to improve the overall banking climate. He’s sort of a visionary.”

Hageboeck wants to work with local universities and other West Virginia bankers to create programs that encourage more students to pursue banking careers. The goal is to keep City, and other community banks, around for the foreseeable future.
“As an industry, we have to look for ways to develop younger talent or there isn’t going to be talent,” Hageboeck said. ☐
Sometimes the best decision is to ignore bad advice.

Early in her career, Laura Lee “Laurie” Stewart asked her male branch manager at Everett Trust & Savings Bank how she could advance in the organization. The bank had only one female executive, Jo Balda, who was an operations chief.

“You need to wait until she dies,” he replied.

As it turns out, Balda, who died just recently, would continue working part time through her 80s.

“It was a really good thing I didn’t let him derail me,” said Stewart, who today is president and chief executive of Sound Community Bank and its parent company, Sound Financial, in Seattle.

Over the past three decades, Stewart, 69, has shattered the industry’s glass ceiling and led Sound through its transformation from a tiny credit union to a publicly traded bank that now has $685 million in assets.

She overcame some extraordinary challenges along the way, including going public just as the financial crisis was about to send the country reeling. Through it all, Sound has thrived under Stewart’s leadership, surviving the crisis even as other banks in Washington state were wiped out.

Accidental banker
Growing up, Stewart had a passion for theater, performing in community plays, and believed that one day she would probably be a teacher.

She became a bank teller at Washington Federal Savings in 1968 as a student at the University of Washington because she needed work, she said. Then after she married Ken Stewart, who was in the Navy, they moved to Whidbey Island, Wash., where he was stationed.

Job opportunities, especially for women, were limited. "When I got there, the choices were working as a cocktail waitress, or in the Navy commissary store, and interestingly, military towns have a fair number of branch banks," Stewart said. 'I said, 'OK, this is an easy decision for me. I will try to get on with the bank.' And I did.'

Stewart took classes on banking and after about six years decided she could make a career out of it. But she ran into roadblocks for women. For one, being a lender was out of the question. But she did not give up and received some crucial help at key moments.

After joining Everett Trust & Savings, she trained as a branch-operations supervisor and then as a loan processor. Stewart also was sent out to do an inventory check at a boat dealership across the street from her branch — a job normally reserved for men. At the time, women were required to wear skirts, so her colleagues stood at the branch window laughing as she climbed all over the boats looking for serial numbers. “But I learned how to do it,” Stewart said.

Perhaps the most important opportunity, she said, came from Wayne Young — the very same branch manager who had given her the dubious career advancement advice.

Young arranged for Stewart to sit in on a monthslong training program on risk management, under the guise she would take notes for her male colleagues.

“Now in today’s age, I would have said no to that,” Stewart said. “But back then that’s how he snuck me into that class. … By the time the class was done, I had learned a ton about commercial lending and even more about risk management.”

Making it to the top
To land her job as head of what would become Sound Community Bank, Stewart had to swallow her pride — not once, but twice — during the hiring process.

Trailblazer: Sound Community Bank’s Laura Lee Stewart

By Jackie Stewart

“Community Bankers of the Year”

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When I got there, the choices were working as a cocktail waitress, or in the Navy commissary store, and interestingly, military towns have a fair number of branch banks," Stewart said. "I said, 'OK, this is an easy decision for me. I will try to get on with the bank.' And I did."

Stewart took classes on banking and after about six years decided she could make a career out of it. But she ran into roadblocks for women. For one, being a lender was out of the question. But she did not give up and received some crucial help at key moments.

After joining Everett Trust & Savings, she trained as a branch-operations supervisor and then as a loan processor. Stewart also was sent out to do an inventory check at a boat dealership across the street from her branch — a job normally reserved for men. At the time, women were required to wear skirts, so her colleagues stood at the branch window laughing as she climbed all over the boats looking for serial numbers. "But I learned how to do it," Stewart said.

Perhaps the most important opportunity, she said, came from Wayne Young — the very same branch manager who had given her the dubious career advancement advice. Young arranged for Stewart to sit in on a months-long training program on risk management for loan officers, under the guise she would take notes for her male colleagues.

"Now in today’s age, I would have said no to that," Stewart said. "But back then that’s how he snuck me in that class. …"

"By the time the class was done, I had learned a ton about commercial lending and even more about risk management. It was a great training opportunity."

Making it to the top
To land her job as head of what would become Sound Community Bank, Stewart had to swallow her pride — not once, but twice — during the hiring process. She worked for Great Western Financial at the time, but that bank was pressuring her to relocate from Washington to Southern California, a move she didn’t want to make. Out of the blue, a recruiter called her about a job leading A.G.E. Federal Credit Union, which was founded to serve the employees of Associated Grocers and had just $38 million of assets.

"I talked to him at length," Stewart said. After discovering that the recruiter wanted to send in at least one female candidate to be interviewed, she said, "I don't want to be your token woman.” He said, "Would it hurt you?"

Stewart relented. "It might hurt me on principle, but it wouldn't really hurt me to spend the day at the credit union, so I did the interview."

She ended up being the institution's second choice. The job was initially offered to a man who worked for a big bank. He accepted but backed out after realizing how different running a credit union would be. So an offer went out to Stewart, and she became its president in 1989.

It was a welcome opportunity, but the credit union was facing some challenges. The independent and wholesale grocery business was consolidating, making it harder for the institution to add members. That spurred Stewart to convert the credit union to a mutual savings bank in 2003. It sold about 45% of its shares in the first step of its conversion to a publicly traded bank in mid-January 2008.

The timing of that sale was not good. The U.S. economy had fallen into American Banker
a recession in December 2007, and in late September 2008 the Dow recorded the biggest point drop in its history.

Sound's stock would tumble along with the market, going from $10 per share at its initial public offering to around $3.85 a share. Those initial investors were mostly friends, relatives and others whom Stewart knew, along with the bank's directors.

"Can you imagine how I felt when I got our depositors to invest in us?" Stewart said. "The bottom was falling out. It was killing me. I kept saying, 'If we do what we know how to do and do it well and we execute on our plan, we will get through this cycle.'"

Banks in the Seattle market would struggle during the crisis after loading up on construction and land development loans. That drove a round of consolidation where some banks sold out of necessity and others were taken over by regulators. In all, 19 banks in Washington would fail from 2009 to 2015.

"You can count on one hand banks that were concentrated in construction loans that are still around today," said Jeffrey Rulis, an analyst at D.A. Davidson. "They had a loan mix that wasn't diversified."

Stewart credits Sound's survival to its choosing not to jump into construction and land development like so many other institutions did. It had roughly $13.6 million in those loans at Dec. 31, 2007, according to data from the Federal Deposit Insurance Corp. That was just 6% of its loan portfolio.

Management "didn't put our heads in the sand" either, Stewart said. At the time, Sound had not made a foreclosure in 17 years. Most of its loan portfolio was in residential real estate.

Plummeting home prices put its mortgage and home equity lines of credit — sometimes made at 90% or 100% of the property value — on precarious footing. Sound analyzed every home equity line in its portfolio, charging off some but never releasing the lien. Today it is still recording recoveries from back then, Stewart said.

Sound posted only one annual loss during those tough years, and that was in 2009, for $461,000, according to data from the FDIC. It performed well enough through the crisis to continue to lend and manage its balance sheet so it wouldn't require additional capital.

Colleagues credit Sound's survival — it continues to be profitable and its stock was trading at around $35 per share in early November — to Stewart's leadership.

"During the financial crisis, our bank fared very well, and Laurie was an important driver," said Heidi Sexton, Sound's chief operating officer.

Stewart skillfully managed the loan portfolio and committed "to work with struggling borrowers, in some cases, directly and with compassion," Sexton said. "Additionally, she led fiercely yet calmly and emphasized taking our losses early and moving on."

**Loyalty goes both ways**

Sound Community Bank is in one of the wealthiest areas of the country. Seattle's median household income from 2012 to 2016 was roughly $74,500, compared with about $55,300 for the United States overall, according to data from the Census Bureau.

"Seattle is vibrant," Rulis said. "For banks, that is a phenomenal backdrop for growth."

Because of that, it would be easy for Sound to focus on wealthy individuals and businesses in the area to generate a profit. But Stewart has catered to consumers at the lower end of the income spectrum as well. For instance, the bank makes loans for manufactured homes. These tend to be smallish — just $30,000 to $40,000 — and higher risk, so other banks often avoid them. But Sound gladly takes the business that other banks refer to it.

"We believe in housing from beginning to end," Stewart said. "We don't want to just cherry-pick the high end. We believe if it is affordable for seniors or first-time homebuyers, then we want to be there. We want to be your trusted partner for your entire life."

Plymouth Housing has been a beneficiary of this philosophy. The nonprofit's mission is to eliminate homelessness. It houses more than 1,000 residents in its 14 buildings. The group has partnered with Sound on an e-pay program, which is currently in its second year. It allows the group to help residents budget their limited resources to ensure their bills are paid on time.

"Sound was the perfect partner for this program because of its ability to handle the specialized requests that are sometimes required," said Lynn Beck, chief development officer at Plymouth Housing. Beck opened her first checking account with the bank back when it was still a credit union.

"What we love about Sound Community Bank is the accessibility," Beck said. "We appreciate the fact that you can get Laurie on the phone."

Though other banks theoretically could offer this type of program, "they don't offer the level of service where you actually know the people at the bank," she said.

North Olympic Land Trust, which promotes land conservation for farming in Clallam County, Wash., rents a former Sound branch from the bank at a subsidized price. The bank also gave one of the nonprofit's predecessor organizations, Friends of the Field, a loan back in 2000 to buy a piece of farmland that it would go on to protect from development. Today those 30 acres are used to train plow horses.

*Stewart has even encouraged one of the nonprofit's predecessor organizations, Friends of the Field, to end homelessness. It houses more than 1,000 residents in its 14 buildings. The group has partnered with Sound on an e-pay program, which is currently in its second year. It allows the group to help residents budget their limited resources to ensure their bills are paid on time.*

**Fight for community banks**

It's not just a personal mission for Stewart. She has been a strong advocate for the industry and the investor credit market, and has been at the forefront of the movement to keep the regulator at the Federal Deposit Insurance Corp. That $13.6 million in those loans at Dec. 31, 2007, accounted for 8% of Sound's total assets.

"We've had clients who have lost money in those loans," said Tom Sanford, executive director of North Olympic Land Trust, which has been a beneficiary of Sound's philanthropy. "We've had clients who have lost money in the bank's other loans. We can offer this type of program, "they don't offer the level of service where you actually know the people at the bank.""

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Stewart has even encouraged one of Sound’s employees to join North Olympic’s board.

“Sound Community engaged with us right away, and it was not just a simple business transaction,” said Tom Sanford, executive director of North Olympic. “It was about a relationship between two entities working toward improving our community’s quality of life.”

**Fighting for community banks**

It’s not surprising that Stewart would encourage others to get involved. She has been involved with advocacy for the industry since her institution was a credit union. The first time she testified at the state capitol in Olympia, it was about ATM fees, she said.

“When I was about 10, my mother announced I would argue just for the sake of arguing,” Stewart said. “She was probably right. But I just like the idea of the mental stimulation of talking about issues and how you can help make something better.”

Stewart has served as the chairman of the Washington Bankers Association and is the chairman-elect of the American Bankers Association.

“My takeaway from her is how much energy she has,” said Glen Simecek, president and CEO of the Washington Bankers Association. “She is just incredible in the sense she runs her own organization as well as being part of the community and takes time to come to events and speak. Every executive is busy, and the higher up you go the busier you get. She is able to hold it all together and make it look easy. That’s something I aspire to do but I am unsuccessful with so far.”

Rob Nichols, president and CEO of the ABA, said Stewart’s ability to generate bipartisan support helped get important legislation passed this year that rolled back portions of the Dodd-Frank Act. Stewart’s home state of Washington isn’t monolithic in its political leanings, so Stewart has needed to be able to appeal to Democrats and Republicans, Nichols said. Stewart was one of a handful of bankers to attend a meeting with President Trump and other administration officials last year to lobby for streamlining banking regulation.

“She has played a leadership role over the past two years or so,” Nichols said. “She was involved in all of the nitty-gritty, including the public policy piece. She has had a front-row seat.”

Continuing to foster this bipartisan spirit is something Stewart will focus on when she becomes chairman of the ABA in October 2019.

“Banking is not about one political party or the other. It is about good public policy,” Stewart said. “It is so sad that our country is so polarized right now. If there is one topic that we can come together on and we could have some influence on that, what a wonderful thing that would be.”

**Speaking out in another way**

Now that Stewart is an industry veteran, she said she has become more vocal about the times she was discriminated against in her career.

“I didn’t use to talk about it,” Stewart said. “I think I was almost ashamed of the circumstances of my career and being an accidental banker — being the first kid to graduate from high school, let alone college, in my family. Those stories are hard to tell.”

Early on, Stewart worked for a small firm where she was an internal auditor for banks in Washington, Oregon and Idaho. Though the job gave her experience in accounting and loan audit work, it also opened her to subtle ridicule.

“People would ask, ‘Are you someone’s assistant?’ ” she said of her trips to clients’ offices. “I was a novelty.”

Stewart’s sharing of stories such as these makes her more approachable and relatable, said Daphne Kelley, Sound’s chief financial officer.

“If she told a story where she had it very easy to get where she is, then it would be difficult to relate to her,” Kelley said. “There is a genuineness and sincerity in being vulnerable, even in leadership roles.”

The industry has changed a lot since the days when Stewart was barred from being a loan officer. Four of the five members of Sound’s top management are women.

Sexton, Stewart’s colleague for almost 13 years, said having Stewart as CEO makes her feel like there is no glass ceiling. “Laurie inspires me,” said Sexton. “She is a true mentor, and she has given me every opportunity to succeed.”

But, Sexton noted, she attended a conference earlier this year where vendors introduced themselves to her husband, who had attended the event with her, and assumed he was the banker.

“When I shared the story with Laurie, she said, ‘We still have a lot of work to do,’ ” Sexton said. “At the end of the day Laurie never stops, whether it’s supporting employees, mentoring, sitting on boards or engaging continuously with the community. She never stops.”

Pushing for greater diversity, not only in terms of gender but in other areas like sexual orientation, will be another priority of Stewart’s term as chairman of the ABA, she said.

“We need to have more awareness around diversity and inclusion in our industry,” Stewart said. “Not just because it is the right thing to do, but because we will be a stronger industry if we have the voices of women and minorities.”
Joe Evans traces his profound respect for community bankers to one man in particular who helped his father as a young boy growing up in rural Georgia during the Great Depression.

Evans, chairman of State Bank Financial in Atlanta, said Robert O. Persons Sr., a banker with a larger-than-life persona, made a lasting impression on his father, then just 6 years old, with his kindness toward the Evans family at an especially tough time.

“In December 1931, my dad’s older brother — who was 11 years old at the time — died of diphtheria,” Evans said. “My dad said that, for the family, Christmas had just been canceled.”

Persons changed that.

“Dad remembered playing in the yard when Mr. Robert drove up,” Evans said. “He told my dad to get in the car with him.”

They drove to a nearby town and, as Evans’ father tells the story, “he bought him the best Christmas presents he’d ever had in his life.”

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His father went on to run the family farm and credited Persons with helping it survive a series of financial setbacks. Those acts of kindness “formed my image of what a community banker is supposed to be,” said Evans, who still chokes up talking about “Mr. Robert.”

“I couldn’t imagine a better way to make a living than being a community banker.”

Over five decades, Evans, who is 69, emerged as a noted banker in his own right, building and selling three Georgia banks: Century South Banks, Flag Financial and State Bank.

The pending sale of the $5 billion-asset State Bank to Cadence Bancorp. in Houston for $1.5 billion is one of the largest deals announced this year.

It’s another accomplishment in a remarkable career for Evans, American Banker’s lifetime achievement award winner for 2018.

Humble roots

Evans graduated from Georgia Tech University with a degree in industrial management in 1971, finishing first in his class. But his business education began long before.

Evans’ father Howell, known around town as Bubber, ran the family farm with a no-frills approach that rubbed off on his son.

“He had great common sense,” Evans said. “He was my sounding board for a lot of things. I called it my Bubber Rule: If I couldn’t make sense explaining something to my dad, there was probably something wrong with the idea.”

While his father never went to college, he worked hard doing what he loved. After growing his dairy herd to 400, he realized he could make just as much money with fewer cows, if they were the right ones.

“We started measuring the output of each individual cow, periodically culling out the underperformers,” Evans said.

To Evans, it was a lesson in reassessing strategic decisions and redeploying assets. Or, as his father was fond of saying, “Don’t name your cows.”

Evans has been known to throw out that phrase to bankers who float questionable ideas, said Billy Anderson, an insurance executive who hired Evans to run Bank Corp. of Georgia in the early 1980s.

Another influential figure in Evans’ early years was Dan Pitts, his high school football coach.

Pitts, 86, remains a legend in Georgia, having won 346 games over 39 seasons at Mary Persons High School in Forsyth.

“Pitts was a good coach and a good man,” Evans said.

Evans said he was just putting his coach’s lessons on commitment and preparation to work.

“Wrestling with tough questions of importance in business is important,” he said. “We have to ask ourselves that question: ‘What are we going to do that’s going to make us better tomorrow than we are today?’ ”

Evans said he learned that playing quarterback for Pitts was one of the highlights of his life.
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Pitts remains a legend in Georgia, having won 346 games over 39 seasons at Mary Persons High School in Forsyth. Pitts, 86, remembers Evans as an undersized offensive lineman and a perfectionist.

“He always had to do every job well,” Pitts said. “That’s why he was such a good player.”

Evans said he was just putting his coach’s lessons on commitment and preparation to work.

“I learned how you could build highly effective teams out of a bunch of imperfect players,” he said. “I learned that you win games in practice and that with practice and good technique you can perform at a higher level than your natural abilities suggest is possible.”

Evans still looks back on his years playing football as one of the highlights of his life.

“The feeling of family that I had on that football team is something I have aspired to replicate in businesses that I have run,” he said. “That was just a great period of my life.”

Finding his passion

Despite excelling in college, Evans initially struggled to succeed in Atlanta’s corporate world. He joined the Trust Co. of Georgia, a SunTrust predecessor known for its close ties to the Coca-Cola Co., but left after just a year to work as a consultant.

Evans attributes his difficulties to his mentality at the time. Having come from a tiny town, he wasn’t comfortable being a small fish in a large bank. “I needed to feel more impactful,” he said.

That helped set the stage for a lengthy career in community banking.

Two years after leaving Trust Co., Evans was recruited by Karl Hill, the president of Monroe County Bank.

“That was like a godsend,” Evans said. “The thought of being able to go back home in a community bank, given my image of what community bankers were supposed to be — it turned out to be a great opportunity.”

The job required Evans to become a jack of all trades.

“Functionally, you have to do everything at a $9 million bank that has to be done at a $9 billion bank, but with a lot fewer people,” he said. “At one time, I was the only lending officer in the bank, I supervised the bookkeepers, I posted the bond interest, I filled out the call reports, I reconciled correspondent bank statements and I did the collections.”

After seven years at that bank, Evans was eager for an opportunity to run one, and he found it at Bank Corp. of Georgia.

He had heard that the Macon bank was underperforming and might be sold. So he went to Anderson, the insurance executive, who was one of the bank’s biggest investors.

“I remember telling him, ‘Before you get rid of it, I wouldn’t mind taking a shot at making it more profitable.’ I was
not short of confidence at that stage of life,” Evans said. Anderson tells a slightly different story. He said Evans had successfully brokered a deal that brought a state police academy to Forsyth, persuading the town’s “notoriously” fractious community banks to back the effort. “They had three families up there that owned banks and none of them got along,” Anderson said. “Joe had the ability to see things and manage people to work things in harmony.”

That gave Anderson the idea to offer Evans a leadership role at Bank Corp. But before handing over the entire company, Anderson put Evans in charge of its smallest unit, a $4.3 million-asset, one-branch bank in Marshallville.

“It was just Joe and two other ladies in this little bank,” Anderson said. Marshallville had a population of roughly 1,500 when Evans arrived at First State Bank in 1980. The farm boy from Smarr who’d grown up milking his father’s cows fit right in.

Anderson remembers stopping by one time and being told that Evans was out on a “wheat run,” visiting farmers on their combines, a cooler of soda in tow. “He’d give them a cold Coca-Cola, and when they’d ask what it cost, he’d tell them it was free and ask them to deposit the money they got for their crop in the bank,” Anderson said. “How many bankers today do anything like that?”

Evans became Bank Corp.’s chief executive a year later. Once in charge, Evans began assembling a team of executives who would follow him over the next three decades to Century South, Flag and State Bank.

One of those hires was Thomas Wiley, who joined in 1982 from Citizens & Southern National Bank. A recruiting firm had referred Wiley, and Evans arranged to meet him at the C&S branch he was managing.

Evans saw his opening when Wiley’s car failed to start as they were heading out for dinner. “Visualize Tom in the old Volvo and me pushing him down the street in Valdosta with him popping the clutch until the thing finally started,” Evans said. “I made a mental note that if I threw in a company car, I could hire that guy.”

They have been an inseparable team ever since, with Wiley succeeding Evans as State Bank’s CEO in April 2017. “We’ve just sort of complemented each other,” Wiley said. “He set a visionary tone. I think I complemented him on the execution side.”

Wiley, who has a marketing degree, wasn’t fully committed to a career in banking before meeting Evans. “Joe is probably the reason I’m a banker,” Wiley said. “When I met him, I found him refreshing but very humble. He likes to share. His moral compass is true north.”

Fortunate timing

Evans, who describes himself as “a fortunate human being,” caught another break when he persuaded Jimmy Faulkner to join Bank Corp.’s board. In addition to bringing “really good chemistry” to the board, Faulkner was also running Century South Banks in Alpharetta. That created an opportunity for Evans in the mid-1990s as Faulkner began thinking about retirement.

“Jimmy called and said he had targeted a retirement date just a couple years out,” Evans said. “He didn’t have an internal successor and wondered how I might feel putting the two companies together, with me being his planned successor. That sounded pretty good to me.”

Century South acquired Bank Corp. in late 1997. Evans became president and later CEO, and Anderson and Faulkner were directors. Four years on, Evans engineered Century South’s $428 million sale to BB&T.

The sale solved a looming problem for Evans. “We were running 12 community bank charters and we really needed to become more integrated,” he said. But the cost of merging the banks would take so long to earn back that selling to BB&T made better financial sense.

After the deal closed, Evans and his team plotted to return to banking. They got together, wrote down lessons they had learned and settled on their core management values, as they searched for their next opportunity. It came a year later, when they bought a stake in Flag Financial in La Grange.

Dan Speight, Flag’s CEO, agreed to step aside to make room for Evans. “It is a mark of maturity and confidence that is hard for me to fully describe that Dan, who was in his 40s and CEO of a publicly traded financial institution, would give up the role and allow me and the management team to come in with him,” Evans said.

“Dan became a great partner and a great extension of our team and subsequently was one of the founders of State Bank,” he added.

Evans again found himself in possession of a desirable bank in a hot
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market. This time, Royal Bank of Canada was the suitor, eager to gain scale in the Atlanta area.

Evans describes the $456 million sale to RBC in 2006 as the luckiest move of his career. At the time market conditions were so good for banks that selling just seemed natural.

"Nobody had made a bad loan in years, the housing market was really strong and bank valuations were higher than I'd ever seen in my life," Evans said.

"We looked at all those factors and decided it was hard to imagine conditions and prices getting any better," he added. "We figured if we could find a buyer at prices comparable to what we had seen in the marketplace the past six years, we ought to take some chips off the table."

The sale likely saved Evans' career. A year later, the housing market imploded and the financial crisis hit, crippling scores of banks around Atlanta. Several dozen banks failed as the area emerged as the nation's "ring of death."

"We were incredibly fortunate people have done that transaction when we did," Evans said. "I wouldn't be in this position right now."

Rather than thrashing about in banking purgatory, Evans and his team were ready in 2009 to buy distressed banks. The reputation he and his team had was instrumental as the group raised $300 million.

"He's an incredible visionary and he saw an opportunity," Wiley said. "But he's so disciplined. If things hadn't worked out the way we wanted, we were going to give the money back."

Along with investor backing, Evans also had the confidence of banking regulators, who had long considered him one of Georgia's best bankers.

Archie Bransford remembers hearing about Evans soon after being tapped in the late 1990s to head Atlanta-area operations for the Office of the Comptroller of the Currency.

"I talked with a couple of field examiners and they said, 'You need to meet Joe Evans.' I think they might have called him the best banker in our portfolio," Bransford said. "It was pretty clear to me this was a well-run bank that was measured in their risk-taking. They didn't get out over their skis."

Joining State Bank's board after retiring from the OCC was an easy decision for Bransford.

"Regulators, given their background and experience, aren't apt to join bank boards," he said. "Because it was Joe and because of his reputation and what I knew of him and his management style, I decided this would be a good board for me to be on."

He never regretted the decision. "Being on the board fully validated my thoughts and opinions about Joe and his approach to risk-taking and governance," Bransford said in reflecting on the past eight years. "Everything has been pretty much what I expected. I said, 'Boy, this is a good decision I made.'"

**Heavy lifting**

Evans may have been the biggest beneficiary of all the Atlanta-area bank failures.

State Bank was built on a foundation created by Security Bank Corp. in Macon, which left behind six banks when it failed in July 2009. Evans' team scooped up all of those banks, adding 20 branches, $2.8 billion in assets and $2.4 billion in deposits.

The team also secured an attractive loss-sharing arrangement with the Federal Deposit Insurance Corp., which agreed to help with losses on about 60% of the transferred assets.

State Bank would buy six more failed banks from December 2009 to October 2011.

Such rapid growth could not have happened without a strong team, Evans said. The strategy was to create "the good bank and the bad bank," and State Bank had enough talent to work on remediating bad loans and to pursue making new ones at the same time, he said.

In the years since, Evans has helped grow State Bank to $5 billion of assets with 32 branches in Georgia markets such as Atlanta, Augusta, Athens and Savannah.

Another hallmark of his tenure is an effort to diversify the business. In 2012 State Bank bought a payroll services company as a way to boost noninterest income. Evans knows the acquired team very well; they had run payroll processing at Flag.

Evans also scaled up in Small Business Administration loans in 2016, when he hired a nine-person team in Durham, N.C., to launch a national platform. In the fiscal year that ended Sept. 30, State Bank made 184 loans under the SBA's 7(a) program, totaling $80.8 million.

Noninterest income has increased from 8.3% of revenue in 2013 to 17% last year, excluding the impact of the loss-sharing agreements.

State Bank terminated those agreements with the FDIC in May 2016. The move eliminated complexities in the company's financial statements and provided another indication that the banking industry was putting the financial crisis behind it.

**Curtain call**

State Bank executives began to seriously consider selling as far back as early 2014, when they first discussed a deal with Cadence. At that time, State Bank was selling payroll services to Cadence customers under a referral agreement.

...
The companies also discussed a merger in 2015 and early 2017. Evans and Wiley spent much of last year in talks with potential buyers. And they did not keep it a secret from employees.

"This deal wasn't at all a surprise because of their transparency," said Paul Murphy, Cadence's chairman and CEO. "Their credibility with their staff is really high."

Like Evans, Murphy has been blessed with good timing. He was CEO of Amegy Bancorp in Houston when it was sold in 2005 to Zions Bancorp, for $1.7 billion. Murphy and his team bought and recapitalized Cadence, a small bank in Mississippi, in 2011 and grew it into an $11 billion-asset aspiring regional.

"As they built that company and we built ours, it seemed to me that the cultures were very compatible," Evans said. "The geography matched up really nicely. Georgia fitting into their footprint made for a nice match."

After months of negotiations, Cadence agreed in May to buy State Bank. It is 2018’s fourth-biggest bank merger, and the premium — pricing State Bank at 248% of its tangible equity — is among the year’s top 10.

(Evans and Wiley each own about 1.1% of State Bank's stock.)

The deal is expected to close by the end of the year.

"We spent a great deal of effort evaluating all facets of State Bank's business, and we like what we see," Murphy said. "It's a well-run business: solid underwriting, good sales, solid monitoring, compliance. The operation functions are all impressive."

Evans has agreed to become Cadence’s vice chairman, and he and Wiley have one-year agreements to serve as consultants.

Evans also signed a two-year noncompete and nonsolicitation covenant, and he seems fine with that. He and his wife, who have restored the Smarr farmhouse where he was born, plan to spend much of their retirement there.

Even so, Evans doesn’t rule out one more act, though it might not be in banking.

"I know I have to keep myself mentally engaged," he said. "The Lord will open up the right opportunity for me to engage in something as a coach or a mentor. We'll have to see what unfolds."
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BackPorch

KARL FRISCH
“It’s Brian Johnson who is pulling the levers behind the curtain. He is kind of the Wizard of Oz.”
Executive director of the consumer advocacy group Allied Progress, on how the Consumer Financial Protection Bureau’s acting deputy director is reshaping the agency

MICK MULVANEY
“Regulation by enforcement is done.”
Acting director of the CFPB, promising to define “abusive” practices and end Richard Cordray’s practice of using enforcement actions to explain JEREMY BALKIN
“When we all have a true digital identity, what do we need pieces of paper, Social Security numbers or passports for?”
Head of innovation at HSBC, saying as regtech moves forward, digital identity will become more important for citizens in every country

JOHN RYAN
“Common sense and the law tell us that a nonbank is not a bank.”
CEO of the Conference of State Bank Supervisors, calling moves by the Office of the Comptroller of the Currency to issue bank charters to fintech firms illegal

JES STALEY
“There’s been a comment that European investment banks can’t compete with U.S. investment banks. I just point out that for four quarters in a row we have gained market share.”
Barclays CEO, after his company reported third-quarter earnings that jumped more than 70% from a year earlier

DAVID ELLISON
“If you can’t grow loans now, when can you grow them?”
Portfolio manager for Hennessy Funds, questioning the upside for bank stocks given that loan growth has been slowing steadily since 2016

BRIAN MOYNIHAN
“Warren Buffett is 87; he’s having the time of his life.”
Bank of America’s chairman and CEO, saying he plans to stay in his job as long as he can

PRESIDENT TRUMP
“I think the Fed has gone crazy.”
Criticizing the Federal Reserve for raising interest rates faster than he wants

JANET YELLEN
“There’s no law against that. But I don’t think it’s wise.”
Former chair of the Fed board, saying Trump’s repeated verbal attacks on the central bank could undermine the public’s confidence

GRAHAM BAILEY
“There will be job losses, in the same way there were job losses for people who looked after horses, but now there are people who look after cars.”
Wells Fargo’s deputy Bank Secrecy Act officer, on the need to develop regtech
We salute the 2018 Directors to Watch, named by Directors & Boards magazine, who promote diversity, social responsibility and best practices on the corporate boards of leading-edge businesses. We’re especially proud that our own Lauren C. States is honored among them. Lauren’s guidance has helped numerous nonprofits advance their missions with the same insight and energy that she brings to her work with Webster. Lauren exemplifies the community commitment we work hard to honor every day.

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