

theBHCA.org — Fall 2024

# Bank Owner

Bank Holding Company Association Magazine

## ***MARKETPLACE OF IDEAS***

*Seminar to assess  
M&A landscape*

**BHCA Board  
changes considered**

**Remembering  
Harry Wahlquist**

**Acquisitions, groundbreaking  
and other member news**

# BHCA Associate Members

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The Bank Holding Company Association exists to provide education and business connections critical to the vitality of bank holding companies.

Founded in 1981, the BHCA welcomes Members from around the country. Holding companies of all sizes from throughout the Midwest make up a majority of the current membership. Companies that serve bank owners, their holding companies and banks, are welcomed as Associate Members.

The *Bank Owner* magazine is the quarterly publication of the BHCA. The magazine is your best source for BHCA information, including upcoming events. Members receive the magazine in the mail and have access to an online version at theBHCA.org. Managing Director Tom Bengtson serves as editor. Contact him at (952) 835-2248 ext. 101 or email us at Tom@thebhca.org.

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#### BHCA

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Tom@The BHCA.org



[www.theBHCA.org](http://www.theBHCA.org)

# There's nothing so good as Seminar time!

It's my favorite time of year — that is, Fall Seminar time! The 2024 version of the BHCA Fall Seminar is just around the corner, scheduled for Oct. 7-8 at the Westin Galleria Hotel in Edina. This will be our fourth consecutive event at the Westin. The hotel offers the perfect space for our event, given its location in the Twin Cities and its size relative to our attendance. Plus, it is surrounded by great shopping and restaurants.

I am so looking forward to welcoming Federal Reserve Bank of Minneapolis President Neel Kashkari to open our seminar after the Monday luncheon. He will share his observations about the national and world economic stages, bringing it all home with a summary of conditions in the Ninth Fed District. The Minneapolis Fed conducts some fascinating research, most recently on topics such as the sustainability of wage growth, home ownership and economic opportunity. I suspect President Kashkari will touch on all these topics, as well as take our questions. I encourage you to come prepared to share in the dialogue.

And if President Kashkari doesn't answer all your questions, you can put some of your inquiries to the panel of community bank M&A experts we are pulling together. Attorneys Tony Moch of Winthrop and Weinstine and John Riechert of Reinhart Boerner Van Deuren, and accountants David Heneke of CLA and Paul Ouweneel of Wipfli will provide an overview of M&A conditions and recent activity, in addition to providing free counsel to audience questions. Opportunity to interact with some of the industry's leading experts is always a key benefit of BHCA membership and this panel is another example of that.

Investment bankers Dave Steiber and Craig Mueller will share their insights on alternative investment options, as well as other developments in the capital raising and M&A arenas. Gary Svec of Performance Trust will give us some ideas for making the most of bank investment portfolios. We'll get a tax update from Kara Cremer of Forvis Mazars, and Scott Coleman of Ballard Spahr will visit on stage with bankers Kelly Rachel of North Star Holding Company, Jamestown, N.D., and Steve Lindholm, Excelsior, Minn., about separate, unique transactions they have been involved with. I always find the case studies presented at these seminars to be super interesting.

We have breakout sessions on maximizing the capability of your core system, an update on FedNow, and a look at some of the cybersecurity issues that are disrupting our businesses.

The seminar closes with the venerable and entertaining "bowtie" economist Elliot Eisenberg. Some of you may remember that he closed out our seminar in fall of 2022. He is such a witty and engaging presenter that even people who don't care for economics appreciate his presentations! Recall two years ago that he was the last presenter of the seminar and even though he went over his allotted time, no one left early. He held everyone's attention, even an hour after he began.

As I noted earlier, there are many excellent restaurants in the area for your Monday evening dining after our seminar reception, which is always one of the highlights of the two-day agenda. We try to build a lot of networking time into the schedule, including the reception, several breaks and three meals. Meeting people is one of the real benefits of these seminars. During the seminar, I encourage you to move around to different tables at least three or four times during the event to make sure you make the most of your networking possibilities.

You'll notice that our seminars are practical, real-world and information-packed. That's the way we plan our events at the BHCA. We know your time is valuable and that it is a big



By John Healey  
Crown Bankshares  
Edina, Minn.

President's Observations, Continued on page 13

## 2024 BHCA BOARD OF DIRECTORS

### President

**John F. Healey**  
Crown Bankshares  
Edina, Minn.

### Vice President

**Laura Meyer Dick**  
First Kansas Bancshares  
Hutchinson, Kan.

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**Scott Bullinger**  
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### Immediate Past President

**Denise Bunbury**  
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Eau Claire, Wis.

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North Star Holding Company  
Jamestown, N.D.

**McKinzie Hopkins**  
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**Morgan Farmer**  
Golden Oak Bancshares, Inc.  
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**Timothy Viere**  
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Bloomington, Minn.



(952) 835-2248

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## BHCA proposes to open board membership to Associate Members

The Bank Holding Company Association is proposing a bylaws change that will permit Associate Members to serve on its board of directors. This is an historic development for the association which has been governed since its inception in 1981 by a board made up solely of bankers. Board service has not been open to Associate members.

Board president John Healey proposed the change at a BHCA Board meeting earlier this year. After some discussion, it was agreed that the Associate Member base is extremely valuable to the association, and should have a say in governance matters. John noted that from time to time, Associate Members have been invited to address meetings of the board and they always seem to offer valuable information and insight.

The Association worked with the law firm of Winthrop & Weinstine to prepare an amendment to the BHCA bylaws in order to accommodate Associate Member board members. Currently, the BHCA board consists of 10 members, all from the ranks of the association's holding company members. The proposed change will increase the number of board seats to 12, with the two additional seats being designated for Associate Members.

Current board members serve a three-year term with a two-term limit per person. The new Associate Member terms will be for two years and the same individual cannot serve more than one term. Companies that have been BHCA Associate members for the previous five years are eligible to nominate a board candidate. A company can have a board representative for one term every ten years. Officer positions on the board are limited to holding company members.

If the general membership approves the bylaws change at the annual meeting on Tuesday morning, Oct. 8, 2024, two associate members will be elected to the BHCA Board. One will serve a one-year term and the other will serve a two-year term. All other future candidates will be elected to two-year terms. This arrangement will allow for staggered terms among the Associate Members so that each year one Associate Member rolls off the board and another comes onto the board.

Board members are expected to attend four meetings per year, two conducted in conjunction with the Spring and Fall seminars, plus one in the winter and one in the summer. The meetings are typically conducted in the Twin Cities and last two to three hours. Board members participate in the meetings by engaging in discussions around industry conditions, association governance, and membership development. Board members also are expected to promote the BHCA in their professional interactions with other bankers and financial institutions, particularly with respect to joining the association and registering for the seminars.

If you work for a company that is a BHCA Associate Member and have an interest in serving on the association board, please

email me at Tom@theBHCA.org no later than noon on Sept. 20, 2024. In your email, provide a statement of interest in serving on the board. Provide other background information about you or your company, if you like. All candidates will be reviewed by the BHCA Board's nominating committee and qualified candidates will be selected at random to fill the two Associate Member board terms, one for one year and the other for two years. Their names will be placed on the ballot, along with the three holding company directors who will fill the other board openings. The entire slate of candidates (three holding company board seats and two Associate member board seats) will be put up for a vote at the annual meeting, which is set for 8:15 a.m. on Oct. 8 at the Westin Galleria Hotel in Edina.

Given the enormous level of support provided by our Associate Members for the association and its events, I think this a very appropriate development in the association's bylaws and approach to governance. Active Associate Members hear from bankers throughout the region and we can all benefit by sharing information and experiences.



By Tom Bengtson  
BHCA Managing Director

### BHCA mourns loss of board member, former BHCA president

The Bank Holding Company Association and the entire community banking industry lost a dear friend on July 19 with the passing of Harry Wahlquist, who died after an 18-month battle with cancer. Harry was president and CEO of MidWest Bancorporation, Inc., of Eden Prairie, Minn. He was in the middle of his last year of service in his second term as a BHCA Board Member. Harry served as president of the BHCA in 2020.

Harry was one of the people who took me under his wing, so to speak, early in my career as a banking industry journalist. He was always very good to me, sharing information with me to help me better understand the industry or an issue. Over the years, I came to see the depth of Harry's commitment to community banking and rural communities. He understood the impact a local bank could have on a town. He worked long after most people would have retired, and through his work created opportunities for his customers and his employees, the bank ultimately growing to 11 offices and \$430 million in assets. I encourage you to read the remembrance of Harry presented in this edition of *Bank Owner* magazine.

**Down to Business, Continued on page 13**

# Colleagues, family remember a consummate community banker

By Jackie Hilgert

When Harry Wahlquist passed away this summer, the industry lost a leading champion for rural, independent community banking. “Ragingly passionate,” is how Noah Wilcox, chair, president and CEO of Grand Rapids, Minn.-based Wilcox Bancshares described Wahlquist. “Harry was generally interested in the communities those banks were located in.”

Wahlquist was president of the BHCA in 2020, and served on its board from 2018 up to the time of his death.

Wahlquist was chair, CEO and founder of Eden Prairie, Minn.-based Midwest Bancorporation and its subsidiary Star Bank of Maple Lake, Minn. At the time of his July 19 passing, the \$430 million Star Bank operated 11 branches, 10 of them located in Greater Minnesota and one in the southwest Minneapolis suburb of Eden Prairie. It was a banking franchise Wahlquist launched with the 1990 purchase of the First National Bank of Bertha-Verndale after the Minneapolis native closed the door on a storied 30-year career as a correspondent lender for Northwestern National Bank.

Reflecting on her father’s career trajectory as he inched toward the end of his cancer journey, Katie Wahlquist, Star Bank’s president and now CEO, summarized the shift: “Striking out on his own was not about ego,” she said. “It was about a love for people.”

In an autobiography he penned for his grandchildren, Wahlquist shared that the impetus for shifting from correspondent lending to community banker was rooted in the role community banks play in supporting rural economies. “Small communities are representative of the heartbeat of America where everyone is a neighbor and respect for each other is a bond that binds the community together; where helping each other is the common denominator of daily life and where the bank represents the economic engine.”

With more than 60 years in banking, years split almost evenly between working for a large corporate bank and owning a small family-controlled institution, Wahlquist earned a broad perspective on the issues that bankers grapple with on a daily basis; his career also made him uniquely qualified to advocate for his industry.

While advocating for his peers to lawmakers, Wahlquist “sure as hell wasn’t afraid to get into it when he had to,” said Wilcox, adding that Wahlquist was a “grand educator,” schooling members of Congress on how proposed legislation would affect the industry. “Harry had a history lesson for them. He laid it all out, and he had a memory like a bull elephant. Nothing escaped him.”

Those skills were especially important as Congress, in the throes of crisis, grappled with bail-outs and the idea that some banks were simply Too Big To Fail. This was the same era that saw some lawmakers organizing the Consumer Financial Protection Bureau, said Marshall MacKay, former president and CEO of the Independent Community Bankers of Minnesota, now called BankIn Minnesota. “Harry was very active during that



Harry Wahlquist, Founder of MidWest Bancorporation, Eden Prairie, Minn., was president and CEO until July 18, one day before his passing after an 18-month battle with cancer.

campaign as we tried to explain to lawmakers and regulators the differences,” MacKay explained. “Having been a correspondent banker for a large bank, Harry understood and had insights into the differences and could articulate those differences.

“He participated in lobbying trips to Washington, D.C., to talk about the complexity of the issues from both perspectives,” MacKay added. “He was so pragmatic. He talked about the regulations, how size mattered, how protecting the consumer differed between Bank of America versus a bank like Star Bank, where you knew the customers. Harry had a great story to tell.”

Jim Amundson, president and CEO of BankIn Minnesota, said that Wahlquist’s desire to advocate for independent banks was rooted to his core, and diminished only mildly after his cancer diagnosis in February 2023. “I just think his belief in what we do as an industry and his desire to impact it in any way that he possibly can ... if we had 150 Harry’s, we’d be infinitely stronger as an industry and an organization,” Amundson said. “Being a community banker is so central to who he is.”

Wahlquist’s passion for small towns and the banks that support them was forged during his years at Northwestern National Bank. He was hired at the bank in 1960, but wrote in his autobiography that his first real opportunity to shine came in 1964, when he was named an officer and given responsibility for managing the relationship between the main bank and its eight local

**Remembrance, Continued on page 10**

# BHCA

2024 FALL SEMINAR 

# MARKETPLACE OF IDEAS



## BHCA FALL SEMINAR MARKETPLACE OF IDEAS

OCTOBER 7-8, 2024 | WESTIN GALLERIA HOTEL, EDINA, MINN.

The Bank Holding Company Association invites you to participate in Marketplace of Ideas, our Oct. 7-8 Fall Seminar for 2024, taking place at the Westin Galleria Hotel in Edina, Minn.

Featuring some of the most informed and invested people in the community banking M&A arena, Marketplace of Ideas features more opportunities for audience interaction than ever before. Neel Kashkari, President of the Federal Reserve Bank of Minneapolis, opens the event with candid observations on the state of community banking and dialogues with audience members about any industry topic on your mind.

In addition to Mr. Kashkari's comments, the Fall Seminar includes a detailed examination of current economic conditions by the always popular, very engaging Elliot Eisenberg, known as the "Bowtie" economist. Eisenberg was a crowd favorite when he addressed the BHCA in spring of 2022. He will cover all the hot spots, including interest rates, inflation, employment, housing and other factors which affect our economy.

Members of the audience will also get a chance to "ask the experts" any M&A related questions when we feature two attorneys and two accountants from the ranks of BHCA Associate Members. In addition to summarizing the recent M&A landscape, these four professionals will answer your queries from the perspective of people who are immersed in the details of

community bank M&A deals.

At this year's Fall Seminar, we are again fortunate to host bankers willing to share their first-hand experiences with two unique community bank M&A transactions. These transactions made a significant impact on the banking franchises involved.

There will also be counsel on alternative options for raising capital, as well as strategies shared for dealing with the current interest rate situation. And, we'll have an information-packed session on the current tax environment. Breakout sessions will address fraud and cybersecurity, FedNow, and strategies for leveraging your core system.

While you may recognize some of the names on the agenda from previous events, the 2024 Fall Seminar is presenting current information in a fresh format that will intrigue and engage. Lively presentations will offer the latest information relevant to bankers who are considering a purchase or a sale, or bankers who simply want to better understand the value of their franchise.

A registration form is provided for your convenience, or register online at [www.theBHCA.org](http://www.theBHCA.org).

Also, contact the Westin Galleria Hotel to secure your room at the seminar venue before the Sept. 20 deadline. We have secured a special rate for BHCA seminar attendees. So don't delay; register today!

**AGENDA**

**Monday, October 7**

11:30	<b>Registration opens</b>
Noon	<b>Buffet lunch begins</b>
12:40 - 12:50	<b>Welcome</b>
12:50 - 1:40	<b>Fireside Dialogue</b> Neel Kashkari, president of the Federal Reserve Bank of Minneapolis <i>Kashkari will share thoughts on the major economic issues of the day, in addition to taking questions on topics ranging from bank regulation, industry competition, M&amp;A trends, and other topics raised by you, members of the audience.</i>
1:45 - 2:55	<b>Ask the Expert panel</b> Tony Moch, Winthrop & Weinstine Paul Ouweneel, Wipfli John Reichert, Reinhart Boerner Van Deuren David Henke, CLA <i>BHCA Managing Director Tom Bengtson will moderate the panel, which will share industry observations and recent trends on the community bank M&amp;A landscape, as well as respond to your questions.</i>

2:55 - 3:10

**Break**

3:10 - 4:05

**AOI, Margin Compression and Liquidity Crunch... Opportunity? Yes!**

Gary Svec, Performance Trust  
*Looking ahead to what may be coming, opportunities are currently available to mitigate future interest rate risk and to take advantage of options that help enhance shareholder value.*

4:05 - 5:00

**Show Me The Money!**  
Craig Mueller and David Stieber, Trustar Advisors

*After continued minimal M&A activity, what are the options to provide shareholder value and liquidity without having to sell the bank in this market? David Stieber and Craig Mueller will dive into the topic of shareholder liquidity, bank stock valuation and stock buybacks in the current market environment. They will also discuss alternative investments including "pseudo" M&A transactions for parties interested in making acquisitions but are not seeing opportunities.*

5:00 - 6:30

**Reception**

*Dinner on your own*

**Tuesday, October 8**

7:30	<b>Buffet breakfast service begins</b>
8:10 - 8:25	<b>BHCA annual meeting</b> Conducted by BHCA President John Healey, Crown Bankshares, Edina, Minn.
8:30 - 9:30	<b>Unique Partnerships</b> Scott Coleman, Ballard Spahr Kelly Rachel, North Star Holding Company, Jamestown, N.D. Steve Lindholm, Independent Bancshares, Inc, Excelsior, Minn. <i>Attorney Scott Coleman, who has been active in the community bank M&amp;A arena for decades, will lead a discussion featuring two deal case studies – the first involving multiple banks working together to purchase a single bank, and the second featuring an interstate deal involving the purchase of a bank in another state. Bankers Kelly Rachel and Steve Lindholm will share their first-hand experiences and lessons learned.</i>
9:30 - 10:30	<b>Tax Issues Affecting Bank Owners</b> Kara Cremer, Forvis Mazars <i>The tax environment for bank owners, buyers and sellers is changing, and this fall's elections may cause further change. Kara Cremer, a partner with Forvis Mazars, provides insight and analysis</i>

*designed to help bankers and bank owners understand the tax landscape.*

10:30 - 11:10

**Break**

11:10 - 11:50

**Breakout sessions.**

*Choose one of three options:*

**Beyond the Core: Navigating the demands of new technology against the backdrop of audit, regulatory and generational challenges**

Benjamin Goldfield, TS Partners Inc.  
Jon Ichter, TS Partners  
Ryan Hooven, TS Partners Inc.  
*These software experts will compare utilization of your core product for functions like loan management and shareholder accounting versus employing separate specialty products and services. The leadership of TS Partners will share industry best practices and discuss the challenges community banks face when implementing changes.*

**How did fraud rise to the top of bank risk for 2024?**

Kris St. Martin, CBIZ  
*Reviewing data and examples from the insurance industry, Kris St. Martin provides information about the impact of recent cybersecurity breaches at community banks. Properly insuring your institutions*



against such attacks is an important part of security risk mitigation.

12:50 - 1:50

**The Economic Forecast**

**Dr. Elliot Eisenberg, The "Bowtie" Economist**  
Dr. Eisenberg discusses how GDP will perform, what interest rates will do, how the labor market will behave, how much firms will spend, how the residential housing sector and real estate in general will perform and how a whole host of other economic variables are bound to impact the economy this year (no sugar-coating), and why! Learn how to keep the (economic) forest in your view and not lose sight of the (data) trees!

2:00

**Adjournment**

11:10 - 11:50

**FedNow can enhance the value of your franchise**

**Dan Anthony, Federal Reserve Financial Services**  
FedNow, the instant payment service, is a flexible, neutral platform designed to maintain uninterrupted 24x7x365 processing with security features to support payment integrity and data security. Daniel Baum, head of payments products for the FedNow Service will provide an update on the service which launched in July of 2023.

Noon - 12:50

**Lunch served**

**LOCATION**

**The Westin Edina Galleria**  
3201 Galleria, Edina,  
Minnesota, USA, 55435

To make your reservations, please contact the hotel directly at 952-567-5000

Book your room today to lock in our special rate! The deadline to book at our special rate is Monday, September 23.

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City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

Guest Name(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please indicate dietary restrictions here: \_\_\_\_\_

<u>FULL SEMINAR:</u>		Number	Amount
BHCA Member		\$650 _____	_____
Non-Member		\$900 _____	_____
<u>OPTIONS:</u>		Number	Amount
Full Day Monday Only	Members	\$375 _____	_____
	Non-Members	\$500 _____	_____
Full Day Tuesday Only	Members	\$325 _____	_____
	Non-Members	\$425 _____	_____
<b>TOTAL AMOUNT ENCLOSED:</b>		\$ _____	_____

**Mail Registration to:**  
**Bank Holding Company Association**  
250 Prairie Center Dr., Ste. 300, Eden Prairie, MN 55344  
Or Register online at [www.theBHCA.org](http://www.theBHCA.org). Need more info? Call 952-835-2248

The cost of the meals, entertainment and breaks included in the registration fee for this event are estimates at \$100 on Monday, and \$120 on Tuesday. This information is provided for your tax records in keeping with IRS deductibility provisions. By registering, you authorize the BHCA to use your image for promotional purposes. Cancellation Policy: Due to commitments and expenses, all cancellations after September 23 will be subject to a \$75 processing fee. We regret that no refunds will be given after October 1, 2024; however, substitutes are welcome anytime. The BHCA assumes no liability for any nonrefundable travel, hotel or related expenses incurred by registrants. Cancellations or substitutions must be made in writing to Paula@NFRcom.com or Susan@NFRcom.com.



In 1990, Wahlquist established a holding company in order to acquire the First National Bank of Bertha-Verndale. Wahlquist grew the organization to 11 offices at \$430 million in assets. Above, Wahlquist shares conversation during a reception at a recent BHCA seminar. Below, a 1978 photo featuring the banker mid-career.

**Remembrance, Continued from page 6**

branches. In 1968, he was named AVP and the No. 2 person in correspondent lending. A year later he was selected to lead the credit division of the correspondent division and took charge of its then \$50 million portfolio, with customers scattered across the Ninth Fed District. In 1976, Wahlquist was given oversight of the entire Division, with its 1,200 rural bank customers. “Subsequent travels to each one of the states and many many towns in between reinforced my desire to participate in and become a rural community banker,” he wrote.

Bill Rosacker knew Wahlquist in those days, and competed against him as a correspondent lender working at Carl Pohlads’ Marquette Bank. “We progressed along the same tracks,”

Rosacker said, “although Harry was about 6-foot-4 and I was 5-foot-8. It was a time when you could be friendly competitors, and he was a super competitor.”

In those pre-cellphone days, Rosacker (2014 BHCA president) and Wahlquist traveled the same Upper Midwestern backroads trying to win business. “We had CB radios,” Rosacker explained. “My handle was ‘short round’ and his handle was ‘fast buck;’ it stuck with us to this day.”

Rosacker, the one-time president and CEO of United Bankers’ Bank, recounted one memory when

he and Wahlquist’s paths intersected: “I had been in Grand Forks, and my next stop was going to be Devils Lake. It was snowing and the roads were bad. The only nice hotel in Devils Lake was the City Center Motel. There had been a teacher’s conference in town but none of the teachers checked out because the roads were so bad. The hotel staff knew me, so when I got there, they said, ‘Bill, we don’t have any rooms. But, we have a customer with two queen beds who said he’ll let you room with him. We think you know him.’ Well, it was Harry. Now I love Harry but I was not going to sleep with my competitor!”

Despite being competitors, Rosacker and Wahlquist developed a friendship, one that endured. “He was a brother in banking; my taller brother,” Rosacker said. “We’d see each other at state conventions or at ICBA; we would wander off in a corner and catch up. We’d laugh about people we both wanted as customers, but they went to First Bank. We talked about banking. A ton of bankers knew him. A ton know me. You develop a relationship.”

Despite knowing the ins and outs of correspondent banking and being so connected to capital sources throughout the industry, when Wahlquist bought his first bank, he turned to a close friend for private financing rather than to an institution. Rosacker wasn’t surprised. “Harry had a private side too,” he said. “That didn’t bother me. A lot of bankers, when they buy or negotiate, are pretty private because they are laying out their finances.”

Not providing an acquisition loan to Wahlquist isn’t the opportunity lost that nagged at Rosacker the most. “I wonder what it would have been like to work with him,” he remarked with an air of wistfulness.

The team at Star Bank, almost 75 percent female, could tell Rosacker that Wahlquist was friendly, informal and always collaborative. “More than anything, he listened and was always open to ideas,” his daughter, Katie, said. He was also regarded



as a relationship builder and a leader who wanted to build a workplace that was comfortable and spirited, with comradery and a family focus.

Calling her father the consummate “do-it-yourselfer,” Katie Wahlquist said his transition to community banking was based in part on wanting to do his part. “He always said, ‘no one is going to do it for you. If you want to do something, you put your boots on the ground and get it done.’” Even if that means taking a risk.

At an all-staff meeting held during a bank holiday, Wahlquist held a fireside chat and told a story from his days at NWNB, Katie recounted: The culture was cut-throat and very political, he told his staffers. One day, an angered manager got up into Wahlquist’s face to berate him for some infraction. This angry man used his index finger as a shiv, repeatedly jabbing it into Wahlquist’s chest as he yelled. “I was made to feel very very small,” he said. The episode marked a turning point for Wahlquist. Shortly after that, he pivoted, turning his back on corporate banking and to embrace a future in relationship banking. Wahlquist vowed to never be that kind of abrasive manager.

That doesn’t mean he holds his tongue when people need him to speak, Katie Wahlquist said. “He’s always been very vocal and passionate about using his voice for the greater good.”

Rosacker saw it. MacKay saw it. Amundson saw it. Wilcox saw it. And so did regular attendees of the Bank Holding Company Association’s Spring and Fall Seminars, for it was undoubtedly Wahlquist’s hand that would shoot up when a speaker concluded a presentation and turned to the audience for questions. His was a curiosity borne of passion for community banking, Katie Wahlquist said.

“He was a good banker,” Rosacker concluded. “A very good community banker.”

“He was so pragmatic,” MacKay said. “Being a correspondent banker, he knew the concepts between big and small banks, and could articulate them.”

He was also invested in achieving the win-win in any negotiation, MacKay said. Amundson, who was hired to replace MacKay the year Wahlquist served the association as chair, remarked on Wahlquist’s character. “He did a good job of balancing what was in the best interest of the organization, but also trying to be as fair as possible with me,” Amundson said. “He was concerned with me being happy and treated fairly and accepting of all the things that go on with that, but also wanting to make sure he was mindful of his fiduciary duties to the board and to the organization.”

“He just had a way with people,” Wilcox said. “Harry had a great sense of humor and you never saw him with anything other than a giant smile. ... and those eyeglasses impossibly perched on his forehead.”

“Sometimes you have competitors you can’t stand or you don’t trust,” Rosacker concluded. “But Harry was a friend and a good competitor. And he was sincere. I will miss him greatly.” ■



Wahlquist, a dedicated entrepreneur and a driving force in the community banking industry, attended many BHCA seminar over the decades.



Wahlquist, who served as BHCA president in 2020, had a unique way of wearing his glasses. Wahlquist served six and a half years on the BHCA board of directors right up to the time of his passing.

## Mathison now heading Impact Retirement Advisors

Todd Mathison became president and CEO of Impact Retirement Advisors, a comprehensive wealth management firm with an emphasis on corporate retirement plans, individual investment advisory services, and retirement income planning. Mathison transitioned from his previous role at BPAS on August 1.

Through his new firm, Mathison will continue to serve bankers with the same retirement plan advisory services he has been offering since 2011:

- Investment selection/monitoring

- Participant education/advice
- Plan design consultation
- Participant outcome evaluation
- Plan efficiency evaluation

Impact Retirement Advisors will continue to work closely with BPAS, which will remain a partner for administration, recordkeeping, custody and/or Directed Trustee functions for the plan. There will be no changes to the platform, website, procedures or day-to-day operations. ■

## First State Bank of Rosemount breaks ground on new branch

First State Bank of Rosemount President and CEO Mark Toombs (white hard hat) and colleagues broke ground off County Road 42 in Rosemount, Minn., for a new branch on July 12. The groundbreaking ceremony featured local elected officials, board members, customers and other friends of the bank. The branch, which is scheduled to open in the first half of 2025, will share space with Sweet Kneads Rosemount Bakery & Coffee Shop. HTG Architects is the architect on the project. The bank is a subsidiary of BHCA member Higgins Bancorporation, Inc. HTG Architects is a BHCA Associate Member. ■



## UMB announces agreement to acquire Heartland Financial

BHCA Associate Member UMB Financial Corporation and Heartland Financial, USA Inc. announced April 29 UMB Financial will acquire Heartland Financial in an all-stock transaction valued at \$2.0 billion.

Founded in 1981, HTLF is headquartered in Denver and has \$19.4 billion in assets. The combination of companies will create a leading, regional banking powerhouse, spanning a 13-state branch footprint, adding California, Minnesota, New Mexico, Iowa and Wisconsin to UMB's existing eight-state footprint, which includes Missouri, Illinois, Colorado, Kansas, Oklahoma, Nebraska, Arizona and Texas.

"This is a historic and exciting milestone for our company," said UMB Financial Corporation Chairman and CEO Mariner

Kemper. "While we have maintained an outstanding pace of organic growth during the past decade, this compelling combination with HTLF marks a truly momentous expansion of all our core services in both existing and new markets. This synergy, along with a like-minded culture and customer approach, is an ideal fit for our business model, our credit and risk profiles, and our associates, customers and communities."

This transaction, the largest in UMB's 111-year history, will result in UMB having \$64.5 billion in assets, elevating it to the top 5 percent of the 616 publicly traded banks in the United States. The transaction will increase UMB's private wealth management's AUM/AUA by 31 percent and nearly doubles its retail deposit base. It will also add 107 branches and 237 ATMs

to UMB's 90 branches and 238 ATMs, dramatically expanding the network for both companies' customers.

Under the terms of the merger agreement, which were approved by the Boards of Directors of each company, HTLF stockholders will receive a fixed exchange ratio of 0.55 shares of UMB common stock for each share of HTLF common stock. This per share consideration is valued at \$45.74 per share based on UMB's closing price of \$83.17 on April 26, 2024. Following completion of this contemplated transaction, former HTLF stockholders are expected to collectively represent approximately 31 percent of the combined company. At the closing of the

transaction, five members of the HTLF Board of Directors will join the UMB Board, which will be expanded to 16 members.

Within its 11-state footprint, HTLF does business as: Minnesota Bank & Trust, Wisconsin Bank & Trust, Dubuque Bank & Trust, Illinois Bank & Trust, Bank of Blue Valley, Citywide Banks, Premier Valley Bank, Arizona Bank & Trust, New Mexico Bank & Trust and First Bank & Trust.

The transaction is subject to customary closing conditions, including regulatory approvals and approval by UMB shareholders and HTLF stockholders, and is expected to close in the first quarter of 2025. ■

## UBB hosts Golf/education event

United Bankers Bank hosted a golf outing on June 3 at Brackett's Crossing Country Club in Lakeville, Minn. After a morning education session, bankers enjoyed a round of golf. Among the hosts, from left, are Dwight Larsen, John Peterson, Jay Syverson and Todd Schultze, all with UBB. ■



## NBC to acquire RiverWood Bank

Two BHCA members have struck a deal for an acquisition. On July 29, 2024, Superior, Wis.-based NATCOM Bancshares, Inc., the parent company of National Bank of Commerce, and Baxter, Minn.-based Great River Holding Company, the parent of RiverWood Bank, announced NATCOM will acquire Great River. Upon completion of the transaction, the combined company is expected to have assets of about \$2.0 billion. The transaction is expected to close late in 2024 or early in 2025.

National Bank of Commerce, with \$1.4 billion in assets, has 10 branches in Duluth, Esko and Hermantown, Minn., as well as Poplar, Solon Springs and Superior, Wis. RiverWood Bank has 11 locations throughout Minnesota in Bagley, Baudette, Baxter, Benson, Bemidji, Big Lake, Crosslake, International Falls, Monticello, and Morris; the company has more than \$625 million in assets today. ■

### President's Observations, Continued from page 4

deal to take two days away from your home or office to attend our seminar, so the BHCA team works very hard to deliver the very best event possible. We have the complete agenda published elsewhere in this magazine. Give it a good look, and I hope you will decide to join me on Oct. 7-8. If you haven't been to a seminar before, I think you will find it to be well worth your time. If you have been to a seminar before, then

you know what you can expect. I encourage you to bring along colleagues and others associated with your bank or family. I guarantee you will have plenty to talk about when you get together after the seminar.

I am looking forward to another great seminar and to seeing you there! Register today so that you get the discounted hotel room price. I think the old BHCA marketing slogan is true: *The BHCA Seminar... your best two days in banking!* ■

### Down to Business, Continued from page 5 Seminar part of fall ritual

As we phase out of summer and into fall, we find ourselves just a short time in front of the annual Fall Seminar. You can read more about the event in this magazine. Over years of involvement with this event, I have grown to deeply appreciate the many

people who make the Fall Seminar so special every year — the presenters, the hotel staff, my colleagues in the BHCA office, and all of you bankers. Some of you, I only see once a year, which seems like the minimum for keeping a relationship going. Thanks for being involved in the BCHA and the seminar, and I look forward to seeing you Oct. 7-8. ■

# Holding Company Transaction Report

Here are selected recent bank holding company filings with the Federal Reserve Banks of Chicago, Minneapolis, Kansas City and St. Louis:

- ▷ Sterling Financial Group, Inc., Rochester, Minn., has elected to become a financial holding company.
- ▷ Midfed Acquisition Corp., Wilmington, Del., authorized to become a savings and loan holding company by acquiring Midland Capital Holdings Corp and thereby acquiring Midland Federal S&L, both of Bridgeview, Ill.
- ▷ Thumb Bancorp., Inc. ESOP, and Thumb Bancorp, Inc., both of Pigeon, Mich., filed to acquire FSB Interim Bank, Freeland, Mich., and Freeland State Bank. In addition, Thumb Bank & Trust, Pigeon, filed to merge, through its subsidiary FSB Interim Bank, with Freeland State Bank.
- ▷ Jason C. Nicholas Bank Trust, Jason C. Nicholas, trustee, both of Atlantic, Iowa filed to acquire shares of Whitney Corp of Iowa and thereby acquire shares of First Whitney Bank and Trust, both of Atlantic.
- ▷ Schloretdt Family Revocable Trust of Sundance, Wyo., filed to become members of the Richard Durfee Family Control Group to acquire shares of Sundance Bankshares, Inc., and thereby acquire shares of Sundance State Bank, both of Sundance.
- ▷ Stockmens Financial Corp, Rapid City, S.D., authorized to acquire shares of AgCredit, Inc., Chadron, Neb., and thereby engage in extending credit, activities related to extending credit, community development activities, and data processing activities.
- ▷ Arlo Financial Holdings, Inc., Springfield, Mo., authorized to become a bank holding company by acquiring Systematic Savings Bank, Springfield.
- ▷ Daniel J. Smerchek of Watterville, Kan., and others authorized to acquire shares of First Commerce Financial Corp and thereby acquire shares of First Commerce Bank, Marysville, Kan.
- ▷ Bank Forward ESOP & Trust filed to acquire up to 43.11 percent of Security State Bank Holding Company, and thereby acquire shares of Bank Forward, all of Fargo, N.D.
- ▷ Pluto Investments Inc., Wilmington, Del., filed to become a bank holding company by acquiring the shares of Ambanc Financial Services, Inc., and thereby acquiring shares of American Bank of Beaver Dam, both of Beaver Dam, Wis.
- ▷ Thomas S. Dinsdale 2011 Irrevocable Trust, Grand Island, Neb., filed to acquire shares of Pinnacle Bancorp, Inc., Omaha, Neb., and thereby acquire shares of Pinnacle Bank, Lincoln, Neb., Pinnacle Bank, Fort Worth, Texas, Pinnacle Bank-Wyoming, Cody, Wyo., and Bank of Colorado, Fort Collins, Colo., and to become a member of the Dinsdale Family Group that controls Pinnacle Bancorp, Inc., Omaha.
- ▷ West 4 Bancshares, Inc., Healy, Kan., authorized to become a bank holding company by acquiring First State Bank, Healy.
- ▷ EWSB Bancorp, Inc. (a newly formed Maryland corporation), Kaukauna, Wis., authorized to become a bank holding company by acquiring East Wisconsin Savings Bank, upon the conversion of Wisconsin Mutual Bancorp, MHC, from mutual to stock form, both of Kaukau.
- ▷ Wintrust Financial Corp., Rosemont, Ill., authorized to merge with Macatawa Bank Corp and thereby acquire Macatawa Bank, both of Holland, Mich.
- ▷ The BG 2024 Trust, Milwaukee, Ben Grimstad, Decorah, Iowa, and Peter J. Wilder, Pewaukee, Wis., as co-trustees, and others filed to join the Grimstad Family Control Group, to acquire shares of Security Agency, Inc., and thereby acquire shares of Decorah Bank and Trust Company.
- ▷ Equity Bank, Andover, Kan., authorized to merge with KansasLand Bank, Quinter, Kan., and establish branches in Quinter and Americus, Kan.
- ▷ OakStar Bank, Springfield, Mo., authorized to purchase a branch from Riverstone Bank, Eagle, Neb.
- ▷ Castle Creek Capital Partners VI, LP and others authorized to acquire shares of Tri-County Financial Group, Inc., Mendota, Ill., and thereby acquire shares of First State Bank, Mendota.
- ▷ CFB Mutual Holding Company and CFB Financial, Inc., both of Cumberland, Wis., authorized to become a mutual savings and loan holding company and a mid-tier stock s&l holding company, respectively, by acquiring Cumberland Federal Bank, FSB, Cumberland, in connection with Cumberland Federal Bank, FSB's conversion from mutual to stock form.
- ▷ UMB Financial Corporation, Kansas City, Mo., through its subsidiary, Blue Sky Merger Sub, Inc., Kansas City, Mo., filed to merge with Heartland Financial USA, Inc., Denver, and thereby indirectly acquire HTLF Bank, Denver.
- ▷ VersaHoldings U.S. Corp., Wilmington, Del., and its parent companies GBH Inc., Breslau, Canada, and VersaBank, London, Canada authorized to become bank holding companies by acquiring Stearns Bank Holdingford N.A., Holdingford, Minn., and to engage *de novo* in extending credit and servicing loans, through VersaFinance U.S. Corp.
- ▷ Timberline Bancorporation, Aspen, Colo., elected to become a financial holding company.
- ▷ Stockton Bancshares, Inc., Stockton, Kan., authorized to merge with Coffeyville Bancorp, Inc., Coffeyville, Kan., and thereby acquire Community State Bank, Coffeyville.
- ▷ Mamie M. Foote Trust No. 1 of Golden Oak, Fla., and others authorized to acquire shares of First National Bancshares, Inc., and thereby control First National Bank of America, East Lansing, Mich.
- ▷ The William H. Bosshard Family GST Trust, LaCrosse, Wis., authorized to acquire shares of Mauston Bancorp, Inc., and thereby acquire shares of Bank of Mauston, Wis. The Trust also authorized to acquire shares of Clayton Bankshares, Inc., and thereby acquire shares of Citizens State Bank--La Crosse.
- ▷ Notice filed by William C. Martin 2024 Grantor Retained Annuity Trust of Ann Arbor, Mich., to acquire shares of Arbor Bancorp, Inc., and acquire shares of Bank of Ann Arbor.
- ▷ Western Illinois Bancshares, Inc., Monmouth, Ill., filed to merge with Main Street Bancorp, Inc., Princeville, Ill., and thereby acquire Princeville State Bank, Princeville. ■

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