

MAINE BANKERS Association

2019-2020 Annual Report

June 2020



Maine Bankers Association Responds to COVID-19 Pandemic

Most years, I recap the highlights of the past year month by month. However, at this time, our focus and our lives have been dominated by the COVID-19 crisis. Your MBA staff has worked tirelessly to represent the interests of Maine banks. We have provided numerous opportunities for membership to collaborate with peers and to hear from government officials on a wide range of topics including the economy, SBA loan programs and how to support staff returning to normal operations. We have also transitioned from in person meetings to conference calls and ZOOM meetings as if we had always met that way.

Initially, staff worked with the Governor's office to ensure that banking was deemed an essential service, that Executive Orders were issued to amend FAME's consumer loan product and to allow virtual notary services. Staff worked closely with the congressional delegation to get changes made to the PPP program to better serve the needs of Maine businesses. Staff sent out several press releases early on with the MCUL to reassure consumers about the stability of Maine's financial services industry. Chris Pinkham spoke on behalf of the industry in numerous interviews ranging from MaineBiz to MPBN Maine Calling as well as on three town hall meetings with Congressman Jared Golden.

We have hosted 10 CEO calls with an average of 25 CEOs participating. CEOs have been joined by Senator Collins, Governor Mills, Commissioner Heather Johnson of DECD, and Lee Umphrey from the Governor's Economic Recovery Committee. On the initial call and at the suggestion of our Chair, we launched the food insecurity project raising \$62,500 distributed to 37 food pantries statewide.

Human Resources Committee and Retail Administrators Working Group held 4 joint meetings then transitioned to a Return to Normal Operations Working Group comprised of HR, retail admin, operations and other interested parties. The Working Group has since held 7 meetings with 2 additional meetings scheduled for June. The Working Group averages 75-80 participants each week. Guest speakers have included Paul Benda from ABA on their matrix for considering issues related to safe operations during a pandemic, Suzanne King from Pierce Atwood who spoke on developing an OSHA COVID-19 safety plan, and Dr. Jamie Cross-Lee, a psychologist who spoke on addressing and supporting staff anxiety regarding returning to work.

Eric Rosengren, President & CEO of the Federal Reserve Bank of Boston presented a one-hour webinar on the Main Street Lending program and other Federal Reserve Actions. This program replaced the annual Directors Forum and was attended by 145 bankers and directors.

Retail Lenders have held 3 virtual meetings including one joint meeting with Commercial Lenders. During one of the calls, representatives from FAME provided an overview of the consumer lending programs they have available. The Commercial Lending Committee held an additional meeting with representatives from the SBA. The Marketing Committee met virtually in May to revisit their 2020 initiatives and develop a plan for the rest of the year. They established three working groups to address talent acquisition, brand, and cybersecurity/fraud as we work to get the banks and the industry back on track to meet its original 2020 goals.

Given the increase in fraudulent unemployment claims, we held an additional fraud call in May beyond the regular monthly call. Representatives from the U.S. Secret Service as well as an Assistant U.S. Attorney have joined these calls to provide important updates and hear from the membership about what they are seeing at their banks. Tech and Cyber Committee have met 7 times and have created a google group to have real-time answers to urgent questions. CFOs met and are working to develop a Maine, county by county, economic scorecard that can be used on an ongoing basis. This scorecard includes Real GDP, Future GDP, Unemployment rates, SFR YoY Sales Price Change and other metrics.

MBA staff has been meeting regularly with peers in the other states ranging from the Alliance of State Associations, benefit plan leaders, education directors, as well as ABA committees on HR, Security, Mortgage Markets, and State Issues. Staff has also been involved in thrice weekly calls with the MCUL to coordinate a financial services response in Maine. Working with the MCUL, we crafted a checklist for our membership to use as a best practices' guideline for reopening lobbies to regular operations.

Staff worked with the vendor for our webinars to make a program entitled “Pandemic Preparedness: Managing Coronavirus and Other Epidemics” available to our membership for free. The original program ran on March 20th and is available for 6 months. Additional COVID-19 webinars have been added to the webinar line up to provide additional resources to the membership in a convenient learning format.

Staff developed a COVID-19 page on our website to consolidate state and federal updates including Department of Treasury guidance and State Executive Orders. We also worked with affiliate members to promote their resources related to COVID-19 through our affiliate member spotlights and a dedicated affiliate member webpage.

Staff published the C-19 Update to provide a single reference point in your inbox for updates related to issued regulations and forms as well as future meetings planned. This email update is distributed to more than 200 bankers across the state. Through June 15, 51 issues of the C-19 Update have been produced.



THE PEOPLE

MBA Executive Committee of the Board of Directors

CHAIR: Tony McKim
President & CEO
First National Bank

VICE CHAIR: Robert Montgomery-Rice
President & CEO
Bangor Savings Bank



Immediate Past Chair
Patricia Weigel, President & CEO
Norway Savings Bank



Term Expiring 2020
Scott D. Conant, President & CEO
Damariscotta Bank & Trust Company

Lawrence L. Barker, President & CEO
Machias Savings Bank

Term Expiring 2021
William Tracy, President & CEO
Auburn Savings Bank, FSB

William B. Williamson, Maine Market President
Bank of America, N.A.

Robert C. Quentin, President & CEO
Saco & Biddeford Savings Institution

Term Expiring 2022
Curtis C. Simard, President & CEO
Bar Harbor Bank & Trust

Blaine Boudreau, President & CEO
Partners Bank

Additional Members of the Board of Directors

Neil Kiely, President & CEO
Androscoggin Bank

John Swanberg, President & CEO
Aroostook County Federal Savings & Loan

William R. Weir, Jr., President & CEO
Bar Harbor Savings & Loan

Glenn L. Hutchinson, President & CEO
Bath Savings Institution

Gregory Dufour, President & CEO
Camden National Bank

Andrew C. Perry, President & CEO
First Federal Savings & Loan Association of Bath

Timothy Thompson, President & CEO
Franklin Savings Bank

Stephen deCastro, President & CEO
Gorham Savings Bank

Jon Prescott, President & CEO
Katahdin Trust Company

Allan L. Rancourt, President & CEO
Kennebec Federal Savings

Andrew E. Silsby, President & CEO
Kennebec Savings Bank

Bradford C. Paige, President & CEO
Kennebunk Savings Bank

Raymond T. Kelley, Maine Market President
KeyBank, N.A.

Jeanne Hulit, President & CEO
Maine Community Bank

Kimberly Twitchell, Maine Regional President
NBT Bank

Robert Banaski, Director of Community Banking
Northeast Bank

Daniel Thornton, Maine Market President
People's United Bank

Todd Starbird, President & CEO
Rockland Savings Bank, FSB

David Cyr, President & CEO
Skowhegan Savings Bank

Lawrence Wold, Maine Market President
TD Bank, N.A.

Non-Depository Trust Companies

Karen Mangino, Compliance Manager
Atlantic Trust, LLC

Michael R. Currie, President
H.M. Payson & Co.

Amelia Kurtz, CEO
Portland Trust Company

Amanda Rand, President & CEO
Spinnaker Trust

MBA Committees & Chairs

Bank Security

Lisa St. Hilaire-Crites, Chair
Maine Community Bancorp

Collections

Bill Kany, Chair
Saco & Biddeford Savings Institution

Commercial Lending

Jeffrey Gosselin, Chair
Maine Community Bank

Compliance

Julia DeBery, Chair
Bath Savings Institution

Financial Management

Brian Shibles, Chair
Norway Savings Bank

Human Resources

Diane Labrie, Chair
Saco & Biddeford Savings Institution

Legislative

Susan Norton, Chair
First National Bank

Marketing & Communications

Mark Girr, Chair
Gorham Savings Bank

Operations & Systems

Wendy LeBright, Chair
Kennebunk Savings Bank

Retail Lending

Bonnie Foster, Chair
Katahdin Trust Company

Technology & Cyber

David Ackley, Chair
Camden National Bank



MBA Staff	Christopher Pinkham President	Natasha DeSouza Director of Employee Benefits	Lorrie Higgins Benefits Specialist
	Marc P. Owen Vice President & Treasurer	Jessica Verry Manager of Member Services	Christina Jones Benefits Specialist
	Marcia M. Ferguson Vice President of Insurance and Administration	Nikki M. Lamore Insurance Programs Coordinator	Tina Fiore Insurance Programs Assistant
	Kathleen M. Keneborus Director of Government Relations	Liza Wells Accounting Specialist	Jaimie Drew Association Programs Assistant

LEGISLATIVE

129th Legislature – Second Regular Session

A Historic Legislative Session

We anticipated this session would be very demanding with a record 300 bills carried over from the previous session. However, we never dreamed the session would abruptly end on March 17, 2020 *sine die* with a lot of those same bills carried over again to any Special Session of the 129th Legislature. The session on March 17th was historic because nobody from the public, except for press, were allowed in the State House during the session. We understand that the restricted access on March 17th was due to health concerns; however, it was extremely frustrating for groups like MBA that are tasked with monitoring legislative activity. They passed a COVID-19 bill on March 17th (LD 2167) without a public hearing that set in motion additional gubernatorial powers for the duration of the state of emergency.

The Legislature and the Mills' Administration held back \$193 M in the general fund balance in March because they anticipated a revenue shortfall due to COVID-19. This month, the Administration is projecting that the 2020 budget (FY 20 ends June 30th) will be in balance. However, the FY 21 budget is projected to have a shortfall of roughly \$521 M based on current stress test results. The state currently has \$258 M in the rainy-day fund that could be used toward the FY 2021 \$521 M shortfall, if needed.

The MBA staff tracked over 100 bills that had a potential impact specifically on our industry or the business community in general. This was the Second Regular Session of the 129th Legislature, so the volume of bills was supposed to be minimal because the second session is supposed to be reserved for emergency issues. We dealt with topics including CPACE, Estate Tax, paid Family Leave and a public-private retirement account, but unfortunately, these bills were not resolved and were held over to any Special Session of the 129th Legislature. Our Legislative Recap Notebook includes narratives on several bills that passed into law including additional changes to the Maine Uniform Probate Code, enforcement judgements on consumer obligations and abandoned property entry by mortgagees.

It is likely the Legislature will go back into session to deal with COVID-19 related issues and the voluminous quantity of bills they carried over. We will certainly keep you posted via our Capitol Report and our Legislative Insider.

The Maine Bankers Association is proud to be the key advocate for Maine's banking industry at the state and federal level; however, truly effective advocacy in today's political environment requires your help. We are pleased that we have members that are willing to participate in our Legislative Committee, attend political fundraisers, donate to our MBA PAC and testify at the Legislature on banking-related issues. We held several of our Legislative Committee Meetings via teleconference (even before COVID-19), to allow for more participation by our members. We are extremely fortunate to have a wide range of Industry experts from different areas of banking (e.g., HR, Lending, IT and Collections) as members of our Legislative Committee. Unfortunately, we had to cancel our Day at the State House this year, due to COVID-19 and the visitor restrictions at the State House. We look forward to next year's event.

This will be an extremely active election year. All 186 seats of the Maine Legislature will be up this election. In addition, it is a Presidential election, and Senator Collins is seeking reelection. We would like to remind you about MBA's PAC. The MBA PAC expenditures are given to candidates for the Maine House and Senate that support a strong banking and business environment for Maine, regardless of their party affiliation. Please contact Chris Pinkham (cpinkham@mainebankers.com) or Kathy Keneborus (kkeneborus@mainebankers.com) if you would like more information about the MBA PAC.



MBA AFFILIATE MEMBERS

ABA
ABA Insurance Services Inc.
The Angell Pension Group
Arkatechure
Atlantic Capital Strategies, Inc.
Atlantic Community Bankers Bank
(ACBB)
Baker Newman Noyes
Bankers Healthcare Group (BHG)
Berkley FinSecure
Bernstein Shur
BerryDunn
BFS Group
Career Management Associates / HR
Power Hour
Cayer Security Services, Inc.
Cobblestone Management LLC
COCC
Community Concepts Finance
Corporation
Eaton Peabody
EPG, Inc.
Federal Home Loan Bank of Boston
Finance Authority of Maine
FirstLight
Fiserv
Goodwin Procter LLP
Granite State Development Corp
Heartland Payment Systems
ICBA
ICBA Securities
Institutional Insurance Group, LLC
Jack Henry Banking
JD Design Associates
The Kafafian Group
Lebel & Harriman, LLP
Loomis Armored US
Luse Gorman
M & M Consulting, LLC
Maine State Housing Authority
MPX
Navis Partners, LLC
NEACH
Northern New England Housing
Investment Fund
Nutter McClennen & Fish LLP
Optiv
Pearl Meyer
Pentegra Retirement Services
Perkins Thompson
Pierce Atwood, LLP
Piper Sandler & Co.
Preti Flaherty
Promontory Interfinancial Network, LLC
REMM Financial Services, LLC
Retirement Funding Solutions
S&P Global Market Intelligence
Skelton Taintor & Abbott
Smith & Wilkinson
Stifel/KBW
Systems Engineering
Travelers
Tyler Cybersecurity
USDA Rural Development
U.S. Small Business Administration
Verrill
W.B. Mason
Wolf & Company, P.C.

MAJOR MEETINGS

Women in Banking



Women in Banking continued to be a highly attended event (over 200 registrants) with lots of energy and takeaways for those in attendance. Tying it all together with the theme of mindfulness, we covered ground from managing stress to leveraging your network to sage advice from our senior management panel. We wrapped up the day with our most highly rated speaker, Laurie Stewart, Chair-Elect of the ABA, who left everyone inspired, ready to engage and make change in the industry.

128th Annual Convention

It was another beautiful year in Quebec City at the Hotel Frontenac with a turnout of 373 attendees at this historic location. We kicked off the business session with politics and statistics, including an Economic Outlook and a Washington Update with ABA Chair, Jeff Szyperski. The first day was followed by a memorable evening at the Manege Militaire with an entertaining musical trip down memory lane. Day Two business session began with a discussion about risk with Retired Astronaut, Jim Wetherbee, an insider view on legislative advances in Washington from Former Congressman Bruce Poliquin and ended with Futurist Mark Zinder. We wrapped up our event with music and dancing and a few quick views of the Grand Prix bike race happening outside!



Directors' Programs

At the 2019 Directors College, Professor Jim Clarke brought his annual update, followed by FDIC breakouts, roundtables and case studies.

The 2020 Directors Forum was a little different this year, as we made it a virtual event. Eric Rosengren, President & CEO of the Federal Reserve Bank of Boston, gave an Economic Update during these uncertain times. We were happy to still have a great turnout of over 150 attendees to our first virtual event.

Fall Management

The Fall Management Conference at the Augusta Civic Center had something for everyone and began with one of our favorite speakers, Jack Vonder Heide, who gave us a rousing and eye-opening look at emerging banking trends. The morning followed with presentations on realtime payments, guns in the workplace and some new perspectives on hemp and cannabis from the National Cannabis Industry Association and Luse Gorman.

HIGHER EDUCATION ASSISTANCE FOUNDATION (HEAF)

MBA continued its dedication to HEAF in 2019, granting 15 \$1,000 scholarships to students majoring in the areas of business or finance at institutions throughout Maine. Many of these scholarships were awarded at MBA Legislative Coffees hosted by First National Bank, Kennebec Savings Bank, Norway Savings Bank, and Machias Savings Bank, allowing students the chance to meet with local bankers and legislators. HEAF is supported in part by a grant by the Independent Community Bankers Association of Maine.



In 2019, Maine banks participated in their communities with...

Maine Banks in the Community

- \$14,650,555 in charitable donations by banks
- \$537,495 raised for community causes by bank employees
- 174,572 hours volunteered by bank employees
- \$3,036,351,969 in residential real estate loans
- \$5,157,856,501 in commercial loans to businesses

