

2024 ANNUAL REPORT



Trust Division

A DIVISION of KBA

Presented by the 2023-2024

KBA Trust Division Board of Directors

This past year I was blessed with the opportunity to follow in the footsteps of so many talented Trust Professionals by serving as President of the Kansas Bankers Association Trust Division Board. The knowledge and expertise of this group of individuals is invaluable.

2024 was a successful year for the Banking industry in the State Legislature. The Kansas Bankers Association and the Trust Division were involved with the passing of comprehensive UCCC legislation, updated minor bank account legislation and regulatory reform. There is still so much more work to be done on the State and Federal levels, but with the Government Relations Team for Kansas Bankers Association leading the way, we are a very strong united voice.



As in the past, education opportunities through conferences, webinars or workshops are a steadfast foundation for the Kansas Bankers Association. Each May, in coordination with the Missouri Bankers Association, we hold the MOKAN Trust Conference at Sheraton Overland Park Hotel and Convention Center. This past year marked the 45th year for this Conference. This Conference along with the KBA Trust Conference in October are both major events for learning, networking and keeping up on the ever-changing regulatory landscape.

It has been my honor to serve this group as President this past year. I look forward to the exciting year ahead of us in 2025. I know the Trust Division will be in the very capable hands of Mark Kennedy as he takes over this year as President.

Thank you,

Lori Bone
Fidelity State Bank & Trust, Dodge City

2024 MOKAN CONFERENCE RECAP

The 45th MOKAN Trust & Financial Services Conference took place from May 15-17 at the Sheraton Overland Park Hotel & Convention Center, with 240 attendees from 12 states and 36 sponsors.

Sam Donaldson, Professor of Law at Georgia State University, kicked off the conference with sessions on recent federal wealth transfer and income tax developments. Day one breakout sessions included topics like "Unique Assets" by Jeff Keiser, "Keeping Seniors Safe" by Erin Anderson, and "How to Finance Long-Term Care" by Karen Weber.



(L-R) Sam Donaldson & Chris English

Chris Kuehl, Managing Director of Armada Corporate Intelligence, opened day two with an economic update, followed by Jeff Levine of Kitces.com, who presented on trusts as IRA beneficiaries and Social Security integration. Breakout sessions covered "Fiduciaries Gone Wild!" by Terri Thomas, "Paying Caregivers from a Trust" by Joe Sofia, and "Donor Advised Funds" by Ryan Fitzgerald.



(L-R) Chris English, Brian Dutton, Doug Wareham & Joe Karnes

Day three featured Mike Tropeano on artificial intelligence, AJ Babb from Vanguard on portfolio construction trends, and Paul Long's presentation on "The FUNdamentals of Meaningful Leadership."

Thanks to all the speakers and sponsors for making the 2024 MOKAN Conference a success! Mark your calendars for next year: May 14-16, 2025, at the Sheraton Overland Park Hotel & Convention Center. See you there!

2024 LEGISLATIVE UPDATE

During the 2024 Legislative Session, the KBA Trust Division successfully supported legislation introduced by the Office of the State Bank Commissioner that makes it easier for Kansas banks and trust companies to acquire out of state business. HB 2560 included a provision that changed the requirement to allow either the originating or contracting trustee to have its principal place of business in Kansas. This change now allows a bulk transfer procedure of fiduciary accounts making it an easier and faster process for Kansas banks and trust companies to transfer out of state fiduciary accounts to Kansas.



This year the Kansas Judicial Council brought forth a bill to update portions of the probate code. SB 379 increased the time for notice to creditors by publication when a petition for administration or probate of a will is filed from 10 days to 30 days. It also changed the process for transferring personal property with the small estate affidavit to allow the transfer from a "person claiming to be a successor of the decedent, or in a manner as directed by the successor, without having letters of administration or letters of testamentary." Finally, it amended the sale at public auction to clarify that if the sale is being held as an auction that takes place over more than one day, the first day that the auction is open for bidding shall be no earlier than 10 days and no later than 30 days after the date of the last publication notice.

2024 KBA TRUST CONFERENCE

The KBA Trust Division hosted its annual Trust Conference October 24-25 at the Wichita Marriott Hotel. This conference provides attendees with valuable, up-to-date insights on the latest trends and advancements in trust and estate management, equipping them with practical tools and knowledge.

On the Economic, Business, and Political Climate - Dr. Roger Tutterow, Kennesaw State University

In this session, Dr. Roger Tutterow provided a timely overview of activity in the national and regional economies, including a discussion of the role of supply chain disruptions on the construction and retail sectors, the long-term effect of COVID-19 on labor markets and real estate, the connection between fiscal stimulus, monetary policy, and the recent surge in inflation, policy responses by the Federal Reserve, and effects of changes in the competitive landscape on performance in the public and private sectors.

Culture is Key - Jeff Kropschot, Kropschot Consulting Partners LLC

During this session, attendees explored critical elements of a strong compliance culture and the compliance, operational, reputational, and other benefits enjoyed by organizations that maintain a strong compliance culture. Jeff also shared illustrative examples of companies and individuals who have embraced and not embraced these essential principles.

Make Politics Boring Again - Linda Duessel, Federated Hermes

This presentation explored the setup for the presidential election, where opinions about Biden and Harris are set in stone. Independent voters and a handful of swing states will likely determine the outcome. Still, the historical precedent is clear that the chances rest on the state of the economy and voter's pocketbooks. Congressional races are so boring, but most important for the country's future path. Politics may never be boring again.



Dr. Roger Tutterow,
Kennesaw State University

Two years had passed since the Fed's first interest rate hike of this cycle, and roughly eight months had passed since the Fed's last rate hike. While interest rates indeed remained higher for longer, interest rate volatility declined as the Fed shifted from an "increasing rate regime" to a "peak rate regime." Austin sifted through the fixed-income markets, highlighting risks and opportunities at the time.

The Times They Are Changin' - Noah Helm, First Trust Advisors

Growth crushed value and technology outperformed everything. COVID-19 and government intervention had huge implications for markets. The question became: Where would we go from there? Investors who stayed focused on fundamentals minimized risk and avoided emotional decisions. This mattered more than ever. Noah shared First Trust's view on where markets might head next.

Creating Team Engagement and Connection: Transforming Organizational Culture with the L.E.A.D. Operating System - Neil Stevens, Oconee State Bank & Caleb Stevens, SouthState Bank

With employee engagement at critical lows, as highlighted by recent Gallup findings, the need for effective, actionable solutions has never been greater. In this talk, the Stevens duo introduced the L.E.A.D. Operating System which is a groundbreaking approach designed to revolutionize workplace culture. They provided proven strategies to dramatically reduce turnover, increase retention, enhance sales, and boost profitability.

Top Retirement Plan Issues for 2024 for the Baby Boomer Generation and Eight Retirement Distribution Strategies that Will Make Their Money Last - Larry Divers

The presentation addressed specific ways for individuals and households to create a lifetime income stream that neither the individual nor their spouse could outlive. It also covered methods for distributing remaining assets to beneficiaries in the most tax-sensitive manner.

Retirement Update: SECURE 2.0 and Required Minimum Distribution Rates - Larry Divers, Canon Financial

The presentation included a discussion on Individual Retirement Accounts, including Traditional, SEP, and SIMPLE IRAs; 401(k), 403(b), and 457(b) Plans; required minimum distribution aggregation rules for each type of account; and strategies for lowering required minimum distributions. Topics covered included qualified distributions, Roth conversions, qualified charitable distributions, and net unrealized appreciation on company stock.



Bankers attending the Trust Conference at
the Wichita Marriott Hotel.

Conflicted - Jeff Kropschot, Kropschot Consulting Partners, LLC

In this session, we explored examples of traditional and emerging conflicts of interest and self-dealing scenarios that arise in delivering fiduciary services. We also discussed the risks and liabilities related to these scenarios and permissive exceptions to the duty of loyalty that may allow a fiduciary to engage in conflict of interest and self-dealing activities legally. Finally, we discussed actual conflicts of interest and examples of self-dealing, as seen through the eyes of a former examiner and chief compliance officer.

Fixed Income for All Landing Scenarios in 2024 - Austin Stockfisch, First Trust Advisors



Neil Stevens, Oconee State Bank and
Caleb Stevens, SouthState Bank

SAVE THE DATES

2025 MOKAN TRUST & FINANCIAL SERVICES CONFERENCE

May 14-16, 2025

Sheraton Overland Park Hotel & Convention Center

Overland Park, KS

2024-2025 KBA Trust Division Board

Mark Kennedy

President
Citizens State Bank & Trust Company

Tasha Bucher

President Elect
The Trust Company of Kansas, Arkansas City

Amy Barber

Vice President
Central National Bank, Topeka

Lori Bone

Immediate Past President & MOKAN Treasurer
Fidelity State Bank & Trust Company, Dodge City

Chris English

Past President
The Trust Company of Kansas, Lawrence

Sherri Gormley

Director (elected 2020)
First National Bank of Hutchinson, Hutchinson

LeAnn Mott

KBA Staff
Kansas Bankers Association, Topeka

Grant Paitz

Director (elected 2022)
INTRUST Bank, N.A., Wichita

Chris Kuckelman

Director (elected 2022)
Midwest Trust Company, Overland Park

Debbie Newman

Director (elected 2023)
Southwest National Bank, Wichita

Jeff Wacker

Director (elected 2024)
Advantage Trust Company, Salina

Joe Karnes

Legislative Representative
Central National Bank, Lawrence

Brenda L. Unruh

KBA Staff
Kansas Bankers Association, Topeka

Kelly VanZwoll, J.D.

KBA Staff
Kansas Bankers Association



Back row is Mark Kennedy, Citizens State Bank & Trust Co., Joe Karnes, Central National Bank, Grant Paitz, INTRUST Bank, N.A., Chris English, The Trust Company of Kansas, Chris Kuckelman, Midwest Trust Co., Brian Dutton, Community National Bank & Trust

Front row is Tasha Bucher, The Trust Company of Kansas, Lori Bone, Fidelity State Bank & Trust Co., Amy Barber, Central National Bank, Debbie Newman, Southwest National Bank

Not pictured is Sherri Gormley, First National Bank of Hutchinson

2025 KBA TRUST CONFERENCE

October 23-24, 2025

Hilton Garden Inn

Manhattan, KS