



Community Bank

Executive and Board

Compensation Survey

June 2023

**WIPFLI**

## 1. GENERAL INSTRUCTIONS AND INFORMATION

- Please be sure to read all information carefully and complete as much of the survey as you can.
- You must complete the “ABOUT YOUR BANK” sheet with the survey forms in order for us to properly process your information and ensure that you get a copy of the results.
- Please complete and return the forms by [July 14, 2023](#). We highly recommend completing the forms electronically. Please save the completed file with your Bank’s name before uploading the file. [Click here](#) to upload the completed forms to our secure, confidential online portal. Any challenges with or questions about the upload process can be addressed to [asodahl@wipfli.com](mailto:asodahl@wipfli.com). If you prefer to complete the forms in hard copy you may print the forms and mail them to:

Tammy Schaut · Wipfli LLP · PO Box 12237 · Green Bay, WI 54307-2237

2. **JOB DESCRIPTIONS** – Select the title and job description that most closely matches the position and role performed within your Bank when completing the survey. We understand that some of your executives may fulfill more than one area of responsibility. Enter compensation information for the executive’s primary role.

**President/CEO:** Top executive position at the Bank. Responsible for planning, organizing, directing, and controlling Bank resources to achieve objectives. Reports to the Board of Directors. May also serve as Board Chairman.

**Chief Financial Officer:** Top executive position overseeing the financial functions of the Bank. Responsible for developing and implementing financial plans and policies and directing treasury, budgeting, audit, and tax. Supervises activities of the Treasurer and/or Controller. Titles may include EVP, SVP, VP of Finance.

**Chief Operating Officer:** Typically, the #2 position in the Bank. Top executive that assists the President/CEO in the overall administration of the Bank in accordance with policies, goals, and objectives. Develops strategic/budget plans for multiple departments. In the absence of the CEO, may act in his/her place. Titles may include EVP or SVP.

**Chief Banking Officer:** Top sales and lending executive position in the Bank. Oversees the Bank’s overall lending function and is held accountable for bank-wide sales of loans, deposits, and fees. Responsible for the origination, underwriting, processing, closing, servicing, and compliance of the Bank’s lending activities, including residential and commercial real estate, commercial, small business, agricultural, and, in some cases, consumer/installment lending. Titles may include EVP, SVP, VP of Lending.

**Chief Credit Officer:** Top executive position responsible for the overall management of credit administration, credit policy, and credit risk management. Coordinates credit underwriting and special assets/collections. Titles may include EVP, SVP, VP of Credit Administration.

**Chief Human Resources Officer:** Top human resources management position responsible for planning, developing, implementing, and administering the Bank’s human resources programs. Provides leadership and guidance on policy and program matters to achieve Bank objectives. Ensures compliance with federal and state employment laws. Titles may include Chief People Officer (CPO), SVP, VP of Human Resources, Human Resources Director.

**Chief Information Officer:** Top executive position responsible for directing and coordinating the Bank’s information systems, information technology, and data processing activities. Coordinates the development, implementation, and operation of automated systems and electronic delivery. Evaluates and provides leadership for future technology needs. Titles may include EVP, SVP, VP of Information Systems and Technology.

**Chief Risk Officer:** Top executive position at the Bank responsible for planning and directing the development of risk management and/or enterprise-wide risk management (ERM). An evolving function at most community banks, this position can oversee bank-wide compliance, regulatory examination preparation, loan review coordination/supervision, whether internal or external, and the development of loss prevention programs that provide maximum protection of the Bank's assets. May also oversee internal or external audit. Titles may include EVP, SVP, VP of Risk Management.

**Chief Compliance Officer:** Top compliance position responsible for developing, administering, and monitoring programs that ensure compliance with laws, regulations, and rules that govern the Bank's operations and product offerings. Develops training and continuing education programs in concert with specific functional areas to maintain the Bank's compliance. Titles may include SVP, VP of Compliance.

**Chief Operations Officer:** Top operations executive responsible for the management, supervision, and direction of all operation activities including processing and maintaining customer accounts, check processing, funds transfer, lockbox processing, loan operations, and other back office operational activities.

**Chief Commercial Banking Officer:** Top executive position responsible for the Bank's commercial lending function. Develops and approves lending policies and procedures for lending areas; represents the financial institution in major transactions; makes credit decisions that exceed loan officers' authority. May also supervise banking operations including underwriting, processing, closing, servicing, compliance, and cross sales of deposit services. Supervises the activities of Commercial and Agricultural Banking Officers and monitors loan portfolio performance. Titles may include EVP, SVP, VP of Commercial Banking/Lending.

**Chief Retail Banking Officer:** Top executive position of the Bank responsible for the management, supervision, and direction of retail/consumer products and services including delivery channels (branch, electronic, contact center). Typically oversees all or many of the following functions: consumer lending, customer service, new accounts, tellers, branch operations, personal/private banking, and possibly marketing. Titles may include EVP, SVP, VP of Branch Administration, VP of Retail Banking.

**Chief Mortgage Loan Officer:** Top executive position responsible for the Bank's mortgage lending function including origination, underwriting, processing, closing, servicing, compliance, and cross sales of other Bank services. Supervises and monitors the activities of Mortgage Loan Originators and Mortgage Operations staff. Titles may include EVP, SVP, VP of Mortgage Lending.

**Head of Wealth:** Top executive position responsible for the Bank's Wealth and Trust businesses including operations and investment services. Develops and reviews trust policies and procedures. Directs staff and/or interacts directly with customers to promote services, including estate planning, financial management, and investment strategies. Titles may include EVP, SVP, VP of Wealth and Trust Management.

**Head of Insurance:** Top executive position responsible for planning, organizing, directing, and managing the overall insurance business including sales and insurance operations. Supervises insurance team and interacts with key customers to promote insurance and Bank products and services. Titles may include EVP, SVP, VP of Insurance. (NOTE: If this position reports to the Chief Retail Officer or Chief Banking Officer, do not submit data.)

# ABOUT YOUR BANK

Bank Name: \_\_\_\_\_ Main Office County: \_\_\_\_\_ Date Completed: \_\_\_\_\_

Main Office Street Address: \_\_\_\_\_ City, State, ZIP: \_\_\_\_\_

**Individual Supplying Information:** This is the person the survey analyst will contact to address any questions regarding the survey.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

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

**Name and Address of Person to Whom the Survey Results Should Be Sent:**

Name: \_\_\_\_\_

**PLEASE COMPLETE THE SURVEY ORDER FORM IF YOU WOULD LIKE TO RECEIVE A COPY OF THE RESULTS.**

**Bank Information:**

- |   |          |
|---|----------|
| 1. Asset size in millions of dollars as of June 1, 2023           | \$ _____ |
| 2. Total number of employees for ALL locations as of June 1, 2023 | # _____  |
| 3. Total number of full-time equivalents for all locations (FTEs) | # _____  |
| 4. Total number of locations (including main)                     | # _____  |
| 5. Is the Bank majority family owned? (Y/N)                       | _____    |
| 6. Bank is a (S-Corp, C-Corp, Mutual)                             | _____    |
| 7. Publicly traded (Y/N)  | _____    |
| 8. Number of shareholders   | # _____  |
| 9. How many Directors are on your Bank Board?                     | # _____  |
| 10. Number of inside Directors on Board                           | # _____  |
| 11. Number of outside Directors on Board                          | # _____  |

12. Annual retainer paid to Board member? (Y/N)  
If yes, do they also receive per meeting fees in addition to the retainer? If yes, please include fees amount in number 13 below.
13. Board/Committees (indicate number of meetings per year and per meeting fees paid)
- |                                |         |          |
|--------------------------------|---------|----------|
| Full Board Meeting             | # _____ | \$ _____ |
| Executive/Governance Committee | # _____ | \$ _____ |
| Audit Committee                | # _____ | \$ _____ |
| Compensation Committee         | # _____ | \$ _____ |
| Directors' Loan Committee      | # _____ | \$ _____ |
| ALCO Committee                 | # _____ | \$ _____ |
| Other: _____                   | # _____ | \$ _____ |

**\*\*\* IMPORTANT INFORMATION AND INSTRUCTIONS \*\*\***

- Please return this sheet with the attached survey forms. This will ensure you get a copy of the results.
- The only people who will have access to your bank's individual information are Julia Johnson, Andrea Sodahl, and Tammy Schaut, all at Wipfli LLP. It will not be shared with any other person or group, either within or outside of Wipfli, or with any other bank. The confidentiality of your bank's individual information is absolutely ensured. Survey results are compiled and reported only where they will not identify data of an individual bank or person. Only those items with three or more banks AND at least four or more individual incumbents in a position will be reported, and only in summary form.

This survey must be returned by **July 14, 2023**: [Click here to submit the completed survey electronically.](#)

Please save the completed file with your Bank's name before uploading the file.

Or by mail at: Tammy Schaut · Wipfli LLP · PO Box 12237 · Green Bay, WI 54307-2237

Questions? Contact Andrea Sodahl at 952.548.6735 (asodahl@wipfli.com)





	Chief Compliance Officer	Chief Operations Officer	Chief Commercial Banking Officer	Chief Retail Banking Officer	Chief Mortgage Loan Officer	Head of Wealth	Head of Insurance
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**Officer Compensation**

1. Years at <u>THIS</u> Bank							
2. Years in <u>THIS</u> position (including prior employers)							
3. % of ownership in the Bank	%	%	%	%	%	%	%
4. Position is on the Board? (Y/N)	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N
5. Does this position have a Change of Control Agreement? (Y/N)	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N
6. Does this position have a noncompete agreement? (Y/N)	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N
7. Annual base salary as of 6/1/2023	\$	\$	\$	\$	\$	\$	\$
8. Annual incentive/bonus compensation for 2022 (regardless of when it was paid)	\$	\$	\$	\$	\$	\$	\$
a. Incentive/Bonus comp determined by (F)ormula or (D)iscretionary or (B)oth?	F D B	F D B	F D B	F D B	F D B	F D B	F D B
9. Additional cash compensation for 2022 (regardless of when it was paid)	\$	\$	\$	\$	\$	\$	\$
a. Reasons and type of additional cash compensation (please describe)							
10. Position eligible for long-term incentive comp? (typically 3- to 5-year vesting time horizon) (Y/N)	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N
a. If yes, what is the value of the annual contribution?							
1) Cash vested (based on specific results or increase in total shareholder equity)	\$	\$	\$	\$	\$	\$	\$
2) Performance Unit Stock	\$	\$	\$	\$	\$	\$	\$
3) Stock Options	\$	\$	\$	\$	\$	\$	\$
4) Restricted Stock	\$	\$	\$	\$	\$	\$	\$
5) Phantom Stock Options	\$	\$	\$	\$	\$	\$	\$
6) Stock Appreciation Rights (SARS)	\$	\$	\$	\$	\$	\$	\$
11. Inside Director fees (Y/N)	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N
a. Director fees paid for regular board meetings? (Y/N)	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N
b. Director fees paid for regular committee meetings? (Y/N)	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N	Y or N
c. If yes, total inside director fees paid per year	\$	\$	\$	\$	\$	\$	\$







	Chief Compliance Officer	Chief Operations Officer	Chief Commercial Banking Officer	Chief Retail Banking Officer	Chief Mortgage Loan Officer	Head of Wealth	Head of Insurance
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**Officer Benefits**

1. Health insurance level - (S)ingle, (L)imited, (F)amily or (N)one (choose one)							
a. % of health insurance premium paid by Bank	%	%	%	%	%	%	%
b. Annual premium for health insurance paid by Bank/year (Bank portion only)	\$	\$	\$	\$	\$	\$	\$
c. Position eligible for retiree health insurance? (Y/N)							
2. Position covered by bank-paid individual life insurance policy with employee as beneficiary? (Y/N)							
a. If yes, face value of policy	\$	\$	\$	\$	\$	\$	\$
b. If yes, annual premium paid by the Bank	\$	\$	\$	\$	\$	\$	\$
3. Annual premium for short-term disability insurance/year (for executives only)	\$	\$	\$	\$	\$	\$	\$
4. Annual premium for supplemental long-term disability insurance/year (for executives only)	\$	\$	\$	\$	\$	\$	\$
5. Do you have a qualified retirement plan (401(k), profit sharing, defined benefit, etc.)? (Y/N)							
a. If yes, annual contribution made by the Bank to the executive's account	% \$	% \$	% \$	% \$	% \$	% \$	% \$
6. Position covered by a SERP (supplemental employee retirement plan—nonqualified plan)? (Y/N)							
a. % of base salary, OR annual \$\$ put into plan by the Bank	% \$	% \$	% \$	% \$	% \$	% \$	% \$
b. Performance based? (circle one)							
c. Number of years for payment of benefit (please indicate)	#	#	#	#	#	#	#
d. Average annual benefit paid upon retirement	\$	\$	\$	\$	\$	\$	\$
7. Other nonqualified benefit plan or contribution plan	% \$	% \$	% \$	% \$	% \$	% \$	% \$
8. Cost of company car or car allowance/year	\$	\$	\$	\$	\$	\$	\$
9. Cost of professional dues paid by Bank/year	\$	\$	\$	\$	\$	\$	\$
10. Cost of club memberships paid by Bank/year	\$	\$	\$	\$	\$	\$	\$
11. Cost of tablet including Internet fees, if provided	\$	\$	\$	\$	\$	\$	\$
12. Cost of cell/smart phone, if provided	\$	\$	\$	\$	\$	\$	\$



### Director's Compensation and Benefits

	Inside Board Chairman	Outside Board Chairman	Board Director (Please average for all Board members)
1. % Ownership of the Bank	%	%	%
2. Total Director cash compensation paid for 2022 (For Board Director, please do not include the inside or outside Board Chairman. The amount in a-d below should be an average paid per Director.)			
a. Total of all full board meeting fees paid in 2022	\$	\$	\$
b. Total of all other committee meeting fees paid in 2022	\$	\$	\$
c. Total amount of retainer paid in 2022	\$	\$	\$
d. Total of all other cash compensation paid in 2022 (excluding base and incentive compensation for inside Director)	\$	\$	\$
3. Do your board members have the option to accept stock for board fees in lieu of cash payment? (Y/N)	Y or N	Y or N	Y or N
4. Is there an expectation or requirement that your board members own stock? (Y/N)	Y or N	Y or N	Y or N
5. Does your board receive incentive compensation? (Y/N)	Y or N	Y or N	Y or N
a. If yes – stock or cash or combination of each (please indicate Stock, Cash, or Both)			
6. Considering all Board members, what is the average number of committees that your Board members serve on?			
7. Does your organization have a deferred compensation plan for directors? (Y/N)	Y or N	Y or N	Y or N
a. If yes, Do you allow deferral of Director fees under a deferred comp arrangement? (Y/N)	Y or N	Y or N	Y or N
8. Does the Board have a Board Succession Plan? (Y/N)	Y or N	Y or N	Y or N
9. Does your Bank have a Board-approved mandatory retirement age for Directors? (Y/N)	Y or N	Y or N	Y or N
a. If yes, what is the mandatory retirement age?			
10. Does your Bank have a Board-approved mandatory term limit policy for Directors? (Y/N)	Y or N	Y or N	Y or N
a. If yes, how many years per term?	#	#	#
b. If yes, maximum number of terms (or N/A if no limit)	#	#	#
11. Does your institution utilize Emeritus status for retired Directors? (Y/N)	Y or N	Y or N	Y or N
12. Do you provide any additional benefits to Directors:			
a. Professional dues or memberships? (Y/N)	Y or N	Y or N	Y or N
b. Reimbursements for seminars, conferences, etc.? (Y/N)	Y or N	Y or N	Y or N
c. Cost of tablets, including Internet fees? (Y/N)	Y or N	Y or N	Y or N
d. Cost of cell/smart phone, including calling plan fees? (Y/N)	Y or N	Y or N	Y or N

**Executive Officer Incentive Compensation**

1. Does the Board have a Compensation Committee? (Y/N)	___ Yes	___ No	
If yes, is there a formal Compensation Committee Charter?	___ Yes	___ No	
2. Does the Bank have a formal, written Compensation Philosophy for executive total compensation? (Y/N)	___ Yes	___ No	
3. What metrics are taken into consideration when determining formula-driven <b>annual incentive</b> awards? (check all that apply)			
___ Pretax Net Income	___ Pretax ROE	___ Loan Quality	___ Efficiency Ratio
___ Net Income	___ ROE	___ Loan Growth	___ Bank Performance Relative to Peer
___ Pretax ROA	___ Net Interest Margin	___ Deposit Growth	___ Individual Performance
___ ROA	___ Noninterest Income	___ CAMELS Rating	Other: _____
4. What metrics are taken into consideration when determining formula-driven <b>long-term incentive</b> awards? (check all that apply)			
___ Pretax Net Income	___ Pretax ROE	___ Loan Quality	___ Efficiency Ratio
___ Net Income	___ ROE	___ Loan Growth	___ Bank Performance Relative to Peer
___ Pretax ROA	___ Net Interest Margin	___ Deposit Growth	___ Individual Performance
___ ROA	___ Noninterest Income	___ CAMELS Rating	Other: _____
5. Does the Bank have a formal, written plan document(s) and calculation tools for annual incentive compensation for executive officers? (Y/N)	___ Yes	___ No	
6. Does the Bank have a formal, written plan document(s) and calculation tools for long-term incentive compensation for executive officers? (Y/N)	___ Yes	___ No	
7. Does the Board review and verify annual incentive targets and incentive payment calculations for executive officers? (Y/N)	___ Yes	___ No	

**Talent Management Strategy**

1. What percentage of your workforce is working:	___ 100% Remote	___ Hybrid Arrangement	___ 100% in Office
A. If Hybrid, how many days a week, on average, are employees IN OFFICE	___ 1 Day	___ 2 Days	___ 3 Days ___ 4 Days
2. Do you offer any of the following flexible work arrangements?	___ Compressed Work Week	___ Outside Business Hours	___ Less than 40 hours
3. If you offer remote work arrangements, do you provision office equipment? (Y/N)	___ Yes ___ No		
A. If yes, select the equipment you provision	___ Laptop	___ Monitor(s)	___ Chair
	___ External Keyboard & Mouse	___ Internet Service	
	Other (please list): _____		
B. If you don't provision equipment directly, do you offer an equipment stipend?	___ Monthly	___ Annually	___ One time ___ No
C. If you provide an equipment stipend, how much is it (annually)?	___ <\$50	___ \$51-\$100	___ \$101-\$200 ___ \$201-\$300 ___ >\$300
4. Do you reimburse for milage or travel time to the office for remote employees? (Y/N)	___ Yes ___ No		
5. Do you alter compensation arrangements for those employees electing to work remotely? (Y/N)	___ Yes ___ No		
6. Select the Bank's top three talent management focus areas:	___ Organizational Structure & Role Alignment	___ Retention	
	___ Leadership Development	___ Employee Development	
	___ Succession Planning & Career Pathing	___ Employee Engagement	
	___ Compensation & Benefits	___ Culture	
	Other (please list): _____		



## 2023 Annual Executive and Board Compensation Survey Order Form

If you would like a copy of the survey results, please complete and return this form with payment payable to Wipfli LLP. Survey results will be available in September.

Please send me a copy of the 2023 Executive and Board Compensation Survey. I understand that the cost of the survey is \$295 for participants or \$750 for nonparticipants plus applicable state and local sales tax.

Send Results

No results needed

Send Survey Results to:

Name \_\_\_\_\_

Bank Name \_\_\_\_\_

City, State \_\_\_\_\_

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

	Price	Sales Tax	Total Amount Due
<b>Participant</b> <small>(Sales Tax – i.e., 5% = \$14.75, 5.5% = \$16.23, 6.875% = \$20.28, etc.)</small>	<b>\$295.00</b>	_____	_____
<b>Nonparticipant</b> <small>(Sales Tax – i.e., 5% = \$37.50, 5.5% = \$41.25, 6.875% = \$51.56, etc.)</small>	<b>\$750.00</b>	_____	_____

Please complete and mail with your payment payable to Wipfli LLP to:

Tammy Schaut  
Wipfli LLP  
PO Box 12237  
Green Bay, WI 54307-2237