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Peoples Savings Bank – Committed to Their Employees, Improving the Quality of Life in Their Communities, Making All of Their Banks State-of-the-Art and Growth in 2024



Mark Laune
President & CEO

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CEOCFO: *Mr. Laune, when we spoke two years ago, you emphasized the importance of community banking and making the financial lives of your customers better. Is that still the focus of your bank today?*

Mr. Laune: Absolutely! Community banks play a crucial role with our customers, enhancing their well-being, and our local economy. It helps foster local economic development, personalized service, and relationship services and always allows for our customers to better understand their unique needs. This leads to more tailored financial solutions and customer satisfaction compared to larger banks.

CEOCFO: *I see investing in the community as important for your bank, for example, your Peoples Savings Bank Scholarship Program. On your Facebook page as a part of your logo, it says: "The People You Know and Trust." Is investing in the community a part of building that trust?*

Mr. Laune: Oh absolutely! We frequently engage in local events. We do sponsorships of different events including scholarships and charitable activities. We reinforce our commitment to improving the quality of life in our communities by being involved in our community with charitable events. One of them is the scholarship program. This year we will give out eight, \$1,000 scholarships within the communities we serve.

As a community bank, we contribute to the economic vitality of the communities that we serve. We provide loans to small businesses for job creation and economic growth. All this gives back to the community.

"I live and die with Peoples Savings Bank. I love helping customers, I love the community, and being a community banker. I want to be a community banker my entire career, community banking is what I started my career at and what I want to continue my career as. There is nothing better than to help someone buy their first house, upgrade their house start, a small business, or get their dream car. Nothing is better than that."
Mark Laune

CEOCFO: *According to Deposit Accounts, a LendingTree company, Peoples Savings Bank of Rhineland is currently the 55th largest bank headquartered in Missouri, with assets over \$626 million. How did you get there?*

Mr. Laune: As of today, we are actually 655 million in assets. A big part of that is our employee dedication and their hard work. They try to provide the best financial solutions possible for our customers. The relationship-driven approach of our bank leads to higher levels of trust and loyalty among customers which is critical in not only the growth of our bank but also the economic success of our market areas.

CEOCFO: *Growth through acquisitions has been part of your model. What are some of the advantages of making an acquisition? You have also added branches de novo. Is the ability to decide which is the best for the particular area you want to go into, one of the strengths of you and your leadership team?*

Mr. Laune: The advantages of making an acquisition is you pick up existing customers and employees they may have, that can be part of your team and your customers can be part of your market share. As an executive team, we look at opportunities to either branch out or acquire another bank.

Our team works well together and puts a large emphasis on what the branch acquisition will bring to our existing bank and what this will provide us regarding future success. We look at many different opportunities. Most end up not coming to fruition but the ones that have are usually a success.

CEOCFO: *Where has growth come from over the past two years? Have you added any new branches?*

Mr. Laune: Over the past two years we committed to some of our current branches to update them by remodeling or building new branches in those communities which we have done a couple of times. However, in July of this year, we will be opening our twelfth branch in Mexico, Missouri which will be our first branch in Audrain County. It will be de novo.

Making that commitment to our other branches is a priority and makes all of our banks state-of-the-art so that our customers realize we are here to stay and it allows them to have the best financial services out there.

CEOCFO: *What are some of the other accomplishments you can point to that have happened since we last spoke?*

Mr. Laune: We are in the process of later in 2024 starting a wealth management division, Peoples Savings Wealth Management, which is about 80% complete. Probably in the next three months, we will be going live with customers. This will be unique as we will be offering a goals-based approach where our representatives will sit down with clients to work on a risk tolerance that fits their comfort level and work from there on an investment strategy.

It will be a hands-on approach. It will not be a cookie-cutter type of product. We will sit down and look for the customer's risk tolerance using state of the art technology.

CEOCFO: *Has there been any other significant changes to your team since we last talked two years ago?*

Mr. Laune: Our Managing Director of Wealth Services is John Sastry. We have added a couple of existing employees to our executive team since we last talked. Our Chief Compliance Officer, Jennifer Lawton, has become part of our executive team, as well as our Chief Information Officer, Denise Williams. They are both part of the top management team at the bank now. We have also added a lot of influential people in the last couple of years with our growth.

CEOCFO: *You have a strong group of local owners. Is that common, and why have they stayed engaged for so long, given the bank's 87-year history?*

Mr. Laune: Our investment group is primarily made up of local investors and investors who have had family ties to our bank since its inception. Having success and helping our community are very important to our shareholder group. They all have very strong ties to the communities that we are representing. All of them feel a desire to stay involved and make people a success in these communities.

CEOCFO: *In many states, we have seen efforts to turn rural areas into suburbs of major cities with new highways being built. Has any of this occurred in the areas you serve and if so, has it changed your approach to banking?*

Mr. Laune: We are primarily in the rural areas of Missouri with two branches in what I call the suburbs. Even with our branches in the suburbs we still take the community banking approach and try to make the area better because Peoples Savings Bank is there to help. There is growth in many of our branches and communities but I have not seen the cities or suburbs taking over these communities. We are more in the rural area.

CEOCFO: *We know Ag lending is important for you. Would you tell us about your team that handles your Ag lending and what they bring to the table that helps them understand farming?*

Mr. Laune: Many of our lenders have grown up on farms and still farm to some extent whether it is a small side job on the farm, helping with the family farm, or just a hobby farmer. Many have family members who farm and close relatives who farm. Rural communities are important and the AG sector is a success and our communities continue to be successful. The AG industry is the backbone of some of these communities. We like to stay involved as much as we can with that.

CEOCFO: *What other lending products are important to the future of the bank?*

Mr. Laune: We do not specialize in just commercial loans, residential real estate loans, or consumer loans. We do it all. We try to figure out what fits the customer's needs and try to work with them to figure out what they need and to make things the best for our customers. Again, it

is not a cookie-cutter approach and we do a little bit of everything on the lending side as well.

CEOCFO: *You have transitioned to more of a small business commercial bank. What kind of growth have you experienced in this area over the past two years?*

Mr. Laune: We are still a community bank but we have grown our small business and commercial loans more than any, but in the small communities we serve we look at AG being a backbone and the small businesses being the backbone. When you drive down Main Street of the communities we serve, the small businesses make up a big part of the economic development of those areas.

Our growth has been strong in this area and when we branch out, we try to attract the small businesses to get them involved with Peoples Savings Bank to help with the portfolio and help make the towns more successful.

CEOCFO: *Can you touch on the kinds of businesses that are moving into your area now?*

Mr. Laune: It depends on the community you are looking at. We will have 12 branches by this summer. If you look at our Hermann branch, it is very much a tourism type of branch. You look at our suburb bank that we have in St. Peters and WingHaven and you see a lot more of the professional small businesses such as accountants and lawyers and things like as well as daycares. We are a community bank and we deal with everybody, we do not specialize in anything.

CEOCFO: *Have you seen an increased interest in your ESOP program?*

Mr. Laune: Our ESOP is in its fifth year. Our employees are satisfied and it can help with the returns because they are owners now. As part of our benefit package, many of the new employees that come in are very impressed with our ESOP the amount of match that we put into ESOP, and the ability of it to grow. ESOP has been a strong hiring tool as well as a retention tool for our employees.

CEOCFO: *In closing, you have been with the bank for 34 years now. Is your love for banking and People Savings still as strong as when you started?*

Mr. Laune: There is no question about that. I live and die with Peoples Savings Bank. I love helping customers, I love the community, and being a community banker. I want to be a community banker my entire career, community banking is what I started my career at and what I want to continue my career as. There is nothing better than to help someone buy their first house, upgrade their house start, a small business, or get their dream car. Nothing is better than that.