



HEALTHCARE EDITION

# BANKNOTES

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## Are You Receiving Our Marketing Emails?

Often, customers may not receive emails from CNB Marketing because the messages are filtered into their Spam folder. To ensure you aren't missing out on important information, including event invitations and bank closing notices, please be sure to add [cnbmarketing@firstmerchants.com](mailto:cnbmarketing@firstmerchants.com) to your address book and "Safe Sender List" through your email client.

### Questions or comments about *BankNotes*?

Contact Cameo Stewart at (614) 583-2166.

## JENN'S CORNER

# Become A Great Communicator

by Jennifer Griffith, Regional President



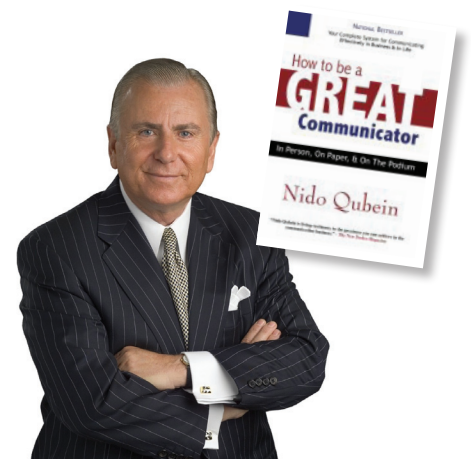
The common objective of all forms of communication is to connect with people. It is a function that can't be done by technology.

Who wants to be led by technology anyway? We are all great people looking to connect and do business with great people. Extraordinary communicators apply their skills to create the playing fields necessary that encourage human connections. Motivating an audience to buy from you, sell to you, invest in you or follow your lead is crucial to professional excellence.

Dr. Nido Qubein is an accomplished business man, educator, and professional speaker. He has authored two dozen books and CNBC aired his life story, titled "A Life of Success and Significance." He is the president of High Point University and the Chairman of Great Harvest Bread Company. He is also the keynote speaker at the Commerce National Bank Customer Biennial Spring Seminar and Network Fair to be held in May at The Fawcett Center.

As a teenager, Nido came to the United States with very little knowledge of English and \$50 in his pocket. He knew that in order to be independently successful, he had to become a master communicator. He knew that high-powered communicators must focus words the way laser beams focus light.

At Commerce National Bank, we are always looking for ways to add value to you and your business. Great service, loyal relationships and life-long education are the pillars of our brand promise to you. While previewing potential keynote speakers for our seminar, I was struck by Nido's personal story and success. His accreditation and review regarding the power of various effective communication techniques really hits home. Work place communication outlets continue to evolve: conference calls, formal letters, emails, company newsletters, social media, texting, annual reports, and the forever necessary face-to-face meetings. Each outlet is important in its own, unique way to help businesses grow and succeed. I'm certain that you'll not only be inspired by Nido's story, but motivated to invest in your own personal quest to be a great communicator. Please save the date, May 8th, and join us for an inspired afternoon. 🏠



## CONTACT INFO

Healthcare Lending Office  
513-794-7450  
Fax: 614-583-2201  
www.commercenationalbank.com/  
healthcare

Our Customer Call Center at  
888-716-1514 is available  
extended hours:  
Monday–Friday 7:00am–7:00pm  
Saturday 9:00am–1:00pm

*Each member of our team works exclusively with doctors. We want to help you build an efficient and highly productive practice. Our team collectively has more than 25 years of experience providing lending and banking solutions to help doctors acquire and grow their practice.*

### Mark Engle

Senior Vice President  
mengle@firstmerchants.com  
513-794-7457

### George Leugers

Relationship Manager  
gleugers@firstmerchants.com  
513-794-7455

### Justin Baker

Relationship Manager  
jrbaker@firstmerchants.com  
614-583-2182

### Nate Johnson

Relationship Manager  
njohnson@firstmerchants.com  
513-399-6019

### Kevin Megli

Relationship Manager  
kmegli@firstmerchants.com  
317-566-612

### Business Solutions Group Remote Deposit/Online Banking ACH

866-833-0050

### Cash Management, Merchant Services

Jennifer Wehrly

# Online Banking Tips

by Cathy Dieckman, Regional Chief Operating Officer

Online banking is a convenient and easy way to manage your accounts. We have a few tips to make your online banking experience even better. Setting up the Account Alerts function within online banking is a smart way to be proactive in managing your money.

The HOME tab that first displays when you login to Online Banking (OLB) provides two great options to customize your user experience: Alerts & Messages and Preferences.

The Alerts & Messages menu allows you to set up account Alerts that can be sent to external email or to your OLB inbox. The first step is to select Manage Delivery Options. From here click Add Delivery Options to add external email addresses for the delivery of alerts. From this menu select Manage Alerts. Here you will see the Alerts section and the Security Alerts section. You can create a new Alert by selecting

an alert type from the drop down menu. Check the Delivery Option boxes for where you want the alert emailed when it occurs. Click Submit and your alert is established. The Security Alerts section contains pre-defined alerts that are automatically established to deliver the alert to your OLB inbox. By clicking on the alert, you can also choose to have that Security Alert delivered to an external email address you established.

The second tab from the main HOME menu is Preferences. Preferences allow you to establish Nicknames for your accounts that override the bank established account description. Nicknames not only are useful when you have many accounts to view in OLB, but these nicknames are also used in our Mobile Banking App and Text Banking. To add Nicknames, choose Change Account Preferences from the Preferences tab. This section also allows you to change the number of days of account History that displays, up to 60 days in the past. 📅

## CNB Online Banking Home Tab Example

The screenshot displays the online banking interface for Commerce National Bank. At the top, there are navigation tabs: Home, Accounts, Payments, Transfers, and Services. Below these is a 'My Bank' section with a dropdown menu showing 'Alerts & Messages', 'Message Center', 'Manage Alerts', 'Manage Reminders', and 'Manage Delivery Options'. To the right of this menu is an 'Info Center' box with a yellow border, containing three options: 'View Alerts', 'View Messages', and 'View Reminders'. Below the 'My Bank' section is an 'Account Balance' table for Checking accounts.

Account Name	Account Number	Available Balance	As Of	Current Balance
PAY DAY PLUS DD1US	7804	\$670.32	02/04/2011 10:22	\$670.32
PERSONAL FREE CHECKING DD1GS	7801	\$53,243.95	02/04/2011 10:42	\$51,743.95
PREFERRED CHECKING DD1EI	7805	\$9,130.04	02/04/2011 10:37	\$7,630.04

Below the table are buttons for 'Checking' and 'Savings'. Further down are sections for 'Transactions' and 'Quick Transfer'. At the bottom of the page, there are links for 'Home | Accounts | Payments | Transfers | Services' and 'Copyright Information'.

## PRACTICE VALUE

# Location, Location, Location

by Mark Engle, Senior Vice President, Healthcare Business Banking Group



This is a thought often associated with real estate, but how does location relate to the value of your practice?

Some of the dynamics that make up the value of your practice include: procedures and quality of care, the condition of the office and equipment, and the consistent profitability and growth you have created. Location is also a key component of practice value in that patients from the communities you serve have become familiar, and more importantly, comfortable with your location. You have created stability with your practice. How would moving impact that comfort or stability? Let's take a look at a couple of scenarios.

**Scenario One:** If you rent your office space and are considering selling your practice in the near future, the value of your practice is going to depend on your ability to help a buyer secure

a long-term lease. A buyer will not pay top dollar for a practice if they have to assume the added risk and expense of relocating it during the initial years following the purchase. In any transition, you want to maintain stability as the practice changes ownership and a long term lease helps create that stability. Additionally, a bank or lender is going to want the buyer to have a lease equal to the term of the loan to ensure the practice has a home during the loan repayment period. Give consideration to this issue when selling your practice and get the landlord involved at the right time.

**Scenario Two:** If you rent your office space and would like to purchase a building at a different location, consider how your practice value may change. The idea of buying a building allows you to earn equity in your office space, and with proper planning, should enhance your practice value. Think about where you are moving to and how will this move may impact your patient base. If you make a wrong move, maybe too far from your core patient base, then you could lose patients, which will hurt your practice value. On

the other hand, you could strategically move the practice to a location that will allow you to retain your current patients and attract new patients. Give careful thought to where the new building is in relation to your current space, and remember that patients have gotten comfortable with your current office location. You don't want the new location to be an inconvenience for long time patients. Proper planning is critical in this scenario and you may want to engage the services of a professional that can help guide you through the process.

I have been involved in both of the above scenarios. Many times these work out fine, but I have certainly seen the negative impact of not planning appropriately. The common theme throughout both of these scenarios is maintaining **stability**, planning for **growth**, and protecting practice **value**. You have worked hard to build your practice value. Whether you are cashing in on the value you have created over time or looking to continue to build your practice value through relocation, let us know how we can help. 🏠

## COMPUTER SECURITY

# 'Tis the Season for Family, Fun and Phishing!

by Clyde Hague, CISM, CISSP, Information Security Officer, First Merchants Bank

While phishing e-mails (or Spam) are being sent year round, the end of year holidays hold a special place in the hearts of spammers everywhere. What other time of the year has so many people so busy and at the same time willing to give. It's the perfect gift for the spammer needing to meet his quota of stolen identities. On top of that, we have the Typhoon in the Philippines and the Obamacare rollout, so you add to the holiday phishing other fake e-mails purporting to help those in need and help you get insured.

The trend in 2013 has been that about 70% of all e-mail is spam. The percentage will climb



through the holidays. There will be ample opportunities to trick people into clicking a link or providing confidential information.

I hope you enjoyed the holidays and time with your family. And don't worry about the phishing e-mails – just delete them.

If you have a desire to give to those who are less fortunate, don't click on a link in an unfamiliar, unexpected e-mail, but instead contact the person or charity organizations yourself to find out how to help. Ask around and you will find ways to help those in need where you live.

Have a happy, spam-free new year. 🏠



# Peering into 2014

by Michael J. Hicks, PhD, Director, Center for Business and Economic Research, Ball State University



The early 2014 prognosis for the U.S. economy is more of the same old tepid growth which was the hallmark of 2013. My forecast for the U.S. in 2014 is real GDP growth

of roughly two percent over the year, which is better than what we have seen in any of the post-recession years. In this sense, the economy plods along, with GDP having fully returned to the pre-recession high in December 2010. Equity markets continue to do well, with stocks enjoying an especially robust year. Even the rapid growth in stock values following the Fed's easing announcement in December reflects confidence that there will be continued stimulus through much of 2014.

The housing market rebound which was so strong in the first half of 2013 has cooled significantly. As we go to press, the late 2013 figures show a five year low in existing home sales, a drop which reflects the rising mortgage interest rates. Still, if housing rebounds slightly in 2014, the growth in this market will do much to spur construction and ease the labor market weakness in that key jobs producing sector.

Continued challenges to labor markets plague the economy. Job growth in 2013 was insufficient to absorb the number of new workers who should have been entering the economy (about 140,000 per month). Moreover, the composition of employment is worrisome. Though the first half of 2013 saw job creation concentrated in part-time employment for workers who suffered slack business conditions or could only find part time work that eased a bit by year's end. Still, the plurality of new employment is in retail, food service, accommodations and business services. These jobs likely are more transient, pay less well and are less career oriented than in other sectors.

The collapse of the labor force from the beginning of the recession in December 2007



to today comprises a loss of employable adults of almost three percent. Though it has been rebounding slightly, it appears that we will just return to a labor force size equal to that of 2000 in early 2014. With population growth, including growth of working aged adults, this means that the labor force participation rate is back to levels not seen since the late 1970's. Much of the decline in the national unemployment rate is attributable to the loss of workers in the economy, not the growth of jobs.

The current economic recovery is four and one half years old, yet employment nationally is unlikely to return to 2007 levels in 2014. This places enormous pressure on public finances since many of those not working have moved to public assistance. The lower levels of employment also reduce tax revenues to local state and federal governments. Thus, a continued absence of labor market recoveries has broad effects on households, businesses and government.

A growing debate over the effect of the Stimulus Act of 2009 is also emerging. In addition to spending \$856 billion on a variety of projects, this legislation also loosened the eligibility requirements for many income support programs such as Medicaid, SNAP (food stamps), energy and telecommunications subsidies. The law also extended unemployment insurance payments.

Economist Casey Mulligan at the University of Chicago argues convincingly that these plans raise the marginal tax rates on work (counting the loss of benefits as a negative tax). He argues that this is a major contributor to the labor force declines from 2009 to the present.

The all-important January 1, 2014 implementation of the Affordable Care Act was deftly dodged by an administration unable to implement any of the major elements which required government action. As a consequence, the only elements fully implemented to date are the regulatory components of health care insurance provisions. The costs of these are borne heavily by households and businesses. As 2014 unfolds, insurance markets will recalibrate actuarial claims for individual and business plans. The influx of new households into individual plans and state exchanges are certain as we go to press, to increase rates. This will be difficult for the more than 5 million Americans expected to receive coverage under these plans. However, the looming implementation of the employer mandate charges businesses with difficult coverage decisions. At issue are the ACA plan requirements offering rates which may be unaffordable for small businesses. As this occurs, many households (more than 50 million by some estimates) will find themselves purchasing insurance on the state exchanges. This will be a politically difficult outcome, especially if those individual plan rates have been negatively influenced by over enrollment by high cost enrollees.

Finally, economic uncertainty remains high. A new data series which attempts to measure economic uncertainty using a number of different indicators illustrates the relatively high and persistent level of uncertainty, which has plagued the U.S. since the bubble burst so visibly in 2008. The only certain thing is that uncertainty will remain high and difficult to shed in 2014.

Dr. Hicks' views do not necessarily reflect the opinion of Commerce National Bank or First Merchants Corporation. ■

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A Division of First Merchants Bank, N.A.

The Bank for Business<sup>SM</sup>

# 2014 CNB ECONOMIC FORECAST

A Report on National, State and Local Economic Trends

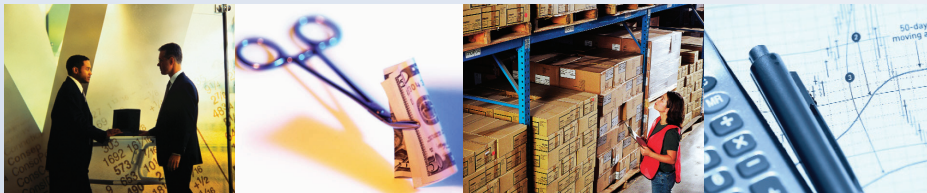
**January 22, 2014**

CNB is happy to introduce Michael J. Hicks, PhD, as he provides a forecast of national economic activity and economic growth in selected Midwest states, followed by a detailed forecast of Ohio and the Columbus Metropolitan Area's economy.

The focus of this year's analysis will be the persistent sluggishness of labor markets, the challenging decision of the Federal Reserve in 2014, and the uneven growth across sectors of the Ohio economy in 2014.



**Michael J. Hicks, PhD**  
Director, Center for Business  
and Economic Research  
Ball State University



**SIGN UP TODAY!**

**Breakfast & Networking**

8:00 a.m. - 8:30 a.m.

**Michael Hicks' Economic Forecast**

8:30 a.m. - 10:00 a.m.

**Ohio 4-H Center – OSU Campus**

2201 Fred Taylor Drive  
Columbus, Ohio 43210  
(Parking across the street)

To register, please go to  
[www.commercenationalbank.com](http://www.commercenationalbank.com)  
or call Cameo Stewart at (614) 583-2166.

*Speaker's viewpoints do not necessarily reflect the opinions of Commerce National Bank.*



# Put Rebalancing on Your To-Do List

by Jim Keene, Vice President, Personal Trust Officer



If you haven't already done so, now is the perfect time to review and rebalance your investment portfolio. Recent stock performance may have your portfolio's allocation out-of-whack from its intended targets. Periodic rebalancing is a discipline that helps produce successful investment results over time.

## Rebalancing: The "Why"

When you originally chose investments for your portfolio, you selected the mix of stocks, bonds and cash alternative investments that best represented your goals, the number of years you have to invest and the amount of risk you felt comfortable taking. Over time, market ups and downs can change the percentages you have

invested in each asset class. Investments that are doing well may take up a greater portion of your portfolio, while investments that are doing poorly may lose ground. When that happens, you may find you're exposed to more or less risk than you want or need to reach your goals. Rebalancing your portfolio can restore your asset allocation to the proportions you intended.

## Rebalancing: The "How"

A period of rising or falling stock prices can alter the composition of an investment portfolio. If market fluctuations have caused your portfolio to become either more aggressive or more conservative than you want, rebalancing, at least once a year can bring it back in line with your target allocation.

You can rebalance by allocating more of your new investment dollars to asset classes that are underperforming. Or, you can sell investments in

the asset classes that are over weighted and buy additional investments in the asset classes that are currently lagging. Just be sure to consider the tax consequences before selling investments in a taxable account.

## Grit Your Teeth

It may seem counterintuitive to sell investments that are performing well. But the investment markets are constantly changing, and today's stellar performer could be tomorrow's loser, and vice versa. You chose your investment mix to reflect your goals, time frame and risk tolerance. Unless any of these have changed, sticking with your original asset allocation still may be the best way to reach your objectives.

Please feel free to contact Jim Keene at 765-962-7696 with any questions about investment management or estate planning. 🏠

## PRACTICE OWNER TIPS

# Time Management Strategies for Your Practice

by Nate Johnson, Relationship Manager, Healthcare Business Banking Group



Recently, Commerce and our parent bank First Merchants had our Annual Sales Summit, where bankers from across our company get together for a two day

seminar to exchange ideas and best practices. One of the topics that we discussed was time management. This is a skill and a process that is important for bankers, but perhaps even more so for busy practice owners. A recent article in *Dental Economics* has some great tips for practice owners regarding time management strategies for your practice.

From *Dental Economics*, Nov. 2013, "Scoping Out Time Management Strategies":

- **Delegate to the Letter of the State Law:** "If you want to get more done, produce

more, and have a team with a high sense of satisfaction, train and delegate everything that is legal in your state. If you cannot "teach," as some dentists tell me, then hire someone who can...?"

- **Plan the Treatment Thoroughly:** "Completely and thoroughly document findings in the treatment plan. Make notes in the patient's record during the exam process that describe the reason for the treatment... Spending time during the initial examination to thoroughly gather and record detailed information allows future visits to flow more efficiently."
- **Hire a Bookkeeper:** "Hire a part-time bookkeeper at \$25 to \$30 an hour rather than doing it yourself. Your pay rate to do this chore is \$300 to \$500 per hour."
- **Get a Payroll Service:** "Even if you are a one-dentist practice with three to five employees,

a payroll service is a timesaver and morale builder. Employees like direct deposit."

We can help you save time on the banking side as well. If you are not using it already, ask your banker about our remote deposit service and reduce or eliminate unnecessary trips to the bank. Remote deposit allows you to simply scan the checks you receive and deposit them same day, just like when you go to the bank. It also puts your mind at ease by ensuring that checks do not go missing on the way to the bank. The article referenced here has 13 time saving tips for dentists. If you'd like a copy, please feel free to email me at [njohnson@firstmerchants.com](mailto:njohnson@firstmerchants.com) and I'd be happy to send it to you.

At Commerce National Bank, we have a team of dedicated Healthcare bankers. Contact Nate Johnson at 866-714-4626 to learn more or for a link to the *Dental Economics* article referenced here. 🏠



# Have You Set Your Practice Goals For 2014?

by Justin Baker, Relationship Manager, Healthcare Business Banking Group



**I**t is 2014 and the beginning of a brand new year for your practice. If you haven't set your goals for your practice already, now is a great time to start. At Commerce we use the S.M.A.R.T Method

when setting goals. Below is the S.M.A.R.T. Method broken down along with ways to make the best use of it when setting your own goals this year.

## Specific

Be specific when setting your goals. Make sure your goals are detailed and achievable and that they are in line with your practice mission statement and philosophy. When communicating your goals to your staff, make sure they understand why these goals are important, and how you can plan to achieve these goals as a

team. Get your staff involved as much as you can.

## Measurable

Your practice goals should be measurable. Whether it is a new patient goal, collections goal or staffing goal, the numbers should be spelled out and should be able to be tracked. This will help you in measuring your progress.

## Attainable

In order for your goals to be met, they have to be attainable. In some instances, your goals should stretch the performance of your team members. However, setting unreal expectation can have the opposite effect on their original purpose. This is why it is beneficial to have your team members help in setting the goals. They can bring a new perspective and sometimes have more insight what goals are reasonable and which ones are not.

## Results-Oriented

Your practice goals should be results-driven. The

goals you set should motivate your team. Some of your goals for the year may be small, but they still need to fit into the overall objective strategy.

## Time Frame

When setting your goals be specific about the time frame. Some goals may be short term and you may want to measure the results weekly or monthly. Other goals may be long term and will be tracked over a period of years. Know your time frame for each goal when you set the goal.

Setting goals for your practice helps keep everyone on your team focused and engaged. It clarifies what you are all working toward, which is one common goal, your practice's success. Goals will vary in scope, size and duration for each practice. Having a team that is involved in setting the goals and helping to achieve the goals paves the way for your practice's success!

Happy New Year and Happy Goal Setting! 🏠

## NEW TO CNB

# Did You Know? CNB Offers Mortgage Lending!

by Greg Valentino, Mortgage Sales Manager, NMLS UI#743164



**M**y name is Greg Valentino and I recently joined Commerce National Bank as the Mortgage Sales Manager for the Columbus market. I have been in the banking industry for more

than 12 years. My background includes time with BR Mortgage and JPMorgan Chase, where I had success as a loan officer and enjoyed working in the areas of mortgage sales and origination and business banking. In October of this year, I was given the opportunity to join the Commerce team and eagerly accepted the position. I am very excited to become a member of the CNB family. With my years of experience in the home lending field, I hope to make Commerce one of the top mortgage originating banks in the area.

I am a Columbus native and a graduate of Bishop

Watterson High School and the Ohio State University. I live in Powell with my wife Jodie and our two children; Rocky, 4 and Gabriella, 6. Jodie is also a graduate of the Ohio State University and works as a veterinarian at the Worthington Animal Hospital.

In my new position at Commerce, my top priority is to take care of our customers, their employees, and families. My goal is to make sure that all are aware of the mortgage products and top level service we offer. Our offerings consist of all of the standard and conventional products and programs, including Fannie, Freddie, FHA, and VA, and a full array of portfolio and construction options. The portfolio products are more important than ever as the guidelines for conventional lending continue to become more stringent. Commerce National Bank is an equal housing lender.

At Commerce, we have the ability to offer portfolio products that provide flexibility that is not widely

offered elsewhere. We are committed to doing a weekly market analysis in order to confirm our rates are competitive.

As many of you know, the industry of home lending is ever changing. Commerce has given us the ability to change and adapt in a very competitive market. With our products and our customer service, I have confidence we can become a community leader in home lending. I am currently in the process of developing a team of loan officers to help service the needs of our customers and continue to develop new and expand existing relationships within our community.

Again, I am very happy and excited to be part of the CNB family. If I can help you or your friends and family with any mortgage questions, please contact me at [gvalentino@firstmerchants.com](mailto:gvalentino@firstmerchants.com) or 614-583-2148. 🏠



# Commerce National Bank

A Division of First Merchants Bank, N.A.  
Healthcare Business Banking Group<sup>SM</sup>

8170 Corporate Park Drive  
Suite 240  
Cincinnati, Ohio 45242

(513) 794-7450

[www.commercenationalbank.com/healthcare](http://www.commercenationalbank.com/healthcare)



## CNB = A ROLODEX FOR YOUR BUSINESS

# Partnering with Professionals

by George Leugers, Relationship Manager, Healthcare Business Banking Group



**H**ow many times have you needed assistance at your practice but didn't know where to turn? Let us help you! As a team that focuses entirely on Healthcare professionals,

our Healthcare Business Banking Group has over 30 years of experience working with some of the most successful healthcare professionals throughout the Midwest. From providing sound financial solutions and guidance, to helping owners build their trusted team of advisors, our goal is to help practice owners become more successful. We have relationships with attorneys, accountants, financial advisors, consultants, and other professionals that are experts in the dental, veterinary, and medical industries. Any account-

ant can prepare your tax returns or financial statements, but how many can translate numbers into a roadmap to help you build a stronger practice? Are your expenses above or below industry standards? Are you carrying too much inventory of drugs and supplies? How many procedures will you need to perform in order to pay for and profit from a new equipment purchase? How can you reduce your tax bill? These are all excellent questions and instances where our experience and expertise will work for you!

For example, one of our successful customers called me last year and wanted to know how they could increase their cash flow in order to help pay for their child's college tuition, as well as remodel their facility. We looked at their expenses and noticed that their rent payment was higher than industry average, not to mention that their rent payment and remodel was build-

ing equity for someone else. We suggested our customer make an offer to buy the building, and to our customer's surprise, the owner was very interested in selling. We financed the purchase and remodel and our customer still ended up saving about \$2,000 per month!

During a review of another customer's personal tax returns, we noticed that they had been paying significant amounts of money in federal taxes. I recommended the customer contact an accountant I know with significant veterinary industry expertise. Once connected, they began implementing strategies to reduce their taxes, increase their retirement savings, motivate their associates with a new compensation structure, and keep more of their hard earned money.

*We are a partner in your success and have ideas and contacts to help you meet your goals. Please give us a call and let us work for you! ■*