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First Federal Savings Bank of Mascoutah is a Locally Owned Mutual Savings Bank where Decisions are made Quickly



Todd Gober
CEO & President

First Federal Savings Bank of Mascoutah

Interview conducted by:
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CEOCFO Magazine

CEOCFO: *Mr. Gober, every bank has their own version of banking; give us an idea of the vision and focus today at First Federal Savings Bank of Mascoutah?*

Mr. Gober: We are a 108 year-old financial institution that has been headquartered in Mascoutah, Illinois since inception. Our focus has remained the same since we were originally chartered, and that is to provide affordable financing options for residents to purchase their primary residence. We have expanded our mission statement over the years to also include some commercial financing opportunities. Our mission statement is pretty much the same since inception and that is to serve our community. We want to finance your home loan, your auto purchase, and we want your primary checking account.

CEOCFO: *Would you tell us about the communities you serve?*

Mr. Gober: We are located in rural communities, about thirty minutes from downtown St. Louis. The towns we are located in are all under 8,500 in population, and our customers are farmers, businessmen, local store owners, and we are close enough to St. Louis to allow many of our residents to commute to St. Louis for employment. You're just as likely to see a farmer in our lobby as a business person, and lobby traffic is typically down during opening day of shotgun deer season.

We are fortunate that we have great people in our communities, and they are proud, hard-working folks that still believe a handshake is binding. We have a diverse employment base, and are fortunate to have Scott Air Force Base nearby as a significant employer. We have been blessed with a low past due loan ratio, and at the end of 2020, had only one loan greater than 30 days past due, and that was a small installment loan.

CEOCFO: *Are there many community banks in your area?*

Mr. Gober: Too many. Competition is fierce. There are five different banks represented in Mascoutah, and four are branches of locally owned banks. On Main street, I am within walking distance of three other banks, including another independently owned community bank, as well as a branch office of a local credit union, and a branch office of a larger regional bank. A fifth bank has a branch office located just a couple miles from us.

CEOCFO: *What is different when someone walks in or talks to someone at First Federal Savings and why should they be turning to you?*

Mr. Gober: We do not sell any loans so all of your loan information, the loan file, and your money stays local. If you come in to any one of our branches and you receive a loan, you will have a loan officer, and that loan officer will be the same person you work with tomorrow, next week or next month. We work with friends, neighbors, and community

residents, and we know our customers, often times even their parents and grandparents! We still have vibrant lobby traffic, and our employees and customers appreciate face-to-face conversations. Of course, we offer the latest technologies to transact business, and have a vibrant website and internet banking presence, but we still focus on the interpersonal aspect of banking. In fact, we do not even have answering machines, so if you call our bank you are going to talk to a person, and not be transferred by a machine. We stress the personal touch, and believe there is a desire for people to sit across a table, desk or counter, to discuss something as important as their personal finances, and that a handshake is still the best way to say hello, or seal a deal.

CEO CFO: *Do many people today think about the servicing of their loan and the fact that it may not be directly with the bank? Do you explain that to potential customers?*

Mr. Gober: We certainly try our best to explain it to them. There are a percentage of people that do believe in reinvesting in your community and I think that when you are in a small community there is a lot of incentive for me to go to the local hardware store to buy a rake, or tools for my own personal use, rather than driving an extra ten minutes to a Walmart, Home Depot or Lowes and getting it maybe a little bit cheaper. That same principal applies to banking and to loans.

While you may be able to get a little bit cheaper rate if 'shop for rates online', or if you go to St. Louis to a mortgage broker, they will eventually sell your loan to some bank on a coast somewhere, and you are going to lose the service aspect. And I wish you luck if you ever have an issue with your loan and have questions, or need service...finding someone to help can be challenging, and you will be fortunate if you ever speak to the same person twice.

"We offer the personal touch, and try and treat customers like family." Todd Gober

CEO CFO: *How do you let your clients know about the various services you have without seeming too pushy, always a delicate balance?*

Mr. Gober: In a small bank we are always challenged with advertising and the marketing of our bank, we do not have a marketing department. I have nineteen employees and we wear many hats. One of my branch managers is also our marketing coordinator, and she helps develop newspaper ads, promotional ideas for gifts and giveaways, and helps develop new product ideas. We rely on quality service and word-of-mouth advertising. We also focus on community involvement, and encourage our employees to join Chambers of Commerce, Lion Clubs, and get involved whenever possible. We try and give back to our community and donate to/sponsor local events, participate in parades, etc. It is like stepping back in time a bit with a lot of community banks as to how we treat advertising, compared to the large regional or national banking chains.

CEO CFO: *According to your website, the bank can take real estate tax payments and license plate renewal stickers. Is that common in your neck of the woods?*

Mr. Gober: Yes, it is very common and we do that for customers and non-customers alike. It is a service that a lot of people enjoy. It is funny because if you read the media reports it sounds like community banks are struggling and no one is going into lobbies and everyone is going to be banking on their phone in the 'next three months', but when you get into the smaller communities, they still like to come in and pay their real estate taxes in person, make deposits at the teller line, etc. We might help a customer balance their checking account on occasion, or answer a question about what a certain entry was. These are little community service personal touches that our customers appreciate, and that we enjoy doing.

CEO CFO: *Are there any services you feel the need to add to the mix at First Federal?*

Mr. Gober: There are a couple projects that we have underway right now, including offering eStatements for our loan customers. We are also exploring adding merchant capture for business customers located outside of town. We have been making a lot of changes the last few years and we are continuing to update our data processing system, add staff, and continue to explore offering new products. Technology is an ever-changing challenge, especially for smaller banks, and we have to weigh the cost-benefits of some projects, versus simply trying to offer whatever Citibank is offering.

CEO CFO: *Do you see the need for additional branches?*

Mr. Gober: Right now that is not something on our radar. We have experienced significant growth the last few years, and have focused on improving the services we presently offer, rather than expanding before we are ready. We have major renovations planned for our New Baden and Mascoutah office locations, and plan to shore up our existing locations before considering further expansion. I have a terrific team at the bank and I believe we have increased our expertise and banking knowledge, and we now have the staff in place to improve efficiencies and allow for continued growth. Additional branches is something that we are not ruling out in the distant future but the next three to five years we have other priorities.

CEO CFO: *Would you share some of these priorities?*

Mr. Gober: We have implemented several new products the last two years, and felt like we were playing catch up in many areas. We also have a couple of lobby remodeling jobs that we are planning, we've upgraded some of our outdated machinery and our servers, and we just converted our core processor from FIS to Fiserv in 2017. Finally, we recently converted to a state charter from a federal charter, and have hired several new employees and are now fully staffed with loan officer presences at all three branch locations. We have experienced a lot of changes the last few years and need to let these changes sink in, and mature, and then this will help dictate our direction going forward.

CEO CFO: *How do you help your customers through times like COVID?*

Mr. Gober: As a small town we are relying on the small businesses. We use the personal touch. We call them and go visit their stores and talk to them. We stayed open during the COVID pandemic, even though banks around us were closing their branches, rotating staff, and having employees work remote. My staff was terrific and worked diligently through the pandemic, and we stayed open and in-person, and continued to focus on how best we could serve our community. Just like the grocery store clerks, convenience store employees, Walmart employees, and the hospital nurses, my staff felt that we were an essential business in our community and it was important for people to be able to choose how they wished to handle their financial business, whether that meant using our drive-up facilities, on-line banking, or still coming into the lobby for interpersonal interaction. We took every precaution recommended by federal and state agencies, and doubled our professional cleaning, but elected to error on the side of freedom of choice for customers and employees, and focused on safety, security, and respect for one another. We felt these efforts afforded us the best opportunity to service our customers, and we wanted to make sure we were available and ready to help at a moments notice.

Our employees felt a sense of importance in the community because we were essential, and I think it is important for people to believe they are essential. It helps their self-worth, and oftentimes, the work a person does defines who we think we are, and what we think of ourselves. To call a business not essential and make them close their doors, even temporarily, is a tough label to put on someone, and affects more than the bottom line. Everyone wants to feel they are essential, so we made an effort to reach out to all of our customers, and people in our communities, and tell them we valued their contributions, and appreciate what they do, and that they are what makes our community special. We made it a point to get involved in the PPP program, the Federal Home Loan Bank of Chicago's grant program, and to be available should customers experience financial difficulty and wish to defer or modify loan payments.

CEO CFO: *How do you work with organizations in the community that need help and how do you decide where to focus your efforts?*

Mr. Gober: We try to have involvement in all of the community organizations. Our staff members are involved in the Chambers of Commerce of the towns we are located in, Lions Clubs, and the Rotary Clubs. We are also involved in community activities such as parades, sponsoring youth sports, and donate to other civic organizations.

Our branch managers and tellers are our front-line employees, and are in constant contact with customers, talking with them about what is happening in our communities, asking where we can help, and learning what we can do better.

CEO CFO: *Why choose First Federal Savings Bank of Mascoutah?*

Mr. Gober: I think because of our people and the service you are going to get. We are not a big bank, we are locally owned and controlled mutual savings bank, in existence since 1913. Decisions are fast and quick and you can walk in and talk to your loan officer or walk another ten feet and talk to the president of the bank about an issue that is either troubling you or something that you would like help with. We offer the personal touch, and try and treat customers like family.