



The Indiana Chapter of **The ESOP Association**

2020 ANNUAL ESOP CONFERENCE

**Thursday, March 5, 2020
9:00 AM to 3:00 PM (EST)**

SPRING FORWARD WITH EMPLOYEE OWNERSHIP

**Ritz Charles Carmel
12156 N. Meridian Street
Carmel, IN 46032**



(The conference is not pre-certified for CPE credits. A Certificate of Attendance will be sent to you after the conference if you want to apply for CPE credits on your own.)

CONFERENCE SPONSORS



CONFERENCE PROGRAM

Sessions being presented are identified in the brochure as follows:

Technical Basic (T~B)
Technical Intermediate/Advanced (T~IA)

Culture & Communication (CC)

Technical Intermediate (T~I)
Topic-Themed Roundtables (RT)

8:15 AM - 9:00 AM ~ REGISTRATION / CONTINENTAL BREAKFAST

9:00 AM - 9:15 AM ~ WELCOME / ANNOUNCEMENTS / RECOGNITION OF SPONSORS

Michelle Steltz, Opportunities for Positive Growth, Inc., Fishers, IN (Indiana Chapter President)

9:30 AM to 10:45 AM ~ CONCURRENT BREAKOUT SESSIONS

Session I (RT)

HR ROUNDTABLE

Jennifer Ewalt Johnson, IPMG, West Lafayette, IN (Facilitator)

This roundtable **is limited to** Human Resource Directors, Managers, Coordinators and Generalists with a **primary management responsibility** for handling the company's workforce at an employee-owned company. This will be a free-flowing discussion focusing on whatever topics are of interest to the attendees, who are encouraged to bring a topic or question to discuss. Limited to 20 attendees, seating will be on a first-come basis for this roundtable.

Session II (CC)

WHAT DRIVES OUR COMPANY'S VALUE? HOW CAN EMPLOYEES IMPACT THAT?

Christopher Hirschfeld, Somerset CPAs & Advisors, Indianapolis, IN (Moderator)
Amie Roach & Douglas Shatto, Lochmueller Group, Inc., Evansville, IN

This session will provide a real-life case study of a valuation of an ESOP company, with easy to understand explanations of the drivers of value. It will also provide content for ESOP committees to be better informed and better communicators of the drivers of value. Target Audience: Company owners considering an ESOP; ESOP participants; ESOP committee members.

Session III (T~B)

ESOP BASICS ~ WHO, WHAT, WHERE WHEN, HOW AND WHY?

Timothy Jamison, Prairie Capital Advisors, Louisville, KY
Tom Mills, Olson Mills Law Firm, LLC, Indianapolis, IN

Are you considering an ESOP, new to the ESOP world or just need a refresher course on ESOPs? Then this is the session for you. We will go over the basics of an ESOP - what an ESOP is, how it differs from a 401(k) Plan, how it is set up, how it operates, what benefits it provides, who manages it and a myriad of other ESOP issues. Along the way, we will also explain common ESOP terms and answer common ESOP questions. This presentation is intended to establish your foundation of ESOP knowledge regardless of your role with the ESOP (e.g., whether you are considering an ESOP, participate on an ESOP committee, receive benefits as an ESOP participant or are part of company management).

Session IV (T~IA)

THE VALUATION ADVISOR'S DUE DILIGENCE PROCESS FOR TRANSACTIONS AND ANNUAL UPDATES

Andrew Manchir, Katz, Sapper & Miller, Indianapolis, IN
David Van Ness, Horizon Trust & Investment Management, Carmel, IN

This session will address what is an adequate due diligence process for the Trustee's financial advisor in an ESOP transaction and an on-going ESOP valuation update. Topics will include review of historical financial statements, management's projections, and other company and industry issues. We'll review a case study of a typical due diligence meeting. This session should benefit CEO's, CFO's and any other company personnel preparing for the valuation or potential ESOP transaction.

10:45 AM to 11:15 AM ~ BREAK (Extra Time Allotted for Networking)

11:15 AM to 12:30 PM ~ CONCURRENT BREAKOUT SESSIONS

Session I (RT)

CEO ROUNDTABLE

Kevin Johnson, Kocolene Development Corporation, Seymour, IN (Facilitator)

The CEO Roundtable **is limited to** CEOs, Presidents, COOs, and top-level management with a **primary leadership responsibility** at an employee-owned company. This will be a free-flowing discussion and attendees will design and prioritize the agenda to talk about issues of common interest. Likely topics of interest include the: 1) impact of the economy and government regulations on business operations and the ESOP valuation; 2) use of internal vs. external ESOP trustee; 3) ensuring proper ESOP governance; 4) sustainability and the ESOP repurchase liability; 5) dealing with unsolicited offers; 6) mergers and acquisitions; and, 7) fostering a culture of engagement and ownership. Limited to 20 attendees, seating will be on a first-come basis for this roundtable.

Session II (CC)

COMMUNICATION: CONNECTING PRINCIPLES AND PRACTICES

Lee Eisenstaedt, Leading With Courage Academy, Chicago, IL
Jackie Salmon, OneAmerica, Indianapolis, IN

According to author John Maxwell, "Everyone Communicates but Few Connect." Come to this session to learn connection principles and practices from what the most effective people do differently to communicate. This session will be focused on communicating the ESOP and other business topics to all employees at all levels. Anyone who needs to communicate and get their message "heard" should attend, including leaders, management, and the ESOP communications committee.

Session III (T~I)

HOW TO PREPARE BETTER PROJECTIONS

Joseph Borowski, GBQ Consulting LLC, Columbus, OH (Moderator)
Allison Jecker, Markey's Rental & Staging, Indianapolis, IN

Since company value is based on its future cash flows, management's projections are a critical input to an ESOP valuation. These cash flows are also needed to repay debt after a leveraged ESOP transaction. Many recent DOL cases have criticized forecasts deemed too aggressive, misleading, or incomplete. There is often considerable confusion surrounding how to prepare the "right" forecast, and what it does / does not represent. The CFO of a leading ESOP company will discuss how her company prepares its forecast, while a valuator explains what he looks for in evaluating forecasts.

Session IV (T~I)

PLANNING FOR ESOP SUSTAINABILITY: A CASE STUDY

Tina DiCrocce, Chartwell Financial Advisory, Philadelphia, PA (Moderator)
Herman Olivas, O'Neil & Associates, Miamisburg, OH
Kimberly Serbin, TI-TRUST, Inc., Quincy, IL

As ESOP companies mature, they are confronted with a variety of complex challenges related to long-term sustainability, including mitigating ownership disparity among employees ("haves vs. have-nots") and funding repurchase obligation. During this session, we will discuss common sustainability concerns, the impact of certain plan design choices and methods for handling repurchase obligation, and the planning process an ESOP company should go through to assess the sustainability of its ESOP. The President & CEO of O'Neil & Associates will share real life experiences navigating these issues, the planning process his company went through, and the strategies that have been implemented to set the company on the course for long-term sustainability.

12:30 PM to 1:45 PM ~ 2020 AWARDS LUNCHEON

STATE AND FEDERAL GOVERNMENT RELATIONS / ADVOCACY UPDATE



PRESENTATION OF INDIANA CHAPTER AWARDS FOR EMPLOYEE OWNER OF THE YEAR AND ESOP COMPANY OF THE YEAR



1:45 PM TO 3:00 PM ~ CONCURRENT BREAKOUT SESSIONS

Session I (RT)

CFO ROUNDTABLE

Chad Bachmann, ERMCO, Inc., Indianapolis, IN (Facilitator)

The CFO Roundtable **is limited to** CFOs, Vice Presidents of Finance, Controllers and top-level management with a **primary financial role** at an employee-owned company. This will be an open-forum discussion and attendees will design and prioritize the agenda to talk about issues of common interest. Likely topics of interest include the: 1) impact of the economy and government regulations on business operations and the ESOP valuation; 2) planning for and funding the repurchase obligation; 3) stock valuation process; 4) quantifying financial performance of an ESOP company; and, 5) mergers and acquisitions. Limited to 20 attendees, seating will be on a first-come basis for this roundtable.

Session II (T~B)

ASK THE EXPERTS ~ A Q&A FOR NON-MANAGEMENT EMPLOYEE OWNERS

Tracy Woolsey, Horizon Trust & Investment Management, Michigan City, IN (Moderator)

Eric Dollin, GBQ Consulting LLC, Indianapolis, IN

Brian Eagle, Eagle & Fein, P.C., Indianapolis, IN

Alexander Grasser, Blue Ridge ESOP Associates, Louisville, KY

If you are a **NON-MANAGEMENT** employee owner and have a technical question or two about ESOPs, then this is the session for you! Perhaps you don't understand how your stock value is determined; or perhaps you are confused about the plan summary description; or perhaps you are able to diversify and you don't know what that means. Whatever your question or concern is regarding the technical aspect of an ESOP or your role and responsibility as an employee owner, bring it to this session. Our panel of experts is here to help!

Session III (T~IA)

GETTING OLD ~ PLAN DESIGN OPPORTUNITIES FOR MATURE ESOPs

Cara Benningfield, BKD, LLP, Bowling Green, KY

Thomas Stafford, Krieg DeVault LLP, Indianapolis, IN

This session will focus on various plan administration topics relating to mature ESOPs, including managing ESOP repurchase obligation through plan design, strategies to mitigate "have/have not" issues and the differences between recycling, redeeming and leveraging ESOP shares. Early diversification, rebalancing and segregation will also be discussed.

Session IV (T~IA)

LEGAL UPDATE 2020: YES, WE STILL NEED ONE

Philip Gutwein II, Faegre Drinker, Indianapolis, IN

Scott Morrisson, Krieg DeVault LLP, Carmel, IN

Think the legal and regulatory environment has calmed down? Think again. There's a lot happening, things you need to know, and we're going to tell you. This session will cover the latest trends in ESOP-focused litigation and investigations, whether by the DOL or plan participants, and explore measures you can take to mitigate your exposure to claims and liability. Appropriate for everyone with an interest in legal risk and regulatory compliance.

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REGISTRATION DEADLINE FEBRUARY 26, 2020

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REGISTRATION FEES

Registration and Payment <i>MUST BE MADE ONLINE</i> by FEBRUARY 26, 2020 to Receive Early Bird Registration Fee	On or Before 02/26/20	After 02/26/20
ESOP Association Member ~ Each Attendee	\$160.00	\$210.00
Non-member ~ Each Attendee	\$250.00	\$300.00

CANCELLATION POLICY

NO REFUNDS will be given ***AFTER*** February 26, 2020. Substitutions will be accepted.

(Non-member fee applies if a non-member professional replaces a member professional.)

NEW REGISTRATION PROCESS (CREDIT CARD OR CHECK)

REGISTER AND PAY ONLINE WITH A CREDIT CARD OR CHECK THROUGH E-COMMERCE

Go to www.esopassociation.org. Log in with your User Name and Password. If you don't have an account, you will need to create one. Under the "Events & Meetings" menu, scroll down to "Upcoming Regional & Chapter Events." Click on "View All" and scroll until you come to **INDIANA CHAPTER - 2020 SPRING CONFERENCE**. Click on "Register" in the orange box and follow the instructions for registering and paying with either a credit card or e-check.

If you have any questions or need further assistance regarding the new **registration process**, please contact Dan Marcue, Chapter Development Officer, at dmarcue@esopassociation.org or call 202.349.1364.

QUESTIONS REGARDING CONFERENCE ~ NEW CONTACT INFORMATION

If you have any questions or need further information regarding the conference, please contact Karrie Imbrogno, Chapter Executive, at kimbrogno@esopassociation.org or call 317.401.8126.

THE ESOP ASSOCIATION'S VISION STATEMENT

PROSPERITY WITH JUSTICE THROUGH EMPLOYEE OWNERSHIP

We believe that employee ownership improves American competitiveness . . . that it increases productivity through greater participation in the workplace . . . that it strengthens our free enterprise economy and creates a broader distribution of wealth . . . and that it maximizes human potential by enhancing the self-worth, dignity, and well-being of our people.

Therefore, we envision an America where employee ownership is widely recognized as a catalyst for economic prosperity . . . where the great majority of employees own stock in the companies where they work . . . and where employee ownership enables employees to share in the wealth they help create.

And we look for our nation to become for all the world an example of prosperity with justice through employee ownership.