

# *gbc* BANK

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### **John M. Kennedy honored in 2022 Class of IBA Leaders in Banking Excellence**

August 5, 2022

John M. Kennedy, President, CEO and Chairman of GBC Bank, Greenfield, IN and its holding company, Greenfield Bancshares Inc., was honored by the Indiana Bankers Association (IBA) with the IBA Leaders in Banking Excellence award. The award was presented on August 5, 2022 at Indianapolis Renaissance North Hotel, Indianapolis, IN. The award celebrates exceptional leaders who have positively impacted Indiana banks and communities. Four other members of the Indiana banking community were also inducted into the class of 2022 leaders.

At the awards event, Indiana dignitaries made presentations and award recipients had the opportunity to offer comments. Each honoree was presented with an ebony plaque etched with a portrait and biography. Identical crystal plaques will be on permanent display at the IBA offices in Indianapolis.

The IBA Leaders in Banking Excellence awards are the Association's highest honor. For more information about the awards, visit <https://indiana.bank/leaders-banking-excellence>

John M. Kennedy is president, CEO and chairman of GBC Bank and its holding company, Greenfield Bancshares Inc. He joined GBC Bank in 2005 and was named president and CEO in 2012 and chairman in 2018. Prior to joining the bank, Kennedy worked at the Federal Home Loan Bank of Indianapolis and JPMorgan Chase. He is an Indiana Bankers Association south region director and previously served as a Blue Gold Officer with the U.S. Naval Academy admissions department. Community leadership includes board and committee service, past president of the Hancock Economic Development Council, president of the John Hancock Community Development Corp., Ransburg YMCA, United Way and Scecina Memorial High School. Kennedy is a chartered financial analyst and retired Captain in the U.S. Navy, serving both active and reserves. He earned a bachelor's degree from Purdue University and an MBA from Rutgers University.

**Kennedy/IBA award continued on page 2**

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## John Kennedy: 2022 IBA Leaders In Banking Excellence award presentation

Kennedy/IBA Award, continued from cover page



**IBA Leaders In Banking Excellence award presentation:** GBC Bank representatives attended the award presentation, from L to R: Ryan Renfro, VP & Head of Retail Lending; Bryan Miller, Senior VP of Lending & Commercial Lender; Joey Johnson, GBC Board Member, John M. Kennedy, GBC President, CEO & Board Chairman; Mike Graf, Executive VP & GBC Board Member; Rick Roberts, GBC Board Member.



**Inductees and dignitaries gather for the presentation of the Indiana Bankers Association's 2022 Leaders in Banking Excellence awards.** Shown are (back row, from left): Thomas C. Fite, Indiana Department of Financial Institutions; Andrew J. Briggs, Farmers & Merchants State Bank, Geneva, IN; Amber R. Van Til, Indiana Bankers Association; Dr. Rex Wells, nephew of Harriett Brown (deceased), Springs Valley Bank & Trust Company, French Lick, IN; David W. Heeter, Northwest Bank, Muncie, IN; (front row, from left): Garry D. Kleer, First Bank Richmond, IN; and John M. Kennedy, GBC Bank, Greenfield, IN.

Congratulations to the 2022 class of IBA Leaders in Banking Excellence:

The Indiana Bankers Association supports Indiana banking through issues advocacy, professional education and products and services that enhance financial institutions' ability to help build better communities.

## Community News

### Riley Festival, October 6 - 9, 2022

downtown Greenfield, IN

**Thursday, October 6: Opening Ceremonies** in the GBC Bank Entertainment Tent include a free musical performance by The Woomblies Rock Orchestra, 6-8 pm

For more Riley Festival information, visit:

<https://jwrileyfestival.com>

<https://www.facebook.com/RileyFestival>

### Community Drug Toss Day, Saturday, October 22, 2022 9 am - Noon, Main Office & Fortville Office

Neighborhoods Against Substance Abuse (NASA) & GBC Bank will provide this free community service of discarding expired or unused medications in an environmentally safe manner.

Refer to the Sponsored Events page on our website for more information:

<https://www.gbcbank.com/connect/sponsored-events>

## Promotions/Appointments

GBC Bank's Board of Directors announced the following promotions or appointments during May, 2022.



**Ryan Renfro**  
Named Vice President and  
Head of Retail Lending



**Laura Nance**  
Named Community Reinvestment  
Officer



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## Converting Savings to Retirement Income

During your working years, you've probably set aside funds in retirement accounts such as IRAs, 401(k)s, or other workplace savings plans, as well as in taxable accounts. Your challenge during retirement is to convert those savings into an ongoing income stream that will provide adequate income throughout your retirement years.

### Setting a withdrawal rate

The retirement lifestyle you can afford will depend not only on your assets and investment choices, but also on how quickly you draw down your retirement portfolio. The annual percentage that you take out of your portfolio, whether from returns or both returns and principal, is known as your withdrawal rate. Figuring out an appropriate initial withdrawal rate is a key issue in retirement planning and presents many challenges. Why? Take out too much too soon, and you might run out of money in your later years. Take out too little, and you might not enjoy your retirement years as much as you could. Your withdrawal rate is especially important in the early years of your retirement, as it will have a lasting impact on how long your savings last.

One widely used guideline on withdrawal rates for tax-deferred retirement accounts that emerged in the 1990s stated that withdrawing slightly more than 4% annually from a balanced portfolio of large-cap equities and bonds would provide inflation-adjusted income for at least 30 years. However, more recent studies have found that this guideline may be too generalized. Individuals may not be able to sustain a 4% withdrawal rate, or may even be able to support a higher rate, depending on their individual circumstances.

The bottom line is that there is no standard guideline that works for everyone — your particular withdrawal rate needs to take into account many factors, including, but not limited to, your asset allocation and projected rate of return, annual income targets (accounting for inflation as desired), investment horizon, and life expectancy.<sup>1</sup>

### Which assets should you draw from first?

You may have assets in accounts that are taxable (e.g., CDs, mutual funds), tax deferred (e.g., traditional IRAs), and tax free (e.g., Roth IRAs). Given a choice, which type of account should you withdraw from first? The answer is — it depends.

For retirees who don't care about leaving an estate to beneficiaries, the answer is simple in theory: withdraw money from taxable accounts first, then tax-deferred accounts, and lastly, tax-free accounts. By using your tax-favored accounts last, and avoiding taxes as long as possible, you'll keep more of your retirement dollars working for you.

For retirees who intend to leave assets to beneficiaries, the analysis is more complicated. You need to coordinate your retirement planning with your estate plan. For example, if you have appreciated or rapidly appreciating assets, it may be more advantageous for you to withdraw from tax-deferred and tax-free accounts first. This is because these accounts will not receive a step-up in basis at your death, as many of your other assets will.

However, this may not always be the best strategy. For example, if you intend to leave your entire estate to your spouse, it may make sense to withdraw from taxable accounts first. This is because spouses are given preferential tax treatment with regard to retirement plans. A surviving spouse can roll over retirement plan funds to his or her own IRA or retirement plan, or, in some cases, may continue the deceased spouse's plan as his or her own. The funds in the plan continue to grow tax deferred, and distributions need not begin until the spouse's own required beginning date.

The bottom line is that this decision is also a complicated one. A financial professional can help you determine the best course based on your individual circumstances.

### Certain distributions are required

In practice, your choice of which assets to draw first may, to some extent, be directed by tax rules. You can't keep your money in tax-deferred retirement accounts forever. The law requires you to start taking distributions — called required minimum distributions or RMDs — from traditional IRAs by April 1 of the year following the year you turn age 72, whether you need the money or not. For employer plans, RMDs must begin by April 1 of the year following the year you turn 72 or, if later, the year you retire. Roth IRAs aren't subject to the lifetime RMD rules. (Beneficiaries of either type of IRA are subject to different distribution rules.)

If you have more than one IRA, a required distribution is calculated separately for each IRA. These amounts are then added

## Wealth Management

### Converting Savings to Retirement, continued from page 3

together to determine your RMD for the year. You can withdraw your RMD from any one or more of your IRAs. (Your traditional IRA trustee or custodian must tell you how much you're required to take out each year, or offer to calculate it for you.) For employer retirement plans, your plan will calculate the RMD and distribute it to you. (If you participate in more than one employer plan, your RMD will be determined separately for each plan.) It's important to take RMDs into account when contemplating how you'll withdraw money from your savings. Why? If you withdraw less than your RMD, you will pay a penalty tax equal to 50% of the amount you failed to withdraw. The good news: You can always withdraw more than your RMD amount.

<sup>1</sup> "The State of Retirement Income: Safe Withdrawal Rates", Morningstar, 2021

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## Christmas Club Deadlines

### Year 2022 Clubs:

Last over-the-counter payment: 10-14-2022  
Last automatic payment accepted: 10-14-2022  
Checks to be mailed the week of: 10-17-2022.

### Year 2023 Clubs:

Opening dates: from 11-1-2022 through 12-31-2022.  
Last day to open/active a 2023 Christmas Club: 12-31-2022.

Christmas Club accounts pay no interest and incur no service charge.

## Employee Milestones

The following employees were recognized for reaching milestones May through July, 2022.



**Laura Nance**  
15 years of service on  
May 14, 2022.



**Ryan Roach**  
5 years of service on  
June 5, 2022.



**Kim Sams**  
15 years of service on  
July 3, 2022.

Photo withheld  
by request.

**Dona Davis**  
35 years of service on  
July 13, 2022.



**Dan Payne**  
15 years of service on  
July 24, 2022.



**Amy Kleine**  
15 years of service on  
July 30, 2022.

## Retiree



**Pattie Jessie**  
Vice President &  
Consumer Lending Manager  
Retired July 6, 2022  
with 18 Years of Employment

Pattie Jessie's career with GBC Bank began in July, 2004 as a Loan Officer at the Main Office. She was later named an Assistant Vice President, Loan Administrator, Vice President and Consumer Lending Manager.

Pattie's customers and GBC will miss her smiling face but we know she will enjoy a long-awaited and much deserved retirement spending time with family, traveling, reading, volunteering and tackling a long list of home projects.

A small reception was held in Pattie's honor in the Main Office Lending Department.