

The **KANSAS BANKER**



**MEET 2019-2020
CHAIRMAN KNUTSON**



CHAIRMAN KURT A. KNUTSON



KBA's 2019-2020 Chairman, Kurt Knutson (Founder, Chairman and CEO) Freedom Bank, Overland Park.

Kurt Knutson has been elected by his peers to serve a one year term as Chairman of the Board for the Kansas Bankers Association (KBA). His term began at KBA's annual meeting in Colorado Springs, CO, on August 3, 2019. Knutson is Founder, Chairman and CEO of \$200 million Freedom Bank in Overland Park.

Knutson was born and raised in Waterloo, Iowa, a manufacturing town in the northeastern part of the state where John Deere tractors are built. His father went to work for John Deere shortly after returning home from the Korean War. In 1953, as farmers' demands for power grew beyond the capabilities of the 2-cylinder engine, Deere launched a top-secret development project. Kurt's dad was quietly assigned to the small team that was asked to create a completely new, more powerful tractor, built completely from scratch. The few who knew about the project were under strict orders to tell no one – not even their wives. To maintain such secrecy, the group worked out of a former grocery store known as the "Meat Market" in Waterloo. The team produced a new generation of tractors led by the John Deere 4010.

The agricultural economy, John Deere and Waterloo all played a role in Kurt moving to Kansas City. Knutson graduated from high school in 1978 and from the University of Iowa with a Bachelor of Business Administration degree in 1982. The economy was in really rough shape at the time, and the agricultural economy wasn't any better. John Deere was the primary employer in Waterloo with approximately 15,000 employees, but in 1982, 11,000 were laid off. Rath Packing Company, another large Waterloo employer, was also going bankrupt at the time. "I knew I needed to move to a more diverse economy. The Kansas City area felt comfortable, so I picked up a chamber of commerce listing and started knocking on doors," said Knutson. Persistence paid off on a Friday afternoon stop at Russell Stover Candies. Instead of Kansas City however, he was hired as a sales representative for Colorado and southern Wyoming.

After about a year with Russell Stover, Bankers Trust of Des Moines, Iowa, called and wanted to hire him for a management trainee role starting in the commercial credit department. "I had just returned from a week-long swing out to western Colorado. Things had been going well, I was in the top ten percent of the sales force nationally, but after a spirited debate in a chain drug store in western Colorado about Easter baskets, I wanted to learn more about different companies in a variety of industries. Banking sounded like a great opportunity to do just that." Two years in the commercial credit department and a year as a commercial banker, at Bankers Trust, proved to be the beginning of what has now been a 36-year career in banking.

Knutson returned to Kansas City in the fall of 1986, going to work for a \$200 million suburban community bank as a commercial new business development officer. When he arrived at the bank, the examiners had just left and bank management asked him to spend some time with , Bill Axtell, an attorney they had hired to help them identify the problems in the loan portfolio. "I worked

across the desk from Bill every day. He was really thorough in explaining why we were doing things. He would hold the phone so I could hear both sides of a conversation. I was going through the files to see what went wrong, so I wouldn't make those same mistakes myself down the road," added Knutson. In the fall of 1987, sadly and unexpectedly, Axtell found out he had cancer and died one week later. Knutson ended up taking over all workout activity for another two years. "I got about 40 years of experience in the three years of workouts," said Knutson.

Knutson's career has led to a variety of roles in banking since that time. He has worked with regional banks, the largest national banks, and community banks. His roles have included new business development, capital markets and corporate finance and roles as the chief credit officer, and as president of a bank. That variety of experience gave him the desire to form a de novo bank. In 2005, he stepped away from his job to begin the process of putting together what would become Freedom Bank.

He met his wife Leanne, of 28 years now, in Kansas City in 1988. Coincidentally, she grew up about 90 miles away from Waterloo in Clear Lake, Iowa. They both loved the Kansas City area and have made their home in Overland Park. They have two children: Katie, who is a neo-natal intensive care unit nurse at Children's Mercy Hospital in Kansas City, and Jack, who is entering his senior year at the University of Kansas, majoring in business. "Leanne grew up as a child of an entrepreneur, and when we talked about starting a bank, she was on board. She understood the amount of hours it meant getting everything started and running the business. Katie was 10 and Jack was seven at the time and this could not have been done without her tremendous support at home," Kurt added.

In February of 2005, Knutson began calling on business owners he had become familiar with throughout his career to see if they shared his vision for the new bank.



Kurt with 2018 Corporate Finance Academy interns.



The Knutsons - Jack, Leanne, Katie and Kurt.



Baseball coach Knutson rallying his team.



Knutson teaching the Global Business Class at Center for Advanced Professional Studies.

to provide insights to business students (college juniors and seniors) with the complementary skills of common sense, people sense and street smarts in an active and positive real-world environment.

One of the Strategic Initiatives of the KBA for 2020 is to actively educate and promote the banking industry to improve the industry's image to aid in the recruitment of future bankers. "We have seen that students aren't considering a career in banking because they haven't been exposed to the many positives the industry has to offer – they have just heard so many negatives about banks and banking from the financial crisis that it isn't on their radar as a career. Once they are exposed to the many aspects of banking, we have found that they become very interested in banking as a career," said Knutson.

In his spare time while the bank was being formed (sounds like an oxymoron), until about five years ago, Knutson was actively involved in youth sports coaching baseball, football and girls basketball. "I wanted to be involved with my kids and their friends, because you never get that time of your life back. People asked how I found the time to do that while starting a bank. Everything is a choice, and I wanted to be involved, so sleep was sacrificed. It was a wonderful experience getting to know great young people," said Knutson. He now enjoys "low-key" golf with Leanne (and Katie and Jack as well, when all of the schedules line up). 🏌️

"It became apparent to me after talking with entrepreneurs that support for the bank would be there, so I began to focus on the organizers who would ultimately become our board of directors. We invested seed capital, we put together the business plan and offering documents, and began putting the application together all the while raising capital from friends, family, and members of the local community. Three-hundred sixty-four days after, our charter was approved by the state. We opened our doors on June 19, 2006, in a double-wide trailer with five people; today we have 30. We have great shareholders, customers and employees," said Knutson.

Knutson was not politically active until about 2010 when he had to get involved to protect the investors. Knutson was appointed to the State Banking Board in 2011 and he was reappointed in 2013 and again in 2017. He also began to get actively involved with the KBA, serving on the board, as Chairman of the State Affairs Committee and as a member of the Federal Affairs Committee. "The dedicated professionals working on our behalf at the Kansas Bankers Association and the bankers volunteering their time to make our industry better was an inspiration to me as we went through one of the worst periods of time for banking in my

lifetime. It is an honor and a privilege to serve as the KBA's Chairman and work alongside so many talented people," said Knutson. "The association plays a very important role in our industry, from advocacy both at the state and federal levels, to talent training and development, to aiding in keeping us compliant with the myriad of regulations. Kansas banks are the lifeblood of the Kansas economy," added Knutson.

Financial literacy is a passion for Knutson and Freedom Bank. The bank became actively involved with the Blue Valley School District. Freedom Bank was the first home to the Global Business class of the Center for Advanced Professional Studies CAPS. Knutson has taught many CAPS classes and worked with the CAPS students on financial literacy courses that were taught by CAPS students to other district students. Freedom Bank has raised thousands of dollars for the Blue Valley Educational Foundation and Blue Valley high schools along the way. Those activities have led to the formation of the Freedom Founders Forward Foundation (Four F). One of the elements of the Foundation, the Corporate Finance Academy was established in 2017. The Corporate Finance Academy is a nine-week paid internship that is designed