



“Meeting the Challenge.”

# CBA TODAY

February 20, 2009

Issue 4

A STATEWIDE PUBLICATION FOR MEMBERS OF THE COMMUNITY BANKERS ASSOCIATION OF GEORGIA

## Announcing the Speakers for the Spring Conference for Bank Directors & Executives Friday-Sunday, April 24-26, 2009 - The Lodge & Spa at Callaway Gardens

The CBA Spring Conference for Bank Directors & Executives comes at a crucial time and will provide invaluable information regarding the economy, community banking, government “bailout” program, asset liability, liquidity, legal and accounting issues. Participants will have free access to the beautiful Callaway Gardens and will have an opportunity to network with other community bankers, speakers and associate members during the high speed networking, social events and a golf tournament. Register today, and come exchange ideas and learn from industry speakers at the only Spring Conference designed specifically for Georgia community bank directors and executives.

### Meet the Featured Speakers:

- **Dr. William Dunkelberg**, Chief Economist, National Federation of Independent Business, Washington, DC
- **Walt Moeling**, Partner, Bryan Cave Powell Goldstein, Atlanta
- **Gil Barker**, Deputy Comptroller for the Southern District, OCC, Dallas, TX
- **Rob Braswell**, Commissioner, Georgia Department of Banking & Finance, Atlanta
- **Bill Estes**, SVP, Supervision/Regulations Division, Federal Reserve Bank, Atlanta
- **Mark Schmidt**, Regional Director, FDIC, Atlanta
- **Brad Waring**, Assistant Deputy Director, OTS, Atlanta
- **Ed Brown**, Attorney, Epstein Becker & Green, P.C., Atlanta
- **Leah Knowlton**, Senior Council, Epstein Becker & Green, Atlanta
- **Wade Oliver**, Director of Asset Liability Management, ICBA Securities, Memphis, TN
- **Philip Smith**, President, Gerrish McCreary Smith, Memphis, TN
- **Jerry Harrell**, Partner, Martin Snow LLP, Macon
- **Mark Kanaly**, Partner, Alston & Bird, LLP, Atlanta,
- **Kathryn Knudson**, Partner, Bryan Cave Powell Goldstein, Atlanta
- **Brennan Ryan**, Partner, Nelson, Mullins, Riley & Scarborough, LLP, Atlanta
- **Donny Luker**, Managing Partner, Mauldin & Jenkins, Albany
- **Tim Messman**, Principal, Porter Keadle Moore, LLP, Atlanta
- **Marlan Nichols**, Senior Partner, Nichols, Cauley & Associates, LLC, Dublin

To learn more about the schedule and other conference activities, please review the brochure at [www.cbaofga.com](http://www.cbaofga.com) or contact CBA. The deadline to receive the CBA hotel room discount is March 24<sup>th</sup>. For hotel reservations contact Callaway Gardens at (800) 225-5292.

## ICBA Meets with Top Treasury Officials

ICBA met recently with Treasury officials in charge of the TARP Capital Purchase Program to discuss the application process and how it could be improved. ICBA Executive Vice President of Government Affairs Karen Thomas, Chief Economist Paul Merski and Senior Regulatory Counsel Chris Cole made a number of suggestions for making the process more transparent. ICBA also urged Interim Assistant Secretary for Financial Stability Neel Kashkari to continue making the TARP program available for more community banks, including mutual institutions.

ICBA urged that the criteria and factors the agencies and Treasury consider for approval be made public. Generally, the overall consideration is a forward-looking assessment that the institution is and will remain healthy. Among the factors considered are CAMELS ratings, capital adequacy, loan portfolio quality, asset concentration such as commercial real estate, market conditions and quality of management. Where an institution’s most recent exam is “stale,” the agency review process may take longer as regulators review updated information. ICBA requested that banks have a way to track their applications through the process.

ICBA also raised concerns about potential new data reporting requirements for TARP recipients. For community banks, the expectation is that existing lending activity information on quarterly Call Reports will be used to the extent possible. The largest 20 CPP bank recipients will be expected to complete monthly disclosure reports that focus on their lending activity.

Community bank approvals will likely accelerate now that the program details and documents are well established, The Treasury indicated. Also, CPP legal documents for S-Corp banks should be available from Treasury soon as well. ICBA continues to work with policymakers on term sheets for mutuals.

*ICBA Newswatch Today, January 29, 2009*

Spring Conference for Bank Directors & Executives  
April 24-26, 2009  
The Lodge & Spa at Callaway Gardens  
Pine Mountain, GA

31<sup>st</sup> Annual Leadership Division  
Convention & Mini-Trade Show  
June 24-28, 2009  
The Ritz Carlton, Amelia Island, FL

41<sup>st</sup> Annual Convention &  
Trade Show  
September 16-20, 2009  
The Breakers, Palm Beach, FL



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## Success Through Knowledge

### Member Mentions

**Dennis Burnette**, President & CEO, **Cherokee Bank, Canton**, is pleased to announce the promotions of **Cindy Poole** to Vice President and **Becky Richey** to Assistant Vice President and election as the Bank Secrecy Act (BSA) Officer.

**Charles J. Jones**, Chairman, **Community Bank of the South, Smyrna**, is pleased to announce the appointment of **R. Randall Bentley, Sr.** to the Bank's Board of Directors.

**Remer Y. Brinson III**, President & CEO, **First Bank of Georgia, Augusta**, is pleased to announce the election of **Jack McElveen, Jr.** as Senior Vice President, **Mike Love** as Assistant Vice President and Collections & Facilities Officer, **Yvonne Davis** as Senior Vice President and Business Banker, **Jerry Dunn** as Assistant Vice President and IT Officer and **Tina Bland** as Assistant Vice President.

If you would like to make an announcement in the *CBA Today*, please contact the **CBA Marketing Department**.

**CBA Today  
available via email!**  
Please send your  
email address to  
[heidi@cbaofga.com](mailto:heidi@cbaofga.com)

### Register Today for one or all of these CBA Schools (Designed Specifically for Georgia Community Bankers!)

#### **Commercial Lending School-March 22-27, 2009-Atlanta**

This school is designed for mid-level commercial loan officers and seasoned consumer lenders. The faculty takes the student through the process of commercial lending and provides numerous in-class case studies and exercises to assist with comprehension and retention.

#### **Essentials of Banking School-March 25, 2009-Quarter II-Macon**

This school is held in four quarterly sessions and covers such topics as "What is a Bank," federal regulations and examinations, security, privacy, customer identification, customer service, and bank financial statements. The new and seasoned employee will benefit from the curriculum, where comprehensive lesson plans allow you to gain a better understanding of banking principles and operations.

#### **BSA Officer School-April 21-24, 2009-Atlanta**

Compliance with the Bank Secrecy Act (BSA) continues to be a top priority of the regulators as well as community banks. One major requirement of BSA is to designate a BSA Officer and a back-up BSA Officer and to ensure that the BSA Officer is well trained and qualified to carry out the duties of this important position. This 3 ½ day school is a cost-effective way to ensure that your BSA Officers are trained and that your BSA program is compliant.

#### **3<sup>rd</sup> Annual Compliance Management School-May 12-14, 2009-Pine Mountain**

This comprehensive three day school will benefit anyone with responsibility for developing or managing a compliance program including the compliance officer, auditors, members of the compliance committee, and graduates of the CBA Compliance School.

#### **The Community Bankers School-July 12-17, 2009-Bloomington, IL**

This school is an intensive two one-week sessions at Illinois Wesleyan University and is designed for today's community bank professional. Industry experts cover a variety of topics such as bank investments, sales and business development, compliance, monetary economics, accounting, technology, credit, fraud and robbery prevention, problem loan management, auditing, and much much more. Many participants have been promoted to the position of CEO and they state that the school helped them to achieve this career goal.

#### **Consumer Lending School-August 16-21, 2009-Atlanta**

This comprehensive, week-long study of basic consumer lending takes the student through the process of consumer lending to develop and advance the skills necessary to administer quality consumer loans.

#### **Advanced BSA Officer School-September 28-30, 2009-Young Harris**

This three day school covers advanced topics and Compliance Officers, Auditors, Risk Managers and will benefit from this school. Networking with other BSA Officers and hearing from industry experts is only one aspect of this popular school.

#### **Compliance School & Alumni Update-October 19-22, 2009-Atlanta**

Complying with federal banking regulations in today's environment is a demanding task that requires a thorough understanding of the applicable rules. This school helps financial institutions meet the compliance challenge by providing intensive training on the various regulatory requirements. Participants may elect to attend the entire four day school or they can attend the 2 ½ day lending or deposit module.

**To learn more** about these popular schools and/or to register online, please visit the CBA website or contact the CBA Education Department at [education@cbaofga.com](mailto:education@cbaofga.com). CPE credits and certificates of completion are available to participants.

### Atlanta Fed President Starts Effort To Bolster Confidence

Dennis Lockhart, the president of the Atlanta Federal Reserve Bank, used a lunchtime address to begin the hard work of restoring U.S. investor and consumer confidence, which he said was "an essential ingredient" to turn the economy around. "Clearly, the U.S. economy is in a tough fight against pernicious economic forces. But, on balance, confidence is warranted," Lockhart told the Rotary Club of Atlanta. This theme of restoring confidence is likely to be echoed in the many speeches Fed officials will deliver over the rest of the week. Lockhart repeated that the economy could rebound in the second half of the year, but didn't press the point. Most academic economists do not see a turnaround until 2010. But Lockhart accentuated the positive, saying there has been some improvement already in credit markets from the worst period in September and October. He said the economy would be in worse shape if the Fed had not taken the extraordinary monetary policy steps, including the direct purchase of mortgage-backed securities and commercial paper.

*MarketWatch Pulse, Fox Business, January 12, 2009*

## Growth is Not Optional

In today's turbulent market, growth isn't optional—it's necessary. Take stock of where your bank is now and begin focusing on areas where growth can be achieved so you can reap rewards when market stability returns.

### Deposits—Focus on Core

Banks must prioritize growing and retaining core deposits. With greater regulatory scrutiny on brokered CDs and the fact that wholesale deposits are becoming increasingly expensive, liquidity is absolutely crucial today and for the bank's long-term value. Ask yourself:

1. What plans and programs are you considering to grow core deposits?
2. Will you be implementing an incentive plan for employees?

Encourage your team to get more aggressive and start asking for deposits—they may have to actually leave the bank and visit customers. The days of "build the branch and they will come" are over. Think more like a retail business and less like a bank.

### Loans—Get the Right Concentration

Likely, the best areas for growth in your portfolio are different today than they were previously—analyze your loan concentrations. Regulators are closely reviewing concentrations in construction and development loans. The OCC is advising banks to focus on owner-occupied commercial real estate and advising that no single lending concentration should account for more than one times tier 1 capital. Have this calculation performed; assess your current portfolio mix; and, determine where you're exceeding limits today and where future opportunities lie.

### Efficiencies—Less is More

With ever-compressing margins, you need to look at "people and production" in order to determine how you can operate the bank most efficiently as part of your growth plan.

Lastly, be realistic in your expectations for earnings growth (or lack thereof) this year. Most banks are striving to just breakeven. Begin looking at the business differently and pursue the growth opportunities outlined above.

*Article Provided By Chris Bledsoe, CEO & Co-founder, Banker's Dashboard, Stockbridge, GA and CBA Associate Member.*

## CBA NEWS

### FDIC Proposes Clarifications to Interest Rate Restrictions

The FDIC Board of Directors requested comment on a proposal to clarify interest rate restrictions on financial institutions that are less than well-capitalized. The FDIC's current regulation ties permissible interest rates paid by these banks on deposits solicited nationally to the comparable maturity Treasury yield and permissible interest rates on deposits solicited locally to undefined prevailing local interest rates. ICBA will submit comments.

The proposed regulation would use national averages of rates paid by all insured depository institutions to define nationally and locally prevailing deposit rates. Treasury yields would no longer be used, and banks could submit evidence that local rates do not reflect national averages to overturn the presumption that they are equal. In third quarter 2008, 154 banks reported being less than well-capitalized.

*ICBA Newswatch Today, January 28, 2009*

### Treasury to Post TARP Contracts Online

The Treasury Department announced it will post TARP investment contracts to its Web site within five to 10 business days, reflecting ICBA calls for making the TARP Capital Purchase Program more transparent. Documents for contracts already completed will be posted on a rolling basis, beginning with the first nine contracts completed under the Capital Purchase Program, as well as transactions through other TARP programs. Confidential and proprietary information will be redacted.

Treasury said it will continue to unveil a series of reforms to its economic recovery programs focusing on transparency and oversight. Treasury Secretary Timothy Geithner met with the TARP inspector general and representatives from the Government Accountability Office and Congressional Oversight Panel to discuss program transparency.

*ICBA Newswatch Today, January 29, 2009*



### Pulse: Leading ATM/Debit Network

PULSE, a leading ATM/debit network, serves more than 4,500 financial institutions with more than 260,000 ATMs, as well as POS terminals nationwide. PULSE offers a variety of high-quality, competitively priced products and services including Select ATM®, a selective surcharge alliance, PULSE Debit Solutions®, a signature debit support service, PULSE AccessSM, a stored value solution, and Discover® Debit, a new choice in signature debit. In addition, PULSE is a valued resource for consumer research and education on electronic payments issues of importance to the financial industry. For more information call Mark Reda at (813) 854-2210.

## MARCH 2009 EDUCATION PROGRAMS

### Telephone/Webcasts

- 3/3 Emerging Business Account Issues: Debit Cards, Online Banking, Compliance
- 3/4 Robbery Awareness
- 3/5 Regulatory Issues for the Credit Analyst
- 3/10 Director Series: Red Flags in Board Reports (11:00 a.m.–12:30 p.m.)
- 3/12 Credit and Debit Cards: Threats, Opportunities & Next Steps in 2009
- 3/17 Stop Payments, Check Holds, Post-dated Checks for the Frontline Staff
- 3/24 Understanding Consumer Credit Reports & Scores: Incorporating FACT Act Compliance
- 3/26 Complying with Regulation Z Rule Changes to Mortgage Loans: Deadline Oct 1, 2009
- 3/31 Safe Deposit: Legal Documents & Legal Issues

### REGISTER TODAY! SPACE IS LIMITED!

**4<sup>th</sup> Annual IT Security Conference**  
March 5-6, 2009, Atlanta  
**March Compliance Program**  
Topic: Deposit Regulations-March 3-12, 2009  
(5 convenient locations: Albany, Macon, Savannah, Norcross, Rome)

### Classroom Programs

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| <ul style="list-style-type: none"> <li>3/3-4 Training the Credit Analyst, Macon</li> <li>3/3 Compliance Program-Quarter I: Deposit Regulations, Albany</li> <li>3/4 Compliance Program-Quarter I: Deposit Regulations, Macon</li> <li>3/5 Compliance Program-Quarter I: Deposit Regulations, Savannah</li> <li>3/5-6 4<sup>th</sup> Annual Information Technology (IT) Security Conference, Atlanta</li> <li>3/9-13 Mortgage Lending School Marietta</li> <li>3/10 Compliance Program-Quarter I: Deposit Regulations, Norcross</li> <li>3/10 Consumer Loan Documentation, Macon</li> <li>3/11 Commercial Loan Documentation, Macon</li> <li>3/11 Compliance Program-Quarter I: Deposit Regulations, Rome</li> <li>3/11-12 Train the Trainer, Macon</li> <li>3/12 Collateral Perfection, Macon</li> <li>3/12 Compliance Program-Quarter I: Deposit Regulations, Macon</li> <li>3/17 Professional Head Teller Certification Series—Workshop II: Advanced Supervision, Atlanta</li> <li>3/17 Essentials of IRAs, Atlanta</li> <li>3/17 Financial Managers' Forum Dinner Series, Atlanta</li> <li>3/18 Branch Manager Certification Program-Workshop II: Macon</li> </ul> | <ul style="list-style-type: none"> <li>3/19 Professional Head Teller Certification Series—Workshop II: Advanced Supervision, Macon</li> <li>3/19 Essentials of IRAs, Macon</li> <li>3/22-27 Commercial Lending School, Atlanta</li> <li>3/24 Georgia Deposit Documentation, Macon</li> <li>3/24 IRAs Beyond the Basics, Macon</li> <li>3/25 Essentials of Banking School-Workshop II: What is a Bank? Macon</li> <li>3/25 Operations Compliance, Macon</li> <li>3/26 IRAs Beyond the Basics, Albany</li> </ul> |  |
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*Dates/Locations are subject to change.*



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