Successful financial institution managers know the importance of achieving a high-performance plan. Establishing such a plan requires not only sound data and accurate information, but also an insightful partner; The Baker Group is that partner.

Leaders in innovation. The Baker Group remains the industry leader when it comes to innovation. We are truly a one-stop shop that never outsources our customizable reporting services. To find out how The Baker Group can assist your institution in defining and meeting its financial objectives, call your Baker representative or Ryan Hayhurst at 800.937.2257.
FEATURES

13 2020 Census: Make it Count!
There have been 22 federal censuses since August of 1790, when Secretary of State Thomas Jefferson oversaw the first census of the whole United States. But governments have been counting citizens for far longer than the past 230 years.

17 Don’t Hitch Your Strategy to a Rate Forecast
2019 may best be remembered as the year when things that weren’t supposed to happen, happened anyway. The world’s major economies weren’t supposed to have spiraled downwards, but they did.

19 2020 Vision
Every visit to an eye doctor begins with the hope of a diagnosis of 20/20 vision. Staring at an eye chart, patients will squint and squirm to decipher a blurry line of random letters, all for the chance of being told they have “perfect” vision. For followers of the Alabama Legislature, that level of acuity is rarely achieved before a session, hence the “hindsight is 20/20” adage.

27 The IGNITE Experience: 2020 Recap
The 2020 IGNITE Experience held in February brought together bankers in the areas of marketing and public relations, human resources, information technology, operations and branch management. More than 200 people from 47 banks attended this annual event. Speakers from all over the country flew in to train Alabama bankers on the latest trends and developments in the industry.

31 Avoid Compliance Uncertainty with Guidance and Best Practices
On January 24, 2020, the Consumer Financial Protection Bureau issued a new policy statement designed to clarify how it will define, supervise and enforce “abusive” standards under the Dodd-Frank Act going forward.

33 Education Spotlight
In February our education department held two different Boot Camps!

DEPARTMENTS

6 From the President’s Desk
Driving in Neutral

8 Chairman’s Message
What Direction Will Our Industry Go in 2020?

10 Services Solutions
Alabama Banking Services Welcomes Two New Endorsed Partners

11 Thank You BankPAC Supporters
Many thanks to the banks who have responded to our call for commitments to our state political action committee!

34 ABA NewsLine Banking News from and for Alabama

45 ABA Calendar of Events Dates and Locations

45 ABA Live Seminars Dates and Topics

46 ABA Telephone & Webinars Dates and Topics
Correspondent Banking

Fed Funds Management  
Servis1st Access Online  
Settlement Services  
De Novo & Escrow Services

Participation Loans  
Holding Company Loans  
Correspondent Lending  
Agent Credit Card Issuance

Rodney E. Rushing  
Executive Vice President  
205.423.2717  
rrushing@servisfirstbank.com

Bill Street  
Senior Vice President - AL, LA, MS  
205.423.2718  
wstreet@servisfirstbank.com

Andrew Barrett  
Vice President - TN, KY, VA  
615.498.8079  
abarrett@servisfirstbank.com

Bill Dacko  
Senior Vice President - FL  
407.496.7669  
bdacko@servisfirstbank.com

Tim Finney  
Vice President - GA, SC  
478.952.6497  
tfinney@servisfirstbank.com

Karen Grahn  
SVP Credit Card Division Manager  
205.949.0330  
kgrahn@servisfirstbank.com

J. David Jordan  
Chief Correspondent Operations Officer  
205.423.2719  
djordan@servisfirstbank.com

Steve Shelton  
Senior Vice President - AR, MO, TN  
901.634.1608  
sshelton@servisfirstbank.com

Kimble Vardaman  
Correspondent Chief Credit Officer  
205.578.4683  
kvardaman@servisfirstbank.com

Member FDIC | Equal Housing Lender | www.servisfirstbank.com
Driving in Neutral

One of the most-asked questions the Alabama Bankers Association receives in election years is, “Which candidates are ‘the banks’ supporting?” While the question itself might seem simple, from the association’s perspective, the answer is a little more complex.

ABA works tirelessly to maintain robust political action committees so that the voices of Alabama’s bankers can be heard in the halls of power in Washington, D.C. and Montgomery. But it has long been the policy of the association to refrain from formally endorsing any candidate for elective office. This applies to every level of government, type of election, and variety of political party. Consequently, no candidate can truthfully claim that he or she has been “endorsed” by the ABA. While it might seem that we won’t get anywhere by driving in neutral, the underlying reasons behind this policy – two of which are below – are sound, and, in the end, better for the banking industry.

First, our industry is already subject to too much politicization. In the hyper-partisan world in which we operate, banks are often used as pawns in someone else’s political chess match. But the truth is that banks in larger, more urban areas of Alabama are just as important to their customers as banks in the rural, less populated parts of the state are to theirs. And bankers count Republicans, Democrats, and Independents as customers, employees, and directors. So, when it comes to politics, the Alabama Bankers Association’s over-arching concern is to make sure that candidates, regardless of office or party, understand the vital role that Alabama banks play in local, state, regional, and national economies. Offering an endorsement to one particular candidate, and not another, makes it more difficult to deliver that important message. Moreover, it lets us avoid being labeled as a “Republican” association or a “Democrat” association.

Second, once you start, you can’t stop. In some political races, endorsing one candidate over another might be an easy, slam-dunk decision. In other races, however, it can prove extremely difficult. Either way, once the Pandora’s box of endorsement is opened, it’s virtually impossible to close. During a recent election cycle, for example, we spoke with a banker from an area where three people were vying for the Republican nomination in a state House race. Candidate A was in the driver’s seat in terms of campaign funds and name ID and would have been a natural choice to receive an endorsement. Candidate B, on the other hand, had his business account at the bank, and Candidate C had a family member on the bank’s board. Endorsing one of these candidates might have made sense politically, but it potentially would have put the banker in a terribly awkward situation. By simply upholding our policy, we improved the bankers’ ability, and the industry’s ability, to maintain strong relationships throughout the community.

To be fair, other trade groups have different views on endorsements, and I’m sure those policies work out perfectly. You’re particularly likely to find a long history of endorsing candidates from groups with thousands of members (think the Alabama Association of Realtors or the Business Council of Alabama) or groups with a well-established grassroots infrastructure (ALFA is the best example). But our group is notably different: there’s only so many banks and, by extension, only so many bank executives that would be making endorsement decisions.

In the end, when someone wants to know who “the banks” are supporting, we tell them the same answer: “the best candidate.” ABA looks forward to continuing that tradition in 2020 and beyond.
For courage that doesn’t need a cape, there’s a bank that has your back.

When it’s time to rekindle your belief in what’s possible, you want a bank that stands behind you. That’s exactly where we’re excited to be. Fueling your imagination with personal banking and private client services that demonstrate a deeper understanding of you, your path and your potential.

Soar with us today at firsthorizon.com/soar.
What Direction Will Our Industry Go in 2020?

There were 263 M&A transactions in 2019 with the Southeast region totaling 56 deals. Those 56 deals had a value of over $31 billion and far exceeded the totals in other regions due to the size of the banks merging (BB&T/SunTrust). The Midwest region had the largest number of deals with 114 in 2019. At the end of 2019, Alabama had 106 banks headquartered in our state. At the end of 2010, Alabama had 135 banks headquartered in the state. Over the same 10-year period, Alabama had less than a handful of newly chartered banks open for business. Will this same trend continue in 2020? Will the regulatory environment and aging Board rooms cause banks to look for a soft landing?

What will happen to bank profitability in 2020? Do you have other sources of non-interest revenue to replace the lower interest income that most are forecasting due to margin compression? I had a trusted advisor tell me that many of the publicly traded banks they cover at their firm are forecasting net interest income targets that are flat over 2019. These banks are expected to grow earnings and return shareholder value. How will our industry find a way to increase profitability in the low rate environment when depositors are wanting more yield, and many have returned to equity markets?

We have the American Bankers Association, the Independent Community Bankers Association, our Alabama Bankers Association and many other trade associations working on our behalf to reduce the regulatory burden on our industry. These organizations do an outstanding job advocating for appropriate regulation to protect consumers and the banking system while relieving some of the burden on banks. And yet, our industry continues to spend more money on risk management and compliance each year. We want to be in compliance and run our banks the right way. Will we be able to maintain that compliance in an environment that seems to be more complicated with each passing day?

I could go on with the challenges and dilemmas we face with regard to maintaining our technology, fast payments, credit unions building branches and buying banks and the FinTech’s who are able to compete with us in an unregulated environment. These are all challenges we have faced before and we have found creative solutions to each one. I have learned in 38 years of banking that we are a smart, hard working group of business people. We face our challenges head on and continue doing our job of supporting communities. I finish this article with a great amount of optimism for the future. The bankers that trained us how to be good stewards of our companies and our communities did their job well. We will do the same for our new bankers and our industry will keep moving forward well beyond 2020.

Thank you for your support of the ABA. Please let me know if I can ever be of service to you.
Want to learn about potential revenue and savings opportunities? See how your bank compares to the competition and determine what more you can do to be on top? **Now is the time to find out.**

We can give you a complimentary analysis of your overdraft program and service contracts to see if there is room for improvement. **We're talking real numbers.**

As an industry leader, we offer proven solutions with measurable results, plus:

- Contingency-based pricing — our success depends on yours
- A 100% compliance guarantee
- Ongoing monitoring and support for consistent and continual results
- Experienced representatives focused on your bank’s success
- Expertise we're happy to share with you

To distance yourself from the competition with real results, get your analysis now by calling **866-553-9708**, or visit jmfa.com/measure.

**JMFA NEXT GENERATION OVERDRAFT PRIVILEGE™ • JMFA CONTRACT OPTIMIZER**

**JMFA is a preferred provider for the Alabama Bankers Association**

© 2019 John M. Floyd & Associates, Inc. JMFA® is a registered trademark and JMFA Next Generation Overdraft Privilege is a trademark of John M. Floyd & Associates, Inc.
Alabama Banking Services Welcomes Two New Endorsed Partners

Alabama Banking Services is proud to announce the endorsement of two new companies. Banc Card of America has been chosen as the endorsed partner for Merchant Services, and ServisFirst Bank will serve as the endorsed partner for its Agent Credit Card Program.

Alabama Banking Services is proud to announce the endorsement of two new companies. Banc Card of America has been chosen as the endorsed partner for Merchant Services, and ServisFirst Bank will serve as the endorsed partner for its Agent Credit Card Program. It has been a number of years since we have endorsed a new partner, and we are thrilled to be able to make this announcement and offer these companies as resources to our member banks.

Headquartered in Nashville, Tenn., Banc Card has more than 600 bank clients in 25 states. Since 1997 the company has provided merchant services including transaction authorization, processing and network services to more than 60,000 merchants and clients. Banc Card offers its customers access to five of the nation’s largest processing platforms, multiple gateways, limitless machines, POS integrations and mobile processing. In addition, Banc Card has a robust sales and service force that believes in personal, one-on-one attention.

Banc Card’s dedication to customer service was a key factor in the decision to make this endorsement. They believe in being highly responsive and developing strong relationships with their customers. Besides servicing payment processing needs, Banc Card also plays an active role in helping attract new deposits as well as retain existing bank deposits.

The endorsement of ServisFirst for its Agent Credit Card Program pairs perfectly with the Merchant Services endorsement. ServisFirst started issuing its own credit cards in 2011 because they were not satisfied with any of the other programs on the market. Since then, they have taken the Agent Credit Card Program nationwide and received the endorsement of the American Bankers Association as well as co-endorsements from several state banking associations including Georgia, Virginia, West Virginia and now Alabama.

Through the program, members of the Alabama Bankers Association will be able to issue credit cards to their customers, to both consumers and businesses, with their own bank’s logo. ServisFirst Bank provides a simple, straightforward program that includes credit card marketing and portfolio management services at no cost to the member banks.

We are thrilled to announce the endorsement of both of these companies. These additions to our already solid list of endorsed partners will make our program even more robust. Both companies offer excellent products and services and will be a valuable resource for our bank members.

For more information about how Banc Card of America can help you, contact Brent Nast by email at bnast@banccard.com or by calling (423) 463-7985. For more information about the Agent Bank Credit Card Program offered by ServisFirst Bank, contact Karen Grahn either by email at kgrahn@servisfirstbank.com or by calling her at (205) 949-0330.
Many thanks to those who have responded to our call for commitments to our state political action committee, BankPAC.

Jan. 1, 2019 to Dec. 31, 2019

CAPITOL CONTRIBUTORS
★ Bank Independent .................................................. Mr. Macke Mauldin
★ Bryant Bank .......................................................... Mr. Claude Edwards
★ Cadence Bank ....................................................... Mr. Jerry Powell
★ Citizens Bank & Trust ................................................. Mr. Charlie Williams
★ Citizens Bank of Winfield .......................................... Mr. Russell Carothers
★ First Bank ................................................................ Mr. Jared Kirby
★ First Bank of Alabama ................................................. Mr. Chad Jones
★ First Citizens Bank .................................................... Mr. William Petrey
★ First Financial Bank .................................................. Mr. B.K. Goodwin
★ First National Bankers Bank ..................................... Mr. Charles Morris
★ First Southern Bank ................................................... Mr. Dennis Morgan
★ Peoples Independent Bank ........................................ Mr. Royce Ogle
★ River Bank & Trust ................................................... Mr. Jimmy Stubbs
★ Traders & Farmers Bank ............................................... Mr. Will Walker
★ Troy Bank and Trust Company .................................... Mr. Jeff Kervin
★ Vantage Bank .......................................................... Mr. Lowell Galloway
★ West Alabama Bank & Trust ....................................... Mr. William Finney
★ PrimeSouth Bank ...................................................... Mr. David Baggett
★ Small Town Bank .................................................... Mr. Alan Hubbard
★ Southern Bank Company ............................................. Mr. Gates Little
★ Southern Independent Bank ....................................... Mr. Micah Garner
★ Southern States Bank ................................................ Mr. Stephen Whatley
★ SouthPoint Bank ........................................................ Mr. Stephen Smith
★ State Bank & Trust ...................................................... Ms. Dana Peoples
★ Sweet Water State Bank ............................................. Mr. Stratton Lewis
★ Traditions Bank ........................................................ Mr. Tim Compton
★ Trinity Bank ............................................................. Mr. Robbin Thompson

PAC PATRONS
★ 22nd State Bank ......................................................... Mr. Robert Smith
★ AmeriFirst Bank ....................................................... Mr. Robert Ramsey
★ Ameris Bank ............................................................ Mr. Mark O’Mary
★ AuburnBank ............................................................ Mr. Robert Dumas
★ BankFirst ................................................................. Mr. Heyward Gould
★ CB&S Bank ............................................................... Mr. Mike Ross
★ CCB Community Bank ............................................... Mr. Thomas Lane
★ Citizens Bank ......................................................... Mr. Tom Gullidge
★ Citizens State Bank ................................................... Mr. Anthony Burnett
★ Community Spirit Bank ............................................. Mr. Brad Bolton
★ Escambia County Bank ............................................... Mr. Jim McCloud
★ Exchange Bank of Alabama ....................................... Mr. Ricky Ray
★ First Community Bank of Central Alabama ..................... Mr. Michael Morgan
★ First Fidelity Bank ..................................................... Mr. Stephen Eberhart
★ First Southern State Bank .......................................... Mr. Jack Lovelady
★ First State Bank of Dekalb County ................................. Mr. David Henderson
★ First U. S. Bank .......................................................... Mr. James House
★ FNB Bank ............................................................... Mr. Steve Rownd
★ Liberty Bank ............................................................. Mr. Chris Bailey
★ Metro Bank ............................................................. Mr. Jason Dorough
★ Peoples Bank of Alabama ........................................... Mr. Robin Cummings
★ Peoples Bank of Red Level ........................................ Mr. Phillip Murphy
★ Phenix-Girard Bank ..................................................... Mr. Menza Dudley
★ Progress Bank & Trust ............................................... Mr. David Nast
★ Regions Financial Corporation ..................................... Mr. John Turner
★ Robertson Banking Company ..................................... Mr. Gary Holeman
★ ServisFirst .............................................................. Mr. Thomas Broughton, III
★ SunSouth Bank ........................................................ Mr. Monty Wiegel
★ Trustmark ............................................................... Mr. Jerry Host
★ United Bank ............................................................ Mr. Robert Jones, III

STATESMAN SUPPORTERS
★ Bank of Evergreen .................................................... Mr. Tim Dantz
★ Bank of Walker County ............................................... Mr. Mark Wilson
★ Bank of York ............................................................ Mr. Jimmy Collins
★ Brantley Bank & Trust ............................................... Mr. Travis Colquett
★ Central State Bank ..................................................... Mr. Mitt Schroeder
★ Cheaha Bank ............................................................ Mr. Shad Williams
★ Citizens Bank of Enterprise ........................................ Mr. Kelly Jones
★ Citizens Trust Bank ................................................... Mr. Jason Eppenger
★ Commercial Bank of Ozark ......................................... Mr. Charles Harper
★ Community Bank & Trust .......................................... Mr. Dave Bryant
★ Community Neighbor Bank ........................................ Mr. William Johnson
★ Farmers & Merchants Bank ......................................... Mr. Lin Latta
★ Farmers & Merchants Bank - Lafayette .......................... Mr. Stanley Tucker
★ First Bank of Boaz ..................................................... Mr. Ricky Ray
★ First Bank of Linden ................................................... Ms. Ann Velverton
★ First Cahawba Bank ................................................... Mr. Richard Walters
★ First Metro Bank ....................................................... Mr. Rodney Howard
★ First National Bank of Hartford .................................... Mr. Jack Hughes
★ FirstState Bank ........................................................ Mr. Steve Foster
★ Friend Bank ............................................................ Ms. Hope Johnson
★ HNB First ............................................................... Mr. Dwight Gamble
★ Millenial Bank .......................................................... Mr. Brad Collins
★ Peoples Bank of Greensboro ....................................... Mr. Harris Coleman
★ Peoples Bank of Red Level ......................................... Mr. Robin Cummings
Our 200+ attorneys across 10 cities help heavily-regulated companies predictably move forward in less-than-predictable regulatory environments.

Balch’s Banking and Financial Services team includes:

- Jennifer Powell Decker
- Debra Taylor Lewis
- W. Brad Neighbors
- Jeremy L. Retherford

No representation is made that the quality of the legal services to be performed is greater than the quality of legal services performed by other lawyers.
There have been 22 federal censuses since August of 1790, when Secretary of State Thomas Jefferson oversaw the first census of the whole United States. But governments have been counting citizens for far longer than the past 230 years. History tells us that the Babylonian Empire counted its citizens 5,000 years ago, and we all know that Joseph and a pregnant Mary went to Bethlehem because Caesar Augustus wanted to count the entire Roman world.
So why, then, are folks in Alabama making such a big deal about this census, the one scheduled for 2020? Truth is, with part of $13 billion in funding and two seats in Congress on the line, it’s because this year’s census is the most important in Alabama’s 200-year history.

The census counts every person – both adults and children – living in the United States. The information is used to monitor changes in communities and address public service needs, such as health care, education, public safety, and housing. Census data is also used not only to divide over $675 billion in funding to state and local governments – Alabama got $13 billion last year – but also to determine the number of seats each state has in the U.S. House of Representatives.

The U.S. House has a total of 435 seats, including seven for representatives from Alabama. If a state’s population total increases dramatically from one census to the next, that state might be awarded an additional congressional seat. But since the total number of House seats has remained the same since the 1930s, this “new” seat must be reallocated from another state. Alabama, for instance, sent nine representatives to the U.S. House until 1963, when the number went down to eight. But Alabama would go on to lose another seat after the 1970 census, staying at this level ever since.

According to experts, Alabama is in danger of losing more seats after 2020. If Alabama’s participation rate in the 2020 census is at the same level as its participation rate in the 2010 census (72%), the state is on track to lose one seat in Congress. But if the state’s 2020 participation rate is the same as it was in 2000 (61%), Alabama loses two seats in Congress, leaving the Yellowhammer State with five members in the U.S. House of Representatives for the first time since 1843.

Through the state’s “Alabama Counts!” program, Gov. Kay Ivey and Kenneth Boswell, the director of the Alabama Department of Economic and Community Affairs, are leading the charge to increase Alabama’s participation rate. The governor, for example, mentioned the 2020 Census in her State of the State address, and Boswell’s team created a helpful website, www.census.alabama.gov, to answer census-related questions.

Thankfully, participating in the 2020 Census is easy! Starting March 12, each Alabama household will receive a postcard from the U.S. Census Bureau containing instructions on how to complete the census. Alabamians can choose to participate using one of three methods: online, by phone or via traditional paper form. Regardless of the method, the census survey takes less than 10 minutes to complete, and each participant’s information is protected by law.

Alabama banks employ more than 40,000 individuals, and those employees contact millions more of our fellow citizens. Federal funding and congressional representation are important to our state and our industry, so let’s all do our part to make sure Alabama Counts!

Jason Isbell is ABA’s Vice President of Governmental and Legal Affairs. He can be reached at jisbell@alabamabankers.com.
2019 may best be remembered as the year when things that weren’t supposed to happen, happened anyway. The world’s major economies weren’t supposed to have spiraled downwards, but they did.
Going Above and Beyond for Our Clients

At Bradley, our attorneys combine legal experience and knowledge with a sophisticated understanding of the banking and financial services industry. We represent banks, lenders, and financial services institutions across the U.S. by providing proactive guidance on a broad range of legal issues, including regulatory compliance, governmental investigations, risk assessments, audit and exam support, business transactions, litigation, and multi-state settlements. Our clients rely on us to provide innovative solutions, dependable responsiveness and a deep commitment to success.

We go above and beyond expectations to help our clients meet their business goals.

For more information on our Banking and Financial Services Practice Group, visit www.bradley.com/banking-and-financial-services
Bond yields were not supposed to have fallen, but that’s what happens when growth decelerates. The Fed was not supposed to have reversed monetary policy and cut rates, but that happened, too. Three times. The presence of these conditions would be less significant were it not for the fact that most community banks had been readying their balance sheets for rising interest rates ever since the end of the Great Recession almost eleven years ago.

And who could blame them? Since the beginning of the current growth cycle in mid-2009, regulatory authorities of all ilk have been loudly and repeatedly sounding the alarm of higher interest rates couched in their concern that this inexorable fate would harm earnings and impair capital. Risk, though, is a tricky thing. Its genesis does not typically spring from what is expected; rather, it comes from the unexpected things that sneak up on us.

As a result, most community banks are very well prepared for rising rates, a condition that doesn’t exist, but less well prepared for low and falling rates; circa 2019. Preparing a bank’s risk profile for only one environmental condition is the perfect strategy to employ as long as one’s prescience is also perfect. But, managing interest rate risk and/or an investment portfolio should not be about trying to get ahead of the Fed or making bets based upon economic forecasts that are less reliable than astrological ones. What if a bank could make itself indifferent to interest rates? What if earnings projections could be made to be consistent across a wide spectrum of interest rate backgrounds? What if risk managers prepared their balance sheets for more than one outcome?

Accomplishing these ideals sounds great as a concept, but in practice, very few institutions ever reach the promised land of interest rate indifference. One reason for this may just be the nature of human nature. Most people tend to think their beliefs and perceptions about the universe, including interest rates, are the correct ones. If they didn’t believe this, they would have different beliefs. Self-belief is a good thing, but so is self-awareness; managing risk for multiple outcomes requires at least a tacit admission that one’s view of the future might be wrong. Such an epiphany can suggest behavior that may seem to go against the grain.

The Boy Who Cried “Bear!”

In 2009, the winter edition of the FDIC publication *Supervisory Insights* contained a piece entitled “Nowhere to Go but Up: Managing Interest Rate Risk in a Low-Rate Environment.” It was filled with cautionary encouragement for banks to make preparations for higher market rates; not at all unreasonable given that short-term rates were barely hovering above zero. But also back then, Ten-Year Treasuries were yielding close to 4% and the nominal yield of the Bond Buyer 20...
Year G.O. Muni Index was around 4.25%. Needless to say, those risk managers who were only managing for a single outcome, the one defined by higher rates, avoided such things. The “smart” money stayed short because that’s what smart money does when it “knows” rates have nowhere to go but up. As a result, many “smart” portfolio managers missed some big investment opportunities because their strategy was too invested in a perception that allowed no room for any world that didn’t involve higher and rising interest rates. A world that is still worlds away.

What If You Didn’t Have to be Right?

What about risk managers who operate without an overriding market bias? How do managers manage without an emotional investment in a rate forecast? They do it by allowing for the possibility of multiple outcomes, even some unlikely ones. Those portfolio managers who invested in twenty-year municipal bonds back in 2009 didn’t do it because they “knew” rates were going to fall, which they did; they did it because they didn’t know what rates were going to do. They loaded up on high cash-flow instruments at the same time and for the same reason: they didn’t know where rates were headed but they wanted to be ready for anything. And they have been. Their long-term, high-yielding bonds have provided much needed income during times when yields trended downward, and their reservoir of short-term cash flow has been a repricing boon for those times when rates trended higher or back-up liquidity was needed. Successful risk managers don’t have to be smart enough to see into the future, they just have to be smart enough to realize they can’t.

Lester Murray joined The Baker Group in 1986 and is an associate partner within the firm’s Financial Strategies Group. He helps community financial institutions develop and implement investment and interest rate risk management strategies.

The Baker Group has been endorsed since 2010.
Every visit to an eye doctor begins with the hope of a diagnosis of 20/20 vision. Staring at an eye chart, patients will squint and squirm to decipher a blurry line of random letters, all for the chance of being told they have “perfect” vision. For followers of the Alabama Legislature, that level of acuity is rarely achieved before a session, hence the “hindsight is 20/20” adage.
Community Bankers That Care About Alabama’s Community Banks

Bryant Bank’s Correspondent Services and Capital Markets team cares because Alabama is our home, too. Our vision is to see every Alabamian experience a financially stable future and live in a thriving community. To do this, we put care into action with Alabama’s community banks to help foster economic growth and empower potential. Through robust technology and unbeatable service, our partners experience legendary results.

Like us, your community bank aspires to be legendary and that calls for a local collaborative partner like Bryant Bank. We invite you to call us today!
Mental Health

Whether in public speeches or private conversations, more focus has been given to mental health over the last few months than arguably at any other time in the last decade. Department of Mental Health Commissioner Lynn Beshear has requested an additional $21 million in funding to construct three mental health crisis diversion centers around the state. The idea behind these facilities is to help those facing mental health crises to receive intensive care at a centralized location, rather than in a county jail or emergency room. Mental health has also played a central role in discussions about criminal justice reform. Last year, U.S. District Judge Myron Thompson ordered the Department of Corrections to implement permanent mental health remedies to address inadequacies that he concluded were a determining factor in the high rate of prison suicide. Consequently, any legislative proposals aimed at reforming the criminal justice system will have to address prisoners’ mental health issues as well. And finally, recognizing the benefits of early detection and awareness of mental health issues, Superintendent of Education Eric Mackey has earmarked nearly $10 million in his FY 2021 budget proposal to improving mental health services in Alabama’s public K-12 schools.

Budgets

Alabama is a state not normally known for budget surpluses, but next year looks to be an exception. Driven by a low unemployment rate and a booming economy, net revenues to the State General Fund and the Education Trust Fund grew by a combined $500 million over last year, according to the Legislative Services Administration. Gov. Ivey announced in her State of the State address that she would propose a $1 billion school construction bond issue, the first such bond issue since 2007. Proceeds will be divided between the K-12 (73%) and two- and four-year colleges (27%) using a special distribution formula that accounts for the size and financial health of the receiving entity. The Department of Finance estimates that the bond issue would cost the state $80 million per year for the next 20 years. In addition, legislative leaders, led by Sen. Clyde Chambliss (R-Prattville), are giving strong consideration to a “Rolling Reserve” account for the State General Fund. Such a funding mechanism, which is already attached to the Education Trust Fund, would cap annual appropriations to an amount based on the average amount of appropriations from the previous few years – for instance, the Education Trust Fund’s cap is based on the previous 15 years of funding – in hopes to avoid budget proration, which requires funds to be withdrawn mid-year in order to have a balanced budget.

Prisons

Prison overcrowding remains a major issue in Alabama, as the state’s prison facilities are at 168% of their designed capacity. With intervention from the Department of Justice a major possibility, the state’s leaders are looking to implement solutions sooner rather than later. Governor Ivey is taking steps
Partnering with FNBB means more than access to a full range of innovative correspondent products and services. It means having a trusted partner who will never compete for your deposits and loans. A partner who will provide unparalleled attention with a commitment to building lasting relationships that help you improve your performance and increase profits. That’s the power of an FNBB partnership.

In addition to traditional correspondent services we offer:

- Asset Liability Management
- Compliance Audit Services
- Internal Audit Services
- IS Audit Services
- Loan Review
- Image Check Exchange
- International Services
- Insurance Products & Services
- Holding Company Loans
- Interest Rate Swaps
- Loan Participations
- Officer and Director Loans
- Capital Markets Division
  - Sales/ Training
  - Bond Accounting
  - Safekeeping
toward constructing three new men’s prisons. In fact, the Department of Corrections will likely receive construction proposals from selected developer teams within the next few weeks. The three new prisons would hold approximately 10,000 inmates, each of whom would be transferred from one of the dozen or so existing prisons that are set to close under Ivey’s plan. The developers would bear the upfront construction costs and the state would lease the facilities. Legislators are also working on a variety of proposals, including some that were proposed by the Governor’s Study Group of Criminal Justice Policy. Led by former Supreme Court Justice Champ Lyons, the group recommended that additional funding be provided to hire more Department of Corrections officers and to increase safety mechanisms for inmates and staff. The report also praises the work of Alabama’s Ingram State Technical College, the only college in the country that exclusively serves an incarcerated population.

Gambling

If you’ve turned on a TV over the last few months, you’ve likely seen a commercial about the Poarch Band of Creek Indians’ “Winning for Alabama” plan, which they tout as providing $1 billion to the state. But even before this latest push, the Tribe and other proponents of gambling and the lottery had made their pitches to legislators, all to no avail. In her State of the State, Gov. Ivey announced the formation of a blue-ribbon panel to estimate the amount of revenue Alabama would stand to gain if voters approved various forms of gambling or the lottery. But even at its best, legislators would have to wait several weeks to hear this panel’s recommendations. Consequently, chances are high that legislators will soon begin debating a variety of proposals in this space, including the Tribe’s. On the lottery side, Rep. Steve Clouse (R-Ozark), chairman of a House budget-writing committee, has filed legislation that would let Alabamians vote on an education lottery, with proceeds evenly split between the state’s pre-K program and needs-based scholarships for Alabama students to attend state two- and four-year schools.

ABA Legislative Agenda

On the banking side, the association legislative agenda annually includes three “defensive” positions: (1) prohibit credit unions from becoming public depositories, (2) prevent assessments paid to the State Banking Department from being diverted to other state agencies, and (3) provide the banking industry with as much tax parity as possible with other industry sectors. But in 2020, the association’s “offensive” vision is crystal clear: spearhead the passage of the Elderly and Vulnerable Adult Financial Exploitation Prevention Act.

It’s no secret that elder abuse is on the rise and getting more and more expensive. A MetLife study from 2010, for example, concluded that the projected annual cost of elder financial abuse was just shy of $3 billion. And some advocates, including the AARP, believe the number is even higher. While the primary role of a financial institution is to facilitate financial transactions in accordance with the wishes of its customers, several state legislatures have recognized that providing additional tools to financial service providers may significantly reduce instances of elder abuse. The Alabama Bankers Association believes it’s time for Alabama’s bankers to have these tools at their disposal, too.

Sponsored by Senate Banking and Insurance Committee Chairman Sen. Shay Shelnutt (R-Trussville) and House Financial Services
When it’s time to look for new service providers or to rethink current ones, your first call should be to ALABAMA BANKING SERVICES.

We maintain a team of providers who have participated in a rigorous due diligence process to earn the Alabama Banking Services endorsement. Bankers like you have participated in the process to ask all the hard questions. Nothing replaces your own due diligence, but we try to make your job easier. The endorsement process uses the purchasing power of Alabama Bankers Association members to negotiate meaningful benefits. If you are ready to make a change or add a new service, we hope you will give our ESPs careful consideration.

For more information about how Alabama Banking Services can help you, contact Janice Cox at (334) 244-9456.
Committee Chairman Rep. Chris Blackshear (R-Phenix City), the legislation would, first, give financial institutions complete discretion to refuse or delay a financial transaction involving an elderly or vulnerable adult customer when there exists a reasonable belief that financial exploitation may have occurred, may have been attempted, or is being attempted. If a transaction was refused or delayed, the institution must attempt to notify the accountholder and, if financial exploitation has occurred, the Department of Human Resources and the appropriate law enforcement agency.

Second, the bill would also give financial institutions much needed flexibility to contact persons associated with the elderly or vulnerable adult who may have been, or has been, victimized. Specifically, the bill would allow financial institutions to contact individuals listed by the accountholder to be contacted in cases of financial emergency, anyone associated with the account (such as an additional authorized signatory), or a third party reasonably associated with the accountholder (such as a law firm). Notably, the bill specifically forbids institutions from contacting someone associated with the affected account if the person who would be contacted is the suspected perpetrator of financial exploitation.

Third and most importantly, a financial service provider taking reasonable actions upon the reasonable belief that exploitation has or may have occurred will be immune from any civil, criminal, or administrative liability for its actions, including the decision to delay or refuse a transaction.

The language in the bill was taken from a similar bill passed in 2017 in Tennessee – that effort was led by the Tennessee Bankers Association – as well as legislation passed in 2016 here in Alabama – that effort was led by the Alabama Securities Commission and applies to investment advisors and broker-dealers. The legislation enjoys the support of the Mortgage Bankers Association of Alabama, the League of Southeastern Credit Unions, the Credit Union Coalition of Alabama, and other advocacy groups and public entities.

By making this legislation the centerpiece of our 2020 legislative agenda, the Alabama Bankers Association hopes to better equip a financial services industry that is already working hard to protect its elderly and vulnerable adult customers.

As always, news and information about the 2020 legislative session will be included in our weekly Capitol Notes newsletter, published every Friday during session. If you’re not on the distribution list for Capitol Notes, please send the correct name and contact information to aba@alabamabankers.com.

Thank you for your support of the association’s governmental affairs efforts. With your help, we’ll be able to “clearly see” our 2020 goals all the way to the finish line!

Jason Isbell is ABA’s Vice President of Governmental and Legal Affairs. He can be reached at jisbell@alabamabankers.com.
Jones Walker LLP attorneys were involved with **more than 50%** of **bank mergers and acquisitions** in Alabama for the last three years.

Nationally, Jones Walker is ranked 8th among legal advisors by S&P Global Market Intelligence for the number of bank mergers and acquisition transactions in 2019.

Jones Walker has a well-earned reputation in the banking industry. Our attorneys have a long history in the banking sector and have represented more than 100 banks and bank holding companies. In addition to the mergers and acquisitions work that our banking and financial services attorneys provide, the firm’s experience representing banks includes:

- corporate governance
- regulatory compliance
- securities regulation
- debt and equity financing
- tax matters
- employment
- bankruptcy and restructuring

**JONES WALKER**

**Attorney Advertising.** No representation is made that the quality of legal services to be performed is greater than the quality of legal services performed by other attorneys.

**Michael D. Waters**  
mwaters@joneswalker.com  
205.244.5210  
Suite 1100 | 420 20th St N  
Birmingham, AL 35203

**Ronald A. Snider**  
rsnider@joneswalker.com  
251.439.7548  
Suite 1200 | 11 N Water St  
Mobile, AL 36602
The 2020 IGNITE Experience held in February brought together bankers in the areas of marketing and public relations, human resources, information technology, operations and branch management. More than 200 people from 47 banks attended this annual event. Speakers from all over the country flew in to train Alabama bankers on the latest trends and developments in the industry.
At FHLBank Atlanta, we are focused on helping financial institutions meet the needs of their communities and improve their bottom lines.
General Session speakers included Tim Leonard who discussed how bankers can best handle threats such as disruption, fintech, regulation and cyberattacks. Our second general session speaker was Jeff Butler who unraveled which technological changes to anticipate and how their integration impacts the workforce; not only from a business perspective but also from a sociological, psychological, and existential perspective.

Several activities held in the trade show area gave attendees the opportunity to visit the vendors present. Instead of holding our popular Trade Show Speed Dating Showcase, we launched our new innovators showcase. Vendors who chose to participate were allowed to do a 15-minute presentation for attendees. Two concurrent sessions were held allowing attendees to decide what presentations to attend. Those that participated in both sessions were invited to pick a pair of sunglasses from our sunglasses bar.
As bankers, customers depend on you for advice and counsel...

Together we can

Maximize the Interest!

Together we can

Do Anything!

MAULDIN & JENKINS
CPAs & ADVISORS

2000 Southbridge Pkwy | Suite 501
205-445-2880

MJCPA.COM
Avoid Compliance Uncertainty with Guidance and Best Practices

CFPB Announces Policy to Clarify UDAAP Abusiveness Standard

By Cheryl Lawson

On January 24, 2020, the Consumer Financial Protection Bureau issued a new policy statement designed to clarify how it will define, supervise and enforce “abusive” standards under the Dodd-Frank Act going forward.

When Dodd-Frank was passed into law on July 21, 2010, it prohibited any covered person or service provider from engaging in any unfair, deceptive or abusive act or practice (UDAAP) in connection with the provision of consumer financial products or services. According to the original standard, “an act or practice is considered ‘abusive’ if it materially interferes with the consumer’s ability to understand a term or condition of a consumer financial product or service, or takes unreasonable advantage of a consumer’s (1) lack of understanding of the material risks, costs or conditions of the product or service; (2) inability to protect his or her interests in selecting or using a consumer financial product or service; or (3) reasonable reliance on a covered person to act in his or her interest.”

However, nearly a decade later there remains uncertainty regarding the meaning and scope of the term abusiveness.

The new policy statement provides the following points of clarification to guide financial institutions regarding how the Bureau intends to apply abusiveness during supervision and enforcement, in order to promote compliance certainty and ensure that supervisory and enforcement decisions are consistent:

• Conduct will be cited or challenged as abusive only when the harm to consumers outweighs the benefit.
• The Bureau will not identify conduct as abusive if it relies on all or nearly all of the same facts as an unfairness or deception violation.
• Monetary relief for abusive acts or practices will only be sought when there has been the lack of a good-faith effort to comply with the law. (However, the statement clarifies that the Bureau will continue to seek restitution for consumers whether or not a company acted in good faith.)

While the Bureau has brought 32 enforcement actions against financial institutions alleging an abusiveness claim since 2011, only two of those actions exclusively alleged an abusiveness claim without also making an unfair and/or a deceptive claim. This underscores the challenge of identifying specific situations where only the abusive standard applies.

The Bureau noted in the statement that most of the enforcement actions were resolved by settlement agreements, so there are few judicial or Bureau administrative decisions that “address the contours of the abusiveness standard.” Moreover, the Bureau’s UDAAP examination procedures “largely restate the language of the Dodd-Frank Act.”

Given the self-imposed limits on dual pleading in the statement—and the likelihood that few enforcement actions will merit a stand-alone abusive claim—it’s possible that the Bureau may pursue fewer abusiveness claims in the future. This is good news considering that criticism from the Bureau has been used by other agencies as justification to target UDAAP. This redefined viewpoint by the Bureau should percolate through to the FDIC, OCC, NCUA and the Federal Reserve.

By choosing to issue a policy statement instead of a regulation, the Bureau leaves open the possibility of future rulemaking to further define the abusive standard. Or, the policy could be repealed if further changes are deemed warranted. In the meantime, financial institutions that don’t have an overdraft provider that constantly monitors compliance expectations and policy changes and examiner reactions during the exam process could be at risk for mistakenly acting in bad faith regarding abusive conduct.

If you want to avoid compliance uncertainty, make sure your overdraft program policies and processes are in line with all regulatory and consumer protection standards. By utilizing the most accurate regulatory guidance and best practices, JMFA can review your existing overdraft strategy to ensure clarity and complete compliance peace of mind at all times.

Cheryl Lawson is executive vice president of compliance review from John M. Floyd & Associates. For more than three decades, JMFA has been involved in monitoring regulatory and legislative activity around compliant overdraft strategies.

JMFA has been endorsed since 2005.
STS Group is leading the way to tomorrow’s branch. Where is your branch headed?

STS Group is the leading provider of security services and branch automation equipment in the Southeast.

WE ARE PASSIONATE
STS Group was founded in 2008 out of a passion for Service and Technology. We have a unique perspective and ability to be your strongest security partner.

WE ARE TRUSTED
Over 200 financial institutions trust STS Group in Alabama, Florida and Georgia for physical and electronic security equipment, ATMs and branch automation.

WE ARE CONNECTED
The STS Group Security Connect Research and Development Lab is a one-of-a-kind lab designed to test new solutions found across the country at trade shows, customer interactions and combating new challenges.

WHAT OUR CUSTOMERS ARE SAYING

"Scott and his team do a great job of advising us about what a banking office looks like now and what it will look like in the future. We’ll have the chance to implement the latest and greatest technology and focus on the efficiencies in the banking world today."

- Will Heaps EVP/ Merit Bank

THE STS GROUP DIFFERENCE
- Yearly Comprehensive Security Assessment.
- Time-saving Remote Diagnostics with security updates that get you up and running faster.
- A one-of-a-kind Research & Development Lab where we test the latest and greatest security products to make sure they work for you.
- Security Connect account portal where you can login anytime from anywhere.
- Real-time notifications regarding the status of your service.
BSA/AML Boot Camp
Another education event held in February included 18 bankers from 14 banks who traveled to the 4H Center in Columbiana for our three-day BSA/AML Boot Camp led by Dianne Barton.

Consumer Lending Boot Camp
A group of 38 bankers from 18 banks gathered in Prattville in February for our two-day Consumer Lending Boot Camp. Led by Trina McCoy, this event focused on the tools, skills, strategies and processes needed for today’s consumer lending team.

Want more information about ABA’s educational offerings? Email ABA Education Director Debbie Pharr at dpharr@alabamabankers.com.
Personnel

**CB&S Bank** in Russellville congratulates several employees on their recent promotions. Compliance Auditor **Ginger Reynolds** was promoted to assistant vice president. Reynolds has worked in the banking industry since high school and currently has 32 years of experience. **Adelina Garner** was promoted to branch manager, assistant vice president of the downtown office in Florence. Originally from Peru, Garner has more than 15 years of experience in the banking industry and has been with the bank for 13 of those years. Also promoted to assistant vice president is **Julia Sullivan**. Sullivan has 22 years of experience in the banking industry and has served in a variety of roles including teller, customer service representative and commercial lending assistant. She currently serves as an executive assistant and works in the main office in Russellville. **Jeff Crutchfield** has been promoted to senior vice president. He has been with the bank for 10 years and worked in the industry for 34.

**First Southern State Bank** in Stevenson welcomes **Barry Kennedy** to its team as chief financial officer and senior vice president. Prior to joining the bank, Kennedy was a shareholder at CK Business Solutions in Albertville and specialized in audit and tax consulting services for a variety of industries. Also joining the team at First Southern is **Justin Davis**. Davis will serve as a loan officer at the bank’s Albertville office. He comes to the bank having previously worked for BancorpSouth in Boaz. The bank also recently promoted three employees. **Larrian Mason** was promoted to vice president. She is responsible for deposit operations, vendor management, procedures, and training, and serves as the information security officer for the bank’s main office and nine branches. **Consumer Lender Mark O’Leary** has been promoted to assistant vice president. He joined the bank in 2016 as a consumer lender having worked for a number of banks previously. **Sherry Jo Rogers** was also promoted to assistant vice president. She is responsible for loan operations for the bank and has been with the bank for 30 years.

**PNC Bank** named **Taylor Franco** as senior vice president and market manager of business banking for Alabama and Georgia. In her new role, Franco will lead PNC’s local business banking operations, which provides credit services, cash flow optimization, and treasury services to Alabama and Georgia-based small business banking clients with annual sales up to $5 million. A 10-year veteran of the company, Franco most recently served as business banking sales director, where she provided sales and performance strategies to PNC’s east...
ABA's Half Century Club honors bankers who have been in the industry for 50 years or longer.

Congratulations to Gayla Kinney on celebrating 50 years of service to the banking industry. Kinney began her career in 1969 as a proof operator. She later became the first female executive officer for Troy Bank & Trust when she was named chief operating officer in 2010. Presenting the award to Kinney, center, was ABA Senior Vice President Janice Cox, left, and Jeff Kervin, bank president and CEO.

CloudBnq
Loan Origination Software

CloudBnq enables all your Business & Consumer lending products

- Without changing the way you evaluate your lending today
- Reducing time and cost across the entire lending experience
- Automating checks and underwriting for faster decision times
- Scaling your loan staff to allow them to focus on more deals
- With enhanced identity verification and credit data for safer decisions
- Delivering a great borrower experience

Schedule a Demo today

1 (800) 297-8876
sales@cloudbnq.com
clooudbnq.com
2020 Annual Convention & Marketplace
THE BREAKERS • PALM BEACH, FLORIDA
MAY 31 - JUNE 3
territory business banking team. Franco has held several positions within the organization’s credit, management and business banking operations and is a graduate of PNC’s ACCEL Retail Development Program.

**Renasant Bank** welcomes three new employees. **Jay Collins** joins the staff in Pelham as an appraisal officer and vice president. Collins has worked in the banking industry for more than 30 years. In east Montgomery, **Kenneth Davis** joins the bank’s team as a branch manager and assistant vice president of the Mitylene Park Drive office. **Nick Sanders** joins the bank’s staff in Mobile as a commercial relationship officer and assistant vice president.

Congratulations to **Mickey Daughtry** and **Dianna Lee** with **Troy Bank & Trust** on their recent promotions. Mickey Daughtry was promoted from vice president/financial accounting officer to vice president/cashier and comptroller. Before joining the bank, Daughtry was the chief school financial officer for the Troy City Board of Education. He also has more than 20 years of accounting and auditing experience with a number of state agencies. Lee has served as the bank’s marketing and public relations officer for 23 years. Before her tenure with the bank she was the director of alumni affairs for Troy University.

**First Financial Bank** in Bessemer welcomes **Wes Russell** as a new member of its board of directors. Russell is a certified public accountant with Russell & Company and works with a variety of small businesses.

**Retirements**

The **Bank of Brewton** celebrated the retirement of **Don Ward** on Jan. 31. Ward began working at the bank in November 2001 serving in a number of different roles including purchasing/contracts agent, security officer, information cyber security officer, audit manager, and officer in charge of credit cards. According to the bank Ward is retiring his banking hat and dusting off his golf clubs!

**Employee News of Interest**

Congratulations to **Brad Bolton** who was elected as vice chairman of the Independent Community Bankers of America Board of Directors. Bolton, president and CEO of **Community Spirit Bank** in Red Bay, has been highly active in ICBA for many years having previously served as chairman of the education committee.
CSI KNOWS THE SKY IS THE LIMIT.

With so much fintech to choose from, you need a partner offering integration that pushes your bank higher, further, faster.

Our core platform uses advanced APIs to help you reach your full potential.

www.csiweb.com/readytosoar

CloudBnq Loan Origination Software

CloudBnq enables *all* your Business & Consumer lending products

- Without changing the way you evaluate your lending today
- Reducing time and cost across the entire lending experience
- Automating checks and underwriting for faster decision times
- Scaling your loan staff to allow them to focus on more deals
- With enhanced identity verification and credit data for safer decisions
- Delivering a great borrower experience

Schedule a Demo today

1 (800) 297-8876 sales@cloudbnq.com cloudbnq.com
ABA announced several personnel changes in February. Congratulations to the following team members:

**Tabitha Abele** has been promoted from school coordinator to program director for the Alabama Banking School. She will serve in this role in addition to her current responsibilities as an executive assistant. Her excellent work has created considerable efficiencies and improvements for the school as a member of its leadership team. Interested in attending the Alabama Banking School or know someone who is? Email Tabitha at tabele@alabamabankers.com or call her at (334) 386-5745.

**Ashley Thomas** has been promoted from B2L Coordinator to director of leadership development. In addition to planning and coordinating all of B2L’s events and activities, during her time at ABA Ashley launched both the Bank Executive Leadership Certification Program as well as the BBQ with Bankers program. Want more information about B2L events and activities? Email Ashley at athomas@alabamabankers.com or call her at (334) 386-4736.

**Scott Miller** serves as executive director of the Alabama Multifamily Loan Consortium. In addition to this role, he has agreed to serve as the interim registrar of the Alabama Banking School for the 2020 session. Having served as registrar before joining AMLC, Scott is a great resource to lead the program following the departure of the school’s former registrar, John Naughton, who has accepted a position with the Graduate School of Banking at Louisiana State University.

ABA's Half Century Club honors bankers who have been in the industry for 50 years or longer.

Congratulations to **Sherer Averette** with Marion Bank & Trust on celebrating 50 years of service to the banking industry. Averett began her career as a banker in December of 1969. She was presented her award by Director **Roy Barnett** and President and CEO **F. Conrad Taylor**.
A New Twist on a Familiar Ceremony
*First Southern State Bank* Breaks Ground for New Facility

*First Southern State Bank* in Stevenson held a groundbreaking for a new office in the Bryant community. So what made this ceremony a bit different? The bank invited the North Sand Mountain School Robotics Team along to help. The team, consisting of 25 students in grades five through 12, designed a robot and conducted the initial groundbreaking. The robot was originally designed to clean debris from the ocean to participate in a BEST Robotics Competition held at Northeast Alabama Community College. After a few design changes and modifications, the robot was ready to help out with the groundbreaking process.

The Robotics Team was joined by the First Southern State Bank Board of Directors, the bank branch staff, First Southern Young Leader representatives from North Sand Mountain High School, P & C Construction leadership, and members of the Bryant and Higdon communities who all posed for their own “golden shovel” photos.

Results that transform

Wipfli and Porter Keadle Moore have joined forces to provide consulting, audit and tax solutions that empower our financial institution clients to achieve their goals and plan for future success.

wipfli.com/fi
Bryant Bank put care into action this holiday season with Turning Banking into Thanking. During a 14-day period, bankers from across the state supported 14 Alabama nonprofits through financial contributions and acts of service. An additional 15 individuals were helped through the purchase of gifts, clothes, or time shared.

“The word care is something that our team has focused on intentionally in 2019 and it was important to us that we finished the year strong with something that embodied it,” said Claude Edwards, bank president. “We wanted to give the gift of giving and caring this year.”

Organizations that received financial contributions included: The Community Soup Bowl (Tuscaloosa), Community Food Bank of Central Alabama (Birmingham), Feeding the Gulf Coast (Mobile), Penelope House (Mobile), Christian Service Center (Gulf Shores), The Exceptional Foundation Gulf Coast (Daphne), Free 2 Teach (Huntsville), Christmas Charities Year-Round (Huntsville), Greater Huntsville Humane Society (Huntsville), and Manna House (Huntsville).

Bryant Bankers volunteered at the following organizations: Community Food Bank of Central Alabama (Birmingham), Feeding the Gulf Coast (Mobile), Penelope House (Mobile), Christian Service Center (Gulf Shores), The Exceptional Foundation Gulf Coast (Daphne), Free 2 Teach (Huntsville), Christmas Charities Year-Round (Huntsville), Greater Huntsville Humane Society (Huntsville), and Manna House (Huntsville).

Banks also facilitated special activities for a variety of organizations.

For Tuscaloosa’s One Place, the bank supported two families with a total of eight children. Bankers shopped for gifts on a Saturday and hosted the families for a Family Night at the Downtown Tuscaloosa Community Room. They enjoyed a nice dinner as the kids opened many gifts, decorated cookies, built ornaments, and enjoyed holiday music. A surprise visit from Santa took place where he delivered new bicycles for each child.

Bobby Humphrey, the bank’s vice president of business development, shared an inspirational message for the teenagers at the Tuscaloosa Juvenile Detention Center. Bankers catered in lunch and surprised the staff and the residents with six new 50-inch televisions. While they were excited, it was also important for Bryant bankers to understand that the ability to watch TV was an earned privilege.

One teenager shared with the Tuscaloosa Juvenile Detention Center staff that this event would be one of his most memorable. “I’m marking this down as one of the best days ever. They seemed to care about me even though I’m dressed in orange,” he said.

The Mobile team spent time shopping for a family that was being supported by the Penelope House. The bankers enjoyed the time together and delivering their gifts and a check to the organization.

The Tuscaloosa team purchased a large order of canned goods for the Tuscaloosa Community Soup Bowl and ended the week with quality time spent with five of the Bank’s elderly customers. These customers enjoyed gift baskets, lunches, and trips to the grocery store.

“We all have something that we can give. That’s what this season is all about. Giving. And never lose hope of that,” Humphrey said.
Bank Independent
Forms Relationship with Ameriprise Financial

Bank Independent in Florence announced in late January that it selected Ameriprise Financial as its broker-dealer operating under the name Independent Investments Group and added Teresa Turner and Tarah Lankster to the financial services team. Through the new relationship, Independent Investments Group will offer comprehensive financial planning and investment solutions to its clients.

“We were drawn to Ameriprise because of their solid track record of helping people feel more confident in their finances. Ameriprise’s approach of delivering personalized advice and service fits well with Bank Independent’s philosophy,” Rick Wardlaw, CEO of Bank Independent, said. “Our customers have told us financial planning is a growing need, and we are looking forward to leveraging the resources of Ameriprise and the experience of Teresa and Tarah to serve our customers holistically.”

With more than 40 years of combined banking and wealth management experience, Teresa Turner will join the Independent Investments Group as a financial advisor and Tarah Lankster will join the team as a financial sales assistant. Teresa will be located at the Bank Independent sales office on Pine Street in Florence and will be available by appointment at any of the 28 sales office locations. Tarah will be based at the Athens downtown sales office and work closely with Teresa to serve the needs of their clients.

Independent Investments Group will help its clients create personalized financial plans and manage their investments to achieve their financial goals. Additionally, clients will have access to a full range of services and products including retirement, estate, and college planning as well as mutual fund, insurance, annuities, and brokerage accounts.

Robertson Banking Company Donates Painting to Historical Commission to Celebrate 150th Anniversary

A familiar piece of art to customers of Robertson Banking Company has a new home.

Early in 1995, Robertson Banking Company, under its then-president, John E. Northcutt, commissioned Margaret Ellen Horan Webb (Mrs. J. C. Webb) of Marion to paint a symbolic and historical representation of a variety of scenes and landmarks included in the history of Demopolis. The oil painting has since hung in the lobby of the main bank in Demopolis. As Robertson Banking Company prepares to celebrate its 150th year serving the citizens of West Alabama, the bank has donated the painting to the Marengo County Historical Society.

Titled “City of the People,” the painting features many historic sites and symbols that highlight some of the influences of Demopolis’ development: American Indians, the White Bluffs, original French settlers, a rooster, local churches including Morning Star Baptist Church, the railroad, and many other depictions that shaped the town.

The Marengo County Historical Society will display the painting on loan at the Marengo County History & Archives Museum at the Rosenbush Building on Walnut Avenue, just a couple of blocks south of Robertson Banking Company. MCHS is making plans for a talk about the painting, open to the public, at the museum in early Spring 2020.

(This article is reprinted with permission from The Demopolis Times.)
Progress Bank Celebrates 12th Anniversary

Congratulations to Progress Bank on celebrating its 12th anniversary. Progress Bank opened on Feb. 4, 2008 with two offices in Huntsville and Decatur. The bank has continued to expand across Alabama and Florida, and now operates nine offices. During the past 12 years, the bank has grown into a solid financial institution with more than $1.2 billion in total assets. The bank’s financial services division, Progress Financial Services, has approximately $940 million in assets under management. The bank continues to focus on providing great service through a variety of commercial banking options, wealth management, and home mortgages along with traditional banking products and services.

“We strive to encourage a culture of exceptional service to our customers, and I am proud to say that our employees continue to impress me each year. So many of them go above and beyond in trying to meet their goals and our customers’ needs. We are also proud to have many employees who are highly active in our communities through volunteer work and fundraising events throughout the year,” Progress Bank President and CEO David Nast said.

BankFirst Capital Corporation to Acquire Traders & Farmers Bancshares, Inc.

BankFirst Capital Corporation, parent of BankFirst Financial Services, announced the signing of a definitive merger agreement with Traders & Farmers Bancshares, Inc., parent of Traders & Farmers Bank in Haleyville, under which BankFirst will acquire Traders & Farmers. The transaction has been unanimously approved by the board of directors of each company, is expected to close in the second quarter of 2020, and is subject to customary closing conditions, including approval from the shareholders of Traders & Farmers and bank regulatory authorities.

“The acquisition of Traders & Farmers will be another milestone in the implementation of our strategic plan to serve our customers and communities and increase shareholder value. In addition, we believe this merger furthers our vision of partnering with other community banks that have strong core deposit funding and a long tradition of superior community and customer service. Together, the combined company will have more than 246 years of community banking experience in Mississippi and Alabama. We expect this merger to enhance our ability to continue investing in our products and services, ensuring that we remain competitive on all fronts as the banking industry continues to change and evolve,” BankFirst President and CEO Moak Griffin said.

Send us your news!

Do you have news for Banking Traditions magazine? If so, send it to Shelley Hildebrand by emailing her at shildebrand@alabamabankers.com. Feel free to send high resolution photos with your news items!
The Independent Community Bankers of America is the only national organization that exclusively represents the interests of community banks. With effective advocacy, best-in-class education, and quality products and services, helping your community bank reach its full potential is our passion.
2020

MAY 31-JUNE 3
127th Annual Convention & Marketplace
The Breakers
Palm Beach, Fla.

JULY 9-11
B2L Summer Leadership Conference
The Henderson Beach Resort
Sandestin, Fla.

JULY 19-24
Alabama Banking School
University of South Alabama
Mobile

JULY 30-AUGUST 1
CEO, Bank Exec & Directors’ Conference
The Grand
Point Clear

SEPTEMBER 20-23
DC Fly-In
The Mayflower Hotel
Washington, D.C.

OCTOBER 8-9
Trust and Wealth Management Symposium
Vestavia Country Club
Birmingham

APRIL 2020

APRIL LIVE SEMINARS TO BE HELD AS WEBINARS

8  From Start to Finish: Developing Compliant Mortgage Loan File
    Molly Stull

9  Avoid Being Tripped Up With Adverse Action & Flood Rules
    Molly Stull

JUNE 2020

1-5  Advanced BSA Academy
    Faculty
    Pine Mountain, Ga.

23-25  DEEP DIVE: Regulatory Compliance Fundamentals
    Dianne Barton
    Birmingham

For more information on any of ABA’s live seminars, please contact Debbie Pharr at 334-386-5735 or email dpharr@alabamabankers.com.
REGISTER TODAY! For more information or to register for a seminar, visit www.alabamabankers.com/edu. Most webinars are scheduled at 10 a.m. and 1:30 p.m. Central Time unless otherwise indicated. Visit www.alabamabankers.com/edu to confirm times.

PLEASE NOTE: ABA has changed its webinar provider to Total Training Solutions/Bank Webinars. In addition to live and on-demand webinar access, the company also offers webinars on CD-ROM. Questions about this new provider? Contact Debbie Pharr at (334) 386-5735.

MARCH 2020

10 Hemp Oil (1:30 PM)
11 10 Hot BSA Exam Issues (1:30 PM)
11 ACH Origination (10:00 AM)
12 Staff Deposit Regulatory Training: Meeting Annual Requirements and More (1:30 PM)
12 IRA Death Distributions (10:00 AM)
13 Michael Christians TBD (10:00 AM)
16 Commercial Construction Lending (1:30 PM)
17 Adverse Action Notices (10:00 AM)
17 Setoff (1:30 PM)
18 Check Fraud (10:00 AM)
18 You’re the New Supervisor (1:30 PM)
19 Tech Strategies (1:30 PM)
20 Top 25 Safe Deposit Compliance Issues (10:00 AM)
23 Residential Construction Lending (1:30 PM)
24 CTR: Line-by-Line (1:30 PM)
24 Fair Lending: Do Your Lenders Know the Requirements (10:00 AM)
25 Consumer Real Estate (1:30 PM)
26 Mapping Multi-tiered Business Accounts (1:30 PM)
26 Business Development Skills (10:00 AM)
27 Call Report - Lending Schedules for Banks (10:00 AM)
30 Three Key Risk Assessments in Your ERM Program – ERM, IT, and Internal Controls (1:30 PM)
31 Basic Cash Flow Analysis (1:30 PM)

APRIL 2020

1 Loan Participations (10:00 AM)
1 No Foolin’: This is How Top Producers Prospect for Business (1:30 PM)
2 Dealing with Casual Days, Dress Codes and Work Appearance (10:00 AM)
2 Understanding Commercial Loan Documents (1:30 PM)
3 Equipment Lease Financing (10:00 AM)
6 Comm. & Bus. Lending Basics for Support Personnel (1:30 PM)
7 Overdrafts (10:00 AM)
8 Excel Explained: Creating Interactive Spreadsheets (10:00 AM)
9 Treasury Management: A Powerful Tool to Increase Deposits and Fee Income (1:30 PM)
9 New Release - FFIEC Business Continuity Management Handbook (10:00 AM)
14 What You Need to Know About Escrows (10:00 AM)
14 Michael Christians TBD (1:30 PM)
15 BSA/AML for Lenders (1:30 PM)
15 Susan Costonis TBD (10:00 AM)
16 SAR: Line by Line (1:30 PM)
16 Quarterbacking Retail Deposits (10:00 AM)
20 Key Ratio Analysis (1:30 PM)
21 Signature Card Danger Zones (1:30 PM)
21 Lines of Credit (10:00 AM)
22 Teller Compliance Issues: Updated for Regulation CC Changes (1:30 PM)
23 CRE Lending: Cash Flow Analysis & Cap Rates (1:30 PM)
24 Safe Deposit Vault Security & Disaster Recovery Essentials (10:00 AM)
28 BSA: Customer Identification Program: Is it time to Update? (1:30 PM)
29 Introduction to Banking for New Employees (1:30 PM)
30 Coaching Tellers to Excellence (1:30 PM)

MAY 2020

1 Income Statement Analysis (10:00 AM)
5 Lending 101 (1:30 PM)
6 Fair Lending (10:00 AM)
7 Writing BSA Procedures (1:30 PM)
7 Bank Call Report Preparation for Beginners - Part 1 (10:00 AM)
8 Intro to ACH (10:00 AM)
11 Basic Personal and Business Tax Return Analysis (1:30 PM)
12 Total TRID Training (Part 1 of 4) (10:00 AM)
12 Understanding Commercial Real Estate Loan Documents (1:30 PM)
13 Spotting Opportunities, Making Referrals (1:30 PM)
13 Basic Bankruptcy for Bankers (10:00 AM)

For more information about our telephone seminars and webinars, please contact Debbie Pharr by calling (334) 386-5735 or emailing dpharr@alabamabankers.com.
In FY19, AHFA helped more than 1,000 Alabama families purchase a home. More than 100 of those were new construction homes. Our programs were used by homebuyers in 48 of the state’s 67 counties.

Our Step Up down payment assistance program is available to homebuyers who earn $97,300 or less and meet standards for creditworthiness. The program offers a competitive 30-year fixed rate and no sales price limits. In addition to the down payment assistance currently offered through Step Up, qualified buyers are eligible for an Affordable Income Subsidy Grant that helps with closing costs.

A Mortgage Credit Certificate (MCC) is also available to qualified homebuyers. An MCC is a dollar-for-dollar tax credit that increases available income to qualify for a mortgage and gives homebuyers a larger tax refund each year. The Step Up program can be combined with an MCC for even greater buying power.

For more information, visit http://www.ahfa.com/homebuyers/programs-available.
EXPENSE MANAGEMENT FROM DELUXE STRATEGIC SOURCING

Consolidate, simplify and save. Leverage massive buying power to increase your efficiency and reduce expenses. From end-to-end, we handle supply fulfillment and distribution on your behalf, saving you time, money and hassle so you can focus on more value-added tasks.

Upfront Assessment
Get an in-depth analysis of your current procedures, pricing and processes, along with tailored strategies you can use to improve.

Ordering Automation
Control and track what users order from a custom ecommerce website, restrict item availability by user login and more.

Consolidated Buying Power
Get the products, items and supplies you need at the best price – our expert procurement professionals source across the globe and handle all the logistics on your behalf.

Metrics Tracking
Drive program results with standard and customized reports to identify usage, shipment, and cost-saving opportunities.

Take advantage of this proven cost-management strategy and drive your efficiency ratio down. fi.deluxe.com/digital-engagement/strategic-sourcing