

TENNESSEE BANKER



Partnership you can trust.



Everyone needs a partner they can trust. At Financial PSI, we have partnered with leading insurance carriers to offer products that are broad enough to cover the needs of most banks, but can also be personalized to meet your bank's needs.

- ▶ **Directors' & officers' coverage**
- ▶ **Financial institution bonds**
- ▶ **Property & casualty products**
- ▶ **Group medical & life insurance**
- ▶ **Group & individual disability insurance**
- ▶ **Group dental**

Contact your Financial PSI consultant to find out more.

(800) 456-5191 • (615) 244-5100 • www.financialpsi.com





FAIR LENDING
BANK SECRECY ACT
CYBERSECURITY
REDLINING
COMMERCIAL REAL ESTATE
LIQUIDITY RISK EXAMINATION
PREPAREDNESS
INTEREST RATE RISK
FDICIA

Got a lot on your mind?

Just Say
PYA

40 Years of Problem Solving



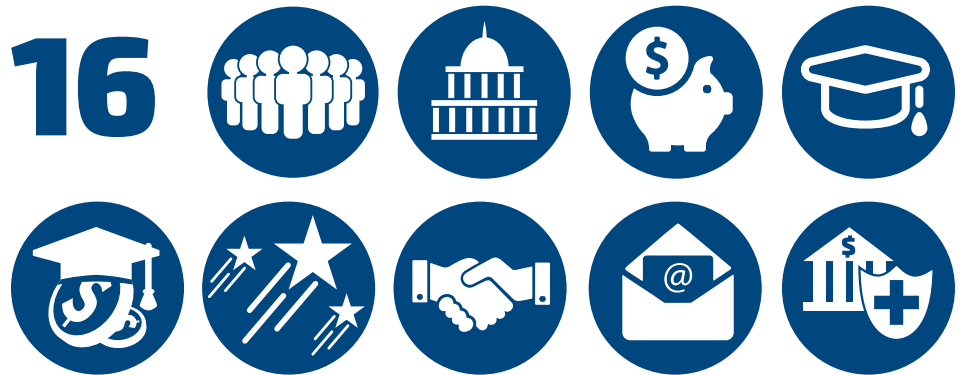
IN THIS ISSUE

Fall 2024 | Volume 112 | Number 4

14 **BANKPAC**
113 Contributors raised
\$279,238 in 2024



16 **2024 YEAR IN REVIEW**
Our 2024 Year in Review
offers a summary of the
Tennessee Bankers
Association's highlights
and accomplishments.



26 **COMMUNITY BANKING
CONFERENCE RECAP**
A look back at the flagship
event for the TBA
Independent Bankers Division





EARN MORE WAYS WITH FHLB'S MORTGAGE PURCHASE PROGRAM

Members earn five ways by selling to MPP:

1. Competitive cash price
2. Rebates from the lender risk account (LRA)
3. FHLB dividend
4. Few loan level price adjustments
5. Premiums paid for servicing (released or retained)

Check pricing in Optimal Blue and Encompass.

Welcome to our newest participating financial institutions!

- 1st Community Bank
- Republic Bank & Trust
- First Horizon Bank
- Community Savings Bank



  @fhlbcin   FHLB Cincinnati

T (513) 852-7500 | www.fhlbcin.com

Todd Berry
AVP, Relationship Manager
berrytw@fhlbcin.com

MORE IN THIS ISSUE

8. From the Executive Office—Colin Barrett: *Window of opportunity opens for meaningful change in Washington*

10. TBA Online

12. On the Hill—Amy Heaslet: *Leading the Fight: How Tennessee's first-of-its-kind hotline is combating elder financial exploitation*

24. TBA Endorsed Partner—Jon Goodson, *Financial Products and Services, Inc.: Why is my insurance premium increasing?*

28. Event Recap: *Bank Directors Retreat*

30. TBA Endorsed Partner—Neal Reynolds, *Bank Marketing Center: How a DAM system can transform community bank marketing*

32. TBA Endorsed Partner—Michael Berman, *NContracts: How to identify fair lending risk at your bank*

34. Event Recap: *Membership Meetings*

36. Event Recap: *Young Bankers Division's Coffee Breaks*

38. TBA Endorsed Partner—David Shoemaker and Ken Derks, *NFP Executive Benefits: The high cost of good talent and the value of retention*

40. TBA Alliance Member—Travelers: *Financial institutions and elder financial abuse—Tips to protect your customers and reputation*

41. Guest Column—Todd Taylor, *HUB|Taylor Advisors: Get your balance sheet recession ready! Capital in focus.*

42. Event Recap: *The Southeastern School of Banking*

46. Guest Column—Sharon Justice-McCray, *Tennessee Bankers Association: Bank compensation trends: Insights from the 2024 TBA Salary Survey*

48. Guest Column—Sean Payant, *Haberfeld: Scarcity or prosperity: The efficiency ratio under attack*

50. Guest Column—EngageFi: *The critical role of strategic planning*

52. Celebrating Brian Mobley's legacy and dedication to Financial PSI

53. Employment Opportunities

54. From the Vault

54. Statement of Ownership

55. TBA Professional Development Calendar

28



34



36



42



ON THE COVER

TBA's 2024 Leaders in Banking Excellence inductees A. Christopher White, Peoples Bank of East Tennessee, Vonore; Lisa Pominski, Wilson Bank & Trust, Lebanon; Terry L. Lee, Commercial Bank, Harrogate.

PHOTO: DONN JONES, DONN JONES PHOTOGRAPHY



OFFICERS

BILLY CARROLL, Chairman, SmartBank, Knoxville

GENE HENSON, Chairman-Elect, Trustmark National Bank, Memphis

GAY DEMPSEY, Vice Chairman, Bank of Lincoln County, Fayetteville

STAFF

ADMINISTRATION

COLIN BARRETT, President/CEO

STACEY LANGFORD, Executive Vice President/Chief Operations Officer

STEVE CURTIS, Senior Vice President of Information Technology

SHARON JUSTICE-MCCRAY, Senior Vice President of Human Resources/Facilities

PENNY L. POWLAS, Senior Vice President of Administration

T'LANIE LUU, Member Services Specialist

JOHN MILLER, Training Center Coordinator

ACCOUNTING/INSURANCE

ANGELA D. GRIFFIN, CPA, CGMA, Executive Vice President/CFO

SHEMEKA GREER, Accounts Receivable Clerk/Accounts Payable Clerk

ANDRE GREER, Accountant

LEGAL/GOVERNMENT RELATIONS

AMY HEASLET, Executive Vice President/General Counsel

EDUCATION

MONIQUE WHITE, Vice President of Education

SHEENA FRECH, Vice President of Education

COMMUNICATIONS

TYLER NELSON, Vice President of Communications

MATT RADFORD, Vice President of Creative Services

The Tennessee Banker (ISSN 0040-3199) is published quarterly by the Tennessee Bankers Association, 211 Athens Way, Ste 100, Nashville, TN 37228-1381; telephone 615-244-4871. Advertising rates available upon request. Subscriptions: \$40.00 per year for TBA members; \$55.00 for nonmembers; single copies, \$6. Tennessee residents add 9.25% sales tax. Periodicals postage paid at Nashville, TN. POSTMASTER: send address changes to The Tennessee Banker, 211 Athens Way, Ste 100, Nashville, TN 37228-1381.

Copyright © 2024, Tennessee Bankers Association; all rights reserved. The Tennessee Bankers Association disclaims all responsibility for opinion expressed in addresses, papers, or communications published in *The Tennessee Banker* unless such opinion has been endorsed by the Tennessee Bankers Association.

Is your community bank innovative?

Meet Charles.

Charles keeps ICBA members informed about emerging solutions that help solve specific community bank challenges. He listens to bankers concerns and plans programs that help get to the core of what our members need most.

Even when he's biking through the streets of Atlanta, he's thinking about how we can help community bankers level up their fintech game.

As an ICBA member, you've got Charles in your corner.

Learn more at icba.org/innovation



ICBA
Innovation





COLIN BARRETT
President/CEO,
Tennessee Bankers
Association

THREE THINGS TO DO THIS MONTH

- 1.** Make plans to join us for the *Washington Conference* from May 5-6, 2025. For more information, reach out to Amy Heaslet at aheaslet@TNBankers.org.
- 2.** Designate someone to coordinate your bank's efforts during *Tennessee Financial Literacy Week* which will be from April 7-11. For more information, contact Tyler Nelson at tnelson@TNBankers.org.
- 3.** Join us for the largest annual gathering of Tennessee bankers at the *TBA Credit Conference* from March 6-7. For more information, reach out to Monique White at mwhite@TNBankers.org.

Window of opportunity opens for meaningful change in Washington

The last four years of the Biden Administration have put unnecessary burdens on Tennessee banks and their customers.

For instance, Treasury Secretary Janet Yellen's attempt to mandate that banks report customer account information to the IRS raised privacy concerns and would have imposed significant compliance costs. Similarly, the CFPB's rules for Sections 1071 and 1033 of the Dodd-Frank Act create burdensome reporting requirements of customer information and expose banks to increased liability. There is also the rewrite of the Community Reinvestment Act, which would put additional requirements on traditional banks resulting in the continued growth of the non-bank financial sector.

Meanwhile, the FDIC has been run more like a political machine than a regulatory agency with partisan votes by its board members replacing years of consensus decision making. Not to mention, their examiners have come down hard on high performing Tennessee banks due to their own lack of understanding of advancements within the industry.

I am more than ready to turn the page and welcome new regulatory leadership that has the opportunity to make it easier, and much less intrusive, for Tennessee banks to serve their customers.

But there is still much we do not know about a second Trump Administration, and a number of promises have been made by the President-elect that could be detrimental to our industry. There is concern around the impact on prices if Trump imposes new tariffs. And his promise to cap credit card interest rates might provide temporary assistance to consumers but, in the long term, would hurt those who use credit responsibly.

At this point we do know that tax reform is the first priority of the incoming Trump Administration. After that, it is hard to predict where the focus will lie. It is up to us to make sure that previous decisions detrimental to our industry and customers are top of mind for both the President and Congress.

An immediate issue to address is CFPB's rule on 1071. Earlier this year, the House and Senate

used the Congressional Review Act to block the regulation earlier this year with bipartisan support, President Biden vetoed it. Although this option is now off the table, a new head of the CFPB could delay or rewrite the rule. However, any efforts of the new CFPB Director to entirely withdraw the rule would most certainly draw a legal challenge from Senator Elizabeth Warren who is poised to be the new ranking member of the Senate Banking Committee.

The timing is right, however, to use the Congressional Review Act to block the CFPB's rule on Section 1033, which would allow third-party access to customers' bank accounts. Some aspects of the rule, including allowing fintechs more access to the industry, have bipartisan support, so CRA may not be viable. Overall, the rule's scope and liability still make it unworkable if bankers are expected to protect customers' privacy and accounts. This must be addressed by the next CFPB Director.

As for the Community Reinvestment Act, it will likely be reworked by new Trump appointed agency heads. The question for the industry will be if we would rather continue with the current CRA framework or risk an update that could lead to something much more onerous. That said, industry lawsuits on this and other rules that were promulgated over the last four years will continue unless they are withdrawn.

Our industry operates best when we have a functioning Washington and healthy economy. There is no guarantee that either will happen over the next four years, but I am optimistic about the opportunity to get back to the actual business of banking.

As we prepare for this next chapter, your engagement is crucial. Tennessee's Republican-led Congressional delegation will have more influence now in a Republican controlled Senate, House and White House. And we will have numerous opportunities for you to join us in D.C. in the year ahead. I encourage you to make your presence felt and your voice heard. 🇺🇸

- Colin

Let's find a way.



**We have a reputation
in Tennessee as a
preferred partner for
Correspondent Banking.**

First Horizon Correspondent Services is a leading choice for Tennessee banks. Benefit from the expertise of a dedicated Relationship Manager who has a deep understanding of Correspondent Banking, to provide you with tailored solutions – from expert advice to quick decisioning for the capital you need.



David House
Senior Vice President
Correspondent Services
(M) 901-828-6785
(O) 901-523-4261
david.house@firsthorizon.com



©2024 First Horizon Bank. Member FDIC.

PREPARE. EDUCATE. DEVELOP.

In response to the mounting pressures placed on the banking community, Bank Director has created a board education membership program. Unlike other training programs, it is not a one-time learning opportunity, but rather an ongoing collection of resources in-person, in-print and online.

Bank Director Strong Board. Strong Bank.

BankDirector.com

INTERESTED?

Call our Bank Services department at 615.777.8461, or email us at bankservices@bankdirector.com.

TBA Online

We're on social media. Follow us for the latest in all TBA news, events, and much more.



@TNBankers

November 19, 2024

This week Elvis Huff, Wilson Bank & Trust, provided expert testimony on the functionality and security of e-signature at the request of the Senate Bail Task Force committee. Great job, Elvis!



TBA UNVEILS NEW MEMBER DATABASE

The Tennessee Bankers Association is thrilled to announce the successful transition to a new member database powered by the iMIS platform. This strategic move marks a significant step forward in enhancing member engagement and delivering seamless services to our member bankers.

The decision to adopt iMIS was the result of thoughtful research and planning. After carefully evaluating numerous association management platforms, iMIS emerged as the clear choice, distinguished by its robust feature set tailored specifically for organizations like ours.

The benefits of this transition are substantial, both for our members and the TBA team. The iMIS platform delivers a more intuitive user experience, streamlining profile management, and event registrations. This not only saves time but also significantly improves the overall engagement experience.

Beyond the member-facing enhancements, the new system also equips us with advanced data analytics and reporting functionalities. This critical data-driven insight will enable us to better understand our members' evolving needs and tailor our programs and services accordingly, ensuring we continue to deliver maximum value.

We are excited about this milestone and look forward to continuing to serve our members with even greater efficiency and effectiveness. Your ongoing feedback is invaluable. We invite you to log in today and explore the future of TBA membership.

UPDATE YOUR PROFILE TO REGISTER

You can log in to your updated profile using your existing bank/company email on file.

To create your log in for the first time:

1. Visit TNBankers.org and click the sign in link at the top right of the screen.
2. Click the "Forgot Password" link.
3. Enter your company email as your username and click "Submit."
4. Follow the link in your email to create a password.
5. Log in to access the new site.

If you need help logging in or resetting your password, please reach out to us at 615-244-4871 or webmaster@TNBankers.org.





CHIPPEWA VALLEY BANK

WHAT IS YOUR TIME WORTH?

- **WORK DIRECTLY WITH THE OWNERS**
- **RECEIVE LOAN APPROVAL WITHIN 2 OR 3 DAYS**
- **AVOID ANNOYING COVENANTS**
- **LIMITED OR NO ORIGATION COSTS**
- **LOW INTEREST RATES**
- **WE WILL TRAVEL TO YOU!**

**Bank Stock and Bank Holding
Company Stock Loans
Done the Simple Way**

**Bank mergers, acquisitions
loans and refinances
up to \$50 million**

**Call Rick Gerber or Ryan Gerber at
1-866-282-3501 or email**

**rickg@chippewavalleybank.com
ryang@chippewavalleybank.com**





AMY HEASLET
Executive
Vice President/
General Counsel,
Tennessee Bankers
Association

STAY UP-TO-DATE

Stay up-to-date through *This Week* and our legislative update calls during session. TBA also invites member banks' in-house counsel to join our Bank Lawyers Committee. Contact Amy Heaslet to learn more at ahaslet@TNBankers.org.

Leading the Fight: How Tennessee's first-of-its-kind hotline is combating elder financial exploitation

As I look back at 2024, one of the accomplishments I am most proud of is the launch of TBI's hotline for financial institutions to report elder financial exploitation. The hotline solidifies Tennessee as a leading state for addressing elder financial exploitation.

Our efforts with elder financial exploitation began nearly 10 years ago in response to bankers wanting, but legally not being able, to take certain actions to help their elderly customers from becoming victims. In 2017, TBA led legislative efforts to enact comprehensive legislation to allow, but not require, financial institutions to pause transactions, notify trusted persons and close family members, and refuse to accept powers of attorney if they suspect elder financial exploitation.

That legislation marked the most comprehensive state legislation to date to combat elder exploitation. Since that time, bankers frequently comment how useful those three tools are in helping prevent elder financial exploitation. Additionally, it's not uncommon for other state bankers associations to call and inquire about it as they consider adopting similar measures.

The 2017 law, however, marked just the beginning of our efforts in assisting banks with these issues. Despite banks' efforts to delay transactions and notify trusted persons of elder financial exploitation, it was clear that there was no "magic solution" and that we needed to continue discussing the issue and potential solutions.

We began collaborating with other groups and state agencies that serve the elderly and welcomed feedback from bankers on what

else, as an association, we could do. We now host virtual roundtables for bankers to share ideas and hear from speakers on this.

We also began attending meetings hosted by TBI with stakeholders representing various entities that work with the elderly, including, among others, Adult Protective Services, district attorney offices, law enforcement, and the Attorney General's office. During one of those meetings, there was a "light bulb" moment where everyone realized the need for a hotline directly to TBI that would allow financial institutions to report suspected elder financial exploitation. This represented a tremendous opportunity and solution to bankers' frustration about the lack of response from law enforcement and frequent inability to convince elderly customers they are being taken advantage of.

After continued discussions and advocacy for legislation to create a banker hotline within TBI, the General Assembly approved it during the 2024 legislative session. By law, the TBI received funding for two analysts and was required to implement a hotline for bankers to report suspect elder financial exploitation by October 1, 2024.

TBI fulfilled its requirement and, on October 1, launched the hotline that financial institutions can reach by calling 1-888-PAUSETN. Callers will then receive instructions on filing a secure, online report and TBI, in turn, will refer appropriate cases to the relevant district attorney's office, local law enforcement, or investigate the matter internally.

But this is just step one for the hotline. TBI also will train local law enforcement on how to handle reports of elder financial exploitation

as well as train employees of financial institutions across the state about the hotline.

We will also collaborate and continue to advocate for the necessary funding for TBI investigators dedicated to the elderly who can act on the hotline reports. I am certain we can achieve this, but to do so, we must first show how well utilized the hotline is. My ask is that every suspicion of elder financial exploitation be reported to the hotline. This will allow TBI to make a strong a case for the need for investigators by not only allowing them to show the dollars they've been able to recover but also report the specific circumstances of each situation. Please note, however, that reports to the TBI hotline supplement and do not replace reports to APS.

By combining the tools from the 2017 law and the launch of this first-of-its-kind TBI hotline, Tennessee continues to lead the country in efforts to combat elder financial exploitation. Thank you for all you and your bank are doing to protect your elderly customers. 🇺🇸



Financial institutions can reach the elder abuse hotline by calling 1-888-PAUSETN. Callers will then receive instructions on filing a secure, online report and TBI, in turn, will refer appropriate cases to the relevant district attorney's office, local law enforcement, or investigate the matter internally.



LEGISLATIVE RECEPTION

March 5, 2025
5:00–7:00 p.m.
\$50 per person



**Sheraton Grand
Nashville Downtown,
Skye Lounge
623 Union St, Nashville**

Network with members of the Tennessee General Assembly and peers at this annual event the night before TBA's Credit Conference.

The Credit Conference will be held at The Omni.


Register at TNBankers.org

2024 BankPac Year In Review

113 Contributors raised \$279,238*



AMY HEASLET
Executive
Vice President/
General Counsel,
Tennessee Bankers
Association

TBA BankPac, the political action committee of TBA, is the exclusive PAC dedicated to representing the Tennessee banking industry. Thanks to the efforts of the BankPac Committee members, the total dollars contributed to BankPac from TBA members has steadily increased in recent years, which allows BankPac to remain one of the three largest contributing business PACs in the state. As of December 9, the following 113 contributors gave \$279,238* 

**As of December 9, 2024*

2024 BANKPAC CONTRIBUTORS

MORE ABOUT BANKPAC

For more information about BankPac or to make a contribution, please contact Amy Heaslet at ahaslet@TNBankers.org.

BANKS

Andrew Johnson Bank, Greeneville
Argent Trust of Tennessee, Nashville
Bank of Dickson, Dickson
Bank of Frankewing, Frankewing
The Bank of Jackson, Jackson
Bank of Lincoln County, Fayetteville
The Bank of Milan, Milan
Bank of Ripley, Ripley
Bank3, Memphis
BankTennessee, Collierville
Builtwell Bank, Chattanooga
Carroll Bank and Trust, Huntingdon
CBBC Bank, Maryville
Centennial Bank, Trezevant
Central Bank, Savannah
Citizens Bank, Elizabethton
Citizens Bank, Carthage
Citizens Bank & Trust Co. of Grainger, Rutledge
Citizens Bank of Lafayette, Lafayette
Citizens Community Bank, Winchester
Citizens National Bank, Sevierville
Citizens Savings Bank and Trust Company, Nashville
Citizens Tri-County Bank, Dunlap
Coffee County Bank, Manchester
Commercial Bank, Harrogate
Commercial Bank & Trust Co., Paris
Community Bank, Lexington
Decatur County Bank, Decaturville
F&M Bank, Clarksville
Farmers State Bank, Mountain City
First Century Bank, Tazewell
First Citizens National Bank, Dyersburg

First Commerce Bank, Lewisburg
First Community Bank of East Tennessee, Rogersville
First Community Bank of Tennessee, Shelbyville
First Community Bank of the Heartland, Clinton
First Farmers and Commercial Bank, Pikeville
First Farmers and Merchants Bank, Columbia
First Freedom Bank, Lebanon
First National Bank of Middle Tennessee, McMinnville
First National Bank of Pulaski, Pulaski
First National Bankers Bank, Baton Rouge
First Peoples Bank of Tennessee, Jefferson City
First State Bank of the Southeast, New Tazewell
First US Bank, Birmingham
First Vision Bank of Tennessee, Tullahoma
FirstBank, Nashville
FNB Bank, Inc, Mayfield
Greeneville Federal Bank, FSB, Greeneville
Greenfield Banking Company, Greenfield
Guaranty Bank and Trust Company, Cordova
Hearthside Bank Corporation, Middlesboro
Heritage Bank & Trust, Columbia
Highland Federal Savings and Loan Association, Crossville
Home Federal Bank of Tennessee, Knoxville
Homeland Community Bank, Mc Minnville
InsBank, Nashville
INSOUTH Bank, Brownsville
Johnson County Bank, Mountain City
Legends Bank, Clarksville
Macon Bank and Trust Company, Lafayette
Millennium Bank, Chattanooga
Mountain Valley Bank, Dunlap
Newport Federal Bank, Newport



Kelly Beazley (Bank of America), TBA President Colin Barrett, Rep. Rush Bricken (House District 47), Rep. Mary Littleton (House District 78), and Trevia Chatman (Bank of America) mingling at the 2024 TBA Legislative Reception.

PHOTO: WEATHERLY HUSLEY, EVENT COVERAGE NASHVILLE

One Bank of Tennessee, Cookeville
 Paragon Bank, Memphis
 Pendleton Square Trust, Nashville
 People's Bank and Trust Company, Byrdstown
 Peoples Bank, Clifton
 Peoples Bank & Trust Company, Manchester
 Peoples Bank of the South, LaFollette
 Pinnacle Bank, Nashville
 Planters Bank, Inc., Clarksville
 Powell Valley National Bank, Kingsport
 Regions Bank, Nashville
 Security Bank, Dyersburg
 Security Bank and Trust Company, Paris
 Security Federal Savings Bank of McMinnville, McMinnville
 Simmons Bank, Union City
 SmartBank, Pigeon Forge
 Sonata Bank, Brentwood
 Tennessee State Bank, Pigeon Forge
 The Bank of Fayette County, Piperton
 The Farmers Bank, Portland
 The First Bank & Trust Company, Abingdon
 The First National Bank of Oneida, Oneida
 The Hardin County Bank, Savannah
 Threadbank, Rogersville
 TIB-The Independent BankersBank, Brentwood
 TNBANK, Oak Ridge
 Tower Community Bank, Jasper
 Traditions First Bank, Erin
 TriStar Bank, Dickson
 TruPoint Bank, Johnson City
 Trustmark National Bank, Memphis
 UBank, Jellico

US Bank, N.A., Nashville
 Volunteer Federal Savings Bank, Madisonville
 Volunteer State Bank, Portland
 Wayne County Bank, Waynesboro
 Wells Fargo Bank, NA, Minneapolis
 Wilson Bank & Trust, Lebanon

ASSOCIATE MEMBERS

Acumen Technology, Nashville
 Banc Card of America, Inc, Nashville
 BankPak Security, Morrison
 BDS Yarmouth & Choate LLC, Johnson City
 Eclipse Brand Builders LLC, Suwanee
 Financial Products and Services, Inc, Nashville
 Jeff Harjo, Nashville
 The Marathon Organization, Virginia Beach
 Quality Data Systems, Inc, Charlotte
 Saltmarsh, Cleaveland, & Gund, Brentwood
 Tennessee Bankers Association, Nashville

TBA's 2024

Year in Review

Our 2024 Year in Review offers a summary of the Tennessee Bankers Association's highlights and accomplishments. Here's a glimpse of how TBA government relations, education, and communication efforts elevate your membership benefits.



MEMBERSHIP

165 bank members

14 trust company members

1,739 Tennessee branches/offices

100% of Tennessee-headquartered banks



STATE AND FEDERAL ADVOCACY

TBA's government relations team is respected and dedicated to promoting and preserving Tennessee's pro-banking environment. TBA saw continued legislative success in 2024, including:

- Prohibiting credit unions from acquiring TN-state chartered banks
- Updating trust laws to ensure TN remains a leading trust jurisdiction
- Requiring the state to implement an e-titling and e-lien system for motor vehicles
- Creating a TBI-hosted hotline for financial institutions to report elder financial exploitation
- Defending against legislation to impair ability to trade securities electronically

At the federal level, TBA opposed legislation to expand the Durbin Amendment to credit cards and regulatory efforts to limit overdraft programs. TBA supported legislation to curb the abusive practice of trigger leads, exclude from gross income the interest earned on ag loans; and roll back provisions within the CFPB's small business lending data collection rule (Rule 1071).



Monitor, Track, Act

1,421 Bills reviewed by TBA

130 Bills identified as having a direct or potential impact on the industry

41 Bills passed with a direct or potential impact on the industry

24 Bills actively lobbied on

96 members attended the 2023 TBA Washington Conference



TBA BANKPAC

BankPac continues to reach new milestones and reigns as a top-contributing business PAC in the state. This success is possible thanks to the generous support of TBA's member banks and associate members.

\$294,159

114 contributors including
103 TBA member banks and trust companies,
11 TBA associate members, plus TBA staff
during the past 12 months (10/31/2023–10/31/2024)

11 Platinum individual contributors
of \$1000 and above

65%
contributing banks met or exceeded
their fair share goal



Jeff Agee, Rep. Chris Hurt, Gay Dempsey, and Rep. Rusty Grills at TBA's 2024 Legislative Reception.

\$507,750

contributed by BankPac at the federal and
state levels to

76 candidates, parties,
caucuses, and PACs in this
election cycle



PROFESSIONAL DEVELOPMENT/EDUCATION

TBA is the leading provider of high-quality, cost-effective professional development training for Tennessee banks. Our education opportunities provide an invaluable opportunity to network with peers and stay current on important issues affecting our rapidly changing industry.

5,472

Registrations
to TBA
live events

1,306

Registrations
to TBA
virtual events

586 Attendees to
Annual Meeting

667 Attendees to
Credit Conference

442 Forum
participants

155 Webinars
offered

101 Students
graduated
from



30 Graduated from The Southeastern School
of Consumer Lending

34 Graduated from The Southeastern School
of Commercial Lending

37 Graduated from The Southeastern School
of Banking



This year's *Southeastern School of Commercial Lending* had 34 students graduate (pictured above) and 51 enrolled in the first-year session.



DEVELOPING TALENT

To remain competitive, banks continue to focus on recruiting and developing the next generation of bankers. TBA spent much of 2024 cultivating relationships and engaging with young bankers and students about the positives of the industry.

531

Bankers participated in Young Bankers Division events—*Day on the Hill, Leadership Convention, and Coffee Roundtables*

36 students from
4 schools represented at *Credit Conference*



ENDORSED PARTNERS AND ASSOCIATE MEMBERS

Our Endorsed Partners, Alliance Members and Associate Members provide banks with superior products and services and demonstrate a commitment to the viability of the Tennessee banking industry. Our partners are industry leaders who share our high standard for quality service.

217

Associate Members

7 Alliance Members



BANKPAK
WWW.BANKPAK.COM



16

Endorsed Partners



BankDirector
Strong Board. Strong Bank.





COMMUNICATIONS

Through TBA communications, we keep bankers informed, delivering critical industry information to members about legislative and regulatory changes as well as the conferences, education programs, and products and services that are available to our members.



2,606

Facebook followers
/TNBankers



1,014

Instagram followers
tbankers



4,750

LinkedIn followers
tennessee-bankers-association



7,272

This Week
e-newsletter recipients



FINANCIAL PRODUCTS AND SERVICES, INC.

Financial Products & Services, Inc.—a wholly owned subsidiary of the Tennessee Bankers Association—specializes in providing the most comprehensive insurance programs for banks. For more than 30 years, Financial PSI has been involved with the design, implementation and service of bank programs. The firm has also given back more than \$26 million to the TBA.

Work with **92** Tennessee banks and **10** out-of-state banks

Endorsed by the North Carolina Bankers Association 



FINANCIAL LITERACY

The first week of April is *Tennessee Financial Literacy Week*. During these five days, TBA encourages banks across the state to participate in their community with a financial literacy event. Activities can range from teaching school children about the importance of saving, a Rotary Club presentation on banking, or an in-bank event promoting a certain product or service.

75 Participating Banks
571 Participating Branches
78% of Counties in the State had Financial Literacy Events
729+ Financial Literacy Events Held for Groups Ranging from Elementary Students to Senior Citizens





TBA INDUCTS THREE LEADERS IN BANKING EXCELLENCE INTO THE 2024 CLASS

Three Tennessee bankers were honored by the TBA at the *Leaders in Banking Excellence* ceremony on August 19, 2024. Commemorative plaques highlighting the careers of each of the honorees were unveiled at the TBA's headquarters building in Nashville. The 2024 inductees are among a distinguished group representing Tennessee bankers past and present who have excelled in the areas of banking, community service, and civic involvement.

The ceremony featured remarks by TBA Chairman Billy Carroll, president and CEO, SmartBank, TDFI Commissioner Greg Gonzales, and the honorees. The 2024 honorees were Terry L. Lee (Commercial Bank), Lisa Pominski (Wilson Bank & Trust), and Christopher White (Peoples Bank of East Tennessee).

TBA member banks can submit nominations for the honor. The TBA board of directors reviews and approves the applications.

"One of the main missions of the Tennessee Bankers Association is to recognize our members for being involved in making our industry better and in making their communities better places to work and live," said Colin Barrett, TBA president and CEO. "*The Leaders in Banking Excellence* recognizes those who have made a difference, and we hope it will be an inspiration to other bankers across the state."

For more information about *Leaders in Banking Excellence*, please visit TNBankers.org.



TERRY L. LEE
Commercial Bank
Harrogate

Terry Lee, renowned for his loyalty, hard work, and sharp business acumen, played a pivotal role in the expansion and development of Commercial Bank. With an entrepreneurial spirit and deep banking knowledge, Lee drove remarkable growth and set new standards for the bank. Starting as a proof operator and bookkeeper, Lee became president in 1995, then CEO (2004) and chairman (2022). Under his leadership, he masterfully expanded Commercial Bank from 6 branches with \$100 million in assets in one state to 36 branches with \$2.2 billion in assets across three states, demonstrating his exceptional vision and commitment to the bank's success.



LISA POMINSKI
Wilson Bank & Trust
Lebanon

Lisa Pominski's journey from a drive-thru teller to a transformative chief financial officer at Wilson Bank & Trust encapsulates her profound impact on Tennessee's banking landscape.

After starting her career in 1984, Pominski joined Wilson Bank & Trust at its inception in 1987. Pominski's adeptness saw her swiftly ascend to pivotal roles within the bank. This culminated in her serving as the bank's CFO for 27 years, where she was instrumental in growing Wilson Bank & Trust into the fourth largest bank headquartered in Tennessee. Her banking expertise is matched by her community commitment, as a stalwart supporter of Relay for Life, United Way, and the Empower Me Center.



A. CHRISTOPHER WHITE
Peoples Bank of East Tennessee
Vonore

A. Christopher White has been a cornerstone in East Tennessee community banking for more than three decades. For almost a quarter of a century, he served as the President and CEO of Peoples Bank of East Tennessee. Later in his career, he was promoted to the position of chairman. His leadership has been marked by strategic growth, robust community involvement, and advocacy for employee well-being. Starting his career in 1983, White progressed through significant roles, notably managing large loan portfolios at several different community banks. White served on the Association's board of directors where he was nominated for the vice chairman's position. He also served on the boards of the Independent Bankers Division and Financial Products and Services, Inc.







Why is my insurance premium increasing?



JON GOODSON
Insurance Consultant,
Financial PSI, Inc

This is a question heard frequently in our current market. Individual and Commercial insurance buyers are experiencing rate increases, and in some areas, the premium changes are significant.

What’s driving these price hikes? Outside of changes to an insured’s own exposures or loss experience, there are numerous contributing factors. These factors outlined below range from being specific to certain types of insurance, while others impact almost all insurance purchases.

- Climate change has increased the frequency and severity of catastrophe losses. Some examples are listed below:
 - Temperature extremes have resulted in freezing temperatures in areas where construction/insulation aren’t designed for such extremes, (i.e. the Texas freeze);
 - Warm water and air temperature changes have expanded the traditional “tornado alley” eastward;
 - Unusually warm weather resulting in rapid snow melts leading to flooding, and extreme heat contributing to environments prone to wildfires.
- Property reinsurance costs have skyrocketed over the past year due to the number of catastrophe losses worldwide. Casualty reinsurance costs are also increasing, influenced by increased frequency and severity of claims.
- Traffic volume has increased. This volume paired with elevated driving speeds, distracted drivers and aggressive driving habits have increased the frequency of higher severity losses, especially with commercial vehicles.

These factors impact the expected losses that will need to be paid from the premium collected. As actuaries review historical and emerging trends, the examples above support the need for higher insurance rates to account for the growing costs of claims. 📊

MORE ABOUT FINANCIAL PSI

Financial Products and Services, Inc., the wholly owned insurance subsidiary of the Tennessee Bankers Association. If you are interested in finding out more about Financial PSI or the products available, please contact John Goodson at 901-428-1807 or jgoodson@financialpsi.com.

- Social inflation is the increase in insurance claims costs that outpace economic inflation. It is driven by plaintiffs seeking larger monetary relief for their injuries, driving up litigation costs. Claimants are retaining counsel earlier and earlier following accidents, driving additional treatment and increasing the cost of claims. This impact is the “severity”, i.e the overall size of the claims experienced.
- Mass torts or class action suits have been on the rise, where many people are harmed by the same event or error.
- Medical costs continue to rise, outpacing general economic inflation.
- Supply chain issues continue to be an issue, particularly with specialized equipment, machinery, electronics and furnishings driving up costs and extending the waiting time for delivery.
- Labor shortages continue, intensified by the “great resignation” that began in 2021, exacerbating supply chain issues and driving costs up further.
- Delays in materials, products and labor lengthen the period of restoration impacting time element losses while properties take longer to restore operating condition.

HOW DOES YOUR CHECK PRINTER **STACK UP?**



Low cost

All designs/quantities
under \$13

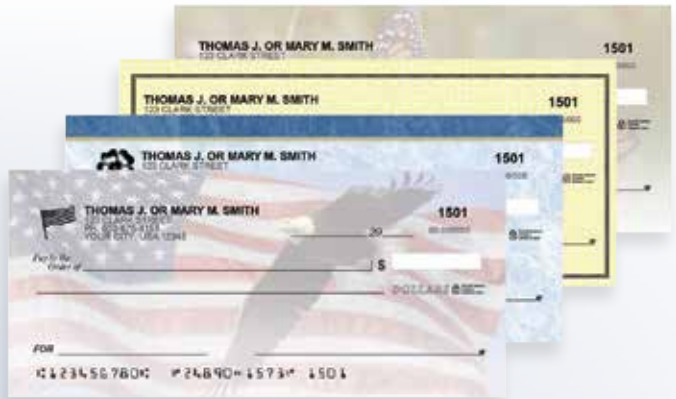
High quantities

50 / 125 / 150

Fast Turnaround

93% of all orders ship
same or next business day

Live customer service



Serving banks nationwide since 1956

Bank  Count Corp.

www.bank-a-count.com | 800-675-4151

BancCard

Refreshingly Human Merchant Services

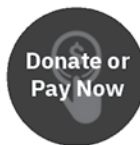


HOW CAN WE HELP YOUR BUSINESS CUSTOMERS?

Local Service | Face-to-Face Consultations
24/7 Support | Online Reporting
Customized Plans to Fit Any Business
Month-to-Month Plans



Online
Payments



Donate or
Pay Now



Email
Invoicing



Mobile
Payments

**PEOPLE BEFORE
PROCESSING.
WE INVEST OUR
TIME IN WHAT
MATTERS TO YOU.**



Phillip Harrison
615-557-4784
pharrison@banccard.com

Community Banking Conference Recap

Presented by TBA's Independent Bankers Division

Hilton Franklin Cool Springs | Franklin, TN | September 11 & 12, 2024

TBA Independent Division elects Andrea Browning as chairman

THANK YOU TO OUR SPONSORS

PLATINUM LEVEL



GOLD LEVEL



SILVER LEVEL



OLSEN | PALMER



BRONZE LEVEL



Andrea Browning, CEO of Centennial Bank in Trezevant, was announced as the newly elected chairman of the Independent Bankers Division of the Tennessee Bankers Association (TBA). As chairman of the Independent Bankers Division, Browning also will sit on the TBA's board of directors for the duration of her term. The announcement took place at the TBA's *Community Banking Conference* on September 12.

Browning succeeds Adam Robertson in the division's top position. As a past chairman, Robertson, president of Commercial Bank in Harrogate, will continue to sit on the division's board of directors for three years.

Delegates to the Independent Bankers Division convention elected the following Tennessee bankers to serve as officers for 2024-2025:

- **Chairman: Andrea Browning**, CEO, Centennial Bank, Trezevant
- **Chairman-elect: Bryant Johnson**, President/CEO, Union Bank, Jamestown
- **Vice Chairman: Steve Amos**, President/CEO, First Peoples Bank, Jefferson City

In addition to executive officers, each year convention delegates elect directors to replace directors who rotate off the board.

New directors elected to the board during this convention were:

- **Joe Hamdi**, President/CEO, UBank, Knoxville
- **Luke Buckley**, President/CEO, First Commerce Bank, Lewisburg
- **Robby Moore**, Senior Vice President, Bank of Perry County, Lobelville
- **Ed Gentry**, EVP/Chief Credit Officer, Bank3, Memphis



Incoming Independent Bankers Division Chairman Andrea Browning (middle) with Bryant Johnson and Steve Amos.

Other directors on the board are:

- **Michael Griffith**, executive vice president, Security Federal Savings Bank, McMinnville
- **Harbert Alexander, Jr.**, president, The Bank of Jackson, Jackson
- **Joe Waters**, Retail Area Leader, Builtwell Bank, Chattanooga
- **Charlie Koon**, SVP Community & Business/Military Development Manager, Legends Bank, Clarksville
- **Justin Byrd**, Chief Financial Officer, Bank of Bartlett, Memphis

Past Chairmen - Ex-Officio Directors are:

- **Jay England**, president and CEO, Decatur County Bank, Decaturville
- **Jim Robinson**, president and CEO of Heritage Bank & Trust in Columbia
- **Adam Robertson**, President, Commercial Bank, Harrogate

The Independent Bankers Division of the Tennessee Bankers Association was organized in 1973 to represent the interests of Tennessee's community banks in areas such as legislation and education.



Past chairman Jim Robinson presents outgoing chairman Adam Robertson with an engraved clock for his term as chairman.

Bank Directors Retreat Recap

In Conjunction With



Hilton Franklin Cool Springs
Franklin, TN
September 12 & 13, 2024

THANK YOU TO OUR SPONSORS

GOLD LEVEL



SILVER LEVEL

OLSEN | PALMER






Visit TNBankers.org
for more photos.





How a DAM system can transform community bank marketing



NEAL REYNOLDS
President,
BankMarketingCenter.com

MORE ABOUT BANK MARKETING CENTER

At bankmarketingcenter.com, their goal is to help you with that topical, compelling communication with customers; the messaging—developed by banking industry marketing professionals, well trained in the thinking behind effective marketing communication—that will help you build trust, relationships, and revenue. Want to learn more about what they can do for your community bank? Visit bankmarketingcenter.com to sign up for a demo or contact Neal Reynolds at 678-528-6688 or nreynolds@bankmarketingcenter.com.

Today’s bank marketers face increasing pressure to deliver timely, relevant, compliant and engaging content. This challenge is compounded by the need to manage a tremendous volume of marketing materials securely and efficiently. And, in the world of community banks, this often means doing so with limited resources.

A Digital Asset Management (DAM) system offers a solution by providing a centralized, secure, and accessible repository for marketing assets. Here are just a few ways that a DAM system can help bank marketers enhance their effectiveness and efficiency.

The cost-effective solution

In an industry where both dollars and customers are on the line, you want to be absolutely certain that your marketing messaging is developed in a cost efficient manner – that it is always on brand, complies with regulatory requirements and reaches the right individual in the right place at the right time. A DAM system makes it possible to store, manage and share digital files quickly and easily. As a result, employees are no longer spending valuable time searching for assets, routing them for approval via email, or fixing mistakes. By eliminating the possibility of materials leaving your bank with outdated, inaccurate, or off-brand information, a DAM system can also reduce the chances of a costly compliance violation.

Centralized access and organization

A DAM system functions as a centralized hub where all marketing materials—ranging from images and videos to documents and design files— can be stored, organized, and accessed by multiple users from various locations. This centralized access is a game-changer for marketers, who can now quickly find and retrieve the assets they need.

The system eliminates the need for time-consuming searches across multiple platforms and mitigates the risk of duplication. By ensuring that all team members are using the most up-to-date and approved materials, a DAM system ensures the consistency, compliance, and cohesion of the bank’s marketing campaigns.

Improved security and compliance

Security is paramount in banking, and most DAM systems are equipped with robust features to safeguard sensitive marketing materials. Of course, this capability is especially critical in a borderless workforce environment, where each “endpoint,” i.e., piece of equipment accessing the bank’s data, is vulnerable to bad actors.

The Connectwise Emerging Cybersecurity Threat Trends 2024 report speaks to the potential consequences, citing an IBM survey on remote worker security: “Remote work can increase the risk of data breaches due to a lack of control and the use of personal devices. According to IBM, at least 20% of businesses have experienced data breaches caused by remote workers, and these breaches can cost \$1 million more on average. It can also take 58 days longer for organizations to discover and contain breaches when remote work is common.”

By leveraging the system’s controlled access and permissions functionality, banks can ensure that only authorized personnel can view, edit, or download specific assets. Furthermore, a DAM system can track and record all user activities, providing a comprehensive audit trail that is essential for compliance with regulatory requirements. This level of security not only protects the bank’s assets, but also helps maintain the trust of customers and stakeholders.

Streamlined workflow and productivity

The intuitive search and retrieval capabilities of a DAM system – coupled with its ability to automate routine tasks such as tagging, categorizing, and distributing assets – streamlines the marketing workflow. Team members can spend less time on human-in-the-loop and error-prone administrative tasks and focus more on strategic initiatives that will drive the bank’s share of wallet. This shift in focus enables marketing teams to be more efficient, more agile and prepared to respond quickly and effectively to changing market demands or shifts in internal resources.

The marketing audit. Will you be ready?

DAM systems maintain detailed audit trails, as well as versioning histories. These logs record every action taken on a document, such as edits, downloads, and shares, along with timestamps and user information. This transparency allows auditors to trace the history of each asset, verify compliance with regulatory requirements, and identify any unauthorized changes or access.

Conclusion

As the financial services industry continues to evolve in, unfortunately, unpredictable ways, a digital asset management system can play a pivotal role in helping bank marketers navigate new challenges and seize upon emerging opportunities. To sum up, a DAM system can be a critical tool in the bank marketer’s toolbox, with its ability to enhance their bank’s competitiveness, ensure regulatory compliance, attract and retain customers, secure their data, and, most importantly, drive share of wallet. By integrating a DAM system into their operations, banks can streamline their marketing efforts, reduce costs, enhance the overall effectiveness of their campaigns, and most importantly, grow their bottom line. 📈



A Digital Asset Management (DAM) system offers a solution to managing all your marketing materials by providing a centralized, secure, and accessible repository for marketing assets.

PHOTO: SHUTTERSTOCK



How to identify fair lending risk at your bank



MICHAEL BERMAN
CEO,
NContracts

From underwriting to steering, there are many factors to consider when reassessing your bank’s risk management strategy.

When mitigating fair lending risk, it’s all about what your bank is doing—or what it’s not doing.

As banks prepare for the implications of Section 1071 of the Dodd-Frank Act—in addition to existing consumer fair lending regulations—understanding and addressing fair lending risk becomes even more critical. Is your bank taking all necessary measures to identify and mitigate fair lending risk?

When assessing your bank’s fair lending risk management system, consider these factors.

Standardization in Referrals

Like underwriting risk, steering risk (or steering borrowers to more expensive or less advantageous products when better options are available) can go unnoticed if it’s not proactively assessed and mitigated. According to the FDIC, steering risk can occur when there is a “lack of clear, objective, and consistently implemented standards” for referring consumers to subsidiaries, lending channels, or affiliates within the bank, classifying applicants as “prime” or “sub – prime” borrowers, or deciding the kinds of alternative loan products that should be offered or recommended to applicants based on their status.

To avoid steering risk, ensure your financial bank enforces clear, objective, and consistent standards for referring applicants to specific product lines.

Handling Findings

Findings are a normal part of the exam or audit process. But if your bank is made aware of a problem and does nothing to correct it, that’s a major red flag.

Some questions to consider:

- If I were asked for an update on Fair Lending findings right now, could I provide it quickly?
- Have we addressed recent findings? Who is responsible for addressing them?
- What steps have we taken to remediate our recent findings?

If the thought of tackling these questions is overwhelming, findings management software can help you manage findings from internal and external compliance reviews, audits, and exams so your bank has what it needs when it needs it.

MORE FROM NCONTRACTS

Ncontracts is a leading provider of SaaS-based compliance and risk management software and services to a rapidly expanding customer base of over 4,000 financial institutions in the U.S. Learn more at Ncontracts.com.

Flexibility in Underwriting: A Double-Edged Sword

Underwriting is crucial in a bank’s pricing process. Flexibility in meeting consumers’ needs is essential to meeting the needs of their communities, especially when it comes to adapting to unusual circumstances.

But if flexibility is on one side of a seesaw, fairness should be on the other. Ensure your bank documents its processes and does everything it can to treat similarly situated borrowers the same. Doing a favor for some borrowers but not others can lead to disparities.

Think about what flexibility means at your institution and how that might impact fair lending by asking: How do our lenders determine interest rates and terms? Is any part of our lending criteria too broad or subjective? How do our loan officers determine “good character?” Are policy exceptions documented?

These are just a few questions to ask as you evaluate your underwriting process for fair lending risk.

Complaints as Risk Indicators

Like exam findings, receiving complaints is a typical (and valuable) part of running a bank. In 2023, the Consumer Financial Protection Bureau (CFPB) received nearly 1.7 billion consumer complaints, of which 81% were sent to companies for review and response. If your bank has not received complaints, you're not looking hard enough or choosing to ignore them.

When assessing your fair lending compliance risk, review the policies you have in place for consumer complaint resolution, including staff training and monitoring procedures.

Strengthening compliance management

Identifying and addressing fair lending red flags requires a robust compliance management foundation, which includes but is not limited to:

- Board and management oversight
- Regular fair lending risk assessments
- Documented fair lending policies and procedures (and any exceptions)
- Independent review
- Analysis and reporting (including data that explains gross disparities)
- Third-party vendor management
-

Data Analysis for Compliance and Accuracy

Do you collect and analyze your data for fair lending risk? This process is more crucial than ever, with the implementation of Section 1071 requiring small business lenders to begin collecting more demographic data from small business loan applicants. The information gathered will be used to understand whether lenders treat similarly situated small businesses fairly by offering them comparable pricing, terms, and options regardless of race, gender, ethnicity, and gender identity.

With so much emphasis on adequate data collection, ensuring your data is accurate is also essential. Your fair lending analysis will only be accurate if your data is current.

Remember, effective risk management is not just about avoiding pitfalls—it's about creating a culture of fairness and transparency that benefits both the bank and its loan applicants and borrowers. While it takes time and resources, improving your bank's fair lending risk management program is crucial to complying with fair lending laws and regulations and ensuring its long-term success. 🇺🇸



PHOTO: SHUTTERSTOCK

Investors Title

INNOVATIVE BY INSTINCT



Delivering Financial Results to Our Affiliated Members Since 1992!

A Proven History in the Volunteer State

- 25 years of partnership
- Over \$22 million in dividends paid to our member banks
- Over \$83 million in title insurance policies written
- Two successfully established agencies in Tennessee



Let us help you earn fee income through the referral of title insurance. **Call us today!**

Norma Carroll – Investors Title
865.384.7846 | ncarroll@invtitle.com



Membership Meetings

PHOTO
RECAP



**THANK YOU
TO OUR
SPONSORS**






Visit TNBankers.org
for more photos



YOUNG BANKERS DIVISION

Coffee Break

PHOTO RECAP



THANK YOU
TO OUR
SPONSOR







The high cost of good talent and the value of retention



DAVID SHOEMAKER,
CPA/PFS, CFP®
Managing Consultant,
NFP, an Aon Company



KEN DERKS
Managing Consultant,
NFP, an Aon Company

How would your bank fare if your top-performing lenders left tomorrow?

A bank succeeds because of its employees who grow the bank and keep it safe. The departure of these employees can impose massive costs to a bank in lost relationships and the effort to find new personnel. Has management at your bank adequately assessed the financial cost and risk of losing its key employees? What would be the financial impact to the bottom line and shareholder value if a key employee is not retained?

The direct cost of replacing a high-performing employee is up to 213% of the annual salary associated with the position, according to research by the Society for Human Resource Management*. Total costs can rise to as much as 400% when considering indirect expenses. Direct costs include screening, interviewing, acquisition cost, onboarding and training, while indirect costs include lost productivity, short-staffing, coverage cost and reduced morale.

The following are hypothetical examples that help illustrate both the costs and risks associated with replacing a key employee at a bank:

Example 1

A lender in their early 40s who maintains a \$40 million loan portfolio with a 4% margin joins a competitor bank. The estimated earnings on the lender's portfolio were \$1.6 million. If 30% of the portfolio moves to the competing bank, that would create an annual impact of \$480,000. The bank stands to lose \$1.4 million in three years. Assuming this lender generates \$10 million in new loans annually, that adds another \$400,000 in additional lost income. Losing this one lender results in lost annual revenue of almost \$900,000.

Now imagine the bank has seven lenders with similar portfolios and margins. If the

entire team left, the lost revenue potential could be over \$6 million annually.

Example 2

A bank loses its compliance officer. In addition to the direct financial costs of replacing the officer, this could cause both short- and long-term regulatory and financial risks and challenges. If the officer had a salary of \$90,000, the cost to replace them is between \$191,700 and \$360,000, using the 213% and 400% of base salary replacement cost assumptions. There could also be additional costs associated with potential outsourcing the compliance services until the bank can hire a new compliance officer.

Fortunately, in both of these examples, management preemptively responded by strategically designing compensation programs to retain the officers. Quantifying the lost revenue and costs to replace the employees demonstrated the substantial risks to the bank, and convinced executives of the inadequacies of the compensation plan in place.

*<https://www.americanprogress.org/issues/economy/reports/2012/11/16/44464/there-are-significant-business-costs-to-replacing-employees/>

It is critical that banks design and implement competitive compensation plans that provide meaningful benefits. Some compensation committees believe a salary and an annual performance bonus are adequate to retain key employees. But based on our experience, banks with higher retention rates offer two to four types of compensation plans, in addition to salary and bonus. Examples include employee stock ownership plans, stock options, restrictive stock, phantom stock, profit sharing, salary continuation plans and deferred compensation plans. These plans provide for payments either at retirement or

MORE FROM NFP

NFP, an Aon Company, provides banks with customized solutions for designing and financing benefit programs to recruit, retain, and reward key officers and directors. Our services include the implementation and administration of both BOLI and nonqualified benefit plans. For more information, call *David Shoemaker at 404-229-2941 or email him at david.shoemaker@nfp.com.



while employed, or a combination of pre- and post-retirement payments. Banks can strategically design and customize these plans in ways that incentivize strong performance but fit the demographics and needs of the key personnel. There is no one-size-fits-all plan.

Additionally, nonqualified executive benefit programs such as supplemental executive retirement plans (SERPs) and deferred compensation plans (DCPs) can help your key employees accumulate supplemental funds for retirement. Their flexibility allows them to be used alongside other forms of compensation to enhance your bank's overall executive benefit program by offering additional incentives and incorporating special features intended to retain top performers who may not be focused on retirement. For example, a deferred compensation plan with payments timed to when the officer's children are college age can be highly valued by an officer fitting that demographic.

The significant potential financial impact when your bank loses key employees quantifies and underlines the value and importance of retention, so it is paramount that executives meaningfully and competitively compensate these employees. Banks without a strong corporate culture and a competitive compensation plan in place are at a higher risk of losing

key employees and may have an emerging potential retention problem. 🇺🇸

This article was originally published by Bank Director.

David Shoemaker, CPA/PFS, CFP® managing consultant with NFP, an Aon Company, whose team has assisted over 1,250 banks in the design of nonqualified benefit plans, performance-based compensation, and BOLI. To learn more, contact David Shoemaker at 404-229-2941 or david.shoemaker@nfp.com.

Ken Derks managing consultant with NFP, an Aon Company, whose team has assisted over 1,250 banks in the design of nonqualified benefit plans, performance-based compensation, and BOLI. To learn more, contact Ken Derks at 469-252-1037 or ken.derks@nfp.com.

The significant potential financial impact when your bank loses key employees quantifies and underlines the value and importance of retention, so it is paramount that executives meaningfully and competitively compensate these employees.

PHOTO: SHUTTERSTOCK



TRAVELERS 

Financial institutions and elder financial abuse—Tips to protect your customers and reputation

MORE ABOUT TRAVELERS

Travelers is committed to managing and mitigating risks and exposures, and does so backed by financial stability and a dedicated team—from underwriters to claim professionals—whose mission is to insure and protect a company's assets. For more information, visit www.travelers.com.

According to the Federal Bureau of Investigation (FBI), millions of elderly citizens are targeted annually with some form of financial fraud, and many of these attempts are successful. It has been estimated that seniors lose approximately \$3 billion per year as a result of these scams, which are becoming more widespread and sophisticated.

Surprisingly, much of the criminal activity is initiated by a friend or family member. A recent study by the University of Southern California revealed that 55% of respondents reporting any type of elder abuse categorized those acts as financial, and that family members were the most alleged perpetrators of elder financial abuse.

With these facts in mind, banks should maintain heightened sensitivity around transactions that involve elderly clients, particularly if these clients have historically managed their own finances and may be exhibiting signs of cognitive decline. Increased vigilance, in general, can assist in uncovering fraud.

Knowing the customer, coupled with a comprehensive employee training program, can act as a strong front-line tactic to help banks prevent and expose elder financial abuse.


Here are some best practices for recognizing “at-risk” clients:

- Be on the lookout for non-family members being added to banking or investment accounts.
- Monitor large money transfers and changes in spending patterns, as these could be signs that some form of abuse is occurring. A senior's spending habits are often predictable in frequency, volume and payees.
- Be alert for large amounts of funds exiting accounts to payees who had not been

previously paid in any manner.

- Keep detailed notes in the form of dated, journal-type entries, recording any spending or personal behavior that seems unusual. These notes would be in addition to those kept on risk tolerance, goals, objectives, etc.
- Follow up with clients via phone or email to discuss any sudden financial decisions that seem out of character.
- In addition to making personal contact, encourage the client to engage an independent attorney to assist in their financial matters.
- Understand the laws that apply to the financial abuse of an elder client. Follow prescribed protocols if any illegal activity is suspected.
- Implement internal procedures to elevate circumstances which may present the need for further inquiry and analysis to the appropriate decision-makers.

“It's important not just to have a system in place to detect elder financial abuse, but to also act on situations where potential fraud or malicious intent has been identified,” said Kristin Roger, Vice President and Head of Financial Institutions at Travelers. “We know banks want to serve as trusted advisors to their customers, and by taking simple steps, they can better protect their customers from potential financial harm.”

Elder financial fraud is on the rise and counts as one of the more heinous abuses of trust that senior citizens might endure. Along with the financial damage inflicted on customers, incidents of elder financial fraud can cause serious reputational harm. Therefore, implementing a sound method of prevention, detection, identification and reporting of this criminal behavior is paramount. 

Get your balance sheet recession ready!

Capital in focus.



TODD TAYLOR
 Founder &
 Managing Partner,
 HUB|Taylor Advisors

MORE ABOUT HUB | TAYLOR ADVISORS

HUB|Taylor Advisors provides consulting and advisory services in the areas of ALCO, capital, liquidity, interest rate risk and investments to community-based financial institutions throughout the country. To learn more, visit www.tayloradvisor.com or contact Todd Taylor at todd.taylor@hubinternational.com and Tom Evans at tom.evans@hubinternational.com.

As we talk to various clients and present at numerous events, it is becoming clear that capital is shifting into focus for all regulatory agencies. Early on in the pandemic, fiscal and monetary stimulus flooded balance sheets with low-cost deposits, oftentimes creating asset growth that exceeded capital generation. Regulators were quick to provide a grace period for leverage ratios in response to the emergency programs as liquidity was bountiful and risk-based capital ratios were contained.

Regulators have a long-standing scrutiny of commercial real estate (CRE) and Acquisition/Construction and Development (C&D) concentrations dating back to pre-crises times. Numerous FILs, publications and advisories have been issued to document expectations around monitoring these concentrations and best practices for on-going management. We are beginning to see regulators take a more 'proactive' approach to supervising institutions with lower key capital ratios and higher concentrations and growth rates.

- The OCC is increasingly implementing Individual Minimum Capital Ratios (IMCR) to address CRE and concentration concerns, implementing minimum ratios of 9-10% for Tier 1 Leverage and 12-14% for Total Risk-Based Capital.
- Other regulators are engaging in CRE enforcement actions (formal and informal) directing banks to reduce CRE concentrations and enhance portfolio monitoring and reporting.
- Merger approvals are increasingly incorporating CRE concentrations and capital levels, with some recent deals announced in conjunction with capital raises.

As we have written before, there is a strong relationship between credit cycles and interest rates. While the banking sector has not seen materially adverse credit losses, we have seen consumer delinquencies return to and exceed pre-pandemic levels. Additionally, the CMBS market is showing refinancing challenges for low coupon underperforming office and multifamily loans as delinquency and default rates are gaining momentum.

In response to enhanced scrutiny of capital, institutions are evaluating avenues to shore up capital via subordinated debt, a holding company loan or line of credit, sale leaseback, and mutual holding company conversions, to name a few. Each of these sources comes with varying cost of capital but can help to fortify the balance sheet for potential turbulence down the road. Other institutions are evaluating investment loss trades to reposition balance sheets, giving up regulatory capital today for potential longer-term benefit. Depending on your institution's capital levels and concentrations, now may not be the optimal time to deplete regulatory capital for a protracted break-even prospect.

Institutions must be preparing today for heightened capital and regulatory risk tomorrow. Risks and opportunities are unique to each institution based on their respective loan portfolio, capital, liquidity, interest rate risk and investment portfolio. An effective ALCO from a whole balance sheet perspective can help ensure that your entire balance sheet is ready for the next exam, for the next phase of the credit and interest rate cycle, and to implement tailored strategies to set your institution up for long-term success. 📈

The Southeastern School of Banking

Thirty-seven banking professionals graduate from intensive Southeastern School of Banking.

The Southeastern School of Banking (TSSB), held for the 10th year at Belmont University, celebrated another year of shaping future banking leaders.

From July 21-26, a cohort of 61 first-year students commenced their journey, while 37 second-year students proudly concluded theirs, graduating with the class of 2024.

Dedicated to cultivating the analytical prowess and management acumen of banking's rising stars, TSSB's rigorous program is a must for higher-ranking officials and junior to mid-level managers seeking to navigate the complexities of a rapidly changing financial landscape.

"The banking industry continues to change at a rapid rate, both from technology and ever-changing regulations that banks must navigate," said Colin Barrett, president of the Tennessee Bankers Association. "Our Southeastern School of Banking provides the kind of high-level training that our graduates can take back to their banks, helping not only themselves but also others who they manage or work with."

Bankers attending the school received 70 hours of classroom instruction in two sessions over two years. In addition to traditional banking classes, students participated in the ABA's BankExec Simulation. The bank-simulation program provides students a real-world bank management experience.

HONORS AND SCHOLARSHIP RECIPIENTS

Each year, TSSB recognize those graduates who excel academically, ranking in the top 10 percent of their class. This year's distinction


went to a select group of individuals who stood out for their exceptional performance across multiple challenging areas, including exams, simulations, and faculty evaluations. Honors this year went to:

- **Kayla Mullican**, Security Federal Savings Bank of McMinnville, McMinnville
- **Jesse Pruitt**, First Commerce Bank, Chapel Hill
- **Daniel Sampson**, Wilson Bank & Trust, Lebanon
- **Jennifer Thomas**, Southern Heritage Bank, div of First Citizens, Cleveland

In addition to TSSB's honors recognition, each year outstanding students are selected based on multiple criteria as the recipient of a scholarship covering first-year tuition at the Graduate School of Banking at LSU. This year's scholarship recipient was Lisa Mullins of Wilson Bank & Trust in Mount Juliet and Tyler Frazier of Bank of Ripley in Ripley. Recipients are selected based on school performance, instructor evaluations, and committee interviews.

2025 TSSB ENROLLMENT

Invest in the future of your bank and enroll qualified candidates in The Southeastern School of Banking.

The 2025 concurrent year I and year II sessions are scheduled for July. If you would like more information on TSSB or any of TBA's Southeastern Schools, please visit TNBankers.org or contact Monique White, via email at mwhite@TNBankers.org, or by phone at 615-244-4871. 



2024 TSSB year two students

2024 TSSB GRADUATES

SAVANNAH BOYKIN, First National Bank, Livingston

TUCKER BRYANT, Builtwell Bank, Benton

JAKE BURROWS, Builtwell Bank, Benton

PIPER CONDITT, Austin Peay University, Clarksville

DARRELL COOK, The First National Bank, McMinnville

HALEY DILLARD MUSIC, First National Bank, Crossville

****TYLER FRAZIER**, Bank of Ripley, Ripley

VICTOR GOMEZ, Security Fed Savings Bank, McMinnville

CHRISTINA GRIFFITH, Mountain Valley Bank, Dunlap

JOHN HACKNEY, Citizens National Bank, Seymour

AMY HARMS, Citizens Bank, Cookeville

LEAH HARRELL, Citizens Community Bank, Winchester

MARY BETH HOWINGTON, Centennial Bank, Mc Kenzie

MICHAEL LANE, Volunteer Federal, Madisonville

LESLEY MORENO, Austin Peay University, Clarksville

KATIE MOTT, West Tennessee Bank, Jackson

***KAYLA MULLICAN**, Security Fed Savings Bank, McMinnville

JONATHAN MULLICAN, Wilson Bank & Trust, Lebanon

****LISA MULLINS**, Wilson Bank & Trust, Mount Juliet

RACHEL MURPHY, CB&S Bank, Inc, Savannah

SAVANNAH NAYLOR, Peoples Bank, Clifton

MELINDA NICHOLS, The Farmers Bank, Portland

JOHN NOWLIN, The Hardin County Bank, Savannah

JORDAN PACK, Newport Federal Bank, Newport

CHERYL PENTECOST, The Farmers Bank, Springfield

SARAH POSS, First Freedom Bank, Mount Juliet

***JESSE PRUITT**, First Commerce Bank, Chapel Hill

SADIE RILEY, Peoples Bank, Waynesboro

***DANIEL SAMPSON**, Wilson Bank & Trust, Lebanon

MICHAEL SEYMOUR, First National Bank, Livingston

MACKENZIE SMITH, Citizens National Bank, Sevierville

***JENNIFER THOMAS**, Southern Heritage Bank, Cleveland

EMILY TORNABENE, HORNE, Memphis

JULIE TOWNSLEY, First National Bank, Cookeville

LUKE TYLER, F&M Bank, Clarksville

PRYCE WADE, The First National Bank, Nashville

DANIELLE WORLEY, Greenfield Banking Co, Greenfield

*Denotes Honor Graduate

**Denotes Graduate School of Banking at LSU Scholarship Recipient





Bank compensation trends: Insights from the 2024 TBA Salary Survey



SHARON JUSTICE-McCRAY
Senior Vice President
of Human Resources
and Facilities,
Tennessee Bankers
Association

The 2024 TBA Bank Compensation and Benefits Survey offers an in-depth look at the trends shaping compensation and benefits in Tennessee's banking sector.

Drawing on data from 62 participating banks, this comprehensive resource benchmarks 135 job positions and provides a crucial understanding of industry standards. Here are some key takeaways that make this survey indispensable for financial institutions aiming to stay competitive and attract top talent.

Competitive Salary Data Across Roles and Regions

The survey reveals that compensation strategies vary significantly based on geography and asset size. Whether you're in West, Middle, or East Tennessee, understanding these differentials is key to setting appropriate salaries. The survey details geographic wage adjustments, helping banks tailor compensation packages that align with local market conditions.

For example, the report outlines detailed compensation figures for positions ranging from entry-level tellers to senior executives. By leveraging this data, banks can ensure they remain competitive while managing payroll costs effectively. The survey also includes guidelines on establishing salary ranges, with recommendations on progression timelines based on performance.

Health and Retirement Benefits

Employee benefits are increasingly critical in today's competitive labor market. The survey found that 87% of banks contribute to individual medical insurance premiums and 52% to family plans. While 97% of banks offer a 401(k) plan, 82% require employees to contribute to receive a match. Understanding these benchmarks can help your institution make informed decisions about benefit offerings and retain top employees.

Additionally, the report includes data on Roth IRA availability, with 65% of institutions providing this option, and insights into supplemental executive retirement plans (SERPs), which 43.55% of respondents offer.

Turnover and Staffing Trends

Turnover remains a concern for many institutions, with the average turnover rate in 2023 at 13%. While some banks plan to increase staff in 2024, others are focused on maintaining current levels or restructuring teams. Understanding these dynamics can guide your bank's workforce planning and highlight the importance of competitive compensation and supportive work environments.

The survey also explores strategies like out-of-cycle raises, a practice used by 38.71% of banks to retain high-performing employees. With projected salary increases averaging 3.71% for 2024, the data can help your institution prepare for budgetary adjustments and understand how peers are responding to economic pressures.

Performance Management and Incentive Plans

Performance management is another area of focus, with nearly 42% of institutions linking higher salary increases to top performers. The survey reveals that 82.26% of banks have corporate incentive plans, with an average of 8.7% of payroll dedicated to variable pay. This data is essential for banks looking to align employee goals with organizational performance.

The report offers advice on creating performance plans that drive success, with practical recommendations on merit increase differences to reward top contributors. Knowing how other banks incentivize performance can guide your institution in designing programs that attract and retain talent.

Paid Time Off (PTO) and Remote Work

PTO policies remain highly valued by employees, and the survey provides an overview of average days offered based on years of service. Additionally, it outlines carry-over policies, an important factor when negotiating job offers or evaluating overall benefits. With remote work still shaping the industry post-pandemic, 80.3% of banks report that employees must remain within their operating markets, though some flexibility exists based on roles.

Why This Data Matters

Staying competitive in compensation and benefits is crucial as the banking landscape continues to evolve. The 2024 TBA Bank Compensation and Benefits Survey offers essential data to inform your HR strategies, from setting salaries and managing benefits to understanding workforce trends.

By investing in this survey, your bank will have access to actionable insights, helping you attract and retain the talent needed to thrive in an ever-changing environment. The data not only aids in compliance but also ensures your compensation practices align with industry standards, providing a strategic advantage.

Ready to dive deeper? Purchase the 2024 TBA Salary Survey today at TNBankers.org to ensure your institution is well-equipped to attract top talent and remain competitive in today's market. 📄



We're more than CPAs.

Let our financial institutions team help you tackle day-to-day challenges and complex regulations so you can focus on your customers, not red tape.

- Accounting, audit, tax
- Information technology
- Internal audit
- Loan review
- Regulatory compliance
- Valuation, forensics, transactions

The firm Tennessee banks have trusted for more than 65 years.

615-346-2487

kraftcpas.com/banks



Scarcity or prosperity: The efficiency ratio under attack



DR. SEAN PAYANT
Chief Strategy Officer,
Haberfeld

ABOUT THE AUTHOR

Sean C. Payant, Ph.D., is Chief Strategy Officer at Haberfeld, a data-driven consulting firm specializing in core relationships and profitability growth for community-based financial institutions. Sean can be reached at 402.323-3614 or Sean@haberfeld.com.

Many financial institution executives spend considerable time thinking about strategies to improve efficiency in order to improve overall profitability. The efficiency ratio is the ratio of non-interest expenses (less amortization of intangible assets) to net interest income and non-interest income, so it is effectively a measure of what you spend compared to what you make. The very name—“efficiency ratio”—makes us think about how efficient we are with those precious income dollars. If a financial institution has a high efficiency ratio, they are simply spending too much of what they make...right? That is exactly what the name implies (emphasis on the spending side of the equation). But this is just a ratio of two numbers, and as we all know, there are two ways to bring the ratio down—reduce costs or increase revenues.

The focus across industry press and conference best practices is generally aimed at strategies to cut expenses—using technology, looking at staffing levels, increasing productivity, etc. Although this advice is sound, what happens when a financial institution has already cut what can be cut AND it is still struggling with efficiency? It is sometimes difficult to save your way to prosperity.

For many financial institutions, the focus should also be on the bottom portion of the equation—increasing revenues. Let’s look at an institution that has \$500 million in assets, a good return at 1% ROA, and a reasonable efficiency ratio of 60%. Let’s assume the FI can improve its efficiency ratio by 5% through revenue increase or expense reduction.

It shouldn’t be surprising that increasing revenues provides better performance even though this sometimes seems like a counter-intuitive approach. Because many financial institutions need to increase investments for growth in order to significantly grow their revenues, thereby increasing the expense side

of the equation, and because of their excess capacity, this will actually make them more efficient over time. Many financial institutions have cut expenses almost to the bone and can’t materially improve their efficiency ratio by further reducing costs. They need to take a step back and realize some fundamental business dynamics that are often ignored in our industry.

Most community financial institutions still have tremendous excess capacity, meaning they could serve significantly more customers without significantly increasing expenses. The answer to improving the efficiency ratio is to fill excess capacity with brand NEW profitable customers.

How do other businesses look at the issue of excess capacity—for example a manufacturing company?

- The facility is running at 50% of the capacity it was built to produce;
- The factory has done everything it can to be as efficient as possible—evaluate staffing levels, implement technology solutions, etc.;
- Management’s major goals and objectives are still focused on improving profitability by further evaluating already efficient processes and selling more to current customers.

Given the excess capacity at the manufacturing company, wouldn’t it also make sense to evaluate if more widgets can be run through the facility? Would the market support providing more products to more people in order to increase net income without substantially increasing expenses?

The manufacturing company analogy is very similar to the situation being faced by community financial institutions. They have branches currently attracting 30% - 50% of the new customers they were built to serve each year and it is getting worse as transaction volume continues to decline in branches. Most financial institutions have used technology

and staff reductions to become more efficient; however, they still spend much of their time, effort and energy focusing on cost reductions and additional efficiency enhancement.

When a community financial institution starts welcoming significantly more new customers per year, fixed costs do not substantially change—no new branches have been built, no additional employees have been hired. Actual data from hundreds of community financial institutions illustrates the impact on actual expenses is just the marginal costs—generally an additional \$30 - \$50 per account per year (even if we must mail a paper statement). Conversely, the same data base shows the average annual contribution of each new account per year is between \$250–\$350.

When comparing clients that have embraced this strategy to the overall industry over a three-year period of time (2014 to 2017), their improvement in efficiency ratio was 63% better. This has been accomplished by significantly increasing the number of new customers coming in the front doors of existing branches.

There is only so much blood in a turnip. Controlling costs, embracing technology to reduce process costs and evaluating staffing are all things financial institutions should be doing; however, if they have already become very efficient in these areas, the focus must shift to driving revenue. Most financial institutions have tremendous excess capacity in their existing branches today. The solution is to start filling them up. 🏠

Financial Metric	Before	5% Efficiency Ratio Improvement by Revenue Increase	5% Efficiency Ratio Improvement by Expense Decrease
Assets	\$500,000,000	\$500,000,000	\$500,000,000
Efficiency Ratio	60%	55%	55%
Net-Interest and Non-Interest Income	\$12,500,000	\$13,636,364	\$12,500,000
Non-Interest Expense	\$7,500,000	\$7,500,000	\$6,875,000
Net Income	\$5,000,000	\$6,136,364	\$5,625,000
ROA	1.00%	1.23%	1.13%
Change in Net Income		\$1,136,364	\$625,000

\$500,000 less if the better efficiency ratio is achieved by reducing expenses!



The critical role of strategic planning

MORE ABOUT ENGAGEFI

Engage Fi is focused on enabling financial institutions to help them make informed, timely decisions on vendor relationships so they can change at the speed of the consumer. Engage fi has completed over 525 strategic projects for financial institutions and negotiated over \$2.2 billion in savings and incentives for their clients. Learn more at www.engagefi.com or contact Jake Fowler at jake.fowler@engagefi.com.

Effective strategic planning sets the stage for the success of every financial institution. As the industry continues to mature and banks find themselves facing new challenges, organizational vision and a future-state plan have never been more critical.

Forming a strategic plan is more than checking a box. It gives your bank both direction and purpose. Most importantly, it creates a means to convey your “Why” to your employees and other stakeholders. It allows your bank to allocate resources where necessary, budget appropriately, and measure your efforts more accurately.

A well-thought-out strategic plan serves as a blueprint for subsequent endeavors. Performing a SWOT analysis for your financial institution will allow you to ask and answer the hard questions around your activities and enable you to chart a roadmap geared toward sustainable growth and profitability.

Strategy does not evolve quickly. It moves slowly. It is discreet. An overriding challenge most business leaders face today is forming their strategic plan. Many confuse tactical initiatives with forward thinking. The strategic plan is the long-term vision for the organization.

When you set your strategy with intention and move at a deliberate pace, you can navigate the changing market. Strategic planning empowers you to drive new revenue opportunities. Examining financial models through a strategic lens is imperative to ensure that financial decisions align with your goals and objectives. Your organization must understand how to close the value loop on its investments effectively.

When Should Strategic Planning Begin?

A common misconception that exists within community financial institutions is the timing of strategic planning. The third quarter is too late for strategic planning and here is why...

Organizational strategic planning must begin earlier in the fiscal year, allowing enough time to shift from strategic formulation to business mapping. The optimal time to begin the process is the second quarter. This is when leadership gathers to collect information and test current strategies to determine whether they align with the mission and core values of the organization.

During the third quarter you can then begin business planning. Where do the strategies fit in with the day-to-day business initiatives? During this time, you can adjust, allocate resources effectively, conduct budget planning, determine how to measure, and set short term goals. This approach focuses energy on the corporate objectives.

Planning too late in the year can affect your budgeting process. When you strategize early, the strategic plan becomes a budget discussion and that is what drives your business plan.

What Does Effective Strategic Planning Look Like?

Your strategy takes shape when you have a thorough understanding of your internal operations and your efficiency ratio. This extends to discerning the influences in the external environment, including economic conditions, competition, technological changes, and demographic shifts. These outside forces produce ideas that form strategies.

Scenario planning is an effective approach to strategic planning. Scenario planning helps build up the mental muscles by changing the format from a traditional lecture/data dump to a forward-thinking exercise.

Your financial institution should strive to be more experimental in your thinking so you can anticipate changes to your organization faster or figure out how to identify roadblocks and move obstacles out of the way.

Examining your financial institution's data and incorporating it into your plan is crucial. Let the data guide your thought process; understanding your customers/members will help you be a proactive advocate for their well-being, steering future initiatives. Demonstrating your knowledge of their needs and presenting solutions positively reinforces your commitment to helping them thrive financially.

At the end of your planning session, your strategy should be part of your bank's DNA. It must define why you exist, how you exist (core values, purpose, who you serve), and the strategies you are pursuing (what, why, how you get there). If your strategic plan cannot fit on a poster and be distributed to your team, it is overly complex.

Refrain from keeping the plan a secret. The most successful organizations share their vision with the entire team. This transparency shows your commitment to your objectives, fostering a shared understanding that permeates throughout the organization. By telling your story to every team member, you offer them clarity on their role and purpose within the organization, thus the employee experience starts to align. From there, leaders can effectively delegate. This process develops better decision makers and better managers because the entire team is taking ownership of the plan.

Overall, strategic planning is essential for guiding bank decision making, driving performance and innovation. Financial institutions that can get on board with the strategic planning process will not only survive but thrive. 🇺🇸



Celebrating Brian Mobley's legacy and dedication to Financial PSI

The November 18 retirement party for Brian Mobley of Financial PSI was a heartfelt celebration of his remarkable career and dedication to the industry.

Hosted at the Tennessee Banker Association/FPSI office, the event brought together colleagues, friends, and family to honor Brian's many achievements and contributions during his more than 20 years at FPSI. Guests shared stories of his exceptional leadership and unwavering commitment to serving member banks with integrity, highlighting the lasting impact he has made on the organization and its members. 🇺🇸



Employment Opportunities

TBA offers two ways to find and post job opportunities in the banking industry across the state.



The TBA Job Bank is free for TBA member banks to post positions online. You can submit your job openings to Penny Powlas at ppowlas@tnbankers.org, and jobs can be viewed at TNBankers.org/job-bank, as well as in each issue of the Tennessee Banker magazine on this page.



BankTalentHQ partners with TBA and other state bankers associations. It allows Tennessee banks to reach a nation-wide audience by posting job openings for your institutions, with the ability to purchase a single 30-day post or a discounted posting package to fill multiple vacancies. Visit BankTalentHQ.com to post your jobs or find employment opportunities.

JOB BANK POSITIONS AVAILABLE

2411-4 LOS IMPLEMENTATION SPECIALIST

Integra Software Systems

Qualified candidates should send a Resume to: afarrar@integraloantech.com

2411-3 TELLER - FULL-TIME, BRENTWOOD TN

Southern Bank of Tennessee

Email resumes to HR@SouthernBankofTN.com

2411-2 CHIEF INFORMATION TECHNOLOGY OFFICER

West TN Community Bank

Please submit resumes to: ppowlas@tnbankers.org

2411-1 DEPOSIT OPERATIONS

Southern Bank of Tennessee

Please send resumes to HR@SouthernBankofTN.com

2410-3 LOAN OPERATIONS SPECIALIST

Southern Bank of Tennessee

Please apply to: HR@SouthernBankofTN.com

2410-2 LOAN OFFICER

First Community Bank

Email your resume to mfrazier@first-community.net

2410-1 JUNIOR ACCOUNTANT

Sonata Bank

Use this link to apply: <https://secure2.entertimeonline.com/ta/INPSON.careers?CareersSearch=&lang=EN>

2409-9 COMMERCIAL REAL ESTATE FINANCIAL ANALYST

Pathway Lending

<https://pathwaylending.org/hiring-financial-analyst-sustainability-programs/>

2409-8 VP LENDING – ENERGY PROJECT FINANCE

Pathway Lending

<https://pathwaylending.org/hiring-vp-lending-energy-project-finance/>

2409-7 LOAN OPERATIONS DOCUMENT PROCESSOR

INSOUTH Bank

2409-06 COMPLIANCE OFFICER

INSOUTH Bank

If qualified and you would like to apply, please submit a current resume to human.resources@insouth.com.

2409-5 COMMERCIAL LENDER

First Community Bank of East Tennessee

Please forward resume and salary requirements to careers@fcbanktn.com.

2409-4 BILINGUAL LEGAL ASSISTANT

Apex Bank

Qualified applicants should contact Meryl. keegan@apexbank.com.

2409-3 REGULATORY COMPLIANCE OFFICER

Apex Bank

Qualified applicants should contact lynn. riddle@apexbank.com.

2409-2 CONTROLLER

Apex Bank

Qualified applicants should email Davoua. vang@apexbank.com.

2409-1 ASSISTANT BSA OFFICER

Tower Community Bank

Qualified applicants should email Elizabeth. Slater@towercommunitybank.com for more information.

2408-7 COMMERCIAL LOAN PORTFOLIO SPECIALIST

First Community Bank of East Tennessee

Please send resume and cover letter to careers@fcbanktn.com.

2408-6 REGULATORY COMPLIANCE ANALYST

Lineage Bank

Qualified candidates may send resumes to holly.wyatt@lineagebank.com.

2408-5 CAREER OPPORTUNITIES

First Citizens National Bank

For more info visit www.firstcfnb.com/About/Unbelievably-Good-Banking/Career-Opportunities

2408-4 SR. COMPLIANCE OFFICER

SouthEast Bank

Use this link to apply: <https://www.paycomonline.net/v4/ats/web.php/jobs/ViewJobDetails?job=177065&clientkey=FAF4CC9CE-64AE0FFC7E5A8748EA026D0>

Tennessee banks and associate members may list positions free-of-charge as a benefit of their membership in the Tennessee Bankers Association. Those interested in placing an ad or replying to position openings (refer to position number) should direct their inquiries to Penny Powlas at ppowlas@TNBankers.org, or 800-964-5525 or 615-244-4871. View more positions at TNBankers.org/jobbank.

Beating the Heat: Winchester Bank Hosts Cool Dress Contest



On a blazing hot Tennessee summer day, the Farmers National Bank of Winchester offered a cool refuge for the Franklin County 4-H Club's annual dress contest. The bank's air-conditioned lobby became an unexpected runway for young sewists, who showcased their handmade cotton and wool dresses.

With more than 100 people watching, participants competed across three categories, hoping to win blue ribbons for best cotton and wool dresses. Outside judges carefully evaluated each garment's craftsmanship, fit, and design. By hosting the event, the bank did more than provide a place to beat the heat—they celebrated local talent and community spirit. They also turned an ordinary July afternoon into something memorable for the 4-H Club members. 🇺🇸

Originally published in The Tennessee Banker in March 1943.



Professional Development Calendar

2025

● Introduction to Treasury Management

January 14
TBA Barrett Training Center, Nashville

● 2024-2025 Senior Lenders and Chief Credit Officers Forums

Session 2: January 14, 15, 16, 17, 2025
TBA Gilliam Board Room, Nashville

● 2024-2025 BSA Forums

Session 2: January 22, 2025
TBA Gilliam Board Room, Nashville

● 2024-2025 Compliance Officer Forums

Session 2: January 23, 2025
TBA Barrett Training Center, Nashville

● CEO Forums

Session 1: January 28, 29, 30, 2025
TBA Gilliam Board Room, Nashville

● The New Era of Asset/Liability Management

February 4
TBA Barrett Training Center, Nashville

● Retail Banking Leadership Series

Session 1: February 4
TBA Barrett Training Center, Nashville

● Retail Banking Officer Forums

Session 1: February 5, 2025
TBA Gilliam Board Room, Nashville

● 2024-2025 Treasury Management Forum – NEW!

Session 2: February 6, 2025
TBA Gilliam Board Room, Nashville

● Commercial Loan Underwriting Workshop

February 6 & 7
TBA Barrett Training Center, Nashville

● 2024-2025 Human Resources Forums

Session 2: February 11, 2025
TBA Barrett Training Center, Nashville

● Young Bankers Division Day on the Hill

February 12
Tennessee State Capitol, Nashville

● Basic and Advanced IRA

February 12 & 13
TBA Barrett Training Center, Nashville
February 14
Virtual

● CFO/Controller Forums

Session 1: February 19 & 20, 2025
TBA Gilliam Board Room, Nashville

● IT/Information Security Officer Forums

Session 1: February 25 & 26, 2025
TBA Gilliam Board Room, Nashville

● Risk Management Forums

Session 1: March 5, 2025
TBA Gilliam Board Room, Nashville

EDUCATION TRACKS

- Compliance
- Commercial Lending
- Retail Banking/Consumer Lending
- Operations/IT/Human Resources
- Management/Executive
- General Banking



Publisher's Statement of Ownership

Form 3526, required to be published annually by the U.S. Postal Service.

UNITED STATES POSTAL SERVICE® (All Periodicals Publications Except Requester Publications)		
1. Publication Title The Tennessee Banker Magazine	2. Publication Number 09272024	3. Filing Date 09/27/2024
4. Issue Frequency Quarterly	5. Number of Issues Published Annually 4	6. Annual Subscription Price \$40 member/ \$55 non member
7. Complete Mailing Address of Known Office of Publication (Not printer) (Street, city, county, state, and ZIP+4®) 211 Athens Way, Ste 100, Nashville, Davidson, TN, 37228-1381	8. Contact Person Tyler Helton Telephone (include area code) (615) 244-4871	
8. Complete Mailing Address of Headquarters or General Business Office of Publisher (Not printer) Same as above		
9. Full Name and Complete Mailing Address of Publisher, Editor, and Managing Editor (Do not leave blank) Publisher (Name and complete mailing address) Tennessee Bankers Association, 211 Athens Way, Ste 100, Nashville, Davidson, TN, 37228-1381		
Editor (Name and complete mailing address) Colin Barrett, same as above		
Managing Editor (Name and complete mailing address) Tennessee Bankers Association, 211 Athens Way, Ste 100, Nashville, Davidson, TN, 37228-1381		
10. Owner (Do not leave blank. If the publication is owned by a corporation, give the name and address of the corporation immediately followed by the names and addresses of all stockholders owning or holding 1 percent or more of the total amount of stock. If not owned by a corporation, give the names and addresses of the individual owners. If owned by a partnership or other unincorporated firm, give its name and address as well as those of each individual owner. If the publication is published by a nonprofit organization, give its name and address.) Full Name Complete Mailing Address Tennessee Bankers Association 211 Athens Way, Ste 100, Nashville, Davidson, TN, 37228-1381		
11. Known Bondholders, Mortgagees, and Other Security Holders Owning or Holding 1 Percent or More of Total Amount of Bonds, Mortgages, or Other Securities. If none, check box <input checked="" type="checkbox"/> None Full Name Complete Mailing Address		
12. Tax Status (For completion by nonprofit organizations authorized to mail at nonprofit rates) (Check one) The purpose, function, and nonprofit status of this organization and the exempt status for federal income tax purposes: <input type="checkbox"/> Has Not Changed During Preceding 12 Months <input type="checkbox"/> Has Changed During Preceding 12 Months (Publisher must submit explanation of change with this statement)		

13. Publication Title The Tennessee Banker		14. Issue Date for Circulation Data Below 06/03/2024	
15. Extent and Nature of Circulation		Average No. Copies Each Issue During Preceding 12 Months	No. Copies of Single Issue Published Nearest to Filing Date
a. Total Number of Copies (Net press run)			
16. Mailed Outside-County Paid Subscriptions (Based on PS Form 3541 (Include paid distribution above nominal rate, advertiser's proof copies, and exchange copies))	1992	1770	
17. Mailed In-County Paid Subscriptions (Based on PS Form 3541 (Include paid distribution above nominal rate, advertiser's proof copies, and exchange copies))	245	226	
18. Paid Distribution Outside the Mails (Including Sales Through Dealers and Carriers, Street Vendors, Counter Sales, and Other Paid Distribution Outside USPS® (e.g., First-Class Mail®))	0	0	
19. Paid Distribution by Other Classes of Mail Through the USPS (e.g., First-Class Mail®)	0	0	
c. Total Paid Distribution (Sum of 16 (1), (2), (3), and (4))	2237	1996	
d. Free or Nominal Rate			
20. Free or Nominal Rate Outside-County Copies included on PS Form 3541	138	137	
21. Free or Nominal Rate In-County Copies included on PS Form 3541	14	13	
22. Free or Nominal Rate Copies Mailed at Other Classes Through the USPS (e.g., First-Class Mail®)	0	0	
23. Free or Nominal Rate Distribution Outside the Mail (Carriers or other means)	0	0	
e. Total Free or Nominal Rate Distribution (Sum of 18 (1), (2), (3), and (4))	152	150	
f. Total Distribution (Sum of 16 and 18a)	2389	2146	
g. Copies not Distributed (See Instructions to Publishers #4 (page #3))	361	604	
h. Total (Sum of 16 and g)	2750	2750	
i. Paid and Free (PS Form 3526, July 2014 (Page 2 of 4))	93.63	93.01	

*If you are claiming electronic copies, go to line 16 on page 1. If you are not claiming electronic copies, skip to line 17 on page 1.

UNITED STATES POSTAL SERVICE® (All Periodicals Publications Except Requester Publications)		
16. Electronic Copy Circulation	Average No. Copies Each Issue During Preceding 12 Months	No. Copies of Single Issue Published Nearest to Filing Date
a. Paid Electronic Copies		
b. Total Paid Print Copies (Line 15c) + Paid Electronic Copies (Line 16a)	2237	0
c. Total Print Distribution (Line 15c) + Paid Electronic Copies (Line 16a)	2389	2146
d. Percent Paid (Both Print & Electronic Copies) (15b divided by 15c x 100)		
<input type="checkbox"/> certify that 80% of all my distributed copies (electronic and print) are paid above a nominal price.		
17. Publication of Statement of Ownership <input checked="" type="checkbox"/> If the publication is a general publication, publication of this statement is required. Will be printed in the 11/2024 issue of this publication. <input type="checkbox"/> Publication not required.		
18. Signature and Title of Editor, Publisher, Business Manager, or Owner <i>Matt Redford</i> Date: 09/27/2024		
I certify that all information furnished on this form is true and complete. I understand that anyone who furnishes false or misleading information on this form or who omits material or information requested on the form may be subject to criminal sanctions (including fines and imprisonment) and/or civil sanctions (including civil penalties).		



WE ARE BANKPAK.

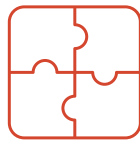
NOT ONLY LEADING THE INDUSTRY, BUT IMPROVING IT.

Bankpak is a leader in servicing financial institutions. With innovative technology paired with exceptional and knowledgeable technicians, Bankpak offers an excellent customer experience. Customer service is our number one priority when it comes to consultations, installations and service in branch automation, security and bank equipment.



Consultation

Our consultation service pairs you with a qualified Bankpak professional to help you make the right decision for your institution.



Installation

Our technicians are dependable, cooperative, and experienced to ensure an excellent customer experience during equipment installation, setup, and training.



Service

We are determined to provide professional service through our customer-first mentality and experienced technicians.



Contact us:
info@bankpak.com
931-635-2864



bankpak

