

## Virginia Association of Community Banks E-Newsletter

May 2019

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### Greetings!

Greetings from VACB! Spring has finally taken root and we are rolling through the month. As you can see below, there is A LOT happening at VACB. From our golf tournament coverage to the ICBA Capital Summit to the remaining educational offerings VACB is offering the membership, not much moss growing on these rolling stones!

Please share our newsletter with your peers. Can't everyone benefit from reading our e-newsletter and learning about all the great information and programs VACB has to offer the membership? Please forward liberally! Read on below to learn what VACB has planned for the remainder of spring.



**Happy Memorial Day!**

### VACB & Williams Mullen - 19th Annual Golf Tournament

Earlier this month, VACB & Williams Mullen partnered again to present our 19th Annual Golf Tournament. We had a great turnout and could not have asked for a better day to play golf and be outside. Our Chairman Brian Plum was on hand to MC the tournament and played with the Blue Ridge Bank team as well. At least one observer noted that Brian was a much better MC than golfer.

Spring Creek hosted the tournament again for 2019 and the course did not disappoint! We had 17 teams come out to compete for the Bankers' Cup this year. Who won it? The same bank that won the tournament last year, Virginia Partners Bank! Also with us this year was Pierce Stone from Virginia Community Bank. Our very first golf tournament was held to help Pierce as he became Chairman of the ICBA, the only Virginia banker to hold that title!

Our annual golf tournament is the successful event it is because of our awesome Associate Members! Our lead sponsor was Williams Mullen and other heavy hitters included Vining Sparks, the Federal Home Loan Bank of Atlanta and Sentry Management. These wonderful companies sponsored our two beverage carts and our boxed lunches. We also had great support on our hole sponsorship signs and we appreciate everyone who helped us make the tournament a success!

We will have much more coverage in our summer magazine so be on the lookout for that. But here's a sneak peek at our winning team!



*VACB Chairman Brian Plum with the tournament winners from Virginia Partners Bank.*

## VACB Bankers Engage Congress for Community Banks

Virginia's community bankers turned out in force on Capitol Hill in late April to advocate for Virginia's community bank priorities as participants in the 2019 ICBA Capital Summit. Almost two dozen VACB member bankers - another record turnout - met with members and staff of the Virginia Congressional delegation throughout the day on Tuesday April 30 - thirteen individual meetings in one day. The group included four first-timers - all of whom had taken part in the ICBA/VACB advocacy training recently offered in Richmond.

Issue #1 was BSA reform - increasing CTR and SAR thresholds, and re-directing the burden of Beneficial Ownership. Other issues discussed included:

- reforming CRA
- leveling the playing field with credit unions and Farm Credit
- fixing the Community Bank Leverage Ratio at 8%
- subjecting all participants in the payment system to GLBA-like standards
- preserving community bank access to the secondary market in any GSE reform plan and
- creating a safe harbor for cannabis banking.

Our heartfelt thanks to those bankers who invested their time and financial resources to make this chapter in VACB Congressional relations so successful.



*VACB Delegation with U.S. Senator Tim Kaine*

## Fifth District Focus Webinar - Credit Risk Management Hot Topics

Please join the Federal Reserve Bank of Richmond on May 15th at 10AM for their next 5th District Focus webinar - "**Credit Risk Management Hot Topics**," where we will highlight trends they are seeing from a variety of sources such as district asset quality trends, conclusions from loan horizontal reviews and common credit risk examination findings from our recent examination cycle. The Federal Reserve's goal, as always, is to give you information that you can use to evaluate your current risk management practices.



Their "5th District Focus" webinar is open to all banks and holding companies headquartered in the 5th District. We hope that you and your staff will be able to participate as well. Please register for the webinar at:

<https://www.webcaster4.com/Webcast/RegisterPagePreview/577/30162/342f7b3a-b33e-491a-b9f3-c1170a0e698d>.

**Community Banking Month is Over, but the Savings on Webinars Continues until May 31st! Don't miss this opportunity!**

COMMUNITY BANKERS  
Webinar network

**IT'S COMMUNITY BANKING MONTH!**

LET'S CELEBRATE WITH A FREE WEBINAR

April is over, but the savings continue!

**Buy any 2 webinars and get 1 free until May 31st.**

### **Here's how to get your free webinar:**

Find and purchase two webinars and enter **"Send my free webinar code!"** in the comments box at checkout. A coupon code for your free webinar will be emailed to you within one business day.

*(Not applicable for Sale Webinars or full Series orders)*

[Choose Your Webinars Here](#)

## **ICBA Webinar Focuses on Switching to .BANK - May 14th**

ICBA and .BANK are hosting an upcoming webinar on the benefits of the .BANK domain and how to make the move easy and affordable. Scheduled for 2 p.m. (Eastern time) Tuesday, May 14, "The .BANK Decision" will include discussions on deciding on .BANK, making the move, education staff and customers and best practices.

[Learn More and Register](#)

## **Energize your Front Line Staff by Having them Attend VACB's Universal Banker Certification Program**

With reduced in-branch transactions and customer visits, and an increase in technology, traditional teller functions must evolve. No longer can a front-line team member say: "It's not my job!" Today's front-line team is shifting from traditional positions (tellers, new account representatives, financial service representatives, etc.) to a multi-tasking, "universal" banker.

To help our member banks navigate this process and learn more about the Universal Banker business model, we have worked with Performance Solutions, Inc. to present a two-day certification program. This program focuses on the essentials for today's universal banker in providing exceptional service, making referrals, and building profitable relationships from millennials to baby boomers.

### **The benefits of this certification process:**

- An investment in developing "best practices" for your bank's retail network
- An education resource for training and career development and retention
- Recognition and opportunities for front-line team members
- A foundation builder for banking schools
- A commitment to successful, profitable, efficient and effective retail banking network

### **Who would benefit from this certification:**

Branch Managers, Retail Branch Administrators, Marketing Directors, Head Tellers, Customer

Presented by VACB

**The Universal Banker  
Certification Program**

*Today's and Tomorrow's Customer Service Representative*

**VACB**  
Virginia Association of  
Community Banks  
*One Mission. Community. Banks.*

**May 28 & 29, 2019**  
VACB Training Room  
7204 Glen Forest Dr., Ste. 101  
Richmond, VA 23226  
804-673-8250

To learn more about the curriculum for this program, please click on the link below:

[Full Brochure and Registration Information](#)

## VACB - Elliott Davis Risk Management Forum for Community Banks June 5th in Richmond

VACB and Elliott Davis are again partnering to bring their annual Risk Management Forum for Community Banks to Richmond on Wednesday, June 5th. Featured presenters and topics include:

- Regulatory Focus from the Federal Reserve Bank of Richmond
- Cracking the Code on Common IT Regulatory Findings
- Regulatory Hot Topics with Williams Mullen addressing the transition from Libor to SOFR in 2021 & Vendor Contracts
- Community Banking Risk Management Panel
- ERM Management Optimization
- A Road Map to Better Credit Risk: What Route should Your Loan Policy Take?
- Banks & Bad Guys: AML Enforcement Trends and Insights from the Auditors



See the full session descriptions and registration information by clicking the link below.

[REGISTRATION](#)

## Legal Brief



### Goodbye Libor - Hello Operational Headache!

*By: Thomas E.A. "Tommy" Bishop*

A sea change is on the horizon for benchmark interest rates as financial regulators respond to the need to replace the London Interbank Offered Rate ("LIBOR"). LIBOR has lost the favor and, in some respects, the trust of banks, investors and regulators in light of scandals precipitated by "LIBOR-fixing" (fraudulent manipulations by traders) at several banks. Even though the UK's Financial Conduct Authority (the "FCA") reinforced governance around setting

through the UK's Financial Conduct Authority (the FCA) reinforced governance around setting the rate, regulators have pressed banks to remove references to LIBOR from their new contracts and have planned to abolish the rate by 2021.

With a rate as pervasive as LIBOR, the transition will burden market participants both in terms of their day-to-day operations and from a regulatory and reporting compliance standpoint. A new rate must be chosen for future documents. Regulators and participants alike have pointed to the Secured Overnight Funding Rate ("SOFR") as a likely replacement, but this is a solution to just half the problem, and is an imperfect one at that. Because SOFR is a secured overnight rate and LIBOR is an unsecured term-based rate, there will be issues with conforming SOFR-based floating rates to the rate structures of existing documents.

[Read Entire Article](#)

***William Mullen will be addressing this topic at the VACB & Elliott Davis Risk Management Forum for Community Banks, Wednesday, June 5th in Richmond. See the program information and registration details in the above article.***

## **AARP Collaborates with Financial Industry to Launch BankSafe Training Platform to Help Stop Financial Exploitation**

*AARP teams with ICBA to bring training to thousands of banks*

ICBA and AARP teamed up to prevent, identify, and report financial exploitation of older adults through the organizations' resources. The commitment comes with AARP's launch of its free BankSafe online training platform, which helps community bank employees identify and stop suspected financial exploitation.

The training platform is available at no costs to banks and more information can be found below:

[BankSafe online training platform](#)

## **Upcoming & Archived VACB Webinars - May**

- **May 1** - Troubled Debt Restructuring: Identifying & Accounting for Impaired Loans
- **May 2 - Call Report Series:** Call Report Basics, Including Balance Sheet, Income Statement & Related Schedules
- **May 6** - Accurately Completing the SAR Line-by-Line (Monday webinar)
- **May 8 - BSA Series:** Job-Specific BSA Training for Lenders
- **May 9** - Developing & Delivering an Effective Loan Presentation
- **May 14 - Teller Training Series:** Managing Dual Control & Cash Limits
- **May 15** - Hot Issues in Cyber Compliance
- **May 16 - ACH Specialist Series:** Top 10 Ways to Mitigate ACH Payment Risk

- **May 21 - Consumer Collection Series:** Repossession Practices, Compliance &

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- **May 22** - The UBPR: Understanding Peer Group Comparison to Improve Bank Performance
- **May 23** - Advanced Commercial Loan Documentation
- **May 29** - Military Lending Act & SCRA: Compliance & Lessons Learned
- **May 30 - ACH Specialist Series:** ACH Stop Payments vs. Unauthorized Extended Returns: Know the Difference
- **April 30** - Escrow Account Shortages, Surpluses & Deficiencies

**Remember! You can purchase an archived link for a program that has been previously recorded.**

[Register for an upcoming Webinar](#)

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Please let VACB know what your bank is doing in YOUR COMMUNITY! We want to share with our membership!

**Sincerely,**

Virginia Association of Community Banks