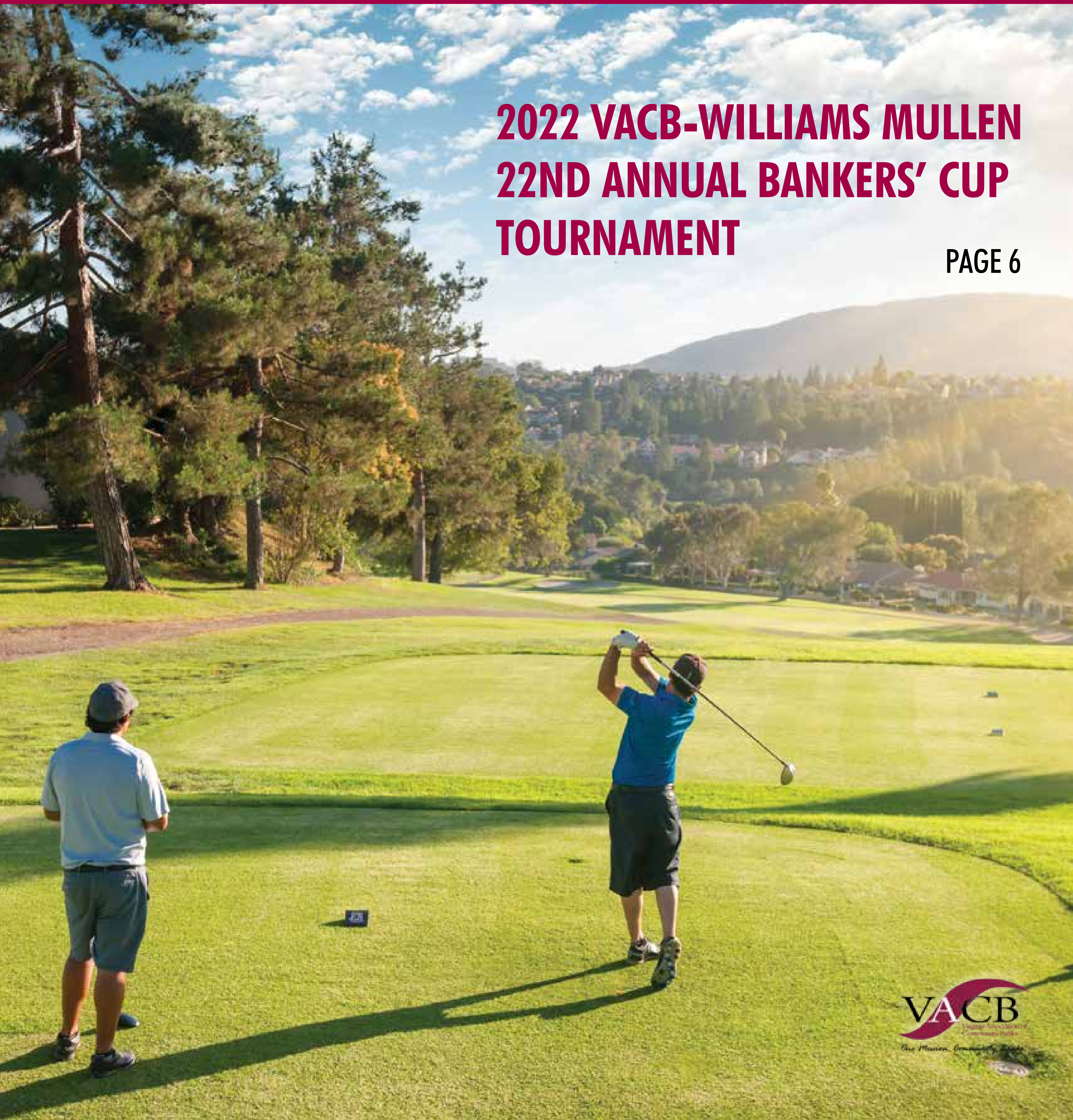
The CommunityBanker

PUB. 11 2022 ISSUE 2

OFFICIAL PUBLICATION OF THE VIRGINIA ASSOCIATION OF COMMUNITY BANKS



2022 VACB-WILLIAMS MULLEN 22ND ANNUAL BANKERS' CUP TOURNAMENT

PAGE 6

VACB

The Baker Approach

To be successful in today's financial climate, you must have not only the proper *partner*, but also the proper *approach* to achieve high performance.

The Baker Group is this partner, and our approach is to offer sound strategies and accurate information to guide your institution to the next level. This is the reason we've been the industry's recognized leader in innovation for more than forty years.

To experience *The Baker Approach* in meeting your financial objectives, call your Baker representative or Ryan Hayhurst at 800.937.2257.

OUR SERVICES

- Investment Portfolio Services
- Balance Sheet Management
- Education
- Public Finance
- Strategic Planning
- Funding
- Bond Accounting/Analytics

The BakerGroup

Member: FINRA and SIPC
www.GoBaker.com | 800.937.2257
Oklahoma City, OK | Austin, TX | Dallas, TX | Houston, TX
Indianapolis, IN | Long Island, NY | Salt Lake City, UT | Springfield, IL

The Baker Group LP is the sole authorized distributor for the products and services developed and provided by The Baker Group Software Solutions, Inc.


paymerang
finance automation for the modern enterprise
The implementation process was very easy and we've already seen significant time savings within a week.
-VP & CFO, Bank of Marion
To learn more, scan the QR code or visit www.paymerang.com

VACB BOARD OF DIRECTORS

CHAIR
Dennis A. Dysart
First Bank
Strasburg

CHAIR-ELECT
Jay A. Stafford
Benchmark Community Bank
Kenbridge

VICE CHAIR
Tara Y. Harrison
Virginia National Bank
Charlottesville

IMMEDIATE PAST CHAIRMAN
J. Michael Thomas
Select Bank
Lynchburg

ICBA VIRGINIA DELEGATE
Mark C. Hanna
F&M Bank
Timberville

PRESIDENT & CEO
Steven C. Yeakel, CAE
VACB
Richmond

VACB DIRECTORS
CLASS OF 2022
Dabney T.P. Gilliam, Jr.
The Bank of Charlotte County
Phenix

Bryan P. Thompson
Highlands Community Bank
Covington

Joseph R. Witt
The Old Point National Bank
Hampton

CLASS OF 2023
J. Steven Grist
CornerStone Bank
Lexington

James E. Hendricks
Village Bank
Midlothian

Lisa E. Kilgour
MainStreet Bank
Fairfax

Paul M. Mylum
National Bank
Roanoke

Thomas L. Rasey, Jr.
The Farmers Bank of Appomattox
Appomattox

CLASS OF 2024
Christopher B. Snodgrass
The Bank of Marion
Marion

Blake M. Edwards, Jr.
Skyline National Bank
Independence

VACB STAFF
Katharine C. Garner, CMP
Vice President
Education & Communications

Kelli C. Mallinger
Member Services Administrator

CONTENTS

© 2022 Virginia Association of Community Banks | The newsLINK Group, LLC. All rights reserved. The Community Banker is published four times each year by The newsLINK Group, LLC for the Virginia Association of Community Banks and is the official publication for this association. The information contained in this publication is intended to provide general information for review and consideration. The contents do not constitute legal advice and should not be relied on as such. If you need legal advice or assistance, it is strongly recommended that you contact an attorney as to your specific circumstances. The statements and opinions expressed in this publication are those of the individual authors and do not necessarily represent the views of the Virginia Association of Community Banks, its board of directors, or the publisher. Likewise, the appearance of advertisements within this publication does not constitute an endorsement or recommendation of any product or service advertised. The Community Banker is a collective work, and as such, some articles are submitted by authors who are independent of the Virginia Association of Community Banks. While The Community Banker encourages a first-print policy, in cases where this is not possible, every effort has been made to comply with any known reprint guidelines or restrictions. Content may not be reproduced or reprinted without prior written permission. For further information, please contact the publisher at 855-747-4003.

THE newsLINK group

1890
Travelers begins to offer Financial Institutions coverage

1964
Travelers becomes one of the first domestic markets to write Directors & Officers Liability insurance

1999
Travelers brings its Identity Fraud Expense Reimbursement coverage to market

2011
Travelers CyberRisk coverage is introduced to the market

2021
Travelers distributes $4.3 million to ICBA members participating in the policyholder dividend program

Banking changes. Our commitment to you never does.

Throughout our long history, we've stayed focused on keeping community banks on the cutting edge. We do this with industry-leading specialists, expertise and offerings – all backed with local banking knowledge.

Learn more at **travelers.com/business-insurance/financial-institutions**

TRAVELERS
It's better under the umbrella®

travelers.com

Travelers Casualty and Surety Company of America and its property casualty affiliates. One Tower Square, Hartford, CT 06183

This material does not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverages referenced in this document may depend on underwriting qualifications and state regulations.

© 2021 The Travelers Indemnity Company. All rights reserved. Travelers and the Travelers Umbrella logo are registered trademarks of The Travelers Indemnity Company in the U.S. and other countries. CP-9620 New 11-21

Chairman's Message

By Dennis Dysart, VACB Chairman
First Bank, Strasburg

Conditions Change Quickly … Relationships Are Invaluable

Where has 2022 gone? It seemed like yesterday we were together in Roanoke for the 2021 convention. At that point in time, we were celebrating the opportunity to be back in person, lamenting excess deposits and the need for more quality loan assets. The economy appeared solid, even if supported by significant stimulus out of Washington, D.C. Inflation was deemed "transitory," and there was an expectation of stable economic conditions for quarters and maybe years ahead.

Today, the world is witness to the Russian invasion of Ukraine; energy prices have soared; supply chain and logistics disruptions persist; while labor is still a challenge, all contributing to a 40-year record inflation number. The 5-year CMT increased 188 bps from October 1 to 2.81% as of May 31. Bond portfolio losses have mounted and we question how Federal Reserve monetary policy will impact economic conditions. Clearly, there is a bias to slow things down. But, will the Fed be able to "soft land" the economy?

In times of rampant change and uncertainty, relationships are invaluable. Most of us immediately think about the relationships we share with each other, our employees, customers, shareholders and certainly the communities in which we operate, all of which are critically important. However, I encourage you to think about another group of relationships — those with our associate members and endorsed providers. The VACB currently has 42 associate members and 6 endorsed providers, many of whom have supported our banking companies through a myriad of economic conditions.

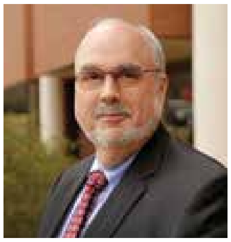
These relationships have driven revenue enhancement, cost savings, loss mitigation, process improvements and greater efficiency. Services are quite diverse, including insurance, card processing, software/technology, check printing, supply procurement and others. Many have supported our operations for decades, while others, including fintechs, are in the early stages of their business operations trying to identify and solve industry issues in partnership with our banks.

Take a moment to review the services of our associate members and endorsed providers. Their insights, observations and solutions may help you navigate the changing conditions. A small investment of time could produce meaningful financial results for your bank and shareholders.

Steve and his team would welcome the opportunity to facilitate introductions with our associate members and endorsed providers. We thank you for your continued membership.

President's Message

By Steve Yeakel, CAE
VACB President and CEO



Helping You Take On Those Impactful Unknowns

We are co-sponsoring a VACB-ICBA ThinkTECH Virtual Day on June 28, to provide valuable information, in a most accessible way, to the right people in your bank.

One of the subtle, constant pleasures in the work I do for you involves providing a brief welcome for the many education events created, organized and/or facilitated by our talented VP, Katharine Garner. In preparing a recent welcome for the bankers taking part in our popular Essentials of Banking program, it struck me that the purposeful dissemination of knowledge illuminates the darkness in two significantly different ways. Or maybe I'm looking at two sides of the same coin.

On one side, there's the time-tested axiom, "What you don't know can hurt you." When I think about challenges to community banking that we are sometimes too focused on or too busy to recognize or address, I think of the many entities "out there" that are making constant efforts to siphon off your current and future customers.

How many mega-companies and entrepreneurs "out there" provide financial services without the rigorous compliance oversight that bankers offer and consumers deserve? I think primarily here about Industrial Loan Corporations (ILCs), whose charters give them wide leeway without accountability on a level with your bank. VACB and ICBA are fully engaged on this front, defending you and your customers by championing legislation in Congress that would reign in the ILCs. Several of your fellow bankers engaged with our congressional delegation on this issue during the ICBA Capital Summit in early May.

But on the other side of the coin, it is equally true that what you don't know can also help you. It's why we constantly seek knowledge. At VACB, we sense there are a growing number of fintechs that have products and services to greatly benefit your bank and your customers while preserving your customer-focused foundation, but there is difficulty in connecting quality providers with busy bankers.

Again, VACB is active on your behalf in this key area. We are co-sponsoring a VACB-ICBA ThinkTECH Virtual Day on June 28, to provide valuable information, in a most accessible way, to the right people in your bank. And it will be the first of several upcoming opportunities where you will be able to access information to make your bank better, and your customers happier.

We are grateful for the opportunity to engage on your behalf in these two major areas. If we focus on clearing the road in front of you from obstacles, and providing you with higher octane fuel for the journey, your path through the uncertain future can be much brighter.

2022 VACB-Williams Mullen

22nd Annual Bankers' Cup Tournament

VACB held its 22nd Annual Bankers' Cup Golf Tournament on May 9 at Spring Creek Golf Club in Gordonsville. Over 70 bankers and associate members gathered for a day of fun and fellowship on the green. The mood was electric and jovial, as golfers were glad to be together in a relaxed post-pandemic environment.

This year's tournament was again co-sponsored by **Williams Mullen**, and 18 teams wasted no time getting to their spots for the shotgun start. New for this year's tournament was a tune-up, warm-up beverage station sponsored by **Atlas**. Out on the fairway, players were well fed and hydrated, thanks to our supporting sponsors. **Stifel, an endorsed provider of ICBA** and the **Federal Home Loan Bank of Atlanta** graciously sponsored the beverage carts during the tournament, and **Sentry Management** provided boxed lunches. Many thanks also to **S&P Global & Atlas** who provided golf balls for all the players. As the Spring Creek golf pro tallied up tournament results to determine the winners, golfers enjoyed food and camaraderie at the post-tournament reception and meal. VACB Chairman Elect Jay Stafford from Benchmark Community Bank and VACB's Steve Yeakel awarded team and contest prizes.

The 22nd Annual Bankers' Cup tournament was a huge success once again, and we thank all our members for their support, both on and off the green. We could not do what we do without your help and support!

First Place Team
Bank of Charlotte County
Jimmy Clay
Robbie Elliott
Scott Martin
Derek Mason

Second Place Team
First Bank
Sam Crow
Scott Harvard
Mike Koontz
Matt Paciocco

Third Place Team
F&M Bank
Barton Black
Charles Driest
Garth Knight
Mike Wilkerson

VACB Longest
Drive Winner
Nancy Schlichting,
Flora Pettit, PC

VACB Closest to the
Pin Winner
Jimmy Clay, The
Bank of Charlotte
County


Federal Home
Loan Bank of
Atlanta





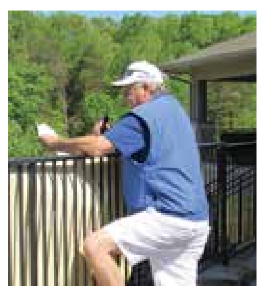

VACB


VACB





Hole Sponsor
First Community
Mortgage







Hole Sponsor
QSI

The 22nd Annual Bankers' Cup tournament was a huge success once again, and we thank all our members for their support, both on and off the green. We could not do what we do without your help and support.

2022 US Community Bank Market Report

By Nathan Stovall, Principal Analyst for the FIG Research

Earnings at U.S. community banks in aggregate are expected to dip 1% in 2022 as higher credit costs and lower fee income mitigate the benefit of net interest margin expansion.

Fed actions to combat elevated inflation through rate hikes and the shrinkage of its $9 trillion balance sheet will boost community bank net interest margins by 14 basis points in 2022 and another 2 bps in 2023. Even after that expansion, margins would remain 21 bps below pre-pandemic levels.

Deposit betas, or the percentage of rate changes banks pass on to customers, will be lower than in past tightening cycles due to the massive influx of liquidity into the banking system during the pandemic.

Community bank margins will jump as the Federal Reserve raises short-term interest rates and loan balances increase with economic recovery. Still, earnings are unlikely to grow in 2022 and 2023 as credit costs normalize and fee income declines. Credit trends should normalize in 2022 due to a lack of pandemic relief efforts and rising operating costs stemming from elevated inflation, requiring higher levels of provisions for loan losses. Community banks will have to grapple with higher wages as well, limiting efficiency improvements. Fee income surged over the last two years on strength in mortgage banking income, but higher rates should reverse the trend in 2022. Taken together, a rising rate environment and sustained economic recovery from the pandemic will create a more favorable operating environment for community banks, but earnings growth could be hard to come by in the near term.

Community bank margins will jump as the Federal Reserve raises short-term interest rates and loan balances increase with economic recovery.

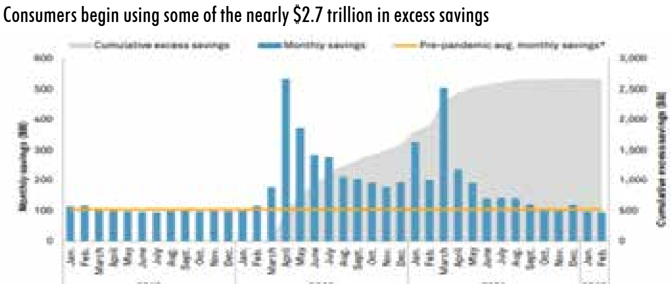
About the U.S. Community Bank Market Report

S&P Global Market Intelligence examines the U.S. government's and the Federal Reserve's efforts to mitigate the economic blow of the pandemic, the inflation that followed during the economic recovery, and the impact those actions have had on community banks' profitability and credit quality. We acknowledge the likelihood of market-changing events occurring over a five-year period but have created projections for 2022 through 2026 based in part on IHS Markit economists' expectations for interest rates, unemployment and economic growth. Projections are based on management commentary, discussions with industry sources, regression analysis, and asset and liability repricing data disclosed in banks' quarterly call reports. While considering historical growth rates, Market Intelligence often excluded from its analysis the significant volatility experienced in the years around the credit crisis.

Despite margin pressure, community bank returns above pre-pandemic levels

Community banks' net interest margins have come under considerable pressure as their balance sheets were flooded with excess liquidity, but returns ended 2021 above pre-pandemic levels due to explosive growth in fee income.

Consumers begin using some of the nearly $2.7 trillion in excess savings



Data Compiled April 15, 2022.
= Represents average monthly savings from January 2019 to February 2020.
Excess savings represents dollars saved above the average monthly savings from January 2019 to February 2020.
Sources: Bureau of Economic Analysis; S&P Global Market Intelligence
©2022 S&P Global Market Intelligence. All rights reserved.

Earnings growth challenging despite margin rebound

Lower credit costs and strength in fee income overshadowed further net interest margin compression in 2021, and earnings jumped 27% from year-ago levels. The Fed began tightening monetary policy in mid-March 2022, with the first of a series of expected rate hikes that will offer a boost to margins. Still, higher credit costs and weaker noninterest income will create difficult year-over-year comparisons in 2022. Regulatory pressure and emerging competition from neobanks should contribute to weaker noninterest income as many large institutions have eliminated overdraft fees. Lower refinancing activity due to higher interest rates should also pressure mortgage banking income, with the Mortgage Bankers Association forecasting in mid-April that origination activity could plunge 35.5% from year-ago levels.

Community Bank Aggregate Profitability Metrics (%)

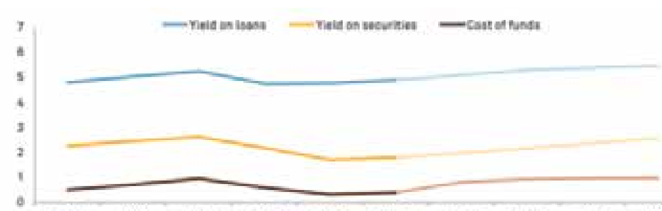
	2021A	2022P	2023P	2024P	2025P	2026P
Efficiency Ratio	60.84	60.29	59.91	58.19	56.92	55.68
Net Interest Margin	3.26	3.40	3.42	3.52	3.59	3.68
ROAA	1.33	1.24	1.20	1.36	1.45	1.47
ROAE	12.26	11.38	10.87	12.13	12.54	12.25
YOY Earnings Growth	27.39	-1.01	-1.30	15.87	8.68	2.79

Data Compiled April 14, 2022. A = actual; P = projected
Sources: S&P Global Market Intelligence; proprietary estimates
©2022 S&P Global Market Intelligence. All rights reserved.

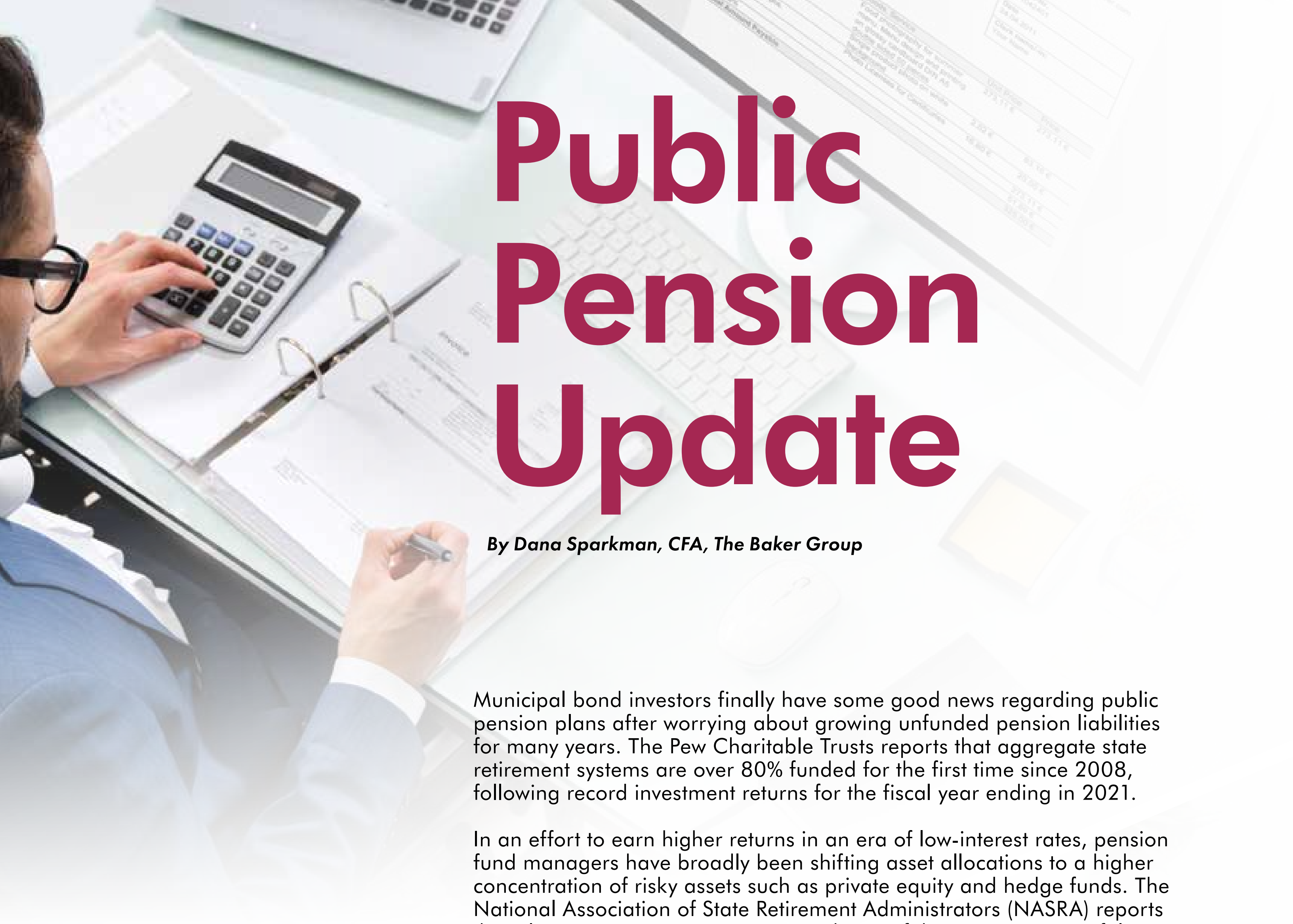
Rate hikes bring deposit betas in focus

While excess liquidity will remain a headwind to earnings, the glut of cash sitting on community bank balance sheets means institutions will not have to react that quickly to increases in short-term rates by raising their deposit costs.

Higher rates will offer boost to community banks' earning-asset yields (%)



Data Compiled April 14, 2022. A = actual; P = projected
Sources: S&P Global Market Intelligence; proprietary estimates
©2022 S&P Global Market Intelligence. All rights reserved.



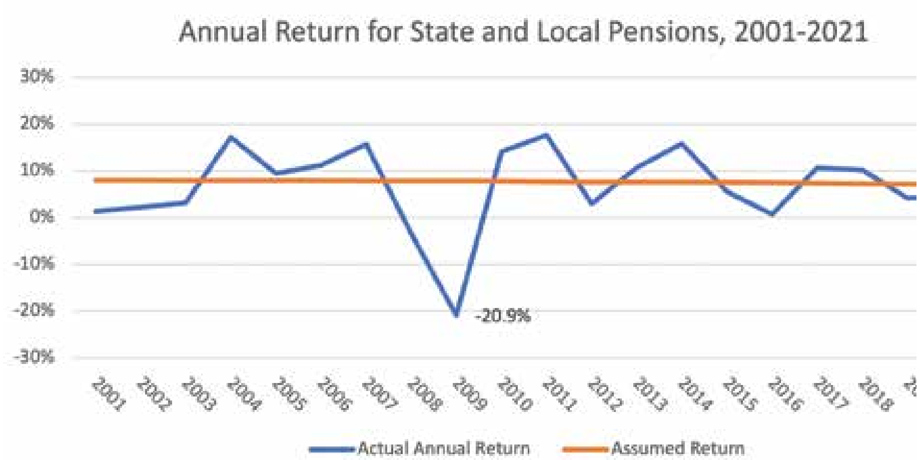
Public Pension Update

By Dana Sparkman, CFA, The Baker Group

Municipal bond investors finally have some good news regarding public pension plans after worrying about growing unfunded pension liabilities for many years. The Pew Charitable Trusts reports that aggregate state retirement systems are over 80% funded for the first time since 2008, following record investment returns for the fiscal year ending in 2021.

In an effort to earn higher returns in an era of low-interest rates, pension fund managers have broadly been shifting asset allocations to a higher concentration of risky assets such as private equity and hedge funds. The National Association of State Retirement Administrators (NASRA) reports that alternative investments comprised 21% of the investment portfolios of public pension funds surveyed in 2021 compared to only about 5% in 2005. According to NASRA, investment returns have historically accounted for 61% of public pension fund revenue from 1991 to 2020, making it a large contributor to the overall performance of a pension plan. This strategy of taking on more risk to potentially earn a higher return proved very profitable during 2021 as risky assets outperformed assumed rates of return, and most public pension plans earned returns greater than 25%, with some plans even hitting their highest single-year return in their history.

Most public pension plans now have better-funded positions and lower net pension liabilities, which should lead to lower growth in annual required contributions from municipalities and will help to relieve some budget pressure for those municipalities.



Source: Public Plans Database; Census of Governments

This is great news for municipal employers that participate in those pension plans, especially following investment underperformance in 2020 and a period of increasing annual required contributions. Most public pension plans now have better-funded positions and lower net pension liabilities, which should lead to lower growth in annual required contributions from municipalities and will help to relieve some budget pressure for those municipalities. The Pew Charitable Trusts estimates that contribution levels increased by 8% per year on average over the past 10 years, but the most underwater plans had contributions increase by 16% on average over that same time period. For some municipalities, coming up with funds for those rising contribution levels has become very difficult, and pension contributions have become a significant budget item. However, many state and local governments may be well-positioned today to make excess contributions and pay down some pension liabilities, since 2021 was also generally a year of large budget surpluses and revenue growth. For example, Connecticut has paid $1.7 billion from surplus cash into its state employee and teachers' pension funds in the last two years, and they may add an extra $6.3 billion over the next five years, according to Bloomberg.

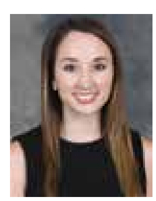
While most public pension plans have recently improved financially, investors should remain wary of municipalities that have exposure to troubled pension plans for a few reasons. First, unfortunately, a single year of outstanding investment performance may not be enough to pull underfunded plans out of worrisome territory. The previously discussed increased allocation in highly risky assets makes plan assets sensitive and investment returns volatile. Moody has calculated that, in some instances, it would only take about a 5% loss next year to reverse the positive effects of a 25% return in 2021. Further, Moody anticipates a greater than one-in-six chance that a pension plan with a 7% assumed annual return will suffer a loss of 5% or more in a given year.

Many states have enacted reforms to their pension plans to help keep liabilities down in the future, but the impact of those reforms will be felt further down the road because they are often effective only for new hires.

Second, unfunded pension liabilities are still very high and represent a large amount of debt. Moody's estimates that net pension liabilities are still above $4 trillion, larger than the municipal bond market, even after the high investment returns realized in 2021 when adjusting for a conservative investment return assumption. Many states have enacted reforms to their pension plans to help keep liabilities down in the future, but the impact of those reforms will be felt further down the road because they are often effective only for new hires.

Lastly, keep in mind that the statistics presented are aggregated to show broad trends. Individual states' plans may differ and may not be as well-positioned as the average plan, and some municipalities even have their own local plans, which could have drastically different funded positions and investment outcomes.

Despite the fact that it is comforting to know that net pension liabilities have generally fallen and that municipalities may benefit from lower pension contributions, prudent municipal bond investors should continue to carefully monitor individual municipalities' specific exposure to pension liabilities.



Dana Sparkman, CFA, is Senior Vice President/ Municipal Analyst in The Baker Group's Financial Strategies Group. She manages a municipal credit database that covers more than 150,000 municipal bonds, providing clients with specific credit metrics essential in assessing municipal credit. Dana earned a bachelor's degree in finance from the University of Central Oklahoma as well as the Chartered Financial Analyst designation. Contact her at 405-415-7223 or dana@GoBaker.com.


yhb
CPAs & Consultants
WE KNOW
COMMUNITY
BANKING
Internal & External Audit | IT Controls & Governance | Tax Services
YHBcpa.com

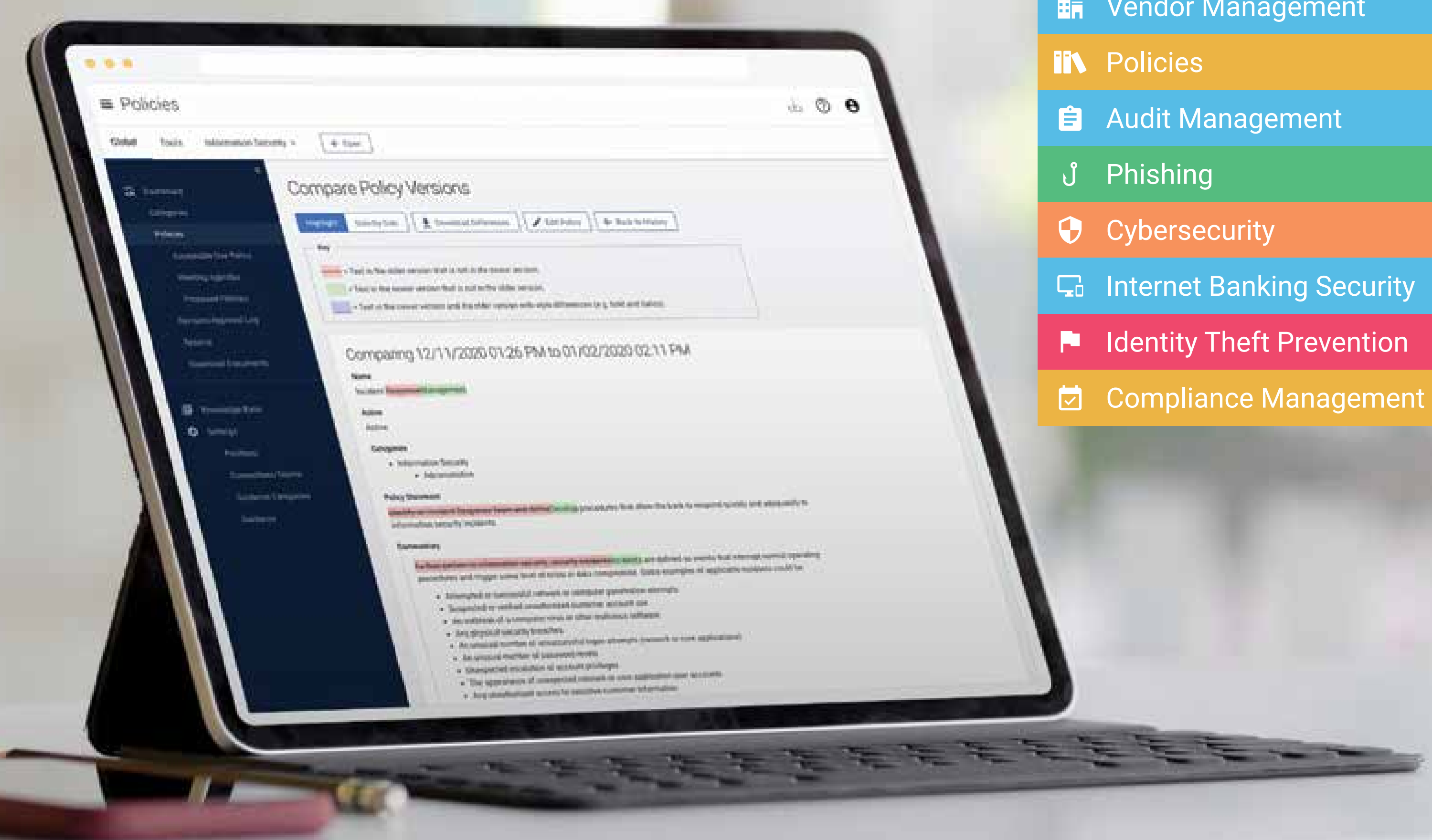
Visit us online:
at vacb.org

THE
COUNTS
Realty & Auction Group
Call us for your Auction & Appraisal needs.
434-525-2991
www.countsauction.com
828 Main St, 15th Floor Lynchburg VA 24504

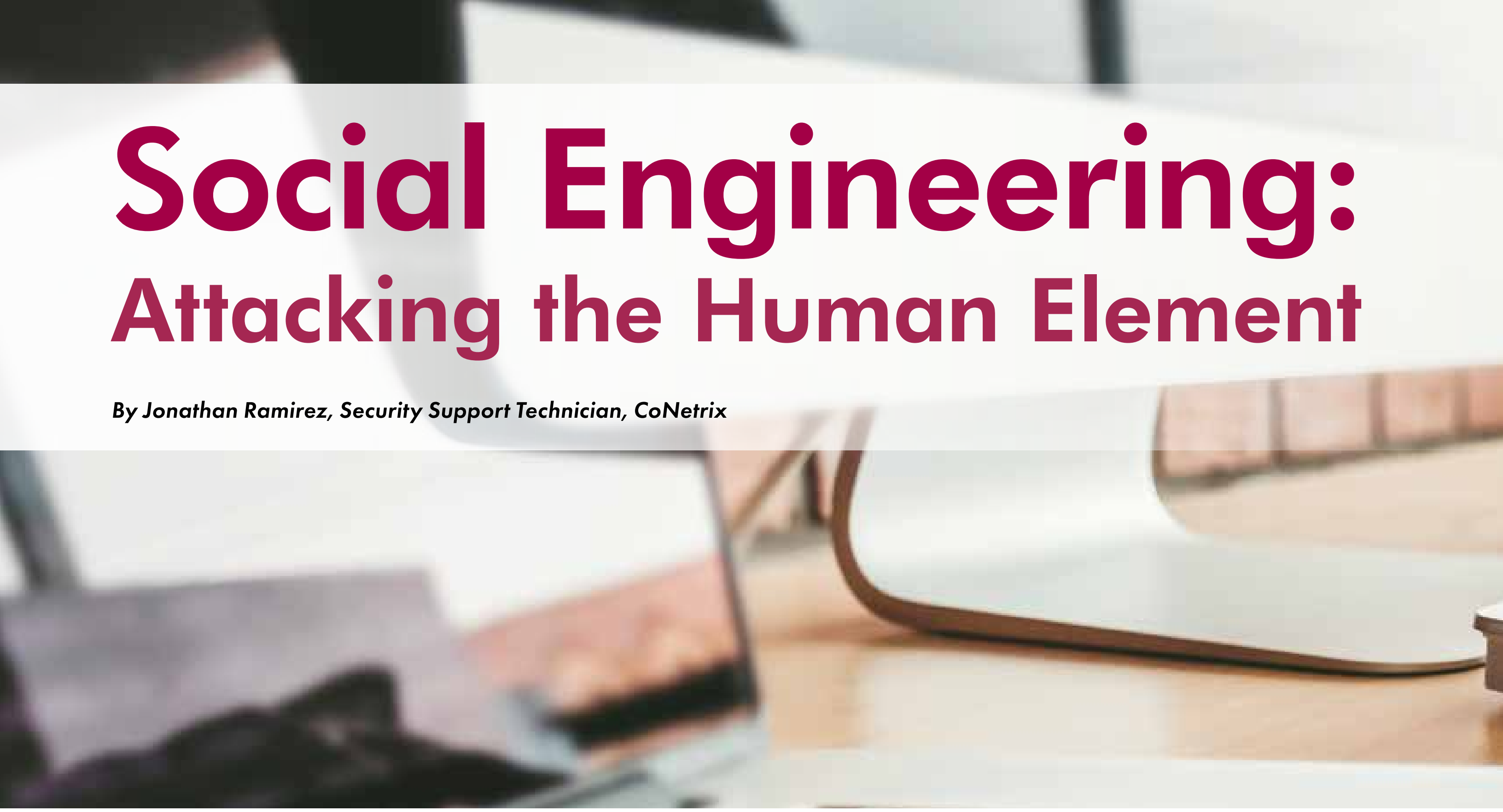
Easily Manage Information Security and Regulatory Compliance

See how it works at **tandem.app/demos**.
Mention this ad and find out how to receive a 25% discount on the Tandem GRC Bundle.

- Risk Assessment
- Incident Management
- Business Continuity Planning
- Vendor Management
- Policies
- Audit Management
- Phishing
- Cybersecurity
- Internet Banking Security
- Identity Theft Prevention
- Compliance Management



Tandem is a subsidiary of CoNetrix, a family of technology companies.



Social Engineering:
Attacking the Human Element

By Jonathan Ramirez, Security Support Technician, CoNetrix

Finally, after weeks of addressing each vulnerability in your network, you are relaxing with a sense of relief. Then suddenly, you are bombarded with reports that users are being locked out from important files and systems due to a ransomware attack. Unfortunately, you realize you overlooked the most important vulnerability — the human element.

It's no secret that humans are easily exploitable, becoming a fan favorite for malicious actors to access corporate systems. Let's dig deeper into social engineering and review the steps to prevent a successful attack.

What is Social Engineering?

Social engineering is an attack based on deception to trick users or administrators at the target site into revealing confidential or sensitive information[1]. Often, the attack involves impersonating C-level executives, members of the IT department, or companies like Microsoft to obtain information such as passwords or sensitive details for a more complex attack. The mediums of these attacks are phone calls, emails, or texts.

How do hackers prepare for these attacks?

These attacks do not happen overnight. Many social engineering attacks have been prepared for weeks or even months, crafted for each victim following the Social Engineering attack cycle. The attack cycle comprises four steps: *Information Gathering, Establishing a Relationship, Exploitation, and Execution.*

1. **Information Gathering** is the most important step in a social engineering attack. The more information the perpetrators have, the better and easier their attack will be. Information gathering could be from social media posts, finding the target victim's interests, and discovering who the target's supervisor is to create a phishing attack.

2. **Establishing a Relationship:** This step evolves around contacting the target and using the information gathered to support their fake identity. Attackers can use social media, email, phone calls, or texts to contact the target.

3. **Exploitation:** This step signals the attacker has a relationship with the intended victim and is ready for the attack. The attacker sends a link that appears to be in the interest of the target or the target's organization. These links typically ask the recipient to enter credentials or other personal information.

4. **Execution:** Well done! The hacker made it in before anyone was even aware of it, cleaning up their mess and leaving no trace behind.

The different types of Social Engineering attacks

Social engineering is an umbrella term for the many ways hackers attempt to manipulate vulnerable targets. In 2021, phishing attacks accounted for 90% of all data breaches[2]. With the constant development of new attack modes, one of the best ways to protect oneself and the employees of an organization is by identifying the different types of attacks. Below are three common methods of attack that can be used:

- **Phishing:** This is the most popular mode of attack businesses see today. Phishing is a social engineering technique where the attacker sends a fraudulent email

Social engineering is an umbrella term for the many ways hackers attempt to manipulate vulnerable targets.

claiming to be from a trusted source. For example, an attacker can send an email that appears to come from the chief financial officer at one's bank. In this email, the attacker could be asking someone to send them wiring information or to visit a linked site that will ask the recipient to provide information such as a social security number, full name, and address.

- **Tailgating**: This type of social engineering tactic is a physical attack. This attack allows the perpetrator to access a restricted location by closely following an authorized user into a secured area without being noticed.
- **Baiting**: This mode of attack offers something enticing to the victim to lure them into the social engineering trap. The attacker will often include gift cards to trick the user into completing a survey form where credentials must be provided. After, a form of malware is then downloaded onto the user's device or server.

How to protect against social engineering attacks

The best way to protect against social engineering attacks is to provide end-user training to employees. While the attacks manipulate human interactions using curiosity and fear, having employees informed of these types of attacks will help protect the organization. Below are helpful prevention tips to protect organizations against such attacks:

- Research any emails that may come from "someone" in or out of your organization.
- Don't open any links or attachments that come from an unknown source.
- Be cautious of any requests marked "urgent" and requesting immediate help.
- The most important tip is that if an employee has any doubts, they should know who to contact to confirm any suspicious emails.

[1] *https://www.isaca.org/resources/glossary*
[2] *https://www.cloudwards.net/cyber-security-statistics/*

Jonathan has three years of professional experience in Information Technology. He is a graduate of Texas Tech University, where he received a B.B.A. in Information Technology with concentrations in App Development and Cyber Security. He now configures and maintains the security appliances in our audits, performs vulnerability reporting and social engineering phone calls, and collects data during CoNetrix Security audit projects.

Thank You, VACB Partners!

Financial Champions

ICBA

Travelers
SHAZAM
ICBA Securities
Williams Mullen
StreetShares
Federal Home Loan Bank of Atlanta

Franklin Madison/ Affinion Group
BancCard
Secure Banking Solutions
Process Maker
Bankers Healthcare Group, Inc.

Troutman Pepper, LLP
Source4
Brown Edwards & Company
YHB
Piper Sandler
PCBB
Spotts Fain, PC
LenderSelect Mortgage Group

Boenning & Scattergood, Inc.
Flora Pettit, PC
Sentry Management, Inc.
Klara Vis
Woods Rogers, PLC
Paymerang, LLC
Ken Smith, Inc.
CLA
Computer Services, Inc. (CSI)
RABS
Elliott Davis
Baskervill
PWCampbell
Barret School of Banking
Works24 Corporation

Endorsed Providers

ICBA Bancard/TCM Bank
ICBA Reinsurance
ICBA Securities
SHAZAM
Source4
Travelers

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

Associate Members 2021- 2022

AaSys Group, Inc.
Advanced Network Systems
Allen C. Ewing & Company
AML Sentinel Corporation
ATI Solutions
BancCard
Bankers Healthcare Group, Inc.
Barret School of Banking
Baskervill
BluePoint ATM Solutions
Blueswipe
Boenning & Scattergood, Inc.
Brown Edwards & Company
CLA
Colliers International Valuations
Computer Services, Inc. (CSI)
Counts Auction
Credit Management Advisory Svcs.
Elliott Davis
Empact Strategic Partners
Federal Home Loan Bank of Atlanta
First Community Mortgage, Inc.
FIS
Fiserv
Flora Pettit, PC
Human Resources Consultants
ICBA
ICBA Bancard
ICBA Securities
Jack Henry
Jones Walker, LLP
Kaplan Partners
Kasasa
Ken Smith, Inc.
KlariVis
LenderSelect Mortgage
Newcleus
Paymerang, LLC
PCBB
Performance Trust Capital Partners
Piper Sandler
ProcessMaker
PWCampbell
QSI
QwickRate
RABS
S&P Global
Sentry Management, Inc.
SHAZAM
Source4
Spotts Fain, PC
Strategic Risk Associates
StreetShares
tbl networks
The Baker Group
Travelers
Troutman Pepper, LLP
VA Small Business Financing Author-
ity Williams Mullen
Woods Roger, PLC
Works24 Corporation
YHB

ARE YOU REALLY AS **TOP OF MIND** WITH YOUR CUSTOMERS AS YOU THINK YOU ARE?

DON'T JUST
THINK IT,
ADVERTISE IN THIS PUBLICATION AND
KNOW IT!

THE newsLINK group

801.676.9722 | 855.747.4003 | **sales@thenewslinkgroup.com**

SAVE THE DATE

VACB 45th Annual Convention & Trade Show

Networking & Education
October 2-4, 2022
Williamsburg Lodge

**For more information, please contact
Katharine Garner at kgarner@vacb.org
or call 804.673.8250.**

UPCOMING WEBINARS

fin-ed.info/VACB

6-JUL	Record Retention in the Digital Age: What to Keep, When to Destroy, What Holds Up in Court?
7-JUL	Countdown to ATR/QM Changes Effective Oct. 1, 2022: Preparing Policies & Processes
12-JUL	Deposit Operations Comprehensive Compliance, Including BSA
13-JUL	Vendor Due Diligence & Effective Vendor Management
14-JUL	Proper Repossession, Notice & Sale of Non-Real Estate Collateral
14-JUL	Understanding Call Report Regulatory Capital: Standards, Ratios, Risk Weighting
19-JUL	Advanced Beneficiary & RMD Considerations
20-JUL	Powers of Attorney In-Depth: Good Faith, Fraud & Fiduciary Capacity
20-JUL	Things That Keep Boards Up at Night
26-JUL	Record Retention Rules for Zoom, Microsoft Teams, Slack & Other E-Collaboration Platforms
27-JUL	New ACH Rules Effective 9/30/22: Nested Third-Party Sender Roles & Risks
27-JUL	Elevating Your Fraud Prevention Strategies
28-JUL	Checking Account Signature Cards: CIP, IRS & Disclosures
2-AUG	Emerging Payments: Embracing Same Day ACH, RTP & FedNow
3-AUG	CDD: Creating an Effective Program from the Frontline to the Backroom
4-AUG	Securing Collateral Part 1: Forms UCC-1 & 3: Filing, Perfection, Amending & Terminating
9-AUG	Managing a Borrower's Business Through a Loan Agreement
10-AUG	E-SIGN Act: Electronic Loan Document Delivery
10-AUG	Characteristics of Strong Risk Assessments: Tools to Monitor & Report Results
11-AUG	CECL Implications for Planners & Procrastinators: Deadline January 1, 2023
11-AUG	Compliance with E-SIGN, E-Statements & E-Disclosures
16-AUG	Mission TRID: Overcoming Examiner-Cited Mistakes
16-AUG	Transitioning Away from LIBOR: Preparation & Practicalities
17-AUG	Managing Zoom, Microsoft Teams, Slack & Other Collaboration Platforms with Effective E-Policies
18-AUG	WSUD vs. Stop Payment: Definitions, Differences, Compliance
23-AUG	Adding the "Wow Factor" to Credit Analysis
24-AUG	Maximizing Recoveries on Charged-Off Loans
25-AUG	Reg CC Check Hold Requirements & Funds Availability
30-AUG	The Way Forward to MORE Time: How to Manage Your Time, Instead of It Managing You
31-AUG	A Cryptocurrency Primer for Banks: Guidance, Risks & Red Flags

COMMUNITY BANKERS Webinar network Powered by FinEd x VACB Virginia Association of Community Banks One Mission. Community Banks.

Visit fin-ed.info/VACB for over 200 live & on-demand webinars

Take comfort in the sound investments of ICBA Securities.

Cover your community bank in the comfort of knowing you have quality investment products.

ICBA Securities powered by Stifel is interwoven with ICBA—so when you put your trust in us, you support the community banking industry.

Find your snug investment options at
icba.org/securities

MEMBER FINRA/SIPC

ICBA SECURITIES®
POWERED BY Stifel

The CommunityBanker

Virginia Association of Community Banks
7204 Glen Forest Drive, Suite 101
Richmond, VA 23226

PRSRT STD
US POSTAGE
PAID
SALT LAKE CITY, UT
PERMIT NO 508

This magazine is designed and published by The newsLINK Group, LLC | 1.855.747.4003

ONE LAST THING ...

Did you know that you can enjoy your association news anytime, anywhere?

The new online article build-outs allow you to:

- Stay up to date with the latest association news
- Share your favorite articles to social channels
- Email articles to friends or colleagues

There is still a flipping book for those of you who prefer swiping and a downloadable PDF.

Check it out!

Scan the QR code or visit:
vacb-community-banker.
thenewslinkgroup.org