

# CCBN Annual Conference

**Top Banker Panels  
November 4/5, 2019**

**CEO - CCO - CFO**



***THE FINDLEY GROUP***  
**Gary Steven Findley, Esq.**  
**3808 E. La Palma Avenue**  
**Anaheim, California 92807**  
**(714) 630-7136**

# Welcome and Introduction

---

- **Agenda For Two Days**
- **Day 1 – Overview of Industry**
- **Morning Panel #1 - 3 Top CEOs**
- **Lunch**
- **Afternoon Panel #2 – 3 Top CEOs**
- **Day 2**
- **Morning Panel #3 – 3 Top CCOs**
- **Lunch**
- **Afternoon Panel #4 – 3 Top CFOs**

# **Importance of Three Concepts and How It Impacts Premier Performance**

---

**Getting Out Of The Box**

**Building A Team with SOUL**

**The Platinum Rule**

# #1 Getting Out of the Box

## People vs Objects

---



### Out of the Box

See myself & others  
more or less as we are  
- - “People.”



### In the Box

See myself & others in  
a systematically  
distorted way - - others  
are mere “objects.”

## **When I Enter Box -- Self Deception**

- Inflate others' faults**
- Inflate own virtue**
- Inflate the value of things  
that justify my self betrayal**
- Blame**

## **When I Have Their Behavior Impacts**

- Communication**
- Teamwork**
- Motivation**
- Alignment**
- Trust**

## #2 - Do We Have SOUL?

---

- Selflessness
- Ownership
- Unity
- Larger Purpose

What Does This Mean?

**Selflessness –**

**Putting Individual Needs Aside  
For Good of the Team**

**Humble, Integrity, Caring**

**Ownership – Fulfilling Your Role by Learning It Thoroughly and By Consistently Giving 100%**

**Present, Positive, Proactive, Prepared**



**Unity – Understanding and Rallying Around  
Your Team’s Mission, Philosophy and Culture  
Through Open Communication and Positive  
Conflict Resolution.**

- Understanding, Communication and  
Celebrate [CECAR}**

**Larger Purpose – Contributing to the Wider  
Community In A Lasting and Significant Way**

**Larger Purpose Must Capture Imagination of  
Our Team [Partners] No Matter What Role**

# **What Is Our Larger Purpose?**

---

## **Why Is This Important?**

**Do Our Partners Believe? - -  
Are We Capturing Their Imagination?**

## **#3 - The Platinum Rule!**

---

**“Doing Unto Others as They Would Want Done  
Unto Them”**

**- Must Understand Them!**

# Where Are We Now? – 2019/2020

## General Comments

---

- Yield Curve - Recession
- Performance Has Improved but is Flattening
- Burden Index Still There -- BSA/AML and Cyber
- Loan Growth Flattening -- Is Still a Challenge for Some - Choppy
- Deposit/Funding Challenges -- Cost/Movement
- CECL Impact is Starting But Delayed
- Strategic Direction is Challenge
- Bank Number to Reduce Further
- Further Separation Between Banks Continue! - Few Exceptions
- Market Price Down – BV vs PE
- Economy Is Unpredictable – Who To Believe
- Fed Having to Correct for Over Aggressiveness

# **While Bank Charter Still Valued - - It Has Reduced In Value!**

---

**Why?**

# Regulatory Hot Topics

---

## High

- Cyberthreats – Vulnerability
- BSA/AML Compliance
- Quality of Loan Growth / Mix
- Lengthening of Asset Maturities -- Shock Test and EVE
- Widening Funding Gap
- Global Slowdown
- Balance Overhead Expense with Risk Management Requirements
- Fintech Opportunities and Threats
- Yield Curve Inversion

# What Is Happening In 12<sup>th</sup> District?

---

- **Stable Performance**
- **Margins Crunch**
- **Credit Quality Still Good**
- **Earnings Flattening**
- **Lower Level of Problem Banks - - Reversed? - - 7%**
- **Separation Continues**
- **Better Leveraging**
- **Exiting Continues**



# What Will Landscape Look Like In A Few Years?

- Further Reduction In Numbers ↓ 75 Community Banks
- Efficiency Ratio and NII - - NIM Crunch
- Market Value Flat
- Regulatory Burden To Continue - Expense Improving but Slight
- Still Capital Focused / But Leveraging
- Risk Focused – Shock Test / EVE
- CECL In Plan
- Deposit Concerns – How to Build
- Cannabis Will Be Old News
- White House Uncertainty

# Performance Focus Next 3+ Years (After Tax) 2019

ROAA	↑	0.90 to 1.20
ROAE	↑	8.0% to 12.00%
MV/BV	↑	1.20 to 1.55

**Numbers Depend Upon Size and Focus!**

**ROAE Depends on Capital Structure**

**Banks Can Do Well in Choppy Economy - - Remember Basics!**

# **Over Two Days We Have 12 Top Bankers With Exceptional Banks To Talk About Their Banks and Their Strategies**

---

## **Panel #1**

**Nathan Rogge - Bank of Southern California, NA**

**Khalid Acheckzai – Poppy Bank**

**A.J. Moyer – C3Bank, NA**

# **Over Two Days We Have 12 Top Bankers With Exceptional Banks To Talk About Their Banks and Their Strategies**

---

## **Panel #2**

**A. J. Antongiovanni – Mission Bank**

**David Heald – Santa Cruz County Bank**

**Ryan Sullivan – Bank of George**

## **Day 2 Morning Session – CCO Panel**

---

**David Whori – The Bank of Hemet**

**Nicole Swan – First Choice Bank**

**Brad Hoover – Partners Bank of California**

## **Day 2 Afternoon Session – CFO Panel**

---

**Leona Tschopp – The Bank of Hemet**

**Richard Belstock - Plumas Bank**

**Karen Schoenbaum – American Business Bank**

**Important to Remain Focused Due  
to External Pressure!**





**On To Panel #1**