



Session One, Part Two PRE-WORK

Facilitator: Andy Davies, CEO
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A note from Andy: Greetings, Ladies and Gentlemen! I am looking forward to meeting you and getting to know each of you through the entire course of the upcoming premier VBA Management Development Program. Welcome! I know there are a multitude of skill sets/experiences within the class, so I thought the best way to create a 'pre-session' assignment would be an exercise designed to provide you with a broad overview of key topics.

Step #1: Obtain from your Bank's CEO or CFO:

most recent month-end or quarter-end balance sheet and income statement

Step #2: At the same time, share this list of questions with that individual

ask for a specific time to then meet with that individual;

at that meeting, discuss the questions as they pertain to your bank.

Step #3: Bring your Questions/Answers with you to Session One

UPDATE: Andy will not see your answers, however you must send your answers to Gail Queen

(gqueen@vabankers.org) no later than October 8th. Having the discussion with your CEO or CFO will simply prepare you for discussion of these topics during Session One.

QUESTIONS:

- Review together your bank's **BALANCE SHEET** and **INCOME STATEMENT** for the most recent month or quarter that these financial reports are available
ASK: *what are areas of strength?*
what are areas of weakness?
what opportunities exist that could impact these financials?
- Review your bank's **VISION** and/or **MISSION STATEMENTS**
- Does your bank have a set of **CORE VALUES**?
ASK: *how were these originally created?*
- Discuss how your bank compares its financial performance to **PEER BANKS**
ASK: *which specific peers are included in your bank's peer group?*
what criteria are used in selecting a peer group?
how is the peer information used?
- Review your bank's **DEPOSIT MIX**
DETERMINE: *the mix of 'core' deposits vs 'non-core deposits'*
the % of deposits that are 'non-interest bearing'
with significant rise in deposits at most all banks as a result of the impact of 2020, how is management dealing with the large influx?
- Review your bank's **LOAN PORTFOLIO MIX**
DETERMINE: *the mix of loan types within the total portfolio*
the loan types that are most desired by the and why