



Hear ye, hear ye

# The Town Crier

OFFICIAL NEWSLETTER OF TOWN & COUNTRY BANK



Town & Country  
BANK

July-August 2010 | Published bi-monthly

## BANK HAS SECOND PROFITABLE MONTH AHEAD OF PLAN

Town & Country Bank posted a profit in July of \$15,550. Unlike the bank's first profitable month in May, positive earnings in July were not derived from unusual income items, but rather from organic operating income and efficiencies. Pro forma financial statements for Town & Country did not project initial profitability to occur until August.

President/CEO Bruce Jensen says, "We're working hard to achieve sustained profitability. Until income from asset growth can comfortably absorb potential 'hits' to our loan portfolio, month-to-month profitability will remain fragile. At this point, however, earnings trend lines are very encouraging."



Here's why the bank's near-term profitability picture can fluctuate: If a borrower's ability to repay a loan is called into question, the loan's classification is downgraded and the bank must set aside reserves (provision for loan loss). Any such provision is treated as a loss on the bank's balance sheet—even if the loan is still performing. Because downgrades often occur without much warning, the bank's monthly profitability outlook can suddenly be altered, especially given the current inflection point where Town & Country is just now outgrowing the impact of startup costs and is transitioning from red ink to black. Of course, actual loan charge-offs also have a negative effect on earnings, but their impact is typically seen well in advance of their occurrence. Even the best banks experience downgrades and losses. New banks typically require 2-3 years to build enough income to absorb them.

### **"Women's Banking Group" Launched**

After months of research, planning and focus groups, Town & Country Bank rolled out its Women's Bank-

ing Group initiative in late August. The unit offers banking solutions targeted for women business owners, and is headed by Vice President Wendy Holt. As with other differentiated concepts advanced by Town & Country, the Women's Banking Group addresses an identifiable need within the community. U.S. Census Bureau data indicates that 22% of all Washington County businesses are women-owned.

"We were hearing from women business owners who were wishing that a local, community bank could help them with their unique circumstances," says Wendy. "So we studied the opportunity and organized external focus groups to learn how Town & Country might respond. Seeing that women business owners were underserved by financial institutions in Washington County, we developed a robust set of dedicated banking products and services for this growing market."

Women's Banking products and services include a free "no minimum balance" business account, a micro business line of credit, free business courier, use of Town & Country's board room, a free safe deposit box and more. Town & Country will host an annual Women's Conference, and will also co-sponsor various women's interest events and make donations to certain women-oriented programs.



About two dozen local women attended a "Women's Banking Party" on the 23rd at the bank, which acquainted women business owners with benefits associated with the new program. The theme was "Have Your Cake and Eat It, Too". Attendees enjoyed pink cupcakes, piano music by

Melissa Johnson, and plenty of motivational talk and info presented by CEO Bruce Jensen, VP Wendy Holt and Assistant VP Shannon Walker. One account was opened on the spot and others are forthcoming.



*VP Wendy Holt addresses women business owners*

## Town & Country Executives Speak at Chamber of Commerce

President/CEO Bruce Jensen and Executive VP & Chief Lending Officer West Martin were the luncheon speakers at the Washington City Chamber of Commerce on August 5th. The two spoke about lending conditions in Washington County, as well as the impact to banks from the recently signed-into-law Dodd-Frank Act. After the presentation, several Chamber members inquired about banking products and services at Town & Country.



*Bruce Jensen makes a point at Chamber West Martin makes another*

## Bank recognized by Dixie State College ROTC

Town & Country Bank was recently honored for its support of the Dixie State College Army ROTC "Red Storm Company". Major Jim Dupras presented the bank with a Certificate of Appreciation for its "unselfish contributions critical to supporting the training of America's future military leaders".

Proud of the United States military, Town & Country is—in its small way—happy to lend support to organizations that advance the interests of those who protect our nation's freedom. The bank also supports the Utah Dixie Detach-

ment of the Marine Corps League, allowing that group to use the Town & Country board room for its monthly meetings.



*ROTC wall plaque is presented to CEO Bruce Jensen*

## Message From The President

I'm old, but not really old enough to have been a listener of the long-lived radio show, "Fibber McGee and Molly." However, I remember my Dad telling me all about Fibber McGee's fabled closet. When McGee opened the closet door, the cacophonous sound of falling bric-a-brac could be heard—with all sorts of things landing on someone's head. According to Wikipedia, "In short order, Fibber McGee's closet entered the American vernacular as a catchphrase synonymous with household clutter."



*Radio production of "Fibber McGee & Molly"*

"Clutter" is the word that comes to the mind of just about any community banker when asked about the Dodd-Frank Act, recently signed into law. In the last issue of *The Town Crier* before the bill's passage, I conveyed the many fears expressed by the American Bankers Association concerning the bill's impact. Those fears centered on

the extra burdens that would be placed on already strained community banks, even though small banks had little to do with Wall Street practices leading to the 2008 financial meltdown. While the Dodd-Frank Act made a few last minute concessions to bankers, I am sorry to report that the final version of the bill will indeed negatively affect community banks.

Most of the burdens placed on banks under Dodd-Frank are compliance-oriented. That means bankers will need to allocate more time, resources and expense to ensure that they fulfill every facet of the new law. It will take considerable effort to determine the extent of new capital requirements, mortgage lending reform, limits on federal preemption, restrictions on fees and deposits and a host of other miscellaneous provisions included in Dodd-Frank. Some of the biggest questions are: what will the new Bureau of Consumer Financial Protection look like, and what rulemaking, enforcement and supervision power will the new bureau have? What happens to old laws and rules? And how does the new bureau interact with the FDIC and state regulators?

As we tackle these issues, I can't help but think of a well known politician's statement at the signing ceremony of Dodd-Frank: "Unless your business model depends on cutting corners or bilking your customers, you've got nothing to fear from reform." Maybe it's just me, but I'm not aware of a single, already heavily regulated community bank that is cutting corners or bilking customers. So while there are admittedly a few provisions of the Act that will benefit all, why do all banks feel as though a closet is about to burst open on them, spewing unwanted contents upon their heads—at a time when they should be focusing on fueling economic recovery? And as for the politician's comments, some would say that they would have been better spoken by someone named "Fibber".



**Bruce T. Jensen**  
President &  
Chief Executive Officer  
bjensen@tcbankutah.com

## Customer Spotlight

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### Scorpion Tech Termite & Pest Control

158 West 1600 South #101-A

St. George, Utah 84770

Office: 435-674-2874

Fax: 435-674-2774

www.scorpiontechutah.com



Ever wonder what it would be like spending your whole day with bugs, rodents or reptiles? If so, or if you have problems with any of these vermin, just call Doug LeSueur. Doug knows the pest business like few others.

Doug started his family-owned pest control firm in 1995 in Mesa, Arizona. Originally known as LeSueur Pest Control, Doug capitalized on a wealth of industry experience he had accumulated while working at Arizona Exterminating, Terminex, and Sears Termite & Pest Control. The business quickly grew, and because of the extensive work Doug was doing in the area of scorpion elimination, he changed the company name to ScorpionTech Termite & Pest Control. The name came from several innovative ideas and techniques Doug had developed in solving scorpion problems.

In 2007, Doug sold Arizona-based ScorpionTech Termite & Pest Control. He then relocated his family to St. George, Utah where he started a new pest control business to serve the St. George, Cedar City, Mesquite and Fredonia markets. Utah-based ScorpionTech Termite & Pest Control is separately owned and operated by Doug LeSueur and Kirk Nielsen, and is a member of the National Pest Management Association. ScorpionTech is still a family owned business that attracts customers through word-of-mouth and peerless quality service.

The company specializes in scorpion and spider elimination but they are also a full-service company. No matter what the pest problem might be—big or small—ScorpionTech can handle them all: ants, roaches, crickets, earwigs, or any other undesired pests: mice, other rodents, and even weeds. ScorpionTech has only licensed

professionals working for them. The company uses safe, odorless products, with the health of a customer's family in mind. They offer specialized, professional services such as an exclusive Bi-monthly Pest Management Program, which requires only six visits per year to keep a home or business bug-free at all times—and with a guarantee of free extra visits if needed between regular scheduled service. ScorpionTech also is a termite professional, and offers a special "Termidor-Gold" termite treatment having a 10-year guarantee.



Doug discovered "the simple pleasures" of Town & Country Bank shortly after the bank opened. "After watching the bank unveil so many great services for businesses, I decided to move my ScorpionTech account here," says Doug. "One of the things I like about the bank is that customers have direct access to so many business specialists—from the President on down. They all have time for me and they are all so friendly!"



Town & Country Bank values its relationship with ScorpionTech Termite & Pest Control, which shares the same set of customer values. And oh yes, Doug extends a special 25% discount to all Town & Country customers. It's just one more reason to bank with Town & Country!



(435) 673-1150

405 East St. George Blvd. - St. George, Utah 84770

[www.tcbankutah.com](http://www.tcbankutah.com)



*Women Business Owners:*  
**WANT SAVVY BANKING SOLUTIONS?**



*We've got 'em.*

*The Women's Banking Group*

- Free business account with no minimum balance
- Micro business line of credit
- Free business courier
- Use of Town & Country's board room
- Free safe deposit box
- Women's workshops and much, much more

*Friday Concert*

S E R I E S

SEPTEMBER PERFORMANCES

All programs are free and begin at 12 noon in the bank's Great Room

- 3rd "Ragtime to Classical" Piano&Accordian..... Joni Haws
- 10th "Easy Listening".....Jennifer Stewart
- 17th "Lyrical-Easy Listening" Piano&Violin....Saya Hart
- 24th "Classical New Age".....Greg Baker



**Town & Country**  
 B A N K

*Where banking is a simple pleasure*