



Oklahoma State Banking Department

inBOX

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10th Federal Reserve District Commissioners Conference

Assistant Deputy Commissioner Tony Reel and Regional Examiner K. Paul Qualls attended the 2012 Conference with Tenth Federal Reserve District State Banking Officials on October 16 and 17. Intended attendees were the Commissioners or other ranking officials from the seven states within the 10th Federal Reserve District. The conference commenced with an opening address from Federal Reserve Bank of Kansas City President Esther L. George. She was followed by a very candid presentation from Edwin L. Chow, San Francisco Regional Director of the Consumer Financial Protection Bureau (CFPB), regarding their priorities in implementing the CFPB's directives.

The conference also included topics concerning regulatory updates and their impact upon state chartered banks and an economics presentation addressing the nation and, more specifically, the Tenth District. A host of Federal Reserve Officers presented new information concerning bank surveillance programs and communication initiatives and concluded with the represented states discussing the banking economy within their respective states. The meeting proved to be informative and, more importantly, provided a medium for dialogue between the states' representatives in addressing specific concerns in the governance of their banking realm.

CSBS Problem Bank School

Senior Examiners Roger Brock, Ken Fisher, and Laurie Ridgway attended the CSBS-sponsored Problem Bank School 9/24/12 through 9/28/12. In addition to the Oklahoma contingency, there were 16 state examiners from five other states, as well as one FDIC examiner and an examiner from the Korea Deposit Insurance Corporation.

The curriculum reviewed how examination risk focusing differs when dealing with problem banks as well as key "red flags" to assist in identifying potentially developing problem banks. Additional topics included current and emerging issues within the regulatory environment. Each afternoon, participants had the opportunity through the utilization of bank simulation modeling to get a feel for what

bankers deal with in resolving issues of a problem bank.

The school was not only beneficial from sharing banking and examination issues with examiners from across the country, but allowed examiners the opportunity to feel some of the stresses bankers face when having to make several key decisions affecting the direction of the bank. The attendees were divided into groups and examiner roles were reversed each afternoon as one group of examiners had the opportunity to run a bank under the regulatory guidance of another examination team. Interestingly enough, the examiners who were in the banker's role did not always agree with the examiner's assessment of their respective banks.

Senior Examiners Attend GSBC Asset/Liability Management Workshop

Senior Examiners Wayne Arbutnot, Daryl Jones, Doyle Jones, Rick Nelson, and Randy Willard attended the Graduate School of Banking at Colorado's "Workshop on Community Bank Investments & Asset/Liability Management" held September 5 through 7. The workshop had several excellent speakers who presented a continuation of specific topics related to community banks.

Included in the discussion were the potential effects of Basel III on community banks; effective Asset/Liability Management in extremely low interest rate environments and how to model the effects of rapid rate increases with both parallel and non-parallel shifts; consideration of the types of securities that can best enhance financial performance without taking undue risk; building shareholder value for banks that are considering what makes banks more attractive to potential buyers; identifying yield opportunities in Mortgage-Backed Securities; and what the future holds for community banks.