



PLANSMITH

SIMPLIFYING COMPLEXITY

FINANCIAL COMPASS®

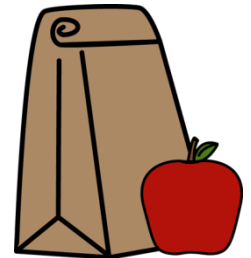
BUDGET COMPASS⁺ PLUS

BUDGET COMPASS

Lunch 'n Learn

New Release: Compass Version 8.3.60

Presented by: Jenny Mello & Shawna Brauer



Simplifying Complexity



Compass – New Release

HIGHLIGHTS

1. Updated **Validation**
2. Faster **Downloads**
3. Streamlined **Rate Shock** Computes
4. New & Revised **Reports**

1. Updated Validation Report

Compass Model Validation Report

- Periodic 3rd-party model validation
- Covers methodologies & math
- Model validation is NOT an “independent review”
- Access report via the website www1.plansmith.com/resources
OR email support@plansmith.com for a copy
- Questions from auditors or examiners? Call us!

New Release Logistics

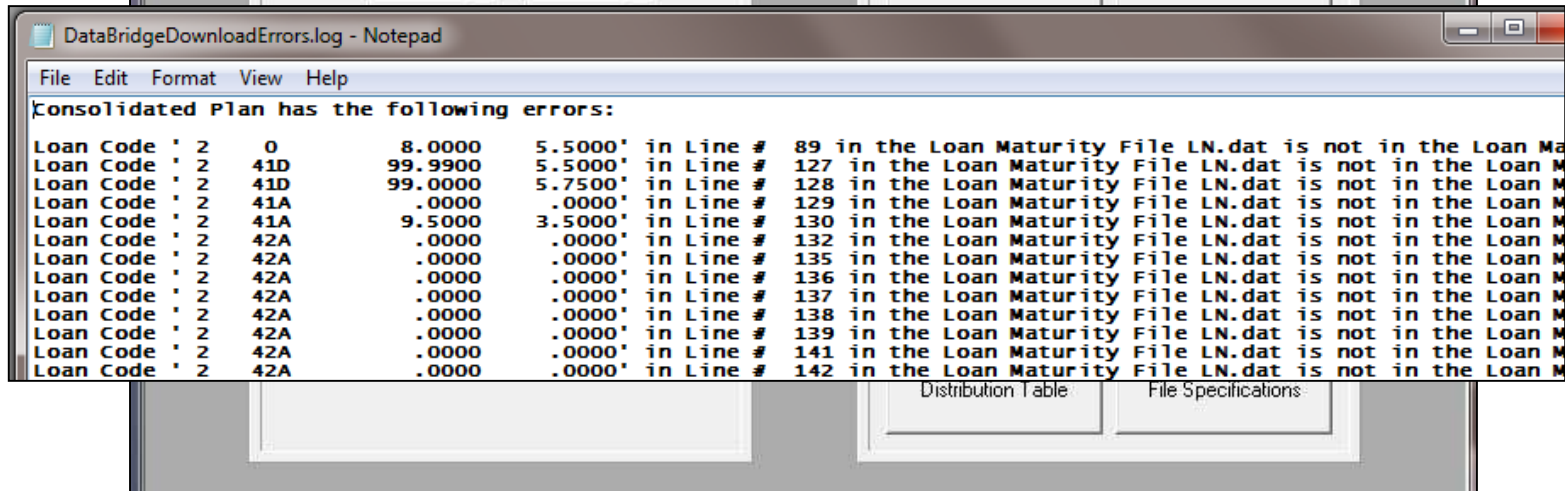
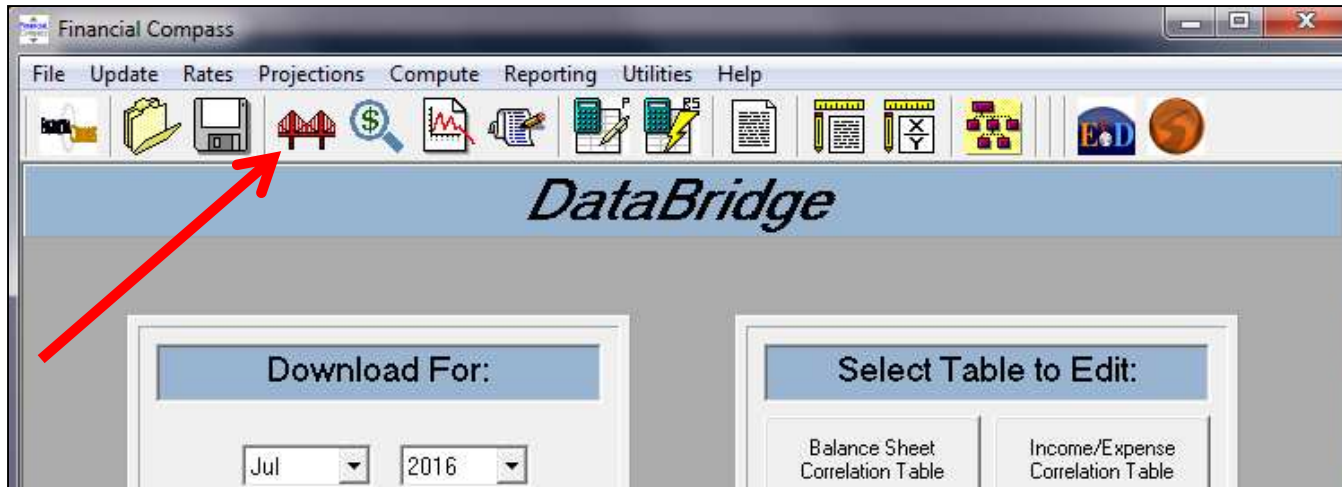
- No changes to the update process
- Compass will prompt you when the release is available
- Read the new release notes!
Also available within Compass: *“Help” / “Online Change Notes”*

2. Faster Downloads

Easily transfer data from the Error Log
to your Correlation tables!



2. Faster Downloads



2. Faster Downloads

Top Window: You are Editing the Loan Maturity Correlation Table

Loan Codes		Data Goes To	
1	0	.0000	.0000
1	0	0.0000	0.0000
2	0	.0000	.0000
2	0	.0000	.0000N
2	0	0.0000	0.0000
2	42A	12.0000	.0000
2	42A	12.0000	0.0000
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		
2	42A		

My Account List	
Comm'l Lns - Fix	
Comm'l Lns - Var	
Comm'l Lns - Var w/FL	
Comm'l Lns - Var w/CL	
Comm'l Lns - Var w/FL&CL	
Comm'l Lns - Adj	
Comm'l Lns - Adj w/FL	
Comm'l Lns - Adj w/CL	

Bottom Window: You are Editing the Loan Maturity Correlation Table

Loan Codes		Data Goes To	
1	0	.0000	.0000
1	0	0.0000	0.0000
2	0	.0000	.0000
2	0	.0000	.0000N
2	0	0.0000	0.0000
2	42A	12.0000	.0000
2	42A	12.0000	0.0000
2	42A	12.2500	.2500
2	42A	12.2500	0.2500
2	42A	12.5000	.5000
2	42A	12.5000	0.5000
2	42A	12.5000	6.5000
2	42A	14.0000	2.0000
2	42A	14.7500	2.7500
2	42A	15.7500	3.7500

Loan Maturity			
2	0	8.0000	5.5000
2	41A	.0000	.0000
2	41A	9.5000	3.5000
2	41D	99.0000	5.7500
2	41D	99.9900	5.5000
2	423	99.9900	99.9900
2	42A	.0000	.0000
2	42A	10.0000	5.0000
2	42A	10.7500	4.7500
2	42A	11.5000	.5000
2	42A	11.5000	5.5000
2	42A	11.7500	.0000

2. Faster Downloads

You are Editing the Loan Maturity Correlation Table

Loan Codes				Data Goes To	Loan Maturity			
2	0	8.0000	5.5000		2	0	8.0000	5.5000
2	41A	.0000	.0000		2	41A	.0000	.0000
2	41A	9.5000	3.5000		2	41A	9.5000	3.5000
2	41D	99.0000	5.7500		2	41D	99.0000	5.7500
2	41D	99.9900	5.5000		2	41D	99.9900	5.5000
2	423	99.9900	99.9900		2	423	99.9900	99.9900
2	42A	.0000	.0000		2	42A	.0000	.0000
2	42A	10.0000	5.0000		2	42A	10.0000	5.0000
2	42A	10.7500	4.7500		2	42A	10.7500	4.7500
2	42A	11.5000	.5000		2	42A	11.5000	.5000
2	42A	11.5000	5.5000		2	42A	11.5000	5.5000
2	42A	11.7500	.0000		2	42A	11.7500	.0000
		.0000	.0000					
1	0	.0000	.0000	R/E Construction - Fix				
1	0	0.0000	0.0000	R/E Construction - Fix				
2	0	.0000	.0000	Ag R/E - Fix				
2	0	.0000	.0000N	Non-Accrual Ag R/E				
2	0	0.0000	0.0000	Ag R/E - Fix				

Sort to Map

Undo Transfer

Add

Restore

Save Changes

Print Table

Cancel

2. Faster Downloads

You are Editing the Loan Maturity Correlation Table

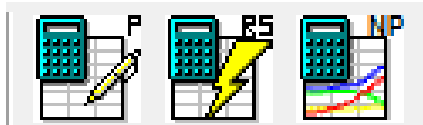
Loan Codes				Data Goes To
		.0000	.0000	
1	0	.0000	.0000	R/E Construction - Fix
1	0	0.0000	0.0000	R/E Construction - Fix
2	0	.0000	.0000	Ag R/E - Fix
2	0	.0000	.0000N	Non-Accrual Ag R/E
2	0	0.0000	0.0000	Ag R/E - Fix
2	0	8.0000	5.5000	
2	41A	.0000	.0000	
2	41A	9.5000	3.5000	
2	41D	99.0000	5.7500	
2	41D	99.9900	5.5000	
2	423	99.9900	99.9900	
2	42A	.0000	.0000	
2	42A	10.0000	5.0000	
2	42A	10.7500	4.7500	
2	42A	11.5000	.5000	
2	42A	11.5000	5.5000	
2	42A	11.7500	.0000	
2	42A	12.0000	.0000	Ag R/E - Adj w/CL

My Account List	
Comm'l Lns - Fix	
Comm'l Lns - Var	
Comm'l Lns - Var w/FL	
Comm'l Lns - Var w/CL	
Comm'l Lns - Var w/FL&CL	
Comm'l Lns - Adj	
Comm'l Lns - Adj w/FL	
Comm'l Lns - Adj w/CL	
Comm'l Lns - Adj w/FL&CL	
Business Manager Lns	
Comm'l R/E - Fix	
Comm'l R/E - Var	
Comm'l R/E - Var w/FL	
Comm'l R/E - Var w/CL	
Comm'l R/E - Var w/FL&CL	
Comm'l R/E - Adj	
Comm'l R/E - Adj w/FL	
Comm'l R/E - Adj w/CL	
Comm'l R/E - Adj w/FL&CL	

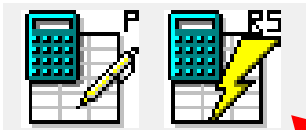
**Eliminates the need to Copy and Paste from the Error Log into Compass!
Duplicate codes are removed!**

3. Streamlined Rate Shock

Former Version included 3 Compute buttons:



New Release consolidates this to 2 Compute buttons:



Parallel and Non-Parallel computes are combined

3. Streamlined Rate Shock

New Compute Screen!



- Additional functionality
- Combined several screens
- More intuitive and easy to use

3. Streamlined Rate Shock

COMPUTE PARALLEL AND NON-PARALLEL RATE SHOCKS

Current Month is Jul, 2016

PARALLEL RATE SHOCK OPTIONS

Shock Time Period: ←

Shock Timing:

Shock Future:

Years 1, 2, 3 & 4

PARALLEL RATE SHOCK POLICY LIMITS

Shock Intervals	1 Year NII Limit	2 Year NII Limit	3 Year NII Limit	4 Year NII Limit	EVE Limit
-400	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%
-300	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%
-200	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%
-100	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%
0					
100	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%
200	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%
300	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%
400	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%

NON-PARALLEL RATE SHOCK OPTIONS

Shock Time Period: ←

Shock Timing:

NON-PARALLEL RATE SHOCK POLICY LIMITS

Shock Intervals	1 Year NII Limit	2 Year NII Limit	3 Year NII Limit	4 Year NII Limit	EVE Limit
All	-20.00%	-20.00%	-20.00%	-20.00%	-40.00%

GAP POLICY LIMITS

12 Month Gap - Minimum %

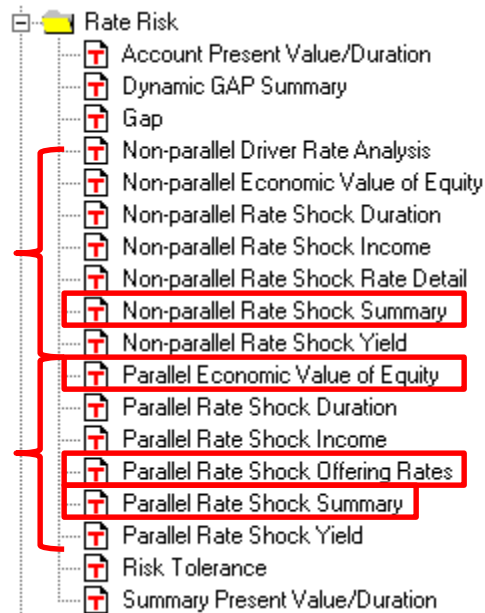
12 Month Gap - Maximum %

4. New & Revised Reports

New & Revised Reports

- Help tell your story
- More actionable information in one spot
- Lay the groundwork for future changes

4. New & Revised Reports

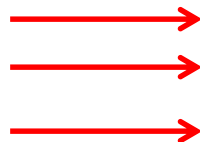


HIGHLIGHTS

- Many IRR Reports renamed
 - Now include “Non-parallel” or “Parallel” in titles
- Revisions
 - Summary line items
 - “**Market** Value of Equity” has been replaced with “**Economic Value of Equity**”
- New Summary reports
- Beta option in Offering Rate report
- Risk Compass Report revisions

4. New & Revised Reports

- Rate Risk
 - Account Present Value/Duration
 - Dynamic GAP Summary
 - Gap
 - Non-parallel Driver Rate Analysis
 - Non-parallel Economic Value of Equity
 - Non-parallel Rate Shock Duration
 - Non-parallel Rate Shock Income
 - Non-parallel Rate Shock Rate Detail
 - Non-parallel Rate Shock Summary
 - Non-parallel Rate Shock Yield
 - Parallel Economic Value of Equity**
 - Parallel Rate Shock Duration
 - Parallel Rate Shock Income
 - Parallel Rate Shock Offering Rates
 - Parallel Rate Shock Summary
 - Parallel Rate Shock Yield
 - Risk Tolerance
 - Summary Present Value/Duration



Download Bank						
Parallel Economic Value of Equity						
As of the end of July, 2016						
	-400	-300	-200	-100	0	100
Assets						
Cash & Due	25,122	25,122	25,122	25,122	25,122	25,122
Securities	200,251	200,251	200,034	194,458	185,129	176,393
Loans	215,875	215,411	214,335	212,861	210,657	208,030
Loan Loss Reserve	(4,584)	(4,584)	(4,584)	(4,584)	(4,584)	(4,584)
Fixed Assets	4,222	4,222	4,222	4,222	4,222	4,222
Intangibles	94	94	94	94	94	94
OREO	2,573	2,573	2,573	2,573	2,573	2,573
Equity Stock	4,326	4,326	4,326	4,326	4,326	4,326
Other Assets	8,191	8,191	8,191	8,191	8,191	8,191
Total Assets	456,071	455,607	454,314	447,264	435,731	424,368
Liabilities						
Demand Deposits	97,497	97,497	97,497	96,007	91,256	86,819
Interest Bearing Deposits	242,640	242,854	243,211	240,859	232,745	227,634
Borrowed Funds	36,507	36,507	36,507	36,447	36,249	36,055
Other Liabilities	1,204	1,204	1,204	1,204	1,204	1,204
Total Liabilities	377,848	378,062	378,419	374,517	361,454	351,712
Economic Value of Equity	78,223	77,545	75,895	72,747	74,277	72,656
Economic Value of Equity Ratio	17.15%	17.02%	16.71%	16.26%	17.05%	17.12%
Equity Change	3,946	3,268	1,618	(1,530)	0	(1,621)
% Change in EVE	5.31%	4.40%	2.18%	-2.06%	0.00%	-2.18%
Policy Limit	-40.00%	-40.00%	-40.00%	-40.00%		-40.00%
Compliant	Yes	Yes	Yes	Yes		Yes

4. New & Revised Reports

Download Bank
Parallel Rate Shock Summary
 As of the end of July, 2016
 Immediate Shock

Change in Interest Rates	1 Yr Net Interest Income Percentage Change	Policy Limit (%)	Compliant
-400	-15.86	-20.00	Yes
-300	-13.96	-20.00	Yes
-200	-10.42	-20.00	Yes
-100	-6.05	-20.00	Yes
100	1.92	-20.00	Yes
200	3.65	-20.00	Yes
300	5.00	-20.00	Yes
400	5.69	-20.00	Yes

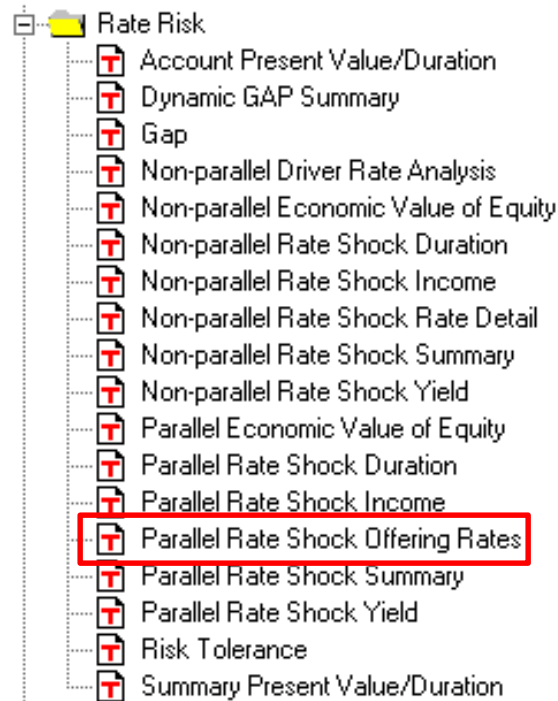
Change in Interest Rates	2 Yr Net Interest Income Percentage Change	Policy Limit (%)	Compliant
-400	-22.47	-20.00	No
-300	-19.56	-20.00	Yes
-200	-14.40	-20.00	Yes
-100	-7.97	-20.00	Yes
100	3.20	-20.00	Yes
200	5.98	-20.00	Yes
300	8.24	-20.00	Yes
400	9.96	-20.00	Yes

Change in Interest Rates	Economic Value of Equity Percentage Change	Policy Limit (%)	Compliant
-400	5.31	-40.00	Yes
-300	4.40	-40.00	Yes
-200	2.18	-40.00	Yes
-100	-2.06	-40.00	Yes
100	-2.18	-40.00	Yes
200	-4.88	-40.00	Yes
300	-11.29	-40.00	Yes
400	-16.70	-40.00	Yes

NEW Summary Reports

- Available for both **PARALLEL** and **NON-PARALLEL** results
- Replaces “Rate Shock Regulatory” report
- Includes multi-year results
- Includes policy limits
- Includes quick check for compliance
- EVE does NOT change under multi-year computes

4. New & Revised Reports



REVISED REPORT

- Existing report
- Additional functionality
- Use to check for reasonableness of pricing assumptions

4. New & Revised Reports

Download Bank

2 Year Parallel Rate Shock - Offering Rates

As of the end of July, 2016

Immediate Shock

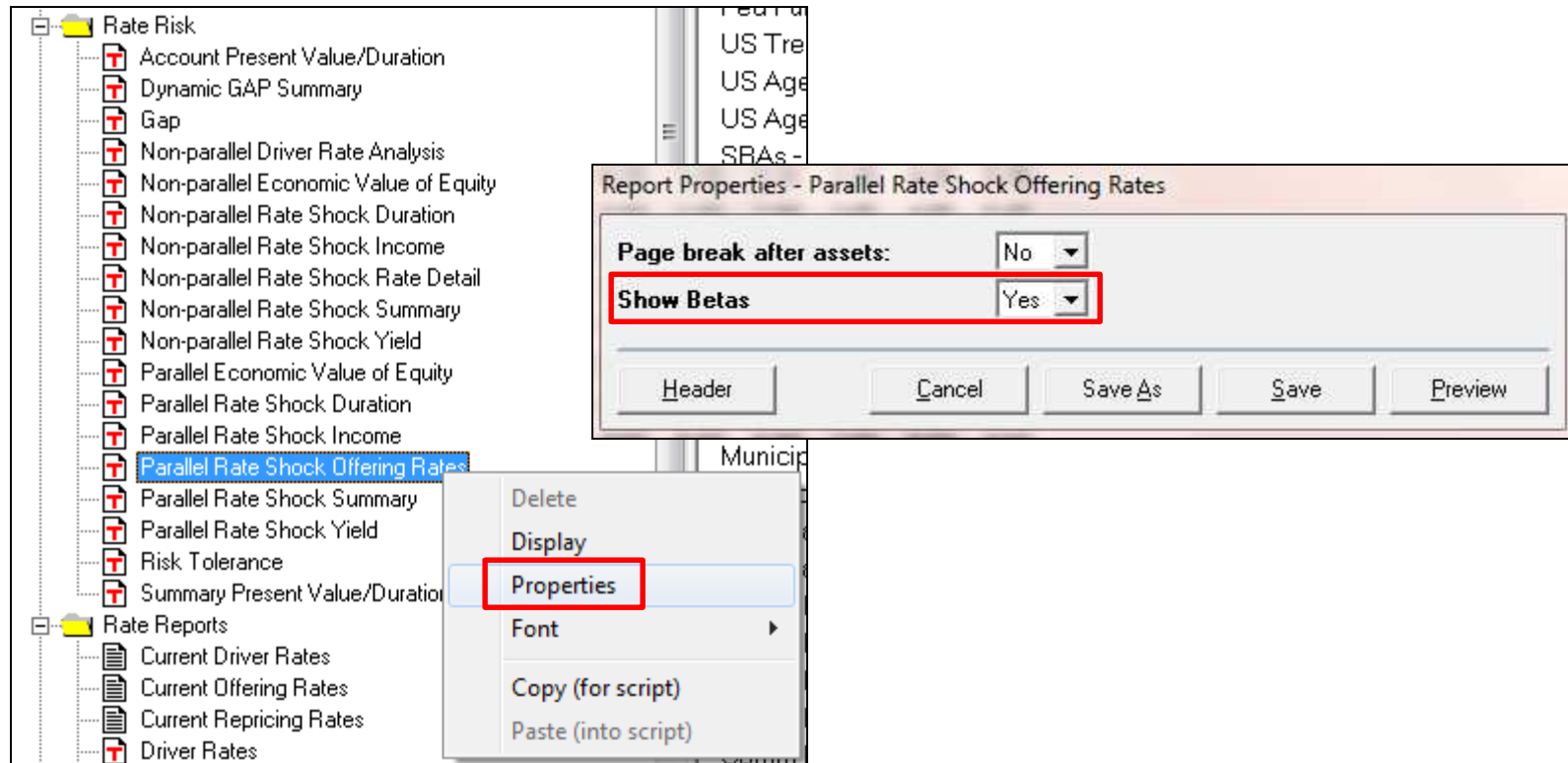
	-400	-300	-200	-100	0	100	200	300	400
Liabilities									
NOW Accounts	0.10	0.12	0.15	0.17	0.25	0.75	1.25	1.75	2.30
Money Market Accounts	0.10	0.13	0.19	0.25	0.35	0.85	1.35	1.85	2.40
Savings Accounts	0.05	0.07	0.10	0.12	0.18	0.42	0.62	0.82	1.10
CD's > \$250K 0 - 6 Mo	0.10	0.10	0.10	0.10	0.25	1.25	2.25	3.25	4.25
CD's > \$250K 7 - 12 Mo	0.10	0.10	0.10	0.10	0.40	1.40			
CD's > \$250K 13 - 24 Mo	0.10	0.10	0.10	0.10	0.48	1.45			
CD's > \$250K 25 - 36 Mo	0.10	0.10	0.10	0.12	0.76	1.73			
CD's > \$250K over 36 Mo	0.10	0.10	0.10	0.35	1.18	2.15			
IRA's > \$250K	-	-	-	0.03	1.03	2.03	3.03	4.03	5.03
Brokered CD's	-	-	-	-	0.90	1.90	2.90		3.90
CD's \$100K - \$250K 0 - 6 Mo	0.10	0.10	0.10	0.10	0.25	1.25	2.25		3.25
CD's \$100K - \$250K 7 - 12 Mo	0.10	0.10	0.10	0.10	0.40	1.40	2.40	3.40	4.40
CD's \$100K - \$250K 13 - 24 Mo	0.10	0.10	0.10	0.10	0.48	1.45	2.45	3.45	4.45
CD's \$100K - \$250K 25 - 36 Mo	0.10	0.10	0.10	0.12	0.76	1.73	2.73	3.73	4.73
CD's \$100K - \$250K over 36 Mo	0.10	0.10	0.10	0.35	1.18	2.15	3.15	4.15	5.15
IRA's \$100K - \$250K	-	-	-	0.03	1.03	2.03	3.03	4.03	5.03
CD's < \$100K 0 - 6 Mo	0.10	0.10	0.10	0.10	0.25	1.25	2.25	3.25	4.25

$$2.40\% - 0.35\% = 2.05\%$$

$$205 \text{ bp} / 400 \text{ bp} = 51\%$$

$$\text{Beta} = 51$$

4. New & Revised Reports



4. New & Revised Reports

Download Bank

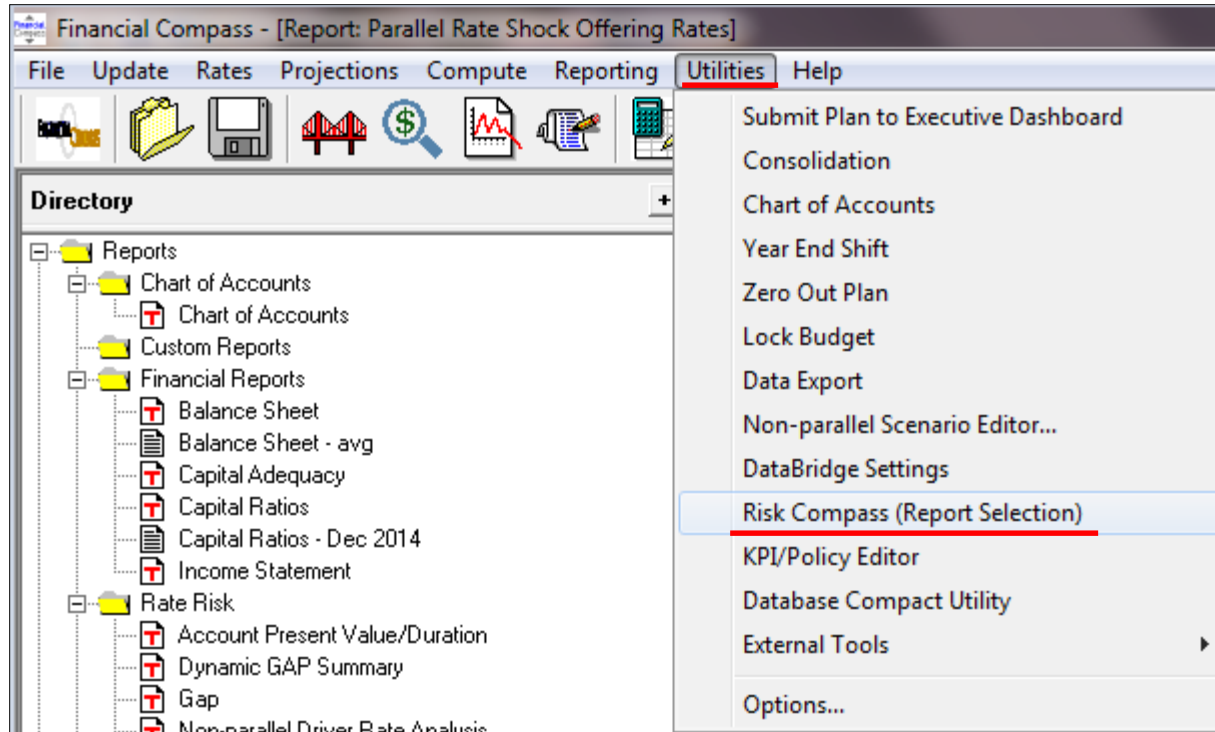
2 Year Parallel Rate Shock - Offering Rates Betas
As of the end of July, 2016

% Offering Rate Change per 100 Basis Points of Immediate Shock

	-400	-300	-200	-100	0	100	200	300	400
Liabilities									
NOW Accounts	4	4	5	8	0	50	50	50	51
Money Market Accounts	6	7	8	10	0	50	50	50	51
Savings Accounts	3	4	4	5	0	24	22	22	23
CD's > \$250K 0 - 6 Mo	4	5	7	15	0	100	100	100	100
CD's > \$250K 7 - 12 Mo	8	10	15	30	0	100	100	100	100
CD's > \$250K 13 - 24 Mo	9	13	19	38	0	97	99	99	99
CD's > \$250K 25 - 36 Mo	16	22	33	64	0	97	99	99	99
CD's > \$250K over 36 Mo	27	36	54	83	0	97	99	99	99
IRA's > \$250K	26	34	51	100	0	100	100	100	100
Brokered CD's	22	30	45	90	0	100	100	100	100
CD's \$100K - \$250K 0 - 6 Mo	4	5	7	15	0	100	100	100	100
CD's \$100K - \$250K 7 - 12 Mo	8	10	15	30	0	100	100	100	100
CD's \$100K - \$250K 13 - 24 Mo	9	13	19	38	0	97	99	99	99
CD's \$100K - \$250K 25 - 36 Mo	16	22	33	64	0	97	99	99	99
CD's \$100K - \$250K over 36 Mo	27	36	54	83	0	97	99	99	99
IRA's \$100K - \$250K	26	34	51	100	0	100	100	100	100
CD's < \$100K 0 - 6 Mo	4	5	7	15	0	100	100	100	100

4. New & Revised Reports

Risk Compass Report Package



4. New & Revised Reports

Risk Compass Report Selection

Run Report for this Shock time period:
Shock Time Period: 1 Year

Select the Shock Increments for this report:
Upper Limit: 200
Lower Limit: -200

Select the reports to print:

<input checked="" type="checkbox"/> Introduction	<input checked="" type="checkbox"/> Parallel Rate Shock Detail
<input checked="" type="checkbox"/> Executive Summary	<input checked="" type="checkbox"/> Rate Sensitivity Gap Detail
<input checked="" type="checkbox"/> Risk Tolerance	<input checked="" type="checkbox"/> Interest Income
<input checked="" type="checkbox"/> Introduction	<input checked="" type="checkbox"/> Yields & Costs
<input checked="" type="checkbox"/> Analysis	<input checked="" type="checkbox"/> Economic Value of Equity
<input checked="" type="checkbox"/> Factors Impacting Risk Tolerance	<input checked="" type="checkbox"/> Duration
<input checked="" type="checkbox"/> Rate Sensitivity Gap	<input checked="" type="checkbox"/> Non-parallel Rate Shock Detail
<input checked="" type="checkbox"/> Introduction	<input checked="" type="checkbox"/> Income
<input checked="" type="checkbox"/> Analysis	<input checked="" type="checkbox"/> Yields
<input checked="" type="checkbox"/> Parallel Rate Shock Net Interest Margin	<input checked="" type="checkbox"/> Economic Value of Equity
<input checked="" type="checkbox"/> Introduction	<input checked="" type="checkbox"/> Duration
<input checked="" type="checkbox"/> Analysis	<input checked="" type="checkbox"/> Methodology
<input checked="" type="checkbox"/> Parallel Rate Shock Market Value	<input checked="" type="checkbox"/> Scenarios
<input checked="" type="checkbox"/> Introduction	<input checked="" type="checkbox"/> Assumptions
<input checked="" type="checkbox"/> Analysis	<input checked="" type="checkbox"/> Pricing Relationships
<input checked="" type="checkbox"/> Financial Position	<input checked="" type="checkbox"/> Adjustable Rate Repricing Relationships
<input checked="" type="checkbox"/> Current Financial Statements	<input checked="" type="checkbox"/> Prepayment Models
<input checked="" type="checkbox"/> Yields & Costs	<input checked="" type="checkbox"/> Driver Models
<input checked="" type="checkbox"/> Risk Based Capital	<input checked="" type="checkbox"/> Callable Bond Models
<input checked="" type="checkbox"/> Liquidity Analysis	<input checked="" type="checkbox"/> Alternate Discount & Decay Rates
<input checked="" type="checkbox"/> Rate Risk Strategy Bubbles	

Select All Unselect All OK Cancel

REVISED REPORTING OPTIONS

- Same base report
- Ability to include or exclude pages
- **Ability to run for multiple years!**
- Sets the stage for future changes to this report

RECAP

1. Updated **Validation**
2. Faster **Downloads**
3. Streamlined **Rate Shock** computes
4. New & Revised **Reports**



Upcoming Events

Budgeting Best Practices Webinar

Tuesday, October 25th 2016

Compass Advanced Coaching

Tuesday, November 15th 2016

Thursday, March 16th 2017

Compass Roundtable

Friday, December 16th 2016

Friday, March 24th 2017

More Lunch 'n Learns

Coming soon!

For more information about any of these events, check our website www1.plansmith.com/events or contact Jenny Mello at [800-323-3281](tel:800-323-3281) or jenny@plansmith.com