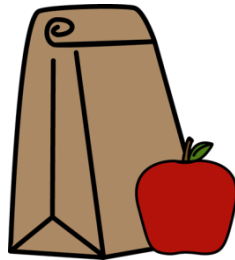




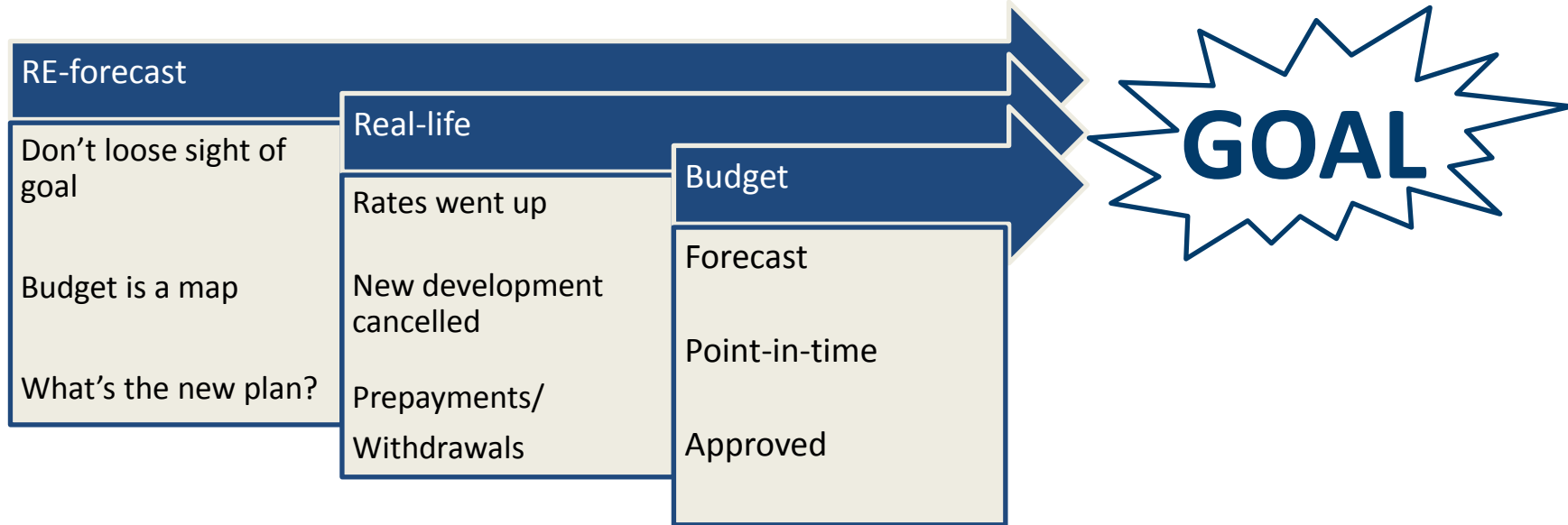
# Lunch 'n Learn

## Reforecasting & What-Ifs



Presented by: Jenny Mello

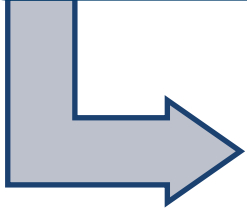
# Reforecasting & What-Ifs



# 3 Factors of Reforecasting

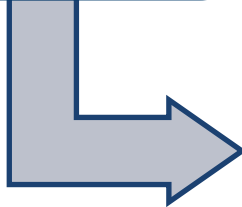
1. Identify the Variance

- Where are we now?
- Where did we think we'd be?



2. Identify the Cause

- Why is it different?



3. Identify the Reality

- What are we going to do about it?

# 1. Identify the Variance

<b>PlansmithBank</b>									
Variance - Income Statement									
	Year to Date				Year to Date				
	Actual	Budget	Variance		Actual	Budget	Variance		
	Jan '17- Mar '17	Jan '17- Mar '17	Value	Percent	Jan '17- Dec '17	Jan '17- Dec '17	Value	Percent	
<b>Interest Income</b>									
Cash & Due	4,671	4,671	0	0.00%	11,899	25,637	(13,738)	-53.59%	
Fed Funds Sold	624	99	525	530.30%	624	99	525	530.30%	
Securities									
U. S. Treasuries	0	0	0	0.00%	0	0	0	0.00%	
U. S. Agencies	878	878	0	0.00%	3,526	3,526	0	0.00%	
Mortgage-Backed Securities	74,133	73,135	998	1.36%	290,577	288,721	1,856	0.64%	
Municipal Securities	176,093	175,960	133	0.08%	702,086	702,090	(4)	0.00%	
Certificates of Deposit	119	119	0	0.00%	484	484	0	0.00%	
Other Securities	0	0	0	0.00%	0	0	0	0.00%	
Investment in Subsidiary	0	0	0	0.00%	0	0	0	0.00%	
Total Securities	251,224	250,093	1,131	0.45%	996,673	994,821	1,852	0.19%	
Loans									
Commercial	2,019,934	1,994,135	25,799	1.29%	8,329,955	8,249,025	80,930	0.98%	
Real Estate	557,947	571,116	(13,169)	-2.31%	2,249,632	2,365,288	(115,656)	-4.89%	
Agriculture	98,722	97,575	1,147	1.18%	405,754	401,982	3,772	0.94%	
Consumer	92,184	91,983	201	0.22%	377,669	381,810	(4,141)	-1.08%	
Other Loans	0	0	0	0.00%	0	0	0	0.00%	
Total Loans	2,768,786	2,754,809	13,977	0.51%	11,363,010	11,398,100	(35,090)	-0.31%	
Equity Securities	0	0	0	0.00%	0	0	0	0.00%	
<b>Total Interest Income</b>	<b>3,025,304</b>	<b>3,009,670</b>	<b>15,634</b>	<b>0.52%</b>	<b>12,372,205</b>	<b>12,418,661</b>	<b>(46,456)</b>	<b>-0.37%</b>	

# 2. Identify the Cause

## PlansmithBank

### Simple Variance Analysis

Actual vs Budget

	Jan '17- Dec '17		Jan '17- Dec '17		Var	Jan '17- Dec '17		Jan '17- Dec '17		<u>Inc/Exp variance due to</u>			
	Budget Avg Bal	Actual Avg Bal	Budget Yield	Actual Yield		Budget Inc/Exp	Actual Inc/Exp	Var	Bal	Yield	Mix		
Residential R/E - Fix	40,785	40,649	4.53	4.28	-0.25	1,845,680	1,739,218	(106,462)	(6,156)	(100,642)	336		
HELOC - Var w/FL&CL		7,731	7,705	(26)	4.36	4.33	-0.03	336,912	333,808	(3,105)	(1,124)	(1,988)	7
Mortgage Loans Held For Sale		2,931	2,921	(10)	3.87	3.72	-0.15	113,520	108,630	(4,890)	(379)	(4,527)	15
Total Residential	53,341	53,163	(178)	4.43	4.23	-0.20	2,365,288	2,249,632	(115,656)	(7,889)	(108,127)	361	
Total Real Estate	53,340	53,162	(178)	4.44	4.23	-0.21	2,365,287	2,249,633	(115,656)	(7,890)	(108,128)	362	
Agriculture													
Agriculture Lns - Fix		7,802	7,776	(26)	5.03	5.11	0.07	392,716	397,013	4,297	(1,310)	5,625	(19)

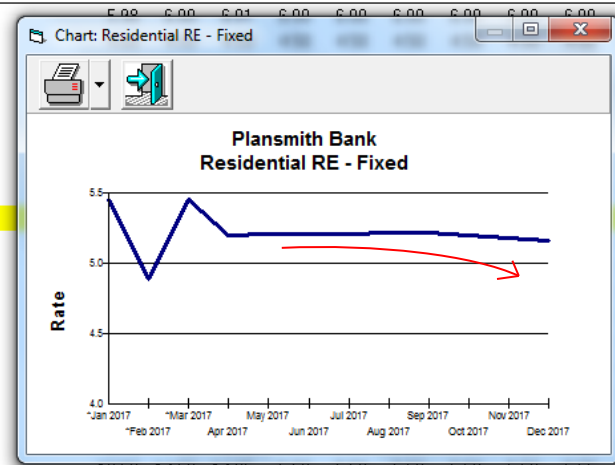
# 2. Identify the Cause

Materiality Matters!

Plansmith Bank		
Balance Sheet		
EOM Balance		
\$000's		
Assets	Liabilities	*2017
	Demand Deposits	8.82%
	Other Demand	0.07%
Commercial Loans	NOW Accounts	8.99%
Commercial Loans	Money Market Accounts	16.25%
Commercial Loans	Sweep Investment Accounts	0.26%
Municipal Loans	Savings Accounts	6.81%
Commercial RE - F	CD's > \$250K 0 - 6 Mo	0.00%
Commercial RE - A	CD's > \$250K 7 - 12 Mo	3.02%
Land Developmen	CD's > \$250K 13 - 24 Mo	3.42%
Construction Fixed	CD's > \$250K 25 - 36 Mo	0.40%
Construction - Var	CD's > \$250K over 36 Mo	2.79%
Agriculture RE - Fi	CD's \$100K - \$250K 0 - 6 Mo	0.11%
Residential RE - F	CD's \$100K - \$250K 7 - 12 Mo	2.26%
Residential RE - V	CD's \$100K - \$250K 13 - 24 Mo	3.37%
Residential RE - A	CD's \$100K - \$250K 25 - 36 Mo	1.19%
Home Equity - Var	CD's \$100K - \$250K over 36 Mo	11.37%
Home Equity-Var w	IRA's \$100K - \$250K	0.92%
Mortgage Loans H	CD's < \$100K 0 - 6 Mo	0.32%
Agriculture Loans	CD's < \$100K 7 - 12 Mo	2.54%
Consumer Loans -	CD's < \$100K 13 - 24 Mo	4.72%
Consumer Loans -		

Graph everything!

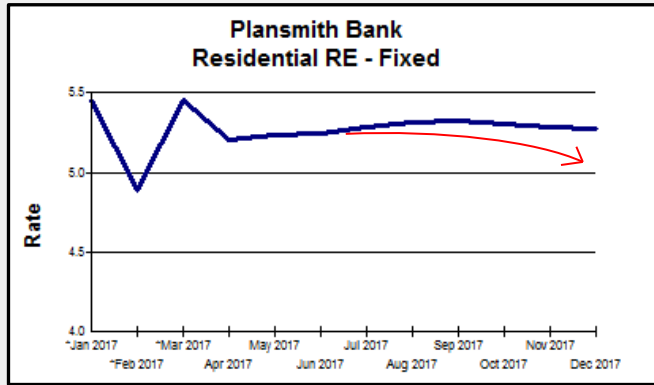
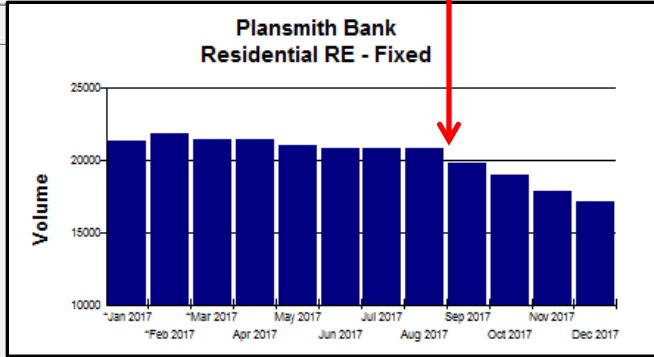
Plansmith Bank			*Jan	*Feb	*Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Yields and Costs			2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017
<b>Assets</b>														
Commercial Loans - Adj.			5.08	6.00	6.01	6.00	6.00	6.00	6.00	6.00	6.00	6.00	5.99	5.98
Municipal Loans													5.05	5.60
Commercial RE - Fixed													5.08	5.12
Commercial RE - Adj w/C & FL													5.50	5.52
Land Development/Raw Land													6.62	6.63
Construction Fixed													5.90	6.06
Construction - Var w/FL													6.35	6.40
Agriculture RE - Fixed													5.12	5.14
Residential RE - Fixed													5.20	5.18
Residential RE - Var w/C & FL													6.05	6.10
Residential RE - Adj w/C & FL													5.28	5.31
Home Equity - Var													5.58	5.63
Home Equity-Var w/C & FL													5.52	5.58
Mortgage Loans Held For Sale													5.60	5.65
Agriculture Loans - Fixed													5.77	5.72
Consumer Loans - Fixed													6.09	6.04
Consumer Loans - Var.													6.90	6.75
Indirect Loans - Fixed													6.90	6.75
Premier Reserve													5.60	5.65



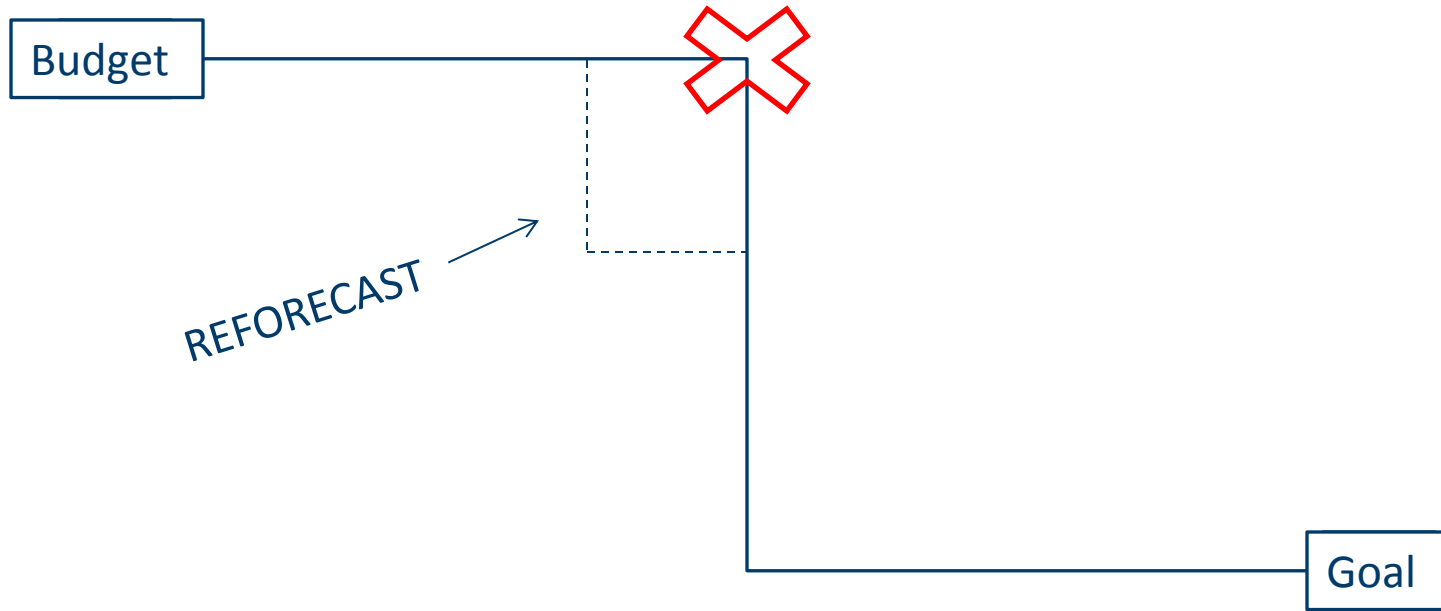
# 2. Identify the Cause

Residential RE - Fixed

	EDM Balance	New Balance	Offering Rate	Total Maturities	Total Maturities Xrate	Interest	Yield	Average Balance
2017	Manual	[User Edit]	Quick	[User Edit]				[User Edit]
Oct	21,309					96,716	5.50	21,111
Nov	21,196					94,735	5.35	21,254
Dec	21,198					95,794	5.48	20,981
2017 Jan	21,282					96,603	5.45	21,280
Feb	21,784				EDM Yield:	91,830	4.89	22,546
Mar	21,384				5.20	97,919	5.45	21,565
Apr	21,447	543	6.44	480	5.25	93,005	5.21	21,416
May	20,975	0	6.50	472	5.26	92,439	5.23	21,211
Jun	20,819	684	6.57	840	5.62	91,324	5.24	20,897
Jul	20,819	701	6.63	701	5.59	91,562	5.28	20,819
Aug	20,819	626	6.70	626	5.48	92,096	5.31	20,819
Sep	19,810	0	6.77	1,009	5.70	90,076	5.32	20,315
Oct	18,996	0	6.83	814	5.76	85,709	5.30	19,403
Nov	17,840	0	6.90	1,156	5.65	81,021	5.28	18,418
Dec	17,122	0	6.97	718	5.26	76,774	5.27	17,481
2018 Jan	16,071	0	7.03	1,051	5.31	72,870	5.27	16,597
Feb	14,712	0	7.10	1,359	4.58	67,987	5.30	15,392
Mar	14,118	0	7.13	594	5.17	64,068	5.33	14,415
Apr	13,674	0	7.17	444	5.57	61,797	5.34	13,896
May	12,966	0	7.20	708	5.42	59,138	5.33	13,320
Jun	12,524	0	7.27	442	5.62	56,449	5.31	12,745
Jul	11,953	0	7.33	571	5.44	54,126	5.31	12,239
Aug	11,517	0	7.40	436	5.32	51,828	5.30	11,735
Sep	11,019	0	7.46	498	5.34	49,761	5.30	11,268
Oct	10,572	0	7.52	447	5.47	47,651	5.30	10,796
Nov	10,260	0	7.58	312	5.38	45,908	5.29	10,416
Dec	9,937	0	7.64	323	5.44	44,499	5.29	10,099
2019 Jan	9,619	0	7.70	318	5.67	43,057	5.28	9,778
Feb	9,335	0	7.76	284	5.49	41,676	5.28	9,477
Mar	8,886	0	7.82	449	5.66	39,940	5.26	9,111
Apr	8,520	0	7.88	366	5.69	38,011	5.24	8,703
May	8,059	0	7.94	461	5.42	36,094	5.22	8,290
Jun	7,832	0	8.00	227	5.25	34,562	5.22	7,946
Jul	7,386	0	8.03	446	4.94	33,152	5.23	7,609
Aug	7,064	0	8.05	322	6.01	31,447	5.22	7,225
Sep	6,764	0	8.08	300	5.37	29,941	5.20	6,914
Oct	6,587	0	8.10	177	5.20	28,873	5.19	6,676
Nov	6,239	0	8.13	348	5.07	27,756	5.19	6,413



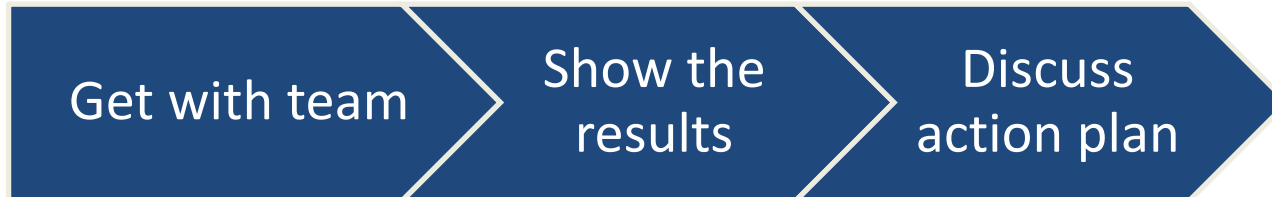
# 3. Identify the Reality





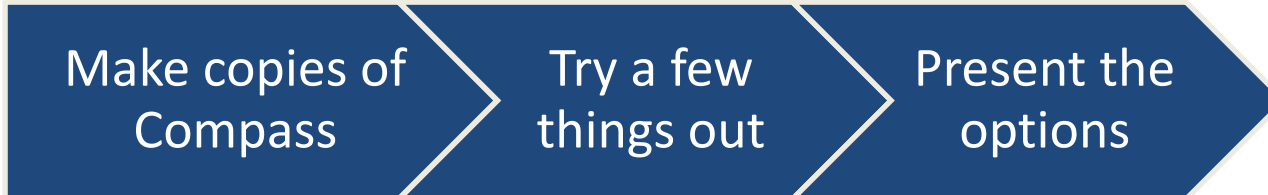
# 3 Steps Before Reforecasting

**Before** reforecasting in Compass...



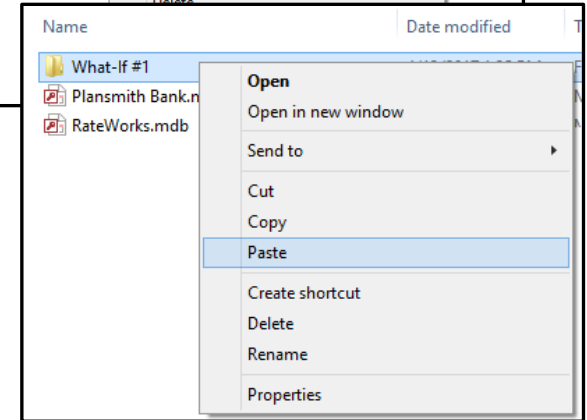
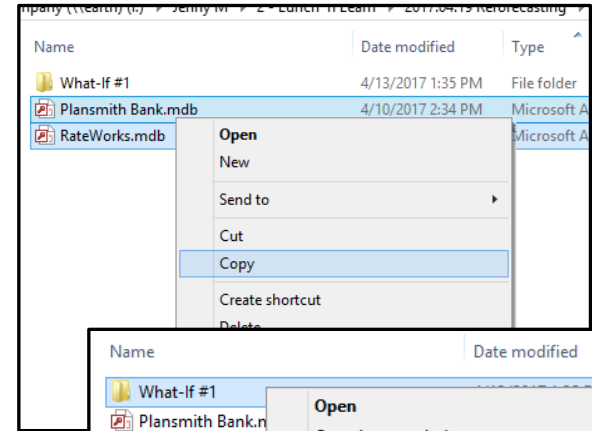
# 3 Steps to Reforecast in Compass

Reforecast in Compass...

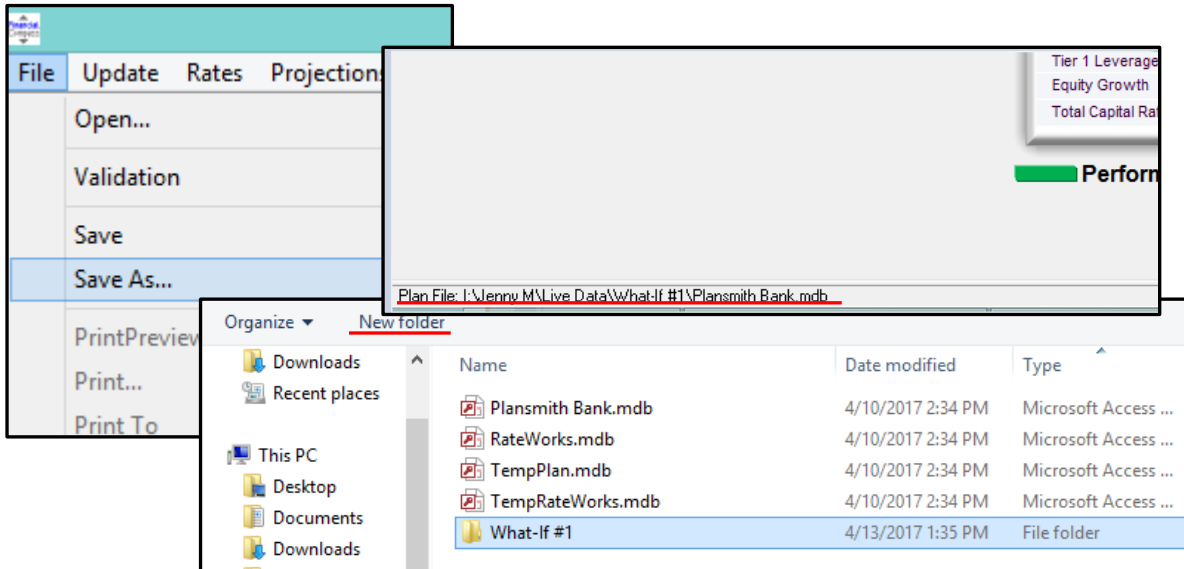


# Make copies of Compass Plan

In Windows:

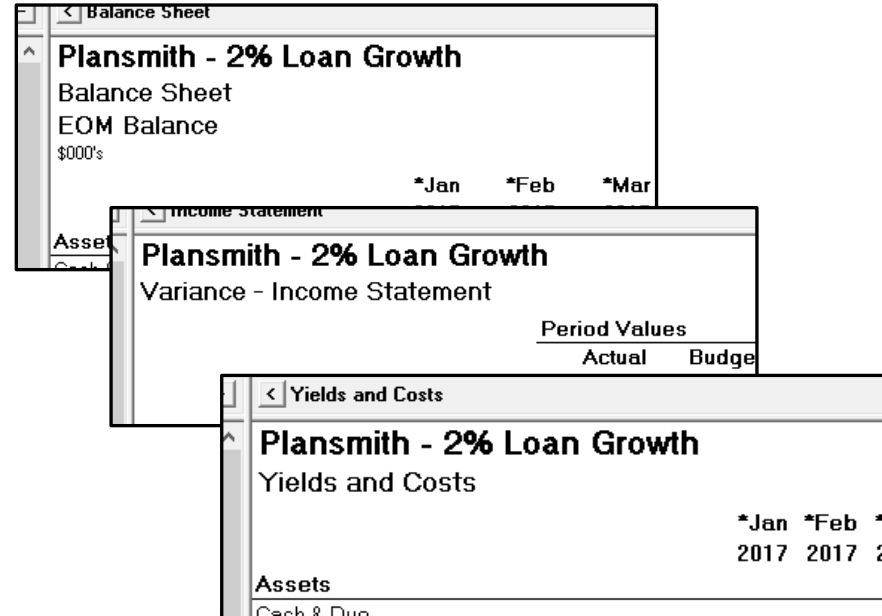
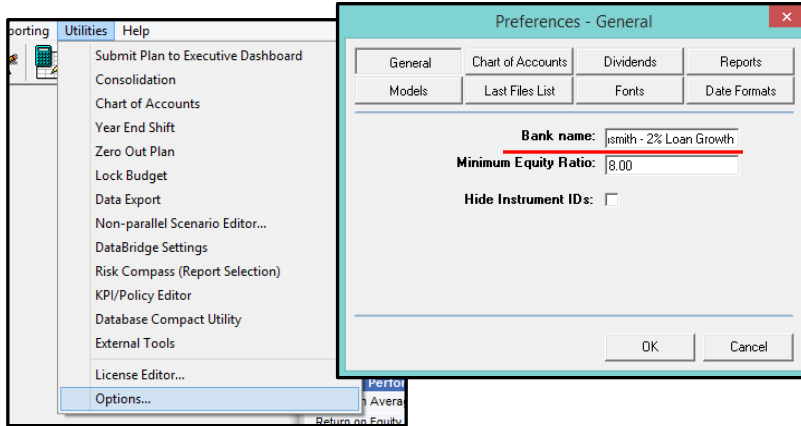


In Compass:



# Try a few things

## Update your Plan Name



# Try a few things



Rates are going up!

**Rates are Current**      These buttons process the data for all three scenarios

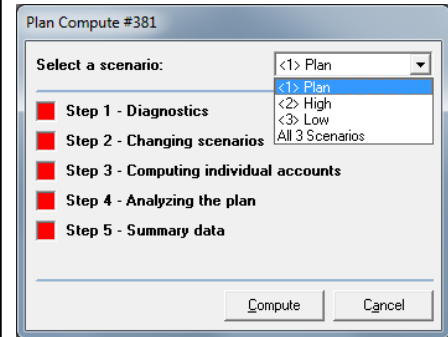
          

Scenario:

	Fed Funds	3 mo Tbill	6 mo Tbill	1 yr CMT	2 yr CMT	3 yr CMT	5 yr CMT	10 yr CMT	30 yr CMT	PRIME	1 mo LIBOR	3 mo LIBOR	6 mo LIBOR
2017 Jan	0.65	0.51	0.61	0.83	1.21	1.48	1.92	2.43	3.02	3.75	0.77	1.03	1.34
Feb	0.66	0.52	0.64	0.82	1.20	1.47	1.90	2.42	3.03	3.75	0.78	1.04	1.35
Mar	0.79	0.74	0.87	1.01	1.31	1.59	2.01	2.48	3.08	3.88	0.93	1.13	1.43
Apr	0.85	0.72	0.84	1.01	1.31	1.56	2.01	2.49	3.09	3.94	0.93	1.12	1.43
May	0.90	0.70	0.80	1.00	1.30	1.53	2.00	2.50	3.10	4.00	0.93	1.10	1.43
Jun	0.93	0.73	0.87	1.03	1.33	1.56	2.03	2.50	3.10	4.00	0.93	1.17	1.43
Jul	0.97	0.77	0.93	1.07	1.37	1.60	2.07	2.50	3.10	4.00	0.93	1.23	1.43
Aug	1.00	0.80	1.00	1.10	1.40	1.63	2.10	2.50	3.10	4.00	0.93	1.30	1.43
Sep	1.03	0.83	1.00	1.13	1.43	1.65	2.10	2.53	3.13	4.07	0.93	1.33	1.43
Oct	1.07	0.87	1.00	1.17	1.47	1.68	2.10	2.57	3.17	4.13	0.93	1.37	1.43
Nov	1.10	0.90	1.00	1.20	1.50	1.70	2.10	2.60	3.20	4.20	0.93	1.40	1.43
Dec	1.17	0.97	1.07	1.27	1.57	1.74	2.17	2.63	3.20	4.27	0.93	1.47	1.43
2018 Jan	1.23	1.03	1.13	1.33	1.57	1.79	2.23	2.67	3.20	4.33	0.93	1.53	1.43
Feb	1.30	1.10	1.20	1.40	1.60	1.83	2.30	2.70	3.20	4.40	0.93	1.60	1.43
Mar	1.33	1.17	1.27	1.43	1.67	1.89	2.33	2.73	3.23	4.43	0.93	1.67	1.43
Apr	1.37	1.23	1.33	1.47	1.73	1.94	2.37	2.77	3.27	4.47	0.93	1.73	1.43
May	1.40	1.30	1.40	1.50	1.80	2.00	2.40	2.80	3.30	4.50	0.93	1.80	1.43
Jun	1.47	1.33	1.43	1.57	1.83	2.02	2.40	2.80	3.30	4.53	0.93	1.83	1.43
Jul	1.53	1.37	1.47	1.63	1.87	2.05	2.40	2.80	3.30	4.57	0.93	1.87	1.43
Aug	1.60	1.40	1.50	1.70	1.90	2.07	2.40	2.80	3.30	4.60	0.93	1.90	1.43
Sep	1.59	1.43	1.54	1.72	1.92	2.08	2.40	2.79	3.30	4.61	0.93	1.92	1.43
Oct	1.58	1.46	1.58	1.74	1.94	2.10	2.40	2.78	3.30	4.62	0.93	1.94	1.43
Nov	1.57	1.49	1.62	1.76	1.96	2.11	2.40	2.77	3.30	4.63	0.93	1.96	1.43
Dec	1.56	1.52	1.66	1.78	1.98	2.12	2.40	2.76	3.30	4.64	0.93	1.98	1.43
2019 Jan	1.55	1.55	1.70	1.80	2.00	2.14	2.40	2.75	3.30	4.65	0.93	2.00	1.43
Feb	1.54	1.58	1.74	1.82	2.02	2.15	2.40	2.74	3.30	4.66	0.93	2.02	1.43

Compute new rates!



# Try a few things

1. Budget – DON'T touch this tab

2. Actuals

3. Projections/  
REAL LIFE

Assets (47 accounts) - Projections

	Projections	Budget	Maturity	Repricing	Variance	Fed Funds	Notes		
	EOM Balance	New Balance	Offering Rate	Total Maturities	Total Maturities Xrate	Interest	Yield	Average Balance	
2017	Change		Change						
Sep	190,383					606,367	3.79	193,319	
Oct	190,585					597,580	3.71	190,019	
Nov	186,586					550,855	3.51	188,949	
Dec	189,833					575,571	3.61	188,163	
2017 Jan	189,852					569,723	3.56	188,605	
Feb	188,200				EOM Yield:	507,789	3.32	191,198	
Mar	191,426				3.36	546,864	3.39	190,342	
Apr	187,457	-1,715	-10.70	2,253	4.18	547,157	3.47	189,441	
May	190,236	4,098	2.31	1,319	5.52	560,268	3.51	188,847	
Jun	189,574	11,448	5.78	12,111	4.78	555,083	3.51	189,905	
Jul	189,905	10,334	5.47	10,003	5.02	572,234	3.56	189,739	
Aug	190,238	4,499	4.54	4,166	4.43	576,768	3.58	190,071	
Sep	190,492	4,608	4.71	4,354	4.87	567,423	3.58	190,365	
Oct	190,499	5,111	4.96	5,104	4.89	578,043	3.58	190,495	
Nov	190,535	4,511	4.80	4,476	4.73	568,681	3.59	190,517	
Dec	190,690	5,092	4.68	4,936	4.22	581,346	3.60	190,612	
2018 Jan	190,695	4,952	5.00	4,947	4.54	584,362	3.62	190,693	
Feb	191,031	5,995	5.09	5,660	4.69	554,183	3.63	190,863	
Mar	191,737	5,397	4.70	4,691	4.34	591,161	3.64	191,384	
Apr	192,445	5,226	5.34	4,518	4.88	584,531	3.66	192,091	
May	196,478	7,846	6.26	3,814	4.74	612,618	3.71	194,461	
Jun	197,205	4,740	5.27	4,013	4.40	616,711	3.77	196,841	



# Try a few things

Residential RE - Fixed - Projections

Loans

- Commercial
  - Commercial Loans - Fixed
  - Commercial Loans - Var w/FL
  - Commercial Loans - Adj.
  - Municipal Loans
- Real Estate
  - Commercial
    - Commercial RE - Fixed
    - Commercial RE - Adj w/C & FL
    - Land Development/Raw Land
    - Construction Fixed
    - Construction - Var w/FL
    - Agriculture RE - Fixed
  - Residential
    - Residential RE - Fixed
    - Residential RE - Var w/C & FL
    - Residential RE - Adj w/C & FL
    - Home Equity - Var
    - Home Equity-Var w/C & FL
    - Mortgage Loans Held For Sale
- Credit Card Loans
- Consumer
  - Consumer Loans - Fixed
  - Consumer Loans - Var.
  - Indirect Loans - Fixed
  - Premier Reserve
- Other Loans
  - Commercial NonAccrual
  - Real Estate NonAccrual
  - Overdrafts
  - Loans In Process

Projections	Budget	Maturity	Variance	Fed Funds	Notes	
	EOM Balance	New Balance	Offering Rate	Total Maturities	Total Maturities XRate	
2017	Manual	[User Edit]	Quick			
Dec	21,198					
2017	Jan	21,282				
Feb	21,784				EOM Yield:	
Mar	21,384				5.20	
Apr	21,447	543	6.44	480	5.25	
May	20,975	0	6.50	472	5.26	
Jun	20,819	684	6.57	840	5.62	
Jul	20,819	701	6.63	701	5.59	
Aug	20,819	626	6.70	626	5.48	
Sep	19,810	0	6.77	1,009	5.70	
Oct	18,996	0	6.83	814	5.76	
Nov	17,840					
Dec	17,122					
2018	Jan	16,071				
Feb	14,712					
Mar	14,118					
Apr	13,674					
May	12,966					
Jun	12,524					
Jul	11,953					
Aug	11,517	0	7.40	436	5.32	
Sep	11,019	0	7.46	498	5.34	
Oct	10,572	0	7.52	447	5.47	
Nov	10,260	0	7.58	312	5.38	
Dec	9,937	0	7.64	323	5.44	
2019	Jan	9,619	0	7.70	318	5.67
Feb	9,335	0	7.76	284	5.49	

Quick Edit

Select a Quick Edit Option:

- Constant
- Annual growth rate
- Ramp to a value
- Ramp from/to a value
- Offset
- Aggregating Offset
- Distribute (replace existing)
- Distribute (as offset)

Distribute:

Last Calculation Results:

Total: 0

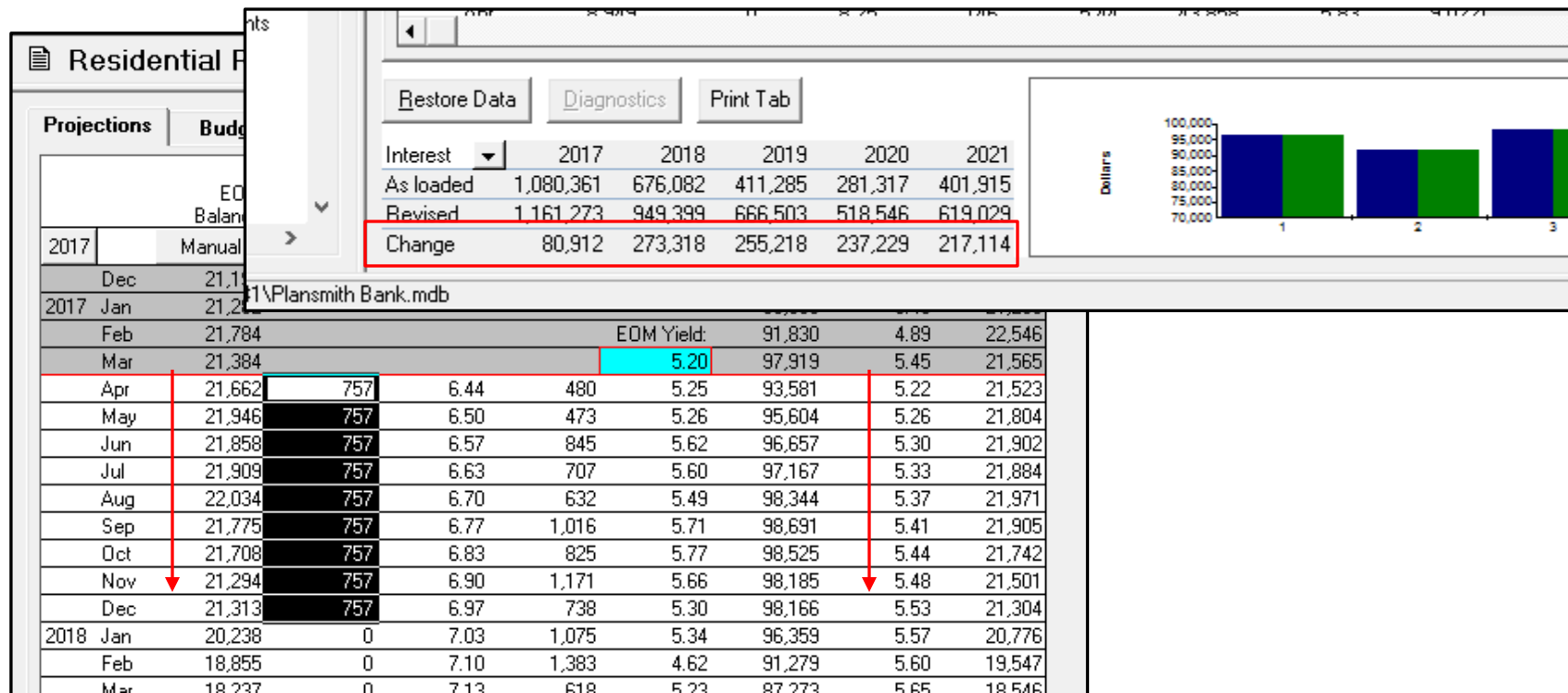
Average: 0.00

Trend: 0.00

Quick Edit

- Apply Trend
- Clear
- Copy
- Paste
- Calc. Total, Avg, & Trend

# Try a few things





# Try a few things

Residential RE - Fixed - Projections

Projections		Budget	Maturity	Variance	Fed Funds	Notes			
		EOM Balance	New Balance	Offering Rate	Total Maturities	Total Maturities Xrate	Interest	Yield	Average Balance
2017		Manual	[User Edit]	Quick					[User Edit]
	Dec	21,198					95,794	5.48	20,981
2017	Jan	21,282					96,603	5.45	21,280
	Feb	21,784				EOM Yield:	91,830	4.89	22,546
	Mar	21,384				5.20	97,919	5.45	21,565
	Apr	21,662	757	5.75	480	5.25	93,364	5.21	21,523
	May	21,946	757	5.75	473	5.25	94,827	5.22	21,804
	Jun	21,858	757	5.75	845	5.61	95,486	5.23	21,902
	Jul	21,909	757	5.75	707	5.58	95,436	5.23	21,884
	Aug	22,034	757	5.75	632	5.47	96,042	5.25	21,971
	Sep	21,775	757	5.80	1,016	5.69	95,821	5.25	21,905
	Oct	21,708	757	5.85	825	5.74	95,140	5.25	21,742
	Nov	21,294	757	5.90	1,171	5.64	94,081	5.25	21,501
	Dec	21,313	757	6.00	738	5.26	93,437	5.26	21,304
2018	Jan	20,238	0	6.10	1,075	5.31	91,400	5.28	20,776
	Feb	18,855	0	6.20	1,383	4.59	86,402	5.30	19,547
	Mar	18,237	0	6.30	618	5.18	82,416	5.33	18,546

Account Level Only!



Quick Edit

Select a Quick Edit Option:

- Constant
- Annual growth rate
- Ramp to a value
- Ramp from/to a value
- Offset
- Aggregating Offset
- Distribute (replace existing)
- Distribute (as offset)

Distribute:

Last Calculation Results:

Total: 0  
Average: 0.00  
Trend: 0.00

Ok  
Cancel

# Try a few things

The screenshot shows a tree view of a 'Balance Sheet' with various asset categories. A 'Quick Edit' dialog box is open, allowing for quick adjustments to a selected item.

**Balance Sheet**

- Assets
  - Cash & Due
    - Cash & Cash Items
    - Due From Banks
    - I/B Due From Banks
  - Fed Funds Sold
    - Fed Funds Sold
  - Securities
  - Loans
    - Commercial
      - Commercial Loans - Fixed
      - Commercial Loans - Var w/FL
      - Commercial Loans - Adj.
      - Municipal Loans
    - Real Estate
      - Commercial
        - Commercial RE - Fixed
        - Commercial RE - Adj w/C & FL
        - Land Development/Raw Land
        - Construction Fixed
        - Construction - Var w/FL
        - Agriculture RE - Fixed
      - Residential
        - Residential RE - Fixed
        - Residential RE - Var w/C & FL
        - Residential RE - Adj w/C & FL
        - Home Equity - Var
        - Home Equity-Var w/C & FL
        - Mortgage Loans Held For Sale
    - Credit Card Loans
    - Agriculture Loans - Fixed
    - Consumer
      - Consumer Loans - Fixed
      - Consumer Loans - Var.
      - Indirect Loans - Fixed

**Quick Edit**

Select a Quick Edit Option:

- Constant
- Annual growth rate
- Ramp to a value
- Ramp from/to a value
- Offset
- Aggregating Offset
- Distribute (replace existing)
- Distribute (as offset)

Distribute:

Last Calculation Results:

Total:	0
Average:	0.00
Trend:	0.00

The screenshot shows the same tree view of the 'Balance Sheet' as the previous image. A 'Growth Model' dialog box is open, allowing for the selection of a growth model and viewing a monthly growth rate table.

**Balance Sheet**

- Assets
  - Cash & Due
    - Cash & Cash Items
    - Due From Banks
    - I/B Due From Banks
  - Fed Funds Sold
    - Fed Funds Sold
  - Securities
  - Loans
    - Commercial
      - Commercial Loans - Fixed
      - Commercial Loans - Var w/FL
      - Commercial Loans - Adj.
      - Municipal Loans
    - Real Estate
      - Commercial
        - Commercial RE - Fixed
        - Commercial RE - Adj w/C & FL
        - Land Development/Raw Land
        - Construction Fixed
        - Construction - Var w/FL
        - Agriculture RE - Fixed
      - Residential
        - Residential RE - Fixed
        - Residential RE - Var w/C & FL
        - Residential RE - Adj w/C & FL
        - Home Equity - Var
        - Home Equity-Var w/C & FL
        - Mortgage Loans Held For Sale
    - Agriculture
      - Agriculture Loans - Fixed
    - Consumer
      - Consumer Loans - Fixed
      - Consumer Loans - Var.
      - Indirect Loans - Fixed

**Growth Model**

Model Selection

- Manual
- Quick Model
- New Model

3% Growth

		Growth Rate
2017	Jan	0.00
	Feb	0.00
	Mar	0.00
	Apr	0.00
	May	0.00
	Jun	0.00
	Jul	0.00
	Aug	0.00
	Sep	0.00
	Oct	0.00
	Nov	0.00
	Dec	0.00

# Try a few things

Residential RE - Fixed - Fed Funds

Projections | Budget | Maturity | Variance | **Fed Funds** | Notes

	Fed Funds Sold EOM Balances	Fed Funds Purch EOM Balances
2017		
Dec	0	0
2017 Jan	0	0
Feb	0	0
Mar	0	0
Apr	0	1,381
May	0	3,086
Jun	0	6,208
Jul	0	5,354
Aug	0	4,939
Sep	0	5,092
Oct	0	4,829
Nov	0	4,977
Dec	0	5,179
2018 Jan	0	4,465
Feb	0	3,829
Mar	0	3,580
Apr	0	3,617
May	0	7,425
Jun	0	7,393
Jul	0	7,267
Aug	0	7,308
Sep	0	8,671

Average Balance [User Edit] 20,981 21,280 22,546 21,565 21,523 21,804 21,902 21,884 21,971 21,905 21,742 21,501 21,304 20,776 19,547 18,546 18,003 17,403 16,804

Loans

- Commercial
  - Commercial Loans - Fixed
  - Commercial Loans - Var w/FL
  - Commercial Loans - Adj.
  - Municipal Loans
- Real Estate
  - Commercial
    - Commercial RE - Fixed
    - Commercial RE - Adj w/C & FL
    - Land Development/Raw Land
    - Construction Fixed
    - Construction - Var w/FL
    - Agriculture RE - Fixed
  - Residential
    - Residential RE - Fixed
    - Residential RE - Var w/C & FL
    - Residential RE - Adj w/C & FL
    - Home Equity - Var
    - Home Equity-Var w/C & FL
    - Mortgage Loans Held For Sale
- Agriculture
  - Agriculture Loans - Fixed
- Consumer
  - Consumer Loans - Fixed

# Try a few things

Money Market Accounts - Projections

Projections Budget

	EOM Balance	New Balance	Offering Rate	Expense	Cost	Average Balance
2017	Quick		Modeled			
Dec	30,375			8,702	0.33	30,828
2017 Jan	29,924			8,562	0.33	30,304
Feb	31,838			8,357	0.34	32,430
Mar	32,786			9,218	0.33	32,449
Apr	32,240	-546	0.29	7,657	0.29	32,513
May	31,702	-537	0.29	7,850	0.29	31,971
Jun	31,174	-528	0.29	7,563	0.29	31,438
Jul	30,654	-520	0.30	7,766	0.30	30,914
Aug	30,143	-511	0.30	7,730	0.30	30,399
Sep	29,641	-502	0.30	7,444	0.30	29,892
Oct	29,147	-494	0.31	7,641	0.31	29,394
Nov	28,661	-486	0.31	7,357	0.31	28,904
Dec	28,184	-478	0.31	7,562	0.31	28,422
2018 Jan	27,714	-470	0.32	7,509	0.32	27,949
Feb	27,252	-462	0.32	6,746	0.32	27,483
Mar	26,798	-454	0.32	7,427	0.32	27,025
Apr	26,351	-447	0.33	7,135	0.33	26,574
May	25,912	-439	0.33	7,329	0.33	26,132
Jun	25,480	-432	0.33	7,051	0.33	25,696
Jul	25,055	-425	0.34	7,231	0.34	25,268
Aug	24,638	-418	0.34	7,186	0.34	24,847
Sep	24,227	-411	0.34	6,890	0.34	24,433
Oct						
Nov						
Dec						
2019 Jan						
Feb						
Mar						
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Jun						
Jul						
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Sep						
Oct						
Nov						
Dec						
2020 Jan						
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2021 Jan						
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Nov						
Dec						
2022 Jan						
Feb						
Mar						
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Nov						
Dec						

Growth Model

Model Selection

Manual

Quick Model

New Model

3% Growth

Enter an annual growth rate:

-20 %

Buttons: Ok, Cancel, Save, Save As, Delete, Chart

Money Market Accounts - Projections

Projections Budget Variance Fed Funds Notes

	EOM Balance	New Balance	Offering Rate	Expense	Cost	Average Balance
2017	Quick		Modeled			
Dec	30,375			8,702	0.33	30,828
2017 Jan	29,924			8,562	0.33	30,304
Feb	31,838			8,357	0.34	32,430
Mar	32,786			9,218	0.33	32,449
Apr	32,240	-546	0.29	7,657	0.29	32,513
May	31,702	-537	0.29	7,850	0.29	31,971
Jun	31,174	-528	0.29	7,563	0.29	31,438
Jul	30,654	-520	0.30	7,766	0.30	30,914
Aug	30,143	-511	0.30	7,730	0.30	30,399
Sep	29,641	-502	0.30	7,444	0.30	29,892
Oct	29,147	-494	0.31	7,641	0.31	29,394
Nov	28,661	-486	0.31	7,357	0.31	28,904
Dec	28,184	-478	0.31	7,562	0.31	28,422
2018 Jan	27,714	-470	0.32	7,509	0.32	27,949
Feb	27,252	-462	0.32	6,746	0.32	27,483
Mar	26,798	-454	0.32	7,427	0.32	27,025
Apr	26,351	-447	0.33	7,135	0.33	26,574
May	25,912	-439	0.33	7,329	0.33	26,132
Jun	25,480	-432	0.33	7,051	0.33	25,696
Jul	25,055	-425	0.34	7,231	0.34	25,268
Aug	24,638	-418	0.34	7,186	0.34	24,847
Sep	24,227	-411	0.34	6,890	0.34	24,433
Oct						
Nov						
Dec						
2019 Jan						
Feb						
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Nov						
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2020 Jan						
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2021 Jan						
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May						
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Jul						
Aug						
Sep						
Oct						
Nov						
Dec						

Buttons: Restore Data, Diagnostics, Print Tab

Expense	2017	2018	2019	2020	2021
As loaded	100,692	112,554	125,571	135,132	141,374
Revised	94,707	85,241	76,254	65,797	55,165
Change	-5,985	-27,313	-49,316	-69,335	-86,209

Chart: Dollars

# Try a few things

Quick Fed Funds check!

Money Market Accounts - Fed Funds			
Projections	Budget	Variance	Fed Funds
	Fed Funds Sold EOM Balances	Fed Funds Purch EOM Balances	
2017			
Dec	0	0	
2017 Jan	0	0	
Feb	0	0	
Mar	0	0	
Apr	0	918	
May	0	3,273	
Jun	0	6,013	
Jul	0	5,848	
Aug	0	6,114	
Sep	0	6,822	
Oct	0	7,105	
Nov	0	7,792	
Dec	0	8,524	
2018 Jan	0	8,332	
Feb	0	8,211	
Mar	0	8,469	
Apr	0	9,004	
May	0	13,305	
Jun	0	13,758	
Jul	0	14,109	
Aug	0	14,621	
Sep	0	16,448	

Savings Accounts	
Time Deposits	
CD's > \$250K	
CD's > \$250K 0 - 6 Mo	
CD's > \$250K 7 - 12 Mo	
CD's > \$250K 13 - 24 Mo	
CD's > \$250K 25 - 36 Mo	
CD's > \$250K over 36 Mo	
IRA's > \$250K	
CD's < \$100K - \$250K	
CD's \$100K - \$250K 0 - 6 Mo	
CD's \$100K - \$250K 7 - 12 Mo	
CD's \$100K - \$250K 13 - 24 Mo	
CD's \$100K - \$250K 25 - 36 Mo	
CD's \$100K - \$250K over 36 Mo	
IRA's \$100K - \$250K	
CD's < \$100K	
CD's < \$100K 0 - 6 Mo	
CD's < \$100K 7 - 12 Mo	
CD's < \$100K 13 - 24 Mo	
CD's < \$100K 25 - 36 Mo	
CD's < \$100K over 36 Mo	
IRA's < \$100K	

CD's \$100K - \$250K over 36 Mo									
Projections	Budget	Maturity	Variance	Callable	Fed Funds	Notes			
	EDM Balance	New Balance	Offering Rate	Total Maturities	Total Maturities Xrate	Expense	Cost	Average Balance	
2017	Manual	[User Edit]	Quick					[User Edit]	
Dec	16,468					25,728	1.84	16,434	
2017 Jan	16,669					26,750	1.90	16,617	
Feb	17,122				EDM Cost:	24,202	1.79	17,614	
Mar	17,012				1.84	26,691	1.85	16,969	
Apr	17,040	28	1.35	0	0.00	25,709	1.84	17,026	
May	17,068	28	1.40	0	0.00	26,646	1.84	17,054	
Jun	17,097	28	1.47	0	0.00	25,830	1.84	17,083	
Jul	17,125	28	1.53	0	0.00	26,736	1.84	17,111	
Aug	17,154	29	1.60	0	0.00	26,782	1.84	17,140	
Sep	17,182	29	1.67	0	0.00	25,962	1.84	17,168	
Oct	17,211	352	1.73	323	2.22	26,805	1.84	17,197	
Nov	17,240	29	1.80	0	0.00	25,909	1.83	17,225	
Dec	17,269	363	1.87	334	2.41	26,742	1.82	17,254	
2018 Jan	17,297	141	1.93	112	2.39	26,695	1.82	17,283	
Feb	17,326	29	2.00	0	0.00	24,172	1.82	17,312	
Mar	17,355	527	2.07	498	2.28	26,763	1.82	17,341	
Apr	17,384	277	2.13	248	2.19	25,838	1.81	17,370	
May	17,412	215	2.20	106	2.20	26,744	1.81	17,399	

# Presenting the Options

## Plansmith - 2% Loan Growth

### Variance - Income Statement

	Year to Date	
	Actual Jan '17- Dec '17	Bud Jan Dec
<b>Interest Income</b>		
Residential		
Residential RE - Fixed	1,161,273	1,155,000
Residential RE - Var w/C & FL	12,742	8,000
Residential RE - Adj w/C & FL	24,775	37,000
Home Equity - Var	3,510	4,000
Home Equity-Var w/C & FL	115,392	113,000
Mortgage Loans Held For Sale	23,374	
<b>Total Residential</b>	<b>1,341,067</b>	<b>1,319,000</b>

## Plansmith - 2% Loan Growth

### Yields and Costs

#### FTE Adjusted

	*Jan 2017	*Feb 2017	*Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017
<b>Assets</b>												
Residential												
Residential RE - Fixed	5.98	6.00	6.01	6.00	6.00	6.00	6.01	6.02	6.04	6.05	6.06	5.93
Residential RE - Var w/C & FL	6.49											
Residential RE - Adj w/C & FL	5.35											
Home Equity - Var	6.50											
Home Equity-Var w/C & FL	6.22											
Mortgage Loans Held For Sale	6.72											
Avg. Residential	5.62											
Avg. Real Estate	5.82											
* Municipal Securities												
Municipals - Tax Free	3.54											
Municipals - Taxable	3.39											
Avg. Municipal Securities	3.53											
Avg. Securities	2.64											
<b>Loans</b>												
Commercial												
Commercial Loans - Fixed	5.29											
Commercial Loans - Var w/FL	6.59											
Commercial Loans - Adj	6.07											

Month	Rate
Jan 2017	5.98
Feb 2017	6.00
Mar 2017	6.01
Apr 2017	6.00
May 2017	6.00
Jun 2017	6.00
Jul 2017	6.01
Aug 2017	6.02
Sep 2017	6.04
Oct 2017	6.05
Nov 2017	6.06
Dec 2017	5.93

# Presenting the Options

**Directory**

- Reports
  - Chart of Accounts
  - Custom Reports
  - Financial Reports
  - Rate Risk
  - Rate Reports
  - Variance Reports
  - Analysis Reports
  - Summary Reports
  - Assumption Reports
- Charts
  - Basic
    - <Adjust Chart List>
    - Average Assets (\$000'S)
    - Efficiency Ratio(FTE)
    - Net Income (\$'s)
    - Net Interest Margin(Fte) Ratio
    - Return on Average Assets Ratio
    - Return on Equity Capital Ratio
    - Tier 1 Capital Ratio
  - Advanced
    - Immediate Non-parallel Rate Sh
    - Immediate Rate Shocked vs. M
    - Multi Rate Scenario NIM
    - Non-parallel Rate Shock Econo
    - Non-parallel Rate Shock Scena
    - Parallel EVE vs Minimum Equity
    - Rate Risk Bubbles - Detail
    - Rate Risk Bubbles - Summary
    - RDA Under 3 Rate Scenarios
- Snapshots
  - Reports
  - Charts
- Scripts
  - <Create Script>

**Chart Properties**

**Time:** 24 Months

**Title:** Return on Average Assets Ratio

**Subtitle:**

**Left:** Ratio

**Right:**

**Bottom:**

**Options:**  Include previous compute re

**PlanSmith - 2% Loan Growth**  
**Return on Average Assets Ratio**

Month	Previous	Current
Jan 17	0.75	0.75
Feb 17	0.95	0.95
Mar 17	1.00	1.00
Apr 17	0.75	0.75
May 17	0.85	0.85
Jun 17	0.90	0.90
Jul 17	0.95	0.95
Aug 17	0.95	1.00
Sep 17	0.95	1.00
Oct 17	0.95	1.00
Nov 17	0.95	1.00
Dec 17	0.95	1.00
Jan 18	0.95	1.00
Feb 18	0.95	1.00
Mar 18	0.95	1.00
Apr 18	0.95	1.00
May 18	0.95	1.00
Jun 18	0.95	1.00
Jul 18	0.95	1.00
Aug 18	0.95	1.00
Sep 18	0.95	1.00
Oct 18	0.95	1.00
Nov 18	0.95	1.00
Dec 18	0.95	1.00

# Presenting the Options

Directory: Annual Activity

Plansmith - 2% Loan Growth  
Annual Activity  
FTE Adjusted

Assets	Mar 2017	Total Maturity	New Balance	Dec 2017	FTE Income
Cash & Due	6,978	0	(4)		
Securities					
U. S. Agencies	1,667	500			
Mortgage-Backed Securities	52,161	7,818			
Municipal Securities	39,007	1,675			
Gross Unrealized AFS G/L	207	0			
Total Securities	93,042	9,992	1		
Loans					
Commercial	4,943	4,006			
Real Estate	67,231	29,693	3		
Agriculture	1,686	494			
Consumer	10,246	4,593			
Other Loans	384	0			
Total Loans	84,491	38,786	4		
Loan Loss Reserve	(1,309)	0			
Fixed Assets	3,758	0			
Goodwill	265	0			
OREO	47	0			
Equity Securities	1,392	0			
Other Assets	2,761	0			
<b>Total Assets</b>	<b>191,426</b>	<b>48,779</b>	<b>52</b>		
----- Total -----					
<b>Liabilities</b>	<b>Mar 2017</b>	<b>Maturity</b>	<b>Balance</b>		
Deposits	17,000	0			

Plansmith - 2% Loan Growth  
Loan Productivity  
(\* indicates actual values)

	*Jan 2017	*Feb 2017	*Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017
<b>Commercial</b>												
<b>Volume</b>	5,178	5,115	4,943	5,927	6,236	6,237	6,238	6,239	6,801	7,224	8,016	8,487
<b>Maturing</b>	1,081	916	466	115	119	1,540	658	152	339	519	140	426
<b>Pipeline</b>	1,372	1,791	1,698	1,099	428	1,541	659	153	901	942	932	898
<b>Yield</b>	5.61	5.65	5.65	4.66	4.78	5.14	5.44	5.42	5.39	5.37	5.35	5.32
<b>Income</b>	25,732	22,564	24,509	21,091	25,027	26,713	29,235	29,108	29,304	32,455	33,990	37,792
<b>Residential</b>												
<b>Volume</b>	24,044	25,164	24,612	24,892	25,179	25,094	25,147	25,275	25,019	24,954	24,543	24,565
<b>Maturing</b>	989	2,473	975	480	473	1,012	875	781	1,162	966	1,303	847
<b>Pipeline</b>	1,277	2,998	480	760	760	927	928	909	906	901	892	869
<b>Yield</b>	5.43	4.89	5.35	5.26	5.30	5.34	5.38	5.43	5.47	5.51	5.56	5.62
<b>Income</b>	109,206	103,367	110,948	108,306	110,870	111,759	112,922	114,366	114,553	115,049	114,528	115,192
<b>Consumer</b>												
<b>Volume</b>	11,279	10,739	10,246	10,289	10,332	10,375	10,418	10,461	10,505	10,549	10,593	10,637
<b>Maturing</b>	816	456	871	166	161	702	694	613	550	614	605	487
<b>Pipeline</b>	485	685	1,294	209	204	745	738	656	594	658	649	532
<b>Yield</b>	6.86	7.03	6.76	6.80	6.77	6.73	6.67	6.62	6.58	6.55	6.52	6.51
<b>Income</b>	67,499	59,459	60,054	57,369	59,315	57,226	58,880	58,702	56,674	58,519	56,659	58,663



# In Summary.....

## 3 factors of Reforecasting

- Identify the Variance
- Identify the Cause
- Identify the Reality

## 3 Steps before Reforecasting in Compass

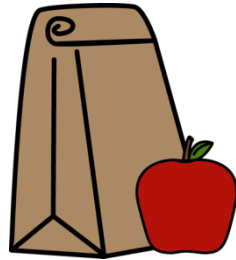
- Get with your Team
- Share the Results
- Discuss Action Plan

## 3 Steps to Reforecast in Compass

- Make Copies of Compass
- Try a few things
- Present the options

# Next Lunch 'n Learn...

## Market Rates vs. Offering Rates



Look for an upcoming **Lunch 'n Learn**  
in May on Pricing Models!



# Upcoming Events

*Compass Roundtable* - Friday, June 16<sup>th</sup> 2017

*Compass Advanced Coaching* - Thursday, September 21<sup>st</sup> 2017

*Compass Roundtable* - Friday, December 15<sup>th</sup> 2017

*Upcoming Lunch 'n Learns*

May – Pricing Models

Check out [www1.plansmith.com/events](http://www1.plansmith.com/events) for more event info,  
or contact Jenny Mello at 800-323-3281 or [jenny@plansmith.com](mailto:jenny@plansmith.com)



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# Thanks for Attending!

If you have any questions,  
please contact us at **800-323-3281**  
or **support@plansmith.com**