
Texas Bank Report

Texas Department of Banking, Charles G. Cooper, Commissioner

October 2021

Texas
Banker's

Community
Support

PPP Lending

**GO BIG
IN TEXAS**

**Wide Open For
Business**



Commissioner's Comments



"Combined with loans made to Texas businesses in 2020 and 2021 ... a total of \$63.6 billion ... Together, PPP had a profound impact on hundreds of thousands of local businesses and jobs."

As the old saying goes, the days are long, but the years are short. Here we are three-quarters of the way through 2021, yet it almost seems as if it just started. Recent months brought a flurry of activity during which our banks continued to rise to the occasion under unusual – and often difficult – conditions.

The most obvious example is the dedication demonstrated by your consistent service to customers as the COVID-19 pandemic entered its second year. State-chartered banks also efficiently administered the second round of funding under the Payroll Protection Program (PPP).

The program was renewed by Congress on January 11, 2021, and by the time it closed on May 31, 2021, Texas businesses received \$22.3 billion in PPP loans. Combined with loans made to Texas businesses in 2020, they received a total of \$63.6 billion, an amount second in the nation behind only California. Together, PPP had a profound impact on hundreds of thousands of local businesses and jobs.

State-chartered banks once again rallied to their communities' needs and worked through the arduous PPP process in a short period of time. I applaud your commitment to your customers and communities.

PPP round two and a related amendment to the Department's assessment rule mitigating the assessment effects of participating in the program, are both discussed in this edition of *Texas Bank Report*.

As COVID-19 vaccines became more readily available during the spring, and business began to return to normal, many of you expressed your wishes regarding onsite exams moving forward. Fifty-four percent of respondents to a Department survey reported they would like to see a hybrid model for examinations,

with some work onsite and the remainder offsite, while 23% want examinations to take place entirely onsite. Only 13% of respondents wished for our examiners to continue work entirely offsite.

The Department is taking all views expressed under consideration, and we pledge to maintain open lines of communication with our supervised entities as we continue to plan for the future.

While the pandemic continues to dominate the news and our lives, there were other events that impacted the industry. Specifically, a winter storm, continued cyber-attacks, and a legislative session. The flexibility and resilience bankers exhibited during all these events served Texans well with extremely few interruptions reported.

One thing that did not change in the first half of 2021, unfortunately, was the increasing need for heightened diligence regarding cybersecurity. This need was illustrated by two extremely high-profile ransomware attacks: one against Houston-based Colonial Pipeline in May and another in June against Brazil's JBS SA, North America's largest meat processor.

Meanwhile, the 87th regular legislative session which began in January ended May 31, 2021 - followed almost immediately by three special sessions - and several bills were passed affecting the Department to varying degrees. I encourage you to read the related article for more details on each.

Finally, on a more personal note, the Department wishes two long-time members of the Department's executive team, Deputy Commissioner Kurt Purdom and Assistant Deputy Commissioner Russell Reese, all the best in retirement.

A handwritten signature in blue ink that reads "Charles G. Cooper". The signature is fluid and cursive, with the first and last names being more prominent.

Charles G. Cooper
Banking Commissioner

Paycheck Protection Program



SBA Updates and PPP Forgiveness Process

By: Gordon Anderson

The spread of COVID-19 has dramatically slowed economic activity in many countries, including the United States. Small businesses have experienced challenges regarding liquidity and a collapse in revenue streams as the pandemic severely reduced most Americans' ability to engage in normal commerce. Many small businesses were forced to close temporarily or furlough employees and continued access to financing was crucial for them to weather this economic disruption and, ultimately, help restore economic activity.

As part of the 2020 Coronavirus Aid, Relief, and Economic Security Act (CARES) Act, Public Law 116-136, and in recognition of the exigent circumstances faced by small businesses, Congress created the Paycheck Protection Program (PPP). PPP loans are fully guaranteed as to principal and accrued interest by the Small Business Administration (SBA), the amount of each being determined at the time the guarantee is exercised.

As a general matter, SBA guarantees are backed by the full faith and credit of the U.S. Government. PPP loans also afford borrowers forgiveness up to the principal amount of the PPP loan if the proceeds of the loan are used for certain expenses. The SBA reimburses PPP lenders for any amount of a PPP loan that is forgiven. PPP lenders are not held liable for any representations made by PPP borrowers in connection with a borrower's request for PPP loan forgiveness. The lending process of the PPP ended May 31, 2021.

To help streamline the forgiveness process, the SBA's PPP opened its [direct forgiveness portal](#) on Wednesday, August 4, although lender participation is not a requirement. As of

August 2, 882 lenders were participating in the direct forgiveness portal, whereas 5,242 lenders participated in 2021 PPP loans.

A PPP [Direct Forgiveness Portal User Guide](#) is available on the SBA website; however, live customer service is available only to lenders participating in the Direct Forgiveness process. The SBA call-center may direct referral emails to lenders should inbound calls require their attention or additional discussion.

The COVID Revenue Reduction Score is available within the platform, but lenders should note this score will only be available for those loans which SBA scored and fall within the relevant dollar amount and classification (<\$150k, 2nd Draw Loans).

Updated [3508 forms](#) (3508s, EZ and 3508 full forms) are also now available. Lenders are advised to integrate these forms into their process as quickly as is possible. The platform already supports the submission of these additional fields.

More information regarding the forgiveness process, including the agency's recent Interim Final Rule addressing the COVID Revenue Reduction Score, Direct Borrower Forgiveness Process, and Appeals Deferment may be found on the [Federal Register](#).

Compromised Accounts?

There Is A Lot Your Bank CANS do!

By: Gordon Anderson

Calendar year 2020 data from the Federal Trade Commission show the agency received more than 2.1 million fraud reports from consumers, with imposter scams remaining the most common type of fraud reported.

Consumers reported losing more than \$3.3 billion to fraud last year, up from \$1.8 billion in 2019, elevated by a surge of reports in the early days of the COVID-19 pandemic. Nearly \$1.2 billion in losses reported were attributed to imposter scams, while online shopping accounted for about \$246 million in reported losses.

Fortunately, bankers have a resource at their disposal that can help guard customers from identity theft: the Closed Account Notification System (CANS).

Launched in March 2008, CANS was designed to help protect those who fall victim to an offense under [Texas Penal Code](#)

[§32.51](#) and subsequently close their deposit account. Customer information reported by financial institutions through CANS is shared with check verification companies who register with the Department. The reported information is used by merchants to decide whether or not to accept checks and other payment devices presented to them.

More than 700 Texas financial institutions have utilized – or currently utilize – CANS over the past 30 months, reporting more than 1,500 compromised accounts since January 1, 2018.

The Department encourages your bank to register for this service to reduce losses for both your institution and your customers. If you have any questions regarding CANS, please visit the Department's [website](#) to find the CANS section.

Closed Accounts Notification System (CANS) Activity

January 1, 2018 – August 1, 2021

Entity	Enrolled	Compromised Accounts Reported
Texas State-Chartered Banks	191	344
Texas State-Chartered Savings Banks	22	56
Federal Savings Banks	10	N/A
State Credit Unions	133	674
Federal Credit Unions	229	305
National Banks	170	111
Out-of-State State-Chartered Banks	12	104
Out-of-State National Banks	6	N/A
Total	773	1,594

87th Regular Session of the Texas Legislature: New Legislations Affecting Banks

By: Catherine Reyer

The 87th Regular Session of the Texas Legislature convened on January 12, 2021, and adjourned *sine die* on May 31, 2021. It was an unusual session in many aspects: a new Speaker; restrictions on in-person meetings due to the pandemic; a crippling winter storm that interrupted regular business, and diverted attention from other issues.

During the Session, 4,671 bills were filed, 587 of which passed, and 12 were vetoed by the governor. Below is a recap of some of the more significant passed bills that affect banks and trust companies.

[HB 1156](#) (effective 9/1/21) - Creates the criminal offense of financial abuse of elderly individual

[HB 1258](#) (effective 9/1/21) - Requires financial institutions to exchange data with the comptroller each calendar quarter to facilitate matching delinquent taxpayers with account holders

[HB 1514](#) (effective 5/18/21) - Clarifies reporting requirements for notification of abandoned property and procedures for adjudication of abandoned property claims

[HB 1576](#) (effective 6/7/21) - Establishes a work group to develop a master plan for the expansion of the blockchain industry and recommend corresponding policies and state investments

[HB 2106](#) (effective 9/1/21) - Provides for enforcement against credit card skimmers by the Texas Department of Licensing and Regulation

[HB 2533](#) (effective 6/14/21) - Exempts certain real property valuations from requirements of Texas Appraiser Licensing and Certification

[HB 4474](#) (effective 9/1/21) - Establishes rights of purchasers who obtain control of virtual currency for purposes of the Uniform Commercial Code

[HB 4477](#) (effective 9/1/21) - Clarifies requirements of financial institutions that suspect financial abuse of vulnerable adults

[SB 13](#) (effective 9/1/21) - Prohibits state agencies from investing in financial companies that boycott energy companies

- Defines financial company as a publicly traded financial services, banking, or investment company

[SB 516](#) (effective 9/1/21) - Increases the penalty for the offense of criminal mischief involving impairment or interruption of access to an ATM

[SB 626](#) (effective 9/1/21) - Omnibus guardianship bill, includes requiring notice to interested parties when an application for the creation of a management trust is filed

[SB 692](#) (effective 9/1/21) - Allows the guardianship abuse, fraud, and exploitation deterrence program to petition a court to obtain access to certain financial records

[SB 968](#) (effective 6/7/21) - Omnibus bill relating to state agency responses to public health emergencies

- Prohibits state agencies from issuing a COVID “passport”; prohibits businesses from requiring customers to provide a COVID “passport” to access the business or receive services from the business
- Requires state agencies to ensure their regulated entities comply with the new law prohibiting COVID passports

[SB 1203](#) (effective 9/1/21)

- Updates Business Organizations Code requirements for operations of business entities, including suspension of certain requirements during emergencies

The Department will continue to monitor legislation with potential impact to banks and trust companies during each Special Session called and any others that may follow.



Financial Literacy Initiative Passes 87th Regular Session

By: Gordon Anderson

Our state is gifted with a remarkably knowledgeable, talented, and creative workforce, but the fact remains that some of us have trouble handling our personal finances. The data does not lie: According to the Financial Industry Regulatory Authority's most recent [National Financial Capability Study](#):

- 21% of Texans reported that over the past year, their household spent more than their income;
- 48% lack a rainy-day fund;
- 39% of Texans with credit cards paid only the minimum on their credit cards during some months in the last year; and
- 29% of individuals can answer four or five questions on a basic five-question financial literacy quiz correctly.

Perhaps it was the last bullet point that helped push a small but important piece of legislation over the finish line during the 87th regular legislative session with strong bipartisan support.

[Senate Bill \(SB\) 1063](#), authored by Carol Alvarado, aims to do something about this situation by introducing a personal financial literacy course for Texas high school students.

Given the slim number of students who elect to take a personal financial literacy course, coupled with statistics such as those above, the legislature agreed it was necessary to increase the student population learning these skills.

Specifically, SB 1063 amends the Texas Education Code to revise the social studies curriculum requirements for the foundation high school program to give a student the option to complete one-half credit in personal financial literacy and economics as an alternative to one-half credit in just economics.

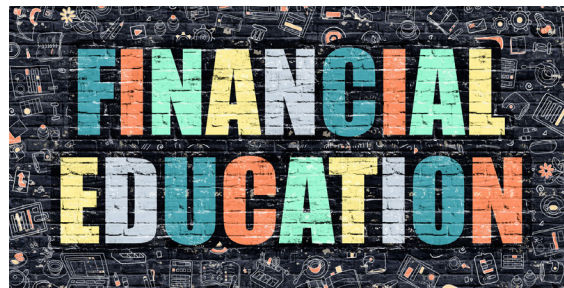
The bill requires the State Board of Education to ensure a personal financial literacy and economics course taken to comply with the social studies curriculum requirement allocates instruction time as follows:

- Two-thirds to instruction in personal financial literacy
- One-third to instruction in economics.

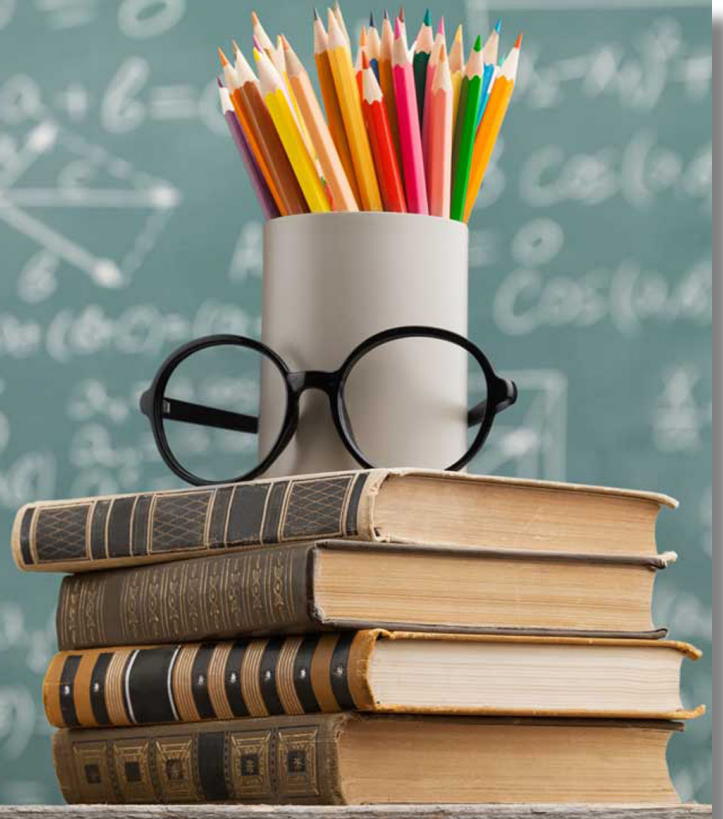
SB 1063 requires the Texas Education Agency to:

- develop a list of free, open-source, and publicly available curricula that may be used by a public school district to provide a personal financial literacy and economics course that satisfies the applicable curriculum requirement; and
- seek, accept, and spend any federal or private grant funds and gifts that are available for the purpose of providing a personal financial literacy and economics course as part of the foundation high school program.

SB 1063 will take effect beginning in the 2022-2023 school year.



TEXAS Financial Education



Financial Education Webinars: Are You in the Know?

By: Gordon Anderson

The Department of Banking and Office of Consumer Credit Commissioner join forces approximately once each quarter to present webinars offering consumer information and guidance on a variety of topics designed to increase the financial literacy of all Texans. These presentations are always free and typically are followed by a 15-minute question and answer session. Registration is required to obtain webinar instructions, however, and the number of attendees is limited.

For example, the most recent webinar, *Building A Better Budget*, presented July 28, focused on the benefits of keeping track of one's monthly expenses, how to create a realistic household budget, and the various tools available to help ensure one's hard-earned money is put to its wisest use. Attendees also received a budgeting basics worksheet.

A Blueprint for Smart Housing Decision was the title of an April 14 presentation examining the critical factors to consider when deciding whether to rent or buy a home. The session also

addressed the process of determining what housing you can afford, your credit score, different types of mortgages, and the steps involved in a home purchase.

Applying for Credit was the first webinar held jointly by the two agencies in October 2020. The 45-minute webinar concentrated on applying for credit, including an explanation of what lenders can and cannot use to determine your creditworthiness. The webinar also discussed the differences between good and bad credit, debt-to-income, and managing credit inquiries and credit scores.

Are you taking advantage of these opportunities? If not, why not? Find out more about these and other financial education resources by frequently visiting the Department's [financial education webpage](#), where you will find announcements for these webinars posted in advance of each presentation.

Rule Amendment Eases Assessment Effects on Paycheck Protection Participation

By: Everette Jobe

The Finance Commission of Texas, on behalf of the Department, recently amended the assessment rule, [7 TAC §3.36](#), to mitigate the assessment effects of participating in the Paycheck Protection Program (PPP). The amendment decreases a state bank's assessment base by the amount attributable to PPP loans reflected in the bank's financial statements.

The annual assessment chargeable to a state bank for the 12-month period beginning each September 1 is calculated based in part on the institution's total assets as reported in its most recent March 31 call report. An institution's total loan portfolio targeting economic stability and recovery during the COVID-19 crisis through PPP loans increases, all else being equal, which increases the total assets on its balance sheet by an amount equal to the outstanding balance of PPP loans. Under the pre-amendment assessment rule,

this increase in total assets would result in an increase to an institution's annual assessment.

Recognizing the important role Texas state banks have played in providing liquidity to small businesses and helping to stabilize and minimize the economic damage from the pandemic, the adopted amendment mitigates this potential for increased assessments by excluding the outstanding balance of all PPP loans from an institution's total assets.

Specifically, the definition of on-book assets in §3.36(b)(6) was amended to subtract the outstanding balance of PPP loans included on Schedule RC-M – Memoranda in the institution's March 31st call report from total assets. A definition for PPP was also added as new §3.36(b)(7).



Era Comes to an End for Department as Purdom and Reese Retire

By: Gordon Anderson

The Department lost two key members of its executive staff – and a combined 71 years of examination and regulatory supervision experience – as Deputy Commissioner Kurt Purdom and Assistant Deputy Commissioner Russell S. Reese both retired August 31, 2021.

Kurt Purdom joined the Department as an examiner in January 1982, becoming a Commissioned Examiner in August 1985. During Kurt's 39-year tenure, he held numerous positions including Field Examiner, Review Examiner, Regional Director, Director of Strategic Support, Director of Banking and Trust Supervision and Deputy Commissioner.

As Deputy Commissioner, a position he held since November 2018, he was responsible for overseeing the regulation and supervision of Texas state-chartered banks, trust companies, and foreign bank agencies and representative offices of foreign bank agencies.

Russell S. Reese served the State of Texas for over 32 years. He joined the Department in 1993 and served in several positions

over the following 27 years, including Financial Examiner and Director of the Special Audits Division, now known as the Non-Depository Supervision Division, prior to being promoted to his most recent position of Assistant Deputy Commissioner.

Reese was responsible for the supervision and examination of money services businesses, entities conducting currency exchange or money transmission services, as well the licensing of prepaid funeral contract sellers and perpetual care cemeteries doing business in Texas.

“The Department congratulates both Kurt and Russell for reaching this career milestone and wish them a happy retirement.” noted Commission Charles G. Cooper. “Each has played a large role in our management team for decades, guiding and directing the Department's regulatory mission to provide effective supervision to the industry.”

Financial Highlights

TABLE I Quarterly Balance Sheet and Operating Performance Ratios for Texas State-Chartered Commercial Banks 6/30/2021 Through 6/30/2020					
ACCOUNT DESCRIPTIONS (IN MILLIONS OF \$)	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020
Number of State-Chartered Banks	217	216	217	218	217
Total Assets of State-Chartered Banks	365,132	354,297	345,339	330,445	319,759
Number of Out-of-State, State-Chartered Banks Operating in Texas	48	45	45	45	42
Total Texas Assets of Out-of-State, State-Chartered Banks Operating in Texas	85,338	83,858	83,858	83,858	70,775
Subtotal				414,303	390,534
Less: Out-of-State Branch Assets/Deposits	-72,689	-64,512	-64,512	-64,512	-53,389
**Total State Banks Operating in Texas				349,791	337,145
BALANCE SHEET (Tx. State-Chartered Banks)					
Interest-Bearing Balances	52,631	47,826	48,445	31,727	32,082
Federal Funds Sold	692	1,188	1,165	998	1,103
Trading Accounts	1,222	856	857	931	966
Securities Held-To-Maturity	16,091	13,926	12,425	11,623	12,063
Securities Available-for-Sale	65,594	61,346	58,380	55,788	51,472
Total Securities	81,685	75,272	70,805	67,411	63,535
Total Loans	203,121	203,909	203,825	205,040	198,274
Total Earning Assets	338,129	328,195	324,240	305,176	294,994
Premises and Fixed Assets	5,168	5,153	5,148	5,082	5,048
Total Assets	365,132	354,297	345,339	330,445	319,759
Demand Deposits	51,592	44,296	44,171	39,007	38,732
MMDAs	179,590	174,771	164,165	157,982	147,140
Other Savings Deposits	30,477	35,707	33,778	32,601	31,433
Total Time Deposits	34,006	34,197	34,357	34,115	34,812
Brokered Deposits	4,959	5,595	5,627	5,568	4,906
Total Deposits	308,524	299,687	286,638	273,031	261,290
Federal Funds Purchased	3,446	3,052	3,839	3,036	3,061
Other Borrowed Funds	5,479	5,484	9,177	9,808	12,057
Total Liabilities	322,564	312,962	304,431	290,719	281,208
Total Equity Capital	42,568	41,335	40,908	39,727	38,552
Loan Valuation Reserves	2,653	2,833	2,937	2,965	2,854
Total Primary Capital	45,221	44,168	43,845	42,692	41,406
Past Due Loans > 90 Days	404	489	430	364	388
Total Nonaccrual Loans	1,039	1,101	1,175	1,113	895
Total Other Real Estate	165	174	188	197	199
Total Charge-Offs	90	48	572	433	331
Total Recoveries	61	29	96	71	39
Net Charge-Offs	29	19	476	362	292
INCOME STATEMENT					
Total Interest Income	5,175	2,538	10,499	7,880	5,207
Total Interest Expense	340	175	1,135	925	652
Net Interest Income	4,835	2,363	9,364	6,955	4,555
Total Noninterest Income	2,030	1,103	3,850	2,847	1,797
Loan Provisions	-354	-179	1,356	1,276	1,127
Salary and Employee Benefits	2,390	1,192	4,497	3,292	2,161
Premises and Fixed Assets Expenses (Net)	446	220	873	644	426
All Other Noninterest Expenses	1,154	552	2,345	1,745	1,165
Total Overhead Expenses	3,990	1,964	7,715	5,681	3,752
Securities Gains (Losses)	22	14	215	216	185
Net Extraordinary Items	0	0	0	0	0
Net Income	2,670	1,389	3,644	2,584	1,426
Cash Dividends	791	379	2,293	1,509	851
RATIO ANALYSIS					
Loan/Deposit	65.84%	68.04%	71.11%	75.10%	75.88%
Securities/Total Assets	22.37%	21.25%	20.50%	20.40%	19.87%
Total Loans/Total Assets	55.63%	57.55%	59.02%	62.05%	62.01%
Loan Provisions/Total Loans	-0.35%	-0.35%	0.67%	0.83%	1.14%
LVR/Total Loans	1.31%	1.39%	1.44%	1.45%	1.44%
Net Charge-Offs/Total Loans	0.01%	0.01%	0.23%	0.18%	0.15%
Nonperforming+ORE/Total Assets	0.44%	0.50%	0.52%	0.51%	0.46%
Nonperforming+ORE/Primary Capital	3.56%	3.99%	4.09%	3.92%	3.58%
Net Interest Margin	2.86%	2.88%	2.89%	3.03%	3.09%
Gross Yield	3.95%	4.11%	4.16%	4.32%	4.38%
Return on Assets	1.46%	1.57%	1.06%	1.04%	0.89%
Return on Equity	12.54%	13.44%	8.91%	8.65%	7.40%
Overhead Exp/TA	2.19%	2.22%	2.23%	2.29%	2.35%
Equity/Total Assets	11.66%	11.67%	11.85%	12.02%	12.06%
Primary Capital/Total Assets+LVR	12.30%	12.37%	12.59%	12.80%	12.83%
<i>*Unrealized gains/losses are already included in equity capital figures.</i>					
<i>**Total State Banks Operating in Texas includes branches of out-of-state, state-chartered banks.</i>					
<i>Data was derived from the FDIC website.</i>					

Financial Highlights

TABLE II
Comparative Statement of Condition
Commercial Banks Domiciled in Texas
June 30, 2021 and June 30, 2020

ACCOUNT DESCRIPTIONS (In Millions of \$)	6/30/2021 STATE CHARTERED		6/30/2021 NATIONAL CHARTERED		6/30/2021 ALL BANKS		6/30/2020 ALL BANKS	
		% TA		% TA		% TA		% TA
Number of Banks	217	% TA	159	% TA	376	% TA	386	% TA
BALANCE SHEET								
Interest-Bearing Balances	52,631	14.4%	24,307	14.0%	76,938	14.3%	55,911	11.5%
Federal Funds Sold	692	0.2%	1,692	1.0%	2,384	0.4%	8,277	1.7%
Trading Accounts	1,222	0.3%	78	0.0%	1,300	0.2%	1,100	0.2%
Securities Held-To-Maturity	16,091	4.4%	2,994	1.7%	19,085	3.5%	14,356	3.0%
Securities Available-For-Sale	65,594	18.0%	34,722	20.0%	100,316	18.6%	74,870	15.4%
Total Securities	81,685	22.4%	37,716	21.7%	119,401	22.2%	89,226	18.4%
Total Loans	203,121	55.6%	101,220	58.3%	304,341	56.5%	298,921	61.6%
Total Earning Assets	338,129	92.6%	164,935	95.0%	503,064	93.4%	452,335	93.2%
Premises & Equipment	5,168	1.4%	1,812	1.0%	6,980	1.3%	6,834	1.4%
TOTAL ASSETS	365,132	100.0%	173,641	100.0%	538,773	100.0%	485,454	100.0%
Demand Deposits	51,592	14.1%	37,346	21.5%	88,938	16.5%	61,812	12.7%
MMDAs	179,590	49.2%	60,359	34.8%	239,949	44.5%	216,077	44.5%
Other Savings Deposits	30,477	8.3%	21,856	12.6%	52,333	9.7%	52,528	10.8%
Total Time Deposits	34,006	9.3%	18,396	10.6%	52,402	9.7%	55,761	11.5%
Brokered Deposits	4,959	1.4%	3,447	2.0%	8,406	1.6%	11,252	2.3%
Total Deposits	308,524	84.5%	149,047	85.8%	457,571	84.9%	401,761	82.8%
Fed Funds Purchased	3,446	0.9%	1,424	0.8%	4,870	0.9%	4,496	0.9%
Other Borrowed Funds	5,479	1.5%	3,710	2.1%	9,189	1.7%	17,541	3.6%
TOTAL LIABILITIES	322,564	88.3%	155,954	89.8%	478,518	88.8%	430,228	88.6%
Equity Capital	42,568	11.7%	17,687	10.2%	60,255	11.2%	55,227	11.4%
Allowance for Loan/Lease Losses	2,653	0.7%	1,292	0.7%	3,945	0.7%	4,100	0.8%
Total Primary Capital	45,221	12.4%	18,979	10.9%	64,200	11.9%	59,327	12.2%
Past Due >90 Days	404		56		460		542	
Nonaccrual	1,039		610		1,649		1,552	
Total Other Real Estate	165		58		223		266	
Total Charge-Offs	90		67		157		565	
Total Recoveries	61		36		97		59	
INCOME STATEMENT								
	Y-T-D		Y-T-D		Y-T-D		Y-T-D	
Total Interest Income	5,175	100.0%	2,557	100.0%	7,732	100.0%	7,990	100.0%
Total Interest Expense	340	6.6%	198	7.7%	538	7.0%	1,055	13.2%
Net Interest Income	4,835	93.4%	2,359	92.3%	7,194	93.0%	6,935	86.8%
Total Noninterest Income	2,030	39.2%	997	39.0%	3,027	39.1%	2,629	32.9%
Loan Provisions	(354)	-6.8%	29	1.1%	(325)	-4.2%	1,550	19.4%
Salary & Employee Benefits	2,390	46.2%	1,198	46.9%	3,588	46.4%	3,317	41.5%
Premises & Fixed Assets (Net)	446	8.6%	211	8.3%	657	8.5%	635	7.9%
All Other Noninterest Expenses	1,154	22.3%	674	26.4%	1,828	23.6%	1,887	23.6%
Total Overhead Expenses	3,990	77.1%	2,083	81.5%	6,073	78.5%	5,839	73.1%
Securities Gains(Losses)	22	0.4%	14	0.5%	36	0.5%	222	2.8%
Net Extraordinary Items	0	0.0%	0	0.0%	0	0.0%	0	0.0%
NET INCOME	2,670	51.6%	1,095	42.8%	3,765	48.7%	2,114	26.5%
Cash Dividends	791		305		1,096		1,211	
Average ROA	1.46%		1.26%		1.40%		0.87%	
Average ROE	12.54%		12.38%		12.50%		7.66%	
Average TA (\$ Millions)	1,683		1,092		1,433		1,258	
Average Leverage	11.66%		10.19%		11.18%		11.38%	
Dividends/Net Income	29.63%		27.85%		29.11%		57.28%	

*Unrealized gains/losses are already included in equity capital figures.

Table includes only banks domiciled in Texas. Branches of out-of-state banks are not included.

Data was derived from the FDIC website.