

# PUBLIC DISCLOSURE

January 20, 1997

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Barnett Bank of Southwest Georgia  
Columbus, Georgia

Federal Reserve Bank of Atlanta  
104 Marietta Street, N.W.  
Atlanta, Georgia 30303

*NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.*

## TABLE OF CONTENTS

General Information .....	1
Summary	
Overall Rating .....	2
Lending, Investment, Service Test Table .....	3
Description of Institution .....	4
Description of Assessment Area .....	5
Conclusions with Respect to Performance Tests	
Lending Test .....	10
Investment Test .....	14
Service Test .....	16
Compliance with Antidiscrimination Laws .....	22
Scope of Examination .....	23

## GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **Barnett Bank of Southwest Georgia** prepared by the **Federal Reserve Bank of Atlanta**, the institution's supervisory agency, as of **January 20, 1997**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all, of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

## SUMMARY

**INSTITUTION'S CRA RATING:** This institution is rated Satisfactory.

Barnett Bank of Southwest Georgia's overall CRA performance is satisfactory based on a review of qualified loans, investments, and services offered and extended in the assessment area. The bank is primarily a consumer lender; therefore, these loans weighed heavily in evaluating the bank's performance. A substantial majority of the bank's loans (84 percent) were made within the assessment area, and an even higher percentage of the consumer loans (93 percent) were inside the assessment area. The bank's loan-to-deposit ratio exceeded 100 percent each quarter during the two-year period that ended September 1996. The average loan-to-deposit ratio during that time was approximately 118 percent, which was considerably higher than most competitors of similar size in the community.

Loans and credit services are offered throughout the assessment area regardless of geographic location, loan amount, asset size, or gross annual revenues of businesses. Management has taken an affirmative approach in meeting community credit needs of low- and moderate-income areas and individuals and small businesses and farms in a manner consistent with the bank's business strategies, resources, and capabilities. However, it was noted that neither branch locations nor business hours provide residents of low-income areas the same access to bank services that is available in middle- and upper-income areas. To compensate, the bank offers alternative delivery systems, but the disparity in business hours between the two sectors of the community has not been fully addressed.

The bank's qualified community development investments are adequate. The responsiveness, innovativeness, and complexity of the bank's investments, given their availability, is considered to be significant.

## SUMMARY (CONTINUED)

The following table indicates the performance level of **Barnett Bank of Southwest Georgia** with respect to the lending, investment, and service tests.

<b>PERFORMANCE LEVELS</b>	<b>BARNETT BANK OF SOUTHWEST GEORGIA</b>		
	<b>PERFORMANCE TESTS</b>		
	<b>Lending Test*</b>	<b>Investment Test</b>	<b>Service Test</b>
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

## DESCRIPTION OF INSTITUTION

Barnett Bank of Southwest Georgia (BBSWG) is a subsidiary of Barnett Banks, Inc., Jacksonville, Florida (BBI). The bank reported assets of \$296.9 million on September 30, 1996. The bank operates ten offices, six of which are located in Columbus (Muscogee County). The remaining four are located in each of the four other counties contained in the overall assessment area.

BBSWG is primarily a consumer lender. Loans to individuals account for nearly 60 percent of the loan portfolio. The table below shows the composition of the loan portfolio according to the September 30, 1996 Consolidated Report of Condition.

LOAN TYPE	PERCENTAGE OF TOTAL LOANS	TOTAL DOLLARS OUTSTANDING (000s)
Construction and Development	2.9%	\$7,263
One- to Four-Family Residential	22.9%	\$58,393
Multifamily Residential	1.5%	\$3,830
Nonfarm Nonresidential	10.1%	\$25,660
Agricultural Loans	.1%	\$232
Commercial and Industrial Loans	3.5%	\$8,831
Loans to Individuals	58.7%	\$149,616
Leases	.1%	\$192
Other Loans	.2%	\$578
<b>Total</b>	<b>100.0%</b>	<b>\$254,595</b>

## DESCRIPTION OF ASSESSMENT AREA

The bank has five different assessment areas, which include portions of Grady, Meriwether, and Thomas counties, and all of Muscogee and Lowndes counties. Each assessment area is located in Georgia. In total, the assessment areas include 79 census tracts (CTs) and block numbering areas (BNAs) with a total population of 300,995. One CT in Muscogee County has no population. Of the 78 populated CTs and BNAs, 10 (13 percent) are low-income, 18 (23 percent) are moderate-income, 30 (38 percent) are middle-income, and 20 (26 percent) are upper-income. 36 percent of the CTs and BNAs are low- to moderate-income, but only 30 percent of the population resides in these areas. Non-Hispanic whites account for 60 percent of the population, and minorities make up 40 percent. The largest minority group is black; this segment accounts for 36.1 percent of the area population. Blacks also constitute 77.3 percent of the residents living in low-income CTs and BNAs.

### **Grady County**

BBSWG has one office in Grady County. The Grady County assessment area is made up of four BNAs: one is moderate-income and three are middle-income. Approximately 27 percent of the population resides in the moderate-income BNA. Although the assessment area contains only moderate- and middle-income BNAs, 24 percent of the households live below the poverty level. The population of the assessment area is approximately 16,686, which represents 82 percent of the county's total population of 20,279. Non-Hispanic whites account for 65.5 percent of the assessment area's population, and blacks account for 32 percent.

### **Lowndes County**

BBSWG has one office in Lowndes County. The total population of the assessment area is 75,981, which makes it the second largest of the areas served by BBSWG. Lowndes County, which is not a part of a metropolitan statistical area (MSA), contains 16 CTs. Seven (44 percent) of the CTs are middle-income, five (31 percent) are upper-income, three (19 percent) are moderate-income, and one (6 percent) is low-income. 25 percent of the CTs are low- and moderate-income, and approximately 23 percent of the population resides in these CTs. Non-Hispanic whites account for 65.8 percent of the population. Blacks are the largest minority group and account for 31.8 percent of the population.

## DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

### **Meriwether County**

BBSWG has one office in Meriwether County. The Meriwether County assessment area contains only one BNA, which is middle-income and has a population of 6,054. Non-Hispanic whites account for 68 percent of the assessment area's population, and blacks account for 31.3 percent.

### **Muscogee County**

BBSWG has six offices in Muscogee County, which is located in the Columbus MSA. The Muscogee County assessment area is BBSWG's largest assessment area. Its 52 populated CTs account for 67 percent of the CTs and BNAs served by the bank and are home to 59 percent of the residents. The 15 upper-income and 15 middle-income CTs each represent 29 percent of the populated CTs in the assessment area. 13 moderate-income CTs account for 25 percent of the CTs, and nine low-income CTs account for 17 percent. Although 42 percent of the CTs in the assessment area are low- and moderate-income, only 35 percent of the population lives in these tracts. Blacks represent 37.5 percent of the population, and non-Hispanic whites represent 57.9 percent.

### **Thomas County**

BBSWG has one office in Thomas County. The Thomas County assessment area is made up of five BNAs. One BNA (20 percent) is moderate-income, and approximately 22 percent of the population resides in that BNA. The other four BNAs are middle-income. The population of the assessment area is 24,205, which represents 62 percent of the county's total population of 38,986. Non-Hispanic whites account for 56.3 percent of the assessment area's population, and blacks account for 42.8 percent.

### **Income Characteristics**

According to the 1990 Census, the median family income in the overall assessment area was \$27,512, compared with \$33,529 for the state. Of the five assessment areas, Muscogee County had the highest median income (\$28,565) while the Grady County assessment area had the lowest (\$22,232). 15.5 percent of the families in the overall assessment area live below the poverty level. The Grady County assessment area had the highest percentage of families below the poverty level (19 percent) while the Meriwether County assessment area had the lowest (13.8 percent).



## DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

### Income Characteristics (Continued)

BBSWG's assessment areas when combined indicate a very diverse community. A CT or BNA's designation as low-, moderate-, middle-, or upper-income does not provide a clear indication of the family income levels within the CT or BNA. For example, there are 79,728 families in the entire assessment area. Of the total number of families in moderate-income areas, 35 percent are low-income. 20 percent of the families residing in middle-income areas are low-income. Approximately 66 percent of the total number of low-income families in the assessment area reside in middle- and moderate-income CTs and BNAs.

The table below shows the distribution of families by income in the four income categories of CTs and BNAs. For example, of the total number of families in the low-income tracts in the assessment area, 63.3 percent are in fact low-income.

**% OF FAMILIES EARNING WAGES COMMENSURATE WITH TRACT/BNA DESIGNATION**

CT/BNA INCOME CATEGORY	LOW-INCOME FAMILIES	MODERATE-INCOME FAMILIES	MIDDLE-INCOME FAMILIES	UPPER-INCOME FAMILIES	TOTAL
Low-income	63.3%	15.6%	11.9%	9.2%	100.0%
Moderate-income	34.9%	24.4%	19.0%	21.7%	100.0%
Middle-income	20.1%	18.1%	23.5%	38.3%	100.0%
Upper-income	8.8%	10.3%	17.8%	63.1%	100.0%
Assessment Area Total	22.7%	16.6%	20.0%	40.7%	100.0%

For each income category of CTs and BNAs, the percentage of the total families in each income category in the assessment area is shown in the following table. For example, of the total number of low-income families in the assessment area, 21.5 percent of them live in low-income CTs and BNAs.

**% OF FAMILIES EARNING AND LIVING IN DESIGNATED TRACT/BNA**

CT/BNA INCOME CATEGORY	LOW-INCOME FAMILIES	MODERATE-INCOME FAMILIES	MIDDLE-INCOME FAMILIES	UPPER-INCOME FAMILIES
Low-income	21.5%	7.2%	4.6%	1.7%
Moderate-income	28.9%	27.6%	17.9%	10.0%
Middle-income	37.5%	45.9%	49.7%	39.9%
Upper-income	12.1%	19.3%	27.8%	48.4%
Total	100.0%	100.0%	100.0%	100.0%

## DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

### **Income Characteristics (Continued)**

The tables show that upper-income families are the largest segment in the assessment area and that the largest percentage of the low-income families actually live in the middle-income CTs and BNAs.

### **Labor and Employment Summary**

The five counties included in the bank's overall assessment area have diverse employment levels as demonstrated by the unemployment rates from the Georgia Department of Labor as of December 1996: Lowndes County - 3.3 percent; Thomas County - 3.9 percent; Muscogee County - 4.6 percent; Grady County - 4.8 percent; and Meriwether County - 11.4 percent. The unemployment rate for the state was 4.3 percent. In the overall assessment area, 65.4 percent of residents who are 16 years of age or older are in the labor force.

### **Housing Characteristics/Affordability**

Based on the total number of owner-occupied units, occupied rental units, the gross monthly rent levels, and the number of vacant units available, housing seems to be sufficient to meet the needs of the entire community, including low- and moderate-income families and residents of low- and moderate-income areas. The Columbus MSA exhibited an increasing trend in housing starts between 1991 and 1994; however, between 1994 and 1995 housing starts slowed, which is indicated by the decrease in new residential permits issued. According to the 1990 Census, housing units in the assessment area totaled 119,049. 53 percent were owner-occupied, and 39 percent were rental units. Nearly 50 percent of the rental units in the assessment area were leased for less than \$351; the gross median monthly rent for Georgia was \$433. The median housing value of \$56,627 for the assessment area was 20 percent lower than the median housing value for the state (\$70,707).

### **Economic Patterns**

Serving as a host venue for the 1996 Olympics helped to diversify the Columbus economy. The diversity is illustrated by the types of products and services offered throughout the community. MUTECH, a large producer of batteries; Pratt Whitney, which produces turbine engine blades; Westvaco; Fort Benning; and AT&T Universal Card Services Corporation

## DESCRIPTION OF ASSESSMENT AREA (CONTINUED)

### **Economic Patterns (Continued)**

contribute to the local economy. Retail sales in the Columbus MSA increased from \$914 million in 1980 to more than \$1.8 billion in 1992, an increase of 98 percent. Information compiled by the Columbus Chamber of Commerce shows that during 1994 and 1995, new business relocations and local business expansions caused \$247.9 million to be invested in the community. The investment in the community has created 4,310 new jobs for both white-collar and blue-collar workers. The economic outlook for Columbus is optimistic based on information from the Columbus Chamber of Commerce.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

### I. LENDING TEST

BBSWG is rated "High Satisfactory" under the large retail bank criteria for the Lending Test. The loans that were analyzed were made during 1995 and the first three quarters of 1996.

#### Assessment Area Concentration

The following table shows the distribution of loans inside and outside the bank's assessment area.

LOAN TYPE	INSIDE ASSESSMENT AREA		OUTSIDE ASSESSMENT AREA	
	Number of Loans	Percentage of Loans	Number of Loans	Percentage of Loans
Credit Cards	221	77%	67	23%
Home Equity Lines	182	73%	66	27%
Rural Development Loans	11	73%	4	27%
Home Improvement	203	79%	53	21%
Home Purchase - Conventional	266	86%	43	14%
Home Purchase - FHA and VA	233	92%	21	8%
Mortgage Refinancing	226	76%	72	24%
Motor Vehicle	1583	93%	124	7%
Other Consumer Secured and Unsecured	334	64%	187	36%
Small Business	134	88%	19	12%
Total <sup>1</sup>	3393	84%	656	16%

As mentioned earlier and illustrated above, the bank primarily focuses on consumer loans. Motor vehicle loans are the largest category of loans in the bank's portfolio, and a substantial majority of them (93 percent) were granted to borrowers within the assessment area. 3,393 (84 percent) of the 4,049 loans were extended to borrowers inside the assessment area, which further illustrates the bank's excellent record of lending to borrowers within the assessment area.

---

<sup>1</sup>Loan files that were missing data are not reflected in this total.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### I. LENDING TEST (CONTINUED)

#### Lending Distribution by Geography

The bank has demonstrated a satisfactory record of granting loans throughout the assessment area, including low- and moderate-income areas. The following table shows the geographic distribution of loans by income level of the CT or BNA.

LOAN TYPE	% IN LOW- INCOME CT/BNA	% IN MODERATE- INCOME CT/BNA	% IN MIDDLE- INCOME CT/BNA	% IN UPPER- INCOME CT/BNA
Credit Cards	2%	10%	40%	48%
Home Equity Lines	1%	6%	27%	66%
Rural Development Loans	0%	0%	45%	55%
Home Improvement	2%	6%	30%	62%
Home Purchase - Conv.	2%	3%	25%	70%
Home Purchase - FHA and VA	2%	6%	46%	46%
Mortgage Refinancing	2%	4%	33%	61%
Motor Vehicle	2%	13%	40%	45%
Other Consumer Secured and Unsecured	3%	12%	36%	49%
Small Business	5%	9%	23%	63%
Total	2%	10%	36%	52%

BBSWG has offered and extended virtually all of its loan products to all areas of the community including low- and moderate-income areas. The rate of loan penetration in low- and moderate-income areas is low but is not a significant concern because individuals of varying income levels are fairly well distributed throughout the assessment area. The relatively low level of lending in low-income areas may also be attributed to the large number of households living beneath the poverty level. Through its internal analyses, management has recognized that potentially underserved communities exist in the assessment area and has developed and implemented initiatives to address the needs identified.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### I. LENDING TEST (CONTINUED)

#### Lending Distribution by Borrower Income or Business Revenue

The distribution of loans to borrowers of different income levels is shown in the table below. The distribution is shown for both the number of loans and the dollar amounts.

LOAN TYPE	LOW-INCOME BORROWERS		MODERATE-INCOME BORROWERS		MIDDLE-INCOME BORROWERS		UPPER-INCOME BORROWERS	
	#	\$	#	\$	#	\$	#	\$
Credit Cards	26%	11%	24%	22%	32%	40%	18%	27%
Home Equity Lines	4%	2%	13%	9%	18%	17%	66%	71%
Home Improvement	10%	5%	17%	12%	25%	18%	48%	65%
Home Purchase - Conventional	3%	1%	9%	5%	22%	16%	66%	78%
Home Purchase - FHA and VA	4%	2%	22%	17%	38%	36%	36%	45%
Mortgage Refinancing	4%	2%	9%	5%	23%	16%	63%	78%
Motor Vehicle	8%	5%	25%	23%	29%	28%	39%	43%
Other Consumer Secured and Unsecured	17%	10%	23%	15%	25%	23%	35%	52%

BBSWG has an excellent record of granting consumer purpose loans to borrowers of different income levels. The bank has a good record of lending to borrowers of different income levels in all other loan categories, as well. The table illustrates that the bank has not attracted low-income borrowers for conventional home purchase loans. High closing costs, coupled with more stringent underwriting guidelines and the fact that 19 percent of the households live beneath the poverty level, make it difficult for low-income borrowers to qualify for this type of credit. Business loans were omitted from this analysis because of missing revenue information.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)**

### **I. LENDING TEST (CONTINUED)**

#### **Lending Distribution by Borrower Income or Business Revenue (Continued)**

Small business loans account for a small percentage of the bank's loan volume. Although given consideration, these loans were not weighted as heavily as the consumer loans. Since the last examination, the bank made 98 small business loans totaling \$7.8 million. 24 loans totaling \$1.7 million were made to businesses owned by women and minorities. 68 loans were made to companies with revenues of \$1 million or less.

All 11 of the Rural Development loans made inside the assessment area were in amounts less than \$100,000. Eight (73 percent) were to moderate-income borrowers.

#### **Community Development Lending**

##### Columbus Capital Assistance Program (C-CAP)

C-CAP was a \$4.5 million minority business loan program that began in 1994 and was administered by the Minority Business Development Center (MBDC). Although the program has since been discontinued, in 1995 BBSWG funded a \$50,000 C-CAP loan to purchase an existing business.

##### Low-Income Housing Tax Credits (LIHTC)

BBSWG made a commitment to finance the construction of 558 units of multifamily housing for low-to moderate-income individuals. The commitment amount was approximately \$15.2 million. 466 units were financed before the previous examination, and the remaining 92 units were financed during 1995 and 1996.

#### **Innovative or Flexible Lending Practices**

The bank offers various loan products with flexible underwriting criteria; however, the number of loans originated under special programs is declining. This reduction in nonconforming loans reflects the bank's strategic plan. The bank now relies more heavily on FHA and VA loans, which can be sold in the secondary market, to meet special credit needs.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### II. INVESTMENT TEST

*BBSWB is rated "High Satisfactory" under the large retail bank criteria for the Investment Test.*

#### *Investment and Grant Activity*

*BBSWB had approximately \$26 million in municipal bonds outstanding at year-end 1995 and \$22 million as of September 30, 1996. However, only five bonds totaling \$1,460,000 had a direct benefit to the assessment area. In addition, BBSWB contributed over \$34,000 in 1995 and 1996 to various credit and banking-related programs and events that benefited the community.*

*BBS recently incorporated a community development corporation (CDC) to aid its banks in meeting the community development needs of their assessment areas. BBS made an initial commitment of \$1 million to the CDC for administrative costs and an additional \$2 million equity investment in the Florida Housing Equity Fund. The CDC will provide funding for public welfare projects; allow limited investments and loans to community development financial institutions; and permit investments and loans to develop, rehabilitate, manage, sell, and rent residential and nonresidential properties that benefit low- and moderate-income persons. It will also allow investments in and loans to small businesses located in low- and moderate-income areas to stimulate economic development and create long-term employment opportunities for low- and moderate-income persons. In addition, it will permit investments in or loans for facilities and programs such as job training, credit counseling, and technical assistance that are designed to benefit low- and moderate-income persons and small businesses. As of this examination, there were no direct beneficiaries of the CDC.*

*BBSWB has also bid on a low-income housing tax credit initiative in Columbus. As of this examination, no decision had been made regarding this investment.*



## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### II. INVESTMENT TEST (CONTINUED)

#### *Responsiveness to Credit and Community Development Needs*

*The development of the CDC by BBD was proactive and innovative. BBD is one of only four bank holding companies in the Southeast that has its own CDC. The complexity of the qualified investments has not posed any significant restraints that have hindered BBSWY from participating. The bank's investments exhibit an adequate level of responsiveness based on evaluation of performance context, area demographics, and contacts made within the community.*

#### *Community Development Initiatives*

*BBSWY has taken a major role in Uptown Columbus, Inc. The bank's president serves on the board of directors. This organization's primary focus is downtown revitalization. Uptown Columbus provides counseling and business planning assistance to downtown merchants and businesses. Uptown Columbus also provides financing to local businesses. BBSWY has participated in four loans since December 1995.*

*Also, BBSWY committed \$500,000 to the Banker's Historic Loan Program. This program provides loans to properties in the Columbus Historic District, which is located in two low- and moderate-income CEs, as well as other historic tracts. Two loans totaling \$199,000 were made in 1995.*

*BBSWY has committed \$1 million to a \$5 million proposed loan pool modeled after the Atlanta Mortgage Consortium. Formation of the Columbus Mortgage Consortium is pending as the organization awaits other bank commitments. This organization's primary focus will be mortgage lending to low- and moderate-income residents of Muscogee County.*

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### III. SERVICE TEST

*BBSWG is rated "High Satisfactory" under the large retail bank criteria for the Service Test.*

#### Retail Banking Services

##### Distribution of Branches

BBSWG purchased a failed savings and loan institution in Muscogee County. It had six offices, which BBSWG currently operates. As mentioned, BBSWG has ten offices: six in Muscogee County, and one each in Thomas, Grady, Meriwether, and Lowndes counties. The tables below show the distribution of the branches by geographies for the overall assessment area and for Muscogee County only. Muscogee County contributes approximately 75 percent of the bank's loan volume.

#### COMBINED ASSESSMENT AREAS

CT/BNA INCOME TYPE	NUMBER OF BRANCHES	PERCENTAGE OF BRANCHES	PERCENTAGE OF TOTAL FAMILIES
Low	0	0%	23%
Moderate	3	30%	17%
Middle	4	40%	19%
Upper	3	30%	41%
Total	10	100%	100%

#### MUSCOGEE COUNTY

CT INCOME TYPE	NUMBER OF BRANCHES	PERCENTAGE OF BRANCHES	PERCENTAGE OF TOTAL FAMILIES
Low	0	0%	22%
Moderate	2	33%	17%
Middle	1	17%	19%
Upper	3	50%	42%
Total	6	100%	100%

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### III. SERVICE TEST (CONTINUED)

#### Retail Banking Services (Continued)

*BBSWB did not directly determine the locations of its six offices in Muscogee County because they were purchased when the savings and loan was acquired. No branches of BBSWB are located in low-income CTs or BNAs; however, low-income CTs and BNAs contain 23 percent of the families. Moderate-income CTs and BNAs contain 30 percent of the bank's branches compared to 17 percent of the families. Although no branches are located in low-income CTs or BNAs, most are within close proximity of a low-income area and can provide adequate service to the residents of those areas. In addition, 79 percent of the low-income families live outside the low-income areas. Approximately 66 percent of them live in moderate- and middle-income CTs and BNAs, which happen to contain 70 percent of all branch locations.*

#### Range of Services by Geography

All offices in Muscogee County have the same hours of operation during the week. On Saturdays, drive-through banking is available at the three branches in upper-income CTs. Drive-through banking for branches in middle- and moderate-income CTs is not available on Saturday. According to management, low customer traffic at the branches in moderate- and middle-income areas is the primary reason for not operating Saturday drive-through banking. No information was provided to indicate what impact would be made on the bank if the drive-through lanes were opened on Saturdays. Data on service volumes for each of the offices in Muscogee County for the period of January through July 1996 was provided.

OFFICE NAME	LOBBY TRANSACTIONS	DRIVE-IN TRANSACTIONS	BRANCH LOCATION
Bradley Park	2,711	4,868	upper-income CT
Edgewood	3,178	4,864	upper-income CT
Airport Thruway	3,029	2,622	upper-income CT
St. Mary's	2,947	1,521	middle-income CT
Holly	1,339	2,172	moderate-income CT
Columbus	3,248	3,145	moderate-income CT

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### III. SERVICE TEST (CONTINUED)

#### Retail Banking Services (Continued)

Total lobby transactions for the branches in moderate- and middle-income CTs were 84.5 percent of total lobby transactions for the branches in upper-income CTs. Lobby transactions seem to be very similar except for the Holly Branch. Drive-through transactions were not compared because figures for branches in upper-income CTs include Saturday transactions.

The branches located in Meriwether, Grady, Thomas, and Lowndes counties have primarily the same hours of operation, but the office in Meriwether County does not have a drive-through window. However, the branch lobby is open on Saturday from 9:00 a.m. to 1:00 p.m. The drive-through windows at the other offices are open on Saturday.

Each branch offers similar products and services to meet the banking needs of its service area. Credit cards, lines of credit, personal loans, home mortgage loans, small business and farm loans, and commercial loans and lines of credit are some of the products offered by BBSWG. A review of loan files indicates that the bank is receiving loan requests for the types of loans listed above from all branches.

#### Record of Opening and Closing Branches

BBSWG has not opened or closed any branches since the previous examination.

#### Alternative Service Delivery Systems

The bank's alternative delivery systems include a network of automated teller machines (ATMs), a loan production office, telephone banking, personal computer (PC) banking, and banking by mail.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### III. SERVICE TEST (CONTINUED)

#### Retail Banking Services (Continued)

**ATM DISTRIBUTION**

CT INCOME TYPE	NUMBER OF ATMs	PERCENTAGE OF ATMs	PERCENTAGE OF TOTAL FAMILIES
Low	0	0%	23%
Moderate	3	4%	17%
Middle	1	14%	19%
Upper	3	43%	41%
Total	7	100%	100%

Six of the bank's ten offices are equipped with ATMs. Five branch ATMs are in Muscogee County and one is in Lowndes County. Two of the branches with ATMs are in moderate-income areas in Muscogee and Lowndes counties. In addition, the bank operates an off-site ATM at Fort Benning Army Base, which is in a moderate-income CT in Muscogee County. The ATM at the Valdosta branch in Lowndes County was installed in November 1996, and the ATM at Fort Benning was installed in July 1996. The addition of the ATMs has enhanced the bank's ability to provide 24-hour retail banking services to its assessment area, especially low- and moderate-income areas. Although the bank has no ATMs in low-income CTs or BNAs, the distribution of low-income families in moderate- and middle-income areas indicates that access to ATMs as well as branches is reasonable.

BBSWG has no proprietary ATMs in Thomas, Meriwether, and Grady counties; however, the bank participates in the Honor and Pert national ATM networks, which provide BBSWG customers access to basic banking services.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### III. SERVICE TEST (CONTINUED)

#### Retail Banking Services (Continued)

The bank also has a 24-hour banking service by telephone. This service provides account information, fund transfer capabilities, loan application options, and check services, such as stop payments and new check ordering. A local telephone number and a toll-free number for nationwide access are provided to bank customers. BBSWG also offers banking services to customers using personal computers. This service features multiple account options.

In 1996, telephone banking services handled over 364,000 calls, 37,459 of which were loan-related inquiries. 76 calls pertained to mortgage loans, and 1,344 pertained to consumer loans. No data was available indicating how effective this service has been in providing alternative delivery systems to low- to moderate-income communities and applicants.

Also, the bank has a loan production office in Macon, Georgia, in an upper-income area.

#### *Community Development Services*

The evaluation of community development services focused primarily on Muscogee County because it contains the majority of the bank's offices. The bank has engaged in a number of community development services that are responsive to the needs of the assessment area. The following chart depicts some of the activities during the review period.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS (CONTINUED)

### III. SERVICE TEST (CONTINUED)

#### Community Development Services (Continued)

ORGANIZATION/PROGRAM	SERVICE PROVIDED
BEALLWOOD AREA NETWORK DEVELOPMENT	Provides financial services, affordable housing seminars, and credit workshops. Bank officers serve on investment and housing committees.
METRO COLUMBUS URBAN LEAGUE	Provides credit, home buyer, and job counseling to low-income and minority residents. Bank officer serves on board of directors.
WOMEN IN BUSINESS ORGANIZATION	Co-sponsored annual conference. Approximately 150 to 200 women business owners attended. Bank officer serves on board of directors.
CONSUMER CREDIT COUNSELING CENTER	Co-sponsored home ownership seminars.
FORT BENNING, DIRECTORATE OF CONTRACTING	Worked with small and disadvantaged business specialist to assist businesses with EDI/electronic commerce needs.
EAST ALABAMA CHAMBER OF COMMERCE	Provided home ownership counseling and personal financial counseling at various seminars and workshops.
COLUMBUS CHAMBER OF COMMERCE	Provided technical assistance to small business owners and personal financial counseling. Business banker serves on small business steering committee.
BUSINESS OUTREACH SERVICES, UNIVERSITY OF GEORGIA, SMALL BUSINESS DEVELOPMENT CENTER	Provided assistance in business planning as well as counseling to small business owners. Bank officers have spoken at several small business functions.
TWO THOUSAND OPPORTUNITIES, INC.	Provides job training for young single parents. Bank employee serves on board of directors. Human resources director has presented workshops on interviewing and resume writing.
UPTOWN COLUMBUS, INC.	Provided business planning assistance and counseling to small businesses. Participates in small business loan program and SBA 504 program. Bank president and other bank officers serve on the board of directors, loan and housing committees, and association board.
<i>COMMON GROUND</i>	A quarterly newsletter that informs concerned citizens of Barnett's community development activities and special programs. The newsletter is received by a diverse group of more than 300 minority-owned businesses, and government and community leaders in BBSWG's assessment area.
PARTNERS IN EDUCATION AND OTHER EDUCATIONAL PROGRAMS	Provides financial assistance and workshops regarding the banking industry to Bibb Elementary, Carver High School, Manchester High School, Future Business Executive Program, etc.

### COMPLIANCE WITH ANTIDISCRIMINATION LAWS

The bank is in compliance with the substantive provisions of the fair lending laws and regulations. The review of loan files, policies, procedures, and the credit scoring system revealed no discriminatory provisions or any provisions that would exclude any protected class from having access to credit.



## SCOPE OF EXAMINATION

**TIME PERIOD REVIEWED:** 9/6/94 to 9/30/96

FINANCIAL INSTITUTION	PRODUCTS REVIEWED
Barnett Bank of Southwest Georgia	Credit Cards Home Equity Lines Rural Development Loans Home Improvement Home Purchase - Conventional Home Purchase - FHA and VA Mortgage Refinancing Motor Vehicle Other Consumer Secured and Unsecured Small Business

### LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION

ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
GEORGIA:  Muscogee County (part of Columbus MSA)	On-site	Main office	
Non-MSA rural Georgia (Grady, Lowndes, Meriwether, & Thomas counties)	Off-site		

TO THE INSTITUTION EXAMINED:

THIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION WAS PREPARED BY THE FEDERAL RESERVE BANK OF ATLANTA. THE FOLLOWING ACTIONS MUST BE TAKEN TO FULFILL THE CRA'S REQUIREMENTS.

- C AT A MINIMUM, PLACE THE EVALUATION IN YOUR CRA PUBLIC FILE LOCATED AT YOUR HEAD OFFICE (AND A DESIGNATED OFFICE IN EACH OF YOUR LOCAL COMMUNITIES) NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THE EVALUATION.
- C PROVIDE A COPY OF THE EVALUATION TO THE PUBLIC UPON REQUEST (YOU ARE PERMITTED TO CHARGE A FEE NOT TO EXCEED THE COST OF REPRODUCTION AND MAILING IF APPLICABLE) NO LATER THAN 30 BUSINESS DAYS AFTER RECEIVING THIS LETTER.

**FEDERAL RESERVE BANK OF ATLANTA**

ASSISTANT VICE PRESIDENT

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
CYNTHIA C. GOODWIN

\_\_\_\_\_  
(Title)

.....

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

\_\_\_\_\_  
19

TO THE FEDERAL RESERVE BANK OF ATLANTA

A COPY OF THE COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION PREPARED AS OF THE CLOSE OF BUSINESS JANUARY 20, 1997, BY AN EXAMINER FOR THE FEDERAL RESERVE BANK OF ATLANTA HAS BEEN RECEIVED AND WILL BE MADE AVAILABLE TO THE PUBLIC IN THE MANNER STATED IN THE LETTER WHICH ACCOMPANIED THE EVALUATION.

\_\_\_\_\_  
(Signature of Authorized Officer)

\_\_\_\_\_  
(Title)

BARNETT BANK OF SOUTHWEST GEORGIA

\_\_\_\_\_  
(Name of Bank)

COLUMBUS, GEORGIA

\_\_\_\_\_  
(Location)

# FEDERAL RESERVE BANK OF ATLANTA

Cynthia C. Goodwin  
ASSISTANT VICE PRESIDENT

Board of Directors  
Barnett Bank of Southwest Georgia  
Post Office Box 1497  
Columbus, Georgia 31993

Dear Board Members:

Enclosed is the bank's Community Reinvestment Act Performance Evaluation prepared by Federal Reserve Examiner La'Mont L. Toomer using the guidelines established by the Federal Financial Institutions Examination Council. This evaluation was prepared in accordance with the Community Reinvestment Act (CRA), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, and must be made available to the public. The following actions must be taken to fulfill the CRA's requirements.

- C At a minimum, place the evaluation in your CRA public file located at your head office (and a designated office in each of your local communities) no later than 30 business days after receiving this letter.
- C Provide a copy of the evaluation to the public upon request (you are permitted to charge a fee not to exceed the cost of reproduction and mailing if applicable) no later than 30 business days after receiving this letter.

Please acknowledge receipt of this evaluation by signing and returning the attached blue form. The format and content of the evaluation should not be altered or abridged in any manner. You may wish to comment on this information detailing actions the bank has taken since the examination to meet its obligations under the CRA. Any written comments concerning the evaluation placed in the public file should also be forwarded to this office. If you believe any of the information included in the public evaluation is proprietary, please contact this Reserve Bank so that the appropriate action can be taken.

Our Community Affairs staff is available to assist you in determining and responding to community credit needs. Please feel free to contact Mr. Courtney Dufries at (404) 589-7226. If you have any questions concerning this report or any other compliance matter, contact Ms. Gale Williams at (404) 589-7223.

Very truly yours,

Cynthia C. Goodwin

Enclosures

# FEDERAL RESERVE BANK OF ATLANTA

**Cynthia C. Goodwin**  
ASSISTANT VICE PRESIDENT

Ms. Patricia Hartje  
Regional Compliance Manager  
Office of the Comptroller of the Currency  
Marquis One Tower, Suite 600  
245 Peachtree Center Avenue, N.E.  
Atlanta, Georgia 30303

Dear Ms. Hartje:

Enclosed for your information is a copy of the Community Reinvestment Act Performance Evaluation for Barnett Bank of Southwest Georgia, Columbus, Georgia, as of January 20, 1997.

A copy of our letter of transmittal to the bank's board of directors is also enclosed.

Very truly yours,

Cynthia C. Goodwin

Enclosures

# FEDERAL RESERVE BANK OF ATLANTA

**Cynthia C. Goodwin**  
ASSISTANT VICE PRESIDENT

Mr. Joel Palmer  
Assistant Director II  
Regional Operations - Compliance  
Office of Thrift Supervision  
1475 Peachtree Street, N.E.  
Atlanta, Georgia 30309

Dear Mr. Palmer:

Enclosed for your information is a copy of the Community Reinvestment Act Performance Evaluation for Barnett Bank of Southwest Georgia, Columbus, Georgia, as of January 20, 1997.

A copy of our letter of transmittal to the bank's board of directors is also enclosed.

Very truly yours,

Cynthia C. Goodwin

Enclosures

# FEDERAL RESERVE BANK OF ATLANTA

**Cynthia C. Goodwin**  
ASSISTANT VICE PRESIDENT

Mr. Jimmy Loyless  
Regional Director  
Federal Deposit Insurance Corporation  
One Atlantic Center, Suite 1600  
1201 West Peachtree Street, N.E.  
Atlanta, Georgia 30309-3449

Dear Mr. Loyless:

Enclosed for your information is a copy of the Community Reinvestment Act Performance Evaluation for Barnett Bank of Southwest Georgia, Columbus, Georgia, as of January 20, 1997.

A copy of our letter of transmittal to the bank's board of directors is also enclosed.

Very truly yours,

Cynthia C. Goodwin

Enclosures

**PUBLIC DISCLOSURE**

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

Name of Bank: BARNETT BANK OF SOUTHWEST GEORGIA

City and State: COLUMBUS, GEORGIA

Date of Examination: JANUARY 20, 1997

**FEDERAL RESERVE BANK OF ATLANTA**