

Bank Renews JMFA OVERDRAFT PRIVILEGE® Contract, Proclaims: “If it’s not broke, don’t try to fix it.”

THE BANK OF MARION

After a successful five years on JMFA OVERDRAFT PRIVILEGE®, The Bank of Marion saw no reason not to renew its contract with JMFA. Between the excellent service after the sale, including ongoing monitoring, compliance assistance, and educational opportunities offered by JMFA, the bank has enjoyed numerous benefits while offering its account holders a valuable, fully-disclosed service.



BANK SHINES WITH CUSTOMER CARE

The Bank of Marion (BoM) was founded in 1874, making it the third-oldest bank in Virginia. With \$351 million in assets and 14 locations across Southwest Virginia (plus a branch across the state line in Johnson City, Tennessee), the bank continues to thrive by giving its account holders the latest and greatest offerings along with good old-fashioned customer care.

WHY MESS WITH SUCCESS?

The Bank of Marion signed on to implement JMFA OVERDRAFT PRIVILEGE® after seeing a decline in performance and service from its previous vendor. Then, after their initial engagement, the bank signed a renewal contract with JMFA with no hesitation. What made this decision so easy?

According to BoM CFO Chris Snodgrass, “We’re not the experts on overdraft, JMFA is. It’s our largest source of non-interest income—why not remain partnered with the experts and keep that income steady?”

More specifically, the bank found the ongoing monitoring by JMFA to be invaluable in maintaining both performance and compliance.

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PERSONALLY MONITORING PERFORMANCE

Snodgrass enthusiastically recalls how JMFA has had a presence during the entire five years of the bank’s initial contract.

First, there are the monthly reports which show key profitability areas. Second, every two to three months, there is a deeper dive into the metrics with data analysis to review what looks good, what is doing ok, and what needs attention. And third, every year, the JMFA team offers Snodgrass a comprehensive and detailed check-in.



5-STAR SERVICE

But that’s not all. JMFA also visits The Bank of Marion on-site each year

to re-interview Snodgrass, the bank’s Operations Officer, and the employee who administers the overdraft program. And each year, according to Snodgrass, they discover a few things that the bank hadn’t fully implemented, shining light on new opportunities.

“When we implemented our customer acquisition and growth program [with another vendor],” Snodgrass said, “we doubled our account openings and our charge-offs went up. They monitored that and after implementing his recommendations, we got our charge-offs down and more in-line with the peer-group averages for JMFA’s client base.”

This personalized, ongoing monitoring and service proved a stark contrast to the overdraft vendor that BoM used previously, which rarely contacted the bank aside from collecting the yearly software maintenance fee.

“Before JMFA,” said Snodgrass, “I couldn’t tell you all the data points, but now, we’ve dialed into those key metrics on the monthly reports.”

MAINTAINING COMPLIANCE

In keeping with JMFA’s 100% compliance guarantee, the compliance component of the program has also impressed Snodgrass and BoM, saving them time, money, and headaches.

For instance, the bank often sends out educational mailings. If any regulatory changes occur, JMFA immediately notifies BoM about what needs to be updated—then confirms that those changes have been made when on-site for the comprehensive review.

“That review is important not only from an income perspective but also from a compliance and risk management perspective as well,” Snodgrass said.

On why BoM renewed with JMFA, he said, “I know from talking with my JMFA reps that some clients decide to go off-contract and try to do it on their own, but we decided that the ongoing fine-tuning is a clear benefit. If you leave something untouched, best practices will fade over time—things get lost in transitions, between changes in employees.”

But, Snodgrass is confident that that the ongoing monitoring and customer service from JMFA would catch anything that slipped through their team, preserving the integrity and profitability of the overdraft program.

“As a retail-focused bank, we’re spending a significant amount of money acquiring new customers. I think it would be foolish not to keep the good systems [from JMFA] in place.”

LEARNING OPPORTUNITIES ABOUND

The Bank of Marion has also taken advantage of JMFA’s educational resources over the years.

The bank’s training manager leads the bank’s new teller training and annual refresher training. Parts of those trainings include how to open a new account—a process that uses scripts provided by JMFA for overdraft opt-in.

The bank has also sent two employees for continuing education through the JMFA Academy. Snodgrass reports that upon returning, the employees felt more engaged, had a more comprehensive view of what they were doing, and felt proud of the services the bank offers to its account holders.

CONTINUED SUCCESS MAKES FOR AN EASY CHOICE

Since implementing JMFA OVERDRAFT PRIVILEGE® and its customer acquisition program, the Bank of Marion has seen considerable growth. Comparing quarterly reports of all the banks in Virginia, The Bank of Marion’s fee income as a percentage of assets regularly outperforms the average of the larger banks in the state with \$1 billion or more in assets. Snodgrass notes that this is particularly outstanding, as BoM doesn’t have the trust departments or mortgage servicing that some of those larger banks have.

“Some of the numbers are kind of hard to believe,” said Snodgrass. When I talk to other bankers, I show them our numbers and they see it. But you have to believe results [like ours] can be true for your bank. It’s been a fantastic thing for us and our customers.”

In closing, Snodgrass suggests other financial institutions should not delay contacting JMFA about its overdraft program.

JMFA is proud to continue delivering exceptional service to The Bank of Marion and helping to provide a fully disclosed, 100% compliant overdraft program and valuable service to its account holders.

To learn more about getting this level of service and delivering a responsible overdraft program to your account holders, visit www.jmfa.com.

About JMFA

JMFA is one of the most trusted names in the industry. Whether it’s recovering lost revenue, creating more value, serving members better, delivering a 100% compliant overdraft service, or uncovering new savings with vendor contract negotiations—JMFA provides measurable results with proven solutions. To learn more, contact your local representative or call us at (800) 809-2307.