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First Citizens National Bank - People Centered and Unbelievably Good



Jeff Agee
Chairman & CEO

First Citizens National Bank

Interview conducted by:
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CEOCFO Magazine

CEOCFO: *Mr. Agee, every bank has their own way of approaching things and their own way idea of what banking should be. What is the overall approach and vision at First Citizens National Bank?*

Mr. Agee: Our vision is to be people centered and unbelievably good. People centered means that we love our team, our communities and our customers. On the teammate side, we execute multiple strategic actions compounding our positive culture, each and every day. FirstCNCB is known for being a fired up, top performing company.

We believe in staying small and intimate in the customers and communities' eyes no matter how big we get.

CEOCFO: *Would you give us an example of how you work on that on an ongoing basis?*

Mr. Agee: FirstCNCB's teammates are actually owners of this company. When I say owners, I mean we have an employee stock ownership plan and contribute 10% of the teammate's taxable income every year for their retirement.

In the past, 100% of that went to the ESOP but now we split the allocation with our 401k, and 100% of that comes from the bank. Our employees own a nice portion of this company which gives them a sense of pride and ownership.

CEOCFO: *When an employee first starts with you, do they understand the overall value of that approach, and how do you bring them into the fold?*

Mr. Agee: We do lots of communication. With our onboarding process, Human Resources, training and myself share information about our many benefits including the ESOP. I will give our new hires examples of teammates that have been with the bank twenty, thirty, or forty years and how they have become more financially secure by being a beneficiary of these benefits, because we have invested in employee stock, which is company-owned stock.

Our reputation for being a great place to work helps communication also. First Citizens National Bank was recognized in 2020 by the American Banker Magazine, as one of the "Best Banks to Work For" in the United States. FirstCNCB ranked #52 for 2020 but has been in the top 55 for the past eight years.

CEOCFO: *Would you tell us about the geography you serve?*

Mr. Agee: Our 26 branch locations are located in middle, west and east Tennessee. FirstCNCB's core legacy markets are in rural counties in Tennessee where the bank derives much of its core deposits. The bank's loan growth is derived more from the middle and east Tennessee branches.

CEOCFO: *I see on your website "Unbelievably Good Banking." How does being part of First Citizens National Bank make a difference for your customer?*

Mr. Agee: Goal one is to hire people that are strategically aligned with our culture and core values. Secondly, in our training process we educate our teammates on being customer centric. We have a program called Welcome Home, which also encourages teammates to become deeply rooted in the communities we serve.

Our teammates know most of the company's customers. They work side-by-side with them in community events and civic clubs and may go to church with them. There is a personal connection with our customers and our teammates.

CEOCFO: *Do you know when you are hiring somebody if they are a good fit?*

Mr. Agee: There have been hires that I am humbly proud of, and some cases there have been mistakes made, so yes and no.

One thing about our company is we have a turnover ratio less than peer average almost every single year. The turnover ratio is one of our strategic initiatives for incentives.

CEOCFO: *Would you tell us about the range of services at First Citizens National Bank?*

Mr. Agee: For a community bank we are pretty diverse. We really embrace commercial business, retail business, and offer a full array of services. First Citizens National Bank owns an insurance company and mortgage division; we also partner in the brokerage business. The bank embraces technology/E-banking. Mobile banking has become one of our fastest growing services within the company. President Judy Long strategically guides the bank in the electronic arena.

"We believe in staying small and intimate in the customers and communities' eyes no matter how big we get." Jeff Agee

CEOCFO: *How do you decide where to focus your efforts in community involvement?*

Mr. Agee: We must live out our vision and one of those actions is being deeply rooted in our communities. First Citizens National Bank's teammates love their communities and have a passion to make a difference. We love to give back and I am going to give credit to the two leaders before me.

Stallings Lipford, who was CEO through the 1970s and 1980s, was probably the most giving person in this entire county. Katie Winchester, CEO, my predecessor, ensured First Citizens National Bank would be deeply rooted in our markets.

CEOCFO: *Would you tell us about your remote learning literacy program?*

Mr. Agee: That is another way we give back! Our industry does a very good job with financial literacy. Tennessee Bankers' Association, along with bankers throughout Tennessee, does a great job of promoting literacy. There is a big need for financial literacy across the U.S.

CEOCFO: *What do you see for 2021; what is ahead for the bank?*

Mr. Agee: First Citizens National Bank along with the banking industry will face multiple hurdles during 2021 including: low-rate environment, net interest margin dilution, increased regulations and a new administration. On top of these hurdles, technology adoption will continue to expand. Our company must embrace these challenges and generate efficiencies in the delivery of customer service. FirstCNB is cautiously optimistic for the year 2021 and we are very glad to turn the page on 2020.