From: Allison Yarnell [mailto:AllisonY@wheatlandbank.com]
Sent: Tuesday, March 10, 2009 6:44 PM
To: Comments
Cc: 'info@icba.org'
Subject: Assessments, RIN 3064-AD35

To Whom It May Concern:

As a strong and growing independent community bank, with a solid, profitable performance for the year ended December 31, 2008 and thus far for the 1st Quarter of 2009, and excellent asset quality, we are extremely disappointed in the proposed 20-basis point (bps) emergency deposit premium to help fund and recapitalize the Deposit Insurance Fund (DIF).

It seems unfair to burden the community banks that by their conservative nature, did not participate in the risky sub-prime lending practices that helped lead to the current economic crisis. The insurance premiums for Wheatland Bank for 2009 were already projected to go up 124% as a result of the regular assessment increase from 5 to 12 bps, and now they could go up 162% (to $272,000) with a special assessment on top, even at 10bps. This represents approximately 16% of our net income before tax, which absolutely hinders our ability to make progress in the economic recovery process in the communities we serve. Interest rates are at all time lows, margins are squeezed, the economy has been facing recession, and now we are being challenged with the prospect of a significant emergency assessment when the economy so desperately needs us to lend money and get the credit markets to flow.

We support the method of calculating the assessment based on total assets (minus tangible capital), as this will more fairly force the larger institutions, more prone to lending practices that helped lead to this current crisis, to bear the larger burden of the special assessment. How ironic, that most of the larger institutions have participated in the Trouble Asset Repurchase Program (TARP) will now have excess liquidity via the U.S. Treasury, to pay this special assessment.

We also believe that other alternatives to funding the Deposit Insurance Fund should be carefully considered and thoroughly examined. Such alternatives include borrowing from the Treasury, as is currently being considered, issuing debt instruments to the public, and others. We would like to request that this examination process of alternative funding options continue to provide for community bank input.

Thank you for your consideration of our comments.

Sincerely,
Allison Yarnell

Allison Yarnell, CPA
Executive Vice President/CFO/Finance
Wheatland Bank
N.222 Wall Street, Ste 308
Spokane, WA 99201
Direct: 509-242-5626
Fax: 509-242-5632