

From: [Randy Sizemore](#)
To: [Comments](#)
Subject: [EXTERNAL MESSAGE] RIN 3064-AG15
Date: Thursday, September 18, 2025 9:22:15 AM
Attachments: [image001.png](#)

Ms. Jennifer M. Jones
Deputy Executive Secretary
Attention: Comments
RIN 3064-AG15
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Dear Ms. Jones,

I am writing this email in support of a recent proposal to increase the Part 363 thresholds for Community Banks as follows:

	<u>Current Threshold</u>	<u>Proposed Threshold (subject to indexing)</u>
• IDI's become subject to Part 363 Annual Reporting Requirements		\$500
million	\$1 billion	
• IDI's become subject to basic audit committee requirements		\$500
million	\$1 billion	
• Auditor's attestation & reporting regarding Internal Control climate		\$1
billion	\$5 billion	
• Audit Committee Composition		\$3
billion	\$5 billion	

I am the EVP/CFO of Andrew Johnson Bank, a \$600 million asset Community Bank based in Greeneville, TN. We have eight locations in four different TN county markets and have 100 employees. 2025 is our 50th year in business and we support our communities by offering traditional deposit products to retail/business clients as well as providing lending support through single family mortgages, residential construction, OO-CRE, NOO-CRE, CRE Construction, C&I and Consumer loans. Additionally, we support our communities through CRA efforts, bank employees serving on non-profit boards and local donations.

We crossed the \$500 million asset threshold at the end of 2021 and became subject to Part 363 reporting in 2022. The additional burden of complying with Part 363 costs my bank around \$50,000 a year due to separation of audit and tax functions (firms) as well as additional work on my team to prepare the Audited Financials and footnotes. While that amount doesn't seem

large, it is equivalent to the wages of roughly 1.5 front-line employees. Using normal growth rates, we will likely cross the \$1 billion asset threshold in 6-7 years. In talking with other bank CFO's, I anticipate the cost of complying with the higher Internal Controls framework at \$100,000 or more. That would be equivalent to the base wages of another 3 front-line employees.

I am in full support of the proposal as well as the proposal to index the Part 363 thresholds so that they increase for the future and consider inflation. None of these thresholds have been adjusted in 30+ years while the number of banks that have grown beyond the outdated Part 363 asset thresholds is material. In 1992, only 7 percent of IDI's had assets > \$500 million but today, 40 percent of IDI's have assets > \$500 million. I would further argue that that threshold for the Auditor's attestation & report regarding Internal Controls should be moved to \$10 billion instead of the \$5 billion proposal.

Thank you for your consideration.

Randy J. Sizemore

Executive Vice President | CFO

Andrew Johnson Bank



Helping Friends is our Business



Andrew Johnson Bank

Celebrating 50 Years

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