



P.O. Box 340
BESSEMER, ALABAMA 35021
PHONE (205) 428-8472

October 14, 2016

Manuel E. Cabeza, Counsel
Attn: Comments
Room MB-3105
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Re: FFIEC 031, FFIEC 041, FFIEC 051

Dear Mr. Cabeza:

First Financial Bank management appreciates the opportunity to comment on the proposal for a new Consolidated Reports of Condition and Income for Eligible Small Institutions (FFIEC 051). As I am sure is the case with other small financial institutions, our Bank is affected by the current high level of regulatory burden and reporting requirements that have grown tremendously in the last several years. We would estimate that our Bank spends approximately 40-60 hours each quarter compiling, verifying, and inputting the data necessary to complete the current Call Reporting forms. We were eagerly awaiting this new proposal to see a significant reduction in time and effort expended on the Call Report on a quarterly basis. Our hope for a significant reduction in burden was not met by the proposal open for comment.

On the surface, the new proposal appears to have significantly reduced the reporting burden on eligible small institutions through the reduction of the Call Report from 85 pages to 61 pages. Furthermore, the new proposal does eliminate 950 data items, or 40% of the previously required data items, from the Call Report. However, very few of those eliminated data points applied to our Bank – which we believe would be typical of the majority of community banks. In addition, the time our Bank will have to spend completing the new Supplemental Information schedule will replace the potential time saved through the elimination of the previously mentioned data items. While the new proposal appears to reduce reporting requirements, our Bank will not see much, if any, relief from Call Reporting requirements.

For our Bank, the highest concentration of burden from the current Call Report comes from schedules RC-C, RC-N, and RC-R. Our Bank would suggest a few options related to these schedules. First, the data items requested in these schedules could be reduced along with the previously discussed data items that were eliminated. Second, a more simplified approach could be adopted for calculating capital ratios for community banks or banks meeting certain capital ratio criteria – specifically capital ratios and risk weighted assets. Third, these schedules could be completed on a semi-annual basis instead of an annual basis, considering the majority of the data items do not fluctuate considerably from quarter to quarter. If significant fluctuations were noted during the less extensive quarters, explanations could be provided by the Bank. Any of these options would considerably reduce the Call Reporting burden currently felt by our Bank.

Again, we would like to thank the agencies for allowing community banks the opportunity to comment on the new proposal. While the new proposal does tailor the new Call Reporting forms to institutions less than \$1 billion in total assets, our Bank will still face the same burden in preparing the required Call Report forms given that the data items and schedules eliminated or reduced were not those that were applicable to community banks in general or our Bank specifically. Our Bank hopes this new proposal is just the beginning of additional future changes to reduce regulatory and Call Reporting burden on community banks.

Sincerely,

A handwritten signature in blue ink that reads "B. K. Goodwin III". The signature is written in a cursive style with a distinct "III" at the end.

B. K. "Skipper" Goodwin III
Chairman, President, and CEO
First Financial Bank
Bessemer, AL