

FIRSTCITYBANKER

First City National Bank of Austin

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May 1985

The Special Olympic Movement



The competitions play an important part in the lives of the special athletes.

It was 18 years ago that an exceptional athletic program was launched. The experts were skeptical as to its success — but they were amazed at the results on that summer day in 1968 when 1,000 mentally retarded children traveled to Chicago for two days of athletic competition. This unique two-day event led to the development of Special Olympics, and today it is the world's most extensive sports program for the mentally retarded, drawing participants from all 50 states and 52 foreign countries.

Our State's Games

Throughout the year, the Texas Special Olympics offers competition in basketball, track and field, gymnastics, soccer, frisbee, swimming, softball, and bowling, as well as snow skiing in New Mexico. The Texas State Games is the largest athletic competition in the world for mentally retarded individuals. It is anticipated that more than 4,000 special olympians will compete in the 1985 games held during May.

Your Support

Special Olympics is a volunteer program. It takes virtually 1,000 individuals

to make the event a success. Can they count on you?

First City National Bank of Austin is a corporate sponsor of the Texas Special Olympics, and not only do we want to provide monetary support, but we want to give you the opportunity to share in a program that will steal your heart away.

DO YOU WANT TO VOLUNTEER?

EVENT: Opening Ceremonies

DATE: May 22, 1985

TIME: 6:30 p.m. - 10:00 p.m.

WHERE: Memorial Stadium
The University of Texas

Each member of the First City team will have the opportunity to be the right-hand man or woman to many of the coaches by helping during the parade of athletes, being a hugger or cheerer, or even helping with water duty. If you would like to share a few hours of your time and be a part of this special movement, contact **Shannon Boggus** at extension 4714. Please respond by May 13.



The carrying of the Olympic Torch and lighting of the Olympic Flame of Hope not only begins the games, but it will steal your heart away.

Flash . . . Flash . . . Flash

First City National Bank of Austin has just signed a contract to co-sponsor "WHO SAYS I CAN'T?," a documentary that looks at the lives of three very special people and their coaches as they prepare for this year's Special Olympics held May 22-24.

Air Time: Saturday, May 18
Station: KVUE-TV, Channel 24
Time: 6:30 - 7:00 p.m.

New Service Announcement



Meg Roach, Corporate Services, and Roger Hemminghaus, president of Diamond Shamrock Refining and Marketing Company based in San Antonio, actually making a transaction on the P.O.S. terminal.

AUSTIN — April 11, 1985 — First City National Bank of Austin held a Press Conference on the 15th floor to announce a new service offering. Members of the press (television, radio, newspaper) stood by to hear first hand about the expansion of First City's wide range of electronic services.

Jack Collins, president, welcomed the group and formally announced that First City National Bank of Austin and Diamond Shamrock Refining and Marketing Company of San Antonio have begun offering a comprehensive package of electronic point-of-sale (P.O.S.) services at 29 Diamond Shamrock locations in the Austin area. Diamond Shamrock is the first multi-outlet petroleum retailer in Austin to offer direct P.O.S. service.

The package of services includes payment authorization, settlement, and data capture for FirstNet debit cards, MasterCard and Visa credit cards, and credit authorization for Diamond Shamrock credit cards, all provided through the electronic First City P.O.S. terminal.

"The addition of Diamond Shamrock to our growing statewide point-of-sale network is very gratifying," said Larry L. Snauffer, executive vice president of First City Bancorporation. "We are very pleased to add one of this region's ma-

ior petroleum retailers to our growing list of P.O.S. merchants."

Roger Hemminghaus, president of Diamond Shamrock Refining and Marketing Company based in San Antonio, commented, "The First City Point-of-Sale Service will give us access to the 5.2 million PULSE cardholders across Texas and provide our customers in the Austin area with better service."

Customers using a bank debit card for purchases will also be able to get cash up to \$50, providing funds are available at the store. This "cash back" convenience, in addition to the purchase, will be charged to the customer's checking account.

The addition of Diamond Shamrock brings First City terminal installations to 54 at a variety of retail merchants throughout Austin. Throughout the state, First City Bancorporation has P.O.S. terminals at over 100 locations.

The First City P.O.S. Service has been fully operative since November of 1984 at several merchant locations, including home improvement centers, computer stores, restaurants, auto service centers, shoe stores, jewelry stores, and rental car agencies, to name a few. In essence, any merchant accepting credit cards now has the capability of expanding its means of payment acceptance through the First City P.O.S. Service.



And you thought he only wore dark suits ... Brent Standefer, Commercial Banking, was in charge of the Banking Committee for this year's livestock show. He is also a member of the Board of Directors and served on countless other committees for the Austin-Travis County Livestock Show & Rodeo.



Abbie Daly, Human Resources, and John Pope, Security, were just two of our volunteers.



Network Control



Network Control Team — seated, left to right: Rick Bowen and Roy Edwards. Standing, left to right: Darryl Cook, Rick Velasquez, and Jaime Gonzalez. Not pictured: Laura Smith.

*By Jaime Gonzalez
Supervisor, Network Control*

If the Computer Room is the brain of Data Processing Operations, then Network Control is the nervous system used to tap that power. Network Control was originated a little over four years ago under the Technical Support section of the Data Processing Department. It was formed with **Ronald Lance** in charge of Technical Support and **Jaime Gonzalez** as supervisor of the Network Control Center. It had one network control technician and 170 terminals on line. Since then it has grown to a section of five technicians: **Rick Bowen**, **Roy Edwards**, **Rick Velasquez**, and **Darryl Cook** on day shift and **Laura Smith** on the second shift.

Network Control is a central location from which the performance of each terminal of the network can be monitored. It must serve a monitoring function, a diagnostic function, a repair function, and an installation function.

Network monitors approximately 1,100 CRTs, teller machines, ATMs, and other data equipment. These terminals are located in 70 banks and credit unions in Central Texas, from Temple to Gonzales, Houston to San Angelo, Kerrville to College Station. They also monitor the data equipment and telephone lines necessary for supporting these outlying terminals.

In addition to monitoring data equipment, the Network Control Center provides the ability to test components and diagnose defects. These components include the transmission lines (telephone company and direct connect), various kinds of data equipment, and the terminating equipment such as CRTs. When a problem occurs,

it is necessary to identify the problem and then take steps toward remedying deteriorations or failures in performance. Repairing of equipment might take a few minutes to an hour or more depending on the problem. The network technician must isolate the problem, correct the problem, and return the equipment to normal operation.

In addition to monitoring, diagnosing, and repairing functions, Network Control also installs equipment. They site survey the facility to plan the installation of data cables and equipment between the facility and Network Control and install the CRTs, teller machines, and ATMs.

The Network Control Center functions with test equipment that provides the monitoring of the performance of the network components. Monitoring can be performed as needed or automatically on a periodic basis. It can inform the controllers of deterioration in the performance of a component. It also provides the means whereby the operator can rectify the problem.

The network technicians spend a lot of time on the telephone with users. They must be highly trained; their burden of responsibilities reinforces this need. They are conversant data communicators; they have to know technical jargon and buzzwords well enough to translate users' often-vaguely-phrased difficulty reports.

No matter what the situation is, the network technicians are always tactful and courteous. They are happiest when they are providing the highest quality of service.

If you would like a look at Network Control, please call Jaime Gonzalez or Rick Bowen at extension 4333 or 4929 to set up an appointment.

EMPLOYEES IN THE NEWS

During the month of May several individuals will celebrate the following anniversaries:

Celebrating Fifteen Years

Ruby Collins, lead key entry operator, Data Processing

Celebrating Five Years

Joan Caldwell, senior secretary, Real Estate

Gwen Cline, assistant vice president, Commercial Banking

Etta Collins, data entry operator, Funds Control

Willie Harrison, service worker, Cafeteria

Hortense Solano, data entry operator, Data Processing

Wesley Stone, programmer, Data Processing

SPEAKERS' BUREAU

Ken Johnson, assistant vice president of Data Processing, was the featured speaker at the monthly meeting of the Brazos Valley Chapter of Bank Administration Institute which met on Thursday, March 28, in College Station. Ken spoke on the subject of Bulk Filing and its effects on bank operations and customer service.

Friday, March 29, **Fina Vasquez**, Communications, spoke to three groups of students at the Texas School for the Blind. The motivational seminar was directed toward students, ages 14 through 18, who are either in the process of choosing career training or are about to enter a uniquely challenging and competitive job market. Achieving independence and proficiency were key notes of her presentation. Fina began at First City in 1980 in Word Processing and she transferred to Communication in 1983.

If you or any of your co-workers have recently participated as a speaker, please submit the details to the Marketing Division; we appreciate your input.

GUEST COMMENT



John Scurlock Discusses Impact of Tax Act on Banking

"A bank has a small margin for error in its loan portfolio. Losses in excess of one-fourth of one percent can have a negative impact on earnings. This, in essence, means you have to be right 99¾ percent of the time and some of us have not been that fortunate in the past several years," Scurlock said.

Austin is the "most exciting place to be in the United States," Scurlock remarked. Its economic vitality is having a ripple effect along the Interstate 35 Corridor from Waco to San Antonio.

"When I go into a city and see large shopping center commitments on the periphery, chances are that city is in an exciting economic posture," he continued.

Scurlock has been described by some in local financial circles as a "banker's banker." "I've told the CEO of a major airline that it is an advantage if he is a pilot," Scurlock said. "I am fortunate that my career started as a lobby loan officer."

That position came with InterFirst Bank, Dallas (then First National Bank) in 1957. Scurlock was promoted to assistant vice president of First National Dallas in 1960 and vice president in 1963. During the six years at First National he called on more than 400 bankers in Texas while serving in the lending and correspondent banking divisions.

Scurlock joined First City National Bank of Austin in 1963 as executive vice president and became president in 1970. He was promoted to vice chairman of the board and chief executive officer in 1978. The chairmanship came January 1, 1983.

Scurlock maintains his lines of communication within the industry. He scheduled the "Corridor" interview between meetings with a banker from New York and another from a neighboring Hill Country community. "I know a lot of bankers" is his understatement. The difference in their concerns, Scurlock said, is the "degree of magnitude." For example, the Hill Country banker is not as concerned with foreign debt as the New York banker, but he is interested in what is happening to the Mexican economy — and perhaps the turkey crop.

"Today, banks are more concerned with asset quality than in the past," he said. "Deregulation and the proposed tax restructuring has a ripple effect on banking as well as other industries."

Scurlock projected that Austin banks will have a good year participating in a continuing viable local economy.

The healthy economy allows banks to practice prudent lending and maintain strong asset values and a good customer base, he added.

Two major problems affecting holding company banks in recent years have been energy and real estate, Scurlock said. He noted that 57 percent of the First City-Austin \$635 million lending portfolio is in real estate.

"I'm sensitive to concentrations in lending," he said, "but to arbitrarily set a certain percent limit in any one area is self-defeating. Our credit quality is strong."

Scurlock emphasized the diversification of the real estate portfolio. He also stressed that most of the funds were being invested in Travis County.

"There is a misconception that a holding company bank will pull local deposits when acquiring a bank," Scurlock said. "That is categorically not so."

In the First City case, Scurlock said the holding company was responsible for a \$75 million cash infusion to help make loans in Austin.

Scurlock hopes deregulation will eventually allow banks to take equity positions in real estate ventures.

"We have to look at the rate and risk equation. We might take a lesser rate if there were equity participation."

This banker warns, however, that balancing risk and opportunity leaves a "very narrow window."

**Courtesy of The Corridor, a quarterly publication of Arthur Andersen & Co., Austin, Texas.*

Look for new tax laws being passed in 1985. The uncertainty of its final form will keep accountants and bankers alike "re-thinking and re-shuffling" as the year progresses, according to John C. Scurlock, Chairman of the Board of First City National Bank of Austin, the city's third largest bank.

In a recent interview, Scurlock noted that borrowing is often based on tax consequences. Probable tax changes complicate financial planning problems.

But he is optimistic about the current national economic posture and sees a chance for bankers to get their "house in order" in coming months.

"Even though some banks will continue to have loan problems, the larger banks have tremendous earning capacities which will quickly bring them back into stable waters," Scurlock said. "Foreign debt to lesser developed countries is looking better with countries such as Argentina and Mexico making progress."

"Probably, our most urgent banking problem is a domestic one, and that is the dilemma facing our agricultural regions and the banks serving those areas," he continued. "I am fearful that without strong and definitive government support, we will witness an increase in farm foreclosures and bank failures in the next eighteen months, particularly in the midwestern regions of the United States."

"The problem of the deficit is interrelated with interest rates," Scurlock explained, "because it makes the government a bidder for money. But inflation, it appears, is under control. We think rates will soften a little more."

In fact, the prime rate may drop to 9½ or 10 percent, as the Federal Reserve becomes less restrictive, Scurlock predicted.

Austin, Scurlock said, is not an economic island immune to national and international events. He foresees some softness in the currently hot Austin real estate market.

"You can sell more Chevrolets than Cadillacs," Scurlock commented while noting that downtown has more available office space than ever before and that there is "an excessive amount" of high-income homes and high-priced residential lots.

Caution will be a watchword in Austin real estate in the coming year, according to Scurlock. He said First City will continue its emphasis on land usage lending, as opposed to speculative land financing.

Spring Has Sprung!



John Scurlock is assuring this little one that the Bunny Rabbit is coming.



The Bunny Rabbit and some of her fans.



I believe some of our people got a bigger kick from the Easter Outing than the kids.



Carolyn Hand, Trust, got into the activities ... it's amazing what kids can talk us into doing. There goes one more confetti egg.



Bill Tanner, Credit Department, is ready for another cascarone (confetti egg).

Easter Outing

The Easter Bunny has come and gone, but some of us have some fond memories that we would like to share with you of the Second Annual Easter Outing with 65 kindergarten students from Zavala Elementary.

The morning began with a bank tour. Then it was off to the outing at

Zilker Park where the children were greeted by a giant pink bunny. Before lunch, the children scattered for an Easter egg hunt, and after lunch, it was time to bring out the cascarones (eggs filled with confetti).

Track Meet

Are you physically fit? Well, it doesn't matter. You are invited, fit or not, to help out with the Track & Field Days at Zavala Elementary on May 9 & 10. Last year we had a number of people participate and they thoroughly enjoyed it. If you are interested and want more details, contact **Gary Fowler**, extension 4669, or **Beverly Hunter**, extension 4571.

WalkAmerica



First City Team

In support of the March of Dimes, First City National Bank of Austin participated in the "March of Dimes WalkAmerica" on April 13. The Walk-A-Thon was coordinated by **Jerri Sapp**, Trust, team captain, and **Audrey Nun**, Trust, assistant team captain.

First City was well represented, and

our team should be complimented for their fundraising efforts, having collected a total of \$3,115.40. First City employees and friends who participated in the walk are listed below.

On behalf of First City, many thanks to each individual for their support of the March of Dimes WalkAmerica.

Executive Division

John Scurlock,
Chairman of the Board

Bank Card Services

Aurora Martinez
Ken Matthews
Barbara Prince

Collateral Insurance

Darren Lauber
Donna Smith

Collateral Services

John Guerra
Mary Lou Castro
Kay Hall
Ann Sanders
Kathryn Smith

Commercial Loans

Yvonne Gonzalez
Adolph Gonzalez
Terre Hall
Cindy Rendon
Mary Rutherford

Commercial Vault

Susan Daniel

Corporate Banking

Judy Harelik

Credit Operations

Karen Crooks
Sandy Dunn
Dean Dunn
Tammy Dunn
Melissa Kaye Edwards
Patricia Wimp
Julie Head

Customer Service

Tucker Parmlee
Carla Medearis

Data Processing

Tere Ayson

Item Processing

Jeanna Perez

Network Control

Jaime Gonzalez

New Accounts

Karen Chazen
Terry Reinhold
Richard Silva

PBX

Diana Nelson

Regional Banking

Dru Etheredge

Tellers

Anne Greenhill

Trust

Pamela Folger
Tena Jackson
Mona Morris
Steve Morris
Audrey Nun
Jerri Sapp
Patti Able
Jeannie Myers
Jack Sowers

Moving to Austin. . .



Ralph Dowling



Donna J. Chaffin

First City National Bank of Austin would like to introduce you to two new officers, **Ralph Dowling** and **Donna Chaffin**.

Ralph joins the Credit and Loan Administration Division as a senior vice president. He comes to the bank with ten years of experience, having most recently been with Allied Bank of Texas in Houston. Prior to that association, he was with First City National Bank of Houston. Ralph is a graduate of the University of Houston-Clear Lake with two Bachelor of Science degrees; one in finance, the other in accounting. He also holds an MBA from the university. He taught Commercial Bank Management at the graduate and undergraduate levels at the University of Houston-Clear Lake, and there is a possibility that sometime down the road he will pursue this talent. Ralph is originally from Houston, and he and his daughter, Katrina, look forward to making Austin their home.

Donna has joined the Finance Department as finance officer. She will be the financial operations section manager with responsibility for accounts payable, fixed asset and construction accounting, taxation, and internal audit liaison. Donna is a graduate of The University of Texas with a BBA in accounting and is a Certified Public Accountant. She has experience in both public accounting, as an auditor with Arthur Andersen & Co., Houston, Texas, and industry with Aurora Minerals Inc., an independent oil and gas exploration and production company. Donna is currently a member of the Texas Society and Austin Chapter of CPAs.

We at First City would like to welcome Ralph and Donna to our bank. We wish them much success with their careers at First City National Bank of Austin.

AIB Austin

May Series

Consumer Bankruptcy
Time Utilization for Bankers
Professional Skills for Women Managers
Letters of Credit
Basic Teller Training

Thursday, May 2
Wednesday, May 8
Friday, May 10
Wednesday, May 15
Saturday, May 18

For more information, contact Sharon Adamcik, Sammy Kipple, or Linda Rachui.

Moving Up

The Rush has Ended . . . But We're Still Counting on You



The IRA season has peaked, and sighs of relief can be heard coming from the CD Department. Because FCBOT made IRAs a critical objective for 1985, the heat was on for our bank to reach certain goals, and it's not over yet. We still need your help in bringing in new IRAs . . . now is a good time to cultivate prospects for 1985 contributions.

The CD Department is managed by **Janet Nash** and her staff includes **Judy Nemir, Alice Cuellar, Kim McLean, Shelly Bradshaw, Jayne Whetstone,** and **Andrea French**. They all deserve a round of applause for a job well done. A point of interest . . . from April 11-15 (extended hours) the CD Department opened 215 new IRAs and processed 173 add-on deposits for customers who currently have IRAs with us. This amount totals \$722,394.81.

Also, hats off to **Janet Waldeier** and **Sheila Ellis**, Marketing Division, for keeping the records on the Mountain of Gold Incentive Program and tracking the direct mail campaign; to **Laura Cobo** and **Gwen Jung** for processing the cash awards on the payroll checks; and to **all of you** who participated and helped with the success of the Mountain of Gold Incentive Program. It's efforts like yours that help us achieve our goals.

Be sure to tune in next month for the final wrap-up article on the Mountain of Gold Program.



Lee Doughtie



John Jett



Glenda Lane



Doug Leach



Jim Arth



Gary Fowler



Ronnie Miksch



Elizabeth Durón

John C. Scurlock, chairman of the board, and Jack Collins, president, of First City National Bank of Austin have announced the following promotions:

Lee Doughtie has been promoted to vice president, Real Estate.

John Jett has been promoted to vice president, Commercial Banking.

Glenda Lane has been promoted to vice president, Private Banking.

Doug Leach has been promoted to vice president, Private Banking.

Jim Arth has been promoted to assistant vice president, Private Banking.

Gary Fowler has been promoted to assistant vice president, Private Banking.

Ronnie Miksch has been promoted to assistant vice president, Commercial Banking.

Elizabeth Durón has been promoted to operations officer, Office Services.

Congratulations to these individuals for their hard work and dedication to First City. Good luck with your new opportunities and responsibilities.

*Happy Birthday*Happy Birthday*Happy Birthday*Happy Birthday*Happy Birthday*

May/June Birthdays

Jaime Gonzalez	5-01	Romulus Johnson	5-16
Jim Alderman	5-02	Mike Hill	5-17
Billie Griffin	5-03	Cathy Roche	5-18
Joan Lusk	5-03	Jayne Whetstone	5-18
Michelle Moheet	5-04	David Rodriguez	5-19
Sherri Van Wie	5-05	Gregg Kazak	5-20
Judy Harelik	5-06	Robert Kainer	5-21
Harlan Hopper	5-06	Linda Safranski	5-23
Kathryn Smith	5-06	Jeffrey Steele	5-24
Michael Easley	5-07	Lauretta Rock	5-25
Gene (Jack) Hooper	5-07	Ursula Rinke	5-27
Charlotte Thornton	5-08	Casey Sieverman	5-27
Vanessa Alexander	5-09	Cecilia Stone	5-27
Charles Keller	5-09	Alan Williams	5-27
Jeff Brower	5-10	JoAnn Kunde	5-28
Normagene Giles	5-10	Donna Cearley	5-29
Harold Roeglin	5-10	Larry Johnson	5-29
Virginia Space-Jellison	5-10	Carmen Chronis	5-30
Paralee Sanders	5-12	Vicki Houston	5-30
Cindy Gatlin	5-13	Mary Bertha Espinosa	6-01
Bruce Waggoner	5-13	Jerry Johnson	6-01
Robbin Boudreau	5-15	Kathy Olsen	6-01
Jack Conner	5-16	Jack Bible	6-03
Sandy Hennig	5-16	Harry Knapp	6-04
Helen Janak	5-16	Harold Page	6-05

Happy Birthday!

Any questions concerning the Birthday List should be directed to the Human Resources Division.

*Happy Birthday*Happy Birthday*Happy Birthday*Happy Birthday*Happy Birthday*

Welcome to First City

We would like to welcome the following new employees to First City:

Joanne Amaya	Credit Operations	4616
Diedra Benoit	Item Processing	4339
Teresa Brent	Teller Operations	4635
Melissa Brunster	Item Processing	4339
Renee Carline	Collateral Services	4384
Patsy Conner	Item Processing	4339
Vickie Cooper	Collection & Exchange	4792
Sigrid Coppage	Word Processing	4576
Debbie Dawes	Customer Service	4530
Kevin Fagan	Credit Analysis	4679
Andrea French	Certificates of Deposit	4760
Yvonne Gonzalez	Commercial Loans	4860
Leslie Gouldie	Private Banking	4734
Susan Janowski	Consumer Loan Operations	4788
Judy Jones	Data Processing Operations	4306
Tom Kerrigan	Item Processing	4339
Bruce Miller	Data Processing Operations	4306
Julie Pendleton	Customer Service	4502
Glen Raby	Data Processing Programming	4306
Thomas Schoonover	Data Processing Couriers	4308
Treva Shoaf	Systems Coordination	4540
Frances Vaughn	Teller Operations	4639
Kim Verheecke	Teller Operations	4781
Margaret Webster	Data Processing Operations	4306
Terrie White	ATM Services	4904
Lela Williams	Bookkeeping	4511
Rosa Yebra	Item Processing	4339

Calendar Update

May 1	May Day
May 3-4	Cinco de Mayo
May 12	Mother's Day
May 18	Armed Forces Day
May 27	Memorial Day (observed) (BANK CLOSED)

May Training Schedule

The training schedule for the month of May is as follows:

Assertiveness Training
Exempt
May 7

Product Knowledge
May 7 & 8

Interviewing Workshop
May 9

Number Skills
May 13-17

Coaching/Counseling
May 14

Time Management
Exempt - A.M.
Non-Exempt - P.M.
May 16

Classes will be limited to 15. Please complete a registration form for each participant and return them to Abbie Daly. If you have any questions, call Abbie at extension 4682. Training will be held in the Training Room, First City Centre, Ninth Floor.

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