

Oconee State Bank is Well Positioned for Future Growth with Strategic Expansion Models, Enhanced Team Development, and a Strengthened SBA Division



Oconee State Bank Executive Leadership Team (left to right): Mike Hill, Neil Stevens, Jim McLemore, Cristi Donahue, Philip Bernardi, Selena Ruth, and Tom Wilson (not pictured is John Davis)

Interview with:
Neil Stevens, President & CEO
Oconee State Bank (OTCQX: OSBK)

Conducted by:
Bud Wayne, Editorial Executive, CEOCFO Magazine

CEOCFO: Mr. Stevens, since our last conversation in April 2023, Oconee State Bank has experienced growth in footprint, earnings, and team. Let's begin with your team. Sylvia Dorris was appointed Vice President, Talent Development Manager in July 2024. Can you tell us more about your team and any other significant changes in recent years?

Mr. Stevens: Sylvia Dorris joined us as Talent Development Manager, reporting to our EVP and Chief Human Resources Officer, Selena Ruth. We brought Sylvia on board to enhance how we develop and equip our team. Last year, we introduced a leadership framework called *Life on Life Leadership*, centered around the LEAD acronym: *Loving Others, Equipping Others, Affirming Others, and Developing Others*. While we had strong values in place, we recognized we needed to go deeper—particularly in the areas of equipping and developing our people. That realization led us to hire Sylvia.

Sylvia works closely with HR to build developmental programs that support our team's growth—from creating one-on-one coaching models to establishing structured development and career plans. She's done an outstanding job, and her hire was a pivotal move for us.

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Neil Stevens

CEOCFO: Change can be difficult to embrace, especially for leaders. What has been your mindset around that?

Mr. Stevens: I believe that when a leader thinks they've figured it all out, it's a sure sign they haven't. The best leaders stay humble and hungry to learn. There's a rugby team with the motto, "Better never rests"—and that resonates deeply with us.

CEOCFO: Let's talk about your geographic expansion. How has that unfolded?

Mr. Stevens: We've expanded into Tennessee under a new brand, *Trio South Bank*, which is a division of Oconee State Bank but branded separately to better resonate with the expansion market. It's led by Mike Hill who serves as the President of the Trio South Bank. Our first market is Johnson City, which is growing rapidly. We currently have three team members there and a strong leader heading up this division. Our long-term plan includes potential expansion into Asheville, NC and Greenville, SC. We're following a "crawl, walk, run" approach—intentional and steady. I can't tell you when and how we Trio South Bank will expand into other markets, but that is the plan.

In Southeast Georgia, we brought on Michael Thigpen as SVP, Regional President. We pursued him for five years, and he's made a strong impact since joining us. He recruited a Community President for Statesboro, which is booming thanks to its proximity to the Hyundai plant and the Port of Savannah. Over time, we may expand further into Savannah or even Jacksonville. Again, it's hard to say when. It's crawl, walk, run; but the plan is to continue to grow the Southeast Georgia footprint.

We don't just want to go wide—we're equally focused on going deep in every market we serve.

CEOCFO: What other leadership changes have occurred?

Mr. Stevens: We expanded the role of Cristi Donahue, our EVP and Chief Administrative Officer. While her title hasn't changed, she's now functioning more as a "Chief of Staff"—helping ensure our strategic priorities stay on track and that execution doesn't drift. Her oversight includes deposit operations, retail operations, and facilities.

We also strengthened our SBA division led by Tareasa Harrell, Director of SBA. Tareasa recently hired a sales manager to allow her to increase focus on process and growth. This will help us continue to expand the SBA business line in a safe, sound, and scalable way.

CEO CFO: Are you still active on outside boards, and do you encourage your team to do the same?

Mr. Stevens: I've intentionally reduced my board commitments to strike a better balance. At one point, I was serving on twelve boards—that simply wasn't sustainable. Today, I serve on five, including the University of Georgia Fellowship of Christian Athletes Board (as the chair), the ABA Community Bankers Council, Piedmont Athens Regional Hospital Board, the Oconee Sheriff's Foundation Board, and the Georgia Chamber of Commerce Board.

I absolutely encourage our leaders—especially community presidents—to be active locally. It increases visibility and allows us to give back to the communities we serve.

CEO CFO: At a past meeting, you emphasized "listening to understand, not to respond." How has that shaped your culture?

Mr. Stevens: Listening well is one of the purest forms of love—and love is the first word in our L.E.A.D. model. Listening not just to respond, but to truly understand, is something I work on personally. I sometimes struggle with this. But I must set an example for others to follow. I try to work on it every day. When we do that as a leadership team, it drives engagement. We've maintained nearly a 90% team engagement and retention rate, and I believe active listening plays a major role in that success.

CEO CFO: Is your primary client still the small to medium sized business with around \$15 million in revenue?

Mr. Stevens: Yes, primarily. However, that range is flexible. It might be a \$3 million company or a \$50 million firm. Whether it's a medical group, law firm, or service-based business, we aim to serve their full banking needs: lending, cash management, deposits—you name it. We want to be their essential partner, not just a piece of their banking puzzle.

CEO CFO: What about manufacturing, does it play a large role?

Mr. Stevens: Manufacturing is present but not dominant. We do serve some smaller manufacturers or fabricators—but our core clientele are service providers.

CEO CFO: You launched Remarkable Mortgage as a separate brand. How is that going?

Mr. Stevens: Remarkable Mortgage has done exceptionally well. It's powered by Oconee State Bank, but we branded it separately to break the stereotype of banks being slow and cumbersome in the mortgage space. Charlie Fleming leads the team, which includes five lenders and five support staff. They're doing about \$7 million in volume each month and taking a client-first, high-touch approach. Even with interest rate challenges, we remain profitable and mission driven.

CEO CFO: Your SBA team was recently recognized as Georgia's Top Third-Party Lender. What did that mean for OSB?

Mr. Stevens: It was a huge honor. It reflects our commitment to SBA 504 and 7(a) lending, which gives small businesses access to long-term, fixed-rate financing. It also demonstrates the incredible work of Tareasa and her team. We're careful stewards in that space, balancing risk with government guarantees. The recognition confirms that we're making a meaningful impact.

CEO CFO: Tell us about your approach to expanding with LPO/DPOs.

Mr. Stevens: Our model is to start with Loan/Deposit Production Offices (LPO/DPOs). They let us generate business while keeping lower overhead. Once we reach profitability, usually between 12 to 24 months, we convert those to full-service branches. That timeline ensures that the branch can sustain itself once fully operational. We plan to convert both our Johnson City and Southeast Georgia locations once they have seasoned.

CEO CFO: Your current branches include Watkinsville, Athens, Bogart, Gwinnett, Macon, and Elberton. Are you satisfied with the performance?

Mr. Stevens: Yes—though performance varies. Oconee, Gwinnett, and Athens are very high performing markets, but they are all seasoned. Macon is gaining momentum. Elberton is smaller, but it's a success in a different way. It came through an acquisition of Elberton Federal Savings & Loan and has been a great addition to our footprint. Of course, Tennessee and Southeast Georgia are our newest additions and are in the earlier stages of the process, but we are very pleased with the progress.

CEO CFO: Is modern banking technology a priority?

Mr. Stevens: Absolutely. Our recent Jack Henry SilverLake conversion opened new doors for us. We now offer the same digital capabilities as a \$50 billion bank—friction-free mobile and online platforms, faster service, and better customer experiences. John Davis, our Chief Innovation & Technology Officer, has led this charge. He even created an Ideation Task Force to explore new ideas and tools. We're tech-forward while staying high-touch.

CEO CFO: Your Q4 2024 earnings showed strong growth. What drove that performance?

Mr. Stevens: It comes down to great people in the right roles. We launched our Bold Plan to become a \$1 billion bank by the end of 2028, and we're ahead of schedule. Our strategic focus is on three pillars: Safety and Soundness, Profitable Growth, and Unstoppable Culture. We look for high-talent, humble, hungry team members with fire in their soul. That kind of team creates the momentum that drives performance.

CEO CFO: Do you plan to expand your shareholder base?

Mr. Stevens: Creating shareholder value is my job every day. We've consistently increased our dividend and are focused on accreting stock value, though we are thinly traded on the OTC-QX under OSBK. At some point, we may raise additional capital through a common equity raise, which would expand our shareholder base. Today, we have just over 700 shareholders.

CEO CFO: In closing, how would you summarize the start of 2025—and why should small businesses consider banking with Oconee State Bank?

Mr. Stevens: We're off to a strong start. Growth brings challenges, but they're high-class problems. We're navigating them well, thanks to our incredible team. While we remain cautiously optimistic due to economic uncertainty, we're confident in our systems and strategy. The future looks very bright. We have an incredible story to tell. What truly sets Oconee State Bank apart is our unwavering mission to create remarkable experiences that significantly mark the lives of others. That's not just a statement—it's the standard we live by every day.

Small businesses should bank with us because we offer more than just world-class financial tools and personal service—we offer a partnership. We combine big-bank capabilities with hometown heart. We're here to listen, to understand, and to walk alongside our clients at every stage of their journey. We're committed to being an essential partner to our clients. And we won't rest until that's true in every relationship we build.