



# On Track

## FOLSOM LAKE BANK

Volume One, Number Two Winter 2007

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*Happy Holidays from all of us at Folsom Lake Bank!*



Bill Anderson presenting President & CEO Bob Flautt with a plaque of appreciation from FEDSHRA.

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www.OTCBB.com  
Ticker symbol: FOLB

## Our Mission

*To provide excellence in banking services to the communities that we serve, produce a superior return for our shareholders and offer our employees the best workplace of any bank in our community.*

## Customer Spotlight

Bill Anderson, President & Chairman of Folsom, El Dorado & Sacramento Historical Railroad Association (FEDSHRA).

Bill, his wife Sharron and son Michael moved to Folsom from Sacramento over 23 years ago. Bill retired from Caltrans after 39 years of service. Bill's interest in the Historic District of Folsom began with Folsom being a stop on the Pony Express Trail, when a gentleman by the name of Doug Hayes wanted to reconstruct the Historic Railroad Turntable across Sutter Street from today's Folsom Lake Bank. This is when the Annual Folsom Handcar Derby was created as a fundraiser to build the table. Thanks to the City of Folsom, a federal grant was applied for and the table was completed in 1999. The Handcar Derby continues as a fundraiser for Folsom Railroad Museum.

Bill is the current President of the Folsom, El Dorado & Sacramento Historical Railroad Association (FEDS) which operates the Folsom Railroad Museum. FEDS was incorporated in 1995 and is a non-profit 501(c) 3 organization. Bill and the FEDS look forward to working with Folsom Lake Bank and the future development of the Folsom Historic Station.

## Relationship Banking

In banking, “relationship” is a popular term. For me, relationship banking is best described as servicing my customer’s needs by developing a genuine trust that the job will be done. I do this by developing a complete understanding of my customer and their business. The relationship is strengthened when the customer is aware that I am the contact at the bank directly responsible for their relationship. My primary goal is to help our customers take advantage of all the products we have specifically designed to provide financial security and convenience.

At Folsom Lake Bank, our entire staff is committed to providing more value than expected – especially when it comes to personal service. We strive to go the extra mile and provide you with an array of financial products, services and conveniences as well as experienced personal bankers who offer the assistance and service you deserve.

**by Doreen Stevens**  
**Vice President & Commercial**  
**Relationship Manager**



## Beware of Counterfeit Check Scams



**by Christina Cogil**  
**Customer Service Specialist**

If a stranger wants to pay you by check but wants you to wire some of the money back, beware! It’s a scam that could cost you thousands of dollars.

How do counterfeit check scams work? There are many variations of the scam. It usually starts with someone offering to:

- buy something you advertised for sale
- pay you to work at home
- give you an “advance” on a sweepstakes you’ve won
- give you the first installment on millions you’ll receive for agreement to transfer money in a foreign country to your bank account for safekeeping.

The scammers often claim to be in another country and that it’s too difficult to pay you directly, so they’ll have someone who owes them money in the U.S. send you a check or money order.

The amount of the check or money order may be more than you’re owed, so you’re instructed to deposit it and wire the rest to the scammer or to someone else. Or you’re told to wire some of the money back to pay a fee to claim your “winnings.” In some cases, the scammer promises to transfer money directly to your bank account. You provide your account information for an electronic fund transfer. Instead, the crook sends your bank a phony check or money order with instructions to deposit it in your account. When you check your balance, it looks like the funds have arrived. Whatever the set-up, the result is the same—after you’ve wired the money, you find out that the check or money order has bounced. So if a deal seems too good to be true, it probably is!



## President's Message

To our Shareholders, Customers and Friends of Folsom Lake Bank

We now have our second quarter of operations complete and we are continuing on a strong growth curve as new client relationships are brought into the bank.

Thanks to all of you that have brought us

your banking business, and a special thanks to all of you that have referred customers to the bank. Our rapid growth could not have been achieved without your assistance. Our total assets as of September 30, 2007, stand at \$24.4 million, an increase of 61% since opening our doors. Total loans ended the quarter at \$12.9 million and deposits finished at \$9.8 million. We also saw a significant reduction in our quarterly operating loss as the bank continues to trend toward profitability.

We added two officers during the quarter to augment our business development efforts. Carrie Reginato joined the bank as Senior Vice President and Chief Marketing Officer. Carrie is one of our founding organizers and also a member of the Board of Directors. Jim Pelley joined the bank as Vice President and Community Relations Officer. Jim is extremely active in Folsom civic and community affairs. We are pleased to have these two very talented individuals join the bank.

As the economic climate has become increasingly murky and the sub-prime mortgage mess has put a cloud over the financial world, I am happy to tell you the bank has no sub-prime residential mortgage loans in the loan portfolio and, as a commercial bank, does not expect to ever enter that line of business.

Additionally, we had our first stock trades during this last quarter. Our shares, originally offered to the public in March of 2006 at \$10 per share, have traded from \$9.50 to as high as \$21 with recent trades in the \$10 to \$11 range. You can find us on the Over the Counter Bulletin Board (OTCBB.com) under the ticker FOLB.

We are proud to be your locally owned and operated community bank. We truly believe there is a strong need for a local bank that understands its clients' needs and then provides full service banking with a strong emphasis on personalized customer service.

## Board Profile



**Chairman of the Board**  
**Mr. David J. West**

Dave is a 37-year banking veteran with previous senior positions at Glendale Federal Bank, where he was an Executive Vice President & Director of Marketing, and First Interstate Bank, where he opened the Folsom branch of First Interstate. He is the founding Chairman and Director of the Folsom Economic Development Corporation, former Director and past President of the Folsom Chamber of Commerce and past President and active member of the Rotary Club of Folsom. Regarding Folsom Lake Bank, West said, "I am especially enthusiastic about the community aspects of opening a new commercial bank. Because of the active involvement of both our board and management, we are keenly aware of the ways in which we can help the community grow and prosper. Serving as Chairman of the Board of Directors is an honor and continues to be a gratifying experience."

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# Get to know your community bank!

## FOLSOM LAKE BANK



### ***Friends of Folsom Lake Bank***



**Jack & Sandi Falk**  
The Falk Team of  
Keller Williams Realty

"We consider Folsom Lake Bank a valued partner in our business. They share our passion for excellence in customer service and they understand our business and the needs that go along with it. These values set them apart from the other banks in town. Folsom Lake Bank is truly a community bank that cares."

### ***Board of Directors***

- |   |                                   |
|---|-----------------------------------|
| Robert J. Flautt<br>President & CEO       | John F. Messner<br>Director       |
| David J. West<br>Chairman of the<br>Board | Robert H. Miller, III<br>Director |
| Jeremy G. Bernau<br>Director              | Carrie Reginato<br>Director       |
| Claudia Cummings<br>Director              | Donald W. Reid<br>Director        |
| David J. Doherty<br>Director              | Paul D. Reiken<br>Director        |
| Jeff F. Dutra<br>Director                 |                                   |
| Lynn S. Judd, DDS<br>Director             |                                   |