



# 2021 Credit Analyst Webinar Series



Loan Stress Testing for the Credit Analyst

Advanced Financial Statement Analysis

Credit Fundamentals for the New Credit Analyst

Debt Service Coverage Calculations in Underwriting

Presented by CBAI

# Introduction

## WHY PARTICIPATE?

Regulators evaluate the quality and depth of your credit analysis, including the awareness of existing or emerging risk concerns; stressing for an uncertain future; tying current and new underwriting to the institution's risk appetite; and adequacy of post-funding monitoring and analysis. Designed for credit analysts and loan officers of all experience levels, this series provides the tools needed to make consistent, sound lending decisions that protect the institution.

## THREE REGISTRATION OPTIONS

### 1. LIVE WEBINAR

The live webinar allows you to have up to three audio and Internet connections to view online visuals as the presentation is delivered. You may have as many people as you like listen from your office speaker phone. Registrants receive a toll-free number and pass code that allow entrance to the seminar.

The session is approximately 90 minutes unless noted otherwise, including question-and-answer sessions. Seminar materials, including instructions, PIN number and handouts are emailed to you prior to the broadcast. You need the most current version of Adobe Acrobat Reader available free at [www.adobe.com](http://www.adobe.com).

### 2. ON-DEMAND WEB LINK

Can't attend the live webinar? The on-demand web link is a recording of the live event including audio, visuals and handouts. You even receive the presenter's e-mail address so you may ask follow-up questions. Within five business days following the webinar, you are provided with a web link that can be viewed anytime for the next six months. This link expires six months after the live program date.

### 3. BOTH LIVE WEBINAR AND ON-DEMAND WEB LINK

Includes options 1 and 2 above.

### Listen on your iPad, iPhone, or Android

(Instructions will be emailed to you with the on-demand link).

# Dates and Times

## LOAN STRESS TESTING FOR THE CREDIT ANALYST

May 6, 2021

## ADVANCED FINANCIAL STATEMENT ANALYSIS

June 15, 2021

## CREDIT FUNDAMENTALS FOR THE NEW CREDIT ANALYST

July 28, 2021

## DEBT SERVICE COVERAGE CALCULATIONS IN UNDERWRITING

August 10, 2021

**All Credit Analyst Series Webinars are from 2 - 3:30 p.m.**

# For More Information

Tracy McQuinn, Senior Vice President  
Melinda McClelland, Vice President  
Jennifer Nika, Vice President  
Kim Cordier, Administrative Assistant  
Tina Wilder, Administrative Assistant  
Department of Education & Special Events  
800/736-2224 or 217/529-2265 Fax: 217/585-8738  
Terry Griffin, Chicago Area Vice President  
773/209-2260

## LOAN STRESS TESTING FOR THE CREDIT ANALYST

Thursday, May 6, 2021

Aaron Lewis, Young & Associates, Inc.

Credit analysts are charged with identifying, measuring and monitoring credit risk in any given transaction. An analyst must understand the borrower's sustainable repayment ability, including both primary and secondary repayment sources. Repayment ability in a "normal" or positive market condition can be relatively easy to determine and used as a basis for the loan decision and risk rating. However, market conditions are not always favorable and adverse conditions can arise relatively quickly (as in 2020).

When underwriting, credit analysts should apply factors which reflect the impact of an adverse market on a borrower's primary and secondary repayment sources. This presentation provides insight for credit professionals regarding transaction-level stress testing, including impact to operating income, guarantor support and collateral. It also includes considerations for both commercial non-real estate and commercial real estate loans.

## ADVANCED FINANCIAL STATEMENT ANALYSIS

Tuesday, June 15, 2021

Jeffery W. Johnson, Bankers Insight Group, LLC

This webinar is designed to address the needs of credit analysts, commercial/consumer lenders, and anyone tasked with analyzing financial data. It expands participants' understanding of financial statements and uses this as a foundation to explore more advanced analytical tools to better understand borrowers' financial performance.

This webinar begins by examining a commercial and industrial type financial statement and reviewing detailed credit, ratio and cash flow analysis to determine financial strength. This information is used to introduce short-term loan struc-

turing by calculating the networking investment, which is the financing gap created when cash from the operating cycle is not collected before payments to suppliers of goods and services are due. Also, a financial impact analysis is demonstrated to determine the cash flow impact on a company from changes in balance sheet financial ratios and income statement margins such as gross profit, operating profit and net profit margins. Cash flow analysis using the Uniform Cash Analysis is reviewed and compared to the commonly used traditional and EBITDA methodologies.

## CREDIT FUNDAMENTALS FOR THE NEW CREDIT ANALYST

Wednesday, July 28, 2021

Jeffery W. Johnson, Bankers Insight Group, LLC

This webinar is designed for new credit analysts and credit analysts and/or commercial lenders (including branch managers) with no formal training in accounting and credit analysis. It begins by explaining accounting assumptions and the rules of debits and credits used to prepare financial statements and tax returns. Then, the course reviews the balance sheet, income statement, statement of retained earnings and statement of cash flows by explaining the pur-

poses of all statements and the meaning of common accounts found on them. With the knowledge gained to this point, techniques to spread financial statements are covered to ensure the results are reliable and basic credit, ratio, and cash flow analysis are demonstrated to determine a company's liquidity, leverage, operating performance and cash flow generation capability. The focus is on commercial and industrial type borrowers.

## DEBT SERVICE COVERAGE CALCULATIONS IN UNDERWRITING

Tuesday, August 10, 2021

Aaron Lewis, Young & Associates, Inc.

Many community financial institutions rely on traditional EBITDA analysis in determining borrower repayment ability. But does EBITDA provide everything we need to know? What about considerations for capital expenditures and dividends provided to entity ownership? Are we missing key elements which drive the borrower's ability to generate satisfactory cash to satisfy repayment requirements? This presentation reviews traditional EBITDA analysis, including

adjustments which should be considered to EBITDA in determining borrower repayment ability. It addresses the Uniform Credit Analysis, specifically net cash after operations and UCA cash flow coverage. Other debt service coverage considerations, such as the free cash flow method for determining repayment ability, including considerations for capital expenditures and how these expenditures impact the borrower's repayment ability will be included.

# Registration Forms and Fees

You can choose to participate in the Credit Analyst Telephone/Webcasts as a series or as one or more stand-alone webinars.

## 2021 Credit Analyst WEBINAR SERIES (ALL FOUR SESSIONS)

Purchase (Check one)	Training Options (Registration includes hook-ups in up to three locations)	CBAI Member	Non-Member*
	Live Webinar	\$1,100	\$1,900
	On-Demand Link	\$1,100	\$1,900
	<b>Special Pricing</b> for Live Webinar & <b>On-Demand Link</b>	\$1,500	\$2,300

## INDIVIDUAL SESSION

Purchase (Check one)	Training Options (Registration includes hook-ups in up to three locations)	CBAI Member	Non-Member*
	Live Webinar	\$275	\$475
	On-Demand Link	\$275	\$475
	<b>Special Pricing</b> for Live Webinar & <b>On-Demand Link</b>	\$375	\$575

**\*Only financial institutions/firms eligible for CBAI membership.**

Please check below which session(s) you are registering for:

- May 6, 2021 – Loan Stress Testing for the Credit Analyst  
 June 15, 2021 – Advanced Financial Statement Analysis  
 July 28, 2021 – Fundamentals for the New Credit Analyst  
 August 10, 2021 – Service Coverage Calculations in Underwriting

Name \_\_\_\_\_

Bank \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Email\* \_\_\_\_\_

\*(E-mail address required for registration).

Fax this registration form to: 217/585-8738 Call for more information: 800/736-2224

Mail Registration to: CBAI Education Department, 901 Community Drive, Springfield, IL 62703

Name as It Reads on Card \_\_\_\_\_ Card Number \_\_\_\_\_

Billing Address of Card \_\_\_\_\_

Expiration Date \_\_\_\_\_ Three-Digit Security Code \_\_\_\_\_ (MasterCard, Visa & Discover accepted)