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## CFO of the Year honoree: Mitchell A. Derenzo, American River Bank

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Executive vice president and CFO Mitchell A. Derenzo has guided American River Bank through a number of changes during his 26-year tenure. He took the company public in 2000. He spearheaded a secondary offering in 2009, and kept the company going during the worst global recession since the Great Depression.

The most memorable challenge, however, came in October 2017 when American River Bank's CEO David Taber resigned after 32 years with the company. The period of uncertainty that followed created anxiety among employees: what's going to happen to the culture? Will I still have a job?

Derenzo eased their worries. He met with staff from all departments, affirming the company would continue to thrive under new leadership.

"I reassured them the culture is not going to change, because the culture is the people," Derenzo said. "I would tell them, 'You're still a valued employee and you need to continue to do your job. You're going to have to develop a new relationship with a new leader.'"

Because of his history with American River Bank and his reputation as a skilled and approachable CFO, the team trusted him. "He has the openness of an uncle," said Taber. "He was well-suited to let the constituency know, and feel, this is a new chapter."

As Derenzo eased the transition for staff and current CEO David Ritchie, he also brought the bank into compliance with Section 404(b) of the Sarbanes-Oxley Act. The complex risk assessment mandates that publicly traded companies with \$75 million or more in "public float" — the portion of shares of a corporation that are in the hands of public investors — must



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Mitchell A. Derenzo, CFO of American River Bank

establish and document internal controls and procedures for financial reporting to ensure their effectiveness.

Derenzo first brought American River Bank into compliance with the act in 2005. When the company's public float fell below the \$75 million threshold during the Great Recession, he still kept most of the controls and procedures in place. His forward-thinking decision paid off. Once the company recovered from the economic downturn, Derenzo, in 2017, put together a top-notch team and helped bring the company into compliance once again.

Taber witnessed those leadership qualities from day one. "He had the technical skills, but he also had the desire to be part of a team," said Taber. "That's one of the things I've always looked for: Can this person work well with others and put aside their own ambitions for the good of the whole? That's what makes someone valuable."

Outside of the office, Derenzo volunteers at his church and for charities that feed the hungry. He is also a founding director and treasurer of American River Bank Foundation, which raises money for organizations that help vulnerable women and children in the Sacramento region. The foundation has raised more than \$1 million since 2004.

Marie Crayne, American River Bank's senior vice president, credit administrator, said she considers Derenzo a mentor. "No matter how busy he is, he always makes me feel I'm more important than anything or anyone."

Derenzo said helping others brings him job satisfaction much deeper than balancing a \$250 million investment portfolio and reviewing financial reports.

"If I can share my knowledge to help people, whether it's in their job, whether it's leadership, or whether it's something in their personal life, I'm going to spend as much time as I can to do that," he said. "My normal job can wait."

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**Age:** 56

**Education:** B.S. in accounting, California State University Sacramento; master's in banking, University of Washington

**Best part about being a CFO:** "Being a decision maker in a field that is constantly changing and being a mentor to those seeking my advice."

**Worst part:** "The hours can at times be long, and despite the time and effort, some days I end wishing I could have accomplished more."

**Biggest challenge you've faced:** "Leading the company through the Great Recession. The increased regulation increased our costs and workload. In addition, banks around us were

failing. We had to face the thought that it was a possibility for us as well. While this possibility was remote, we determined that it was a very good time to raise additional capital for both defensive and offenses purposes—a tough decision that made sound business sense.”

**Fantasy career:** “Rock star.”

**Top item on your bucket list:** “Continuing to spend time with family and friends.”

**What you would do with a \$100 million windfall:** “There are many great nonprofits in our community that I support, but I would want to spend some time vetting them, doing a deeper dive to get to know the boards and executive directors and really getting to know where they want to go in the future. I’d then select two to four and make a meaningful difference.”

**Who would you most like to have a business lunch with:** “Ronald Reagan.”

**Something about you that would surprise people:** “I just attended my fifth BottleRock Music Festival.”