

# Lack of growth sparks bank to close VS branch

By Nick Baptista/ The Valley Springs News

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Valley Springs will become a one-bank town when Bank of Rio Vista closes its branch at 2 Nove Way on July 30.

The bank opened its doors in January 2006, but after seven years in operation could not attract enough business to justify remaining open, said David Greiner, Bank of Rio Vista president and CEO.

With July's closure, Umpqua Bank will be Valley Springs' lone financial institution.

"I wish we could have made it work," Greiner said.

The Valley Springs branch of Bank of Rio Vista has deposits of \$10 million.

In an April 24 letter to depositors, Greiner said all accounts and records currently maintained by the Valley Springs branch would be transferred automatically to the Rio Vista branch.

However, in an interview Thursday, Greiner was apprehensive most of those deposits would remain with his bank.

"I realize we're not offering a convenient alternative," he said.

The Rio Vista branch is located more than an hour's drive from Valley Springs.

Greiner said he believes the economics of the area won't support two financial institutions.

"In seven years we haven't been able to see enough growth to justify staying open," he added. "We gave it a lot of time."

He cited the downturn in the economy and the area's recent lack of growth as reasons for the closure.

"For right now, we're looking at other markets and other opportunities," Greiner said. "We will continue to look at expansion opportunities over the next few years. The bank needs to grow and to grow we need to find sites to grow in."

In addition to Rio Vista, the bank has a branch in Walnut Grove.

The Valley Springs branch has 3.5 full-time-equivalent employees. Greiner said bank officials have met and talked with them about their employment future and some lay-off notices will be going out.

The building at the corner of Nove Way and State Route 26 is leased until the end of the year, the bank president said, and they would be interested if another firm were interested in sub-leasing the building.

Safe deposit customers need to close their boxes by July 15.

The bank's customer service department phone number is (707) 374-6856.