

2017 Senior Credit Conference

Agenda

March 3, 2017

Washington Athletic Club

7:30 - 8:00 am **Registration and Continental Breakfast**

Sponsored by Moss Adams

8:00 - 8:15 am **Welcome**

Liz Wilson, EVP, Washington Bankers Association, Seattle, WA

Elizabeth Sholander, SVP/Senior Credit Administrator, Puget Sound Bank, Bellevue, WA; Senior Credit Committee Chairman

8:15 - 9:15 am **Keynote Speaker**

Credit Management Trends in Today's Regulatory Environment

David Kemp, Founder & President, Bankers Management, Inc., Atlanta, GA

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Explore best practices and regulatory requirements for generating and managing a high performing loan portfolio. The development of a disciplined "credit culture" is the responsibility of the board and executive management and is the first step in assuring that the bank's largest risk asset represents an acceptable level of risk. From sound and applicable loan policy to credit approval, loan administration, problem loan management, and internal and external controls, learn important credit strategies and key tactics critical for success. Supporting strong earnings through interest and fee income is a primary objective of the loan portfolio.

9:15 – 9:25 am **Coffee Break**

9:25 – 10:25 am **CECL Panel: What does CECL mean for your bank & how do you prepare?**

Jeff Green, Partner, Moss Adams, Everett, WA

Garver Moore, Director, Special Research, Sageworks, Inc., Raleigh, NC

Barry Ray, SVP & Chief Accounting Officer, Columbia Bank, Tacoma, WA

David Kemp, Founder & President, Bankers Management, Inc., Atlanta, GA;

Moderator

Trevor Zahlmann, Supervisory Examiner, FDIC, Portland, OR

The Current Expected Credit Loss model (CECL) is the new accounting model FASB has issued for the recognition and measurement of credit losses for loans and debt securities. It is replacing the current "incurred loss" accounting model with an "expected loss" model – CECL. Banking regulators have referred to CECL as "the biggest change ever to bank accounting." So what does this mean for your bank? How do you prepare for the changes? This panel will discuss the highlights and challenges of the CECL and how you can start preparing for the transition.

10:25 – 10:35 am **Coffee Break**

10:35 – 11:35 am

State of the Commercial Real Estate Market

Todd Anderson, SVP & Chief Credit Officer, SaviBank, Burlington, WA; Moderator Brian Hatcher, Executive Vice President, Brokerage, Kidder Mathews, Seattle, WA Jim McLean, SVP, Manager Commercial Real Estate Lending, Banner Bank, Seattle, WA Rick Tunnell, Managing Member, Rick W. Tunnell & Associates, LLC, University Place, WA

Commercial real estate has been a growing and noticeably strong segment within banking for the last several years, especially in the Pacific Northwest. During this session, learn about what the market has been doing and what to expect in months to come.

11:35 – 12:30

Automated Small Business Lending Models

Stephanie Butler, Director of Advisory Services, Baker Hill, Carmel, IN

Today, all businesses strive to be more efficient. Financial institutions are no exception. Many financial institutions decide to go the route of auto decisioning as a way to accomplish more throughput without adding staff or jeopardizing credit quality. While auto decisioning is an excellent way to gain efficiency, it is not as easy as resetting your gray area strategy. In this session, we will discuss best practices for tackling this as well as determine if your institution is ready for this step.

12:30 – 1:30 pm

Networking Luncheon

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1:30 - 2:30 pm

Pacific Northwest Economic Update

John Mitchell, President, M&H Consultants, Portland, OR

Policy assumptions of 2016-17 were shattered on November 8, 2016. The cast changed, as did the policy agenda. Gridlocked issues such as tax reform, fiscal policy and regulation have been transformed and the “lower longer” view of interest rates became “higher sooner.” It remains to be seen if the growth talk of the campaign will be translated into concrete policy and the threats to trade growth come to pass. Labor markets have tightened, inflation has shown signs of life and interest rates rose in the aftermath of the election. This update will focus on the likely path of the U.S. and Pacific Northwest economies in 2017 as well as current policy issues.

2:30 – 2:45 pm

Coffee Break

Sponsored by PCBB

2:45 – 3:30 pm

FDIC Hot Topics: Issues on the Horizon and HVCRE

Susan Gates, VP, Regional Credit Administrator, Beneficial State Bank, Seattle, WA; Moderator Matthew Harvey, Supervisory Examiner, DFI, Seattle, WA Trevor Zahlmann, Supervisory Examiner, FDIC, Portland, OR

Discover the latest hot buttons and concerns from our regulators, including the effect of rising rates on credit quality, nuances of HVCRE, how the current competitive environment is affecting loan underwriting, including covenant lite leveraged lending, extended amortizations or interest only periods and non-recourse lending. Updates on handling CRE concentrations, cybersecurity and Fintech vendors will be covered as time allows.

3:30 pm

Prize Drawing and Adjourn

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