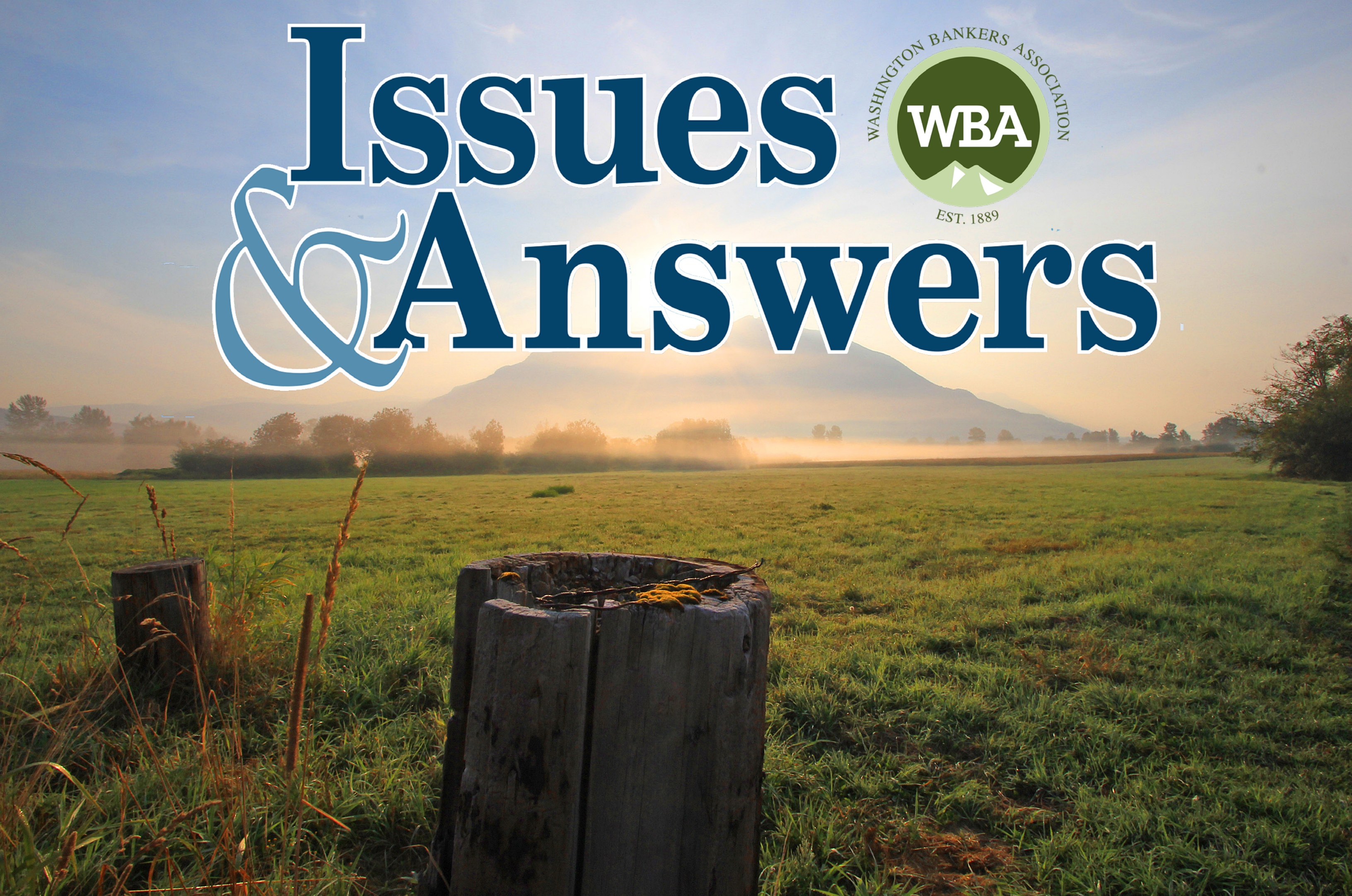
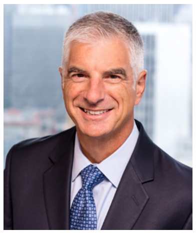
Issues & Answers



June 2020

Welcoming Our New Normal

By Glen Simecek, President and CEO, Washington Bankers Association



Last month, we made the difficult decision to cancel our 2020 conference in Sunriver, Oregon. An event that we all look forward to throughout the year. Yet news of the cancellation was met not with disappointment but simply acknowledgment of the current environment of uncertainty and the need to adapt.

Welcome to the "New Normal."

Type those two words into a Google search box, and you'll get back more than 2.3 billion results in less than half-a-second!

That's not surprising, as the COVID-19 pandemic and its economic disruptions are touching every segment of our customer and employee base and our communities.

Each of our stakeholders are being forced to adjust to their own New Normal – and those adjustments pose challenging questions for our banks.

Many retail customers who have routinely visited our branches are now relying on online banking. How do we maintain and even strengthen relationships with customers when we see them so infrequently? Many of us have large portions of our staff working from home. How do we maintain data security and support our workers when they are only visible on a Zoom call?

In the New Normal, restaurant owners must adjust to take-out and delivery services that were once an afterthought becoming their lifeblood. Health care practitioners must comply with new infection control protocols as they gradually resume caring for patients. Commercial landlords face a weakened market, with some tenants seeking rent relief and others ceasing operations altogether.

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Issues & Answers – June 2020

The official publication of the Washington Bankers Association is sponsored by Harland Clarke and WBA Professional Services

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On the Cover

Steam floats in the fields as the sun rises over Mt Si.
Photo courtsey of Mitchell Haindfield/flickr.com

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The critical question for banks is, how we help these and other customers succeed in confronting their New Normal while maintaining our own fiduciary duty? Making matters even more difficult, we must answer the question as our own operations are disrupted and many of our employees are serving the needs of their children who are home from school and parents who cannot visit with friends as they are accustomed to.

I am confident that WBA members will rise to meet these incredible challenges. That confidence stems not only from knowing the leadership talent at Washington banks, but also from our performance in securing billions of new Payroll Protection Program (PPP) dollars for small- and medium-sized employers across the state.

PPP's road has been rocky. But there's no arguing with the results Washington banks generated for our customers. It's a story WBA will continue to tell proudly to elected leaders, the media, and the public at large. I urge you to join us in telling that story whenever and however you can.

Like our members, WBA is adjusting to a New Normal. In-person exchanges that have been the hallmark of our advocacy, professional development and member engagement efforts simply won't be taking place for some time. But we are committed to developing new and creative ways to meet your needs.

The legislature is expected to hold a special session sometime this summer or fall. They'll be debating options for closing a budget gap projected to exceed $7 billion by the end of the next biennium. We remain in regular contact with legislative leaders, and we will continue to advocate on the industry's behalf whenever and however lawmakers are called back into session.

We will strongly support proposals to help stimulate a statewide economic recovery and against proposals to increase bank taxes that would impede our ability to support that recovery. We also will continue working with the Department of Financial Institutions and key lawmakers on fee, forbearance, and foreclosure issues.

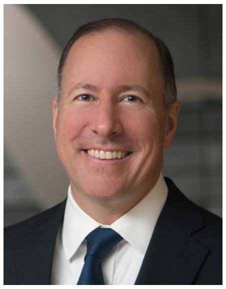
At the federal level, pandemic response has provided an avenue for WBA to build even stronger relationships with our state's Congressional delegation. We began regular communication with their offices during the early days of the pandemic response, maintained it throughout the PPP program, and are continuing on other important issues.

In terms of professional education, we are rolling out new virtual training initiatives to maintain our development programs in an online environment. Webinars and virtual seminars have long been a part of our educational offerings, and we are applying lessons learned from that experience to our tailored training programs. While it is difficult to replicate all the advantages of in-person exchanges between trainers and students, we believe that new online offerings will provide high quality continuing education resources for our members.

We look forward to being your partner as we navigate on these and other fronts, as the New Normal inevitably gives way to a "Newer New Normal."

Coronavirus Strikes. America's Banks Step Up.

By Rob Nichols, President and CEO, American Bankers Association



The world is grateful for all who have served on the front lines battling the COVID-19 crisis—the doctors and nurses who have put their lives at risk to care for the sick and dying as well as those who have kept our grocery stores and pharmacies stocked. These essential service providers are the pandemic's heroes, putting the needs of others ahead of their own.

There is another category of worker that also fits this bill. It's the women and men who work for America's banks. You, too, are first responders—not to the health crisis but to the economic crisis spawned by it. And if I could drive by your offices (home or otherwise) honking and holding up signs in appreciation, I would.

Whether working from your main office or the kitchen table, in the first several weeks of the pandemic you extended critical lifelines to countless households and small businesses suffering from the loss of income resulting from stay-at-home orders. From the loan officer who learned that the trick to getting into E-Tran (the Small Business Administration's portal for submitting Paycheck Protection Program applications) was to try at 2:00 a.m., to the staff who put in extra time to help customers needing forbearance or other accommodations and the employee disinfecting the ATM each day, you proved that serving your communities is not just your job, it's your calling.

Your personal efforts, combined with banks' institutional responses—waiving fees, offering low-rate personal loan programs, deferring payments and even effectively fronting customers their economic impact payments—demonstrate that banking is first and foremost about helping others.

America's banks weren't just deemed essential businesses by governors in state after state; they became essential partners in delivering massive amounts of federal government relief. Despite its faults, the SBA's unprecedented PPP program—which in its first phase processed 14 years' worth of SBA loans in less than 14 days—simply could not have been executed without banks acting as the middlemen. And thanks to the sophisticated payment system the industry has built over the years, banks have been key conduits for distributing—safely and quickly—tens of millions of economic stimulus payments to individuals.

ABA has been proud to support you in your efforts and to tout publicly all you have done, as we did through aba.com/CoronavirusResponse and the press statements, media interviews and digital ads that pointed people to that page.

As always, our efforts are carefully coordinated with the ABA-State Association Alliance, which has never been more important or more valuable to the industry as a whole. For the first several weeks of the crisis, state association and ABA leaders held daily conference calls to discuss what banks were reporting from the front lines, identify solutions and relay needed policy fixes or guidance to policymakers. The flow of information was equally important in reverse.

Sometimes the clarity we all needed from Washington was slow to arrive, but policymakers understood and appreciated that our appeals were solutions-focused and made in good faith. In fact, our most effective advocacy often involved direct phone calls, emails and texts to lawmakers, regulators and top Treasury and SBA officials, with public finger-pointing taking a back seat.

ABA's efforts throughout the crisis, like your state association's, have been focused on ensuring you have what you need to continue supporting your institutions, customers and communities through this these extraordinary times.

We deeply appreciate all of your efforts and are committed to supporting you as we work to rebuild the economy. Because every hero needs a sidekick, and we are proud to be yours.

Compliance Corner

A Solemn Farewell to Reg. D's Convenient Transfer Restrictions

By Michael Perez, Associate General Counsel, Compliance Alliance

Effective April 24, 2020 the Federal Reserve Board (FRB) did away with a longstanding, and, in the opinion of some, outdated rule in Regulation D. The Interim Final Rule amended Reg. D by deleting the six convenient transfers and withdrawals restriction that has become synonymous with savings accounts. Because the rule change puts the ball in each depository institution's court, in terms of whether or not to continue enforcing the restrictions, banks are now left at a crossroads. While the Interim Final Rule provides some clarification on the impact of the change, there are still unanswered questions as well as compliance considerations in proceeding down either path.

With the Reg. D restrictions being antiquated for years due to changes in the industry, what precipitated Reg. D's amendments now? In the Interim Final Rule, the FRB noted an "ample reserves regime" shift, which led to the FRB reducing reserve requirement ratios to zero percent effective March 26, 2020. As a result of the elimination of reserve requirements on all transaction accounts, the FRB stated that the distinction between transaction accounts and savings deposit accounts was no longer necessary. Lastly, the FRB pointed to disruptions caused by COVID-19, which in turn has caused many depositors to have an urgent need for access to their funds by remote means.

Because the FRB pointed to recent developments as a basis of the change as well as its timing amidst the COVID-19 pandemic has led some to question whether the Reg. D changes are permanent or only temporary in order to provide relief during the current crisis. The Interim Final Rule as currently written does not indicate that these changes are temporary. However, because it is an Interim Final Rule and there is a comment period, there remains a possibility that there could be changes to the rule after the comments are considered and a finalized version of the rule is issued. Due to uncertainty on the permanency of the changes, as well as its significant impact on the bank decision of whether or not to suspend restrictions; stakeholders in the industry are reportedly pressing the FRB for clarity on the Interim Final Rule's permanency.

While the question of the Interim Final Rule's permanency remains an open one, changes in the rule are clearly explained. For example, the rule explains that enforcement of the changes is not mandatory. Instead, it is completely up to each bank whether to suspend enforcement of the six transfer limit and even provides that a temporary suspension is an option. Additionally, the rule allows a certain amount of flexibility in that a bank that suspends

enforcement of the transfer limits can either continue to report these accounts as savings deposits or alternatively report them as transaction accounts for purposes of the FR 2900. Further, the rule does not require reclassification or name changes for effected accounts. Lastly, the rule also clarifies that the changes have no impact on the "reservation of right" which continues to be part of the definition of a savings deposit, nor does it impact the way that a bank calculates or reports interest for these accounts.

Because it is up to each bank on whether to suspend enforcement of the six transfer limits, one of the most frequent questions we have received is whether notice is required when suspending enforcement. Neither the Interim Final Rule nor relevant guidance regarding the Reg. D changes have specifically stated notice is required. Additionally, Regulation DD only requires advance notice in certain circumstances which suspension of transfer limits would not trigger. Even though not specifically required by regulation, providing notice is considered a best practice from a customer relationship and UDAAP perspective when significantly changing the terms of an account, as would be the case when suspending enforcement of the convenient transfer restrictions. Additionally, for those institutions that will be suspending enforcement of the transfer limitations only temporarily, generally Reg. DD would require advance notice when re-implementing the transfer restrictions, as this would adversely affect the consumer. We have heard from many banks that plan to temporarily suspend enforcement of the transfer restrictions that they will be providing a statement notice informing the customer of the change and indicating the date on which the restrictions will be re-implemented.

Another issue presented by the change is whether it is necessary to amend account agreements. While the Interim Final Rule does not specify the manner in which account agreements may be amended, the issue of wheth-

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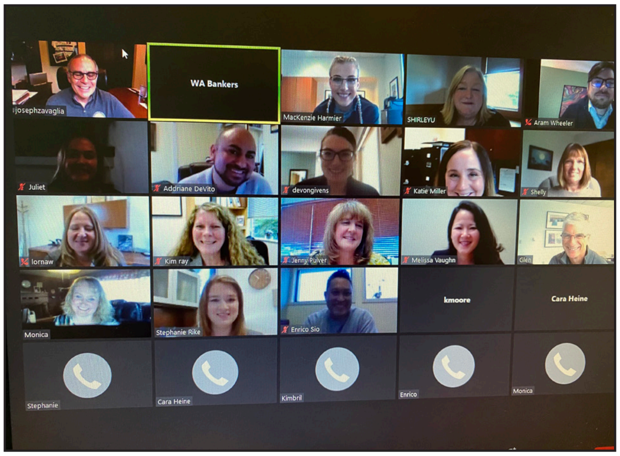
RBMDP Students Celebrate With Virtual Graduation



When the Retail Branch Manager Development Program began last fall, no one expected their final classes would be taking place online due to a global pandemic. But the 17 graduates of the program completed their classes in late May, after switching to a virtual format due to the COVID-19 pandemic.

Throughout the program, which included a special session by advisor Joe Zavaglia looking at the last financial crisis and lessons bankers can learn, students learned about communication, customer service and ways to take their careers to new levels.

Congratulations to: Monica Beckley, 1st Security Bank of Washington; Addriane DeVito, Heritage Bank; Devon Givens, First Interstate Bank; MacKenzie Harmier, North Cascades Bank; Juliet Hart, Commencement Bank; Cara Heine, First Interstate Bank; Katie Miller, Columbia Bank; Kimbril Moore, First Federal; Jenny Pulver, Cashmere Valley Bank; Kimberly Ray, Columbia Bank; Stephanie Rike, North Cascades Bank; Enrico Sio, First Federal; Shirley Urquhart, 1st Security Bank of Washington; Melissa Vaughn, Heritage Bank; Aram Wheeler, Heritage Bank, and Lorna White, 1st Security Bank of Washington.

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er they should be amended remains open. If choosing to suspend enforcement of the restrictions, this would arguably lead to a conflict between the depository institutions practices and the current terms of the account agreement. Additionally, even if not suspending enforcement of the restrictions, it is common to cite Reg. D as a source of the restrictions, which is no longer the case anymore. Either of these issues could cause compliance issues for a depository institution and therefore should be taken into consideration in determining how to proceed.

Lastly, it appears that the Reg. D amendments have caused an unintended consequence concerning Regulation CC. Because Reg. CC defines "account" by referencing Reg. D's amended definition of "transaction account", it appears that this has caused a conflict within Reg. CC and thus presents a question of whether saving deposit accounts are now subject to Reg. CC. Essentially, Reg. CC now includes saving deposits in the definition of "account" while also expressly excluding saving deposits from the definition of "account". There is an argument that because the specific exclusion appears later in the regulation than the general reference, that savings deposits are still excluded from Reg. CC's definition of "account". Because it is unclear, ultimately banks will have to make a judgment call in the time being until further guidance is issued regarding Reg. D's impact on Reg. CC.

Even though the Reg. D changes do present some unanswered questions, ultimately the elimination of the convenient transfer restriction will relieve banks choosing to suspend enforcement the burden of having to monitor for excessive transactions. Additionally, for bank's opting to suspend enforcement, the changes will benefit account holders by providing greater accessibility to funds. While there will be effort and resources required in implementing these changes, overall it appears that the Reg. D changes have the potential of providing a net benefit to banks and account holders alike.

Michael Perez presently serves as Associate General Counsel for Compliance Alliance. He holds a bachelor's degree in Business Administration in Finance from the University of Texas McCombs School of Business. While attending Baylor Law School, he further pursued his interest in finance by taking a variety of courses that focused on transactional and business issues. After law school, Michael worked at a litigation firm with a specific focus on collection matters.

Industry News

New Hires

Andy Pohlman
Regional Market President and SVP of Investment Sales at First Federal

Promotions

Kenji Maeda Assistant Vice President and Branch Manager at Peoples Bank

Jennifer Arnold
Senior Vice President and Chief Banking Officer at Olympia Federal Savings

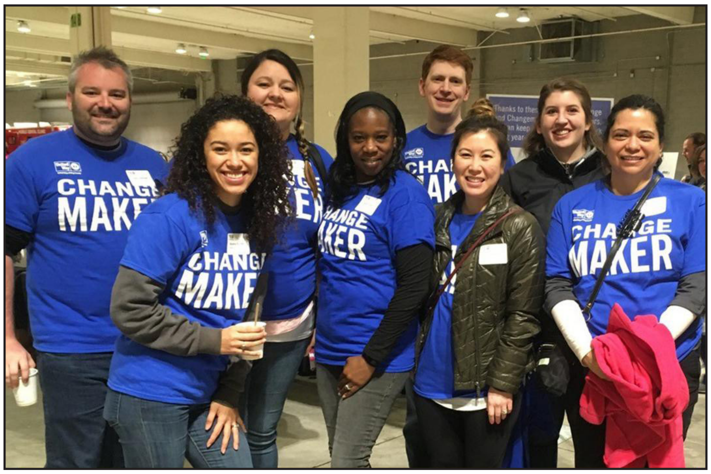
Amanda Coic
Assistant Vice President and Loan Origination Manager at Olympia Federal Savings

James Ortmann
Assistant Vice President and Operation Manager at Olympia Federal Savings

Have Industry News to share with WBA? Email megan@wabankers.com or call (206) 344-3472.

WBA Member News

WaFd Bank Donation Helps Families Stay in Homes During Pandemic



In April, WaFd Bank donated to United Way of King County which used the funds for their April Rest Assistance project for people affected by the pandemic.

The assistance project helped 6,880 applications with children under the age of 18 stays in their homes.

"WaFd Bank, thank you for helping us keep our neighbors and their children housed during these difficult times," said United Way on social media.

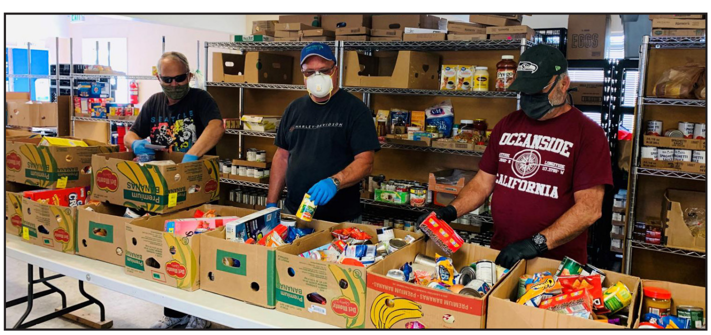
Olympia Federal Savings Two Cents Campaign Donates to Behavioral Health Resources

In April, the Olympia Federal Savings Two Cents Campaign donated to Behavioral Health Resources.

The bank, which donates two cents for every debit card transaction, collected $2,500 for donations in April.

In May, the bank announced it would be donating to Interfaith Works.

North Cascades Bank Donates to Local Food Banks



During the height of the COVID-19 pandemic this spring, North Cascades Bank made a $50,000 donation to local food banks to help those in need.

The bank said during the challenging time, they heard that many local food banks were suffering from decreasing supplies and an increasing number of people in need. The bank donated checks throughout the end of April to food banks throughout their footprint to help.

U.S. Bank Finances $50 Million in Capital to Community Development Financial Institutions to Help Small Businesses Impacted by Pandemic

In May, U.S. Bank announced that it had facilitated $50 million in capital to seven community development financial institution (CDFI) customers, to help them provide loans through the SBA's Paycheck Protection Program.

Each of the CDFIs received $5-10 million in low-interest rate loans to support their ability to fund small businesses impacted by the COVID-19 pandemic. One of the CDFI's, MoFi, provides loans to individuals, businesses, and communities in Eastern Washington, as well as Wyoming, Montana, Idaho, and Eastern Oregon.

Kitsap Bank Announces Employee of the Quarter

Kitsap Bank announced that Dharsea Mommsen, a senior client service specialist, based in the Poulsbo branch was named the employee of the first quarter of 2020.

Mommsen joined the bank in 2015, serving clients in the central Kitsap region, and spent five years advancing her career to her most recent position. She was nominated and selected for this honor by her peers, who praised her tremendous work ethic, willingness to always lend a hand, and continually demonstrating leadership and a positive attitude.

"Dharsea is a valuable employee, exhibiting grace under pressure, inspiring others with her positive attitude, and demonstrating teamwork through her tireless efforts," said Marlene Mitchell, vice president, and regional manager. "We're very pleased to recognize Dharsea's excellent performance with this award."

First Federal Community Foundation Announces Grant Recipients

This year, the First Federal Community Foundation announced it would be awarding $340,000 to local nonprofits as part of its annual grant program.

The 13 nonprofits were chosen during the Foundation's spring 2020 grant cycle, and recipients are located in Clallam, Jefferson, Kitsap, and Whatcom counties which provide community support address the availability of housing, and deliver community and economic development projects.

"These counties have significant needs, particularly exacerbated by the coronavirus," said the Foundation's Executive Director, Jan Simon, adding that the Board

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of First Federal Community Foundation is honored to help make a difference with each organization that it selects. Ms. Simon noted that since the grant program was launched in January 2015, the Foundation has given grants totaling $4,016,500—including the current grant cycle.

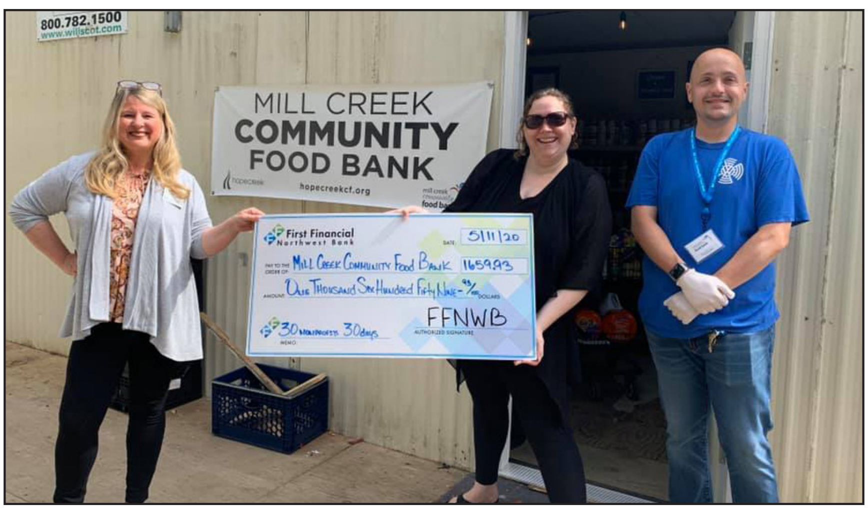
In the area of affordable housing, grants went to Kitsap Rescue Mission, getting funding to help rebuild the roof of the county's only emergency, year-round low barrier shelter for homeless individuals and families. Lydia Place also received a grant, which will break ground this summer on Whatcom County's Heart House, an 11-unit permanent, supportive low-income housing project for homeless mothers with children.

In community development, Trinity United Methodist Church will use their grant to make the church's 149-year old building fully ADA compliant, doubling the number of community service organizations that can use their free and affordable function space. The Whatcom Family YMCA also received a grant to help with the construction of a new larger early learning facility to help with a childcare shortage.

In community support, Helpline House will use their grant to support their Kid's Pantry Program, which provides 100 bags of nutritious, kid-friendly foods to meet the weekly needs of Kitsap County's children. Jefferson County Farmers Market Association will use their grant to strengthen the food security of those with low incomes by offering a dollar-for-dollar match when shoppers use SNAP or other food assistance currencies at any of the county's farmer's markets. The North Olympic Foster Parent Association will use a $5,000 grant to update the clothing closet with new and necessary items, purchase backpacks and school supplies, and furnish items needed for the Annual Holiday Dinner. The Port Angeles Food Bank is using its grant to support the food bank in optimizing operations, developing staff and board capacity, and growing the volunteer program. Washington State University Kitsap Extension is using a grant to purchase a moveable cold storage trailer system to allow fresh produce to be transported to and from food access sites.

The Clallam Community Foundation, Jefferson Community Foundation, Kitsap Community Foundation, and Whatcom Community Foundation each received $25,000 grants to aid in the COVID-19 emergency response.

First Financial Northwest Bank Employees Raise Over $50,000 in 30 Day for Local Food Banks



Through April, First Financial Northwest Bank employees hosted their 30 nonprofits in 30 days fundraising campaign, raising a total of $50,820 to be divided among 30 nonprofits in King, Snohomish, and Pierce counties.

Employees nominated the local nonprofits to receive donations and wore jeans to work in exchange for a donation to the cause. Typically Dress Down for Charity is reserved for Fridays at the bank, but because numerous nonprofit auctions and fundraisers in the area were canceled during the pandemic, the bank opted to honor their tradition daily for a month.

"Many nonprofits rely on those events as their biggest fundraiser for the year," said Donna Dodson, AVP and bank operations manager who runs the bank's Auction Team Program. "For these events to be all canceled will cause a financial hardship for many."

Joe Kiley, president, and CEO of the bank, along with Rich Jacobson, encouraged employees to donate by matching a dollar for dollar match on behalf of the bank.

"Many of these nonprofits will now rely upon more than ever as our communities deal with the stress of COVID-19," said Kiley. "We're hopeful these donations

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WBA Endorsed Vendor: Harland Clarke

The Importance of Digital Customer Engagement: Now More Than Ever

By Stephenie Williams, Executive Director, Acquisition Solutions, Harland Clarke

The global coronavirus pandemic has touched virtually every aspect of consumer life — not the least of which is personal finances. A high unemployment rate and economic uncertainty have prompted consumers to evaluate which service relationships truly provide value to them — and which they'll leave behind in their transition to the "new normal."

What does this mean for financial institutions? In short, it means those institutions that deliver an experience that meets the changing needs of customers in the age of social distancing will be rewarded with new business and greater loyalty. Those who don't will struggle to remain competitive.

Shift to digital — now

Social distancing guidelines have caused many consumers to trade face-to-face branch visits for digital interactions with their financial institution. Indeed, the digital channel is a useful and efficient one — but only if it is user friendly and meets consumer needs. After all, customers who have a frustrating digital experience may not have the option to easily visit a branch to get assistance in person. If these customers can't find the help they need via the digital channel, they're likely to feel frustrated and stuck — and that's very bad news.

There's certainly room for improvement in the industry, it seems, as only 52 percent of consumers report their institution was "very effective" in meeting their online or mobile banking needs. Mid-size institutions particularly have more room to grow, with significantly lower satisfaction rates than larger institutions.

In the end, consumers who have a poor digital experience during a crisis are likely to be left with a bad taste in their mouth about that brand. That's particularly bad news for the offending brand, which is left in a doubly vulnerable position — not only is the consumer not happy with that brand, they're also more receptive to offers from competitors.

Conversely, financial institutions that invest in optimizing their digital channel and expand digital options to deliver the best experience possible will be well-positioned to attract and retain customers. In fact, with interest rates at record lows, your digital experience, not cost, will become a major differentiator for loan acquisition. That means ensuring your digital experience is smooth, seamless, efficient, and of course, useful.

A slick digital interface is of no use if it doesn't provide the functionality customers are looking for. Providers should closely evaluate their digital channel for opportunities to meet consumer needs and consider making modifications like the following:

- Adjust remote deposit dollar limits to make it easier to deposit checks without having to visit a branch or ATM
- Offer multiple options for convenient loan fund disbursement
- Use e-signatures and touch-less loans to facilitate remote document completion
- Utilize a convenient digital chat feature to quickly resolve previously mundane issues like duplicate charges

Actionable strategies for serving customers now

Of course, there's a fine line between being seen as helpful and being viewed as opportunistic, so it's vital financial institutions be intentional about taking steps to show you have your customers' best interest in mind.

Some 34 percent of Americans only have enough savings to cover three months of expenses.2 As the economy reopens, consumers may need help bridging paychecks or managing bills. Be sure to market a variety of tools, such as skip-a-payment and missed payment forgiveness programs, to ease customers' near-term financial needs.

Offer special, unsecured personal loans at a low rate. These flexible loans are attractive to borrowers to help cover living and other expenses that arise from an unexpected change in financial situation. Regional financial institution M&T Bank, for example, introduced an unsecured $5,000 personal loan product at a 2.99 percent rate.

Consider proactively reaching out to your most vulnerable borrowers. Have a conversation with them about how they have been affected and their current and potential financial challenges. Let them know you're available as a resource to help navigate changes in their financial situation and determine their eligibility for alternative repayment or other loan relief options that might work better for them. Auto refinancing is a potential tool for this, as the rate differential is minimal. This means consumers can lower monthly payments by lengthening the loan term without experiencing a significant increase in the overall amount paid.

Prepare for the new future

As financial institutions focus on boosting their digital experience and settle into serving customer needs in the realities presented by the global pandemic, they must continue to position themselves for growth in the changing economic conditions. This means asking questions such as:

- Are there particular customer profiles that we should acquire that will help us weather similar crises in the future?
- Are we prepared for business in the "new normal?" What will our customers need? What can we offer them and how can we grow the relationship as they reorganize their finances?
- How can we grow new deposits and help customers achieve savings goals that will help them be better prepared for a future crisis?

The global pandemic will not only change how people view personal finances, but also how financial service providers respond to consumers' urgent needs. The digital experience you provide and support you offer today will determine how you retain customers, deepen relationships, and acquire new customers in the future.

Stephenie Williams is the Executive Director of Acquisition Solutions for Harland Clarke. Stephenie has over twenty years of experience in Direct Marketing, Strategic Planning, Product Management, and Promotions in the financial services, retail and automotive industries.

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will go toward helping relieve this stress for so many within our communities."

Checks were delivered in early May to the following nonprofits: Arlington Food Bank, Children's Country Home, Clothes for Kids, Communities in Schools (Renton-Tukwila), Community Bridges, Edmonds Food Bank, Emergency Feeding Program, Environmental Science Center, Filipino Community of Seattle, FISH, Habitat for Humanity, Kent Food Bank, Lake Stevens Food Bank, Lifelong, Maltby Food Bank, Maple Valley Food Bank, Mill Creek Community Food Bank, Mt. Baker Housing, Northshore Senior Center, Rainbow Center, RAYS, REACH, Renewal Food Bank, Salvation Army, Sarvey Wildlife, Sherwood Community Services, Snohomish Community Food Bank, The Riley Foundation, Victim Support Services, and Washington Kids in Transition.

Coastal Financial Corporation Awarded Raymond James Community Bankers Cup for 2019

Coastal Financial Corporation, the parent company of Coastal Community Bank, was awarded the Raymond James Community Bankers Cup for 2019.

The eighth annual Cup recognizes the top 10 percent of community banks in the nation. Of the 255 community banks considered for the award, the top 10 percent demonstrated superior performance in a variety of areas, including nonperforming assets to loans and real estate owned, five-year average core deposit percentage, net interest margin, and more.

"This is the first year Coastal Financial Corporation has received this award and it's a huge honor," said Eric Sprink, president and CEO of the company. "Coastal Financial Corporation went public in 2017 and receiving the Raymond James Community Bankers Cup recognizes the hard work and dedication of our board and staff at all levels."

1st Security Bank of Washington, Baker Boyer Bank Ranked In American Banker's Top 200

1st Security Bank of Washington and Baker Boyer Bank announced in mid-May that they were named to the Top 200 Publicly Traded Community Bank and Thrifts in the under $2 billion in assets category for 2020. The list is compiled by American Banker magazine and was published in the May 2020 issue.

"We are honored to make the American Banker magazine's Top 200 list against this year," said Joe Adams, CEO of 1st Security. "Being listed is testimony to the dedication and hard work all of our teammates and the outstanding relationships they have with our customers and our communities."

This is the fourth consecutive year 1st Security has been included in the list and the 13th straight year for Baker Boyer.

Olympia Federal Donates $5,000 to Habitat for Humanity Emergency Response Fund

Olympia Federal Savings announced in mid-May it made a $5,000 contribution to South Puget Sound Habitat for Humanity's Emergency Family Needs Fund, which was created to support low-income families and senior citizens experiencing unanticipated financial hardships.

"Habitat homeowners and clients are financially vulnerable as they make up our area's frontline workers and unfortunately many of them have been laid off because their place of business has been closed," Shawna Dutton, Director of Development with SPSHFH said. "They are overwhelmingly being negatively impacted financially and need assistance responding to many unexpected emergent needs."

Dollars from the fund will help provide mortgage relief, utility assistance and basic needs support for those hardest hit by the pandemic.

"We've been partners with Habitat for many years, helping build and finance homes, supporting client financial education and volunteering on their board of directors and committees," said Lori Drummond, President & CEO of Olympia Federal Savings. "We've seen the need first-hand so we wanted to make sure we made a meaningful contribution to this very important cause."

Peoples Bank Makes $25,000 Grants to Local United Ways

In May, Peoples Bank announced it was awarding $25,000 grants to local United Ways to support COVID-19 relief efforts in Whatcom, Snohomish, Skagit and King Counties.

The funds will be used to support the Whatcom County COVID-19 Emergency Recovery Fund, United Way of Snohomish County, the Skagit Valley Disaster Relief Fund and the United Way of King County's COVID-19 Community Relief Fund.

"United Way plays a critical role in our communities assisting with housing, food, childcare, transportation, medical care, and other necessities during this unprecedented time," said Lisa Hefter, Executive Vice President, Chief Administrative & Risk Officer. "As a community bank with long-standing ties to the neighborhoods we serve, we are steadfast in our commitment to supporting the important work of local nonprofit organizations while addressing the financial needs of local businesses and families."

Each year, the bank donates hundreds of thousands of dollars in financial support to local and regional nonprofits. Employees of the bank also use work hours to volunteer in the community and are encouraged to help others through creative giving campaigns.

If you have WBA member news to share, please email Megan Managan at megan@wabankers.com. Submissions are run on a space available basis.