

# Issues & Answers



May 2024

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## Banking on Community



*By Glen Simecek,  
President & CEO,  
Washington Bankers  
Association*

For many of you, the words Bankers Care probably bring visions of a food drive, collecting donations in Westlake Park and surrounding

street corners.

The need to build connections with those we serve led the Washington Bankers Association to launch Bankers Care in 2013. At the time, the Great Recession was still fresh in the public consciousness. WBA leadership felt it was essential to counter lingering negative perceptions of the industry by highlighting banks' excellent work in local communities across Washington.

Bankers Care began with several successful food drives staged with Northwest Harvest food banks and KOMO Television in Seattle. More than 500 local branches participated, and more than 200,000 meals were donated in the first year alone.

What's more, demonstrating the ability of local banks to respond timely to community needs, the 2014 food drive event pivoted to raise funds for the victims when the Snohomish County

community of Oso was devastated by a massive mudslide.

Since its inception, Bankers Care has undergone a remarkable transformation. It has evolved from that simple food drive to a comprehensive framework. This framework now encompasses initiatives that enhance financial literacy and educational programs across our communities. It also celebrates the remarkable contributions of bankers in their communities, day in and day out.

The importance of highlighting your community involvement cannot be overstated. In the banking industry, trust and reputation are foundational. By actively participating in philanthropic activities, banks demonstrate their commitment to the well-being of the communities they serve. This enhances their reputation and strengthens customer loyalty and community trust. Furthermore, these activities resonate with employees, increasing their engagement and pride in their work.

The Bankers Care Initiative showcases precisely what the name suggests—how banks care for their communities, customers, and employees. The initiative provides a platform for banks to demonstrate their commitment to community resilience and prosperity that goes beyond the

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## Issues & Answers – May 2024

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### Connect With Us

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### On the Cover

Lilacs bloom against a blue sky backdrop in spring in Western  
Washington.

*Photo by Megan Managan*

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baseline of CRA. This work sustains relationships and supports partnerships that contribute to the overall health and vitality of the communities you serve.

We proudly announce eight founding member banks to the Bankers Care Initiative. These banks have raised their hands to say that we adhere to CRA and other obligations and go beyond these mandates by embracing the Bankers Care Principles. Those include:

- Donating to local charities, non-profits, and other causes that benefit the community and those in need,
- Participating in or sponsoring local events, programs, or initiatives that help build a stronger, more vibrant community,
- Encouraging employees to volunteer to support local initiatives and community projects,
- Promoting financial literacy by offering free or low-cost financial education workshops or materials for youth, seniors, and small businesses,
- Offering special loan programs or services to help underserved segments of the community,
- Providing financial relief programs or other support to affected customers during local or national crises, such as natural disasters,
- Implement and promote environmentally sustainable practices within your bank's operations and lending practices.

Thank you to Bank of the Pacific, First Fed Bank, Heritage Bank, HomeStreet Bank, Kitsap Bank, RiverBank, Sound Community Bank, and Washington Trust Bank for being our founding banks, and what we hope is just the first group of many more to come.

Bankers Care already coordinates four programs that interested banks can offer to their customers and community to support these goals:

- The BankWork\$ program prepares low-income job seekers to enter the financial services industry. It provides eight weeks of free, industry-specific training with a strong customer service focus, followed by job placement with partner financial institutions and mentoring support for up to a year on the job.
- Financial Beginnings is a national financial education program designed to help members of underserved communities understand basic concepts like compound interest, savings, investing, and insurance. Over the past decade, the program has taught more than 60,000 youth and adults in partnership with more than 200 schools and 100 community-based organizations across the state.
- Safe Banking for Seniors, offered through the American Bankers Association Foundation, provides information that older members of the community need today more than ever, including identifying and avoiding scams, preventing identity theft, choosing or serving as a financial caregiver, understanding powers of attorney, and planning for stages of cognitive decline. Materials are highly flexible and can be delivered in a variety of formats.
- Family Code Word is a new campaign created by our friends at the Kansas Bankers Association. Last year, Americans lost \$9 billion to fraud, and phone scams continue to grow in both number and sophistication – and the problem will only worsen with the proliferation of AI. This straightforward program defends these scams by encouraging families to establish a code word known only to family members. If a caller purporting to be a family member in need doesn't know the code word, they should be hung up on.

As a whole, Bankers Care also helps to build understanding, recognition, and appreciation for the excellent work Washington banks do in serving our customers and our communities. But our banks make these commitments and offer programs like these because it's the right thing to do.

Please contact us to learn more about Bankers Care and how to become a Bankers Care Bank. By joining forces, we address community needs and lay the groundwork for future challenges and opportunities. You can also learn more at [wabankers.com/bankerscare](http://wabankers.com/bankerscare).

Together, we are building a legacy of community support beyond mere financial contributions, fostering a more connected and resilient society.



# Courts Pump the Breaks on CRA Overhaul



*By Rob Nichols, President & CEO,  
American Bankers Association*

While the banking industry has been battered about by the “regulatory tsunami” in recent months, bankers can now breathe a small sigh of relief.

In a win for the industry, a Texas federal judge in late March issued a preliminary injunction in ABA’s lawsuit challenging the Community Reinvestment Act final rule. This injunction means that banks can put their compliance efforts on pause until the court decides the merits of the case. It is also the latest signal from the courts that they agree with our view that in a number of these recent regulatory actions, the agencies have gone too far.

That has been our argument in several legal challenges that are currently pending in federal court. ABA has filed four lawsuits over the past two years on behalf of our members, challenging a UDAAP examination manual update by the CFPB, the CFPB’s section 1071 final rule, the CFPB’s late fee rule, and, of course, the CRA final rule.

As I mentioned in my remarks at the ABA Washington Summit earlier this year, suing federal regulators is never our first or preferred course of action, and we remain committed to engaging constructively with the agencies wherever we can.

But we’ve seen a disturbing pattern recently of regulators moving ahead with rulemakings that fall outside their regulatory authority and ignoring constructive feedback from banks and other stakeholders. When that happens, litigation is the only tool left in the toolbox. It’s one we’ve

wielded reluctantly, but one we’ll never shy away from using when it’s warranted.

ABA and our members fully support the goals and principles underlying the CRA, and we agree that the 30-year-old regulations should be updated to reflect the realities of modern-day banking. However, the “updates” made in the final rule exceed the lines drawn by Congress in the CRA statute by authorizing the evaluation of some banks outside of their physical deposit taking footprint and on their deposit products, in addition to whether the bank meets the credit needs of the communities it serves.

And as we reviewed this final rule, we concluded that it fails to consider banks’ demonstrated commitment to all communities, and instead creates a framework that risks undermining the very spirit of the original law by creating disincentives for banks to offer certain products or lend outside their branch networks. We were heartened to see the court agree that our arguments to that effect have merit.

We share this CRA win with our counterparts at the Texas Bankers Association, the Independent Community Bankers of America, the Independent Bankers of Texas, the Amarillo Chamber of Commerce, the U.S. Chamber of Commerce, and the Longview Chamber of Commerce. As the case moves forward, we will continue to speak with one unified voice to amplify the concerns we all share about what these rules would mean for bank customers and local communities.

Serving communities is at the core of what banks do. We need to ensure that the regulations governing America’s banks are supporting that important work, not hindering it.

## RISK & COMPLIANCE CONFERENCE

June 11-14, 2024  
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American  
Bankers  
Association®

# Banking on Change: Save the Date for the 2024 PNW Capitol Hill Visit

This September, the banking community of the Pacific Northwest (PNW) will unite in Washington, D.C., for our annual visit to the nation's capital.

Once again this year, the Washington, Idaho, and Oregon Bankers Associations are hosting the PNW Capitol Hill Visit, which will be held on September 23-25 at the Dupont Circle Hotel. This gathering is more than just a meeting—it's a beacon for bankers committed to influencing regulatory and legislative outcomes at the highest levels.

For three days, banking professionals will immerse themselves in a schedule packed with high-impact meetings with regulatory agencies and lawmakers. These interactions are not merely informational; they are designed to be a conduit for meaningful advocacy and change, enabling participants to voice their concerns and suggestions directly to those who wield the power to make a difference.

The event includes a vital opportunity for attendees to engage in face-to-face Capitol Hill visits. These encounters provide a platform for bankers to advocate for the industry's needs and challenges, emphasizing the critical issues that affect banking operations and community growth in the PNW and beyond.

Alongside the advocacy opportunities, the event offers a unique chance to connect with peers. An optional tour of Mt. Vernon provides a setting for reflection and camaraderie, fostering a deeper sense of community among attendees.

As banks across the country deal with a new onslaught of regulations and economic changes since the pandemic, this trip is a wonderful opportunity to share and learn. It's also a call to action for those who are eager to shape the policies and regulations that govern their work and affect their communities. Through collaboration and direct engagement, the event aims to forge a path toward more favorable banking conditions and a brighter future for the Pacific Northwest banking community.

Don't miss this opportunity to be part of a transformative event. By attending, you'll be contributing to the future of banking in the Pacific Northwest and beyond. Save the date and prepare for an enlightening and empowering experience.

Registration is now open. Please visit <https://votervoice.net/WABANKERS/Campaigns/114136/Respond> to learn more.

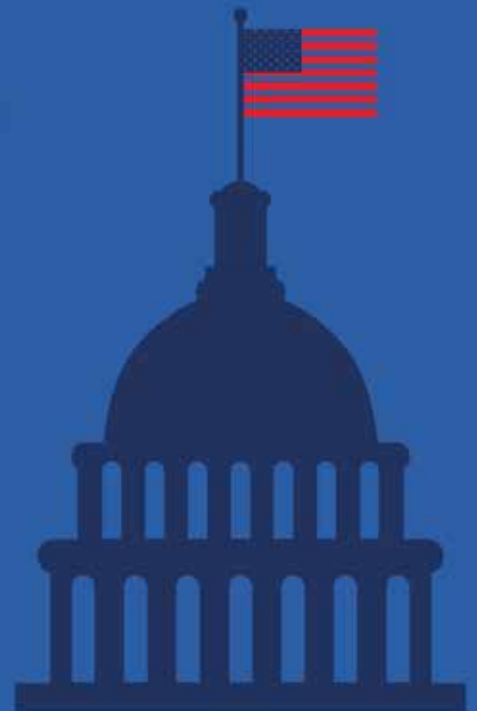


SAVE THE DATE!

## PNW CAPITOL HILL VISIT

September 23-25 • Dupont Circle Hotel

Join us for our annual visit to Washington D.C., including meetings with the banking regulatory agencies, Congress and more!





# KBA Fraud Academy's Advanced Training Helps Banks Combat Financial Crimes

With the alarming surge in financial fraud, the need for robust, proactive measures has reached a critical level. Now, more than ever, it's crucial to equip yourself with the latest insights and strategies to combat this growing threat.

This summer, the Kentucky Bankers Association (KBA) is hosting its Fraud Academy, which is a fantastic opportunity to enhance your institution's fraud prevention strategies with the most cutting-edge insights and training available.

Here are the top three reasons why your attendance is vital:

- **Comprehensive Training by Experts:** The KBA Fraud Academy, expanding to two and a half days, offers in-depth training across eighteen areas of fraud. You will learn from the esteemed speakers from the United States Secret Service, attorneys from the United States for the Eastern District of Kentucky, Lexington Police Department, and other law enforcement experts with firsthand experience in fighting fraud.
- **Extensive Coverage of Fraud Types:** Every bank grapples with losses due to fraud, so our curriculum covers crucial topics, including check fraud, elder fraud, cybercrimes, and fraud prevention tools. These sessions are crafted to give you practical defenses against the most pressing fraudulent activities that banks face today.
- **Real-World Application:** Led by Shane Ensminger from Central Bank, who brings his rich experience from law enforcement and the banking security sector, the academy goes beyond regulatory education. You'll walk away with knowledge and actionable



strategies that can immediately be used within your organization to mitigate fraud risk and protect your customers.

The academy will be held from August 6-8, 2024, at the Hilton Lexington/Downtown Hotel. For the first time, KBA is also offering a virtual option this year, so bankers from Washington can attend with ease.

Spaces are limited, and with the prevalence of fraud steadily climbing, there is no time to delay. Equip your team with the knowledge and tools to safeguard your institution against the growing tide of financial crime.

Join us at the KBA Fraud Academy and fortify your bank's defenses. Register today to secure your spot in this groundbreaking program.

## Events Calendar

**May 8-10** – IBA, OBA, WBA Agriculture Conference; Idaho

**May 30** – PSBJ Women Who Lead Summit; Seattle

**June 11-14** – ABA Compliance & Risk Conference; Seattle Convention Center

**June 17-21** – DFI Next Generation Financial Leaders Workshop

**June 26-28** – 2024 Annual Convention; Skamania Lodge

**July 30** – Future Leaders Networking Night at Spokane Indians

**August 6-8** – KBA Fraud Academy

**August 8** – Future Leaders Networking Night at Seattle Mariners

**September 19-20** – Virtual Credit, Lending & Compliance Conference

**October 7** – Credit Analyst Development Program

To register or to learn more about any of the listed events, please visit [www.wabankers.com/calendar](http://www.wabankers.com/calendar).

## VIRTUAL CREDIT, LENDING & COMPLIANCE CONFERENCE

SEPTEMBER 19-20

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# Empowerment & Innovation: Highlights from the 2024 Virtual Engage Conference

The 2024 Virtual Engage Conference, hosted virtually by the Washington Bankers Association on April 24-25, not only educated and inspired attendees but also equipped them with practical insights to navigate the challenges of a rapidly evolving financial landscape.

The conference started with a refreshing keynote from Nicole Sherman, a well-known C-Level financial industry executive, board member, and transformational speaker. Her presentation, "Engage Like You Own the Place! If It Is To Be, It Is Up To Me," delved into adopting an entrepreneurial mindset for professional and personal triumph. Sherman's address was enlightening and entertaining, setting the stage for the following sessions.

The bulk of the agenda was dedicated to break-out sessions for each area of the bank represented at the conference. These sessions were designed to foster conversation and share information, led by subject matter experts.

Amelia Noel, a master-certified coach, led Mind Over Matter, sharing how mindset can help teams and individuals be happier and more fulfilled in their work.

Cynthia Clay, founder and president of Netspeed Learning Solutions, shared ways to build a robust, inclusive learning culture. This session provided valuable insights into how banking institutions can create a conducive environment for continuous learning and development, fostering inclusivity and promoting employee growth.

Mark Berry, a partner at Davis Wright Tremaine, worked with human resource bankers to discuss the latest employment laws.

In the second round of breakouts on the first day, Nicolle DeLiso tackled the increasingly important topic of data utilization in retail banking sales and business development.

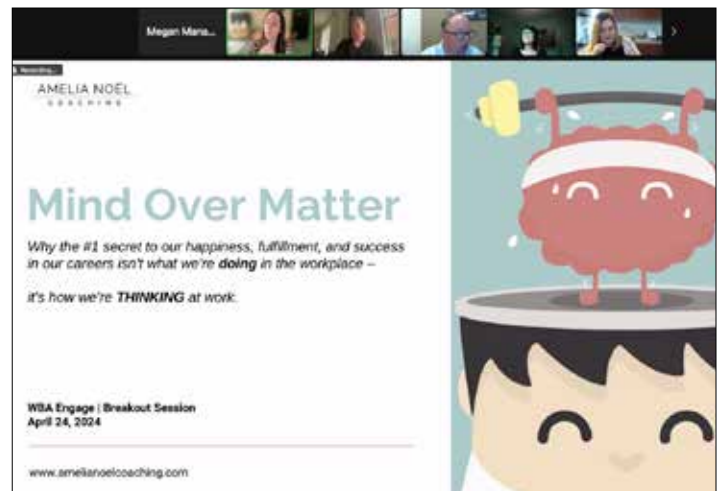
Zoe Fisher, senior trainer at Sound Transit, covered accessible training and what bankers should consider when designing new training programs to ensure they are inclusive for all learners.

The final breakout of day one was hosted by Craig Nelson, senior clinical account executive with First Choice Health EAP, and shared ways to support employee mental health. These discussions explored ways to create supportive environments within the banking industry, understand mental health challenges, and promote workplace well-being.

Day two started with a keynote session with Jack Hubbard, CEO of Jack Hubbard Consulting, on how bankers can build internal and external partnerships to accomplish goals.

The morning's breakout sessions included Cameron Huddleston, director of education and content for Carefull, sharing an update about fraud and ways bankers can keep customers safe.

In the training breakout, Greg Brazell, director of P12 partnerships at Pierce College, discussed adult learning styles and brain-based learning to help trainers get the most out of their training sessions.



Jennifer Bouman-Steagall, a defense attorney with Red Kite Employment Law, focused her session on the changes to family leave benefits and disability accommodations and what happens when the two intersect.

In the final sessions of the conference, Sherman returned to discuss deposit growth and strategies for retail bankers, while Dr. Davida Sarpe-Haygood, a consultant, covered cultural empathy in DEI training. Julia Johnson, director of organization development and talent manager at Wipfli, talked about the elements of the total compensation plan and more.

With over 120 bankers attending the live sessions held online, bankers from across the region were able to benefit from this year's event.



# Bankers Gather to Tie Passions to Purpose with a Plan

On Friday, April 26, bankers from throughout the Pacific Northwest gathered at the WBA office in Seattle for a Future Leaders Networking Series workshop led by 1st Security Bank of Washington Executive Vice President Kelli Nielsen.

The workshop, titled Purpose, Passion, and a Plan, walked the group through how to define a project or individual purpose, connect it to someone's passions, and then build a plan for accomplishing those goals.

Working in breakout groups, the teams worked through the various stages of building a plan, starting with defining purpose and ways to motivate people's passion.

The event was part of the WBA's year-long Future Leaders Networking Series, bringing together bankers for small group discussions or events throughout the state.

The next event will be held on May 30. It will be a networking lunch prior to the Puget Sound Business Journal's Women Who Led Summit.

In July, WBA will host a night at the Spokane Indi-



ans baseball stadium, followed by an evening at the Seattle Mariners on August 8. Tickets for all three events are just \$50.

Learn more at [wabankers.com/leaders](http://wabankers.com/leaders).

## Industry News

### New Hires

Imelda Clark  
Professional Banker at Liberty Bank

Michael Cruz  
Vice President and Branch Manager at Banner Bank

Brandon Hurst  
Vice President and Relationship Manager at Washington Trust Bank

David Edelstein  
Chief Innovation Officer at First Fed Bank

Eric Bergeson  
Vice President SBA and USDA Business Development Officer at SaviBank

Torie Ramirez  
Vice President and Community Business Banking Officer at 1st Security Bank of Washington

Sean Henderson  
Executive Director and Banker at JPMorgan Private Bank

Kulia Gonzalez  
Loan Servicing Manager at Peoples Bank

Randi Burchett  
Senior Mortgage Loan Officer at Peoples Bank

### Promotions

Isaac Winters  
Assistant Vice President and Small Business Loan Officer at Peoples Bank

Jack Heath  
Chief Executive Officer at Washington Trust Bank

Kevin Blair  
President at Washington Trust Bank

Jim Branson  
Chief Operating Officer at Washington Trust Bank

Chris Riffle  
Chief Strategy Officer at First Fed Bank

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

## Understanding Bank Performance



No one ever failed  
by being really  
good at the  
fundamentals

**Next session begins July 9!**  
Learn more and register at [wabankers.com/ubp](http://wabankers.com/ubp)



## Chase Participates in Affordable Housing Event

The Seattle Chase team recently participated in the Black Home Initiatives Building Communities: Your Key to Affordable Housing event this spring.

Other organizations focused on housing, such as HomeSight, Habitat for Humanity, and Homestead Community Land Trust, also participated, sharing information about affordable homeowner options and strategies for community preservation.



## Mountain Pacific Bank Builds with Habitat for Humanity

Mountain Pacific Bank recently joined Habitat for Humanity of Snohomish County for a Build Day.

The group worked with Habitat's Construction Manager, Chris, to start a 17-week home-building project.

"We are honored to be a part of this opportunity and help build a future home for a family," said the bank. "We look forward to the next build!"

## Liberty Bank Sponsors Jewel Box Theater Gala

Liberty Bank sponsored and attended the Jewel Box Theater's annual gala earlier this year.

The bank was the event's spotlight sponsor, and members of the bank team volunteered at the gala, including Galina Georgieva, Chelsie Calara, Kelly Garcia, and Lynette Reynolds. Rhonda Morris, the bank's senior vice president and



chief risk officer, is a member of the JBT Gala Committee.

This year, the event achieved a new fundraising record, and the bank is committed to continuing its partnership.



## Chase Hosts Financial Literacy Workshop

The team and home lending partner Liston Pratt hosted a financial literacy workshop for community members at the Chase Westlake branch in downtown Seattle.

The event focused on improving credit, managing debt, and positioning themselves to purchase a home.



## Kitsap Bank Donates to Port Townsend Film Festival

Kitsap Bank announced a \$7,500 donation to the Port Townsend Film Festival in March.

This annual event, held in September, welcomes over 2,000 attendees and 30 filmmakers to the area to showcase over 50 films.

The organization also hosts Backyard Movies at the Fort throughout the year.



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### **Olympia Federal Savings, Commencement Bank Participate in United Way April Food Day**

On April 1, Olympia Federal Savings and Commencement Bank participated in the United Way of Thurston County's April Food Day.

The annual event encourages people to donate food to combat food insecurity in the community.

OlyFed collected food at its location from March 22 to 29, and the bank facilitated the delivery of the items to local food banks on April 1.

Commencement Bank did the same, collecting food at locations throughout the county to help those fighting hunger.



### **Community First Bank Recognized by Small Business Administration as Leading Lender**

The Small Business Administration recently recognized Community First Bank as a leading lender in their district.

For the second year in a row, the SBA named Community First the leader in SBA loans under \$350,000 in the 4th Congressional District.

### **Olympia Federal Savings Donates to Boys & Girls Clubs of Thurston County**

Olympia Federal Savings announced in April that it would donate \$2,923 to the Boys & Girls Clubs of Thurston County.

The donation was part of the bank's Two Cent program, in which every debit card transaction earns a two-cent donation to that month's charity of choice.



### **HomeStreet Bank Volunteers with Per Scholas Seattle**

In April, HomeStreet Bank team members volunteered with Per Scholas Seattle to support the organization's work of advancing economic equity through education in tech careers.

The program was celebrating graduates of a recent class.



### **Mountain Pacific Bank Supports Everett AquaSox**

The Mountain Pacific Bank team recently attended the Everett AquaSox opening day, welcoming the beginning of spring.

The minor league baseball team is based in Everett, near the bank's headquarters.



### **Olympia Federal Attends Youth Connection Gala**

The Olympia Federal Savings Belfair team members recently attended the Youth Connection's Mardi Gras Gala.

The event supports the organization by raising money for programs that support and house Mason County youth.

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### Washington Trust Bank Celebrations Spokane Expo Anniversary

The Washington Trust Bank team and Spokane City officials recently celebrated the 50th anniversary of the Spokane Expo '74.

This year, Spokane is hosting various events to commemorate the anniversary, and Washington Trust Bank is a signature sponsor.



### Cashmere Valley Bank Volunteers at Yakima River Canyon Marathon

The Cashmere Valley Bank Yakima team, volunteered Saturday during the Yakima River Canyon Marathon.

The team worked the first water station of the run, providing much-needed refreshments to race participants.



### Kitsap Bank Donates to Community Boat Project

Kitsap Bank donated \$3,000 to the Community Boat Project's Shelter from the Storm in Port Hadlock in early March.

The program provides job training to high school students and young adults and, through paid internships, helps them build tiny homes for people experiencing homelessness while gaining valuable skills.



### Sound Community Bank Volunteers at Park

Recently, members of Sound Community Bank volunteered at Mountlake Terrace for a park cleanup.

The team volunteered to clean up trash and help beautify the park grounds for the community to enjoy.



### Washington Trust Bank Donates to KREM Cares Diaper Drive

Once again, Washington Trust Bank participated in the KREM Cares Diaper Drive for Vanessa Behan this spring. The bank donated \$10,000 to the event, providing diapers and wipes to needy families.



### Kitsap Bank Donates to Sequim Irrigation Festival

Kitsap Bank announced a \$1,000 donation to the Sequim Irrigation Festival earlier this spring.

This year's event, which celebrates 129 years, is the longest-running festival in Washington state and will be held in early May.

### Commencement Bank Attends Community Health Care Lunch

The Commencement Bank team recently attended the annual Lunch and Laughter Luncheon supporting Community Health Care.

The event celebrated and highlighted CHC's work and

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served as a fundraiser for the patient care fund, which helps patients pay for medical services not otherwise covered.



#### Chase Participates in Black Earth Day Celebration

Members of the Seattle Chase team recently attended the second annual Black Earth Day celebration, which was hosted by the Black Farmer's Collective and Urban League of Metropolitan Seattle.



#### U.S. Bank Volunteers at Green Lake on Earth Day

The Seattle U.S. Bank team recently spent the weekend of Earth Day volunteering at Green Lake Park.

The team picked up litter around the lake, helping clean the area.

#### KeyBank Named Top SBA Lender in Washington

In April, the Small Business Administration announced honors for those institutions working with the agency.

KeyBank was named the top small business lender for loans under \$350,000 in Washington Congressional Districts 1, 3, 7, 8, and 9, covering most of Western Washington.

"We are very excited to receive this honor from the SBA here in Washington. Access to capital is a struggle for many small businesses, but through partnerships and relation-

ships, KeyBank is making that happen," said James Fliss, Jr., KeyBank Senior Vice President and national SBA Manager. "We believe that small businesses are the backbone of a thriving community, and we couldn't be prouder of our team."

"Small businesses consistently identify financing as a top need, but access to capital often brings challenges and barriers for many small business owners. This is why the SBA's work, in tandem with a robust network of lenders, is so critical," SBA Seattle District Director Melanie Norton said. "During Fiscal Year 2023 alone, approximately \$900 million in SBA loans were made across the SBA Seattle District. We're grateful to KeyBank for being one of the top lenders in the district, making loans under \$350,000 during the past year, and ensuring small businesses with smaller dollar needs were not overlooked. We will continue working together to ensure no entrepreneur is left behind."



#### Commencement Banker Attends Gig Harbor Rotary Round-Up

Commencement Bank's Lucy, who works at the Gig Harbor branch, recently represented the bank during the Gig Harbor Rotary Round-Up.

This year was the 33rd annual event, which included line dancing and photo booths, plus a live auction and support for the Rotary Club.



#### Sound Community Bank Hosts Duck Derby Sale

Once again, the Port Angeles and Sequim Sound Community Bank branches were Great Olympic Peninsula Duck Derby sales locations this spring.

Individuals could purchase ducks to benefit the Olympic Medical Center Foundation, which helps with scholarships and the purchase of medical equipment for the hospital. The duck derby will be happening later this spring.

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# How Financial Institutions Can Craft Compelling Content on Social Media



*By Alessandra Pecoraro, Director, Paid Media, Vericast*

Social media reigns supreme these days, which means financial institutions have with a unique opportunity to engage with their audience where they spend most of their time – online.

However, many institutions are daunted by the task of creating meaningful content that not only resonates with

their audience but also complies with regulatory standards.

In this article, we'll examine strategies for demystifying digital content creation, and offer actionable insights to help financial institutions navigate the complexities of social media.

Analysis of Vericast client campaigns offers valuable insights into what resonates with audiences on social media:

- Creative featuring individuals achieve a significant boost in engagement, with click-through rates (CTR) surging by 21%
- Campaigns incorporating outdoor elements see cost-per-click rates decrease by 17%, suggesting nature resonates well with audiences
- Showcasing couples outperforms, garnering a 29% higher CTR compared to group imagery, emphasizing the impact of relatable, personal moments

## Six recommendations for scroll-stopping financial social media content

1. Identify customer needs – Customers respond most to content that speaks to their problems. To create such content, identify their pain points and address them with informative and relevant materials.
2. Provide valuable information – Offer educational content that explains complex financial concepts, provides actionable tips, and offers solutions to common challenges customers face.
3. Tell stories and use real-life examples – Incorporate stories and real-life examples to make your content more engaging and memorable.
4. Simplify complex concepts – Break down complex concepts into simple, digestible pieces of information to make your content more understandable and accessible.
5. Leverage visuals and multimedia – Incorporate visually appealing elements like infographics, videos and images to convey information more effectively and keep the audience engaged.
6. Use Data and Research – Support your content with data, statistics and research findings to add credibility and authority.

## Five proven social media video strategies for FIs

Video content has become increasingly popular on social

media apps like TikTok, offering an immersive and engaging experience for audiences.

Here are five proven ways to capture attention and showcase your institution's community and technological know-how through video content:

1. Day-in-the-Life Videos: Offer a glimpse into the daily workings of your team, providing authenticity and humanizing your brand.
2. Collaborative Unboxings: Partner with related businesses to showcase major purchases, providing a creative twist on the unboxing trend.
3. Vlog-Style Journeys: Share the customer's journey in a narrative format, personalizing the experience.
4. Tutorials and Walkthroughs: Demonstrate the simplicity and benefits of your services with quick, informative guides.
5. Partnership Highlights: Share and celebrate community involvement, enhancing your local connection.

## TikTok Tips

Connecting with Gen Z, the digitally driven generation, requires a nuanced approach. This demographic craves authenticity and relatable content on their preferred platforms. TikTok has emerged as a powerful platform for engaging with younger audiences, but success on the platform requires a strategic approach.

By maintaining an intuitive presence and delivering educational content that speaks to their unique needs and interests, financial institutions can effectively engage Gen Z audiences and position themselves as trusted advisors.

Here are a few tips for financial institutions looking to create content that is fresh and relevant:

- Stay Trendy: Keep up with trends and secure swift compliance for relevance.
- Use Hashtags Wisely: Select hashtags carefully for visibility in limited space
- Opt for Short, Sharp Content: Engaging 15-second videos are key.
- Collaborate with Influencers: Partner with Gen Z and Millennial finance influencers to boost reach and credibility.
- Focus Your Strategy: Selective social presence is more effective than spreading thin across every platform.

A thoughtfully crafted content strategy is imperative for financial institutions looking to thrive in the digital age. By informing, engaging, and inspiring your audience through digital content, you can position your institution as an essential partner in your customers' financial journeys.

Embrace the digital shift with content that educates, resonates and fosters genuine connections.



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# Community Bankers' Economic Outlook Still Pessimistic but Shows Upswing

*Courtesy of the Conference of State Bank Supervisors*

Community bankers are showing slightly more confidence in future economic conditions but still have concerns, especially about regulatory burden, according to the latest Community Bank Sentiment Index (CBSI), released by the Conference of State Bank Supervisors (CSBS) today.

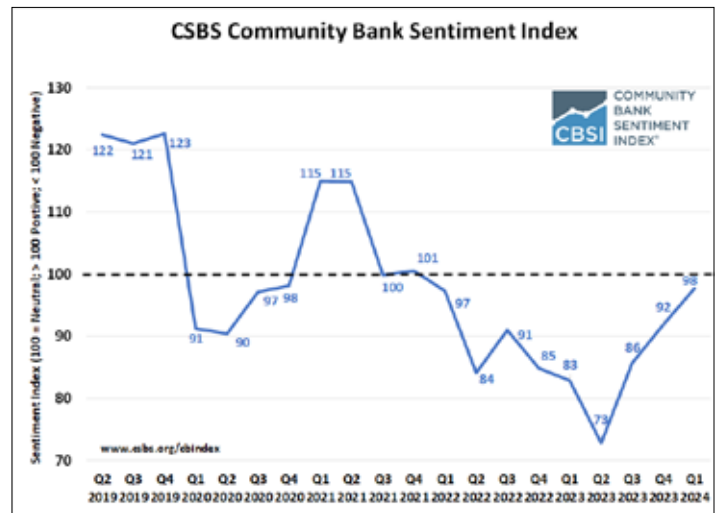
The CBSI increased by 6 points in the first quarter of 2024 to 98 points, its highest level in two years. This is the third consecutive quarterly increase; however, the CBSI is still slightly below the neutral level of 100 points. Compared to last quarter, six of the seven components improved, but concerns about regulatory burden, future business conditions, and future profitability continue to put downward pressure on the index.

“Rapid interest rate increases over the past two years have resulted in an inverted yield curve, where short-term interest rates have been higher than long-term rates for more than a year,” said CSBS Chief Economist Tom Siems. “This has created challenges for community bankers to maintain profitability as net interest margins and liquidity positions are squeezed. Moreover, because of higher overall interest rates, bankers must be keenly aware of credit risks that might develop in their loan portfolios.

The CBSI surveys community bankers nationwide in the last month of each quarter to capture their thoughts on future economic conditions in seven areas. An index reading of 100 indicates a neutral sentiment. Anything above 100 indicates a positive sentiment, and anything below 100 indicates a negative sentiment. Quarterly results are included in the Federal Reserve Economic Data, the online database maintained by the Federal Reserve Bank of St. Louis known informally as the FRED.

The CBSI's first quarter uptick follows last quarter's increase of six points and is 15 points higher than a year ago. Regulatory burden fell to 18 points, representing not only the only component to drop this quarter but also the lowest it has been since 2022.

The capital spending component had the greatest quarterly improvement, climbing 13 points to 131. The monetary policy component rose 9 points to 105, its first level above 100 since 2019. On a year-over-year basis, the monetary policy indicator is up 66 points. The business conditions component rose 5 points to 78 points, its highest level since the first quarter of 2022. At 87, the profitability component inched up 6 points from last quarter.



In a special question, only 66% of community bankers said they believe the U.S. economy is at the start of, or already in, a recession, down from 81% last quarter. Respondents rated their top concerns as government regulation, cyberattacks, the federal debt/deficit, the cost/availability of labor, and inflation.

## Key Highlights:

- At 98, the first quarter 2024 CBSI reached the highest level recorded since 2021. The first quarter uptick follows last quarter's increase of 6 points and is up 15 points from one year ago.
- While the first quarter 2024 CBSI is the ninth consecutive reading below the neutral level of 100, it marks three consecutive quarterly increases for the first time since 2020.
- Six of the seven components that comprise the CBSI improved from the previous quarterly survey. The only indicator that dropped was regulatory burden (down 7 points).
- At 131, the capital spending component had the greatest quarterly improvement, climbing 13 points from the fourth quarter 2023, and back above its long-run average of 130.
- At 87, the profitability component rose 6 points from last quarter and is up 5 points from one year ago.
- In another special question, community bankers rated the following as their top concerns: government regulation, cyberattacks, the federal debt/deficit, the cost/availability of labor, and inflation.

To learn more about the CSBS visit the website:

<https://www.csbs.org/>.

# Fraud Prevention and Detection: Empowering Clients Through Education



By Terri Luttrell, CAMS-Audit, CFCS, Abrigo

Today's financial transactions happen at the speed of a click, and the threat of fraud looms more prominently than ever. Fraud schemes, evolving with technology, are more sophisticated and more complex to detect.

As custodians of their money and stewards of their trust, financial institutions play a crucial role in safeguarding their customers and members from falling victim to fraud in financial services. While fraud detection software and robust security measures are essential, educating clients on fraud prevention is equally important.

## Fraud losses mount

The increasingly digital nature of financial transactions and the growing prevalence of fraud require consumers and businesses alike to be equipped with the knowledge to navigate day-to-day business securely.

The Federal Trade Commission (FTC) reports that U.S. consumers lost more than \$7 billion during the first three quarters of 2023, up 5% compared to the same period in 2022. Check fraud alone, the most significant current fraud threat, is projected to create losses of \$24 billion in 2024.

Fraudsters have adjusted their tactics as technology has changed. From check washing, phishing emails, and pig butchering to identity theft, fraudsters are employing a variety of tactics to exploit unsuspecting victims who use traditional and emerging forms of banking. As financial transactions become increasingly digital, consumers and businesses must be equipped with the knowledge to navigate day-to-day business securely. At the same time, it is important not to deter clients from using digital banking methods for daily transactions.

Effective fraud risk management includes detection and fraud monitoring that should consider customer or member history and behavior. It also requires processes and systems that enable timely and effective responses to fraud. The OCC has said that customer education on fraud risks and prevention is an example of the preventive controls that should be deployed in combination with detective controls as part of sound fraud risk management.

The stakes for financial institutions to protect customers and members are higher than ever. Fraud-related losses, reputation damage, and added expenses all affect the bottom line.

In an unprecedented move, the New York Attorney General recently filed a lawsuit against Citibank for failing to protect clients from hackers and scammers, citing that Citibank was responsible for millions of dollars in fraud losses to clients.

## Tips for avoiding phishing, ID theft

Financial institutions should take the initiative to provide clients with valuable knowledge to protect their identity and finances by implementing a fraud education program. What should a financial institution's fraud education program include? Start with these seven key takeaways:

1. Recognize phishing attempts: Clients should understand common tactics used in phishing and exercise caution with emails by checking the sender's address for anything unusual. Clients should know to be cautious if they receive an unscheduled or unexpected email. Advise them not to click on any links or attachments, to close the email, and to verify its legitimacy when unsure. Clients should also protect themselves by not clicking on pop-ups claiming their computer is infected, as they may be installing malicious software (malware) on their devices. Clients should also be wary of social media scams. While interacting with friends and family online can be a fun pastime, social platforms are a feeding ground for fraudsters. According to the FTC, \$2.7 billion was lost to fraud through social media between January 2021 and June 2023. Romance scams, fake profiles, and deepfakes are growing at an alarming rate. Consumers must understand these tactics.

2. Protect personal information: Clients should create a strong password by incorporating a mix of letters, numbers, and characters. Explain the importance of avoiding easily predictable passwords like birthdays, children's names, or home addresses. Advise clients to change their passwords regularly and refrain from using the same password across multiple accounts. Clients should know to maintain confidentiality by not sharing their passwords or any personal information online or over the phone with others.

3. Monitor account activity: Clients should frequently check their credit reports, online balances, and account statements to spot any fraudulent activity and report it immediately to their financial institution. Highlight the significance of setting up transaction alerts for immediate notification of any suspicious activity.

4. Use secure networks: Emphasize the dangers of con-

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ducting financial transactions on public Wi-Fi networks and encourage using secure and private networks when accessing online banking or making transactions. Educate clients on how to avoid fraudulent websites by understanding what is authentic and secure. When conducting financial transactions online, clients should look for a lock icon on the browser's status bar or a Web site URL that begins with "https:" rather than "http:" (the "s" means secure).

5. Use multi-factor authentication: Advocate for your clients to adopt multi-factor authentication (MFA) to add an extra layer of security. Guide customers on how to enable and use MFA features for their accounts.

6. Remember to log off: Bank customers and credit union members should sign off secured networks when they have finished online banking or other sensitive websites. It is also important to log off their computer to prevent unauthorized access to your information and files.

7. Learn about new and emerging threats: Keep clients informed about fraud trends and tactics. Provide resources and updates on new threats, ensuring customers can stay ahead of evolving risks. The U.S. senior population, those over 60 years of age, are particularly vulnerable, and education efforts should have specific resources for this segment of clients.

Fraud is a persistent threat that continues to grow, and education is a powerful weapon. Financial institutions have the unique opportunity to be both trusted partners and educators, guiding their clients toward safer financial practices.

### Ideas for banking fraud awareness

So, how do banks and credit unions go about teaching customers and members the actions they can take to head off and detect fraud? There are various methods to educate clients and build on that trusted advisor relationship. Some options include:

- In-person fraud prevention seminars, either held at a branch location or a local community center. These events are a great way to show leadership and support to the community while having face time with customers, members, and prospects and maximizing time spent.
- Website pop-ups and fraud-warning messaging embedded in transactions. These electronic flags can be ongoing reminders that banking transactions deserve careful attention.

- Emailed newsletters, blogs, and printed materials such as flyers and posters. Educational material can be broadly focused on fraud prevention or target groups specifically vulnerable, such as older adults or younger people.

- Tap into anti-fraud resources offered by other organizations. The FTC and the OCC have resources available for financial institutions to use for client education, and so do other agencies and groups:

- o The FDIC has a fraud education web page for students, parents, and teachers to help young people learn ways to protect themselves and to quiz youngsters on spotting scams.

- o The Consumer Financial Protection Bureau has free downloadable resources financial institutions could provide to customers or members to help them prevent fraud. One resource helps people plan so that diminished capacity and illness don't make them more vulnerable to fraud. Another helps banks and credit unions explain how having a trusted contact can help protect financial well-being.

- o The AARP has a program partnering with financial institutions to educate older customers about online banking and fraud to boost trust in the financial institution and prevent losses.

- Find out how other financial institutions across the country handle fraud education and adapt the ideas for your customers or members. For example, Regions Bank offers small businesses tips on preventing fraud on its website, and it describes fraud training small firms can offer themselves to prevent and more quickly detect fraud. Its tips for businesses include:

- o Teaching employees to spot the signs of business email compromise and phishing attempts.

- o Encouraging employees to stop, question, and verify a change or payment using known contact information before they complete a transaction or take other actions.

- o Setting up checks and balances for internal processes to make it more difficult for fraudsters to succeed.

### Fraud prevention culture

By fostering a culture of awareness and resilience, financial institutions can fortify the trust that forms the foundation of their relationship with clients. As we navigate the growing threat of fraud, education can serve as a significant tool to fight against hard dollar losses for both the clients and the financial institution.



# MENTORSHIP MONDAYS

Every Monday at 2 p.m.

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### 1st Security Bank Hosts Highway Clean Up on Earth Day

On Earth Day, 1st Security Bank team members in Goldendale volunteered for a highway clean-up project.

The team helped the Kiwanis Club of Goldendale clean a portion of Highway 97.



### Kitsap Bank Hosts 6th Annual Earth Day Project

On the weekend of Earth Day, Kitsap Bank hosted its sixth annual Earth Day project, which brought together bank volunteers and their families.

During the event, 120 employees worked to improve the South Kitsap Regional Park in Port Orchard, working with the Kitsap County Parks Department.



### KeyBank Announces \$300,000 Grant to Goodwill of the Olympics and Rainier Region

In late April, KeyBank announced a \$300,000 grant to Goodwill of the Olympics and Rainier Region to help with the Clean Energy Initiative.

The funds will support clean energy tech career preparation courses to help young adult job seekers pursue green economy-related careers.

The course offers hands-on and career-connected learning, enabling participants to earn a nationally recognized credential.

"At KeyBank, our mission is to help our communities thrive, and we know that an important building block is ensuring young adults can develop the skills that will lead to successful and fulfilling careers," says South Puget Sound Market President Brian Marlow. "We are excited about the green sector and are pleased to support Goodwill as it develops a diverse talent pipeline to take advantage of the opportunities available in the vibrant green economy—and ultimately to enhance the sustainability of our communities."

"Green energy jobs generally pay well and have grown at double-digit rates," says Lori Forte Harnick, President and

CEO of Goodwill of the Olympics & Rainier Region. We are deeply grateful for this generous grant from KeyBank, which will help us equip and empower young adults in our local community to build successful careers that promote a more sustainable future."



### HomeStreet Bank Volunteers at Ballard Commons Park

On Saturday, April 20, HomeStreet Bank Ballard office members volunteered with Seattle Parks and Recreation to celebrate the grand opening of the new children's play area at Ballard Commons Park.

The team had fun games, dog treats, and swag to give to those attending.



### First Fed Welcomes New Member of Club 100

First Fed Bank announced in late April that Robin Booker was the first member of Club 100 in 2024.

Booker has volunteered over 100 hours with the Sequim Irrigation Festival and is the director of the Kickoff Dinner and Auction and the co-director of the Royalty Scholarship Pageant.



### Yakima Federal Savings Participates in Junior Achieve Bowling Classic

Yakima Federal Savings team members participated in the Junior Achievement 2024 JA Bowling Classic in Richland in late April.

The theme was Vivia Las Vegas, and all proceeds from the event support the programs in financial literacy, career readiness, and entrepreneurship that Junior Achievement provides in southeast Washington.

*If you have Bankers Care news to share, please email it to Megan Managan at [megan@wabankers.com](mailto:megan@wabankers.com).*