

Issues & Answers



September 2022

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Planting Seeds for a Future Harvest



By Glen Simecek, President and CEO, Washington Bankers Association

In Eastern Washington, autumn for wheat farmers is when many begin sowing seeds for a spring harvest, preparing for a crop yield that is many

months away.

In many ways, our advocacy efforts follow a similar rhythm. While we are focused on advocacy year-round, the fall season sees us investing in the next year's crop of lawmakers. Relationships are built and strengthened, and potential issues are worked preparation for the next session. Not to mention that Congress and regulatory bodies at the federal and state levels work year-round.

On top of this effort, there are elections, which can consume a massive amount of time, strategic thinking, energy, and (of course) money.

Heading into Washington's August primary,

state Republican leaders were cautiously optimistic about making significant inroads into the Democrats' legislative majorities, perhaps recapturing the majority of at least one chamber. They had recruited candidates they considered qualified and competitive, and national forecasts were for a so-called "red wave." The party in the White House often loses ground in mid-term elections, and the combination of pandemic fatigue and high inflation had the public looking for someone to blame, so a solid Republican showing seemed likely.

But the "red wave" has yet to reach shore in our state. Maybe it was a result of other issues on the national stage overshadowing economic concerns or simply a function of who voted in a low-turnout primary. Whatever the cause, the primary results were not what Republican leaders had hoped.

Primary votes are never a perfect barometer for the general election, and a lot can happen over a couple of months of additional campaigning. But at this point,

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based on what we saw in August, we should expect Democrat majorities in Olympia to shrink by no more than a couple of seats in either chamber. This means we are likely to be doing battle on many of the same issues we have worked on over the last few years.

With that in mind, WBA has enacted its legislative agenda for 2023, which includes:

- Oppose new or increased taxes on the industry
- Oppose requirements that would mandate whom banks serve and oppose efforts that would deny banking services to businesses
- Oppose proposals that increase costs or compromise banks' ability to lend prudently
- Ensure that any data privacy legislation includes an exemption reflecting current federal regulations through Graham-Leach-Bliley, and does not create a new private right of action
- Oppose expansion of credit unions' authority to move into areas of business served by banks
- Promote discussion of closing credit union tax loopholes
- Oppose the creation of a state bank that includes a public deposit option or competes with banks and private sector businesses

The first opportunity that WBA members will have to help promote this agenda will be at our annual legislative lunches around the state later this month. These sessions are an excellent opportunity to talk with local lawmakers and underscore banks' critical work in supporting the state's economic and social health. There's still time to sign up to attend one, so please [check out the schedule online](#).

Similarly, WBA member bankers will be traveling to Washington, D.C., at the end of this month to meet with our state's Congressional delegation and federal regulators. These meetings are essential for our members to help federal officials understand the implications of the proposals they discuss in our nation's capital.

For instance, recently introduced legislation would extend the Durbin Amendment to credit cards. This proposal would be massively disruptive to banks' credit card operations. It would reduce market competition, threaten consumer data privacy, make current reward programs unsustainable, and negatively impact financial institutions. While our partners at ABA and other financial service advocacy organizations are weighing in on issues like these, our delegation's members and staff must also hear directly from the folks back home.

Whether in Olympia or that "other Washington," advocacy is a year-round exercise. We invite you to join our team!

Contact Us

Contact the Washington Bankers Association at 601 Union Street, Suite 1720, Seattle, WA 98101

Call us at (206) 447-1700 and visit us on the web at www.wabankers.com.

Connect With Us

Connect with the WBA online by following us on our social media accounts.

On the Cover

A sail boat cruises through Bellingham Bay in the early autumn sunshine from the vantage point in Zuanich Point Park.

Photo by Megan Managan

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Association

Banker Spotlight: Kevin Johnston



Periodically we profile a Washington banker. If you have a banker you would like to spotlight, please contact Megan Managan at megan@wabankers.com.

Portage Bank is the newest WBA member bank after State Bank of Ceylon, formerly based in Minnesota, changed its name and moved to a new headquarters in Bellevue.

How did you get started in the banking business?

After graduating from law school, passing the bar, and working in a little town in Southwestern Washington, I was ready for a change of pace and moved back to the city. Commercial lending was the first job that crossed my path, and here we are! It was not intentional – I knew less than nothing.

What advice would you give to someone considering a career in banking today?

Be ready for significant changes. The format of banking that has been in place for the last 700-1,000 years will not be its future thanks to this digital age. Bankers will need to learn to be entrepreneurial and quick, as the walled garden is going to have some interesting visitors in the future.

How are you involved in your community?

We try to help anyone and everyone who comes in the door, whether in Minnesota or Washington. It's a constant striving for us to create a sense of community with our customers and employees – we try to treat people like the human beings they are, which we believe to be in some contrast to how many large financial institutions work. This can involve a deeper discussion than just LTV ratios and cash flow or credit score. Hopes, desires, goals, mistakes, and potential, we see our mission and opportunity to try and help people fulfill material means so they can do more than just live.

Why do you take time from your busy schedule to volunteer?

I have long loved volunteering, from working at Children's Hospital to chairing a charity board and my local Catholic

Day Job: Executive Vice President/ Chief Operating Officer at Portage Bank

Success is: Illegitimi non carborundum

Defining Life Moment: Meeting my wife!

parish's pastoral council. I do it because it is transcendental. People are ends in themselves worthy of respect and consideration because it is the absolute least I can do in a very abundant life I've been given.

If you were to thank one person for helping you become who you are today, whom would it be, and what did they do?

My dad is an obvious choice. He is very much his own person, avoids being the center of attention always, never says "no" or "when I am done" when I asked for help, and is driven by a moral compass that he would insist is nearly determinist in its genesis and persuasiveness. As different as we want to be from our parents so often, I am glad he was my dad as I emulate these traits. I hope I can be so thoughtful someday.

How has your involvement with the WBA helped you advance your career?

Education is extremely valuable to me. I've taken several classes and the Executive Development Program through the WBA to further my education and learn anything I can about how to excel professionally. I hope to take more soon!

How does being involved with the association help your bank?

We are very new and have much to learn in this area, but the education, access to fair healthcare plans, and regulatory advisory aspects of the WBA are why we have wanted to join for what feels like a very long time.

What do you do for fun when you're not in the office?

My wife and I are growing a little family with three kids (so far?) which take most of my free time to parent, teach, and love. I read 75-100 books per year; we travel internationally when it is possible; I jog daily, hike, and swim often.

Industry News

New Hires

Kelly Nicholson
Loan Servicing Assistant at Olympia Federal Savings

Casey Ritchie
Customer Service Representative at Olympia Federal Savings

Alyssa Gustafson
Customer Service Representative at Olympia Federal Savings

Alysha Neely
Accounting Assistant at Olympia Federal Savings

Omar Arcelay Barbosa
IT Support Analyst at Olympia Federal Savings

Karrinton Robison
Float Universal Banker at Olympia Federal Savings

Tiffany Bergsma-Evans
Assistant Senior Mortgage Loan Officer at First Fed Bank

Sean McFarlain
Mortgage Loan Officer at North Cascades Bank

Alan McLean
Senior Vice President, Operations Director at UBB

Promotions

Tony Repanich
President and CEO of Shield Compliance

Richard Wagner
First Vice President and Vendor Manager at First Fed Bank

Andy Pohlman
Senior Director of Retail Banking at First Fed Bank

Dawnya Scarano
Senior Director of Customer Experience of First Fed Bank

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

Registration Now Open for 2023 Executive Development Program Starting in January

Registration is now open for the WBA's flagship **Executive Development Program**.

This 12-month comprehensive and rigorous course prepares bankers for a new role in leadership within their organization. It also features classes on various topics executives need to understand to run a bank successfully.

In 2023, the program will transition back to the majority of classes held in person in Seattle, with a select few sessions held virtually. One of the most significant benefits of EDP is meeting with other regional bankers and learning and working together.

Also, next year WBA has updated the sessions on leadership, management, ethics and negotiations. These sessions will provide students with real-time feedback and information to make themselves stronger leaders and find ways to be stronger team leaders and managers.

This program will sell out, so we strongly encourage early registration to secure a spot.

Registration is also open for this fall's **Virtual Credit Analyst Development Program** beginning in September and the **Retail Branch Manager Development Program** in October.

Also, in September, WBA is co-sponsoring the On-Course Learning and Center for Financial Training **Bank Trainers Conference and Expo** in Dallas, Texas. The event, held September 26-28, focuses on everything bank trainers need to know about the current environment. The event brings together trainers from financial institutions across the country.

Also, in October, the WBA's Emerging Leaders Com-

mittee is hosting its first **Emerging Leaders & Executive Series**, featuring a conversation with former NFL quarterback turned winemaker Drew Bledsoe about his career, leadership, and what you can learn from his journey, blazing a trail into a new career and industry.

Join us on October 25 in Spokane at the Historic Davenport Hotel or on October 27 at Cedarbrook Lodge in Seattle from 4-7 p.m. for networking, wine, and a chance to learn from Bledsoe.

The **2022 Women in Banking Conference** will be held on October 28 at the Seattle Renaissance Hotel in downtown Seattle. Lisa Fain, CEO of the Center for Mentoring Excellence, will keynote the event with an interactive session on ways to build inclusive mentoring programs. The agenda includes a closing session with Sherry Winn, a two-time Olympian, basketball coach, and author, on how to unleash your inner winner.

On January 25, WBA is launching its newest program, a **virtual cybersecurity tabletop exercise** run by NUARI, a nationally recognized leader in cybersecurity. The event is open to any financial institution doing business in Washington state and includes unlimited virtual registration.

Attendees will be given a scenario and guided through the exercise while testing their procedure and protocols in real-time. The training is designed to help institutions gain valuable insight into their processes and test planned responses.

Please visit the WBA website at www.wabankers.com for more information about registration for our upcoming programs.

Events Calendar

September 15 – Virtual Credit Analyst Development Program

September 26 – Bank Trainers Conference; Dallas

October 12 – Retail Branch Manager Development Program

October 25 – Emerging Leaders & Executive Series, Historic Davenport Hotel, Spokane

October 27 – Emerging Leaders & Executive Series, Cedarbrook Lodge, Seattle

October 28 – Women in Banking Conference, Seattle Renaissance Hotel

January 18 – Executive Development Program

January 25 – NUARI Virtual Cyber Tabletop Exercise

To register or to learn more about any of the listed events, please visit www.wabankers.com/calendar.



WOMEN IN BANKING

Conference

OCTOBER 28, 2022 RENAISSANCE SEATTLE HOTEL

Register online at www.wabankers.com/wib



First Financial Northwest Bank Supports Habitat for Humanity Seattle King-County

First Financial Northwest Bank team members volunteered earlier this summer with Habitat for Humanity Seattle King-County.

The group worked at the North Bend construction site on build day, helping to create a home for a needy family.



WaFd Bank Donates to Fred Hutch Obliteride

At the end of July, WaFd Bank announced a donation to Obliteride, thanks to the support of the WaFd team and their families.

Fred Hutch Obliteride is an annual campaign to raise awareness and funding for the fight against cancer for lifesaving research.

This year, WaFd Bank raised \$20,700 to be donated to the cause and supported bankers who participated in the team event.



Cashmere Valley Bank Celebrates Customer Appreciation

Cashmere Valley Bank celebrated its customers with several customer appreciation events this summer.

The Wenatchee Valley team hosted an ice cream social, while the team in Cle Elum hosted a car wash, washing over 50 cars and offering customers snow cones.

Bank of America Volunteer Craft Welcome Back to School Cards

The Seattle Bank of America team spent a day this July putting together special Welcome Back to School cards for students at the Boys & Girls Club of King County.

The volunteers made over 120 cards to help get students excited about the new school year.



North Cascades Bank Supports Alatheia Therapeutic Riding Center

This summer, North Cascades Bank employees attended The Little Black Dress event in honor of Alatheia Therapeutic Riding Center.

The bank partners with the Riding Center, an organization that benefits all local communities, providing therapeutic riding services for those in need.

Olympia Federal Savings Announces Employee of the Quarter

This summer, Olympia Federal Savings announced that Kailee Warren was the bank's newest employee of the quarter.

Warren, a branch loan officer in Yelm, earned the honor for her work as a team member and for helping other loan officers with questions. She is also generous with her time in the branch, helping customers with deposit accounts.

Recently a business customer was in the branch with a complex transaction. Warren sat with her colleagues and the owner to provide insight and support, which was not unnoticed by the business owner.

"This level of commitment and support does not surprise me," said Josh Deck, president and CEO of Olympia Federal. "Kailee is a total team player, and she never hesitates to go the extra mile to ensure those around her get the care and support they need."



Cashmere Valley Bank Hosts Bank Loan Day for Lemonade Days Program

In July, the Ellensburg branch of Cashmere Valley Bank hosted a Bank Loan Day for the Lemonade Days Program to help local kids prepare for their Lemonade Day stands.

Lemonade Days is an entrepreneurship program that teaches kids in grades K-5 how to start, operate, and own their own business, such as a lemonade stand.

The bank had kids come in and sign \$50 loan agreements via the Kittitas Chamber of Commerce to help them start their stands.

The stands were operational in the area on Saturday, Aug. 20.

Baker Boyer Bank Hosts Annual Summer Picnic

Baker Boyer Bank hosted its annual summer employee event in late July at Fort Walla Walla.

The team members gathered to celebrate the past year, playing cornhole and dunk tanks. By donating to charity, which raised \$425, employees had the chance to dunk an executive.



Kitsap Bank Volunteers at Annual Whale of a Run Event

Kitsap Bank team members volunteered at the 40th annual Whale of a Run event in Silverdale this summer.

The event supports Meals on Wheels Kitsap and features a 4-mile or 1-mile race for participants to choose from.



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

Earlier this summer, Olympia Federal Savings celebrated with the winner of the Boys & Girls Clubs of Thurston County Roch-

ester Branch for raising the most funds during the Penny Drive.

In honor of that win, the bank matched the total, donating \$1,000.

As the winners, the kids at the club celebrated with Sofie's Scoops Gelato.

Sound Community Bank Helps Raise 350,000 Meals for Food Lifeline

As part of its annual Food Frenzy campaign, Sound Community Bank successfully generated sponsorship of 350,000 meals this summer for Food Lifeline.

The meals will help those in the community in need, thanks to the bank's donations and collections throughout the campaign.



1st Security Bank of Washington Donates to 4-PA

1st Security Bank of Washington announced this summer that it made a \$2,500 donation to 4-PA.

The organization works to help people and see them made whole while maintaining the community's safety and wellbeing. They provide clean-up, temporary shelter, community involvement, and education.

4-PA has cleaned up over 18 tons of material from local public spaces, natural areas, and supporting properties.



Yakima Federal Donates to Heartlinks Hospice

Yakima Federal Savings announced a \$5,000 donation to Heartlinks Hospice in Sunnyside in late July.

The donation will help fund the pediatric palliative care program, which provides specialized care and support for children with severe illnesses and their families.

Heartlinks is committed to helping these children be comfortable at home when their health declines due to a life-limiting illness.

"We are committed to supporting families in Central Washington," said Leanne Antonio, president and CEO of Yakima Federal. "The work that Heartlinks does is immeasurable.

The organization was founded in 1978 and provides grief support and counseling, caregiver education and support, hospice care, palliative care, and other support services for children and adults.



Commencement Bank Sponsors Enumclaw Chamber Golf Tournament

Commencement Bank sponsored the Enumclaw Chamber Golf Tournament this summer. The team of volunteers from the bank sold raffle tickets, checked in golfers as they arrived, and even had a team playing in the tournament.



U.S. Bank Volunteers at Utopia Washington Annual Lu'au Event

The U.S. Bank team in Seattle participated in the Utopia Washington annual Lu'au event. The organization, which represents the United Territories of Pacific Islanders Alliance, was started in 2009 as a place to create a safe, welcoming, supportive and vibrant space for Pacific Islander LGBTQIA+ community members.



First Interstate Bank Donates \$25,000 to Washington Gorge Action Programs

As part of the First Interstate Bank Believe in Local campaign, the bank announced a \$25,000 donation to the Gorge Action Program this summer. The program works to change people's lives by helping individuals, families, and communities address basic needs. WAGAP provides thousands of people each year with short-term assistance and long-term solutions.



Olympia Federal Savings Donates to The Hawk Foundation

As part of the Olympia Federal Savings 2¢ debit card campaign, the bank donated to The Hawk Foundation for Research and Education in African Culture this August. The bank donated \$2,875 to the organization that promotes education, holistic health, and trauma healing in the African American community.



Sound Community Bank Participates in Brier SeaScare Parade

The Sound Community Bank Mountlake Terrace team took part in the Brier SeaScare Parade this summer. The bank was a sponsor of the event, which included the Porch Light Parade, now in its 20th year.



Baker Boyer Bank Announces Community Donations

This summer, Baker Boyer Bank announced it would be making several donations to Walla Walla nonprofit organizations to help them deal with the rising demands for services from the COVID-19 pandemic. The bank donated \$32,000 to five different nonprofits in Walla Walla, Tri-Cities, and Yakima. Each organization received \$6,500. Nonprofits receiving donations included Common Roots Housing Trust and Blue Mountain Health Cooperative in Walla Walla, My Friends Place in Tri-Cities, and Yakima Union Gospel Mission.

14 Graduate from 2022 Hybrid Management Development Program

In late August, 14 students celebrated their completion of the 2022 Management Development Program, which began in April.

Students participated in six sessions, with the final two hosted in person in Seattle, covering all things management related, such as communication, banking environment, performance management, and more.

“It was such an inspiration listening to the instructor’s presentations and the advice to help us become the best possible leaders we can be,” said one of the students following the course. “Their enthusiastic and powerful words have impacted the future leaders my fellow classmates and I will be.”

During the final class, the students gave presentations about ways to retain employees and corporate culture. The graduates also participated in a reception where they played bingo to learn more about each other.

Congratulations to Erin Bick, Kitsap Bank; Amber Burton, Kitsap Bank; Baysh Farley, First Fed Bank; Candace Gross, Banner Bank; Wyatt Haines, WaFd Bank; Jessica Hamlin, Banner Bank; Andrea Hoagland, WaFd Bank; Donny Holliman, Banner Bank; Nic Jones, Central Bank; Joslyn Millsap, Sound Community Bank; Saman-



tha Paulson, First Fed Bank; Oshana Sampson, WaFd Bank; Felicia Seymour, Sound Community Bank, and Matt Simonsen, Central Bank.

The next Management Development Program will be held in early 2023.



ABA's #BanksNeverAskThat Anti-Phishing Campaign Returns This October

ABA's #BanksNeverAskThat campaign has earned praise from policymakers, won creativity awards, and most importantly, educated tens of thousands of consumers about how to spot phishing scams.

Registration is open now for our 2022 campaign—kicking off October 3!

ABA will be making fresh and fun updates to BanksNeverAskThat.com and adding new content to the easy-to-use toolkit.

Look for videos, animated graphics, digital signage and more—free for ALL banks, courtesy of ABA.

BACK THIS OCTOBER!

Turn your customers into expert scam spotters

Register Now Free for all Banks



WBA Endorsed Vendor: Vericast

Consumers Seek Financial Guidance and Comfort from Non-Traditional Sources Like TikTok, Vericast Survey Finds

Vericast's latest research revealed how consumers' relationships with financial institutions are changing, and in some surprising ways.

Nearly half of respondents say they seek financial advice from friends or family, while less than a third are seeking it from a bank, credit union or financial advisor. Thirty-four percent of Gen Z consumers obtain financial advice from TikTok and 33% get it from YouTube, while only 24% of this age group seek advice from financial advisors.

To uncover insights on the current state of financial perceptions and priorities, Vericast, a leading marketing solutions company, conducted the survey of 1,000 adults in the U.S. and found that people are increasingly turning to alternate sources for financial information and advice.

"It is clear that financial institutions have a critical need to innovate quickly and reimagine their approach to retain customers," said Stephenie Williams, Vice President, Financial Institution Marketing Product and Strategy at Vericast. "Banks and credit unions need to meet customers where they are, not only positioning themselves as a go-to, trusted resource providing education through traditional strategies, but also using new channels and platforms to reach younger generations."

Furthermore, there is opportunity to deliver on evolving expectations to help banks and credit unions acquire and retain customers amid market volatility. According to the survey, consumers expect financial institutions to accommodate them during widespread financial hardships, like the unprecedented inflation we are experiencing today. Seventy-nine percent expect flexibility on rates and fees, such as waiving overdraft or late fees, while 66% say they expect it to be easier to obtain new lines of credit. An additional 69% said notifications about lines of credit available to them and promotions on special rate offers, such as low interest balance transfers, are also expected during times of financial instability.

Additional findings from the survey include:

There is a correlation between mental wellbeing and banking

- 75% of consumers say the amount of money in their bank account impacts their mental health.
- For this reason, almost half (48%) are prioritizing building their savings account in 2022.

Mobile banking, interest rates and sign-up incentives factor into choosing a financial institution

- Sixty-one percent of consumers surveyed selected mobile banking capabilities as one of the top factors influencing their choice to bank with a financial institution.
- When asked what would persuade them to switch financial institutions, two-thirds noted better interest rates as well as incentives to open an account, such as a cash reward for signing up, while 68% said fewer fees would incentivize switching.

Financial priorities for 2022 show opportunity

- Amid market volatility, building up savings (48%), paying off debt (47%) and investing directly in stocks (21%) are top financial priorities this year.
- Only 12% plan to open a new checking account this year, and only 19% anticipate opening a credit card; for over half of consumers, it has been five years or more since they last opened a bank account.
- There are opportunities for financial institutions to generate business: nearly half (42%) of consumers are planning to buy a car in 2022 and 34% are planning to remodel their homes.

Vericast is reimagining marketing solutions one business-to-human connection at a time. By influencing how over 120 million households eat, shop, buy, save and borrow, Vericast fuels commerce, drives economic growth and directly accelerates revenue potential for thousands of brands and businesses. While its award-winning portfolio of products, technology and solutions are part of the Vericast story, its people are the true differentiators; trailblazers in data intelligence, marketing services, transaction solutions, campaign management and media delivery.



Thank You to

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FDIC Hosts 2022 Community Bankers Workshop in Seattle

In late August, the FDIC hosted its annual Community Bankers Workshop at the Washington Athletic Club in downtown Seattle. The full day seminar was an opportunity for bank directors, executives, CEOs, and IT professionals to learn about the latest in the industry, including lessons learned from the pandemic, and ask questions of the regulators.



Ways to Help Clients Develop a Healthy Approach to Retirement Savings

By Jodie Norquist, CIP, CHSP, Ascensus

The past few years have been a roller coaster ride for many retirement savers. After performing well for several years, the broader investment markets have been hit hard since the beginning of 2022. Now the price of gas, food, housing, and other goods and services continue to rise, and for many of us, something needs to give.

But that “something” shouldn’t be your retirement savings.

Still, many Americans have been hit hard in the pocketbook by the pandemic and other economic stressors. Financial insecurities have led to decisions to take plan loans or IRA distributions, with some reducing or stopping contributions to retirement savings altogether. Others are considering delays in retirement—or even abandoning their hope of retirement altogether. These conditions may also lead your clients to ask for savings withdrawals.

The 2022 T. Rowe Price’s Retirement Savings and Spending Study, an annual study conducted since 2014, reported the following pandemic effects on retirement in 2020.

- 39 percent of defined contribution plan participants surveyed reported reduced pay during 2020.
- 18 percent of participants surveyed reported reducing their retirement contributions during 2020.
- 10 percent of plans reduced or suspended employer contributions in 2020.
- 23 percent of participants surveyed dipped into retirement funds to compensate for COVID-19 pandemic effects.
- 9 percent of participants took advantage of at least one CARES Act provision (e.g., enhanced retirement plan loan, coronavirus-related distribution (CRD)).
- Less than 1 percent repaid a CRD by the end of 2020 (recipients have three years to repay CRDs).
- Most who withdrew retirement funds during the pandemic were between the ages of 40 and 50.

Another study reported that the average personal savings amount dropped 15 percent from \$73,100 in 2021 to \$62,086 in 2022. There is a bright side, however: of those respondents, 60 percent said that the pandemic has encouraged them to build up their personal savings; 10 percent said they’ve rebounded financially and now are ahead of where they were pre-pandemic; 12 percent said they are fully back on track.

Help Your Clients Get Back on Track

So how can you—without giving investment advice—help your clients reset their retirement goals? Here are some ways to encourage them to think about their short-term and long-term savings goals and the prod-

ucts you may offer that would help.

Don’t Pass Up Free Money. Even if your clients can’t invest the maximum allowed into their qualified retirement accounts, encourage them to save at least enough in their 401(k) or other employer-sponsored retirement plans to qualify for any employer matching contributions.

Invest in a Roth IRA. Many of your clients may be struggling to build their emergency savings. A Roth IRA can help. While it certainly may be used as a tax-free investment vehicle to save for retirement, it can also be drawn upon for unexpected expenses. Based on the consumer-friendly Roth IRA ordering rules, your clients may be able to withdraw their contributions tax and penalty free. As a rule, you probably don’t want to encourage clients to deplete their retirement savings. But they may feel comfortable contributing even more if they know that they can tap into their Roth IRA if needed.

Invest in an HSA. Health savings accounts, or HSAs, offer many tax advantages. In fact, some financial advisors are even recommending that their clients contribute their maximum annual HSA limit before they contribute to a Traditional or Roth IRA.

Here’s why: HSAs have a triple tax advantage, have no required minimum distributions at age 72, and allow HSA distributions without a triggering event (a penalty may apply if assets are not used to pay medical expenses). Unfortunately, not everyone is eligible to open an HSA.

Don’t Forget About Old 401(k) Plans. Clients who have changed jobs during their career may have forgotten about retirement savings plans with a former employer. Now might be a good time to consider rolling over those plan assets into an IRA. Although some 401(k) plans may offer more investment choices or lower fees compared to an IRA, consolidating employer-plan assets into an IRA may offer cost savings or other flexibility.

Build an Emergency Savings. An emergency savings fund can keep your clients afloat in challenging financial times. Instead of relying on credit cards, loans, or retirement savings distributions, they can access their emergency savings and potentially avoid raiding their retirement assets or borrowing money. Even a small fund is better than no fund at all, and your clients can work their way up to a larger stash of cash over time. Setting up an automatic monthly deposit or arranging to have their tax refunds directly transferred into an emergency fund can help create an annual emergency savings boost.

If we’ve learned anything since 2020, it is this: expect the unexpected. A financial cushion can help weather any storm and allows your clients to keep aiming toward their long-term financial goals. And for IRA administrators, that’s not only good customer service, but good business.

Continued from page 8



Mountain Pacific Bank Hosts School Supply Drive

The Mountain Pacific Bank Everett branch hosted a school supply drive this summer for the Everett Public Schools Foundation and donated an overflowing bin of items.

The donations benefit kids in need throughout the school district who may not otherwise have new supplies this fall.

Bank of America Volunteers at Obliteride Event

In early August, the Seattle Bank of America team members volunteered with the set up for the annual Olibteride event at the University of Washington.

During the event, the bank had 12 team members walking and running and others doing virtual events to bring awareness to the event, which works to fight and cure cancer.



Bank of the Pacific Sponsors WCAR Golf Tournament

The Bank of the Pacific Whatcom County mortgage loan team, sponsored a hole during this summer's Whatcom County Association of Realtors annual golf tournament benefiting Habitat for Humanity.

The lenders included Tana Tjoelker, Michelle Camping, Royal Prendergast and Joey Colver.

Peoples Bank Donates \$5,000 to Wild Whatcom

Peoples Bank announced this summer that it made a \$5,000 donation to Wild Whatcom, a nonprofit dedicated to nature and exploring the outdoors in the Pacific Northwest.

The organization provides access to the outdoors, such as providing equipment or clothing to help make the experience enjoyable and working on green and equitable initiatives.

KeyBank Foundation Donates \$300,000 to AfricaTown Community Land Trust

In August, the KeyBank Foundation announced a \$300,000 donation to the Africatown Community Land Trust.

The donation will support the organization's small business

development program and help build generational wealth, close the racial wealth divide and support a thriving future for the Black community in the Central District and Seattle area.



North Cascades Bank Sponsors Omak Stampede Parade and Rodeo

North Cascades Bank was a sponsor of the annual Omak Stampede Parade and Rodeo this summer.

The event, now in its 88th year, features a weekend in August full of western entertainment, such as the World Famous Suicide Race, a full carnival, an art show, and more.



Sound Community Bank Hosts Shred Event

Throughout its locations in early August, Sound Community Bank hosted a free shred event for residents and customers.

The bank provided shredding services to dispose of documents and other materials.



BankWork\$ Welcomes 22 New Graduates from Both Washington Programs

In late August, the YWCA Seattle | King | Snohomish and Career Path Services (CPS) celebrated the end of another successful BankWork\$ class with 22 students graduating.

The YWCA program had 14 students complete the 8-week program, while the CPS class included eight students.

BankWork\$ is a free 8-week training program that prepares students for positions in the banking industry and has helped over 1,000 graduates begin new careers.



CYBER TABLETOP EXERCISE

JANUARY 25, 2023 • 9 AM TO 3 PM • VIRTUAL EVENT

Join us for a unique cybersecurity event brought to you by NUARI and the Washington Bankers Association.

This tabletop exercise will allow your organization to see procedures in action and provide valuable feedback to your employees.

Washington State Department of Financial Institutions will participate in this event. All participating institutions will be fully anonymized and no institution-specific data will be shared.

**Learn more and register online at
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