

July 2025

A Tale of Two Taxes: Helping WBA Help You



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

Former New York City mayor Ed Koch once said, "We are all in the hands of God and the state legislature. But at the moment, the legislature has a lot more to say than God."

That's certainly been the case with the Washington state legislature, which imposed the largest tax increase in state history during its 2025 session. The list of new taxes is a long one, including increasing the business and occupation tax, as well as the surcharge on large banks; extending the sales tax to certain services; restructuring and increasing the highest rate of the capital gains tax; restructuring and increasing the highest rate of the estate tax; and eliminating a wide variety of tax preferences.

Washington banks will soon feel the impact

of those increases, either directly or indirectly through our customers. But one increase we thankfully won't have to deal with is the elimination of the B&O tax exemption on first mortgage interest income for community banks, a move originally included in the budget passed by the legislature. However, Gov. Ferguson vetoed that proposal after his office was subjected to a full-court press from the WBA lobbying team and member banks across the state. We successfully argued that it makes no sense to increase the cost of financing housing when housing affordability is a major problem in our state. Ultimately, that argument won the day, and Ferguson saved the first mortgage interest exemption by making its elimination the only significant revenue measure he vetoed.

Thank you to everyone who helped us deliver this critically important message to the governor's office. It was a major effort, involving every single banker and executive we asked to make contact, along with a lot of hard work behind the scenes,

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Issues & Answers July 2025

WBA Staff

Glen Simecek, President & CEO
(206) 447-1700,
glen@wabankers.com

Duncan Taylor, SVP/Chief
Operating Officer
(206) 344-3492,
duncan@wabankers.com

Kyle Hayden, Controller
(206) 344-3476,
kyle@wabankers.com

Sherry Krainick, Director of
Education & Operations
(206) 447-1700,
sherry@wabankers.com

Megan Managan, Director of Public
Affairs
(206) 344-3472,
megan@wabankers.com

Cagla Celik, Marketing & Education
Coordinator
cagla@wabankers.com

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Dave Swartley, SVP/Managing
Director State Government
Relations, U.S. Bank

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 wabankers.com.

Connect With Us

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

On the Cover

Wenatchee River flows through portions of Central Washington
before meeting the Columbia River in Wenatchee, the home of our pie
visits in June.

Photo courtesy of Jeff Hollett/flickr.com

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outreach to other stakeholders, and even people calling in a few favors
to make it happen. But it will also pay major dividends for our industry.
One bank told us that, if that provision had stood, it would have resulted
in a 600 percent increase in their taxes!

There was another bit of good news on the taxation front. Included in
the revenue package was a measure, proposed and spearheaded by Rep.
Amy Walen, to establish a new 1.2 percent B&O tax on state-chartered
credit unions that acquire tax-paying commercial banks, starting in
October. With its passage, Washington became the first state to tax credit
unions like banks.

Such acquisitions have been a growing trend in recent years, removing
money from the state's tax rolls and exacerbating the unfair and unjusti-
fied competitive advantage enjoyed by credit unions that compete direct-
ly with WBA members in providing "banking services."

While this new tax does not bring full parity between banks and credit
unions, it's clearly a step in the right direction. Importantly, in talking
with legislators about the bill, we found a number who were surprised to
learn that credit unions don't pay the same taxes as banks. While we don't
know the form the credit unions' response will take, we fully expect them
to push back hard on the taxation issue beginning in 2026. Still, our hope
is that this first step will lead to a broader conversation about tax equity
among financial institutions.

These taxation issues underscore the importance of having strong
working relationships with both the executive and legislative branches in
Olympia. Throughout the interim, we will continue working with Gov.
Ferguson and his staff to underscore our appreciation of his veto. We'll
also be discussing with key legislators the importance of sustainable bud-
geting practices for the state's economic health.

That's why our interim legislative outreach activities, which are always
important, will take on special significance this fall. Whether attending
a check presentation, fundraiser, or hosting individual branch visits, we
hope you will make participating in these events a personal priority in the
coming months.

Additionally, this year will see an unusually large number of legislative
special election races, primarily due to turnover within incumbent seats.
(When someone is appointed to a seat, they must run in the next reg-
ular election to fill the remainder of that term. That means the winners
of House seats and those in some Senate seats will also have to run for
reelection in 2026.) We will be coordinating fundraising events for some
of the lawmakers running in these special elections and urging everyone
in the banking industry to wholeheartedly support lawmakers who un-
derstand the role banks play in our economy, especially those who took
tough votes on our behalf. Stay tuned for contribution opportunities and
recommendations, or let us know if you have questions.

Next year is likely to be another challenging one for banks and the en-
tire business community, as budget challenges persist and the economic
outlook remains uncertain. Bad ideas that died last year, like the wealth
tax and the statewide payroll tax, are expected to be on the table once
again.

We must be ready to respond strongly and effectively. We can only do
that with your help.

HAVE NEWS TO SHARE?

Email it to megan@wabankers.com to be
included in an upcoming *Issues & Answers*

Cashmere Valley Bank Branches Honored for Outstanding PAC Support – With Pie!

In recognition of their outstanding efforts during this year's annual PAC donation drive, WBA staff recently visited several Cashmere Valley Bank branches to say thank you personally — and to deliver something sweet in return.

Each branch received a handcrafted pie from Glaze Bakery in East Wenatchee as a small token of appreciation for the bank's commitment to advocacy and political engagement. These visits were part of WBA's ongoing efforts to recognize and celebrate member institutions that go above and beyond in supporting our industry's voice in Olympia and Washington, D.C.

At the beginning of every year, Cashmere Valley Bank CEO Greg Oakes issues a request, along with suggested donations, for the PAC, encouraging employees to participate at levels based on their seniority. Each year, the bank has been able to increase its donation amount. This year it was over \$4,500.


Cashmere Valley Bank has long been a leader in



grassroots engagement, and its dedication to the WBA's PAC helps ensure that lawmakers understand the vital role community banks play in Washington's economy. Their support allows WBA to continue advocating for sound banking policy, fair regulation, and a strong business environment.


A big thank you to everyone at Cashmere Valley Bank for your enthusiasm, generosity, and ongoing support.

A special shout-out to Amber and the Glaze Bakery team for helping us make the visits extra memorable, because nothing says "thank you" like a delicious slice of pie!



SADDLE UP

FOR NEW FRONTIERS IN BANKING



2025 ANNUAL CONVENTION

JULY 28-30
COEUR D'ALENE RESORT

Register online at wabankers.com/convention



Invest in Your Team This Fall: Development Programs Build Banking Bench Strength

As autumn approaches, the Washington Bankers Association is proud to offer a robust lineup of professional development programs tailored to bankers at key points in their careers.

Whether your team includes rising credit analysts, future commercial lenders, or promising retail managers, WBA's fall programs provide the tools and training they need to succeed.

Commercial Lending Development Program – Starts August

Back by popular demand, the Commercial Lending Development Program launches in August and is designed for credit analysts, portfolio managers, and junior lenders preparing to transition into commercial lending roles.

This program covers essential topics, including business development, credit structuring, risk analysis, and loan documentation. Taught by experienced commercial bankers and industry professionals, the curriculum blends classroom learning with real-world application, giving students the confidence to take the next step in their lending careers.

Credit Analyst Development Program – Begins September

Launching in September, the Credit Analyst Development Program is ideal for those new to credit roles or looking to strengthen their understanding of core financial concepts.

Over several months, participants dive deep into financial statement analysis, cash flow evaluation, loan structuring, and credit write-ups.

This foundational program is a key investment for banks seeking to establish robust internal pipelines for future lenders.

Understanding Bank Performance – Begins September

Also launching this September, the Understanding Bank Performance Program is a valuable addition for bankers

seeking a clearer picture of how their institution operates financially.

Designed for both emerging leaders and those outside of finance roles, this course demystifies the key components of a bank's income statement and balance sheet, explores profitability drivers, and offers insights into how strategic decisions impact overall performance.

It's ideal for managers, department heads, and anyone looking to connect their day-to-day responsibilities with broader bank goals. This program empowers participants with the financial fluency to make more informed, strategic decisions.

Retail Branch Manager Development Program – Starts October

Retail leadership remains a cornerstone of banking success. The Retail Branch Manager Development Program, starting in October, is perfect for current or aspiring branch managers and retail banking leaders.

The course focuses on people management, team performance, customer experience, and retail strategy—skills critical to managing today's evolving branch environment.

This program is especially valuable for banks committed to grooming leaders who can drive both culture and results.

Why Participate?

Each of these programs has been thoughtfully designed to support the professional growth of Washington's banking workforce.

With limited space and broad interest across the region, we recommend early registration.

By investing in staff development through WBA's programs, banks strengthen their internal talent pipeline, improve employee engagement and retention, and ensure they are prepared for the future of banking.

Learn more and register at www.wabankers.com/dev-pro.

Events Calendar

July 10 – Understanding Bank Performance

July 28-30 – 2025 Annual Convention; Coeur d'Alene, ID

Aug. 14-16 – KBA Fraud Academy

Aug. 21 – Commercial Lending Development Program

Sept. 16 – Understanding Bank Performance

Sept. 22 – Credit Analyst Development Program

Sept. 24 – Credit, Lending & Compliance Conference

Sept. 30 – AI Native & Fintech Conference, UT

Oct. 9 – Retail Branch Manager Development Program

Oct. 7-9 – Bank Trainers Conference, FL

Oct. 13-15 – PNW Capitol Hill Visit, D.C.

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

16 Students Complete Credit Analyst Development Program

Congratulations to the 16 students who completed the Credit Analyst Development Program in mid-June.

These students came from 7 states, including referrals from our friends at the California Bankers Association, Mississippi Bankers Association, New Hampshire Bankers Association, New Jersey Bankers Association, Oregon Bankers Association, and Vermont Bankers Association.

The program features six fully virtual sessions designed to help both new and experienced bankers fully understand all aspects of the role that credit analysts hold, as well as the various skills necessary for the position.

“This program was very informative. I could honestly say that I was able to expand my knowledge and skills. Additionally, being part of the program alongside different analysts, I was able to learn how other community banks operate,” said one graduate.

WBA heard repeatedly throughout the course that including bankers from other states and regions of the country allowed the class to have broader discussions around loan types and different scenarios, because of the varying business models and industry sectors represented in various parts of the country.

Congratulations to Brandon Babin, Cashmere Valley Bank, Wash.; Felipe Castillo, BAC Community Bank,



Calif.; Joel Collett, Baker Boyer, Wash.; Taylor Cosentino, 1st Security Bank of Washington, Wash.; Kristi Doby, FirstBank, Miss.; Dijana Downing, Northfield Savings Bank, Vt.; Marcel Hermes, National Bank of Middlebury, Vt.; Coco Kwan, 1st Security Bank of Washington, Wash.; Courtney Myers, Bank of Commerce, Miss.; Ricardo Parada, First Federal Savings – San Rafael, Calif.; Dawson Quinton, Bank of Eastern Oregon, Ore.; Christine Ruszkowski, Savings Bank of Walpole, NH.; Rich Scott, Bank of Franklin, Miss.; Francisco Vigil, Cashmere Valley Bank, Wash.; Ari Zarifyar, FFB Bank, Calif.

The next round of CADP will start in September and more information can be found online at wabankers.com/cadp.

How Intermountain Business Lending Used The Summit Success Process to Serve Smarter and Grow with Confidence

In a market where the status quo is no longer enough, Intermountain Business Lending (IMBL) chose to break the mold.

With rising loan volume goals and a deep commitment to personalized borrower experiences, IMBL needed more than a technology vendor—they needed a partner.

Guided by mysherpas, IMBL re-imagined its lending operation through a security-first, client-obsessed transformation.

Using the Summit Success Process, mysherpas delivered more than just a modern tech stack. They helped IMBL reduce manual document handling by 80%, accelerate time from application to close by 30%, and eliminate compliance concerns—while replacing five disconnected systems



with one streamlined platform.

This wasn't a one-size-fits-all software roll-out. It was a low-risk, high-trust climb designed around IMBL's needs.

Now, IMBL is positioned to scale with confidence—serving smarter, moving faster, and putting trust at the center of every interaction.

Want to learn more about IMBL's experience with mysherpas? Download the case study at mysherpas.ai/case-studies.



**2025 CREDIT, LENDING
& COMPLIANCE CONFERENCE**

SEPTEMBER 24 Learn more online at wabankers.com/clc



Sound Community Bank Volunteers at Food Lifeline

The Sound Community Bank team recently volunteered at Food Lifeline, where they helped pack apples for those in need.

The group sorted and packed 9,600 pounds of apples during the morning session.

The food bank distributes food regionally to help those in need of healthy and nutritious items.



Kitsap Bank Volunteers with Habitat for Humanity

The Kitsap Bank Tacoma team spent a Saturday volunteering with the Tacoma-Pierce County Habitat for Humanity team.

The group of bankers helped build homes for community members who needed affordable housing.

WaFd and Sound Community Bank Sponsors Bridging the Gap Fundraiser

Members of the WaFd and Sound Community Bank teams took part in the Your Money Matters Mentoring Bridging the Gap annual fundraiser event.

As sponsors of the event, the bankers helped showcase why



financial literacy is essential in everyday life and how it can make a significant impact.

Yakima Federal Savings & Loan Announces \$167,000 in Annual Scholarships

This spring, Yakima Federal Savings & Loan announced that local students in Yakima, Kittitas, Benton, and Franklin counties would receive \$167,500 in scholarships.

Sixty graduating high school seniors from four counties each received \$2,500, totaling \$150,000, while an additional \$17,500 in grants was awarded to seven local post-secondary institutions for their scholarship programs.

"We are excited to have the opportunity to reward these students who have worked so hard. It's our pleasure to make these awards again this year," said Dan Gaulke, CEO, in a statement.

To be eligible, students must reside in one of the four counties, graduate in the top 10 percent of their class, demonstrate strong moral character, work ethic, and ambition. Applicants are asked to submit a one-page essay outlining their plans, school and life experiences, challenges overcome, and the impact of receiving the award.

The Awards for Academic Excellence have provided over \$3.2 million in college scholarships to high school graduates since their inception 48 years ago. Scholarship funds are disbursed to the recipients enrolled in school upon confirmation of enrollment in the fall semester.



Peoples Bank Sponsors Whidbey Ren Faire

Peoples Bank sponsored the annual Whidbey Ren Faire, a weekend festival celebrating all things Renaissance.

The booth featured a knight's helmet giveaway, plus costumes and other fun items, plus learning about the bank.

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Industry News

New Hires

Jackie Smith
Vice President, Retail Operations and Learning Manager at Kitsap Bank

Andrea Robertson
Assistant Branch Manager at 1st Security Bank of Washington

Sara Owsley
Vice President and Commercial Operations and Integration Leader at Washington Trust Bank

Todd Gaaney
Assistant Vice President and Business Banking Relationship Manager at U.S. Bank

Abbi Powers
Customer Service Representative at First Fed Bank

Ciprian Corhei
Senior Commercial Credit Underwriter at First Fed Bank

Roba Camandona
Vice President and Relationship Manager at Washington Trust Bank

Katie Gaumer
Senior Loan Officer at 1st Security Bank of Washington

Promotions

Lori Biggs
Vice President and Brand Strategy and Content Marketing and Washington Trust Bank

Chris Campbell
Senior Vice President and Special Credits Retail Loan Manager at WaFd Bank

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

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Olympia Federal Savings Sponsors Nisqually Land Trust Gala

Olympia Federal Savings sponsored the annual Nisqually Land Trust Gala.

The annual event supports the group's preservation work in the community, helping to keep land in and out of the trust enjoyable for future generations.



Baker Boyer Bank Volunteers with Meals on Wheels

The Baker Boyer Bank team recently volunteered with Meals on Wheels, helping to prep food for local seniors.

The volunteers prepped bags to be given to those in need of meals in the community, which would later be delivered to their doors by the organization.



U.S. Bank Celebrates New Community Space Dedication

The U.S. Bank team in Seattle recently attended a special community space dedication, as a former U.S. Bank branch in Skyway Park was transformed into a new community space.

At the grand opening of the new space, the bankers were able to see how the community had transformed the building into a space where a local nonprofit would help entrepreneurs grow, support youth programs, and enhance community programs.

Chase Collaborates with Year Up United

JPMorgan Chase hosted a financial health workshop with Year Up United for local students, focusing on setting goals, building a budget, and developing other essential skills for young adults.



The workshop was part of a long-standing partnership between the two organizations, which was held at Seattle Central College.

The event was part of Chase's annual Back to School season gear-up, which provides a wide variety of workshops and other items to help families and students prepare for a new school year.



Timberland Sponsors Summit Pacific Medical Foundation Golf Tournament

In early May, Timberland Bank sponsored the 18th annual Summit Pacific Medical Foundation Golf Championship.

The event raises money to help children in the community receive medical care.



Baker Boyer Participates in 5th Annual Putt Putt Pour Mini Golf Event

The Baker Boyer Bank team recently participated in the 5th annual Putt Putt Pour mini golf event hosted by United Way of the Blue Mountains in Downtown Walla Walla.

The annual event encourages people to play putt-putt golf at various locations throughout downtown Walla Walla, bringing the community together while raising money for the United Way.

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Washington Trust Bank Participates in Color Run

The Washington Trust Bank team in Pullman recently participated in the SEL Wellbeing Center's 7th Annual Color Run.

The Center's mission is to support families in achieving a balanced, healthy, and fulfilling lifestyle. To achieve this, they offer a family center featuring a wellbeing center, health clinic, and Little Edison's Center, which provide comprehensive services designed to nurture every aspect of a family's health and happiness.



WaFd Bank Participates in Community Clean Up

WaFd Bank, along with the Seattle Seawolves Rugby team, recently participated in a community cleanup event with Seattle Compassion Services.

The SCS provides services to those who are unhoused and works to address the King County homelessness state of emergency. The bank also announced a donation of \$5,000 at the event in honor of their work.



KeyBank Hosts Annual Neighbors Make a Difference Day

KeyBank hosted its annual Neighbors Day, where members of the bank team give back to the community through volunteering.

For one group, they spent the day volunteering with Big Brothers Big Sisters of Puget Sound, discussing budgets, goals,



and credit with the team from King and Pierce counties.

Another group of Business and Private Banking team members volunteered at the YWCA, helping to clean up a greenhouse and yard area to make it more appealing for residents.



Kitsap Bank Donates to St. Vincent DePaul in Tacoma

Kitsap Bank recently announced a \$2,500 donation to St. Vincent DePaul in Tacoma.

The organization works with the most vulnerable members of the community, and the bank was happy to support the organization's mission.



Washington Trust Bank Donates to Jubilee Reach

The Washington Trust Bank Bellevue team collaborated with Jubilee REACH Center, a local nonprofit organization dedicated to building relationships, transforming lives, and providing support to students and their families.

The bankers brought sandwich and cookie platters to the Center, providing fuel for the tutors and kids in the after-school program.



Timberland Bank Sponsors Raise for Rowyn Golf Tournament

Timberland Bank sponsored the Raise for Rowyn Golf Tournament at the end of May.

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The annual event raises money for families who have lost a child, helping to support them as they navigate a new reality.

First Fed Foundation Celebrates 10 Years

The First Fed Foundation celebrated its 10th anniversary earlier this year.

Since 2015, the Foundation has awarded over \$7.3 million in grants, supporting local nonprofits, school districts, tribal and government agencies, and the people they serve.

Sound Community Bank Volunteers at First Step Family Support Center

Sound Community Bank volunteered at the First Step Family Support Center for its 4th annual Community Connections Baby Shower.

The organization's mission is to increase the well-being of children and families on the North Olympic Peninsula by collaborating with caregivers and the community to access resources, support, and skills to build family strengths.



community, ensuring they are seen, heard, and valued, and to understand that housing is more than just shelter; it's a foundation for stability and opportunity.



Baker Boyer Bank Attends Walla Walla Community Council Luncheon

Baker Boyer Bank attended the annual luncheon for the Walla Walla Community Council.

By engaging with fellow community members, the bankers gained insight into local perspectives and the council's ongoing efforts in the community, as well as the importance of these efforts for the valley's success.



Mountain Pacific Bank Supports Snohomish Affordable Housing Conference

Mountain Pacific Bank recently attended the Snohomish Affordable Housing Conference, supporting the partnerships between organizations to help address housing challenges in the county.

The bank has long-standing partnerships with many organizations.

Mountain Pacific Bank Sponsors Girls on the Run Snohomish County Celebration 5K

Mountain Pacific Bank sponsored the annual Girls on the Run Snohomish County Celebration 5K in Mill Creek earlier this summer.

Hundreds of girls, their families, coaches, community runners, and volunteers participated in the event.

The annual event celebrates the culmination of the program, which aims to help young girls build confidence, strength, and achievement through running.



Riverview Bank Sponsors Community Roots Collaborative Annual Breakfast

Riverview Bank recently sponsored the Community Roots Collaborative Annual Community Collaborations Breakfast this spring.

The organization works to uplift and empower people in the



1st Security Bank of Washington Sponsors Seventy48 Event

1st Security Bank of Washington recently sponsored an event for Seventy48, an event which encourages teams to boat seventy miles in 48 hours.

Participants can use anything as a boat as long as it's not motor-powered.

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Washington Trust Bank Donates to Vanessa Behan

Washington Trust Bank announced a \$10,000 donation to Vanessa Behan earlier this spring.

The organization is a non-profit dedicated to helping prevent child abuse and neglect, which offers a 24-hour crisis childcare, services such as education, crisis counseling, and more.

The bank has partnered with the organization for 13 years.



Riverview Bank Sponsors Clark County Food Bank Taps & Tacos Event

Riverview Bank sponsored the Clark County Food Bank Taps & Tacos event this year.

The fundraiser event featured gourmet tacos and craft beers, helping the food bank work to end hunger in the community.

Baker Boyer Bank Awards Scholarship

Baker Boyer Bank awarded its EVERFI Scholarship to Maria Villagomez, an outstanding senior, earlier this spring.

Villagomez earned a \$1,000 scholarship in recognition of her academic excellence and commitment to financial education.



Kitsap Bank Hosts Chamber of Commerce After Hours

The Kitsap Bank Bainbridge Island branch recently hosted the Bainbridge Island Chamber of Commerce After Hours event.

The team spent the evening hosting local business members of the chamber. The bank partnered with Helpline House to encourage donations and highlight a local nonprofit with which the bank works.



Cashmere Valley Bank Celebrates Customers in Union Gap

Cashmere Valley Bank recently hosted a customer appreciation event at its Union Gap branch.

The branch hosted a barbecue as a thank-you to

its loyal customers in the area.



Baker Boyer Bank Sponsors Yakima Habitat for Humanity Event

Baker Boyer Bank recently sponsored the Yakima Partners

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The Ultimate Fraud Prevention Training Program Returns!

FRAUD NEVER SLEEPS

AUGUST 12 - 14, 2025

www.fraudacademyhq.com/

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Habitat for Humanity Hoedown for Housing event.

The fundraiser raised money for the organization, which aims to provide affordable housing for families in the community.

Chase Hosts Workshop for Resource Groups

Chase recently hosted a workshop for the bank's NextGen and WOTM Business Resource Groups about building a brand, focusing on LinkedIn, which included updating participants' headshots.

The class included tips and tricks for expanding their networks online and ways to enhance their businesses through the platform.



Timberland Bank Sponsors Mortgage Lenders Golf Tournament

Timberland Bank sponsored this year's Puget Sound Mortgage Lenders Association's annual charity golf tournament in mid-June, held at Eagle's Pride Golf Course.

The event helped raise money for a variety of nonprofits throughout the South Sound, all of which work with the Mortgage Lenders Association.



Bank of America Participates in Dragon Boat Festival

The Bank of America Asian Leadership Employee Network participated in the Seattle Dragon Boat Festival this summer.

The group of bankers raced their boat, and unlike the year before, didn't end up in the water, honoring the tradition of being on the water in boats that typically feature 20 paddlers.

HomeStreet Bank Donates to Salvation Army Red Kettle Event

HomeStreet Bank announced a \$5,000 donation to the annual Salvation Army's Red Kettle fundraiser in Seattle earlier this summer.

The annual event provides seeds of hope for clients to move beyond homelessness and addiction and become individuals with fulfilling and purposeful lives.



Olympia Federal Savings Sponsors Yelm Prairie Days

Olympia Federal Savings was a sponsor of this summer's annual Yelm Prairie Days event.

The annual celebration featured a parade, in which the bank participated, with a 70s-style tie-dye theme.



Sound Community Bank Volunteers at Concern for Neighbors Food Bank

Members of the Sound Community Bank team in Mountlake Terrance recently spent time volunteering at the Concern for Neighbors Food Bank.

The group helped sort and pack food for neighbors in need, which will allow the organization to provide food for those who cannot afford it otherwise.



Riverview Bank Sponsors Partners in Careers Annual PICnic

Riverview Bank sponsored the annual Partners in Careers PICnic, which works to empower individuals through stability, opportunity, and belonging.

The bank is a longtime partner, and Lashell Carrick, a commercial relationship manager at the bank, is a current board member for the nonprofit.

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KeyBank Participates in Dragon Boat Festival

KeyBank's Asian Inclusive Networking Group participated in the Seattle Dragon Boat Festival in Seattle and sponsored the event.

It was the first time the bank had participated in the event, and the team, which included bankers from various lines of business, enjoyed the event and planned to participate again next summer.



Washington Trust and Banner Bank Participate in Spokane Habitat Blitz Build

Washington Trust and Banner Bank both participated in the annual Spokane Habitat for Humanity Blitz Build 2025 this summer.

The bank volunteers spent a day working on local affordable homes in the community, which will be available to families who otherwise wouldn't be able to afford them.



WaFd Bank Volunteers at Chinatown-International District Clean Up

The WaFd Bank team volunteered at the annual Chinatown International District Clean-up event earlier this year.

Hundreds of volunteers, including many from the bank, came together to paint, pick up garbage, wash windows, clean graffiti,

ti, spread bark, and more.

The bank has been a longtime sponsor of the event, and this year, three different divisions had volunteers participate from select banking and retail branches, as well as special credits.



Sound Community Bank Sponsors HopeSparks Event

The Sound Community Bank team recently attended and sponsored the 2nd annual Kevan Carter Junior Hip Hop Therapy Fun Run/Walk event hosted by HopeSparks Family Services.

The Tacoma-based organization works with children and families throughout Pierce County who have faced trauma, abuse, and overwhelming life challenges.

The proceeds from the event benefit the organization's hip-hop therapy after-school program.



Mountain Pacific Bank Sponsors Golf Tournament

Mountain Pacific Bank recently sponsored the Snohomish County Football Officials Association Hall of Fame annual golf tournament.

The event raises funds for football scholarships for local students throughout the county. The bank sponsored hole 1 and provided snacks and water to the golfers as they played through the tournament.



KeyBank Partners with Seattle Mariners for Street Fleet

In June, KeyBank announced an expanded partnership with the Seattle Mariners for Mariner Street Fleet visits throughout the greater Seattle region for the rest of the baseball season.

The events will allow fans to meet and interact with the team outside of the baseball field. This is the second year of the

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event, which will surprise fans at locations where visitors can take pictures with the Mainer Moose and win prizes.

"KeyBank is proud to support the Mariners Street Fleet again this season," said Brian Marlow, KeyBank Washington market president. "This gives fans a chance to interact and have a blast with our partners. We hope fans will come out and see them at stops near them. Go M's!"

The stops include Seattle in June, Everett in July, Husky Stadium in late August, and again in Seattle in late September.

The full list of stops can be found at mariners.com/streetfleet.

Baker Boyer Bank Sponsors Chamber Golf Tournament

Baker Boyer Bank sponsored the Pasco Chambers Sagebrush Scramble Golf Tournament.

The annual event supports the Chamber and its various programs throughout the year, helping the Tri-Cities community.



Washington Trust Bank Donates to Seattle Humane Society

Washington Trust Bank's Bellevue team recently collected donations of pet food and other items for the Seattle Humane Society.

The items were for the Humane Society's pet food bank which provides food for locals who may not otherwise be able to afford food for their pets.

Upon delivering the donation, they were able to tour the facility and see the animals waiting for their forever homes.

HomeStreet Bank Donates to Habitat for Humanity

HomeStreet Bank announced a \$7,500 donation to Habitat for Humanity in Seattle earlier this summer.

The donation was made during the organization's annual Beyond the Build luncheon, its annual fundraiser to help support the non-profit's various programs throughout the region.



Washington Trust Bank Volunteers at Neighborhood Cleanup

The Washington Trust Bank Bellevue team recently participated in the Taking Pride in Capitol Hill, an annual neighborhood cleanup organized by PrideFest ahead of the yearly June Pride celebrations.

The group was in its second year of participation, helping to prepare for the many people who would be in the area during the last weekend of June for the various celebrations that take place as part of Pride month.

Cashmere Valley Bank Sponsors Golf Tournament

Cashmere Valley Bank recently sponsored a hole at the annual Cle Elum Warrior High School Booster Club golf tournament in June.

The event raises money to support student athletes at the school. The bank included a special chip-in contest at their hole, and the winner earned a gift card to a local restaurant.



Wheatland Bank Hosts 1st Annual Giving Day

Wheatland Bank hosted its first annual Giving Day in mid-June.

Bankers across the organization were encouraged to spend the day giving back to their local communities, and the bankers donated a total of 332 hours across their 13 branches.

Activities included volunteering to help build portions of five new homes in the Spokane Valley, while others in Yakima spent time at the Selah-Naches Food Bank organizing and packing food. The Chelan branch volunteered with a community clean-up effort, helping pick up garbage and clean up at a local park.

If you have Bankers Care news to share, please email it to megan@wabankers.com.

What is Elder Financial Exploitation?

FinCEN Guidance for Financial Institutions



By Terri Luttrell, Compliance and Engagement Director, Abrigo

On December 4, 2024, FinCEN, along with the supervisory agencies, issued a statement on elder financial exploitation, or elder fraud. The statement provided examples of risk management and other practices that may be effective in combating this often-underreported crime.

What is elder financial exploitation?

Elder financial exploitation (EFE) is a form of abuse where an older individual is deprived of vital financial resources, often without their explicit knowledge or consent. This crime against the elderly typically involves assets being taken through deception, coercion, or threats. It can take many forms, such as misusing or stealing money, coercing an older individual into signing documents, or improperly using conservatorship, guardianship, or power of attorney.

Unfortunately, family members are often the most common perpetrators of elder fraud, accounting for 62% of reported cases. Some family members rationalize their actions by believing they are merely accessing what will eventually be their inheritance. In contrast, others may exploit their relative's assets out of fear that the older adult will exhaust their savings, leaving nothing behind. This complex dynamic, coupled with the vulnerability and dependency that can accompany old age, makes it a particularly insidious and underreported form of abuse.

The growing threat and evolving elder fraud tactics

The Baby Boomer generation is rapidly aging, leading to a demographic shift that financial institutions cannot ignore. By 2030, 20% of the U.S. population will be 65 or older, controlling a large share of the country's wealth. The FBI's 2023 Internet Crime Complaint Center (IC3) report highlighted a staggering \$3.4 billion in losses due to elder fraud, marking an 11% increase from the previous year. On average, elderly victims lost \$33,900 each, with over 5,900 individuals losing more than \$100,000.

Despite these numbers, elder financial exploitation is grossly underreported, with an estimated 79% of cases never reaching authorities. Victims often stay silent due to fear, embarrassment, or a lack of understanding about their financial situation.

Financial institutions are in a unique position on the front lines and can significantly prevent these losses.

Older adults are frequently targeted by various scams that exploit their trust, unfamiliarity with technology, and, sometimes, their social isolation. Understanding these schemes can help financial institutions better detect and prevent exploitation:

1. Tech support scams: Fraudsters pose as technical support professionals, convincing victims that their computers have been compromised. The scammers often persuade older adults to grant remote access to their devices or to pay for unnecessary software or services to "fix" non-existent issues.

2. Romance scams: These scams involve fraudsters building online relationships with elderly victims, often through social media or dating apps. Once trust is established, the scammers fabricate stories to solicit money, such as needing funds for a fake emergency.

3. Check fraud: Check fraud is of significant concern in the U.S., and older adults, who are more likely to use checks for payments, are particularly vulnerable and experience more substantial losses.

4. Pig butchering scams: The analogy of "fattening the pig before the slaughter" emphasizes the cruel reality of this crime. This newer form of cryptocurrency fraud targets older adults by luring them into fake investment schemes, sometimes taking months to coerce as much money from the victim as possible. Scammers initially build trust through online interactions, often via social media or dating platforms. Once trust is established, they persuade the victim to invest in cryptocurrencies, only to disappear with the money after the investment has been "fattened."

5. Imposter scams: These involve criminals posing as business or government officials to gain the trust of elderly victims. Common tactics include pretending to be from the IRS or Social Security Administration and threatening the victim with fines or legal action unless they pay immediately.

6. Prizes, sweepstakes, and lottery scams: In these scams, victims are told they've won a prize or lottery but must pay fees or taxes upfront to claim their winnings. Of course, the prize never materializes, and the money sent by the victim is lost.

7. Online shopping scams: Fraudsters set up fake e-commerce sites that appear legitimate but are designed to steal the victim's payment information or sell non-existent products. Elderly individuals, who may be less familiar with online shopping, are



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easy targets for these schemes.

Identifying red flags of elder financial exploitation

Spotting elder fraud early can make all the difference in preventing significant financial and emotional harm. Here are some common red flags that financial institutions should look out for:

- Sudden transfers of assets to unrelated individuals or those outside the family, which could include money being transferred to a caregiver, a new “friend,” or even a charity the elder hasn’t previously supported.
- Frequent ATM withdrawals by an elder who typically doesn’t use ATMs could indicate that someone is coercing them into making withdrawals.
- New names added to bank accounts or sudden changes to account beneficiaries could be signs that someone is gaining unauthorized control over the elder’s finances.
- Uncharacteristic spending patterns: Watch for sudden purchases or large withdrawals that don’t align with the elder’s typical spending behavior. For example, if an elder who usually spends modestly suddenly starts making luxury purchases, it could be a red flag.
- Unusual involvement of new or previously uninvolved relatives or friends: If someone suddenly becomes highly involved in an elder’s financial decisions, especially if they are pushing for quick changes like selling assets or withdrawing large sums, this could be a sign of exploitation.
- Frequent and unexplained changes to wills or other financial documents: Rapid or frequent updates to critical documents such as wills, trusts, or powers of attorney, particularly under the influence of a new “advisor” or friend, can indicate undue influence.
- Changes in mailing addresses or redirected bank statements: If an elder’s bank statements or bills are suddenly being sent to a new address, especially one associated with a new acquaintance or caregiver, it could be an attempt to hide financial activities from the elder.
- Increased NSF (non-sufficient funds) activity or bounced checks: A sudden increase in bounced checks or NSF fees can indicate that someone is draining the elder’s account through unauthorized withdrawals or fraudulent spending.
- Significant changes in behavior or emotional state, such as confusion, fear, lack of awareness, refusal to make eye contact or discuss specific topics, or sudden withdrawal from social activities and increased isolation. Perpetrators often isolate victims to gain control, so a sudden change in social behavior can be a crucial indicator of exploitation.

By staying alert to these elder fraud red flags, financial institutions can play a crucial role in identifying and preventing elder financial exploitation before it causes irreversible harm.

Strategies for financial institutions to combat elder fraud

Financial institutions have a vital role in protecting elderly clients from financial exploitation. Here are some strategies that can be implemented to enhance your AML program:

1. Staff training: Regularly train employees to identify and report signs of elder fraud. Ensure they are well-versed in the specific red flags of elder financial exploitation.
2. Community engagement: Work with local law enforcement, adult protective services, and community organizations

to educate seniors and their families about the risks of elder fraud. Hosting workshops or information sessions at senior centers can build trust and awareness.

3. Implement a senior financial education plan: It is essential to educate seniors about protecting themselves from fraud. Programs should cover topics like identifying phishing attempts, recognizing the dangers of unsolicited phone calls, and safeguarding personal information.

4. Enhance account monitoring: Utilize technology, such as transaction monitoring software and fraud detection software, to monitor for unusual account activity that could indicate fraud. This includes sudden large withdrawals, changes in spending patterns, or requests for high-value wire transfers.

5. Mandatory reporting: Ensure your institution complies with state laws regarding mandatory elder abuse reporting. Even if your state doesn’t have mandatory reporting requirements, consider reporting suspected elder abuse to Adult Protective Services as part of your commitment to protecting vulnerable populations.

Expectations for AML/CFT departments

Proactive policies can help prevent elder financial exploitation from happening at your institution, as can comprehensive fraud detection software. When it comes to check fraud schemes, for example, being able to quickly analyze dozens of distinct check attributes helps detect fraud faster, which can save financial institutions substantial sums.

FinCEN’s recent statement on elder fraud includes the following measures that your institution should be taking to protect its older customers:

- Developing effective governance and oversight, including policies and practices to protect account holders and the institution
- Training employees on recognizing and responding to elder financial exploitation
- Using transaction holds and disbursement delays as appropriate and consistent with applicable law
- Establishing a trusted contact designation process for account holders
- Filing suspicious activity reports to FinCEN in a timely manner
- Reporting suspected elder financial exploitation to law enforcement, Adult Protective Services, and other appropriate entities
- Providing financial records to appropriate authorities where consistent with applicable law
- Engaging with elder fraud prevention and response networks
- Increasing awareness through consumer outreach

The statement describes in depth what the agencies expect when it comes to mitigating risk for seniors, and financial institutions should update their procedures accordingly to help safeguard their communities.

Terri Luttrell is a seasoned AML professional and former director and AML/OFAC officer with over 20 years in the banking industry, working both in medium and large community and commercial banks ranging from \$2 billion to \$330 billion in asset size.



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