

How to Support Small Businesses and Stick to a Budget this Holiday Season- Dec. Entry

Christmas shopping is already in full swing with Black Friday, Small Business Saturday and Cyber Monday behind us, but that doesn't mean you still can't save big while supporting our local economies throughout the rest of the season.

Shop Early

Let's say you already have a favorite small business in mind with an item you want to purchase this year- don't wait until the last minute to do so. The longer you wait the greater the chance the item you're looking for will be sold out before you are able to buy one. It's also important to remember that most small businesses can't provide two-day shipping like Amazon. Purchasing your gifts early gives them plenty of time to arrive before the holidays.

Maintain a Gift Fund

Starting at the beginning of the year set up a gift spending budget and try to contribute to that fund throughout the year. This will minimize your accounts taking a big hit during the holiday shopping season and therefore causing panic. The best way to do this is to set up automatic contributions that are being deducted from your paycheck or by setting up a bank account transfer each month.

Buy Gift Cards

A great way to support small businesses while being able to anticipate your spending is to buy gift cards. You may not know exactly what to get for someone on your list, but you do know the small businesses they love. Gift cards are a great solution to this problem. The money you spend still goes directly to the small business, but there is flexibility for what items the receiver ends up buying for themselves- everyone winds up happy!

Go in on Group Gifts

If people on your list tend to want the more expensive items, or if the small business you want to support only sells higher priced items, you don't have to break your own budget this year. Reach out to other friends or family members and see if they would like to go in on a gift with you.

Buy Consumables

Gift-giving can be difficult, especially for those you may not know exactly what to buy, or for those that already have everything they want. A great solution to this issue is to purchase items that can be consumed in one way or another. This could be food, lotion, makeup, etc.

We know 2020 has taken a toll on everyone, especially many of our small businesses. Your support will mean more than ever this year. Thank you for doing your part to support small businesses.

The information in this article was written by:

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Three Financial Tips to Remember This Fall-Nov. Entry

While some things have gone back to {semi} normal, we must remember that we are still in the middle of a global pandemic. You may have had a chance to look over your financials in the spring, but have you done it yet this fall? Make sure you're in good standings heading into the end of 2020 with these three tips to improve your financial health.

1. Check Your Emergency Fund

There's never a time like the present to check into your emergency savings plan. If your savings account is a little on the low side, do not panic. These emergency funds are made to provide assistance if you find yourself in financial trouble. If you have had to dip into your savings in the last year, remember that you're not expected to return it to its original standings in a day, or even months. If you are needing to rebuild your emergency savings, come up with a plan to make a deposit every so often- even if it's \$5 per week.

2. Evaluate Your Tax Situation

Have you had any major life changes this year- say you've had a child, gotten married or bought a home? Look into your withholding rate to make sure you're having the correct amount withheld from your paycheck. The same applies if you have had a major income change this year- whether due to changing jobs, taking a salary cut, or starting a side-gig. [The IRS has a free tool](#) that allows you to estimate your withholding.

3. Address Your Family's College Plans

If anyone in your family is planning on attending college in the fall of 2021, it's time to fill out the FAFSA now. This application is required for a student to be able to collect need-based federal, state and school student aid. This includes grants, student loans and work-study programs through the college. If you anticipate needing help paying for school, it is better to act now rather than later. Many financial aid funding is handed out on a first-come, first-served basis, so a delayed application could mean you will miss out.

This article was modified and taken from the following website:

Rowan, Lisa. "The Pandemic Isn't Over. Complete These Four Financial Checks This Fall." *Forbes*, *Forbes Magazine*, 16 Oct. 2020, www.forbes.com/sites/advisor/2020/10/16/the-pandemic-isnt-over-complete-these-four-financial-checks-this-fall/.

Banks Never Ask That: How to Spot Scammers - Oct. Entry

Every day, thousands of people fall victim to fraudulent emails, texts and calls from scammers pretending to be their bank. And in this time of expanded use of online banking, the problem is only growing worse. The Federal Trade Commission's report on fraud estimates that American consumers lost a staggering \$1.9 billion to these phishing schemes and other fraud in 2019 — and the ongoing pandemic has only increased the threat.

Online scams aren't so scary when you know what to look for. At Washington State Bank, we're committed to helping you spot them as an extra layer of protection for your account(s). We've joined with the [American Bankers Association](#) and banks across the country in a nationwide effort to fight phishing—one scam at a time.

We want everyone to know how to spot a phishing scam—and stop bank impostors in their tracks. It starts with these four words: *Banks Never Ask That*. Because when you know what sounds suspicious, you'll be less likely to be fooled. These phishing scams are full of red flags:

- **Text & Email Messages:** WSB's Fraud Department may message you to verify transactions conducted on your debit or credit card but they will never ask you to sign in, or for personal information. Our messages will outline recent transactions previously conducted which will help identify if they are legitimate communications from WSB. If you receive a message from someone claiming to be WSB asking you to sign in, or offer up your personal information, it's a scam. **Banks never ask that.**
- **Phone Call:** A bank would never call you to verify your account number. **Banks never ask that.** If you're ever in doubt that the caller is legitimate, just hang up and call the bank directly at a number you trust.

If you think you are a victim of a financial scam don't hesitate to [reach out to us](#). We are here for you!

Win Big All Month Long! October is National Cybersecurity Awareness Month, which means there's no better time than now to boost your scamspotting knowledge. [Take the five-minute quiz](#) and become a scamspotter pro! Share your scam score on [Twitter](#) for a chance to win weekly prizes, courtesy of the [American Bankers Association](#). Each Friday in October the ABA will draw 15 winners. One lucky grand-prize winner will receive \$1,000—will it be you?

How the Pandemic May Have Affected Your Retirement Plans- Sep. Entry

Retirement: something many of us look forward to and plan for years. For some it was something they felt financially ready for and were eager to take that next step. But when the world is struck with a global pandemic that no one expected, those plans can be affected and change quickly.

When the stock market suddenly dropped in March, many people's retirement plans changed as well.

[1] According to a survey conducted by Personal Capital, a personal finance app, more than one third of people planning to retire in the next 10 years said the financial fallout from Covid-19 had created a delay in their plans. Almost 1 in 4 current retirees said the impact had made them more likely to return to the workforce.[2]

Many people's retirement plans also face a gap in their spending plan. Many assume they will spend the same amount each year throughout their retirement. This plan falls through when faced with unexpected expenses or drops in the markets. A good retirement plan should be fluid and the retiree should be able to reduce spending when markets fall. The pandemic has also shown the need to track your finances year-round, rather than from time to time and be on alert for opportunities. For instance, some people were able to convert their traditional IRAs to Roth IRAs at severely discount tax cost around the market lows in March.[1]

While many financial advisors suggest holding on to your assets for the recovery, even when the market drops quickly, some retirees had no choice but to sell near the bottom. They had expenses to pay and no emergency fund to pull from, or other source of liquidity. One suggestion is to have three to six months of expenses in cash-like investments such as a [home equity line of credit](#).

Overall COVID-19 has created an opportunity for many retirees and pre-retirees to reevaluate their plans and has shown areas that could use improvement. For more information on setting up an IRA or other tax advantaged account with the Washington State Bank Trust Department, [click here](#).

[1] Carlson, Bob. "What The Pandemic Has Revealed About Retirement Plans." *Forbes*, Forbes Magazine, 25 Aug. 2020, www.forbes.com/sites/bobcarlson/2020/08/24/what-the-pandemic-has-revealed-about-retirement-plans/#55d4054b7427.

[2] Cornfield, Jill. "Here's What to Do When You Are Close to Retirement and a Global Pandemic Hits." *CNBC*, CNBC, 27 May 2020, www.cnbc.com/2020/05/27/timing-patience-and-planning-rescue-looming-retirement.html.

Teaching Children to Save Starts at Home- August Entry

While many Americans are facing financial crisis during the current global pandemic, there are also many others that are in good standing thanks to past saving habits. In Iowa financial literacy has become part of our children's required curriculum, but there are many lessons parents can teach their kids to prepare them for future financial crisis situations.

Here are seven tips:

- **Set a good example.** Kids are observant and learn many behaviors from their parents. Explain to your kids how you spend your money and why you put off buying certain things.
- **Introduce them to spending.** Bring your children with you to the grocery store and tell them to pick out an item to buy that can't exceed a specified amount. Have them pay for the item at

checkout to introduce them to the process of spending. This will also give them an idea of how far their money can go.

- **Introduce them to saving.** Bring your children with you to visit [the bank](#) and explain the importance of saving money in a bank account.
- **Open a savings/checking account.** Once your children start earning money, they will need a place to store it that is more secure than a piggy bank. Visit your local Washington State Bank branch to help them open their first checking and/or savings account.
- **Set goals.** Talk to your children about what they want to accomplish with their money. Whether it's putting money away for their college tuition or saving to buy a car, they will need to know what they want to accomplish so they can put together a plan that will help them achieve it.
- **Create a budget.** A budget is the plan that will help your children reach their goals. Review their budget with them and help them see how putting a specific amount of money aside each month can help them achieve their goals.
- **Teach children to track their spending.** Once your children have a budget in place, it's time to track where their money is going. Make an appointment with your children once a month to analyze their bank statements, so they can see how much was spent versus how much was saved. Then they can determine if any adjustments need to be made to help them reach their goals.

Start Today!

Need more information on our account options? [Click here](#) to view our checking accounts or [click here](#) for our savings accounts. To set up an account for your children, stop into our Washington, Fairfield or Columbus Junction branch today!

Housing Market Sales on The Rise Despite Global Pandemic- July Entry

The spring and summer months are known for driving up the housing market, but when COVID-19 hit the United States it was hard to predict what would happen to the economy in 2020. As the country began shutting down in early spring, the number of houses sold also took a tumble. In April, pending home sales fell 22% according to data released by the National Association of Realtors (NAR). The fall did not last long, though with pending sales soaring 44% in May. This leads us to believe that the worst of the coronavirus housing recession is over.

May's gains are the highest the NAR has seen since it began tracking the data in early 2001. Even though the supply of homes available remains relatively low, many highly populated areas saw a 10% increase in listings in May (Hansen, 2020) The National Association of Realtors® expects existing-home sales to reach almost 5 million units in 2020 and new home sales to hit 690,000. In the Midwest the Pending Home Sales Index rose 37.2% in May from what they were in April - just slightly below what it was a year ago (NAR, 2020). Why the large jump during what seems to be a financially low point in the country?

Here are some factors to consider:

Mortgage rates have been at an all-time low for a while now in 2020. Low mortgage rates typically increase home sales. These low rates have also surged the number of refinancing applications seen by many institutions as homeowners take advantage of great rates.

Not everyone took a huge financial hit from the coronavirus pandemic. In some areas across the US home prices seem more reasonable when compared to those from a year ago. Affordability was determined in a study by ATTOLM Data Solutions using the amount of income needed to make monthly house payments. According to the company's chief product officer, Todd Teta, homes are becoming more affordable in most of the United States due to wage gains and declining mortgage rates (Lea, 2020).

Interested in refinancing your current home, or looking to purchase something new? [Contact our lenders](#) today to see what rates are available for you!

Hansen, S. (2020, June 29). Pending Home Sales Soared 44% In May, More Than Double What Economists Were Expecting. Retrieved June 29, 2020, from <https://www.forbes.com/sites/sarahhansen/2020/06/29/pending-home-sales-soared-44-in-may-more-than-double-what-economists-were-expecting/>

Lea, B. (2020, June 25). Home affordability increasing in some areas as buyers wade back into market. Retrieved June 29, 2020, from <https://www.foxbusiness.com/real-estate/home-affordability-areas-buyers-market>

Wait! That “Junk Mail” Could Be Your Stimulus Money!-June Entry

Every day we must sift through our mail- most of which seems to be junk these days. Between companies asking for you to sign up for their new credit card, to switching your insurance provider. But don't be too quick to throw out that next letter!

Recently the IRS put out a statement reminding taxpayers that their stimulus checks may be arriving in the form of a prepaid debit card from “Money Network Cardholder Services”. While this may seem suspicious at first glance, it's the real deal. The card will have the Visa logo on the front, with the issuing bank, MetaBank®, N.A. on the back. The letter included will explain that this is your Economic Impact Payment Card.

Some may ask, why the sudden change from paper checks to prepaid debit cards? While this may seem like an unusual thing for the government to do, the IRS states there are a few reasons for the abrupt change, like:

- The ability to make purchases only at any retail location
- The capability to get cash from in-network ATMs
- Transferring funds to their personal bank accounts
- Checking the card balance online, by mobile app or by phone

While the purpose is to avoid having to pay fees, there is one fee not mentioned in the list above. The cost for a replacement card \$7.50 (extra for priority shipping). Therefore, we stress the importance of checking your mail before tossing it out.

According to [Forbes.com](https://www.forbes.com), nearly four million debit cards are being sent out with the first wave completed in mid-May. For more information, the IRS encourages you to visit [EIPcard.com](https://www.irs.gov/efile).

Protecting Your Credit Score During A Crisis- May Entry

While taking care of your health during the current pandemic remains a top priority, it's important to protect the health of your credit score as well. In fact, maintaining a good credit rating may be more important than ever. Here are five strategies to keep your credit score at a healthy state or increase it if it is in danger.

1. Stay on Top of Your Credit Reports

Often it is recommended to review your credit reports from all three credit bureaus, but with coronavirus scams on the rise and many having an unstable income it is even more important. Every 12 months you can go to annualcreditreport.com and download a free copy of your three reports and this is a great place to get started.

2. Dispute Inaccurate Credit Information

While combing through your reports, jot down any problems you see. If you find something you believe to be fraud or a mistake on your credit reports, it's important to report it. The FCRA allows you to dispute anything you disagree with or find questionable. A credit freeze may be worth looking into as well to guard your credit from identity theft. After a dispute is submitted, the CFPB (Consumer

Protection Financial Bureau) will notify you whether your claims have been deleted from your report or declared as accurate.

3. **Make at Least the Minimum Payment on All Credit Cards**

During the best of times it is recommended to pay the full statement balance of your credit cards each month. This will save you money on interest fees in the long run. Your balance-to-limit ratio is a crucial component that makes up 30% of your FICO Score. If you find yourself unable to do this, try to at least make the minimum payments each month on your credit cards. This will help keep your score from falling.

4. **Revisit Your Budget**

Maybe your income has taken a hit recently. If you find yourself in this situation it's important to rework your current spending budget. Write down all financial commitments and variable spending areas you may have. Then decide what are some expenses you can eliminate or reduce, even for just a while. When in crisis you may find the money, you use to spend on wants rather than needs could be better put towards essential expenses.

5. **Keep the Lines of Communication Open with Your Lenders & Service Providers**

Before you get to the point where you fall behind on any payments you may have, it's encouraged to give your service provider a call. If you are finding yourself in this position, give your lender at Washington State Bank a [call today](#).

These times are difficult for many Americans, but it's important to remember there are things we can do to protect ourselves from falling farther in the hole in the future.

This article is a reflection from Forbes, <https://www.forbes.com/sites/advisor/2020/04/07/how-to-protect-your-credit-score-during-the-coronavirus-crisis/#685c30762214>

Fighting the Virus & Fighting Scammers- April Entry

With the Coronavirus sweeping across the nation and our communities, many are being impacted in more ways than just their personal health; their financial health may also be suffering. Schools, many retail operations and factories are being shut down in the hopes the curve will be flattened and things

can return to normal operation sooner rather than later. But with these layoffs comes unemployment for many. While these are most certainly uncharted waters, and we aren't sure when the end will come, it is important to know how to best protect your finances.

Like many other financial institutions in Iowa (and the nation), Washington State Bank has been operating a little differently lately. Our lobby doors remain locked throughout the day, but our drive-thru locations are fully functioning during their normal business hours. Washington State Bank will continue to remain opened in some form throughout the pandemic. No matter your Bank's branch availability, your money is safe and insured inside of it. As an FDIC insured bank, your deposits are protected up to at least \$250,000. These deposits are backed by the U.S. government.. The FDIC has posted these and many other frequently asked questions on [their website](#).

Unfortunately, when a new crisis hits scam artists are looking to capitalize on them. Consumer complaints to the [FTC](#) related to the Coronavirus has doubled in the last week with over 7,800. Many of these fraud complaints come from travel and vacation related calls and messages alerting people to possible refunds, mobile text scams, and government imposters. It is estimated that the average consumer has lost an average of \$598 in Coronavirus related scams. So how can you avoid these scams? Here's a few tips provided by the FTC:

1. Hang up on robocalls. Scammers are using illegal robocalls to pitch Coronavirus scams such as treatments and work-at-home schemes.
2. Ignore online offers for vaccinations and home test kits. These things are not proven to treat or prevent COVID-19.
3. Fact-check any information you may come across. Things can be distorted in translation from one person to the next with well intentions of passing along information. It's important to check the facts for what the federal, state and local government agencies are doing.
4. Know who you're buying from. Scammers are preying on people in search of high-demand products such as cleaning and medical supplies, when in fact they may not have said products to sell.
5. Do not respond to texts and emails about checks from the government. Details from the CARES Act are still being worked out, so anyone who tells you that they can get you the money now is a scammer.

For more information on various scams and what the FTC is doing in response, [click here](#).

Welcome to our very first blog entry! A WSB blog is something we have been thinking about for a while now, and have decided to take the next step in sharing helpful tips with our customers and social media followers. We hope you enjoy each entry and encourage you to reach out with any questions you may have regarding each month's topic, or possible future topics you would like to learn about.

#MortgageMonday - To Build or Buy?

With spring quickly approaching, many will be on the move this year. Are you deciding between buying or building your next home? This month's blog title is #mortgagemonday and we are weighing in building vs. buying. Whether you're a first-time home buyer or you're looking for something that better fits your family's needs, this is a question you'll likely be facing. Whatever you decide to do, it's important to compare the pros and cons of each decision, so you can make the best decision for your needs.

3 Advantages to Building a Home

1. The ability to customize -Building new gives you the freedom to start with a blank slate and create the home that features all your wants and needs without running into any structural issues that may come with an existing home.
2. No need for immediate repairs or renovations- Once the build is complete, construction is done. There will be nothing that needs fixed and no walls that need torn down. You won't have to budget for renovations soon and your home will most likely come with a warranty, which should cover any repairs that may come up in the first year.
3. No competition- In today's market there is a higher demand for existing homes than the number of homes available to purchase. This means homes are on the market for shorter periods of time and the buyers are likely to face competing bids. When you build a home, you eliminate that competition.

3 Advantages to Buying an Existing Home

1. Less time consuming- Starting from scratch on a home can take months to complete. Buying and closing on an existing home can take far less time, and you're able to move in as soon as you've closed on the house.
2. Convenience- Building a home means the need to consider every detail, including where to purchase land, the design of the home, and the fixtures and trims you want to include. When purchasing an existing home, those decisions have all been made for you which can make it a less stressful process.

3. Can make upgrades over time- While an existing home may not have every feature you want, you are able to make upgrades when the time is right for you and as you are able to save for them.

Whether you choose to buy or to build, Washington State Bank can help you secure a mortgage loan on your new home. [Click here](#) to begin filling out our Mortgage Information Form, or give our lenders a call at (800) 714-2287.