

We are all trying to learn how to adapt to the COVID-19 virus. Most of us are overwhelmed with negative news and are being provided few solutions. Events have unfolded quickly across the nation, but rest assured, this event is NOT similar to the “Great Recession” of 2008. When looking at the banking industry as a whole, we have entered this period of uncertainty in a position of great strength.

Banks’ capital levels are very high, which will allow us to provide the funding businesses and individuals will need to carry them over until times improve. Banks also have more diversification to their lending, which provides a cushion to those industries that are feeling the immediate effects from the slow down. Additionally, banks have invested significant amount of money over the last few years to enhance and grow our technology and electronic capabilities.

However, we did learn lessons from the last Great Recession. Financial institutions and the government didn’t respond quickly enough, which resulted in consumers floundering without cash, unable to make regular payments on mortgages, car loans and credit cards.

During this crisis, our federal and state governments are working on immediate actions that will provide financial support to those individuals and businesses impacted by the shutdown. Banks will be using these tools to provide the temporary assistance our customers need.

If we want this crisis to end as soon as possible, it’s imperative that as Americans we maintain the status quo, spend as usual and make our mortgage, auto loan and credit card payments. To keep the economy moving, it’s our duty as citizens to use the cash we’re receiving from the government and continue to pay our bills and make purchases as needed.

If you’ve exhausted all other measures and are unable to fulfil financial commitments, contact your landlord or lender and bank to let them know your challenge – we all have a strong interest in your financial stability as our financial health is tied directly to yours.

In addition, the following items are recommended, if needed:

We encourage people to follow the State of Oregon Emergency Declaration and to stay at home. If you are able, support your local restaurant who is offering delivery or pickup service. For your safety, do not start consolidating cash at home, it is more secure at the bank. FDIC insurance limits are \$250,000 per insured account - safeguard your hard-earned money.

The US Small Business Administration is accepting direct applications for Economic Injury Disaster Loans. These loans are Working Capital Loans to help small businesses, small agricultural cooperatives, and most private, non-profit organizations of all sizes to meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. More information is available on the SBA’s web site at: <https://disasterloan.sba.gov/ela>, or call 800-659-2955.

If we all work together, we can shorten the time of the financial impact from COVID-19 and return to normalcy.

Please contact me directly at ken@peoplesbank.bank with other questions, or visit www.peoplesbank.bank. Be safe, be courteous, and be strong - together we can make a difference.

Ken Trautman, President and CEO, People’s Bank of Commerce.