



# 2017 Annual Report

Grow  
With  
Us!



**Wauna**  
Credit Union

# Our 50th Year!



Our 50th Annual Meeting brought our past and present together!

Pictured: Wauna Credit Union co-founder Ray Tripplett, first employee and former CEO Eileen Cheuvront, current CEO Robert Blumberg, longtime board member, the late Erlene Darby, and board chair, George Dunkel.

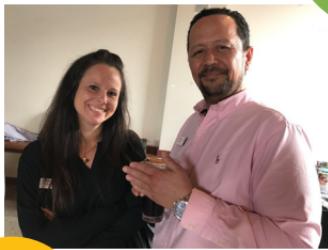
Chief Marketing Officer and 30 year employee Debi Smiley with Eileen on the right.



(L to R) Mortgage team members Paige Tischer, Jeff Parker, Michael Woods, McKenzie Wilson, & Chief Experience Officer, John Moore.



We hosted our First Annual Scholarship Awards Dinner at Colvin's Pub & Grill in Clatskanie, bringing Wauna CU Leadership together with the scholarship recipients and their families.



Monica Lauber,  
VP Mortgage, &  
Area Manager,  
Charles Dennis.

Our Mortgage Team hosted a mixer with the Lower Columbia HR Management Association (LCHRMA) at the Fort George Brewery in Astoria!

\$7,000 in  
scholarships  
awarded!

# 2017

# MILESTONES

We had a great team of walkers for the American Cancer Society Relay For Life in Astoria!



Two Interactive Teller Machines were unveiled -- one at our Mortgage Origination Office in Long Beach, WA, & the second at our Clatskanie Branch - adding advanced technology and convenience for our member-owners.



Wauna Credit Union raised \$13,135 for local Backpack Programs (\$7,646 of which was contributed by WCU staff), offering weekend meals for local youth in food-insecure families.

Wauna Credit Union was honored by Long Beach Mayor Jerry Phillips with the Mayor's Award for our Backpack Program contribution. Pictured from Left: Jeff Parker, Jenifer Katon, Mayor Phillips.



The Westport Learning Center has been dedicated "The Erlene Darby Learning Center" in honor of longtime board member, Erlene Darby.

We've added amazing new products and services to our list of offerings, including VISA Checkout, 3-D Security, and Mobile Wallet!

We launched two financial education programs for our young members, Elements Of Money and The M3 Money Club.

Wauna Services, a Wauna Credit Union Service Organization (CUSO), purchased Tri City Insurance, a full-service insurance business in Clatskanie, OR.

2017 was a Banner Year for Wauna CU!



## Report of George Dunkel Board of Directors Chair

As Board Chair, I am proud to report that 2017 was a successful year for your Credit Union. We have maintained growth in assets and have continued to meet exceptional operational and fiduciary standards.

Your nine-member, volunteer Board of Directors meets with management regularly throughout the year to monitor, measure, and evaluate the strategic decisions that shape the Credit Union. Together, the goals we design are progressive, and we aim to provide you with the superior products and services you deserve.

We recognize that the individuals in our communities and beyond have many options when it comes to where to invest their money and where to invest their trust, and it is an honor to welcome 2,144 new members in 2017. These are 2,144 individuals who have recognized the outstanding service that we have offered for more than five decades.

2017 also marks our 50th anniversary and all year we celebrated by giving back. The installation of an Interactive Teller Machine at our Clatskanie location, sponsorship of the St. Helens Stage, and strong community support have all been vital in securing 2017 as a year to remember for Wauna Credit Union.

You share in these outstanding accomplishments because of the men and women you have elected to represent you on the Board. As leaders of your Credit Union, the Board of Directors continually strive to anticipate your future financial needs by analyzing trends in areas such as economics, demographics, security, and technology. I would like to thank and commend my fellow board members and supervisory committee members for their time, passion, and dedication to the Credit Union and its growing membership. And of course, I'd like to thank our caring and committed staff, who have truly brought the Credit Union to new heights.

We know you have a choice when it comes to your financial services partner. Our priority is to earn your loyalty and trust, ensure your assets are secure, and provide you with superior service and competitive rates. So, on behalf of everyone who serves you, I'd like to thank you for choosing Wauna Credit Union.

## STATEMENT OF FINANCIAL CONDITION

### ASSETS

	2017	2016
CASH AND CASH EQUIVALENTS	7,659,383	5,279,534
INVESTMENTS	23,376,613	29,048,441
LOANS TO MEMBERS, NET OF THE ALLOWANCE FOR LOAN LOSSES	192,432,520	163,623,033
ACCRUED INCOME RECEIVABLE	662,569	574,278
PROPERTY & EQUIPMENT	8,889,260	7,706,520
NATIONAL CREDIT UNION SHARE INSURANCE FUND DEPOSIT	1,941,585	1,771,349
OTHER ASSETS	8,779,272	6,608,433
<b>TOTAL ASSETS</b>	<b>243,741,202</b>	<b>214,611,588</b>

### LIABILITIES AND EQUITY

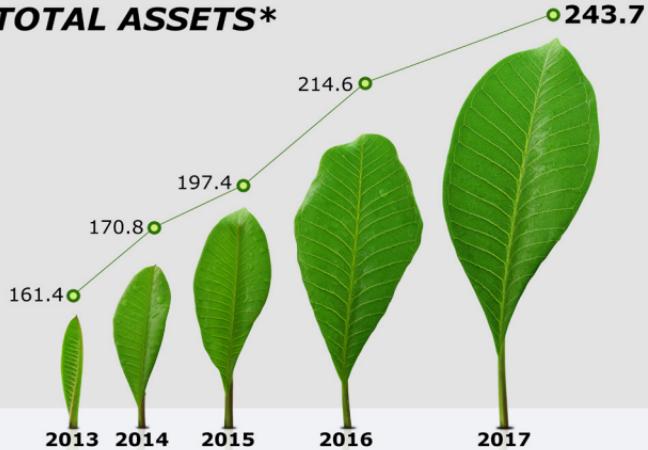
MEMBERS' SHARES	204,143,048	186,659,786
BORROWED FUNDS	18,583,245	8,650,000
ACCRUED EXPENSES AND OTHER LIABILITIES	1,325,859	1,022,363
<b>TOTAL LIABILITIES</b>	<b>224,052,152</b>	<b>196,332,149</b>

REGULAR RESERVES	1,763,438	1,763,438
UNDIVIDED EARNINGS	17,978,407	16,433,564
UNREALIZED GAINS ON INVESTMENTS	(52,795)	82,437
<b>TOTAL EQUITY</b>	<b>19,689,050</b>	<b>18,279,439</b>

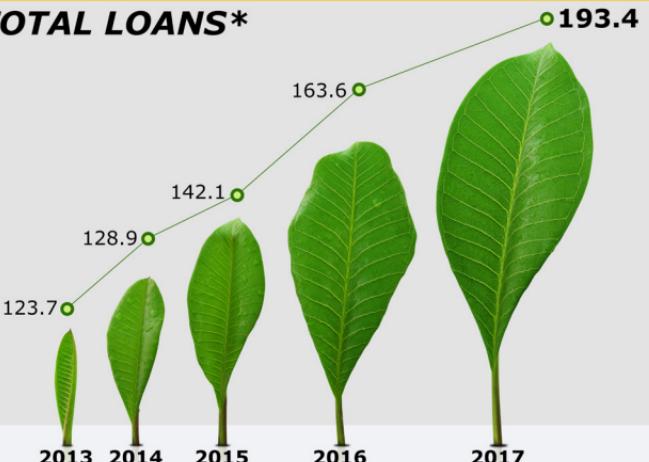
### TOTAL LIABILITIES & EQUITY

The audited financial statements are available upon request by contacting the Wauna Credit Union Internal Auditor.

## **TOTAL ASSETS\***



## **TOTAL LOANS\***

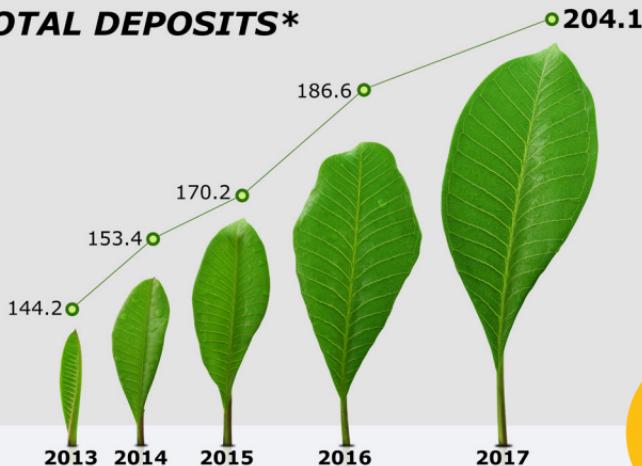


\*Expressed  
in millions  
of dollars



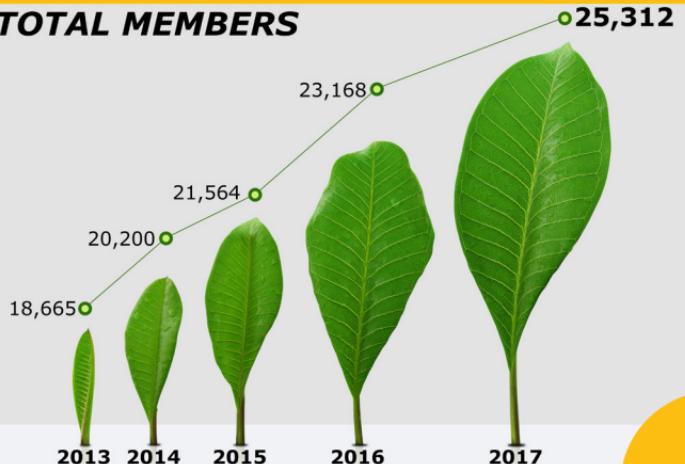


## **TOTAL DEPOSITS\***



\* Expressed in millions of dollars

## **TOTAL MEMBERS**





## Report of Ken Gates Supervisory Committee Chair



Your Supervisory Committee is comprised of Wauna Credit Union members who have been appointed by the Board of Directors. Presently, Mike Avent, Mike Hoag, Robin Clarke, and I serve on your behalf. The core functions of the Supervisory Committee in protecting our members' assets are as follows: quality control, auditor, and ombudsman.

To best ensure quality control, we work with an independent Internal Auditor who reports directly to the Supervisory Committee and to the CEO. The Internal Auditor is responsible for monitoring and ensuring that proper internal controls are in place and used to the best interest of the membership. We are pleased to announce our new Internal Auditor, Nancy Orr, who comes with many years of experience in the financial industry.

As auditors, we have once again utilized the services of Clifton Larson Allen, LLP, to complete our annual financial audit and member account verification and to verify that our financial statements accurately reflect the financial condition and operation of Wauna Credit Union. The 2017 audit is proceeding now and will be completed mid-March, 2018. I am pleased to report that we received a clean opinion from the auditors for 2016.

The Supervisory Committee additionally facilitates the NCUA (National Credit Union Association) in their annual examination, which evaluates and reviews the Credit Union for compliance with federal laws and regulations.

And finally, as ombudsman, we aim to be responsive to the questions and concerns of our membership. It is our responsibility to respond and resolve quickly and professionally any complaint or investigation that might arise.

2017 has been another successful year in asset and membership growth. We are excited and proud of our commitment to working for our members and to overseeing the sound financial management of the Credit Union throughout 2018.





## STATEMENT OF INCOME

### INTEREST INCOME

INTEREST ON LOANS TO MEMBERS  
INTEREST ON INVESTMENTS & CASH EQUIVALENTS

**2017**

9,061,416 7,724,263  
470,074 547,439

### INTEREST EXPENSE

DIVIDENDS ON MEMBERS' SHARES  
INTEREST ON BORROWED FUNDS

457,511 448,857  
99,525 7,653

### NET INTEREST INCOME

### PROVISION FOR LOAN LOSSES

NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES

8,974,454 7,815,192

847,000 516,000  
8,127,454 7,299,192

### NON-INTEREST INCOME

4,350,182 3,954,344

### GENERAL & ADMINISTRATIVE EXPENSES

SALARIES & BENEFITS  
OCCUPANCY, EQUIPMENT & OPERATIONS  
OTHER OPERATING EXPENSES  
(GAIN)/LOSS ON SALE OF ASSETS

6,625,236 5,873,855  
2,304,291 1,959,078  
2,004,404 1,689,449  
(1,138) (67,284)

### NET INCOME

10,932,793 9,455,098  
1,544,843 1,798,438

The audited financial statements are available upon request by contacting the Wauna Credit Union Internal Auditor.



## Report of Robert Blumberg CEO & President

It is my pleasure to provide our members with an overview of 2017, and to explain how the robust growth of Wauna Credit Union directly benefits our membership.

I am responsible to the member-elected Board of Directors for managing the day-to-day operations of your Credit Union. The priorities for our membership continue to be: 1. Confidence, by providing the highest level of security for your accounts; 2. Convenience, by delivering easy-access to their accounts; and, 3. Strength & stability, by ensuring a prosperous financial future for our Credit Union, our members, and the communities in which we live.

Investment in staff, technological advances, and our support of the communities we serve saw Total Assets grow by 13.57% to \$243,741,202. Total Shares grew by 9.37%. Total Loans grew by an incredible 17.62% to \$193,449,451. The growth in Total Assets was driven by the strong growth in loans with an \$18,583,245 gap to deposit growth by year end. The Credit Union used the funding resource of the Federal Home Loan Bank to meet the additional loan usage for our members. Total Membership increased by 9.25% to 25,312 and our Capital Ratio remained solid at 8.09% of Total Assets.

Each year, Wauna Credit Union annual growth and member service goals are primarily determined by the needs and expectations of our member-owners. Growth during 2017 boasts some tremendous numbers, and it is clear that our elected officials and staff are listening to and resolving those needs and expectations. While we are able to offer more value to our member-owners with new products, services, and updates to our locations, this significant growth does not affect the outstanding service that our members have come to expect of Wauna Credit Union.

I extend my thanks and appreciation to our board of directors and our supervisory committee for their commitment & dedication to the Credit Union. Also, my gratitude and appreciation to our staff & management team for attentively supporting our goals, and most importantly, for meeting the needs of our membership throughout 2017. I look forward to not only continuing the operation of our Credit Union at the highest of standards, but also to providing bigger and better opportunities for our members to build their financial well-being.

## Even more 2017 Milestones



Wauna Credit Union became sponsors and namesake of the St. Helens riverfront stage - The Wauna Credit Union Stage! We sponsored numerous events, engaged with many people, gave away lots of goodies, & donated our booth space to a variety of local non-profits and community organizations!

Wauna Credit Union hosted a Movie Day at the Clatskanie Birkenfeld Theatre, which included a special appearance by Santa!



Wauna Credit Union began an annual Adopt-A-Teacher contest to help our hard working educators.



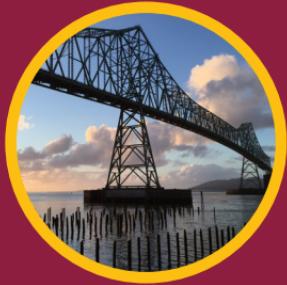
We raised over \$2,500 for Clatsop Community Action (CCA) which assists area residents with basic needs during rough times. Pictured: CEO Robert Blumberg presents the check to CCA Director, Elaine Bruce.

Our amazing staff participated in trash clean-up events on the Columbia River, and the Long Beach Peninsula.



We began a partnership with Lending Solutions, Inc. (LSI), so our members can enjoy the convenience of applying for loans from anywhere and at any time.

We celebrated our 50th Anniversary all year long with giveaways, special events, and random acts of kindness - including offering staff \$50 to help any individual, charity or organization.



[waunafcu.org](http://waunafcu.org)  
800-773-3236



**Wauna**  
Credit Union

