



55th
ANNUAL
REPORT



MISSION & VISION

Our **mission** is to provide opportunities for our members to build their financial well-being.

Our **vision** is to be the financial institution that members *choose first*, *use the most*, and *grow with throughout their lives*.



BOARD OF DIRECTORS UPDATE

Wauna Credit Union was established in 1967. For 55 years your Board of Directors has remained committed to your financial well-being. And, while 2021 definitely saw challenges, we will continue that unwavering dedication for many, many years to come.

With strong growth in our real estate and credit card portfolios and an uptick in community engagement, the Credit Union has remained true to the principles and standards you expect. We've opened a new, state-of-the-art branch in Astoria, showcasing our ongoing commitment to the area; spawned advances in digital offerings; and the Credit Union's competitive loan and deposit rates endure throughout the region, providing incentive in accessing the quality products and services you deserve.

One of the primary responsibilities of this volunteer, member-elected Board of Directors is ensuring that operations are performed safely, soundly, and that they meet your needs. As you read through the information in this report, you will find that your Credit Union is being managed in accordance with rules and regulations, and that moving into 2022, we are well-positioned for continued success.

I'd like to thank my fellow Board members, Supervisory Committee, and our leadership and staff for another successful year. I am honored to serve our member-owners, and as a member-owner, your loyalty and commitment to our efforts is greatly appreciated. On behalf of the Board of Directors, thank you for choosing Wauna Credit Union.

— **Christine Johnson**, Board Chair

CEO & PRESIDENT UPDATE

The Wauna Credit Union leadership team works tirelessly to deliver security, convenience, and prosperous financial products and services. As the CEO and President, I report to our volunteer-led Board of Directors, and oversee the day-to-day operations of the Credit Union.

Members are at the core of every decision the Credit Union makes, and I am committed to finding new and improved ways to bring the products and services that meet your needs. This being said, your Credit Union continues to see healthy and profitable growth while maintaining an exceptionally secure financial institution.

Total Loans increased by 6.1% to \$221.6 million; Total Assets grew by 13.75% to \$363.7 million; membership numbers reached 24,836; and we met our Capital Ratio by attaining 7.66% of Total Assets, which is well capitalized, according to National Credit Union Association guidelines.

Annual goals are outlined by the Board and Leadership and are based on the needs and expectations of the people we serve. After reviewing our 2021 numbers, I am proud to say that our elected officials and staff have responded to those needs and expectations and that the Credit Union has had another successful year.

We saw successes not just in numbers and stability, but additionally in our community building efforts. The Credit Union has developed strong relationships with business development organizations, local schools, student scholarship programs, and charities and non-profits. Our corporate charity program, completely funded by WCU employees, raised \$19,485 for the Amani Center in St. Helens.

It's a pleasure to be able to serve with such an amazing staff. I would like to additionally thank our Board of Directors and Supervisory Committee for their work and dedication. I look forward to serving you in 2022 and to all of the great things we will do together.

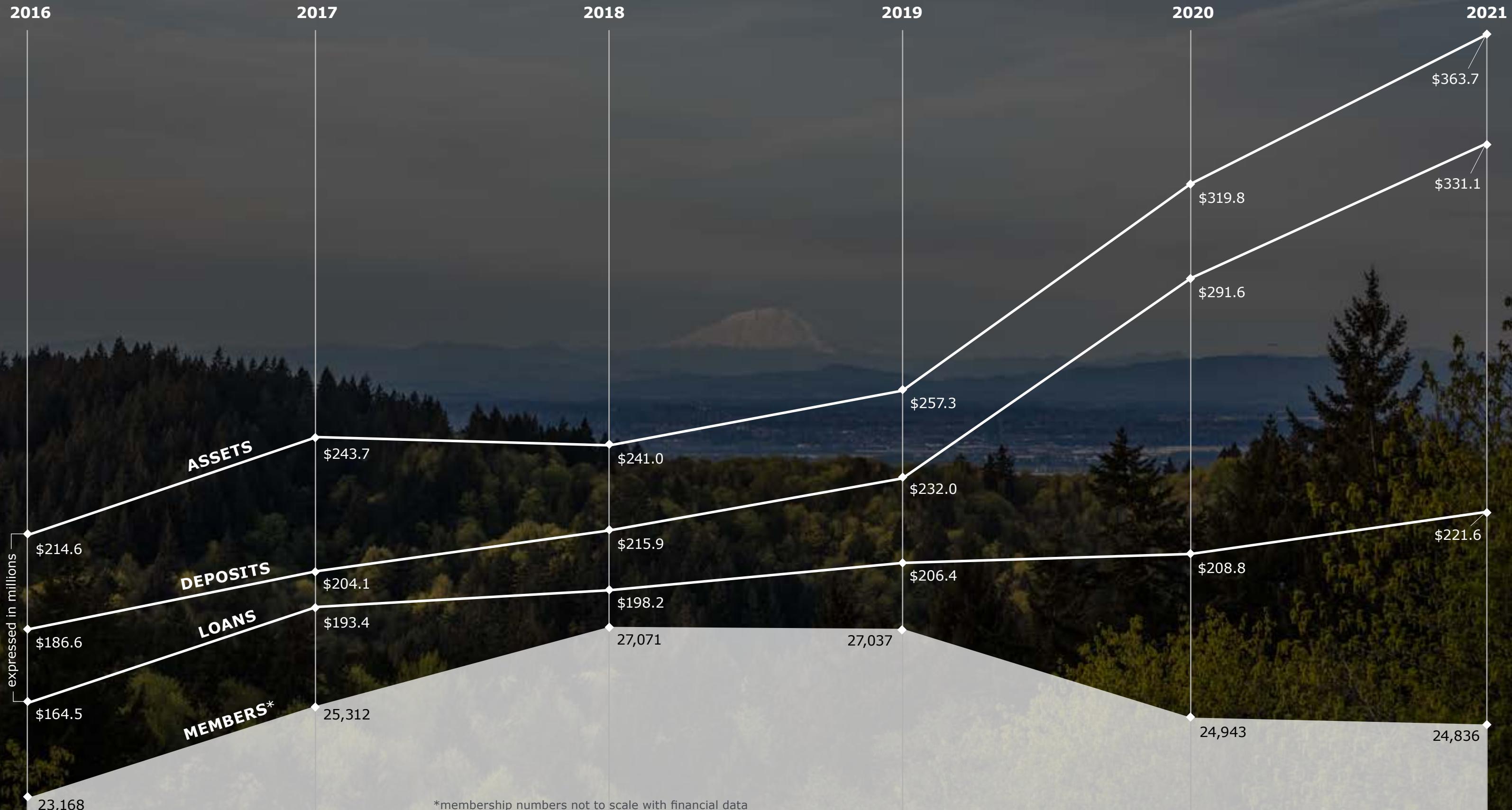
— **Robert Blumberg**, CEO & President

STATEMENT OF FINANCIAL CONDITION

| | 2021* | 2020 |
|--|----------------------|----------------------|
| Assets | | |
| Cash & Cash Equivalents | \$9,438,986 | \$22,186,774 |
| Investments | \$102,311,740 | \$64,237,678 |
| Loan to Members, net the Allowance for Loan Losses | \$220,716,965 | \$207,365,130 |
| Accrued Income Receivable | \$808,317 | \$752,972 |
| Property & Equipment | \$15,886,073 | \$13,400,037 |
| National Credit Union Share Insurance Fund Deposit | \$3,158,747 | \$2,586,188 |
| Other Assets | \$11,409,067 | \$9,236,205 |
| Total Assets | \$363,729,895 | \$319,764,984 |
| Liabilities & Equity | | |
| Members' Shares | \$331,067,193 | \$291,648,661 |
| Borrowed Funds | \$230,976 | \$4,611 |
| Accrued Expenses & Other Liabilities | \$5,935,199 | \$3,097,468 |
| Total Liabilities | \$337,233,368 | \$294,750,740 |
| Regular Reserves | \$1,763,438 | \$1,763,438 |
| Undivided Earnings | \$26,103,543 | \$23,075,583 |
| Unrealized Gains on Investments | -\$1,370,454 | \$175,223 |
| Total Equity | \$26,496,527 | \$25,014,244 |
| Total Liabilities & Equity | \$363,729,895 | \$319,764,984 |

*2021 unaudited Statement of Financial Condition. Audited financial statements are available upon request.

YEAR OVER YEAR COMPARISON



INCOME STATEMENT

| | 2021* | 2020 |
|---|---------------------|---------------------|
| <i>Interest Income</i> | | |
| Loans to Members | \$10,180,624 | \$10,541,732 |
| Investments & Cash Equivalents | \$565,786 | \$412,190 |
| <i>Interest Expense</i> | | |
| Dividends on Member's Shares | \$308,455 | \$535,384 |
| Interest on Borrowed Funds | \$2,226 | \$214 |
| Net Interest Income | \$10,435,729 | \$10,418,324 |
| Provision for Loan Losses | -\$92,399 | \$1,009,500 |
| Net Interest Income after Provision for Loan Losses | \$10,528,128 | \$9,408,824 |
| Non Interest Income | \$8,355,429 | \$7,247,647 |
| <i>General & Administrative Expenses</i> | | |
| Salaries & Benefits | \$8,978,601 | \$8,818,056 |
| Occupancy, Equipment, Operations | \$3,884,527 | \$3,655,856 |
| Other Operating Expenses | \$3,045,071 | \$2,757,331 |
| Gain/Loss on Sale of Assets | \$52,602 gain | \$58,255 loss |
| Total Expenses | \$15,855,597 | \$15,289,498 |
| Net Income | \$3,027,960 | \$1,366,973 |

*2021 unaudited Statement of Income. Audited financial statements are available upon request.

SUPERVISORY COMMITTEE UPDATE

The Supervisory Committee is appointed by the Board of Directors to independently evaluate the soundness of Wauna Credit Union's operations and enterprises. We work closely with the Executive Team and an Internal Auditor, Sarah Jones, who reports to the Committee and to the CEO. The Internal Auditor is responsible for monitoring and safeguarding the proper internal controls.

The Supervisory Committee also protects member assets by implementing effective controls within the approved risk of the Board and senior management, the National Credit Union Association (NCUA) regulations, WCU bylaws, and generally accepted accounting principles. Additionally, in their annual examination, the NCUA evaluates and reviews the Credit Union for compliance with federal law and regulation, as well as the safety and soundness of the Credit Union.

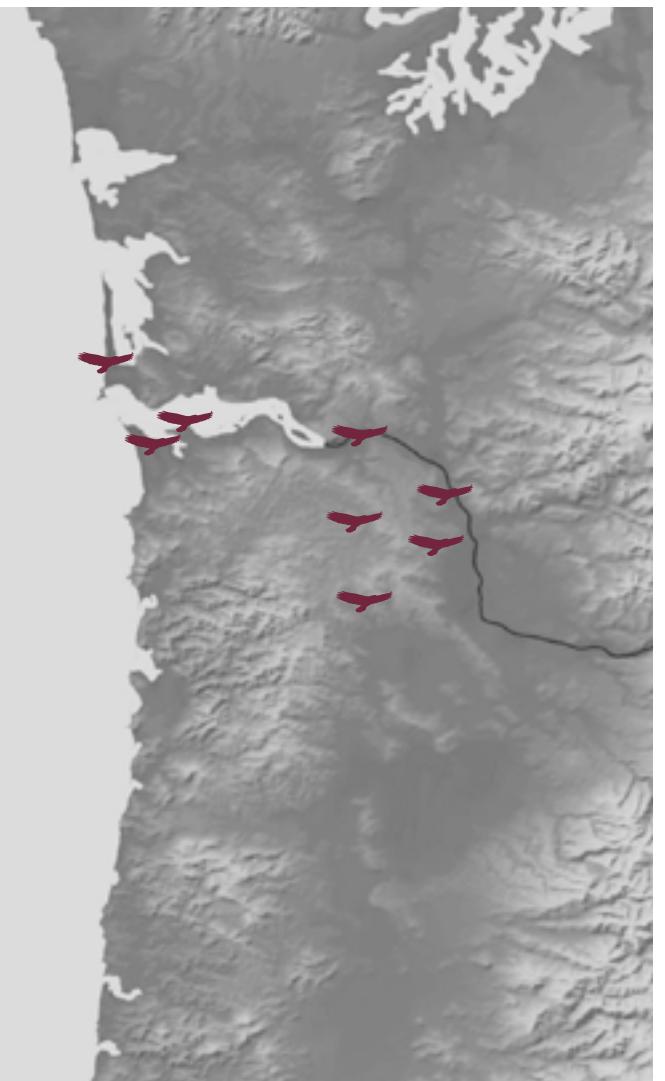
We employ Clifton Larson Allen, LLP to complete our annual financial audit and member account verification. Clifton Larson Allen, LLP verifies the accuracy of our financial statements, confirming that they reflect the financial condition of Wauna Credit Union.

Based on their interactions with the Committee, Executive team, and our Internal Auditor, it is the overall opinion that our audit team has achieved exemplary marks and that the relevant structure, policies and procedures, demonstrate the Credit Union's clear commitment to excellence in financial practice.

The positive results of this report would not be possible without the Board of Directors, my fellow Committee members, and the Wauna Credit Union staff's ongoing commitment to sound internal controls. We also thank our members, who solidify our efforts in providing stability and prosperity for our footprint and beyond.

— **Dan Huggett**, Supervisory Committee Chair

OUR GEOGRAPHICAL FOOTPRINT



ASTORIA
CLATSKANIE
FOREST GROVE
LONG BEACH
SCAPPOOSE
ST. HELENS
VERNONIA
WARRENTON



INDIVIDUALS WELCOME

You're not a number. You're our neighbor.

“

Experience one of the most dynamic and cutting-edge financial institutions in the Pacific Northwest. When you're ready to make important financial decisions, we are here for **YOU**. From all of us at the Credit Union, thank **YOU** for your continued support as we grow and change to better serve our communities.

”

Rob Blumberg

Robert Blumberg
CEO & President



Wauna Credit Union

waunafcu.org
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