

# Supervisory Committee Report

Federally chartered credit unions such as St. Helens Community are required to have a Supervisory Committee, made up of credit union members appointed by the Board of Directors. The committee is responsible for ensuring that the board and management: 1) meet financial reporting objectives, and; 2) establish practices and procedures to safeguard member's assets. To achieve these goals, the committee meets monthly to determine if management and staff are conducting the affairs of the credit union in such a way as to:

- Establish and maintain effective internal controls.
- Promptly prepare accounting records and financial reports to accurately reflect operations and results.
- Properly administer relevant plans, policies, and control procedures established by the Board of Directors.
- Establish policies and control procedures that safeguard against error, carelessness, self-dealing, and fraud.

In order to carry out these responsibilities, the Supervisory Committee relies on outside auditors that report directly to the committee. We contract with an experienced credit union professional to conduct monthly internal audits ranging from compliance with the Bank Secrecy Act (BSA) to whether loans are being made in accordance with established procedures and lending limitations.

Written, monthly reports are submitted to the committee. No major non-compliance issues were identified in 2017.

The committee also works with an accounting firm to perform a comprehensive annual financial audit. Three years ago the committee chose the firm of Moss Adams from among four firms that submitted proposals. Moss Adams conducted an audit of the Credit Union's financial statements and operations as of June 2017. The audit performed led to a positive opinion and did not identify any major issues or areas of concern. The audit also determined that the Credit Union's financial statements were "fairly stated."

Based on our work during the past year we are confident that St. Helens Community Federal Credit Union has met its financial objectives and that member assets are being adequately safeguarded.

**Scott Bremmer**  
2017 Supervisory Committee Chairman

## Board of Directors

**Michael Ismert, Chairman**  
**Steven Correll, Vice Chairman**  
**Seth Holmes, Secretary**  
**Richard Louie, Treasurer**  
**David Graham**  
**Amanda Komp**  
**Tom Tussing**

## Supervisory Committee

**Scott Bremmer, Chairman**  
**David Graham**  
**Gordy Jarman, Jr.**  
**Lindsay Luttrell**  
**Christy Settle**

## Senior Management

**Brooke Van Vleet, President/CEO**  
**Robin Balza, Chief Lending & Administrative Officer**  
**Steve Brown, Vice President, Commercial Lending**  
**Randy Goshow, Chief Risk & Financial Officer**  
**Ryann Weaver, Vice President, Marketing**  
**Ron Winter, Chief Experience Officer**  
**Katie Woodall, Vice President, Lending**



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# Annual Report 2017

# From the Chairman and CEO Celebrating Our 80th Anniversary

2017 was an amazing year. Throughout those 12 months, we were honored to serve the many members who continue to rely on us for their everyday financial needs. Whatever it was our members needed to improve their financial wellbeing, we were here to help. Members came to us for home loans and auto loans, long-term savings plans and advice about debt, credit, and monthly budgets. In all, our members received \$76,653,598 in new loans to help fulfill their financial dreams.

We were also proud to help those in need through local non-profits. In all, we gave well over \$30,000 to help organizations like Columbia Humane Society, Columbia Pacific Food Bank, CASA, Toy & Joy, Amani Center, as well as a financial literacy program that helped over 1000 students better prepare for life after high school.

## Teaming Up for Schools

Before the beginning of the 2017-2018 school year, we offered co-branded high school debit cards. Each time a member uses one of these cards, 5¢ is donated to the high school featured on the card. We want to thank everyone who took the time to Team Up for Schools in support of the Indians, Columbians, and Lions. We have already raised over \$10,000 for local schools and expect to raise thousands more by the end of the school year.

## Thank You for 80 Wonderful Years

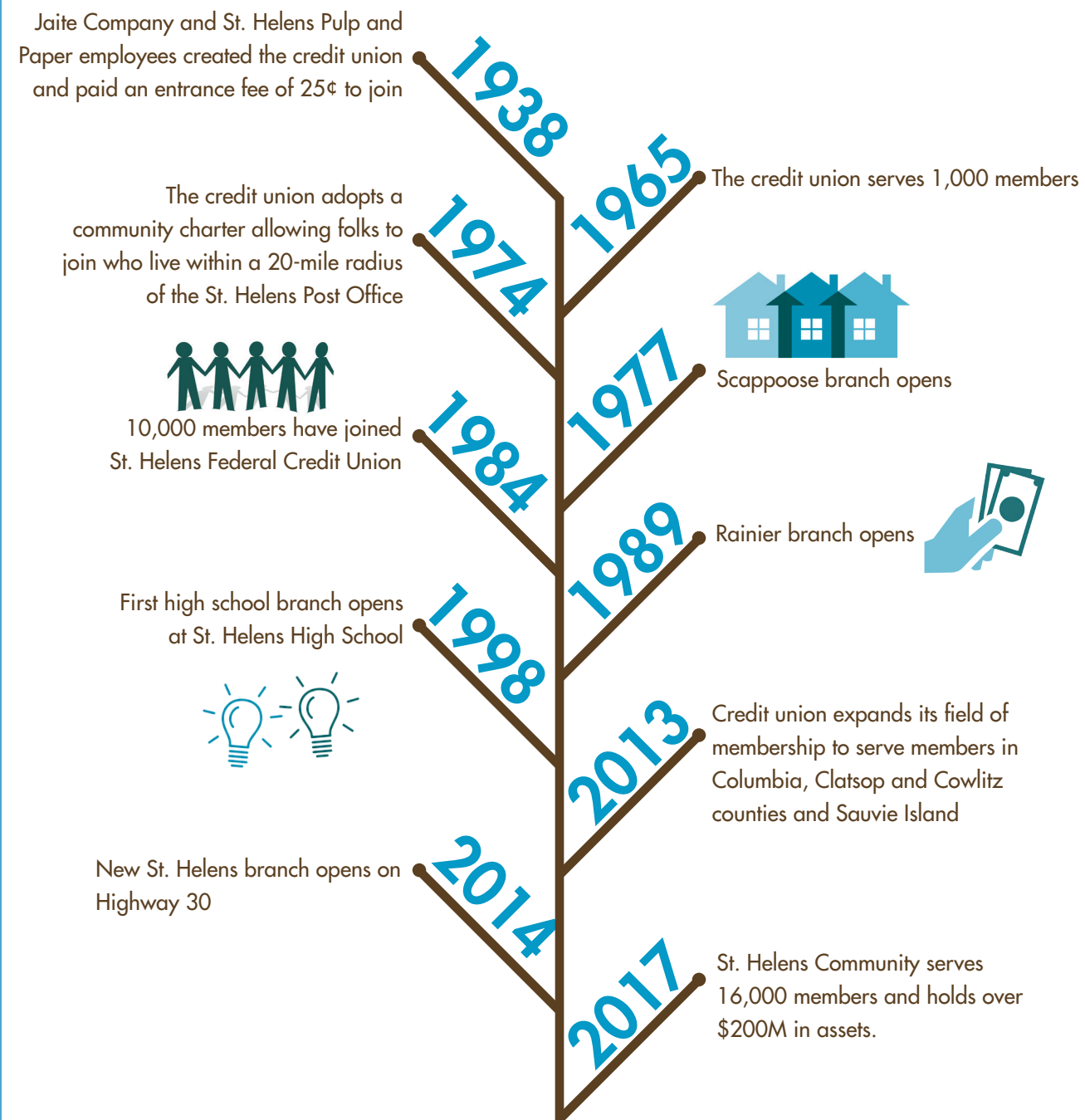
Throughout 2018, we will be celebrating eight decades with special offers, Random Acts of Kindness, a big member appreciation BBQ in the summer and more. Look for us around the community and join us in the celebration. After all, we reached 80 years because of you. And we will be here well into the future to serve you with integrity and honesty, and deliver what you need to achieve financial wellness.

Finally, we'd like to thank our volunteer Board of Directors, Supervisory Committee, and our employees. Thanks to your hard work and dedication, the credit union will continue to help support the community for another 80 years and beyond.

**Michael Ismert**  
Chairman, Board of Directors

**Brooke Van Vleet**  
President/CEO

# Historical Timeline



# Financials

STATEMENT OF INCOME	2017	2016
<b>Interest Income</b>		
Loans to Members	7,572,904	6,970,251
Investment and Cash Equivalents	1,032,821	605,848
<b>Total Interest Income</b>	<b>8,605,725</b>	<b>7,576,099</b>
<b>Interest Expense</b>		
Dividends on Member Shares	450,552	510,185
Interest on Borrowed Funds	654	7
<b>Total Interest Expense</b>	<b>451,206</b>	<b>510,192</b>
<b>Net Interest Income</b>	<b>8,154,519</b>	<b>7,065,907</b>
Provision for Loan Losses	6,814	(38,616)
<b>Net Interest Income After Prov for Loan Losses</b>	<b>8,147,705</b>	<b>7,104,523</b>
Non-Interest Income	2,675,095	2,181,785
<b>Non-Interest Expense</b>		
Salaries and Benefits	4,629,818	4,508,921
Occupancy, Equipment and Operations	2,757,421	2,399,632
Other Operating Expenses	1,301,296	1,338,925
<b>Total Non-Interest Expense</b>	<b>8,688,535</b>	<b>8,247,478</b>
<b>Net Income</b>	<b>2,134,265</b>	<b>1,038,830</b>
<b>STATEMENT OF FINANCIAL CONDITION</b>	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Cash and Cash Equivalents	3,693,968	16,862,497
Investments	20,379,942	22,611,801
Loans to Members	179,572,642	155,984,667
Allowance for Loan Loss	(1,152,297)	(1,256,426)
Fixed Assets	3,891,825	3,823,753
Other Assets	11,740,786	11,839,266
<b>Total Assets</b>	<b>218,126,866</b>	<b>209,865,558</b>
<b>Liabilities and Equity</b>		
Member Shares	198,467,814	192,653,072
Borrowed Funds	100,000	0
Other Liabilities	1,898,866	1,728,483
<b>Total Liabilities</b>	<b>200,466,680</b>	<b>194,381,555</b>
Regular Reserves	4,157,102	4,157,102
Undivided Earnings	13,761,925	11,627,661
Unrealized Gain/Loss on Investments	(258,841)	(300,760)
<b>Total Equity</b>	<b>17,660,186</b>	<b>15,484,003</b>
<b>Total Liabilities and Equity</b>	<b>218,126,866</b>	<b>209,865,558</b>