



We never forget a face

OnPoint Community Credit Union Annual Report

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The many faces of OnPoint

We know who you are



At OnPoint Community Credit Union we take our members personally. We want to know who you are. We want to learn about your goals and dreams and how we can help you achieve them.

It's the way we've done business for all of our 77 years. The better we know you, the easier it is to create the products and services you need to reach your financial milestones—a first car, a new house, a new addition to the family, college, retirement.

But knowing who you are makes a difference when the unexpected happens too. The past year's tough economy left few people untouched. When OnPoint members were confronted with unanticipated economic circumstances, we were ready with support and solutions to help get them back on track. In fact, in 2009 OnPoint had more personal conversations with members—providing reassurance and advice, discussing financial challenges and solutions—than in any other year. Ever. Because we know our members so well, we're able to anticipate and respond promptly and efficiently—especially when they need us the most.

We remembered our community again, too. When our neighbors needed our help, OnPoint responded. This year we tripled our community support in donations and employee volunteer hours.

OnPoint's positive financial performance in 2009, despite the economy, and the good work we did with our members energizes us and sets the tone for the future.

And we're grateful to know who you are.

A message to our members



Steve Gray and Rob Stuart

Although the challenging economy maintained its grip in 2009, OnPoint Community Credit Union completed another year of positive performance and growth. We continued to give our members a safe place to save and borrow money, and we stood by them as they pursued their financial dreams.

Expert knowledge and sound business decisions during the year allowed OnPoint to build on our foundation of safety and soundness while increasing member opportunities. We successfully expanded our charter to include Deschutes County; launched a business credit card and business line of credit; added FHA and Jumbo mortgage options to OnPoint Mortgage; added new functions to online banking services. And we grew to 200,000 members—an accomplishment that bolsters the credit union's strength and safety, and the potential for greater member opportunities to come.

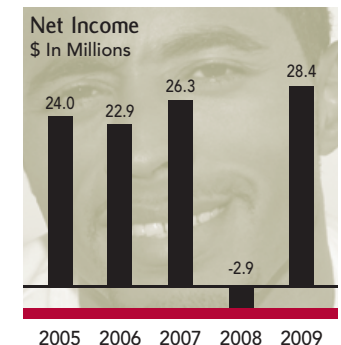
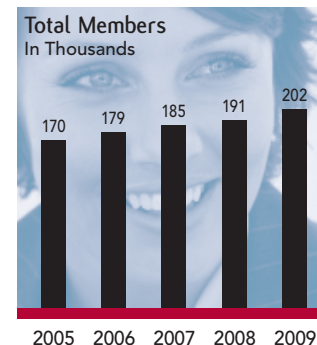
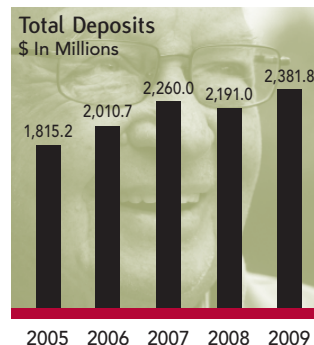
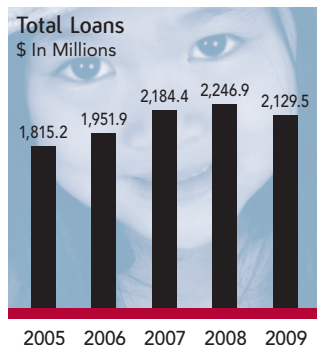
Just as significant as this list of achievements is how OnPoint nurtured our relationships with members. OnPoint has always done business based on knowing who our members are. We can provide better products and services by what members tell us they need—whether through conversations at branches, over the phone or via emails. This year in particular, with the fallout from the economy, we knew our connection to members would be indispensable. We became more accessible by expanding our branch and call center hours to include Saturdays. We had more one-on-one conversations with members than ever before, providing advice and help in managing their challenges and hardships.

Our community needed extra help too. So we tripled our community support in donations, sponsorships and volunteer hours. We know that a strong community benefits all of us.

Thank you to our board of directors, our executive team, our employees and our loyal members for a successful 2009. The year reminded us once again that we're all in this together and that at OnPoint we're here for each other. In essence, we are you and you are us. We look forward to the days ahead and what we will accomplish together.

Rob Stuart, President / CEO

Steve Gray, Chair / Board of Directors



The face of a good year



Statements of financial condition

| December 31, | 2009 | 2008 |
|---|--------------------|--------------------|
| (\$ In Thousands) | | |
| ASSETS | | |
| Cash and cash equivalents | \$153,942 | \$60,589 |
| Available-for-sale investments | 313,627 | 127,618 |
| Other investments | 119,039 | 89,474 |
| Loans held for sale | 11,773 | 1,964 |
| Loans, net | 2,109,239 | 2,238,569 |
| Accrued interest receivable | 8,509 | 9,110 |
| Property and equipment, net | 4,016 | 5,258 |
| National Credit Union Share Insurance Fund (NCUSIF) deposit | 23,714 | 6,823 |
| Other assets | 10,468 | 7,479 |
| Total Assets | \$2,754,327 | \$2,546,884 |
| LIABILITIES AND NET WORTH | | |
| Deposits | \$2,381,752 | \$2,191,036 |
| Borrowings | 86,769 | 101,113 |
| Accrued expenses and other liabilities | 24,213 | 24,044 |
| Total Liabilities | 2,492,734 | 2,316,193 |
| Net worth | 261,593 | 230,691 |
| Total Liabilities and Net Worth | \$2,754,327 | \$2,546,884 |

Statements of operations

| For the Years Ended December 31 | 2009 | 2008 |
|---|-----------------|------------------|
| (\$ In Thousands) | | |
| INTEREST INCOME | | |
| Cash equivalents and investments | \$9,047 | \$11,231 |
| Loans | 117,972 | 126,022 |
| Total Interest Income | 127,019 | 137,253 |
| INTEREST EXPENSE | | |
| Deposits | 47,290 | 66,830 |
| Borrowings | 2,452 | 2,071 |
| Total Interest Expense | 49,742 | 68,901 |
| Net Interest Income | 77,277 | 68,352 |
| Provision for Loan Losses | 30,720 | 11,301 |
| Net Interest Income After Provision for Loan Losses | 46,557 | 57,051 |
| NON-INTEREST INCOME | | |
| Fee income | 8,775 | 8,160 |
| Impairment loss on capital investment in corporate credit union | (730) | (4,348) |
| Recapitalization gain on NCUSIF deposit | 13,865 | – |
| NCUSIF deposit impairment | – | (13,865) |
| Other operating income | 19,969 | 13,116 |
| Total Non-Interest Income | 41,879 | 3,063 |
| NON-INTEREST EXPENSE | | |
| Compensation and benefits | 29,503 | 26,487 |
| Professional and outside services | 11,630 | 10,659 |
| Office operations | 7,262 | 6,825 |
| Promotional | 5,510 | 5,353 |
| Occupancy | 4,795 | 4,539 |
| NCUSIF premium assessment | (2,471) | 6,028 |
| Other | 3,788 | 3,095 |
| Total Non-Interest Expense | 60,017 | 62,986 |
| Net Income (Loss) | \$28,419 | \$(2,872) |

2009 Officials

Board of Directors

- Steve Gray, *Chair*
- Wayne Pederson, *Vice Chair*
- Maureen Scally, *Secretary*
- Lori Freeman
- Michael Jordan
- Keith Morris
- Steve Nicholson
- Len Schulwitz
- Fred Wong

Supervisory Committee

- Rick Morine, *Chair*
- Wes Davis
- Lee Lancaster
- Brent Macey

Executive Team

- Rob Stuart
*President/
Chief Executive Officer*
- Jim Armstrong
*Senior Vice President/
Human Resources
& Technology*
- Jim Hunt
*Senior Vice President/
Chief Financial Officer*
- Gary Lawrence
*Senior Vice President/
Chief Risk Officer*
- Tory McVay
*Senior Vice President/
Retail Delivery*
- Kelly Schrader
*Senior Vice President/
Marketing & Member
Services*



OnPoint[®]
COMMUNITY CREDIT UNION



This credit union is federally insured by the National Credit Union Administration.

Keeping it personal

