



## **ANNUAL NOTICE OF BOARD OF DIRECTORS & SUPERVISORY COMMITTEE COMPENSATION**

OnPoint Community Credit Union has established a Compensation Policy to provide reasonable compensation for its Board of Directors and Supervisory Committee as allowed by Oregon law and the Credit Union's Bylaws.

OnPoint's goal is to be the best provider of financial services to its members. The OnPoint Board believes the payment of compensation to the Board and Supervisory Committee members enhances the Credit Union's ability to attract and retain qualified Directors and Supervisory Committee members to represent the members.

### **Board & Supervisory Committee Responsibilities**

The Board of Directors is responsible for the general direction of the Credit Union. The Directors serve on multiple committees and meet regularly as a Board to establish policy and business strategy; provide feedback and counsel to the CEO who is hired by and reports to the Board; review financial performance; and review the Credit Union's progress in achieving its goals and objectives. The Supervisory Committee is responsible for overseeing the audit function of the Credit Union to ensure the members' funds are protected. The Supervisory Committee is responsible for an annual audit of the financial statements; verifying the accuracy of members' accounts; and ensuring the Credit Union's financial records and operations are in order.

The sophisticated products and services of OnPoint require a Board and Supervisory Committee with strong financial knowledge, diverse skills and dedication to meet the oversight demands within the competitive and highly regulated financial services industry. The time commitments for Board and Supervisory Committee member meetings, meeting preparation, regulatory training and continuing education are significant and ever increasing. This warrants fair and reasonable compensation.

### **OnPoint Financial Performance**

OnPoint has consistently achieved strong financial performance that supports reasonable compensation, through the balanced delivery of financial services to our members, while ensuring safety and soundness of our Credit Union. To ensure a sound future, OnPoint has built net worth that exceeds the levels required by its regulators to be classified as well capitalized, achieved strong net income to maintain net worth, and managed risks within its operations to provide for consistently positive ongoing and future operational results. For more information about OnPoint's financial performance, please visit our website at [onpointcu.com/our-story/annual-reports](https://onpointcu.com/our-story/annual-reports).

## Due Diligence

The Board periodically conducts due diligence to consider and determine compensation that would be reasonable and commensurate with the responsibilities of the applicable positions. The due diligence information included a study by an independent consulting firm of compensation ranges of similar size credit unions, community banks and other nonprofit organizations that compensate their Boards and audit committees.

Based on OnPoint's strong financial condition, market conditions and progressive mission and goals, the Board established a compensation schedule that is reasonable and consistent among peer credit unions of similar performance and size, including in Oregon and Washington.

## Compensation Schedule

This Compensation Schedule is part of the OnPoint Community Credit Union Compensation Policy for the Board of Directors and Supervisory Committee. It summarizes compensation paid for services provided during 2019, and compensation scheduled to be paid for services provided during 2020.

The Credit Union provides reasonable compensation in the form of a quarterly stipend, based on positions held. This structure supports individual Board and Supervisory Committee members equally with respect to the importance of their respective duties and responsibilities, but provides compensation commensurate with the time commitments of the different positions. The following annual compensation schedule was approved for the nine (9) Directors and four (4) Supervisory Committee members, while the individuals serve the Credit Union during 2020.

Board Chair	\$37,500
Director	\$29,000
Supervisory Committee Chair	\$9,000
Supervisory Committee Member	\$7,000

The Board elects the Board officers following the Annual Meeting held each March. Payments are prorated, as needed, to reflect periods of service provided.

The following stipends were paid for service provided during 2019.

Leland "Rocky" Johnson, Board Chair	\$34,667
Melissa Damm, Director	\$21,750
Katherine Durham, Director	\$21,750
Steve Goldschmidt, Director	\$29,000
Cori Harms, Director	\$7,250
Keith Morris, Director	\$7,250
Matt Mroczek, Director	\$29,000
Darren Nakata, Director	\$21,750
Siva Narendra, Director	\$29,000
Karen Schwartzrock, Director	\$7,250
Keith Thomajan, Director	\$29,000
Tom Tsuruta, Director	\$31,833
Sheryl Manning, Supervisory Committee Chair	\$8,000
Brent Macey, Supervisory Committee Member	\$8,000
Gary Reynolds, Supervisory Committee Member	\$5,250
Scott Thompson, Supervisory Committee Member	\$7,000