

ANNUAL REPORT 2018

**CONNECTED.**

**OnPoint**<sup>®</sup>  
COMMUNITY CREDIT UNION

A photograph of a man and a woman walking away from the camera on a wooden boardwalk that winds through a dense forest. The man is in the foreground, wearing a light blue button-down shirt over a striped tank top and reddish-brown pants. The woman is slightly behind him, wearing a white tank top and shorts. Sunlight filters through the trees, creating long shadows on the boardwalk. A thin green line arches over the top of the image, framing the text.

OUR CONNECTIONS MAKE US STRONGER.

**MAKING CONNECTIONS.  
WORKING TOGETHER.  
BUILDING FUTURES.**

2018 was a year of strengthening connections at OnPoint. Connections through our neighborhoods, across our member relationships and in the lives of children learning the aspects of financial literacy.

Our ability to invest in our community was made possible by our continued focus on the safety and soundness of our credit union. We always remember that the financial health of our members comes first and opens up opportunity for all.



## To our members from Rob Stuart and Tom Tsuruta.

The connections we make every day are at the heart of who OnPoint is, and are the source of our success; these connections guided our achievements in 2018.

Our financial performance was successful on all fronts. We reached \$5.4 billion in assets, an increase of 5%. Deposits grew 5% to \$4.4 billion. Loans rose 6% to \$3.5 billion. Net income totaled \$80 million, up 25%. Membership grew 7% to 362,000. OnPoint remains safe, sound and secure.

We also enjoyed a significant achievement in our efforts to give members safe and easy access through our Digital Banking conversion. Our new platform brings improved security and a consistent experience across all devices with enhanced features. It was a huge undertaking with an extremely successful outcome. Much praise goes to OnPoint members and employees for making it happen.

We opened two new branches—Hawthorne and Fremont & Williams—to expand our service to our members and neighbors. Our Fremont & Williams branch is outfitted with our first bike-thru teller window for this bike friendly community.

OnPoint formed a new partnership with the Oregon School Activities Association (OSAA), which will see OnPoint serve as title sponsor for all high school state championships, recognizing students' combined athletic, activity and academic achievements. Through this partnership, OnPoint will also be instrumental in providing financial education in high schools throughout the state of Oregon. This is another example of how we are staying connected to our education roots.

Connection to our roots means helping those around us. Strong communities benefit us all. Our community commitment grew in 2018 and details are in our 2017-2018 Community Report.

These foundational elements provide inspiration and direction for our commitment to stay connected as we launch into 2019 and beyond. We thank the numerous individuals involved in making OnPoint the success it is today, including our Board of Directors, Executive Team, Employees and loyal Members.



**ROB STUART**  
PRESIDENT/CEO



**TOM TSURUTA**  
CHAIR/BOARD OF DIRECTORS

# 362,000

MEMBERS  
24,000 MORE THAN 2017

## DIGITAL BANKING GOT AN UPGRADE

## 2 NEW BRANCHES

» FREMONT & WILLIAMS  
» HAWTHORNE



**ROB STUART**



**TOM TSURUTA**





## OUR PURPOSE, VISION AND GUIDING PRINCIPLES

### OUR PURPOSE

Build strong communities by supporting financial growth and well-being, one person at a time.

### OUR VISION

To be the leader in delivering extraordinary experiences and value to our community.

### OUR GUIDING PRINCIPLES

Pursue innovation that values our members' time and helps them achieve their goals.

Vest employees with the authority to deliver superior service and advice.

Always do the right thing and act with the utmost integrity.

Be the champion of education.

Ensure the safety and soundness of our institution to allow for long-range sustainability.

# OUR STORY, TOLD IN NUMBERS.

## Statements of Financial Condition

AS OF DECEMBER 31 (\$ IN THOUSANDS)

<b>ASSETS</b>	<b>2018</b>	<b>2017</b>
Cash and cash equivalents	\$ 880,368	\$ 838,225
Investments	908,371	816,253
Loans held for sale	16,611	19,763
Loans, net	3,475,419	3,283,323
Accrued interest receivable	13,475	9,982
Property and equipment, net	19,451	15,935
National Credit Union Share Insurance Fund (NCUSIF) deposit	42,826	40,025
Other assets	36,422	105,856
<b>TOTAL ASSETS</b>	<b>\$ 5,392,943</b>	<b>\$ 5,129,362</b>
<b>LIABILITIES &amp; MEMBERS' EQUITY</b>		
Deposits	\$ 4,392,877	\$ 4,177,462
Borrowings	296,395	329,878
Accrued expenses and other liabilities	69,471	74,721
Total Liabilities	4,758,743	4,582,061
Members' Equity	634,200	547,301
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<b>\$ 5,392,943</b>	<b>\$ 5,129,362</b>

## Statements of Income

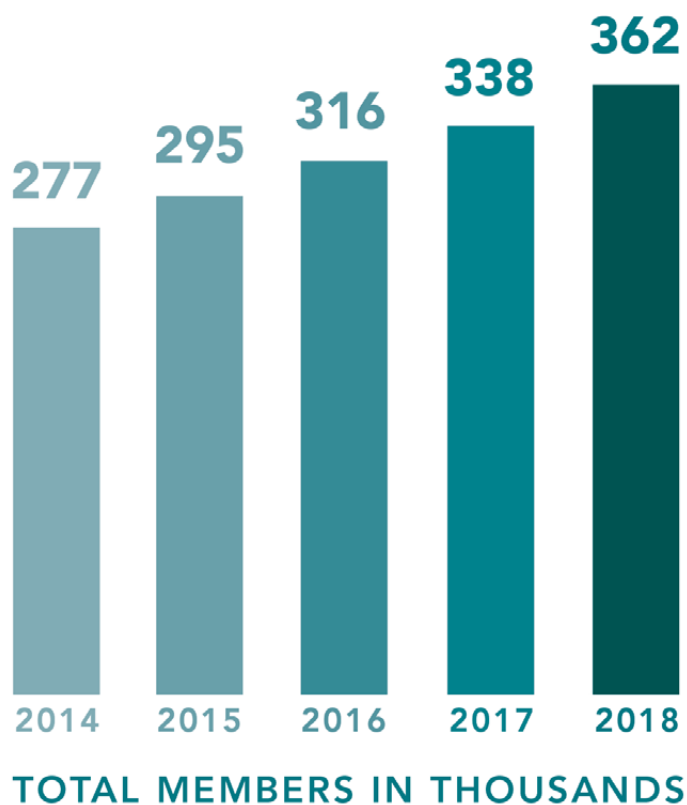
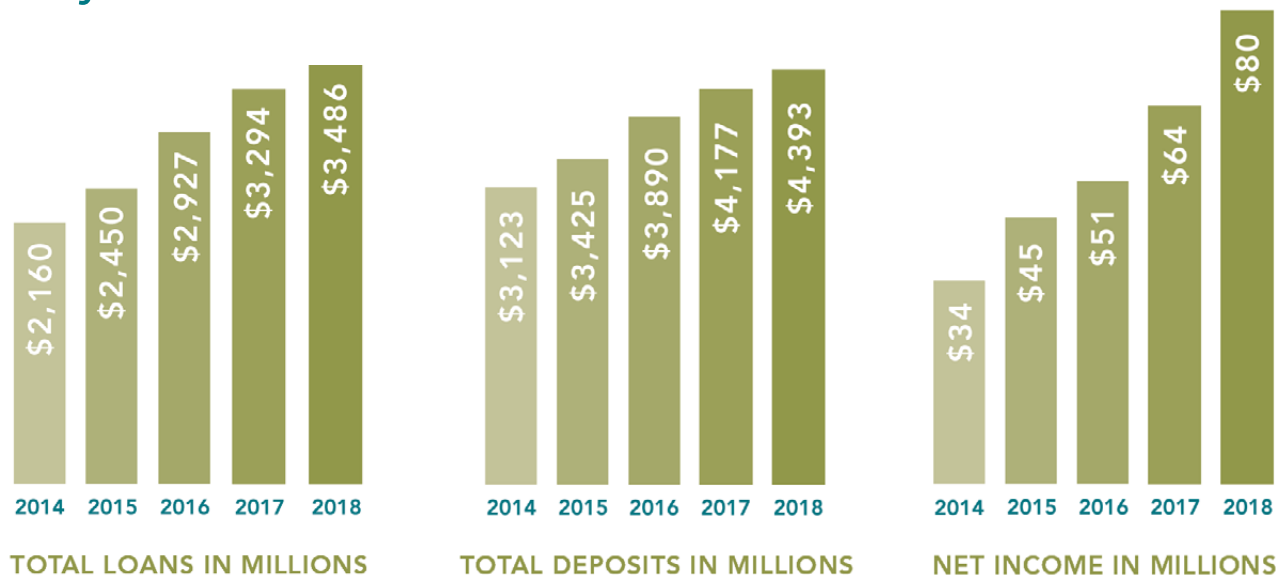
FOR THE YEARS ENDED DECEMBER 31 (\$ IN THOUSANDS)

<b>INTEREST INCOME &amp; EXPENSE</b>	<b>2018</b>	<b>2017</b>
Interest Income	\$ 168,043	\$ 138,025
Interest Expense	16,664	11,144
Net Interest Income	151,379	126,881
Provision for Loan Losses	4,325	2,999
Net Interest Income After Provision for Loan Losses	\$ 147,054	\$ 123,882
<b>NON-INTEREST INCOME</b>		
Interchange income	\$ 37,396	\$ 31,890
Fee income	14,613	12,513
Net gain on sale of loans	11,431	11,077
Other non-interest income	5,666	8,322
Total Non-Interest Income	\$ 69,106	\$ 63,802
<b>NON-INTEREST EXPENSE</b>		
Compensation and benefits	\$ 65,732	\$ 60,750
Professional and outside services	27,984	27,005
Office operations	13,523	11,157
Occupancy	9,162	8,402
Promotional	7,789	6,771
Other non-interest expense	11,932	9,324
Total Non-Interest Expense	\$ 136,122	\$ 123,409
<b>NET INCOME</b>	<b>\$ 80,038</b>	<b>\$ 64,275</b>

To receive a copy of the financial report of OnPoint Community Credit Union as of December 31, 2018 and 2017, please call 503.228.7077 or toll-free 800.527.3932 or email [info@onpointcu.com](mailto:info@onpointcu.com).



## Key Numbers



Build strong communities,  
**one member**  
at a time.

# 2018 OFFICIALS

## Board of Directors

**TOM TSURUTA**  
Chair

**LELAND "ROCKY" JOHNSON**  
Vice Chair

**MATT MROCZEK**  
Secretary

**STEVE GOLDSCHMIDT**

**CORI "SUSI" HARMS**

**KEITH MORRIS**

**SIVA NARENDRA, Ph.D.**

**KAREN SCHWARTZROCK**

**KEITH THOMAJAN**

## Executive Management

**ROB STUART**  
President/  
Chief Executive Officer

**JIM ARMSTRONG**  
Senior Vice President/  
Chief Information Officer &  
Human Resources Executive

**VERONICA ERVIN**  
Senior Vice President/  
Chief Compliance Officer

**JIM HUNT**  
Senior Vice President/  
Chief Financial Officer

**STEVE LEUGERS**  
Senior Vice President/  
Chief Credit Officer

**TORY MCVAY**  
Senior Vice President/  
Chief Retail Officer & Wealth  
Management Executive

**STEVE OWEN**  
Senior Vice President/  
Chief Operations Officer

## Supervisory Committee

**BRENT MACEY**  
Chair

**SHERYL MANNING**

**SCOTT THOMPSON**

## Executive Committee

**TOM TSURUTA**  
Chair

**LELAND "ROCKY" JOHNSON**  
Vice Chair

**MATT MROCZEK**  
Secretary

**ROB STUART**  
Treasurer

CONNECTIONS ARE AT THE HEART OF COMMUNITY.

**OnPoint**<sup>®</sup>  
COMMUNITY CREDIT UNION