

2015 ANNUAL MEETING AGENDA

CALL TO ORDER— Ben Winkelman, President
Introductions
Minutes of the Previous Meeting
REPORTS
President — Ben Winkelman
CEO — Ynette Gibbs
OLD BUSINESS— Discussion
NEW BUSINESS -Discussion
Elections

2014 ANNUAL MEETING MINUTES March 7, 2015

Attendees

Board: Ben Winkelman, Randee Harper, Erica Barrie, Marcy Harp

Supervisory: Dan Doyle, Nancy Wilson

Staff: Ynette Gibbs, Natasha Rothwell, Jody Reed, Alexander Carlston, Louise Knox, Ana Talamantes, Fritzi Sanchez

Others: 29 Active Members and 3 Non-members

The meeting was called to order by Ben Winkelman at 12:00 a.m. after confirmation of a quorum, introductions of the staff members and the board. Terry discussed her retirement from the credit union after nearly 36 years of service. Each of the staff spoke about the programs they support and work they do on a daily basis on behalf of the members. Previous year's minutes reviewed and approved as submitted. Ben gave a recap of 2014 activities and invited more board members. The financial reports were reviewed. Ynette answered several excellent questions from members about how grant monies were used, expenses arising from the remodeling were accounted for, community outreach programs, and recent awards received throughout the year.

OLD BUSINESS—none

NEW BUSINESS—none

ELECTION—Randee Harper was unanimously elected to the board. Marcy Harp and Erica Barrie were unanimously elected to the board for another term.

DOOR PRIZES

Motion and second to adjourn the meeting at 1:20 PM, passed.

Ben Winkelman, President

Erica Barrie, Secretary

Letter from the CEO

2015 was a year of conservative growth. Membership grew by 5% along with the net worth ratio (11.32%) a measurement that NCUA monitors carefully. Part of our growth was fueled by grants awarded in 2013 plus careful expense management and a building make over. 2015 also brought a few bumps with increased charge-offs and delinquencies but major improvements in our collections practices turned that around.

June was our 50th anniversary and a celebration of Terry Fultz's retirement. Nearly a 100 founding and active members came to celebrate and share lots of great stories and wonderful memories as well as visions for Newrizons' future.

This year also brought several staff changes – all good. For many years, Newrizons provided temporary staffing support to other credit unions. Louise Knox who has been with Newrizons for the past 7 years was wooed away by Utilities Employees Federal Credit to permanently fill their part time manager position. Ana Talamantes, who was our 4th Hoquiam high School intern and very talented bilingual teller was also wooed away by another credit union, Great Northwest Federal Credit Union. Izzy Fernandez who left us to join the Marine Reserves was able to return to Newrizons in November to everyone's delight. And we were very fortunate to woo Erica Barrie from Hoquiam School District and our Board of Directors to become our first Business Operations Manager. As a former local business owner, we're leveraging Erica's talents to grow our small business lending and credit union membership .

In our 2nd full year providing Individual Development Accounts (IDA), Newrizons continues to *crush* national success averages for the \$150,000 IDA grant funded program. In 2015, home ownership went from a dream to a reality for 2 members and several students used their IDA accounts to pay for their college books and tuition. Already 38% of the participants have 100% met their savings goals!

This was our 5th year providing free Volunteer Income Tax Assistance (VITA). We returned over \$750,000 in refunds to Grays Harbor residents. This free service gives new people a great reason to find where we are and what Newrizons can do for them. Plus our existing members have really taken to this additional free service - over 37% of the 2014 returns prepared were for existing not new members saving thousands of dollars in fees!

During 2015, we saw more people using our free credit and financial counseling. We'll decrease their loan interest rates as their credit score improves!

Through these services, Newrizons helps change Grays Harbor County lives, privately and positively, one member at a time.

Thank *you* for using Newrizons for your saving and lending needs, and for telling others how great Newrizons is.

Your loyalty and word of mouth support is why Newrizons is growing. Thank you to each member, our volunteer Board of Directors and Supervisory Committee, and our very wonderful staff who make it happen every day.

Ynette Gibbs, Chief Executive Officer



1965-2016

*For more than 50 years,
Putting People, Not Profits First*

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HOURS

Monday through Friday
LOBBY 9:30-5:00
DRIVE UP 8:30-5:30

**2015
Annual Report**

**Annual Meeting
March 5, 2016
11:30—1:00**

Thank you for supporting your credit union

Fellow Members,

Newrizons FCU has remained diligent in focusing on meeting the needs of our members and the community. We continue to receive inspirational stories of success as our credit union operates within a conservative budget to accomplish a new level of lending expertise and to provide financial assistance to our members and this community. Our well established reputation in the community appears to be growing even stronger as we reach out to some small businesses and continue to offer more comprehensive financial services to our members. It has been my pleasure to volunteer as your Board President for the last few years and I look forward to working with you all in the future.

Ben Winkelman, President, Board of Directors

50 Years Strong - Newrizons Federal Credit Union Serving Grays Harbor County since 1965

Balance Sheet	2013	2014	2015
Investments & Cash	\$1,298,650	\$2,719,465	\$2,953,017
Loan Balances	\$8,610,617	\$9,174,798	\$9,231,339
Allowance for Loan Loss	\$63,000	\$122,000	\$148,001
Other Assets	\$133,698	\$172,129	\$200,566
NCUA Share Insurance	\$77,281	\$97,292	\$105,641
Total Assets	\$10,777,531	\$12,041,684	\$12,342,562
Member Deposits	\$9,801,618	\$10,564,070	\$10,817,764
Other Liabilities	\$87,756	\$179,658	\$127,444
Retained Earnings & Reserves	\$784,957	\$1,297,956	\$1,397,354
Total Liabilities	\$10,777,531	\$12,041,684	\$12,342,562

Your Supervisory Committee members are board approved each year. Thank you LeAnn and Nancy for volunteering your time and effort. It's people

<u>2015 Board of Directors</u>
President— Ben Winkelman
Vice President/Secretary— Randee Harper
Treasurer— Marcy Harp
Director— Judy McHugh
Director— Mary Russell
<u>2015 Supervisory Committee</u>
Daniel Doyle, Chair
LeAnn Bennett
Nancy Wilson

like this that help make the Credit Union run smoothly. The committee oversees the financial operation of your Credit Union and insures that they conform to the NCUA rules and regulations. They are responsible for monitoring all the Credit Union's financial activities including performing surprise cash counts, verifying closed and new accounts, conducting the verification of all member account balances, and engaging an outside agency to conduct an annual audit. This audit has been completed again with no major discrepancies.

Want to get involved in your Credit Union? Serving on the Supervisory Committee is a good way to learn about how your Credit Union works and is a good area to volunteer in. Interested in volunteering? Let any of the staff or your Board Members know! We look forward to 2016 to be a great year for our credit union.

Thanks to the board of directors for their dedication and time that

they give to the Credit Union and to the employees who provide our members great service with a smile, you are greatly appreciated. The conscientious efforts of all the staff make the Supervisory Committee's work go smoothly.

Daniel Doyle, Chairman Supervisory Committee

Your money is safe and secure with Newrizons Federal Credit Union and is fully insured up to \$250,000.

As in previous years, Newrizons has successfully been profitable and grown. The amazing staff and volunteers have maintained the sound business practices to continue the safety and integrity of investments which have been approvingly audited by NCUA. Dedication and loyalty of our local community and stellar staff are a testament of Newrizons' continued success. We continue to ask you to refer other community members that may benefit from our free community-oriented services, along with general member services, provided by our welcoming lending team.

Marcy Harp, Treasurer, Board of Directors

Serving as a volunteer on the Board of Directors or Supervisory Committee is a good way to learn about how your Credit Union works. Please volunteer. It makes a difference!

<u>2015 Staff</u>
Ynette Gibbs—CEO
Jody Reed—Senior Loan Officer
Louise Knox—Senior Member Service Rep
Ana Talamantes—Member Service Rep
Natasha Rothwell—Senior Loan Officer
Alexander Carlston—Operations Mgr
Jim Miller—Lending Operations Mgr
Erica Barrie—Business Operations Mgr
Israel Fernandez—Member Service Rep
Fritzi Sanchez—Member Service Rep

Profit (Loss)	2013	2014	2015
Interest Income	\$621,249	\$725,287	\$735,467
Fee & Other Income	\$99,199	\$124,077	\$155,071
Grant Income	\$0	\$172,618	\$57,612
Total Income	\$720,448	\$1,021,982	\$948,150
Operating Expenses	\$554,322	\$701,453	\$621,194
Dividend Expenses	\$54,247	\$61,120	\$62,977
Other Expenses	\$51,648	\$163,720	\$170,244
Net Profit (Loss)	\$60,231	\$95,689	\$93,535