



OnPoint Community Credit Union Annual Report 2013

Investing in community

NCUA

Their savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government

National Credit Union Administration, a U.S. Government Agency

We believe a quality education is key to building a stronger community. The OnPoint Prize for Excellence in Education honors educators in our community who spark enthusiasm, creativity and passion in their students. Francesca Morrison (social science teacher at McMinnville High School) and Barbara Nasewytewa (5th grade teacher at Hillsboro's Brookwood Elementary School) were named 2013 Educators of the Year. OnPoint paid their mortgages for one school year and awarded their respective schools \$1,000.

In our own backyard

We invest in our community. It's what we choose to do. To care. To reach out. To make a difference.

At OnPoint Community Credit Union, we know a strong community benefits us all. Inspired by the credit union philosophy of "people helping people", we've developed a strong and growing tradition of giving back to our community.

At the forefront is our OnPoint Prize for Excellence in Education. In its 4th year, the Prize honors local educators for their commitment and dedication by naming two Educators of the Year. OnPoint pays their mortgage for one school year and presents \$1,000 to their schools.

OnPoint has formed relationships with local nonprofits that reflect interests of both our membership and the credit union industry.



One of the biggest obstacles to literacy is the lack of books at home. Two thirds of low-income families don't own books for their children. The Children's Book Bank collects new and gently used books, cleans, packages, and distributes them to kids who otherwise have none of their own. OnPoint is an enthusiastic supporter of Children's Book Bank.



People helping people

We invest with sponsorships, monetary support and in-kind donations. In 2013 that totaled \$490,460.

Since 2002 our employee run Community Relations Committee has awarded yearly donations to a wide range of community needs. To date the committee has presented over 800 different grants totaling over \$773,000. \$106,000 was awarded in 2013.

Our employee volunteer program includes a monthly group volunteer activity at a local nonprofit. Employees may use paid work time to participate.

This level of community investment is only possible because of OnPoint's financial success. 2013 marked OnPoint's greatest year for net income in our history. We saw our membership grow to nearly 262,000.

OnPoint was founded by teachers 81 years ago, so education is close to our hearts. Our sponsorship of KGW's School Supply Drive, benefitting Schoolhouse Supplies, helps provide area kids with the supplies they need to start the school year. Earnings and donations this year meant over 13,000 area kids went back to school with basic school supplies.



Making things possible

These are results of a well managed credit union that is safe and sound. A credit union whose growth provides greater opportunities for all members to achieve their financial goals.

In 1932 our founders rallied together for their shared dream of a safe place to save and borrow money. They recognized the values of the credit union model: not-for-profit, member owned, local. They were united in a commitment to see their fellow members succeed and realize a better life.

Today, OnPoint honors that vision in all we do. In serving our members, for sure. But in doing our part for our community neighbors too.



Robin Burgener, owner of Burgener's Woodworking, told AM Northwest's audience about the difference OnPoint's personal connection and individualized attention made in helping restructure his business loan. He noted that OnPoint's convenient and creative products and services are "way different than other lending institutions."



*Alix Nathan,
Mark Spencer Hotel*



*Steve Harms,
Crown Landscape*



*Jon Corazza,
First Allied Securities*

Community business

Small business plays a key role in a thriving community. OnPoint's personal relationships with business members provide customization and flexibility. Four business members shared the OnPoint difference on KATU's AM Northwest last fall.

Alix Nathan, Mark Spencer Hotel president, explained how OnPoint helped the family-run, 100 year old property find financing for its 5-year renovation project.

Steve Harms, owner of Crown Landscape, cited his "large bank" experience that simply wasn't working. OnPoint's personal attention led to a solution.

Jon Corazza from First Allied Securities told how OnPoint "got to know me" and found the right solutions for his business, including an SBA loan.

Dedicated to community

Investing in our community is a natural choice for OnPoint Community Credit Union. It's what the credit union philosophy "people helping people" is all about. It's what we do every day by serving our members and it's what we choose to do in our community. To help our neighbors and add value to the place that's our home too.

In 2013, OnPoint's corporate sponsorships, Community Relations Committee, employee volunteer program and our own OnPoint Prize for Excellence in Education led to our greatest year of community investment.

Our success as a credit union makes our community support doable. Earnings for 2013 were the best in OnPoint's history. Record-setting net income of over \$35 million was generated mainly by the improved economy and our ability to cut our loan loss provision. This all helps OnPoint stay safe and sound.

A major Online Banking platform conversion was launched, enhancing account access and improving security. We opened a new branch in Vancouver and added new products including a reloadable pre-paid Visa card and a Health Savings Account. Membership grew to nearly 262,000, providing greater opportunities for all members.

Just as we work to help members achieve their financial goals, we will continue to reach out and help make a difference in our community. The need is great and we can help. A strong community benefits us all.

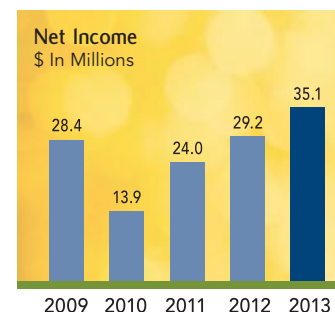
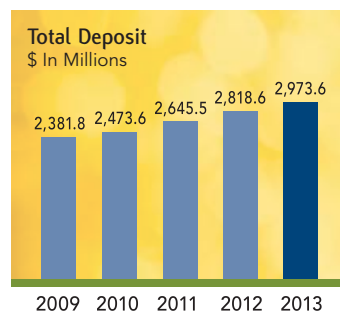
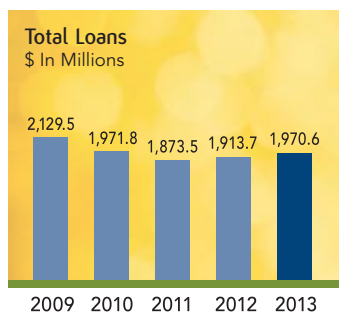
Many thanks to our board of directors, our executive team, our employees and our loyal members for another successful year.



Rob Stuart, President/CEO



Wayne Pederson, Chair/Board of Directors



Making a difference

Take a look at how OnPoint's community investments make a difference. Whether sponsorships, donations, grants, or employee volunteer time, the causes are inspiring and the results are rewarding. Click to learn more.

- AIDS Walk benefitting Cascade AIDS Project
- Arts Central
- CASA of Central Oregon
- Celebrity Spelling Bee
(supporting Schoolhouse Supplies)
- Chess for Success
- Children's Book Bank
- College Campus Club (supporting students of
McLoughlin Middle School in Vancouver, WA)
- Community Cycling Center
(sponsorship of Holiday Bike Drive)
- Community Senior Center of Hillsboro
- Community Warehouse
- Credit Unions for Kids (supporting Doernbecher
Children's Hospital)
- Cub Scout Pack 2 (Vancouver, WA)
- Dozer Day (supporting Nutter Foundation
community grants)
- Dress for Success Oregon
- Ethos
- Family Access Network
- Family Kitchen
- Financial Beginnings
- Guide Dogs for the Blind
- Healthy Beginnings
- Human Solutions
- "I Have a Dream" Foundation - Oregon
- Innovative Services Northwest
- JOIN
- Juliette's House Child Abuse Intervention Center

Empowering numbers

Statements of financial condition

December 31	2013	2012
(\$ In Thousands)		
ASSETS		
Cash and cash equivalents	\$334,628	\$181,969
Available-for-sale investments	981,475	1,014,759
Other investments	15,200	20,199
Loans held for sale	4,453	17,802
Loans, net	1,956,112	1,894,825
Accrued interest receivable	7,644	7,918
Property and equipment, net	9,709	8,392
National Credit Union Share Insurance Fund (NCUSIF) deposit	28,942	27,698
Other assets	18,093	16,239
Total Assets	\$3,356,256	\$3,189,801
LIABILITIES AND NET WORTH		
Deposits	\$2,973,643	\$2,818,576
Borrowings	908	-
Accrued expenses and other liabilities	38,479	37,989
Total Liabilities	3,013,030	2,856,565
Net worth	343,226	333,236
Total Liabilities and Net Worth	\$3,356,256	\$3,189,801

Statements of operations

For the Years Ended December 31	2013	2012
(\$ In Thousands)		
INTEREST INCOME	\$99,130	\$101,230
INTEREST EXPENSE	12,213	16,638
Net Interest Income	86,917	84,592
PROVISION FOR LOAN LOSSES	2,765	9,062
Net Interest Income After Provision for Loan Losses	84,152	75,530
NON-INTEREST INCOME		
Fee income	10,841	11,072
Interchange income	19,165	16,640
Net gain on sale of loans	8,777	11,866
Other operating income	5,342	2,167
Total Non-Interest Income	44,125	41,745
NON-INTEREST EXPENSE		
Compensation and benefits	44,527	42,886
Professional and outside services	18,625	16,331
Office operations	9,625	8,705
Occupancy	6,305	5,898
Promotional	6,105	5,866
NCUSIF premium assessment	2,315	2,631
Other	5,707	5,769
Total Non-Interest Expense	93,209	88,086
Net Income	\$35,068	\$29,189

More community investments

We're inspired by the work that's done for community causes. See how OnPoint's community investments help make a difference. Click to learn more.

Junior Achievement

KATU Small Business Spotlight

Burgener's Woodworking segment

Crown Landscape segment

First Allied Securities segment

Mark Spencer Hotel segment

KGW Money Matters

KGW School Supply Drive

(supporting Schoolhouse Supplies)

KGW Stepping Up For Education

Make-A-Wish Foundation of Oregon /
SW Washington

Meals On Wheels People

Miracle Theatre Group

OnPoint Prize for Excellence in Education

Oregon City Farmer's Market –
Power of Produce Club

Oregon Food Bank

Oregon Humane Society Doggie Dash

Oregon Winterfest (supporting Saving Grace)

Parenting Now!

Pearl Buck Center

Portland Housing Center

Raphael House of Portland

REACH Community Development Center

Residential Assistance Program

Right Brain Initiative

SnowCap Community Charities

United Way

Urban Bridges Center

Youth, Rights, & Justice

2013 Officials

Board of Directors

Wayne Pederson, Chair
Leland 'Rocky' Johnson, Vice Chair
Keith Morris, Secretary
Steve Goldschmidt
Steve Gray
Cori 'Susi' Harms
Maureen Scally
Len Schulwitz
Tom Tsuruta

Supervisory Committee

Brent Macey, Chair
Wes Davis
Megan Leftwich
Scott Thompson

Executive Team

Rob Stuart
President/Chief Executive Officer

Jim Armstrong
Senior Vice President/
Human Resources & Technology

Jim Hunt
Senior Vice President/
Chief Financial Officer

Tory McVay
Senior Vice President/
Retail Delivery

Kelly Schrader
Senior Vice President/
Chief Operations & Risk Officer

Always
reaching out

OnPoint[®]
COMMUNITY CREDIT UNION

