

## Statement of Financial Condition

ASSETS	12/31/19	12/31/18
Cash	28,370,165	9,084,690
Investments	24,898,773	31,898,632
Consumer Loans	66,749,282	67,994,384
Real Estate Loans	86,981,403	85,179,820
Member Business Loans	54,705,035	53,417,296
Allowance for Loan Loss	(940,604)	(750,077)
Buildings & Land	4,431,854	4,123,387
Furniture & Equipment	668,292	670,556
NCUA Insurance Deposit	2,150,614	2,098,679
Other Assets	1,096,980	1,403,025
Prepaid Expenses	243,832	243,773
<b>TOTAL ASSETS</b>	<b>\$269,355,626</b>	<b>\$255,364,165</b>
<b>LIABILITIES</b>		
Shares & Share Drafts	195,737,489	184,121,122
Certificates	36,640,167	34,128,868
Other Liabilities	5,585,056	9,994,873
<b>TOTAL LIABILITIES</b>	<b>\$237,962,712</b>	<b>\$228,244,863</b>
<b>CAPITAL</b>		
Regular Reserves	219,274	219,274
Undivided Earnings	31,173,640	26,900,028
<b>TOTAL CAPITAL</b>	<b>\$31,392,914</b>	<b>\$27,119,302</b>
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>\$269,355,626</b>	<b>\$255,364,165</b>

TOTAL CAPITAL		TOTAL MEMBERS	
2019	\$31,392,914	2019	19,262
2018	\$27,119,302	2018	18,436
2017	\$24,373,444	2017	17,487
2016	\$21,344,710	2016	16,191
2015	\$19,684,132	2015	16,405
2014	\$15,421,892	2014	13,761
2013	\$13,698,433	2013	13,446
2012	\$13,935,997	2012	13,598

## Service Commitment

We offer our members a unique blend of warm and personal service and innovative products and services. We want to be your primary financial institution, so we always look for ways to say YES! to our members requests.

### MEMBER SERVICE CONTACT CENTER PHONE BANKING

**Whatcom County:** 360-733-3982..... 360-733.3000  
**Skagit County:** 360-428-1779 ..... 360-395-4000  
**Toll Free:** 1-800-696-8830 ..... 1-877-304-4728

### LOCATIONS

**Bellingham - Dupont\***  
 1100 Dupont St.  
 Bellingham, WA 98225

**Mount Vernon**  
 1410 Riverside Dr.

**Bellingham - Northwest**  
 3250 Northwest Ave.

**Sedro-Woolley**  
 108 N. Township

**Ferndale**  
 5657 Riverside Dr.

**Virtual Branch**  
 northcoastcu.com

\*Please send all mail to Bellingham-Dupont Branch.

### SURCHARGE FREE ATM LOCATIONS

**Bellingham-Dupont** - 1100 Dupont Street  
**Bellingham-Northwest** - 3250 Northwest Avenue  
**Ferndale** - 5657 Riverside Drive  
**Sedro-Woolley** - 108 N. Township Street  
**Mount Vernon** - 1410 Riverside Drive  
**Whatcom County Courthouse** - 311 Grand Avenue, Bellingham  
**Many 7-Eleven and Costco Stores Nationwide**  
**Any CO-OP Network ATM Nationwide** and in 10 countries  
**co-opnetwork.org:** 30k surcharge-free ATM locations nationwide



# Annual Report 2019

**We are  
 all Connected  
 to our  
 Members.**



## President's Report



Marilyn Brink

Our connection to our members and each other is what drives our success. And we certainly had another successful year in 2019.

**In 2019, we welcomed approximately 1,400 new members. Assets grew 5.5% to \$269,355,626. We funded a total of \$59,823,285 in loans of which \$15,284,600 were Real Estate Loans. \$27,639,042 in Consumer and \$16,771,364 in Member Business Loans (MBLs). Our member deposits grew by 6.5% to \$232,277,655. We received exceptional results on all five regulatory and third party audits.**

North Coast Credit Union was created in May 1939 behind the Bellingham Fire Station. In 2019, we enjoyed celebrating our Devotion to Members for 80 years.

To prepare for our new core system, set to launch in October 2020, we converted to a new Online and Mobile Banking platform. Our new platforms are designed to streamline the experience for our members. We also launched a new website, designed to help members and non-members find the information they need quickly. Our website now welcomes over 100,000 visitors each month.

We had a big impact on our community in 2019. During our Annual Operation Warm Fundraiser, thanks to our generous members, we raised over \$6,000. This was enough to purchase warm coats for an entire elementary school. Again, with the help of our generous members we were able to donate nearly \$5,000 to our local food banks. Employees at North Coast have an opportunity to direct a \$250 donation to a local nonprofit. This year 55 organizations received these North Coast Cares Fund donations totaling nearly \$15,000. Take a Bite for Skagit has become a welcome community event raising money to provide fresh, locally grown produce to local food banks.

In 2019, we made a commitment to sponsor the Skagit Children's Museum for several years. We continue to sponsor Skagit Financial PEOPLE Project.

I am writing this in April 2020. Connections to our members and each other have resulted in many years of our growth and success. Now, in the midst of the COVID-19 crisis, the connections and care we are offering our members and each other truly warms my heart. I am so proud of all of us.

### SENIOR MANAGEMENT

Marilyn Brink, President/Chief Executive Officer

Cliff Frydenberg, Senior Vice President/Chief Lending Officer

## Supervisory Committee Report



Sheryl Cartwright

Your Supervisory Committee meets monthly to discuss actions taken by the Board of Directors and to review the financial condition of your Credit Union. At least one of your Supervisory Committee members attends the monthly Board of Directors meeting and then reports back to our Supervisory Committee.

We create an aggressive Annual Audit Plan, so each month we audit different areas of North Coast Credit Union. This provides an independent and valuable set of "checks and balances," and it also helps to ensure that the Credit Union is operating efficiently, effectively and in a controlled manner.

One of our main responsibilities is to hire an outside auditor to perform the annual required North Coast Credit Union audit. We are about to begin the first year of a 3-year contract with CliftonLarsonAllen for our Agreed Upon Procedures audit, with the NCUA enhanced procedures of Appendix A, Part 715. The State Department of Financial Institutions (DFI) and National Credit Union Administration (NCUA) also audits the operations of the Credit Union on an annual basis. These audits help ensure that the credit union remains in compliance with the constant changes in policies and regulations.

Management continues to take the necessary steps to enact recommendations for improvement and other changes as suggested by external auditors and state regulators. We are pleased with the professional working relationship we have with the Board members, management and staff. We wish to thank them for their helpful cooperation in providing us with the access to data needed to perform our duties.

### SUPERVISORY COMMITTEE MEMBERS

Sheryl Cartwright, Chair

David Rudy, Member

Kailin James, Vice Chair

Doug Scholten, Member

Marta Huff, Secretary

Send questions or comments to:

NCCU Supervisory Committee; P.O. Box 582; Bellingham, WA 98227

## Board of Directors Report



Rick Sucee, Chair

Last year at this time we celebrated North Coast Credit Union's 80th anniversary at our annual meeting held at the Bellwether. Who could have foreseen that this year we would postpone the annual meeting, cancel Board meetings, have employees work from home where possible, close our buildings due to a pandemic?

The financial losses associated with the pandemic are devastating to our society. Lost jobs, businesses shuttered and many wondering how they will pay their mortgage, car payment and household bills. If you are reading this you are one of the more fortunate – because you belong to a credit union.

Earlier this year, I attended the Credit Union National Association's Government Affairs Conference in Washington D.C. A gathering of 5,000 credit union volunteers and staff. We discussed the current health of America's Credit Unions and learned of current innovations and problems credit unions face. Every member of Congress that was in town received a personal delegation from credit unions in their district or state and were told how important and vital credit unions are to the financial viability and continued well-being of our country. One statistic that is particularly appropriate for today, "40% of Americans would struggle to come up with \$400 for an emergency." Members of North Coast Credit Union are fortunate because of your membership. North Coast and its wonderful employees are here to help you through this uncomfortable time. North Coast is the first place you should go if you need a loan. Credit unions typically have a 400% lower APR than payday lenders. We can also help you mitigate other financial issues that you may have.

North Coast Credit Union continues to be a safe, sound and healthy financial institution. Our employees, volunteers, and members are the absolute best. A special thank you for the extra effort that our employees are giving in this unprecedented time. Thank you to our members. Thank you for letting me represent you on the Board of Directors. Be well. We will get through this together.

### BOARD OF DIRECTORS

Rick Sucee, Chair

Jair Furnas

Derek Barnes, Vice Chair

Todd Lagestee

Phil Serka, Secretary

Gerzon Marin

Kym Clift

Randall Watts

Jay Ebert