



Photo by: Rachel Konsella



Annual Report 2020

**Making life better through a year like no other.**

Through the COVID-19 pandemic and economic insecurity, Columbia Credit Union stepped up like never before.

Federally insured by NCUA.





Photo by: Oca Hoeflein

Since our founding in 1952, we've worked toward our vision of being the most trusted, respected, and sought-after financial institution—providing innovative solutions to support our employees, members and the communities we serve. No other year has tested the strength and resolve of our incredible staff like 2020—I'm proud of how we and our 103,000 members stepped up to the pandemic challenge. We're still smiling behind our masks!

Early in the year, vehicle dealerships closed and 2020 loan demand, other than mortgages, was tepid. With the economy shut down, members spent less while placing their trust in Columbia CU with extraordinary deposits from Paycheck Protection Program loan proceeds and Economic Impact Payments. Columbia CU managed the resulting excess liquidity cautiously, given pandemic uncertainties, remaining financially healthy and stable.

### **Health & Safety**

Our response to the pandemic was swift and efficient. After initially closing our branch lobbies and moving approximately half our staff to remote work, we innovated service with expanded drive-up services, lobby appointments, and even more functionality to serve by phone, online and mobile. Quickly we pivoted. Branch lobbies were opened in alignment with health authority recommendations and Governors' orders, including physical distancing, elevated cleaning protocols, enhanced air ventilation, and plexiglass separation. I'm proud of our 2020 record. We kept employees and our membership safe, without a single instance of workplace transmitted COVID-19.

### **Community Resources**

With many in our community struggling financially, we converted part of our website into a COVID Resource Center, doubled down on fraud protection and introduced key programs to lessen the economic burden—issuing 11,684 Loan Skip Payments and originating \$233,693 in short-term Bridge Loans. Our fraud prevention team averted \$867,412 in potential fraud losses. Columbia CU also facilitated more than \$45 million in Paycheck Protection Program loans for “main-street-not-wall-street” businesses, saving approximately 5,000 local jobs. And, we partnered with the Community Foundation for Southwest Washington with a grant strategically matched by Washington State's All In and the local, Ed and Dollie Lynch Foundation grant programs, turning our \$100k gift into \$300k in vital community COVID relief.

### **2020 Milestones**

In 2020, we reached \$2 billion in assets for the first time. Columbia CU continued to operate soundly, with a net worth ratio of 9.59% and gross loans totaling \$1.32 billion. In the year ahead, we'll continue to seek growth opportunities to expand our market while creating partnerships with organizations that support our local community. Special thanks to our directors and staff for supporting each other as we pioneered what great service looks like during a pandemic. And, we're especially grateful to our membership, who inspire us to make life better every day.

**Steve Kenny**  
President & CEO







# “There’s no one else I’d recommend.”

“I’ve been a Columbia Credit Union member for about 12 years now. I trust Columbia so much, I’ve referred my wife, son, daughter and mom to join. And, my son’s fiancé was already a member. The thing I love most about Columbia is they’re community based, hands down. They focus on their members and put them first. So of course, I wanted my family to join, too.”

- Brian, member since 2008

Hear more of Brian’s story [here](#).





Photo by: Michael Trofimov

## A dedicated and focused team.

Columbia Credit Union is a top performing financial cooperative guided by its management and Board of Directors to serve our members and support our communities. I'm honored to serve as part of this experienced and dedicated team, and proud to be part of an institution that's financially healthy, focusing on important core values: ethics, members, cooperation, innovation, education and community.

## Adapting to our members' needs.

Much of Columbia CU's strength is demonstrated in its ability to adapt to diverse and evolving needs. Amidst the COVID pandemic, as essential employees, we were nimble, empathetic, and enthusiastically open to safely serve our community and membership throughout 2020. A newly relocated branch in Ridgefield, protocols that follow health authority guidance, COVID relief programs, and expanded digital banking options are examples of adaptations to make life better for our staff, membership and the communities we serve.

Work continued to ensure products and services were relevant to our members and we continued to provide outstanding personal service through our 14 community branches, member service call center, website live chat feature, and social media networks.

## Financial strength and achievements.

Columbia CU's financial strength and employee, member, and community satisfaction were celebrated with several 2020 accolades:

- The Columbian's 2020 Best of Clark County (Credit Union and Financial Services)
- Vancouver Business Journal's 2020 Best in Business
- Portland Business Journal's 2020 Corporate Philanthropy Award
- DepositAccounts.com's "A" Financial Health Rating
- Bauer Financial's 5-Star Rating
- Weiss' "Recommended" Rating

Looking ahead, Columbia CU will continue to grow and evolve to meet our membership's and communities' needs. We'll remain focused on our mission, vision and core values. The Board of Directors thanks management, staff, and the membership for their patience, loyalty, trust, and flexibility as we met 2020's pandemic-related challenges and opportunities head-on, together.



**Kelly Love**  
Board Chair



# Community relief when it was needed the most

## Stepping up...

Columbia Credit Union went all in with the Community Foundation for Southwest Washington by joining the All In WA COVID-19 relief effort—committing \$100,000 to the SW Washington COVID Response Fund. The contribution mobilized up to \$300,000 for local efforts thanks to two matching gifts—a challenge match provided by the Ed and Dollie Lynch Fund (\$100,000) and eligibility toward additional matching dollars provided through the All In WA campaign (up to \$100,000). The donation helped kick off local fundraising efforts in conjunction with the All In WA campaign and represents the largest corporate gift provided to the SW Washington COVID Response Fund.



The Community Foundation  
was able to award

**128**

grants to local nonprofits

totalling

**\$5,133,535**



Columbia CU made  
contributions to

**39**

nonprofits, donating a

total of

**\$339,397**

overall to community organizations

"Shared challenges require a collective response, and this gift is a perfect example of how community-minded businesses can address the impacts of COVID-19. This relief effort is both a sprint and a marathon, and investments like this are direly needed to sustain our region's recovery and to build our resilience for the future."

- Jennifer Rhoads, President of the Community Foundation

Follow us. We're fun.



"We were thrilled to receive a \$65,000 grant from the SW Washington COVID Response Fund. Battle Ground Healthcare will use the funds to hire a nurse practitioner which will help us meet the increased patient demand as a result of COVID-19. Your contribution is an investment in making our community stronger and healthier. Thank you!"

- Battle Ground Healthcare

## ...and helping out.

Transitioning whole departments and operations, we kicked into high gear to offer new in-house relief options, ramp up member fraud prevention and support the massive Paycheck Protection Program. Thanks to the heart and dedication of our teams, we were able to impact thousands of local families.



**11,684**

**COVID Skip Loan Payments**

Deferring loan payments  
fee-free

totaling

**\$4,853,627**



**98**

**COVID Bridge Loans**

0% interest short-term  
relief loan

totaling

**\$233,693**



**614**

**PPP Loans**

Helping small businesses  
retain employees

totaling

**\$45,282,900**

"With help from the Community Foundation for Southwest Washington's COVID Response Fund, Share of Vancouver WA has been able to lease emergency shelters, stock essential supplies, provide individualized case management and housing navigation services, and support staff hazard pay through the worst of the pandemic." - Share Vancouver

# Digital Services

In 2020, as we responded to mandated physical distancing requirements in our branches, our **members also responded by shifting their interactions with us to digital and remote service options.**

**5.9%**

Online Banking Growth

**16.1%**

Mobile Banking Growth

**20.9%**

External Transfers  
& P2P Growth

**16.5%**

MX Money  
Management Growth

**555%**

Mobile Wallet  
Spend Growth

**243%**

Mobile Wallet  
Transaction Growth

Our Member Service Call Center also saw increased use as members sought service options to help reduce physical contact.

**+ 12%**

Member Service Call  
Center Volume Increase



Telephone Interpreter Service!

**573**

Members Service Calls

**14**

Languages





# "They always say 'Good morning, Gigi!'"

"I was referred to be a Columbia Credit Union member back in 1992. Since then, I've gotten my three sons to join. I love their low interest rates for my car loan and credit cards—but also that when I walk into the credit union I always feel welcome. Their customer service is amazing."

- Gigi, member since 1992

Hear more of Gigi's story [here](#).





# Statement of Financial Condition

(shown in thousands)

## Assets

Current Assets	2020	2019
Cash and Cash Equivalents	\$704,946	\$206,116
Securities – Available-for-Sale	42,292	69,075
Other Investments	2,099	1,868
Loans Held-for-Sale	8,512	1,778
Loans, Net	1,286,776	1,371,769
Accrued Interest Receivable	3,623	3,909
Premises & Equipment, Net	27,632	25,476
NCUSIF (National Credit Union Share Insurance Fund) Deposit	15,804	13,158
Other Assets	10,102	8,422
<b>Total Assets</b>	<b>\$2,101,786</b>	<b>\$1,701,571</b>

## Liabilities & Members' Equity

Liabilities	2019	2019
Members' Share & Savings Accounts	\$1,882,283	\$1,498,765
Borrowed Funds	–	–
Accrued Expenses & Other Liabilities	16,361	13,542
<b>Total Liabilities</b>	<b>1,898,644</b>	<b>1,512,307</b>

## Members' Equity

Regular Reserves	11,039	11,039
Undivided Earnings	190,433	178,126
Accumulated Other Comprehensive Loss	1,670	99
<b>Total Members' Equity</b>	<b>203,142</b>	<b>189,264</b>

<b>Total Liabilities &amp; Members' Equity</b>	<b>\$2,101,786</b>	<b>\$1,701,571</b>
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# Statement of Income

(shown in thousands)

Interest Income	2020	2019
Interest & Fees on Loans to Members	\$64,277	\$60,643
Securities, Interest Bearing Deposits & Cash Equivalents	2,156	4,709
<b>Total Interest Income</b>	<b>66,433</b>	<b>65,352</b>
Interest Expense		
Members' Deposit Accounts	10,428	9,502
Borrowed Funds	-	2
<b>Total Interest Expense</b>	<b>10,428</b>	<b>9,504</b>
<b>Net Interest Income</b>	<b>56,005</b>	<b>55,848</b>
Provision for Loan Losses	17,711	5,762
<b>Net Interest Income After Provision for Loan Losses</b>	<b>38,294</b>	<b>50,086</b>
Noninterest Income		
Fees & Service Charges	4,319	5,470
Wealth Management Income	1,759	1,576
Gain on Sale of Loans Held-for-Sale	9,905	2,000
ATM Income	7,644	7,399
Net Gain on Sale of Securities Available-for-Sale	-	-
Net Loss on Sale of Premises and Equipment	(42)	(1)
Net Gain (Loss) on Sale of Foreclosed Assets	-	-
Misc. Operating Income	1,591	2,180
<b>Total Noninterest Income</b>	<b>25,176</b>	<b>18,624</b>
Noninterest Expense		
General & Administrative		
Employee Compensation & Benefits	28,877	25,892
Staff and Official Expense	919	946
Office Occupancy	3,139	2,998
Office Operations	4,757	4,480
Computer & Electronic Services	7,675	7,608
Marketing	1,393	1,908
Loan Servicing	2,069	2,299
Professional Services	1,397	2,302
Other Operating Expenses	937	978
<b>Total NonInterest Expense</b>	<b>51,163</b>	<b>49,411</b>
<b>Net Income</b>	<b>\$12,307</b>	<b>\$19,299</b>







Photo by: Janette Nixon

Columbia CU's Supervisory Committee (Committee) is comprised of five members elected to serve three-year terms. The Committee conducted regular meetings throughout 2020.

As a state-chartered credit union, Columbia CU is bound by Chapter 31.12 of the Revised Code of Washington (RCW). The Committee duties are enumerated in this Chapter. In accordance with RCW 31.12.335, the Committee must:

- Meet at least quarterly;
- Keep fully informed as to the financial condition of the Credit Union and the decisions of the Credit Union's Board;
- Perform or arrange for a complete annual audit of the Credit Union and a verification of its members' accounts; and
- Report its findings and recommendations to the Board and make an annual report to members at each annual membership meeting.

In addition, the Committee must comply with the applicable sections of Part 715 of National Credit Union Administration (NCUA) rules.

The audit firm of CliftonLarsonAllen LLP was retained to perform the annual audit of Columbia CU's financial statements for the fiscal year ending December 31, 2020. The audit determined that Columbia CU's financial statements fairly present the organization's financial condition.

In addition to carrying out its noted statutory duties, the Committee oversees the Internal Audit department in its broader audit function. The Department, in some cases through its audit co-sourcing partners, provides an additional layer of review through internal audits and reviews. Qualifying auditing and consulting firms are used for their expertise to review areas such as information technology security, business lending, home lending and compliance, to ensure a thorough, qualified audit or review and an objective internal audit process.

As a result of these various audits and reviews, it's the opinion of the Supervisory Committee that the financial condition of Columbia CU is strong. The Committee believes the internal controls, policies and operations of the Credit Union are in compliance with all governmental regulations.

The support and cooperation from management and staff has assisted the Committee in the performance of its duties and is greatly appreciated.

Questions or comments regarding financial statements, audits, and information in this Report should be directed to Penny Harris, Interim Chief Financial Officer. Copies of Columbia CU's 2020 audited financial statements are available from Ms. Harris, upon request.



**Dick Thompson**  
Supervisory Committee Chair



# 2020 Leadership

## Board of Directors

Max Ault  
Kelly Love  
Tracey Malone \*  
Julianna Marler

Larry Paulson\*  
Eric Sawyer  
Al Schauer\*  
Dena Strong\*

Joseph Vance  
Carol Van Natta  
Marci White-Stumpf

## Supervisory Committee

Judith L. Chipman  
Dave Dumas  
Tony Jackson

Paul Montague, III  
Richard Thompson

## Senior Management

Steve Kenny  
President/Chief Executive Officer

Allan Siegel  
SVP/Chief Financial Officer

Colleen Boccia  
SVP/Chief Marketing Officer

Wendy Smith  
SVP/Chief Risk Officer

Michael Florea  
SVP/Chief Data Officer

Marc Timm  
SVP/Chief Lending Officer

Mark Michaels  
SVP/Chief Information Officer

Jim Wood\*  
SVP/Chief Human Resource Officer

Lindsey Salvestrin  
SVP/Chief Operating Officer

\*Served partial year