



growth

service

recovery

*Bringing people together to make life better
for themselves and their communities.*

2021 Annual Report

PRESIDENT'S REPORT

Coming off the back of one of the most difficult years our community has seen, Columbia Credit Union continued to put our members first, step-up for our neighbors, and see strong financial growth. 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. The year 2021 saw us put that vision into action, demonstrating our mission of bringing people together to make life better for themselves and their communities.

As members continued weathering the pandemic, we were able to provide much needed assistance while at the same time seeing strong deposit growth. We facilitated our members skipping 1,314 loan payments as a result of our COVID-19 aid while our deposits grew 10.9% during the year and total assets grew 10.6%, reaching an all-time high of \$2.3 billion in assets. I'm proud to say our membership's trust in Columbia Credit Union means we continue to be the largest deposit-holding financial institution in Clark County.

Our managers gave their time, talent and treasury to local non-profits, recording over 1,000 volunteer hours. We continued to invest in digital services to give our members more options to access their accounts and services, including remote notarizations for Columbia CU documents, more peace-of-mind with improved Personal Online and Mobile Banking transaction alerts, and our website's virtual assistant providing more 24/7 help. In the year ahead, our 70th anniversary, we'll continue to seek growth opportunities to expand our market while creating partnerships with organizations that support our local community. Thanks to our directors and staff for all their hard work in helping the credit union build on a strong foundation of success. And, as always, a special thanks to our membership for their continued loyalty and advocacy as we enter into our 70th year of service to them and their communities.

Steve Kenny
President & CEO

...our membership's trust in Columbia Credit Union means we continue to be the largest deposit-holding financial institution in Clark County.



CHAIR'S REPORT

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 and focuses 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 our members' diverse and evolving needs. We work to ensure the products and services offered are relevant to our members and we continue to provide outstanding personal member service through our 14 community branches, member service call center, website live chat and virtual assistant feature, and social media networks.

Financial strength and achievements.

Columbia CU's financial strength and high levels of member, employee and community satisfaction are celebrated with the awards Columbia CU received in 2021:

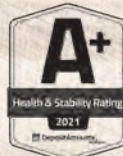
- The Columbian's 2021 Best of Clark County (Credit Union and Financial Services)
- Vancouver Business Journal's 2021 Best in Business
- Portland Business Journal's 2021 Corporate Philanthropy Award
- DepositAccounts.com's "A+" Financial Health Rating
- Weiss' "Recommended" Rating
- Bauer Financial's "5 Star" Rating

As we look ahead, Columbia Credit Union will continue to grow and evolve to meet the needs of our members. We'll always remain focused on our institution's mission, vision and core values as we bring people together to make life better for themselves and their communities.

Kelly Love Zuercher

Board Chair

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MAKING LIFE BETTER IN OUR COMMUNITY

Our mission and core values drive our commitment to our community to “make life better” where our members live, work, and play. In the face of the on-going COVID-19 pandemic, our staff continued to show great devotion to our community causes—surpassing all expectations by logging over 1,000 volunteer hours of their time throughout the year.



Management Volunteer Hours1,038



Non-profits Supported.....43



Dollars Donated\$331,787



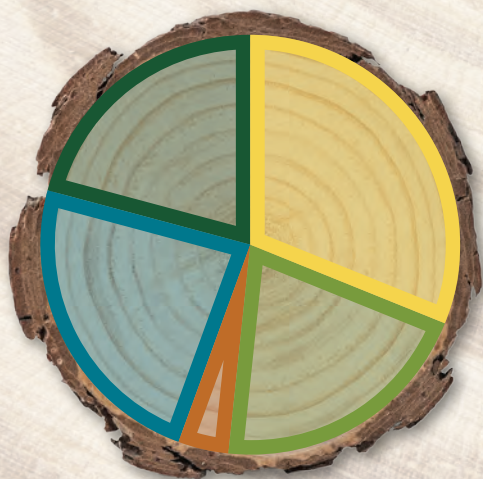
Funds Raised\$8.3 million

Community Highlights

The KPTV Toy Drive allows our members, staff, and community to make life better during the holiday season by ensuring thousands of local children have a present to open on Christmas Day.

Innovative Services NW - The Columbia CU funded Pediatric Therapy Clinic supports families and their children with early childhood education, intervention and intensive therapy programs.

The **Columbia Credit Union McKibbin Legacy Classic** charity golf tournament raised \$46,000 for local non-profits Legacy Salmon Creek Medical Center Child Abuse Assessment Team (CAAT) Endowment Fund, Pearson Field Education Center (PFEC), and Leadership Clark County (LCC).



Families & Children 31%

Local Economy 24%

Physical & Mental Health 21%

Education 20%

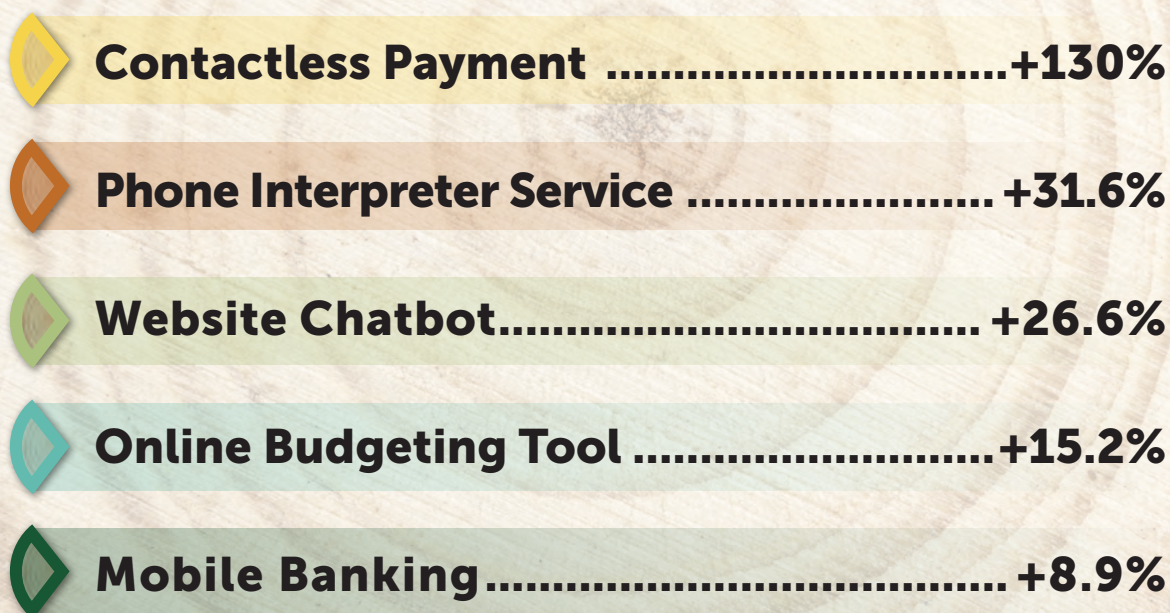
Livability/Sustainability 4%

DIGITAL SERVICES

Expanding our digital footprint

In 2021, Columbia Credit Union continued to invest in digital services to give our members more options and flexibility in how to access our products and services.

Member Digital Engagement Growth



Consolidated Statements of Financial Condition

DECEMBER 31, 2021 AND 2020

ASSETS

	<i>(shown in thousands)</i>	
	2021	2020
Current Assets		
Cash and Cash Equivalents	\$678,897	\$704,946
Securities - Available-for-Sale	227,575	42,292
Other Investments	2,574	2,099
Loans Held-for-Sale	3,626	8,512
Loans, Net	1,354,354	1,286,776
Accrued Interest Receivable	3,715	3,623
Premises and Equipment, Net	25,842	27,632
NCUSIF (National Credit Union Share Insurance Fund) Deposit	18,360	15,804
Other Assets	9,912	10,102
Total Assets	\$2,324,855	\$2,101,786

LIABILITIES AND MEMBERS' EQUITY

Liabilities

Members' Share and Savings Accounts	\$2,087,729	\$1,882,283
Accrued Expenses And Other Liabilities	14,230	16,361
Total Liabilities	2,101,959	1,898,644

Members' Equity

Regular Reserves	11,039	11,039
Undivided Earnings	212,382	190,433
Accumulated Other Comprehensive (Loss) Income	(525)	1,670
Total Members' Equity	222,896	203,142
Total Liabilities and Members' Equity	\$2,324,855	\$2,101,786

Consolidated Statements of Financial Condition

DECEMBER 31, 2021 AND 2020

INTEREST INCOME

(shown in thousands)

	<u>2021</u>	<u>2020</u>
Interest and Fees on Loans to Members	\$54,850	\$64,277
Securities, Interest Bearing Deposits, and Cash Equivalents	<u>2,802</u>	<u>2,156</u>
Total Interest Income	57,652	66,433

INTEREST EXPENSE

Members' Share and Savings Accounts	<u>6,491</u>	<u>10,428</u>
Net Interest Income	51,161	56,005

Provision For Loan Losses	<u>447</u>	<u>17,711</u>
Net Interest Income After Provision for Loan Losses	50,714	38,294

NONINTEREST INCOME

Fees and Service Charges	4,814	4,452
Investments and Insurance Income	2,011	1,759
Gain on Sale of Loans Held-for-Sale	5,911	9,905
Interchange Income	9,303	7,511
Net Loss on Sale of Premises and Equipment	(1)	(42)
Miscellaneous Operating Income	<u>1,671</u>	<u>1,591</u>
Total Noninterest Income	23,709	25,176

NONINTEREST EXPENSE

Employee Compensation and Benefits	29,579	28,877
Staff and Official Expense	824	919
Office Occupancy	3,086	3,139
Office Operations	4,587	4,757
Computer and Electronic Services	8,620	7,675
Marketing	1,643	1,393
Loan Servicing	2,266	2,069
Professional Services	926	1,397
Other Operating Expenses	<u>943</u>	<u>937</u>
Total Noninterest Expense	52,474	51,163
NET INCOME	<u>\$21,949</u>	<u>\$12,307</u>

SUPERVISORY COMMITTEE'S REPORT

The Supervisory Committee (Committee) of Columbia Community Credit Union (Columbia CU or Credit Union) is comprised of five members elected by the membership to three-year terms. The Committee conducted regular meetings throughout 2021.

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 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.

As in past years, Columbia Credit Union's Supervisory Committee engaged an independent public accounting firm to audit Columbia CU's financial statements and complete a verification of member accounts for the fiscal year ending December 31, 2021.

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, Chief Financial Officer. Copies of Columbia CU's 2021 audited financial statements are available from Penny, upon request.

Dick Thompson
Supervisory Committee Chair

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opinion of the
Supervisory
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2021 LEADERSHIP

Board of Directors

Max Ault	Dena Strong
Kelly Love Zuercher	Joseph Vance
Tracey Malone	Carol Van Natta
Julianna Marler	Marci White-Stumpf
Eric Sawyer	

Supervisory Committee

Judith L. Chipman*	Tim Schauer*
Dave Dumas*	Dick Thompson
Tony Jackson	Lynn Valenter*
Paul Montague, III	

Senior Management

Steve Kenny <i>President/Chief Executive Officer</i>	Penny Harris <i>SVP/Chief Financial Officer</i>
Colleen Boccia <i>SVP/Chief Marketing Officer</i>	Wendy Smith <i>SVP/Chief Risk Officer</i>
Michael Florea <i>SVP/Chief Data Officer</i>	Marc Timm <i>SVP/Chief Credit and Lending Officer</i>
Mark Michaels <i>SVP/Chief Information Officer</i>	Jim Wood <i>SVP/Chief Human Resource Officer</i>
Lindsey Salvestrin <i>SVP/Chief Operating Officer</i>	

*Served partial year