

2016 ANNUAL MEETING AGENDA

CALL TO ORDER— Ben Winkelman, President
INTRODUCTIONS

2015 MEETING MINUTES

REPORTS

President — Ben Winkelman

CEO — Ynette Gibbs

OLD BUSINESS—Discussion

NEW BUSINESS -Discussion

ELECTIONS

2015 ANNUAL MEETING MINUTES

March 5, 2016

Attendees

Board: Ben Winkelman, Randee Harper, Judy McHugh,

Marcy Harp, Mary Russell

Supervisory: Dan Doyle, Nancy Wilson

Absent Supervisory: LeAnn Bennett

Staff: Ynette Gibbs, Natasha Rothwell, Jody Reed, Fritzi Sanchez, Alexander Carlson, Erica Barrie

Absent Staff: Israel Fernandez, James Miller

Others: 43 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. 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 2015 activities and invited more board members. The financial reports were reviewed by Ynette. New bill payer product was introduced by Alex and Natasha, Ynette spoke about how to use Virtual Strongbox for saving important documents, Fritzi and Erica spoke about new membership efforts that have been started as growth initiatives for 2016, and Jody spoke about Young Member lending and the advantage of getting a good start. Ben and Ynette spoke about upcoming grants applications and how the credit union would use the money to improve Grays Harbor. Ben discussed the importance of the way the credit union budgets with and without grant funds for credit union program and product sustainability.

OLD BUSINESS—none

NEW BUSINESS—none

ELECTION—Ben Winkelman and Mary Russell were unanimously elected to the board.

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

Ben Winkelman, President

Randee Harper, Secretary

Letter from the CEO

2016 was a growth tremendous year for Newrizons. Total assets grew to \$14.5 million! Membership grew 7% over last year alone. The Individual Development Account (IDA) program helped younger members go on to college and 3 families purchased their first homes with their special grant-matched savings. We kept interest rates paying members for their savings deposits significantly higher than the Washington State average all year.

Newrizons was recognized again this year by our credit union peers and trade associations as being a very successful small credit—something quite special and unique. It's our community outreach changing lives quietly and consistently through elder support, credit and money management counselling, our involvement in schools helping the next generations understand simple but critically important financial choices, and our internship program.

This was our 6th year providing free Volunteer Income Tax Assistance (VITA). We returned nearly \$1 million in refunds to Grays Harbor residents giving new people a great reason to find where we are and what Newrizons can do for them. 40% of the 2015 tax returns were for existing members saving them thousands of dollars in fees!

Even though it's been another positive record breaking year, more members filed bankruptcy in 2016 than any other year. Newrizons took over \$60,000 in bankruptcy-related loan losses alone. Fortunately we don't see 2016's trend continuing into 2017. Grays Harbor incomes tend to be inconsistent making it more difficult for many to manage their money. It is important to remember that loan losses are an expected part of doing business for a credit union.

Our free credit counselling program has proven very effective at rebuilding financial lives helping not only the individual member but the entire family and community. Newrizons invests in our members in so many ways making it better for all of our Grays Harbor County community.

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



1965-2017

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

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Monday through Friday

LOBBY 9:30-5:00

DRIVE UP 8:30-5:30

2016

Annual Report

Annual Meeting

March 4, 2016

11:30-1:00

Thank you for supporting your credit union

Fellow Members,

Newrizons FCU remains diligent to meet the changing needs of our members and 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 beyond. Our well established reputation in the community grows even stronger as we reach out to small businesses and continue to offer more comprehensive financial services to our members. In 2016, we hoped to receive another CDFI grant to support expansion of our small business lending and mentorship programs. Although we did not receive the grant, our small business outreach continues to carefully and thoughtfully expand. It has been my pleasure to volunteer as your Board President and I look forward to working with you all in the future to keep our Newrizons Federal Credit Union doing what makes us so different and positively impactful in Grays Harbor County.

Ben Winkelman, President, Board of Directors

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

Balance Sheet	2014	2015	2016
Investments & Cash	\$2,719,465	\$2,953,017	\$3,886,245
Loan Balances	\$9,174,798	\$9,231,339	\$10,465,832
Allowance for Loan Loss	\$122,000	\$148,001	\$192,000
Other Assets	\$172,129	\$200,566	\$58,879
NCUA Share Insurance	\$97,292	\$105,641	\$101,977
Total Assets	\$12,041,684	\$12,342,562	\$14,494,255
Member Deposits	\$10,564,070	\$10,817,764	\$12,772,193
Other Liabilities	\$179,658	\$127,444	\$72,364
Retained Earnings & Reserves	\$1,297,956	\$1,397,354	\$1,633,246
Total Liabilities	\$12,041,684	\$12,342,562	\$14,494,255

2016 Board of Directors

President—Ben Winkelman
 Vice President—Ranee Harper
 Treasurer—Mary Russell
 Secretary—Judy McHugh
 Director—Marcy Harp
 Director—Dan Doyle

2016 Supervisory Committee

Daniel Doyle, Chair
 LeAnn Bennett, Nancy Wilson,
 Marcy Harp, Shane Hereth

Your Supervisory Committee members are board approved each year. Thank you LeAnn, Shane, Marcy, and Nancy for volunteering your time and effort. It's people 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. We 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. Interested in volunteering? Let any of the staff or your Board Members know!

We look forward to 2017 to be a great year for our credit union. Thanks to the board of directors for their dedication and time that they give to Newrizons Federal 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 grown in members, loans, and deposits. The amazing staff and volunteers have maintained the sound business practices to continue the safety and integrity of credit union operations which are annually and thoroughly audited by an external CPA firm and NCUA with excellent results. Dedication and loyalty to our local community by our stellar staff is a testament of Newrizons' continued success. We continue to ask you to refer other community members that may benefit from our free community-oriented and member services provided by our welcoming professional team.

Mary Russell, 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

2016 Staff

Ynette Gibbs—CEO
 Jody Reed—Senior Loan Officer
 Natasha Rothwell—Senior Loan Officer
 Alexander Carlston—Operations Mgr
 Jim Miller—Lending Operations Mgr
 Erica Barrie—Business Operations Mgr
 Israel Fernandez—Member Service Rep
 Jonathan Rodriguez—Member Service Rep
 Fritzi Sanchez—Member Service Rep

Profit (Loss)	2014	2015	2016
Interest Income	\$725,287	\$735,467	\$808,862
Fee & Other Income	\$124,077	\$155,071	\$143,419
Grant Income	\$172,618	\$57,612	\$13,977
Total Income	\$1,021,982	\$948,150	\$966,258
Operating Expenses	\$701,453	\$621,194	\$668,694
Dividend Expenses	\$61,120	\$62,977	\$97,589
Other Expenses	\$163,720	\$170,244	\$218,462
Net Profit (Loss)	\$95,689	\$93,535	-\$18,487