

2020

— RED CANOE CREDIT UNION
ANNUAL REPORT



Chairman & President's Report

DOUG DOERFLER, CHAIRMAN OF THE BOARD
DAVID SPAULDING, PRESIDENT/CEO

We can look back on 2020 as one of the most unprecedented years of challenges and change for our credit union. The onset of the COVID-19 pandemic forced us to make significant changes in how we serve our members. We closed our branch lobbies for three months during the pandemic to ensure the health and safety of our members and staff. Over 100 employees began to work remotely to reduce staff interaction and keep the branches and call centers safe. Our team may have disbanded, but during this time we saw great creativity and perseverance from our staff as we developed new ways to better serve our membership through technology.

Meeting the needs of members during financial hardships is one of the founding philosophies of the credit union movement. During the pandemic, Red Canoe has processed over 3,100 skip payments for our members. Members who could not make their loan payments were given relief on their loans for up to three months with no fees. We funded over a half million dollars in emergency loans to members and provided \$7.7 million in PPP (Paycheck Protection Program) loans for small business to meet their payroll expenses.

Despite the challenges we all faced in 2020, your credit union still achieved some milestones worth celebrating. Last year, we grew deposits by over \$200 million. This rapid 25% growth rate brings our asset size to just over \$1 billion. Although this kind of growth is unprecedented, we remain well-capitalized and financially sound. Our Home Loans department doubled lending volume over 2019 with over \$160 million in funded home loans. Overall, we exceeded our lending goals with over \$310 million in funded new loans, all while sustaining a record low delinquency rate.



David Spaulding
PRESIDENT/CEO



Doug Doerfler
CHAIRMAN

Two new branches were opened in 2020. We celebrated the grand opening of our Woodland, WA branch in January of 2020 and opened a branch in late July in the Lake Tapps area of Auburn, WA. Our investment in new communities continues to grow our credit union and extend our brand into new markets where we are sharing our not-for-profit banking services. We look forward to a prosperous 2021 and the continued growth of these newly opened locations.

Overall, we have much to be proud of in 2020. Red Canoe Credit Union adapted to the COVID-19 pandemic, and our team continued to serve our members, even while learning how to work remotely. This year was a challenge, and we are proud to have lived the credit union principles of “People Helping People”. We stood by our membership, helped people in difficult times and reduced our members’ financial burdens.

Supervisory Committee Report

— PAMO BHATIA, SUPERVISORY CHAIR

The Supervisory Committee is comprised of three volunteers who are elected by the membership. Its primary responsibility is to safeguard member assets by overseeing the financial and internal control systems and policies related to credit union operations.

We achieved our objective in two ways. First, we retained the services of Moss Adams, LLP to perform our audit for 2019. Second, with the assistance of the credit union’s Internal Audit Department, we conducted and reviewed various audits and researched questions from the Board and credit union members. It is our opinion that your credit union continues to be run in a safe and sound manner.



A handwritten signature in black ink that reads "Pamo Bhatia". The signature is fluid and cursive.

CHAIR



Doug Doerfler
CHAIRMAN OF THE BOARD



Kurt Sacha
1ST VICE CHAIR



Don Lightfoot
SECRETARY



Linda Solbrack
TREASURER



Malia Au
BOARD MEMBER



Tamra Gilchrist
BOARD MEMBER



Erin Hart
BOARD MEMBER



Charlie Neithardt
BOARD MEMBER



Steve Reed
BOARD MEMBER



Pamo Bhatia
SUPERVISORY CHAIR



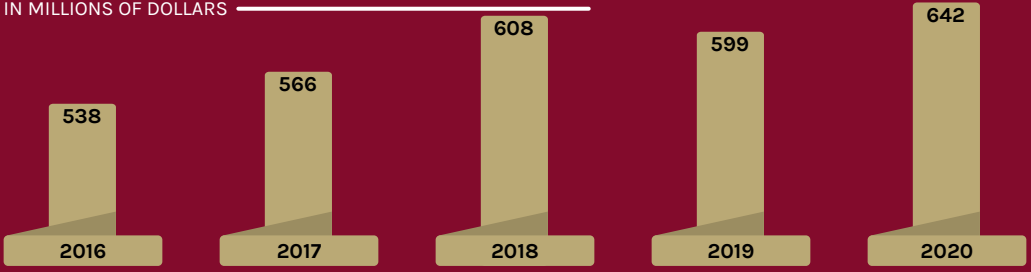
Janice Stoner
SUPERVISORY COMMITTEE



Cindy Brado
SUPERVISORY COMMITTEE

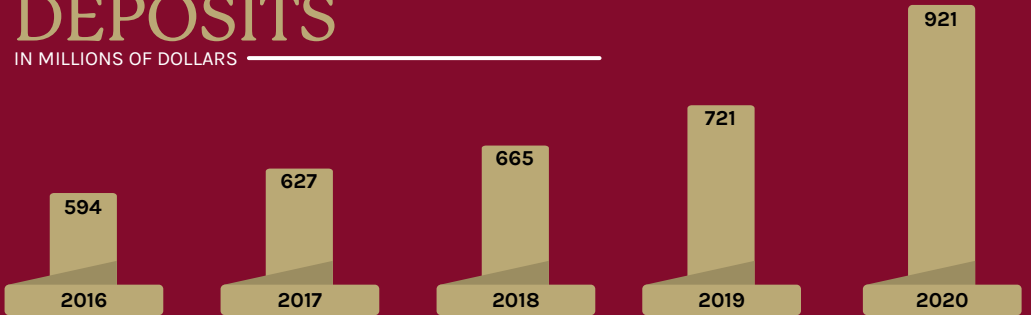
LOANS

IN MILLIONS OF DOLLARS

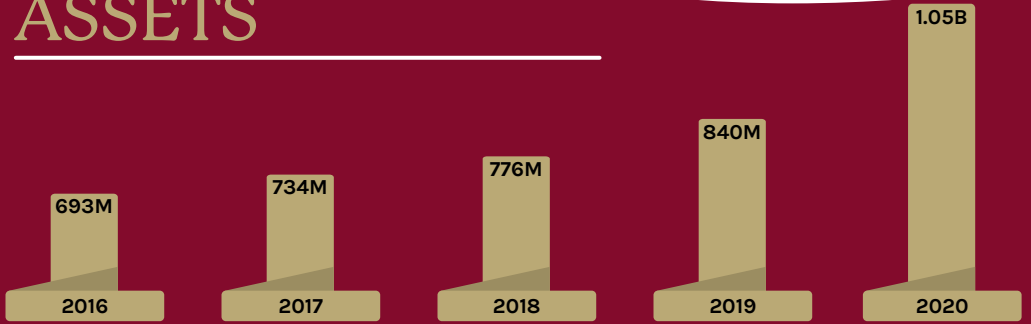


DEPOSITS

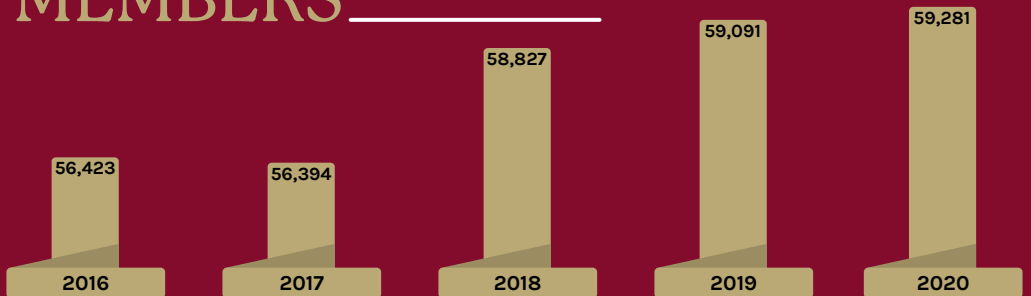
IN MILLIONS OF DOLLARS



ASSETS



MEMBERS



STATEMENT OF INCOME

Year ending December 31, 2020

INCOME	2019	2020
Loan Income	\$29,155,466	\$29,552,090
Investment Income	2,484,402	1,501,582
Miscellaneous Income	11,182,027	12,524,637
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Total Income	\$42,821,895	\$43,578,309

EXPENSE	2019	2020
Operating Expense	\$29,912,603	\$31,301,526
Provision for Loan Loss	1,779,355	2,266,985
Member Shares Dividends	4,433,218	5,385,909
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Total Expense	\$36,125,176	\$38,954,420
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Net Income	\$6,696,719	\$4,623,889

A complete set of financial statements are available upon request.
Simply call or visit Red Canoe Credit Union to request a copy.

STATEMENT OF FINANCIAL CONDITION

Year ending December 31, 2020

ASSETS

	2019	2020
Loans to Members (Net of Allowance)	\$599,368,901.....	\$641,851,366
Cash & Cash Equivalents	114,830,241.....	252,520,033
Investments	69,877,167.....	92,616,923
Interest Receivable.....	2,054,640.....	1,956,689
Property & Equipment.....	43,241,267.....	44,696,957
Share Insurance Deposit.....	6,557,472.....	7,911,277
Other Assets	4,148,644.....	4,602,604
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Total Assets	\$840,078,332	\$1,046,155,849

LIABILITIES & EQUITY

	2019	2020
Member Shares	\$720,858,667.....	\$920,952,543
Accounts Payable & Other Liabilities	15,452,963.....	16,812,715
Members' Equity.....	103,766,702.....	108,390,591
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Total Liabilities.....	\$840,078,332	\$1,046,155,849

Displayed financial numbers are unaudited for 2020.



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