

# 2022

— RED CANOE CREDIT UNION  
ANNUAL REPORT





DAVID SPAULDING  
PRESIDENT/CEO

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KURT SACHA  
CHAIRMAN

"As we move forward into 2023, we thank the membership for your loyalty and your continued support of the credit union."

## Chairman & President's Report

KURT SACHA, CHAIRMAN OF THE BOARD

DAVID SPAULDING, PRESIDENT/CEO

After wrapping up another successful year, we have so much to be proud of at Red Canoe. We not only exceeded our membership and loan growth goals, but we also grew our capital at a healthy pace with a \$6.7 million posting to net income. While the cooperative's growth is at peak performance, it's important to remember that our focus has always been on the people. Loan growth is more than revenue; it means we were able to help our members financially thrive. We provided \$3 million to first-time home buyers, we invested \$59 million in small businesses and we helped thousands of members lower their payments by moving loans to Red Canoe.

With a focus on our mission to help our members financially thrive, we also launched a Debit Card Round Up program this year. Members now have the option to round up their debit card transactions, making micro-deposits to a savings account. Not only does this make saving easy and affordable, but we're also paying a premium dividend of 3% APY\* on balances up to the first \$1,000. Over 6,500 members have enrolled and collectively saved nearly \$400,000 in less than a year!

In addition to the financial success of the credit union in 2022, we worked on several projects to better serve members and position us for growth. One of our largest endeavors was the installation of a new phone system. This new system allows us to more easily schedule staff during peak service hours, to automatically deliver members their basic account information through automation, and has added a new chat feature to our website. Efficiencies in our Contact Center have greatly improved and we look forward to building onto this new system with even more features to better serve the membership.

All ATMs were upgraded to new ITMs (Interactive Teller Machines) with expanded hours. The new ITM technology allows members to talk directly to an employee in our Contact Center. This means you can make loan payments, withdraw exact change, and get cash in amounts above the standard at the ITMs.

As we look to the future, we have several exciting projects planned for 2023, starting with an evaluation of our digital channels to optimize user experience and provide better online tools for our membership. We will also be evaluating our Business Services products and exploring more robust offerings. And, we are excited to announce new Credit Builder programs that will further help our membership establish good credit or repair poor credit history.

Our greatest strength as an organization came from the talent of our dedicated staff. On behalf of Management and the Board, we want to recognize our world-class team for the hard work they accomplished and their dedication to serving our membership. As we move forward into 2023, we also thank you, our membership, for your loyalty and your continued support of the credit union. We look forward to serving you and helping you financially thrive.

*Kurt Sacha*  
CHAIRMAN

*David Spaulding*  
PRESIDENT/CEO

# Board of Directors



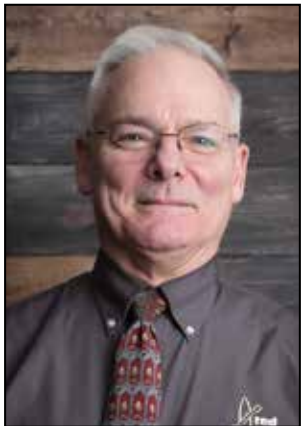
**KURT SACHA**  
Chairman



**MALIA AU**  
Board Member



**CINDY BRADO**  
Board Member



**MIKE CLAXTON**  
Board Member



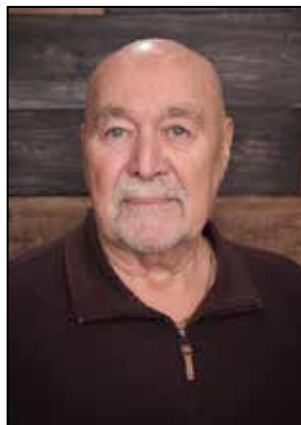
**TAMRA GILCHRIST**  
Board Member



**ERIN HART**  
Board Member



**MARK HOTTOWE**  
Board Member



**DON LIGHTFOOT**  
Board Member



**LINDA SOLBRACK**  
Board Member



**JANICE STONER**  
Supervisory Committee



**KELLEY RANDOLPH**  
Supervisory Committee

## Supervisory Committee Report

KELLEY RANDOLPH, SUPERVISORY COMMITTEE CHAIR

The Supervisory Committee is comprised of two 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 2021. 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.



# STATEMENT OF INCOME

Year ending December 31, 2022

## INCOME

	2021	2022
Loan Income .....	\$28,385,665	\$30,073,076
Investment Income .....	1,193,411	5,276,751
Miscellaneous Income .....	14,764,646	15,323,961
<b>Total Income .....</b>	<b>\$44,343,722</b>	<b>\$50,673,788</b>

## EXPENSE

	2021	2022
Operating Expense .....	\$32,199,749	\$37,718,549
Provision for Loan Loss .....	223,325	2,487,456
Member Shares Dividends .....	4,308,833	3,725,731
<b>Total Expense .....</b>	<b>\$36,731,907</b>	<b>\$43,931,736</b>
<b>Net Income .....</b>	<b>\$7,611,815</b>	<b>\$6,742,052</b>

# STATEMENT OF FINANCIAL CONDITION

Year ending December 31, 2022

## ASSETS

	2021	2022
Loans to Members (Net of Allowance) .....	\$649,925,137	\$753,117,731
Cash & Cash Equivalents .....	258,712,089	72,835,015
Investments .....	220,135,218	287,768,173
Interest Receivable .....	2,282,727	3,895,364
Property & Equipment .....	44,034,774	43,593,567
Share Insurance Deposit .....	9,238,624	9,773,436
Other Assets .....	4,846,138	6,443,091
<b>Total Assets .....</b>	<b>\$1,189,174,707</b>	<b>\$1,177,426,377</b>

## LIABILITIES & EQUITY

	2021	2022
Member Shares .....	\$1,056,130,999	\$1,048,997,149
Accounts Payable & Other Liabilities .....	17,041,302	5,684,770
Members' Equity .....	116,002,406	122,744,458
<b>Total Liabilities .....</b>	<b>\$1,189,174,707</b>	<b>\$1,177,426,377</b>

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

Displayed financial numbers are unaudited for 2022.

# COMMUNITY & MEMBER IMPACT



**\$28,000**

IN SCHOLARSHIPS TO LOCAL STUDENTS

Through our Scholarship Program, we were able to give away \$28,000 in scholarships to local students. There were six WC Wally Ohlfs scholarship winners, and one Brenda Godfrey/Jack Elms scholarship winner for graduate students.

**\$2,500**

TO UKRAINE



We partnered with other WA credit unions to provide humanitarian relief through the Worldwide Foundation for Credit Union's Ukrainian Displacement Fund.



**73**  
HOURS

OF FINANCIAL WELLNESS EDUCATION IN SCHOOLS

We spent over 73 hours in schools, working to teach students about the importance of budgeting, credit scores, and more.

**\$3,057,875**

IN FIRST-TIME HOMEBUYER LOANS



**\$32,000**

IN COMMUNITY GIVING

**\$59**  
MILLION

DIRECT IMPACT TO SMALL BUSINESSES

DONATED TO CREDIT UNION FOR KIDS

**\$10,000**



Our Longview team did landscaping at the Highlands Community Center for the Cowlitz-Wahkiakum United Way Day of Caring.



Hanging out with Federal Way Police Chief Andy Hwang at the Federal Way Red, White and Blues Fest.



Our litter clean-up team in Covington



Helping students thrive at The HUB Federal Way Higher Education Center



# Fill the Canoe

BACK TO SCHOOL DRIVE



## 224,809 lbs.

of school supplies  
matched since 2007!



## \$29,364

donations matched in 2022!

Red Canoe would like to say  
**Thank You** to our  
members, staff, partners  
and generous community.



"1,100 backpacks were donated and distributed throughout the district to families in need this past fall, and with the matching resources from Fill the Canoe, we continue to provide support throughout the year!"

- Shelley Pauls

WE LOVE OUR CITY COORDINATOR  
FEDERAL WAY



storehouse

