



*Your Money ~ Your Union ~ Our Commitment*

**JUNE 28, 2023**

**ANNUAL MEETING**

# WATERFRONT FEDERAL CREDIT UNION

## BALANCE SHEET

	12/31/22	12/31/21	12/31/20
<b>Assets</b>			
Unsecured	8,799,808	7,570,762	7,268,376
Consumer Secured	28,947,419	26,543,214	25,938,471
Real Estate Secured	14,133,753	13,038,736	9,807,127
<b>Total Loans</b>	51,880,980	47,152,711	43,013,974
Allowance for Loan Losses	(232,782)	(211,519)	(194,718)
<b>Net Loans</b>	51,648,198	46,941,192	42,819,256
<b>Investments</b>			
HTM Securities	-	-	-
AFS Securities	28,854,466	29,965,011	26,296,627
Catalyst	4,569,623	7,632,811	11,229,576
CD's in Other Financial Institutions	748,000	1,242,000	1,490,000
PSCU/COOP	103,252	105,053	106,786
AFS Mark to Market	(3,587,781)	(215,490)	498,985
<b>Total Investments</b>	30,687,560	38,729,386	39,621,974
Other Accounts Receivable	122,920	79,050	65,876
Cash	524,846	323,906	407,040
NCUSIF Capital	813,421	779,862	708,679
Prepaid Expenses	188,225	134,410	132,288
Fixed Assets	6,456,875	6,623,913	3,630,116
Accrued Income	192,290	174,178	169,748
Lease Deposit	-	8,672	8,672
<b>TOTAL ASSETS</b>	90,634,335	93,794,568	87,563,649
-			
<b>Liabilities</b>			
Accounts Payable	591,436	605,465	320,722
Accrued Expenses	138,044	128,264	123,516
Other Liabilities	476,472	196,255	235,923
Shares	81,839,609	82,734,011	76,713,054
Certificates	1,160,272	1,263,632	1,582,049
<b>Total Shares &amp; Certificates</b>	82,999,881	83,997,644	78,295,103
<b>Total Liabilities</b>	84,205,833	84,927,627	78,975,264
<b>Total Equity</b>	6,428,502	8,866,941	8,588,385
<b>TOTAL LIABILITIES &amp; EQUITY</b>	90,634,335	93,794,568	87,563,649
 Average Assets	 92,410,306	 92,036,822	 82,038,808

# WATERFRONT FEDERAL CREDIT UNION

## INCOME STATEMENT

	<u>12/31/22</u>	<u>12/31/21</u>	<u>12/31/20</u>
<b>Interest Income</b>			
Interest on Loans	2,543,436	2,282,355	2,479,069
Interest on Investments	595,351	544,219	490,435
Total Interest Income	3,138,787	2,826,574	2,969,504
Total Interest Expense	37,202	36,112	32,078
Net Interest Income	3,101,585	2,790,462	2,937,426
Provision for Loan Loss	144,090	20,225	133,587
<b>Net Interest Income after PLL</b>	<b>2,957,495</b>	<b>2,770,238</b>	<b>2,803,839</b>
<b>Total Non-Interest Income</b>	<b>1,273,804</b>	<b>1,236,154</b>	<b>1,117,824</b>
<b>Operating Expense</b>			
Salaries and Benefits	1,584,085	1,513,536	1,477,955
Travel & Conference	70,758	37,753	47,203
Association Dues	44,270	42,156	39,195
Office Occupancy	256,870	260,985	265,545
Office Operations	762,062	641,417	649,033
Marketing & Promotion	193,668	135,445	82,785
Loan Servicing	105,966	107,578	112,073
Prof & Outside Serv	224,670	234,678	213,046
Fed Supv & Exam	15,119	17,445	20,073
Annual Meeting	-	-	-
Misc Operations	36,742	20,496	1,554
<b>Total Operating Expense</b>	<b>3,294,210</b>	<b>3,011,490</b>	<b>2,908,462</b>
<b>Total Non-Op Gain (Loss)</b>	<b>(3,237)</b>	<b>(1,871)</b>	<b>3,507</b>
<b>NET INCOME</b>	<b>933,852</b>	<b>993,031</b>	<b>1,016,708</b>
<b>Ratios</b>			
Net Worth Ratio (12m Avg Assets)	10.84%	9.87%	9.86%
Net Worth Ratio (current mo assets)	<b>11.05%</b>	<b>9.68%</b>	<b>9.24%</b>
Return on Average Assets	1.03%	1.06%	1.16%
Total Loans/Total Shares	62.51%	56.14%	54.94%

# WATERFRONT FEDERAL CREDIT UNION

## BOARD OF DIRECTORS:

Justin Hirsch, Board Chair  
Richard Gurtiza, Board Vice-Chair  
Kurt Romischer, Secretary/Treasurer  
William T. Lassiter, Director  
Katharine Sweeney, Director  
Tyler Linsten, Director  
Zachary Ramels, Director

## SUPERVISORY COMMITTEE:

Zachary Ramels, Committee Chair  
Elizabeth Stegriy-Burke  
Lanita Williams

## CREDIT COMMITTEE:

William T. Lassiter, Committee Chair  
Christopher Romischer  
Richard Gurtiza

## MANAGEMENT:

Michelle Crophy, President/CEO  
Elizabeth Briones, Vice President of Branch Operations  
Brenda Bollert, Vice President of Lending  
Crissy Everly, Vice President of Finance

## MEMBER SERVICES:

Tanesha Andrews, Branch Manager  
Jordan Berridge-Green  
Isam Faud

## VIRTUAL SERVICES:

Carla Johnson, Lead  
Jack Carlson  
Angela Nguyen

## LOAN SERVICES:

Roxanne Law  
Joann Mayon  
Brenda Reynolds

## ACCOUNTING:

Valori Flake  
Judy Briggs

## THANK YOU FOR YOUR MEMBERSHIP

**BRANCH LOCATION:**  
6419 Fauntleroy Way SW  
Seattle, WA 98136

1.800.423.1071 ~ [memberservice@waterfrontfcu.com](mailto:memberservice@waterfrontfcu.com)

[www.WaterfrontFCU.org](http://www.WaterfrontFCU.org)



# WATERFRONT FEDERAL CREDIT UNION

## 58th Annual Meeting of Members

June 15, 2022

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### CALL TO ORDER

Mr. Justin Hirsch, Board Chair, determined that a quorum was present and called the 58<sup>th</sup> Annual Meeting of the Waterfront Federal Credit Union to order at 5:37 p.m.

J. Hirsch introduced himself and stated that although Washington Governor, Jay Inslee, has relaxed some Covid precautions, the credit union is again voluntarily conducting our annual meeting in a virtual setting using Zoom. He explained the basic functions of Zoom, including how to use chat, ask a question, mute, unmute, etc.

J. Hirsch requested a motion to suspend the reading of the minutes of the previous annual meeting.

### APPROVAL OF MINUTES

Board member Kurt Romischer made a motion to suspend the reading of the minutes and to approve the 2020 Annual Meeting Minutes. This was seconded by board member Tyler Linsten.

**Motion passed unanimously.**

Justin welcomed the membership and introduced the Board of Directors, management, and staff. Supervisory Committee members were unable to attend.

### SUPERVISORY COMMITTEE REPORT

Michelle Cropley, President/CEO presented the report for the Supervisory Committee. M. Cropley described the purpose and functions of the Supervisory Committee. The committee meets monthly and has been working virtually since the onset of Covid restrictions. One important aspect of the committee is conducting internal audits of the daily work in the credit union. They oversee the annual internal audit performed by an outside accounting firm hired to thoroughly investigate not only the accounting and finances of the credit union, but lending, BSA compliance, and policies and procedures. Randall Audit & Consulting performed the audit work again this year. Steven Randall has also a source of support for the Committee in their work. The credit union had an excellent audit in 2020 and is very good shape.

**Motion:** K. Romischer made a motion to accept the Supervisory Committee reports. This was seconded by T. Linsten.

**Motion passed unanimously.**

### CREDIT COMMITTEE REPORT

Brenda Bollert, Vice President of Lending, introduced the credit committee members. She explained that the credit committee oversees the lending function of the credit union and the Lending Policies. The Credit Committee makes loan decisions as needed and per policy. Brenda discussed the current loan promotions, including rates and terms.

**Motion:** T. Linsten made a motion to accept the Credit Committee report. This was seconded by K. Romischer.

**Motion passed unanimously.**

## NOMINATING COMMITTEE REPORT

The Board Members up for re-election were elected by acclamation as there was only one candidate per open position. Congratulations to the following board members and their renewed terms:

Board Member	Term
William Lassiter	2024
Justin Hirsch	2024
Zach Ramels	2024

**Motion:** Board member Richard Gurtiza made a motion to accept these board members to their positions by acclamation. This was seconded by K. Romischer.

**Motion passed unanimously.**

## PRESIDENT/CEO'S REPORT

Michelle Cropley, President/CEO, welcomed everyone to the annual meeting. Michelle presented the 2020 financial statements, noting total assets of \$87.6 million, a growth of \$13.8 million over the previous year. The credit union saw an increase in deposit growth, but not as much as our growth in lending. Net income was over \$1 million for the first time ever in 2020. Michelle also discussed the new branch, and that it would be opening at the end of July.

**Motion:** T. Linsten made a motion to accept the President/CEO's report. R. Gurtiza seconded the motion.

**Motion passed unanimously.**

## CHAIRMAN'S REPORT

The Chairman of the Board of Directors, Justin Hirsch, expressed his extreme gratitude to management and staff. He stated that 2020 was a very successful year financially. Justin noted that cruise ships have arrived, and it looks like there will be a season. Large cranes have been delivered to Seattle. He is very optimistic about the credit union moving forward.

**Motion:** A motion to accept the Chairman's report was made by member Brenda Bollert and seconded by K. Romischer.

**Motion passed unanimously.**

**OLD BUSINESS:** None.

## NEW BUSINESS

R. Gurtiza asked about the status of scholarships. M. Cropley stated that the scholarship process has been relaunched, but that we hadn't received any applications yet. The application deadline was extended to July 31<sup>st</sup>. M. Cropley said she would follow up with Rich about extending the scholarships to last year's graduates as well.

Member William Romischer asked when the new branch would be opening. M. Cropley responded that it would be opening on July 27<sup>th</sup>.

**Motion:** K. Romischer made a motion to adjourn the annual meeting at 6:29 pm. This was seconded by W. Romischer.

**Motion passed unanimously.**



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## **ANNUAL MEETING | JUNE 28, 2023**

### **AGENDA**

<b><u>Time</u></b>	<b><u>Description</u></b>
<b>5:30 –6:00</b>	<b>Business Meeting</b>
	<b>Call to Order – Board Chair</b>
	<b>Determination of Quorum Present</b>
	<b>Introduction of Board of Directors, Supervisory Committee and Staff Present</b>
	<b>Motion to suspend the reading of previous meeting minutes</b>
	<b>Motion to approve the previous meeting minutes</b>
	<b>Supervisory Committee Report</b>
	<b>Credit Committee Report</b>
	<b>Nominating Committee Report &amp; Election Results</b>
	<b>President/CEO’s Report</b>
	<b>Chairman’s Report</b>
	<b>Old Business – Board Chair</b>
	<b>New Business – Board Chair</b>
	<b>Adjournment</b>