



White River Credit Union

2017 Annual Report
Notice of 71st Annual Meeting
Thursday, September 27, 2018

5:30 pm

Bethel Town Hall

Bethel, Vermont

Please join us for hors d'oeuvres and to visit with Credit Union staff and volunteers along with other Credit Union members. The business meeting will begin at 6:00. There will be door prizes for those in attendance after the business meeting.

By September 21st, please call, email, or stop by any branch to let us know that you are planning to attend. There is no charge to attend this important event.

Agenda

71st Annual Meeting of the
White River Credit Union
September 27, 2018

1. Call to Order
2. Determination of quorum
3. Incorporation in the minutes of proof of notice of the annual meeting
4. Reading of the minutes of the last annual meeting and the approval or correction of same
5. Reports

Chair, Board of Directors

President/Chief Executive Officer

Credit Management Team

Supervisory Committee

Treasurer, Statement of Financial Condition

6. Unfinished business
7. New business
8. Vote to empower the Directors to borrow on behalf of the Credit Union, if necessary
9. Report of the Nominating Committee
10. Election of the Board of Directors
11. Announcements
12. Adjournment

Report from the Chairperson of the Board of Directors

Happy 71st Anniversary! 2018 has been a busy year for WRCU. Enhancing the products that we offer and the services that we provide to our members continues to be our main focus in the short and long term. In both areas we strive for a balanced approach of continuous modernization in order to provide increased member satisfaction. The WRCU management team analyzes trends and services in the financial marketplace at the local, state and national level to find the best new opportunities that support the needs of our membership. Strengthening the financial portfolio of our members, credit union and community is a large part of our strategic planning.

We received a positive examination from the Vermont Department of Financial Regulation in July 2018. The Board of Directors thanks our dedicated management team and employees for their efforts in this accomplishment.

The entire WRCU team is grateful for the loyalty of you, our members, and your continued support of our credit union.

Thank you for letting us serve you!

Respectfully submitted, Nancy Harvey, Chairperson

Report from the Supervisory Committee

According to the provisions of Title 8, Vermont Statutes Annotated, Chapter 221, Section 31306, the Supervisory Committee oversaw an extensive audit of the books and affairs of WRCU for the twelve months ended August 31, 2017, performed by Macpage, LLC. The Committee is satisfied that the work received from the audit firm is accurate and complete.

Shari McLaughlin, Chairperson

Beverly Lary

Brenda Downs

Credit Management Team Report

During 2017, the Credit Union's loan officers approved over 850 new loans and advances to existing loans, totaling over 8.6 million dollars. As in prior years, attention was given to offering responsive programs that our members expect. We would encourage you to compare our services and rates on any type of financing you may need.

Throughout the year, the Team evaluated existing loan officer lending limits and adjusted as warranted to ensure the highest level of protection for our Credit Union's assets, and at the same time, the best member service possible.

Our loan officers are knowledgeable and we continue to build their knowledge and train other staff toward this position.

Respectfully submitted,

Wanda H. Dunham and Joanne L. Mills

WRCU Credit Management Team

President/Chief Executive Officer's Report

This, our 71st year, has been another busy and exciting year for our Credit Union!

Our members have shown tremendous interest and generated growth with our home equity products. We introduced remote deposit capture; a process where members can take a picture of a check and send it to WRCU for deposit. The growth and popularity of our other electronic products, including E-statements, on-line banking, debit cards and bill-pay continues to flourish.

As part of the WRCU Scholarship Committee, I'm pleased to report that the recipients for the 2018 scholarships were Olivia Shonio of Rochester High School, Nickolas Rowe of Whitcomb High School, and Kayla Ball of Randolph Union High School. With the recent changes to our area school organizations, we are evaluating how to best award our scholarships in future years.

As we look ahead to the future of WRCU, we will continue to provide a strong presence as a primary provider of financial services to the residents of our communities. Financial health is of great importance, but of equal importance is the satisfaction of our members and volunteers. Our knowledgeable and dedicated staff, Board of Directors and Supervisory Committee all contribute to the success of our Credit Union. We welcome and encourage your involvement in the continuing operation of your Credit Union. Remember that we are a member-owned and operated institution; your ongoing support is always appreciated.

Respectfully submitted,

Wanda H. Dunham, President/CEO

Officers

| Board of Directors | Term Expires |
|-------------------------------|---------------------|
| Nancy Harvey, Chairperson | 2019 |
| Andrew West, Vice-Chairperson | 2018 |
| Priscilla Baker, Secretary | 2020 |
| Donald Crickard, Treasurer | 2019 |
| Diane Shepard | 2018 |
| Christi Bollman | 2018 |
| William (Jamie) Floyd | 2021 |

Committee Members

Supervisory Committee (Appointed by the Board)

| | |
|-------------------------------|------|
| Shari McLaughlin, Chairperson | 2019 |
| Beverly Lary | 2018 |
| Brenda Downs | 2020 |

Staff

| | |
|------------------|---------------------------------------|
| Wanda Dunham | President/CEO |
| Joanne Mills | Vice President of Retail |
| Rosella Leonard | MSR/Loan Officer |
| Betty White | Bethel MSR Supervisor |
| Martha Brown | Back Office Assoc./Compliance Officer |
| Susan Fedak | MSR/Collections Officer |
| Jennifer Paradis | MSR/Loan Officer |
| Desiree Boardman | MSR Supv/Collections/Loan Officer |
| Nathan Rivers | MSR |
| Kelsey Hill | Back Office Associate |
| Leonard Meek | MSR/Loan Officer |
| Cathy O'Rourke | Part-time MSR |
| Kevin Dougherty | Marketing & IT Specialist |
| Amanda Weeks | MSR |
| Rebecca Ponte | Part-time MSR |
| Tonia Pratt | Part-Time MSR |

| Statement of Financial Condition | | | |
|---|------------|-------------------------|---------------------|
| | 2017 | 2016 | Increase/(Decrease) |
| ASSETS | | | |
| Consumer Loans | 11,506,322 | 10,328,136 | 1,178,186 |
| Real Estate Loans | 13,174,423 | 12,874,179 | 300,244 |
| Total Loans | 24,680,745 | 23,202,315 | 1,478,430 |
| Less Allowance for Loan Loss | (147,409) | (121,849) | (25,560) |
| Other Receivables | 4,808 | 7,445 | (2,637) |
| Cash | 952,468 | 970,570 | (18,102) |
| Net Investments | 9,934,428 | 10,655,806 | (721,378) |
| Accrued Income | 85,070 | 69,178 | 15,892 |
| Prepaid Expenses | 55,316 | 72,011 | (16,695) |
| Land and Building | 926,295 | 966,545 | (40,250) |
| Office Furniture and DP Equip | 156,568 | 132,082 | 24,486 |
| Total Other Assets | 0 | 17,000 | (17,000) |
| Total Assets | 36,648,289 | 35,971,103 | 677,186 |
| LIABILITIES & EQUITY | | | |
| Liabilities | 451,392 | 409,317 | 42,075 |
| Share Accounts | 16,721,480 | 15,463,494 | 1,257,986 |
| Share Draft Accounts | 5,519,481 | 5,256,434 | 263,047 |
| Money Market Accounts | 5,418,264 | 6,087,095 | (668,831) |
| Term Share Certificate Accounts | 3,157,349 | 3,437,491 | (280,142) |
| Individual Retirement Accounts | 2,572,501 | 2,527,918 | 44,583 |
| Total Reserves | 595,280 | 595,280 | 0 |
| Total Undivided Earnings | 2,243,227 | 2,194,885 | 48,342 |
| Total Unrealized Gain/(Loss) on Inv | (30,685) | (812) | (29,873) |
| Total Liabilities & Equity | 36,648,289 | 35,971,103 | 677,186 |
| 2017 INCOME | | 2017 EXPENSES | |
| Interest on Consumer Loans | 639,658 | Salaries and Benefits | 860,095 |
| Interest on Real Estate Loans | 589,605 | Operations and Office | 632,013 |
| Investment Income | 119,877 | Outside Services | 138,343 |
| Fee Income | 417,192 | Provision for Loan Loss | 59,879 |
| Miscellaneous Operating Income | 22,966 | Dividends Paid | 50,626 |
| | | To Equity Accounts | 48,342 |
| Total Income | 1,789,298 | Total Expenses | 1,789,298 |