Pacific Northwest
IRONWORKERS
FEDERAL CREDIT UNION

Bridging Our Members' Financial Needs Since 1960

Annual Report
2016

Letter from the CEO

As the economy strengthens and the number of jobs for Ironworkers continues to grow, so does the health and stability of Pacific Northwest Ironworkers Federal Credit Union. As happy as I was with our growth in 2015, I am even more excited to report that our momentum did not cease in 2016, and we had another outstanding year.

A few highlights that I'm especially proud of include: An asset increased of an impressive 16% in 2016 to $24,077,852; we granted 3,194 loans totalling $11,529,292; and dividends paid to members increased 42% from 2015 to $117,912.

Looking back over the years, I'm always amazed at our achievements. The Credit Union's first recorded audit on May 31, 1961, showed 97 loans on the books in the amount of $24,188. That impressive start continues to be an inspiration for our Credit Union today. At the end of 2016, the Credit Union had granted 49,280 loans, totalling $130,550,759. More than $130 million dollars - all for the benefit of Ironworkers in the Pacific Northwest! I hope that our founder, Lyle Eller, and the 12 founding members would be proud of what we have achieved!

As important as it is to recognize our financial accomplishments, I must note that they wouldn't be possible without the incredible trust and commitment from every one of our 5,207 members. Each one of you helps to provide invaluable services to your Ironworker Brothers and Sisters. I am amazed by and grateful for the Credit Union members, board of directors and staff who have made Pacific Northwest Ironworkers Federal Credit Union the outstanding organization that it is today.

Our dedicated staff and volunteer board of directors are a key component to our continued success. I love seeing how everyone works together to help our members achieve their financial and personal goals. Many thanks go to our outstanding staff in Portland, Jamie Koster, Judy Wolf, Cathy Loe, Kathrine White and Lacey Meyer; in Seattle, Corina Ruiz-Buren and Kim Martin; and in Spokane, Tina Hoffmann. Our board of directors generously give their time and deserve a heartfelt thanks: Robert Camarillo, Mark Lautenschlager, Larry Gerads, Shane Nehls, James Pauley, Miles McCarvel, Brad Toland and our volunteer supervisory committee, Steve Mahoney, Carl Martinez and Mark Lautenschlager.

As we are like family at the Credit Union, it is with a heavy heart that we had to say goodbye to our friend and co-worker Judith Wolf who passed away on April 21, 2017. Judy was a valued Portland team member for 3 1/2 years. Her knowledge was an amazing asset to our team, and she will be greatly missed by all.

I am confident that 2017 will hold happiness, continued success and growth for all at Pacific Northwest Ironworkers Federal Credit Union. "Together we are stronger" is not just a catch phrase - it's how YOUR Credit Union creates a financial institution which will be strong for many years to come!

Kindest regards,
Teri Robinson, *CEO*

Supervisory Committee Report

The Supervisory Committee acts as a "watchdog" on behalf of all Credit Union members, making sure all regulations, procedures, and policies are properly followed as defined by the National Credit Union Administration (NCUA). The committee is appointed by the Board of Directors and is comprised entirely of volunteers from the membership.

The Supervisory Committee arranges and oversees an annual audit of the Credit Union's financial condition and internal accounting procedures. Stephanie Willis, Certified Public Accountant and Certified Fraud Examiner (CFE), was retained to conduct the 2016 audit.

Brad Billiet, Internal Auditor and Consultant, of Fairview, Oregon, continues to conduct our quarterly internal audits. The committee has carefully reviewed the auditors' reports and found Pacific NW Ironworkers Federal Credit Union to be in compliance with the requirements and regulations of the Federal Credit Union Act, with no serious exceptions or adverse findings. Any member can view a complete copy of the report at the Credit Union's Main Office in Portland.

It continues to be the opinion of the Supervisory Committee the policies established by the Board of Directors contribute to sound management practices, and Credit Union staff and management are operating effectively, efficiently, and in a manner consistent with safeguarding the membership's interests.

We appreciate all members and the dedicated staff who have devoted time and effort to the success of the Credit Union. Any member with concerns about the Credit Union is encouraged to contact anyone on the Supervisory Committee.

Steve Mahoney, *Chairperson*
Mark Lautenschlager & Carl Martinez

Chairman's Report

For four years, I have been honored to serve as Board Chairman of the Pacific Northwest Ironworkers Federal Credit Union. Our continued success shows just how much our members trust the Credit Union and are willing to refer co-workers and family to join. This is evidenced in our membership level of 5,207 members, our 16% increase in deposits over 2015, as well as by the increase of loans and total assets in 2016. We are a thriving financial institution, making a positive impact every day in the lives of Ironworkers and their families.

Many thanks to the Board of Directors, Supervisory Committee and staff for their diligence and for going above and beyond each and every day for our members. An equally big thank you goes to the membership for their continued support and for borrowing, saving and spreading the word about OUR credit union!

Robert Camarillo,
Chairman

2016 Credit Union Family

Board of Directors
ROBERT CAMARILLO, CHAIRMAN
MARK LAUTENSCHLAGER, VICE CHAIRMAN
JAMES PAULEY, TREASURER
MILES MCCARVEL, SECRETARY
BRAD TOLAND
SHANE NEHLS
LARRY GERADS

Supervisory Committee
STEVE MAHONEY, CHAIRMAN
CARL MARTINEZ
MARK LAUTENSCHLAGER

Credit Union Team Members
Portland Branch
TERI ROBINSON
JAMIE KOSTER
JUDY WOLF
CATHY LOE
LACEY MEYER
KATHRINE WHITE

Seattle Branch
CORINA RUIZ-BUREN
KIM MARTIN

Spokane Branch
TINA HOFFMANN

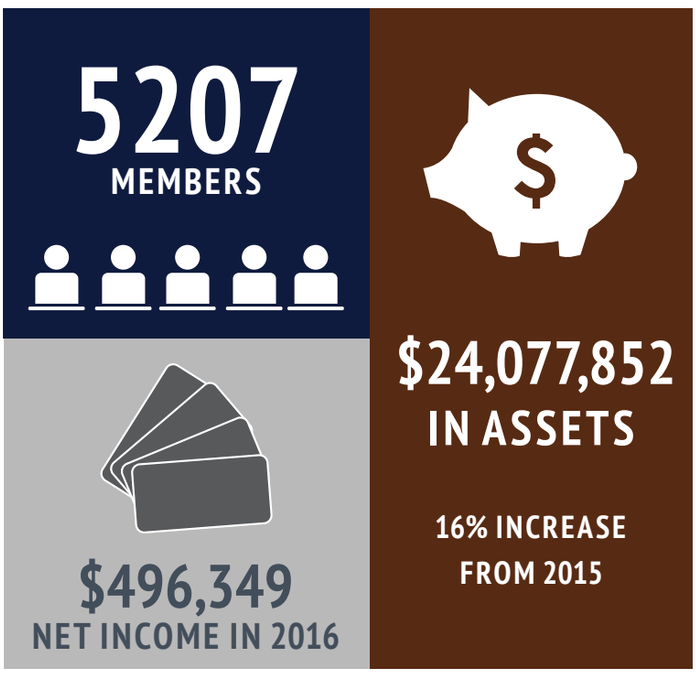
Credit Union Partners
BRAD BILLIET, CREDIT UNION INTERNAL AUDITING
CARPE VIAM MARKETING
CONSOLIDATED COMMUNITY CREDIT UNION MORTGAGES

Nominating Committee Report

The Chairman of the Board of Directors appoints a Nominating Committee 120 days prior to the annual meeting. The Nominating Committee must then nominate at least one person for every open position on the Board of Directors. Members may also make nominations by petition. If there is only one nominee for each open position, the Credit Union does not send mail ballots to the members, allow floor nominations or conduct voting. Instead, the Chairman simply announces at the annual meeting the nominees have been elected by acclamation or consent.

This year we had two positions to fill. The Nominating Committee nominated Robert Camarillo and Miles McCarvel. Each accepted the nomination and will serve on the Board of Directors for three years.

Mark Lautenschlager, *Committee Chairman*



Treasurer's Report

With commitment and service to our members, we granted 3,194 loan applications totalling $11,529,292. As of December 2016, we ended the year with $21,102,068 in outstanding loans and $21,255,636 in outstanding savings accounts. We have 5,207 members, throughout our three branches in Portland, Seattle and Spokane.

While the jobs outlook is good and growing at a faster than average pace, according to the Bureau of Labor Statistics, some of our Union Brothers and Sisters are still affected by the economy and the fluctuating nature of the industry; which resulted in net loan losses of $113,862 for 2016; however, we had a strong net income for 2016 of $496,349.

The Board of Directors and staff are honored to serve you and are committed to making a positive difference in our members' lives. By taking advantage of all the Credit Union has to offer and referring family and co-workers, you too play an important role in maintaining the strength and stability of your Credit Union. As a member-owner, you are the reason for our success. Thank you!

Roy Hopwood, *Treasurer*

STATEMENT OF INCOME	**2015**	**2016**
TOTAL INCOME:	$1,777,910	$1,929,512
Less Cost of Funds	$109,604	$144,646
GROSS MARGIN	$1,668,306	$1,784,865
Allowance For Loan Loss	$139,665	$123,000
Operating Expenses	$1,027,575	$1,165,516
NCUSIF Special Assessment	$-	$-
TOTAL NET INCOME:	**$501,067**	**$496,349**

SOURCES OF INCOME	**2015**	**2016**
Loan Interest Income	$1,300,049	$1,385,299
Investment Income	$2,905	$10,291
Other Income	$474,956	$533,921
TOTAL:	**$1,777,910**	**$1,929,512**

DISTRIBUTION OF INCOME	**2015**	**2016**
Dividends	$82,631	$117,912
Compensation	$341,658	$367,977
Employee Benefits	$184,297	$194,900
Operating Expenses	$528,592	$629,374
Reserves/Allow Loan Loss	$139,665	$123,000
NCUSIF Special Assessment	$-	$-
Retained Earnings	$501,067	$496,349
TOTAL:	**$1,777,910**	**$1,929,512**

BALANCE SHEET		
ASSETS:	**2015**	**2016**
Loans	$19,104,891	$21,102,068
Allowance for Loan Loss	$(183,691)	$(185,960)
Cash & Investments	$1,519,736	$2,884,275
Furniture & Equipment	$113,078	$95,951
Other Assets	$136,218	$181,519
TOTAL ASSETS:	**$20,690,232**	**$24,077,852**
LIABILITIES & EQUITY:		
Current Liabilities	$320,256	$397,079
Reserves	$916,273	$816,273
Undivided Earnings	$1,112,514	$1,608,863
Member Deposits	$18,341,188	$21,255,636
TOTAL LIABILITIES & EQUITY :	**$20,690,232**	**$24,077,852**

Proudly Serving Ironworker members and their families in Affiliated Local Unions 14, 29, 86, 506, 516 and 751

Pacific Northwest IRONWORKERS FEDERAL CREDIT UNION

PORTLAND BRANCH
M - F 9:00 am - 5:00 pm
11620 NE Ainsworth Circle, #400
Portland, OR 97220
Phone: (503) 774-3848
Fax: (503) 774-7619

SEATTLE BRANCH
M - F 7:30 am - 4:00 pm
4550 S 134TH Place, Suite 103
Tukwila, WA 98168
Phone: (206) 835-0150
Fax: (206) 835-0207

SPOKANE BRANCH
M - F 9:30 am - 4:00 pm
16610 E Euclid
Spokane, WA 99216
Phone: (509) 326-2485
Fax: (509) 326-1128

Toll Free:
1-877-769-4766 (877-PNW-IRON)

Telephone Teller - SPUD:
1-877-769-7783 (877-PNW-SPUD)

NCUA

www.ironworkersfcu.org