



Annual
REPORT

TWO THOUSAND TWENTY-THREE

President's Report

SAM LAUNIUS, CEO & Jeff Coffman, Board Chairman

Another year has passed, and we are pleased to announce that 2023 was a truly successful year. We continue to remain a strong, well-capitalized financial institution. It was a year of significant challenges and achievements, marked by resilience, innovation, and dedication from all areas of our Credit Union.

Rates increased 11 times between March 2022 and the end of 2023, a speed and breadth of increase not seen since the mid-1980s. While interest rates increased to cool the economy and fight inflation, this meant increased borrowing costs which placed a further burden on many households. Oregonians was well-positioned for these challenges, and we avoided the need to borrow funds to cover operational and lending needs. Oregonians sacrificed returns in 2021 and 2022 by moving investments into variable rate instruments, which allowed us to leverage the increasing rate environment.

Early in 2023, we undertook the final steps to optimize our digital banking services which culminated in a conversion in June. While there were certainly unavoidable bumps in the road, we received high marks from members who began using the platform. In fact, our online ratings actually increased during and following the conversion. The new digital banking system was designed to take advantage of a new interface with our core banking system, making available a broader range of services to members 24/7. Be it the ability to replace cards without staff involvement, submit international travel notices, send person-to-person payments, transfer funds between external bank accounts, or the enhanced mobile deposit system; our new digital banking empowered members to bank when and where they want to, outside our branch walls and hours.

In the start of 2023, our average loan application response decision was 3 to 4 business. This wasn't good enough for us. Another significant enhancement to member service this past year was the expansion of real-time loan decisions. Take our auto loan applications: 65% of applications are answered within a minute or less. We'll soon expand this program to include home equity lending. Not to be lost in that response time improvement is that we now have more time to work with members who are experiencing financial challenges or just need more guidance on making sound financial decisions.

We also recognize continuous learning and development are essential for professional and personal development of our staff.

As part of that focus, we expanded our “Quick Hit Training” program, which provides weekly morning sessions on a variety of systems, services, financial strategies and industry norms. These training sessions provide our employees with opportunities to expand their expertise, foster innovation, and drive performance excellence in our workplace. Investing in our employees strengthens our collective-ability to serve members at higher levels and achieve our strategic initiatives.

As we move through 2024, we will continue to watch and prepare for the economic climate we are confronted with. There are still some challenges ahead as the full impact of the rapid increase in rates has yet to be realized. Rest assured that the volunteers and management team at Oregonians are prepared to make the decisions required to be successful, and we’re always willing to pivot our strategic focus if necessary. We will continue to monitor the market and gather research so that our members can continue to have the utmost confidence in us as their preferred financial partner.

We would also like to express our sincere gratitude to all employees for their hard work and dedication during one of the most challenging years in the credit union’s history. Their dedication to maintaining high-quality personal service to members and personal integrity is what makes Oregonians Credit Union something special in the financial services arena. Without them, none of our accomplishments would have been achievable. We also want to express our heartfelt appreciation to the credit union’s volunteers for their guidance and support, and faith in the management team. Without their support, we would not have been so well-prepared for the challenges of the last 18 months. **Finally, to our members who are on this journey with us: thank you for allowing us to serve you.**

Oregonians Leaders

2023 Oregonians Credit Union officials

Board of Directors

Jeff Coffman	Chairman
Alicia Anderson	Vice Chair
Marian Griffiths	Secretary
Paul Dawson	Secretary
Brian Miller	Member
Jim McBride	Member
Trish Rolin	Member

Executive Team

Sam Launius	CEO
Scott Wetzler	CFO

Supervisory Committee

Brian Miller	Member
John Knutson	Member
Craig Buley	Member
Craig Egner	Member

Financial Highlights

Statement of financial condition

	2023	2022
Loans	\$236,669,436	\$232,405,265
Investments	\$82,409,819	\$72,153,943
Cash	\$14,678,978	\$63,038,100
Land, Buildings & Equipment	\$7,426,032	\$7,658,232
Other Assets	\$3,403,756	\$2,656,080
NCUA Share Insurance Deposit	<u>\$3,169,482</u>	<u>\$3,413,027</u>
Total Assets	\$347,757,503	\$381,324,647
Member Deposits	\$297,559,318	\$334,636,634
Other Liabilities	\$2,235,631	\$1,678,764
Total Equity	<u>\$47,962,554</u>	<u>\$45,009,249</u>
Total Liabilities & Equity	\$347,757,503	\$381,324,647
Interest Income	\$13,910,512	\$9,505,169
Non-Interest Income	\$2,060,726	\$2,331,837
Total Income	\$15,971,238	\$11,837,006
Dividends on Member Accounts	\$956,854	\$263,585
Provision for Loan Losses	\$530,000	\$150,000
Operating Expenses	<u>\$11,624,826</u>	<u>\$9,914,547</u>
Net Income	\$2,859,558	\$1,508,574
Key Statistics		
Number of Members	19,524	19,449
Delinquent Loan Percentage	1.33%	0.73%
Loan Charge Offs	.32%	.23%
Capital Ratio	13.79%	11.80%
Return on Average Assets	0.79%	0.35%

Community Involvement

We're member of our communities



For the 10th year in a row, we plunged the frigid waters of the Columbia River to raise funds for Special Olympics Oregon. We raised \$11,230.80 to support local athletes and competitions.

Our CEO also participated at a Super Plunger—plunging 25 times in 24 hours!



We went casual for the kids in August! Every Friday, staff could donate \$5 to wear jeans to work. Together with staff and member donations we raised \$10,165.90 for OHSU Doernbecher Children's Hospital, our local Children's Miracle Network Hospital.



We're as proud of our roots in the St. Johns community, as we are to support it's Cathedral Park Jazz Festival. As Presenting Sponsor, we help support local music and musicians. This was 43rd anniversary of this free three day festival.



It was our 12th year supporting one of Central Oregon's largest events, the 77th Crooked River Roundup. Our roots in Prineville date over 50 years, and we couldn't be more proud to be a part of and support this tight-knit community.