



ANNUAL REPORT 2017



Serving for Your Success

FINANCIAL SUMMARY & HIGHLIGHTS

BALANCE SHEET

December 31, 2017

December 31, 2016

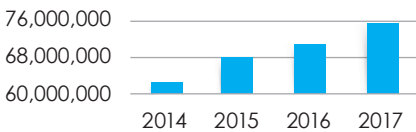
ASSETS:

Loans	46,263,434	42,303,824
Allowance for Loan Losses	(490,979)	(651,883)
Cash & Investments	25,853,228	26,250,062
Fixed Assets	2,189,374	2,251,459
Other Assets	1,342,605	1,203,500
TOTAL ASSETS	75,157,663	71,356,963

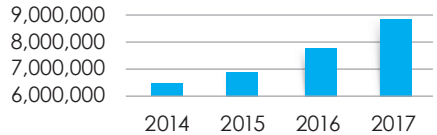
LIABILITIES & CAPITAL:

Deposits	65,788,416	63,267,134
Other Liabilities	613,997	215,531
Net Worth	8,755,250	7,874,298
TOTAL LIABILITIES & CAPITAL	75,157,663	71,356,963
Net Worth Ratio	11.65%	11.04%

Assets



Net Worth



Loan Mix



Deposit Mix



INCOME STATEMENT

December 31, 2017

December 31, 2016

Total Income	3,369,737	3,296,533
Total Expenses	2,488,785	2,290,402
NET INCOME	880,952	1,006,131



MESSAGE FROM THE BOARD CHAIR & CEO

During 2017, we have established partnerships that can help you improve your financial well-being and have increased the number of branch locations by joining the Co-op Shared Branching network. The credit union has become even more financially stable during this time.

At Valley CU, we care about your financial wellness. That's why we've partnered with industry-leading BALANCE to provide you with free access to expertly-crafted financial education and resources to help with your fiscal matters. And should you need, BALANCE can assist with confidential, no-cost financial counseling services to help you develop a sensible budget managing spending and debt. For all your financial life stage changes and more, we—in partnership with BALANCE—are here to help. In addition, we have also made available to our members a service called CREDIT SENSE. This tool will help you understand your credit score and provide tips on how to manage it better.

As a member of Valley, you now have the ability to do your banking in the more than 5,600 shared branching locations throughout the country. This is the 3rd largest branch banking network in the US. Coupled with this is our shared ATM network that provides more than 30,000 free ATMs nationwide. If you are traveling or decide to move, there is no reason that you can't take us along with you.

In 2017, Valley increased our loans to members by 9%. We originated \$24.5 million in loans and would like the opportunity to serve you with your borrowing needs. We are a financially strong credit union with a net worth ratio well above peer averages and regulatory standards. Our net worth ratio at the end of 2017 was 11.65%.

We are working on some exciting projects this year that will enhance current services and provide our members with an improved experience. In the summer of 2018, our credit and debit cards will be updated to include EMV chip technology which will help them to be more secure. With the rollout of our credit card, you will have a rewards program available that will pay you back for your transactions. You will have the ability to have a new debit card issued instantly in our branch. We also now have the ability to originate a residential or commercial construction loan so let us help you with your building project.

Thank you for your membership,

Denny Nielsen
Board Chair

Pat Force
President and CEO

2017 Board of Directors

Denny Nielsen, Chair
Marilyn Bacon, Vice Chair
Tyler Clark
Lee Espey
Rob Kansky
Adam Tallinger
Patrick Vance

2017 Supervisory Committee

Earlene Taylor, Chair
Lee Espey
Jeff Scofield



SUPERVISORY COMMITTEE REPORT

Your Supervisory Committee has hired an independent accounting firm to evaluate the soundness of Valley Credit Union's operations and activities, ensuring that management implements sound internal controls and maintains practices and procedures that adhere to generally accepted accounting principles (GAAP). In doing so, they carry out the following primary responsibilities:

- Protection of members' funds and interests
- Safeguarding of assets
- Compliance with regulations, policies and procedures
- Reliability of financial records

Based on the results of the 2017 annual audit performed by certified public accountants Moss Adams LLP, I'm pleased to share our conclusion that Valley Credit Union has adequate financial controls and is financially sound. A copy of their audit is available to members upon request.

Earlene Naylor
Chair

Loan Products

Mortgage
Home Equity
Auto / RV
Credit Card
Personal
Construction

Account Access Services

Mobile Banking
Online Banking
Bill Pay
Credit / Debit Cards
30,000+ Free ATMs
5,600+ Shared Branches

Deposit Accounts

Checking
Savings
Money Market
Certificate of Deposit
IRAs

Web / Phone

www.valleycu.org
503.364.7999
800.273.6962

Location

2096 Mission St, SE
Salem, OR 97302

Mail

PO Box 12903
Salem, OR 97309

Federally Insured by the NCUA

