

# 2024 ANNUAL REPORT



# A MESSAGE FROM THE PRESIDENT & CEO

2024 was another successful year for WCLA Credit Union, and objectively speaking, our performance for the year improved from 2023, a year for which WCLA CU was recognized as being the fourth highest performing credit union in the country by S&P Market Intelligence. 2024 stacked up pretty well by comparison.

Why we're able to perform the way we do comes down to our members. 2024 was not without its share of challenging market conditions. A national election. Navigation of an interest rate environment that looks a lot different from a couple of years ago. Despite the challenges, our members continue to meet obligations, engage with the credit union, and put well-known logger ingenuity to work.

Internally, we've held our staffing level of 10 employees who I see come to work every day committed to doing a great job and taking pride in our institution. We finished the year by promoting our longest tenured employees into positions that attribute and reflect their contributions to WCLA CU. Tessa Carlson was promoted to Vice President of Finance & Operations, Casey Smith was promoted to Vice President of Lending, and Brandon Dunnaback was promoted to Sr. Loan Officer. Combined, they have about 40 years of experience here at WCLA CU and we're all very proud to work with them.

As CEO, and an executive for the credit union these last few years, I've had the privilege and benefit of having Greg Horsley serve on our Board, and as Board Chair for the past couple of years. Greg is retiring from the Board of Directors after 14 years. One of the most rewarding parts of my job is interacting with our governing volunteers, and working with Greg has been great. I know his contributions to our governance and meetings will be missed.

Lastly, in 2024 we undertook some exciting initiatives at the credit union. We are launching a new digital banking platform, including a new online banking site and first-ever multifunctional mobile banking app. We remodeled our credit union branch and installed live edge boards salvaged from the State Capitol campus felled to make room for the new caucus building. We also developed an electronic newsletter to keep you informed of the happenings around the office, and where you can find us supporting the membership. We took part and supported many industry conferences and associations. I was also very privileged to join the Pacific Logging Congress Executive Board as Treasurer.

We look forward to continuing to serve you, our membership, and delivering the products and services you've grown to expect from us into 2025. Thank you greatly for your patronage.

**CHARLES THOMPSON**

President & CEO

# SUPERVISORY COMMITTEE REPORT

During the past year we oversaw cash counts of the credit union's teller drawers and cash vault. We audited bills paid including the corporate credit card statements. We monitored delinquent account reports and the timely follow-up for those accounts along with the completeness of the Allowance for Credit Loss Account. We reviewed Bank Reconciliations, Accounts Payable, Dormant Account and Employee Account Activity. We also performed a quarterly verification of closed accounts.

We found the credit union to be operating in a manner that protects the members' privacy while following established government regulations.

We are also responsible for ensuring that the credit union follows prudent accounting practices and operates in a safe and sound manner.

For 2024, we hired Hauser Jones & Sas, LLC to audit the operations of the credit union. The firm has many years of experience providing accounting and auditing services to credit unions. The auditors found the credit union to be following proper accounting practices, as well as finding the books and records of the credit union to be in proper balance.

For 2024, the credit union engaged a reputable IT Services company to conduct an IT audit of the credit union and its Managed IT Services provider. The results of this assessment were complimentary.

The Supervisory Committee will continue to be the watchdog of the credit union for the Board of Directors and the credit union membership.

The Supervisory Committee would like to thank you, the membership, for continuing to use and trust this credit union, recognizing it as a valuable partner in your financial transactions.

**SHANE MEESE**

Harborstone Credit Union  
Chairperson, WCLA Credit Union Supervisory Committee

## **Supervisory Committee MEMBERS**

Shane Meese, Harborstone Credit Union (Chairperson)  
Veronica Bains, Harborstone Credit Union  
Carmen Smith, R. L. Smith Logging, Inc.  
Kathryn Thomsen, Thomsen Timber, LLC  
Robert Thomsen, Thomsen Timber, LLC  
Susan Vessey, Vessey & Sons, Inc.

# A MESSAGE FROM THE BOARD CHAIRMAN

On behalf of WCLA Credit Union's Board of Directors, I am pleased to report that, once again, your credit union grew in financial strength in 2024. The credit union ended the year with total assets exceeding \$125 million and total loans to our members of over \$109 million. It has a strong capital position of 17% and continues to perform very well across a spectrum of metrics. And still, your deposits go directly to the much-needed loans that help our industry thrive.

The credit union successfully completed many planned business objectives in 2024. The remodel of the credit union office was a needed update that took an impressive group effort by the staff to pull off, all the while still operating out of the branch.

Our Board of Directors added two additional volunteers, Kylie Pegoraro and Tim Eastman. Both directors are a welcome addition and bring valuable experience to our board of governing volunteers.

I wish to thank them and my other fellow board members and Supervisory Committee volunteers for their time and diligence in working tirelessly to ensure your credit union's success. Their efforts on your behalf are what drive the credit union's future.

The credit union staff also deserve our gratitude. They continue to serve the membership well and have put our vision into action.

And lastly, I would like to thank you, our member. We know you have many options for where to put your money and we do not take it lightly that you entrust us. Our commitment to you and our community is always our top priority.

## GREG HORSLEY

Horsley Timber and Construction, Inc.  
Chairperson, WCLA Board of Directors

## BOARD MEMBERS

Greg Horsley, Horsley Timber and Construction, Inc. (Chairperson)  
Rob Allen, Allen Brothers Forest Management, Incorporated  
Tim Eastman, Tim Eastman Mechanical, LLC  
Edward Gould, Gould-Sunrise Logging, Inc.  
Kylie Pegoraro, Levanen, Inc.  
Roger Smith, R.L. Smith Logging, Inc.  
Blair Stadin, Precision Forestry, Inc.



SUPPORTING THE  
BANKING NEEDS  
— OF THE —

LOGGING  
INDUSTRY

# STATEMENT OF FINANCIAL CONDITION

	Year 2023	Year 2024	YoY Change
<b>GROSS LOANS</b>	103,839,123	110,622,554	6,783,431
Allowance for Loan Loss	(703,271)	(794,566)	(91,295)
Collateral in Process of Liquidation	-	354,522	354,522
<b>Net Loans (less origination fees)</b>	<b>102,577,653</b>	<b>109,644,430</b>	<b>7,066,778</b>
Cash + Investments	17,779,756	15,318,395	(2,461,361)
Total Other Assets	675,507	952,718	277,211
<b>Total Assets</b>	<b>121,032,916</b>	<b>125,915,543</b>	<b>4,882,628</b>
Borrowings & Misc. Liabilities	5,896,890	3,553,255	(2,343,636)
Share Deposits	95,888,240	101,056,616	5,168,376
<b>Total Liabilities</b>	<b>101,785,131</b>	<b>104,609,871</b>	<b>2,824,740</b>
Total Equity	19,247,784	21,305,673	2,057,888
<b>Liabilities &amp; Equity</b>	<b>121,032,915</b>	<b>125,915,543</b>	<b>4,882,628</b>

## INCOME AND EXPENSE

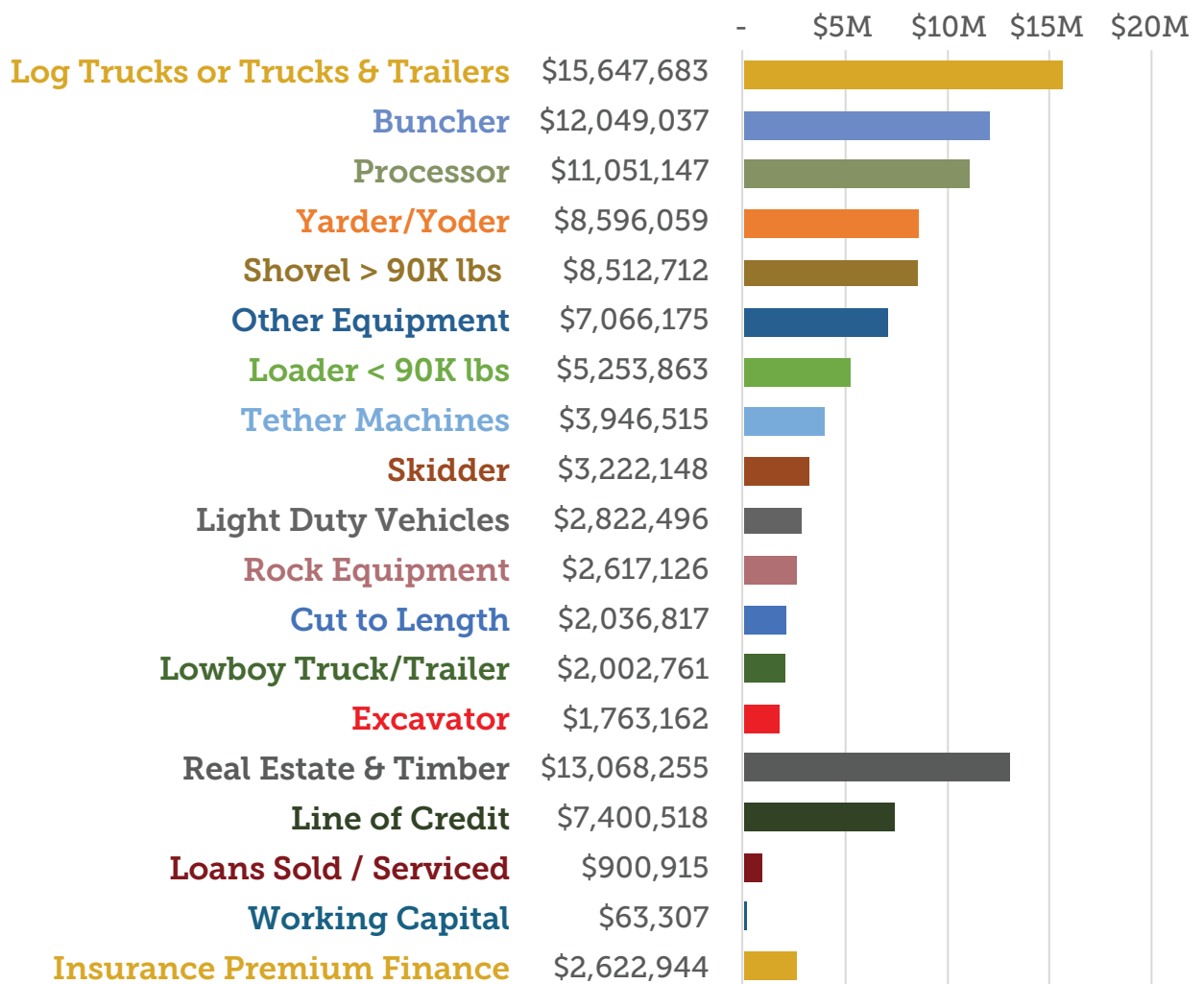
	Year 2023	Year 2024	
Total Income from Assets	6,302,173	8,194,381	1,892,208
Less Interest Expense	(2,380,331)	(4,053,705)	(1,673,374)
Less Provision for Loan Loss	(142,900)	(124,000)	18,900
<b>Gross Spread</b>	<b>3,778,942</b>	<b>4,016,676</b>	<b>237,735</b>
Less Operating Expenses	(2,185,460)	(2,086,284)	99,176
Plus Fee & Other Income	118,054	127,496	9,442
<b>Net Income (ROA)</b>	<b>1,711,536</b>	<b>2,057,888</b>	<b>346,352</b>

## YEAR TO DATE RATIOS

	Year 2023	Year 2024	
Operating Expense Ratio	1.93%	1.65%	-0.28%
Gross Spread Ratio	3.37%	3.17%	-0.20%
Return on Assets (ROA)	1.53%	1.62%	0.09%
Net Worth Ratio	15.90%	16.92%	1.02%
Loan to Share Ratio	108.29%	109.47%	1.18%
Loans to Total Assets	85.79%	87.85%	2.06%

# COMMERCIAL LOAN PORTFOLIO

AS OF 12/31/24



# YOUR CREDIT UNION. YOUR DEPOSITS.

TOGETHER WE FINANCE THE TIMBER INDUSTRY.

