



**Phil Jones**  
CEO & President

## To Our Valued Member,

At Harborstone Credit Union, we believe in financial empowerment for everyone. The products and services we offer are simply tools for reaching our ultimate goal — to improve your life so you can achieve financial prosperity. To do this, we aim to help you better understand your financial options, from daily budgeting to long-term investments, so you can make more informed decisions and achieve financial freedom on your terms. Whether we're helping you save for a down payment on a home, planning for retirement, or building a business, we're here to provide the expert advice and support you need to thrive. Thank you for placing your trust in us and for being a valuable part of the Harborstone family. We look forward to building a bright future together, for you and for the communities we serve.

Sincerely,



Phil Jones  
CEO & President



**Ann Anderson**  
Board Chair

## Looking ahead in 2020

As we look ahead, our focus is to help our members achieve greater financial security, with a focus on building their savings for a prosperous future. We will continue to strengthen our existing relationships with members, businesses, and charitable organizations in 2020 while showing up and serving in our 15 branch communities.

## Board of Directors

Jim Buck, Vice Chair  
Linda Crane Nelsen, Secretary  
Rick Stevens, Director  
Michael Gedeon, Director  
Bonnie Kern, Director  
Shellie Willis, Director  
Ivan Barron, Director  
Walt Frost, Director Emeritus

## Supervisory Committee

Kaye Moore, Chair  
Dennis Barnes, Vice Chair  
Richard Dahl, Secretary  
Jeanie Rieke, Member  
Justin Maryanski, Associate Member

## As we reflect back on 2019, we celebrate the following success:

- Earning **2,198** new Harborstone members.
- Helping more than **700** members lower their auto loan interest rates by an average of 3.00% APR.
- Helping more than **250** families get home loans, saving our members more than \$30,000 in appraisal costs.
- Certifying all Harborstone team members as **Money Management Coaches** in order to better serve our members.
- Developing a valuable **Member Money Map** tool to help our members understand their spending and savings habits.

## We are grateful for how and who we served in 2019:

- Teaching financial literacy classes to a variety of local nonprofits, and contributing more than **730** volunteer hours and **\$326,000** to support these organizations.
- Supporting **Business Impact NW** to provide coaching and lending to small business owners, including IMPACT Pitch, a competition where entrepreneurs are awarded more than \$30,000 in cash and prizes to raise capital for growing their business.
- Partnering with **Junior Achievement of Washington** to promote financial empowerment for youth, teaching the discipline and importance of saving for their future through an interactive storefront in JA Finance Park.®
- Actively participating with **Joint Base Lewis McChord** and **King County** employees to support our ongoing effort to serve those who serve.

# Consolidated Statements of Financial Condition

(in thousands)

|  |                                | 2019                | 2018                |
|--|--------------------------------|---------------------|---------------------|
| ASSETS                                       | Loans                          | \$1,134,294         | \$ 1,045,475        |
|  | Loan Reserves                  | (13,072)            | (9,801)             |
|  | Cash and Investments           | 342,168             | 229,769             |
|  | Fixed Assets                   | 25,550              | 26,504              |
|  | Interest Receivable            | 3,906               | 3,417               |
|  | NCUA Share Insurance           | 10,530              | 10,222              |
|  | Other Assets                   | 29,178              | 29,597              |
|  | <b>Total Assets</b>            | <b>\$1,532,554</b>  | <b>\$1,335,183</b>  |
| <b>LIABILITIES and MEMBERS' EQUITY</b>       |                                |                     |                     |
| Liabilities                                  |                                | \$ 39,841           | \$ 95,640           |
| MEMBERS'<br>DEPOSITS                         | Savings                        | \$429,600           | \$423,229           |
|  | Checking                       | 326,614             | 324,056             |
|  | IRAs                           | 44,522              | 46,742              |
|  | Certificates                   | 172,020             | 153,401             |
|  | Money Market                   | 348,249             | 135,320             |
|  | <b>Total Members' Deposits</b> | <b>\$1,321,005</b>  | <b>\$1,082,748</b>  |
| Total Liabilities                            |                                | \$ 1,360,847        | \$ 1,178,388        |
| Total Members' Equity                        |                                | \$ 171,707          | \$ 156,795          |
| <b>Total Liabilities and Members' Equity</b> |                                | <b>\$ 1,532,554</b> | <b>\$ 1,335,183</b> |



## Honoring Richard Evans Sr.

### 1934-2020

After 35 years of service to our organization, we honor the life of Mr. Richard Evans Sr., who served on Harborstone's Supervisory Committee from 1985-1994 and our on Board of Directors from 1994 to 2020.

Ric's dedication and expertise in guiding best practices for credit unions was an invaluable contribution to the success of Harborstone. He exemplified leadership, professionalism, commitment, and — most of all — friendship.