

2021 Annual Report



Message from Phil Jones, Harborstone President and CEO

Dear Valued Member,

Every new year brings an opportunity to reflect, to look back on the ways we were able to support our members and our community. Everyone in the Harborstone Credit Union family, including our members, staff, and community partners, has had to alter their way of living and doing business as we all strive for financial health in the midst of a seemingly endless pandemic. Each of our personal experiences with COVID has been unique, but together we have found the resilience and perseverance to face the challenges that continue to come our way.

By the start of 2021, we'd already had months of practice being nimble and adapting through the twists and turns, so we — gratefully — can recount numerous successes despite last year's hardship.

We progressed in our work to expand our partnerships with Black, Indigenous, and People of Color (BIPOC)-owned businesses. We continued to assess and improve our culture and hiring practices with an eye toward advancing equity and inclusion in our organization and community. We are proud of the progress with our Seven Immediate Actions to help improve the lives of our BIPOC team and community members. We took careful and consistent measures to keep staff and members safe from COVID. And — of course — we worked every day to provide our members the resources, advocacy, and support they needed to continue on their path to financial prosperity.

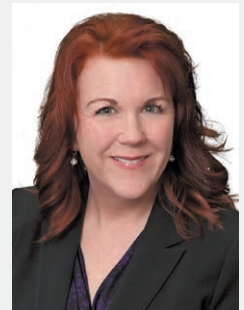
This year, we are optimistic for a return to whatever “normal” used to mean for us or to a version that allows us to take the learnings and innovation from the past two years to restore a feeling of comfort and security for ourselves and our families. I speak for myself and everyone at Harborstone when I say that we look forward to walking alongside you this year to build a future that is bright for all of us.

Sincerely,

Phil Jones
CEO and President



Phil Jones
CEO & President



Ann Anderson
Board Chair

Looking Back — 2021

- Total in corporate giving and sponsorships:
 - \$353,180.59
 - Supported 82 organizations
- Military Support—Ham Grenade and Turkey Drop—We partnered with Joint Base Lewis-McChord to give away turkeys during Thanksgiving and hams during Christmas to service members in need.
- We donated \$100 to Habitat for Humanity each time we closed a home loan, which totaled **\$31,200**.
- Our annual **Pay It Forward** program proved to be one for the books in 2021! Our teams supported **29** nonprofit organizations to help further their missions and share their stories. Each team at Harborstone received \$250 to donate much-needed items or a check to the organization of their choice and make a difference in the lives of many. Follow us on Facebook or Instagram to see how we Pay It Forward in 2022!
- Starting in April 2021, we partnered each month with a local BIPOC-owned eatery. We purchased a total of **\$8,601.25** in gift

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Board of Directors

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

Supervisory Committee

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

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Looking Back—2021, continued...

cards to give to members at our branches throughout the year. It was a great way to surprise and delight recipients while promoting and supporting a small business at the same time.

- We introduced Business Money Management Coaches, a team of experienced advisors who are here to listen to our business members' financial goals and help create a plan for achieving them. They provide dedicated support to better serve our business members so that they can spend more time growing their businesses and less time worrying about their finances. Meet all our Business Money Management Coaches at harborstone.com/businesssteam.

Looking Ahead – 2022 Commitment

We appreciate each and every one of our members, and we are grateful for the support you show us in our branches and in the community. Your support allows us to make a difference in the lives of so many.

In the past two years – more than ever before – each of us has learned that there's little we can take for granted. But some things are certain. In the year ahead:

- We will continue to prioritize our actions over words as our Seven Immediate Actions guide us forward.
- We will contribute to creating thriving communities and helping all our neighbors reach their full financial potential by educating and advocating for financial empowerment.
- We will strive to maintain trusted relationships with our members by doing things right and by doing the right things.

From all of us at Harborstone Credit Union, we wish you the best in 2022.

Consolidated Statements of Financial Condition

(in thousands)

		2021	2020
ASSETS	Loans	\$1,292,952	\$1,187,601
	Loan Reserves	(16,059)	(15,458)
	Cash and Investments	513,045	440,771
	Fixed Assets	24,498	25,387
	Interest Receivable	4,285	3,985
	NCUA Share Insurance	14,822	13,506
	Other Assets	43,597	40,376
	TOTAL ASSETS	\$1,877,140	\$1,696,168
Liabilities and Members' Equity			
Liabilities		\$13,116	\$12,860
MEMBERS' DEPOSITS	Savings	\$625,383	\$540,785
	Checking	463,542	415,035
	IRAs	42,803	44,453
	Certificates	149,204	163,211
	Money Market	383,873	330,971
	TOTAL MEMBERS' DEPOSITS	\$1,664,805	\$1,494,455
Total Liabilities		\$1,677,921	\$1,507,315
Total Members' Equity		199,219	188,853
Total Liabilities and Members' Equity		\$1,877,140	\$1,696,168