

STATEMENT OF FINANCIAL CONDITION & INCOME\*

ASSETS	2018	2017	% Change
Loans	267,386,142	242,170,451	10.4%
Allowance for loan losses	(1,112,191)	(1,038,320)	7.1%
Cash	3,349,011	1,892,192	77.0%
Investments	130,682,125	152,518,671	-14.3%
Fixed assets	12,384,096	11,780,237	5.1%
Other assets	9,944,049	5,943,244	67.3%
<b>TOTAL ASSETS</b>	<b>422,633,232</b>	<b>413,266,475</b>	<b>2.3%</b>

LIABILITIES, SHARES & EQUITY	2018	2017	% Change
Other liabilities	2,307,310	939,766	145.5%
Shares	379,109,182	372,892,213	1.7%
Net worth & reserves	41,216,740	39,434,496	4.5%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>422,633,232</b>	<b>413,266,475</b>	<b>2.3%</b>

INCOME STATEMENT	2018	2017	% Change
Loan interest	11,338,776	10,085,580	12.4%
Investment interest	2,962,106	2,518,305	17.6%
<b>TOTAL INTEREST INCOME</b>	<b>14,300,882</b>	<b>12,603,885</b>	<b>13.5%</b>
Dividends	1,071,736	908,773	17.9%
Interest expense	-	258	N/A
<b>TOTAL INTEREST EXPENSE</b>	<b>1,071,736</b>	<b>909,031</b>	<b>17.9%</b>

<b>Net interest income</b>	<b>13,229,146</b>	<b>11,694,854</b>	<b>13.1%</b>
Provision for loan losses	692,435	451,023	53.5%
Fee income	3,153,003	2,736,809	15.2%
Compensation & benefits	7,193,714	6,514,830	10.4%
Office operations	3,228,165	3,166,774	1.9%
Marketing	197,358	268,462	-26.5%
Professional services	1,204,161	1,165,100	3.4%
Loan service	883,935	869,610	1.6%
NCUSIF assessment	N/A	N/A	0.0%
Other	120,338	98,913	21.7%
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>12,827,671</b>	<b>12,083,689</b>	<b>6.2%</b>
<b>NET INCOME</b>	<b>2,862,043</b>	<b>1,896,951</b>	<b>50.9%</b>

\* As of 12/31/2018



Phone: 408.524.4500  
1.855.500.P1CU (7128)  
Web: premieronecu.org

PremierOne Credit Union Branches

**4th Street Branch**  
88 S Fourth Street  
(bottom of 4th street garage)  
San Jose, CA 95112

**Arques Branch**  
1193 East Arques Avenue  
Sunnyvale, CA 94085

**Via Del Oro Branch**  
(and Corporate Headquarters)  
6640 Via Del Oro  
San Jose, CA 95119

**Almaden Branch**  
5353 Almaden Expressway, #80  
(next to TJ Maxx)  
San Jose, CA 95118

**Asbury Branch**  
140 Asbury Street  
San Jose, CA 95110

**Call Center Hours**  
Monday – Friday: 8am – 6pm  
Saturday: 10am – 2pm

Over 5,000 branches. Nearly 30,000 ATMs.

Now finding the nearest free ATM and Shared Branch is easier than ever. Whether you're across town, or traveling far from home for business or pleasure, you're welcome at branches and ATMs wherever you see the CO-OP logos. Your credit union membership means you can:

- Use nearly 30,000 surcharge-free ATM locations—more than some of the biggest banks offer
- Take advantage of surcharge-free ATMs at convenient places like 7-Eleven®, Costco® and Walgreens
- Visit over 5,000 convenient branch locations and more than 2,000 self-service locations covering all 50 states
- Easily locate ATMs and branches through any of our locator tools – including phone, mobile app or internet by visiting [www.co-opcreditunions.org](http://www.co-opcreditunions.org)



Federally insured by NCUA

STAY CONNECTED



# 2018 Annual Report

## Together, We're Just Better!



6640 Via Del Oro · San Jose, CA 95119

# Fun Facts!



We Welcomed  
**1,372**  
New Members



Dividends We Gave Back to Members Totaled  
**\$1,071,736**  
Saving Members More Money



We Launched  
**5**  
Services That Benefit Members' Financial Life



We Participated In  
**23**  
Community Events



We Proudly Funded Over  
**2,560**  
Loans For Our Members



We Happily Answered  
**53,000**  
Calls from Our Members

**MISSION**

Deliver a better financial life to members.

**VISION**

Build strong member relationships, which leads to growth.

**BOARD OF DIRECTORS**

Seamus Moran	Chairman
Rich Toledo	Vice Chair
Thomas E. Brewer	Secretary
Tom Suchevis	Director/ Treasurer
Don Bartels	Director
Marcia Lillis	Director
Jay Castellano	Director
William B. Staples	Director
Mark Veeh	Director

**SUPERVISORY COMMITTEE**

Barbara Canu	Member
Gregory Peck	Chairman
Frances Edwards	Member
Tejinder Singh	Member

**SENIOR MANAGEMENT**

Andrea Brewer	President/CEO
Belinda Metzler	VP Lending
Brad Thomas	VP Finance/CFO
Dody Gemette	VP Business Operations
Janice Johnson	VP Marketing
Lecia Roundtree	VP Human Resources
Richard Tresler	VP Member Services
Allison Coburn	AVP Call Center
Nicole Camarillo	AVP Training
Thu Cushing	AVP IT

**CHAIRMAN AND PRESIDENT REPORT**

2018 was a record year for PremierOne Credit Union. During the year, we achieved record assets, profitability and paid over \$1 million dollars in dividends to our members. We proudly welcomed over 1,300 new members into our credit union family and granted over \$78 million in new loans. Our goal has always been to provide you, our members, convenience, competitive products and extraordinary service while maintaining a strong capital position, demonstrating our long-term financial strength and stability.

We have built a solid foundation which enables the credit union to provide more resources and benefits to our members and to invest in the communities we serve.

**Our members are at the center of everything we do, in 2018 we are proud of the many ways we enhanced the member experience:**

- We raised dividends numerous times in our money market, certificates and Spend accounts.
- We launched a Member Referral Program that pays \$50!
- We added convenience by launching Instant issue for debit cards & credit cards in branches.
- We helped members save money by offering lower rates on bill consolidation loans.
- We saved our members money by offering \$1,500 off closing costs for new mortgage loans.
- We introduced our Free Credit Score and monitoring service in our Mobile App and eBranch.

**Our commitment to our community was stronger than ever in 2018.**

- We provided educational scholarships for deserving student members.
- Our team participated in local events and organized a Christmas Toy drive where we collected over 100 toys.
- The staff held a silent auction fundraising event that collected over \$4,000 to support San Jose Police Activities League and San Jose Firefighter’s Burn Foundation.
- Our employees donated their time in the community through our volunteer committee.
- We introduced our summer intern program.

We are committed to helping each of you achieve financial success. You’re a vital part of our ongoing efforts and success and we look forward to what 2019 will bring.

On behalf of our Board of Directors, our Supervisory Committee and the entire PremierOne Credit Union family, we thank you for your continued support and for choosing PremierOne Credit Union. Together, we’re just better!

**Seamus Moran**  
Board Chairman

**Andrea Brewer**  
President/CEO

**SUPERVISORY COMMITTEE REPORT**

The Supervisory Committee is elected by the members to safeguard the assets and interests of the membership by ensuring that the financial and operational activities of the Credit Union are performed substantially in compliance with state and federal regulations and the Credit Union’s policies and procedures. The members of the Supervisory Committee, in carrying out our charge, and in keeping with our responsibilities, engages an independent accounting firm to perform an audit of the financial statements. We also engaged other accounting firms to perform compliance reviews of various functions within the Credit Union.

Based on the results of the audit and the compliance reviews, the Committee is pleased to report that adequate internal controls exist to protect member accounts.

The Supervisory Committee appreciates members’ continued confidence in our oversight role. The support and cooperation of the Board of Directors, management and employees have assisted us in the performance of our duties and are greatly appreciated.

Cordially,  
**Greg Peck**  
Supervisory Committee Chairman

**CREDIT MANAGER REPORT**

During 2018 our team funded more than \$78 million dollars in new loans. We continued to help our members improve their financial situation by saving them money with competitive loan rates and lower fees. We funded several mortgage loans that allowed our members to buy a new home and also refinanced mortgages for members to help reduce their interest rates and/or payments. At the end of 2018 our loan portfolio was over \$267 million which represents \$26 million in loan growth for the year! The largest growth was in the area of first mortgages, followed by auto loans and unsecured loans. At the end of 2018, our delinquency was 0.23%, which is lower than the end of 2017. This is well below our peer group level and was fairly flat during 2018.

As we look forward in 2019, we will continue to find ways to meet the financial needs of our members. We continue to look for ways to make the loan process easier and more efficient for our members. We will also be researching new loan product offerings to continue to meet the needs of our members.

Cordially,  
**Belinda Metzler**  
VP Lending



Together, We’re Just Better!