Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public

▶ Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

A For the 2019 calendar year, or tax year beginning 01-01-2018 , and ending 12-31-2018

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization
WHATCOM EDUCATIONAL CREDIT UNION

Doing business as

Number and street (or P O box if mail is not delivered to street address) 21 BELLWETHER WAY NO 111 | Room/suite

City or town, state or province, country, and ZIP or foreign postal code
BELLINGHAM, WA 98225

D Employer identification number
91-0712539

E Telephone number
(360) 676-1168

G Gross receipts $ 81,127,331

F Name and address of principal officer
JENNIFER KUTCHER
21 BELLWETHER WAY NO 111
BELLINGHAM, WA 98225

H(a) Is this a group return for subordinates? ☐ Yes ☑ No
H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status ☐ 501(c)(3) ☑ 501(c) (14) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW WECU COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1936

M State of legal domicile WA

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
OUR MISSION IS TO MAKE A MEANINGFUL DIFFERENCE IN THE LIVES OF OUR MEMBERS

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	9
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	9
5	Total number of individuals employed in calendar year 2018 (Part V, line 2a)	5	466
6	Total number of volunteers (estimate if necessary)	6	12
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	3,617

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	0	0
	9	Program service revenue (Part VIII, line 2g)	66,366,378	75,315,415
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,726,260	3,701,602
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,079,761	1,985,971
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	70,172,399	81,002,988
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	150,806	233,095
	14	Benefits paid to or for members (Part IX, column (A), line 4)	4,058,259	7,451,477
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	25,722,752	31,333,682
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	21,615,445	28,012,656
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	51,547,262	67,030,910
	19	Revenue less expenses Subtract line 18 from line 12	18,625,137	13,972,078
			Beginning of Current Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	1,482,247,013	1,608,031,120
	21	Total liabilities (Part X, line 26)	1,251,443,616	1,363,703,611
	22	Net assets or fund balances Subtract line 21 from line 20	230,803,397	244,327,509

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

****** | 2019-11-13
Signature of officer | Date

NICK HODSON CHIEF FINANCIAL OFFICER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN P00447183
Firm's name ▶ CLIFTONLARSONALLEN LLP			Firm's EIN ▶ 41-0746749	
Firm's address ▶ 20 E THOMAS RD STE 2300 PHOENIX, AZ 85012			Phone no (602) 266-2248	

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III **Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III . . . . ☑

1 Briefly describe the organization's mission

WHATCOM EDUCATIONAL CREDIT UNION (WECU) IS A NOT-FOR-PROFIT FINANCIAL COOPERATIVE WHERE MEMBERS ARE ENCOURAGED TO SAVE AND BORROW RESPONSIBLY AT FAIR AND COMPETITIVE RATES, IMPROVING THEIR FINANCIAL WELL-BEING AND STANDARD OF LIVING THIS STATE-CHARTERED CREDIT UNION IS A MEMBER OF THE NATIONAL CREDIT UNION ADMINISTRATION SHARE INSURANCE FUND, AND IS REGULATED BY THE NATIONAL CREDIT UNION ASSOCIATION, AND THE STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS - DIVISION OF CREDIT UNIONS WECU'S MAIN PRODUCTS ARE CONSUMER LOANS, REAL ESTATE LOANS AND COMMERCIAL LOANS TO MEMBERS, WHICH ARE PRIMARILY FUNDED BY DEPOSITS FROM MEMBERS FINANCIAL EDUCATION AND COMMUNITY SERVICE ARE ALSO AN INTEGRAL PART OF WECU'S OPERATIONS AND SPIRIT OF SERVICE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ **Yes** ☑ **No**

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ **Yes** ☑ **No**

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ including grants of $) (Revenue $)

See Additional Data

4b (Code) (Expenses $ including grants of $) (Revenue $)

See Additional Data

4c (Code) (Expenses $ including grants of $) (Revenue $)

See Additional Data

See Additional Data Table

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses ▶**

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		No
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3	Yes	
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services?*If "Yes," complete Schedule D, Part IV*	9	Yes	
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	Yes	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*(see instructions)	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22	Yes	

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25a*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34		No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V ☐

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	48,039			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c		

2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	**2a**	466		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			**2b**	Yes
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O*			**3b**	Yes
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			**4a**	No
b	If "Yes," enter the name of the foreign country ▶ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			**5a**	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**	No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			**5c**	
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			**6a**	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**	
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**	
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			**7f**	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**	
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			**8**	
9a	Did the sponsoring organization make any taxable distributions under section 4966?			**9a**	
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?			**9b**	
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12	**10a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	**11a**			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			**13a**	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**			
c	Enter the amount of reserves on hand	**13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**	No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			**14b**	
15	Is the organization subject to the section 4960 tax on payment(s) of more than $1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N			**15**	No
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O			**16**	No

Part VI **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions*
Check if Schedule O contains a response or note to any line in this Part VI . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a 9			
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	1b 9			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		No
6	Did the organization have members or stockholders?		6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b		No
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		No

Section B. Policies (*This Section B requests information about policies not required by the Internal Revenue Code.*)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	Yes	
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	Yes	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records
▶NICK HODSON 21 BELLWETHER WAY SUITE 111 BELLINGHAM, WA 98225 (360) 676-1168

Part VII **Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position: Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(1) CAROL LAGER CHAIR	4 00	X		X				2,822	0	0
(2) HARTE BRESSLER VICE-CHAIR	4 00	X		X				0	0	0
(3) KRISTI LEWIS TYRAN SECRETARY	4 00	X		X				0	0	0
(4) BRUCE BURPEE DIRECTOR	4 00	X						1,240	0	0
(5) ASHOK KHANNA DIRECTOR	4 00	X						1,344	0	0
(6) CATHIE OBERG DIRECTOR	4 00	X						0	0	0
(7) MARGO HAMMOND DIRECTOR	4 00	X						0	0	0
(8) DAVID WASCHKE DIRECTOR	4 00	X						1,879	0	0
(9) DALE ZENDER DIRECTOR	4 00	X						0	0	0
(10) JENNIFER E KUTCHER PRESIDENT/CEO/TREASURER	50 00			X				568,056	0	75,382
(11) NICHOLAS A HODSON CHIEF FINANCIAL OFFICER	45 00			X				88,686	0	7,133
(12) LESLEY FOX CFO (LEFT 1/18)	40 00			X				42,518	0	764
(13) JEFFREY R DYKSTRA EVP	45 00				X			283,066	0	59,998
(14) JACK INGRAM CHIEF INFORMATION OFFICER	45 00				X			241,148	0	28,298
(15) CYNTHIA CHASE KLEIN CHIEF HUMAN RESOURCES OFFICER	45 00				X			227,836	0	52,850
(16) DAVID PIERCE JONES CHIEF MARKETING OFFICER	45 00				X			196,480	0	9,001
(17) ERYNNE MARIA HALLOCK VP, RETAIL DELIVERY	45 00				X			198,585	0	28,298

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(18) MATTHEW HENRY BERENDSEN VP, LENDING	45 00				X			176,808	0	45,795
(19) KENT D BOUMA VP, BUSINESS BANKING	45 00				X			175,400	0	47,617
(20) BRANDON JAMES HAHNEL VP, FINANCE (LEFT 11/18)	45 00				X			213,680	0	43,205
(21) GRANT DYKSTRA BUSINESS BANKING SENIOR LOAN OFFICER	40 00					X		134,449	0	44,185
(22) JANET MARIE MCGARY DIRECTOR OF RETAIL OPERATIONS	40 00					X		152,091	0	32,926
(23) PATTI A MOSER SENIOR VENDOR RELATIONSHIP MANAGER	40 00					X		159,340	0	29,001
(24) AARON HEATH WHITSON BUSINESS BANKING CREDIT ADMINISTRATOR	40 00					X		149,868	0	33,579
(25) MICHAEL PETER YEEND CREDIT ANALYSIS TEAM LEADER	40 00					X		161,443	0	46,284

	(D)	(E)	(F)
1b Sub-Total ▶			
c Total from continuation sheets to Part VII, **Section A** ▶			
d Total (add lines 1b and 1c) ▶	3,176,739	0	584,316

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 31

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
FISERV 75 REMITTANCE DR STE 1698 CHICAGO, IL 60675	CORE SYSTEM VENDOR	2,977,641
JACK HENRY & ASSOCIATES (JHA) 663 W HWY 60 PO BOX 609 MONETT, MO 65708	VISA CARD PROCESSOR	1,065,905
NCUA 1775 DUKE STREET ALEXANDRIA, VA 223143428	MEMBER INSURANCE SERVICES	803,946
EXPERIAN 701 EXPERIAN PKWY ALLEN, TX 75013	CREDIT REPORTS	454,720
NEXT STEP INTERNATIONAL 6000 METROWEST BLVD STE 107 ORLANDO, FL 32835	PROFESSIONAL SERVICES	379,019

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 35

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a - 1f $					
	h **Total.** Add lines 1a-1f . . . ▶					
Program Service Revenue		Business Code				
	2a INTEREST ON LOANS TO MEMBERS	522100	55,326,357	55,326,357		
	b SERVICE CHARGES AND FEES	522100	9,356,850	9,356,850		
	c CREDIT CARD INCOME	522100	8,524,588	8,524,588		
	d INTERCHANGE INCOME	522100	1,838,531	1,838,531		
	e GAIN ON SALE OF LOANS	522100	269,089	269,089		
	f All other program service revenue					
	g **Total.** Add lines 2a–2f . . . ▶		75,315,415			

		(i) Real / (i) Securities	(ii) Personal / (ii) Other	(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) . . . ▶			2,582,369			2,582,369
	4 Income from investment of tax-exempt bond proceeds ▶						
	5 Royalties . . . ▶						
		(i) Real	(ii) Personal				
	6a Gross rents	43,690					
	b Less rental expenses	0					
	c Rental income or (loss)	43,690					
	d Net rental income or (loss) . . . ▶			43,690			43,690
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	1,134,825	108,751				
	b Less cost or other basis and sales expenses	0	124,343				
	c Gain or (loss)	1,134,825	-15,592				
	d Net gain or (loss) . . . ▶			1,119,233			1,119,233
	8a Gross income from fundraising events (not including $ ____ of contributions reported on line 1c) See Part IV, line 18 . . . a						
	b Less direct expenses . . . b						
	c Net income or (loss) from fundraising events . . ▶						
	9a Gross income from gaming activities See Part IV, line 19 . . . a						
	b Less direct expenses . . . b						
	c Net income or (loss) from gaming activities . . ▶						
	10a Gross sales of inventory, less returns and allowances . . . a						
	b Less cost of goods sold . . . b						
	c Net income or (loss) from sales of inventory . . ▶						
	Miscellaneous Revenue		Business Code				
	11a OTHER INCOME		900099	1,942,281	1,942,281		
	b						
	c						
	d All other revenue . . .						
	e **Total.** Add lines 11a–11d . . . ▶			1,942,281			
	12 **Total revenue.** See Instructions . . . ▶			81,002,988	77,257,696	0	3,745,292

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	**(A)** Total expenses	**(B)** Program service expenses	**(C)** Management and general expenses	**(D)** Fundraisingexpenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	160,095			
2 Grants and other assistance to domestic individuals See Part IV, line 22	73,000			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, line 15 and 16				
4 Benefits paid to or for members	7,451,477			
5 Compensation of current officers, directors, trustees, and key employees	2,817,891			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	20,488,807			
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	2,207,844			
9 Other employee benefits	4,009,992			
10 Payroll taxes	1,809,148			
11 Fees for services (non-employees)				
a Management				
b Legal	97,434			
c Accounting	160,065			
d Lobbying	22,284			
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,950,810			
12 Advertising and promotion	2,003,278			
13 Office expenses	2,250,200			
14 Information technology	4,140,795			
15 Royalties . .				
16 Occupancy	1,957,783			
17 Travel	90,298			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials .				
19 Conferences, conventions, and meetings	234,137			
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization . .	1,778,333			
23 Insurance . . .	10,849			
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a PROVISION FOR LOAN LOSS	5,162,864			
b CREDIT CARD EXPENSES	3,541,206			
c ATM EXPENSES	1,239,511			
d				
e All other expenses	3,372,809			
25 Total functional expenses. Add lines 1 through 24e	67,030,910			
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part IX . . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		26,880,285	1	26,344,298
	2	Savings and temporary cash investments		93,160,788	2	94,475,103
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net			4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	11,316,824
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		1,201,175,296	7	1,372,509,421
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		1,529,155	9	1,855,090
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 58,032,599			
	b	Less accumulated depreciation	10b 21,357,969	34,279,215	10c	36,674,630
	11	Investments—publicly traded securities		5,735,891	11	5,287,925
	12	Investments—other securities See Part IV, line 11		100,060,727	12	38,622,210
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		19,425,656	15	20,945,619
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,482,247,013	16	1,608,031,120
Liabilities	17	Accounts payable and accrued expenses		23,425,782	17	24,677,405
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		1,546,414	21	1,686,201
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24) Complete Part X of Schedule D		1,226,471,420	25	1,337,340,005
	26	**Total liabilities.** Add lines 17 through 25		1,251,443,616	26	1,363,703,611
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets			27	
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		0	30	0
	31	Paid-in or capital surplus, or land, building or equipment fund		0	31	0
	32	Retained earnings, endowment, accumulated income, or other funds		230,803,397	32	244,327,509
	33	Total net assets or fund balances		230,803,397	33	244,327,509
	34	Total liabilities and net assets/fund balances		1,482,247,013	34	1,608,031,120

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	81,002,988
2	Total expenses (must equal Part IX, column (A), line 25)	2	67,030,910
3	Revenue less expenses Subtract line 2 from line 1	3	13,972,078
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	230,803,397
5	Net unrealized gains (losses) on investments	5	-447,966
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	244,327,509

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

Additional Data

Software ID:

Software Version:

EIN: 91-0712539

Name: WHATCOM EDUCATIONAL CREDIT UNION

Form 990 (2018)

Form 990, Part III, Line 4a:

CONSUMER LOANS (CREDIT CARDS, AUTO, PERSONAL AND OTHER TYPES) WECU OFFERS SEVERAL TYPES OF CREDIT CARDS TO MEMBERS EACH CARD INCLUDES BENEFITS SUCH AS CASH BACK ON PURCHASES, NO ANNUAL FEE, LOW FIXED INTEREST RATE, TRAVEL ACCIDENT INSURANCE AND OPTIONAL PAYMENT PROTECTION AT THE END OF 2018, WECU HAD 27,525 CREDIT CARDS OUTSTANDING WITH OVER $145 MILLION IN CREDIT LIMITS ALONG WITH CREDIT CARD LOANS, WECU OFFERS AUTO, BOAT, RV, TIMELINE AND OTHER CONSUMER LOANS WECU ALSO OFFERS A CREDIT BUILDER LOAN SOLUTION FOR AUTO LOANS TO ASSIST MEMBERS WITH ESTABLISHING AND/OR BUILDING CREDIT ACTIVITY WE HAVE VERY COMPETITIVE RATES AND OFTEN FUND VERY SMALL LOANS THAT OTHER FINANCIAL INSTITUTIONS WOULD NOT IN THIS CAPACITY, WECU FILLS A CRITICAL ROLE IN THE MICRO-LENDING ECONOMY IN 2018, WE GRANTED 11,420 CONSUMER LOANS (EXCLUDING CREDIT CARDS) TO OUR MEMBERS, TOTALING OVER $346 MILLION WECU ALSO PROVIDES ACCESS TO FINANCIAL COUNSELING FREE OF CHARGE TO MEMBERS THIS SERVICE CAN PROVIDE DIRECTION AND SUPPORT TO ANY OF OUR MEMBERS WHO NEED HELP MANAGING THEIR DEBT AND GETTING THEIR PERSONAL FINANCES BACK ON TRACK

Form 990, Part III, Line 4b:

REAL ESTATE LOANS WECU OFFERS RESIDENTIAL REAL ESTATE LOANS WITH VERY COMPETITIVE RATES AND LOW FEES WECU ALSO OFFERS MEMBER EDUCATION SEMINARS RELATED TO BUYING A HOME AT THE END OF 2018, WECU HAD 4,939 RESIDENTIAL MORTGAGE LOANS OUTSTANDING, TOTALING OVER $627 MILLION WE WERE ALSO SERVICING AN ADDITIONAL 2,605 IN RESIDENTIAL MORTGAGES FOR OUR MEMBERS, TOTALING OVER $427 MILLION THE AVERAGE BALANCE OF A RESIDENTIAL FIRST MORTGAGE LOANS BEING SERVICED BY WECU IS APPROXIMATELY $181,040 WECU ALSO PARTICIPATES IN THE HOME$TART PROGRAM THROUGH THE FEDERAL HOME LOAN BANK OF DES MOINES THE PROGRAM HELPS FAMILIES EARNING UP TO 80% OF THE AREA'S MEDIAN INCOME PURCHASE A HOME BY PROVIDING GRANTS WHICH MAY BE USED FOR DOWN PAYMENTS, CLOSING COSTS, OR REHABILITATION OF AN OWNER-OCCUPIED HOUSING UNIT

Form 990, Part III, Line 4c:

BUSINESS LOANS WECU OFFERS SEVERAL TYPES OF BUSINESS LOANS - COMMERCIAL REAL ESTATE, LINES OF CREDIT, COMMERCIAL TERM LOANS, LAND/LOT LOANS AND OTHERS WECU ALSO FACILITATES BUSINESS LOANS THROUGH THE SBA 504 LOAN PROGRAM AT THE END OF 2018, WECU'S MEMBER BUSINESS LOAN PORTFOLIO CONSISTED OF 708 LOANS FOR A TOTAL OF $269 MILLION WECU HAS SEEN A STEADY GROWTH IN OUR MEMBER BUSINESS LOAN PORTFOLIO SINCE ITS INCEPTION IN MAY 2001 THIS GROWTH SERVES AS EVIDENCE OF THE NEED FOR A LOCAL FINANCIAL INSTITUTION OFFERING BUSINESS LOANS WITH LOW FEES AND COMPETITIVE RATES

Form 990, Part III **- 4 Program Service Accomplishments (See the Instructions)**

Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

(Code) (Expenses $ including grants of $) (Revenue $)

CHECKING ACCOUNTS AND DEBIT CARDS CHECKING ACCOUNTS AT WECU OFFER MAXIMUM CONVENIENCE WITH NO OR FEW FEES WE HAVE A VARIETY OF CHECKING ACCOUNT OPTIONS, INCLUDING NO FEE ACCOUNTS AND INTEREST BEARING ACCOUNTS CHECKING ACCOUNTS ARE MADE MORE CONVENIENT WITH MOBILE BANKING, MOBILE DEPOSIT CAPTURE, DEPOSIT TAKING ATMS, VISA DEBIT CARD, AROUND THE CLOCK ACCESS WITH ONLINE BANKING, DIRECT DEPOSIT AND AUTOMATIC PAYMENTS OVERDRAFT PROTECTION IS ALSO AVAILABLE ON ALL CHECKING ACCOUNTS WITH OUR VISA DEBIT CARD, MEMBERS HAVE ACCESS TO CHECKING ACCOUNT FUNDS ELECTRONICALLY AND CAN ALSO USE MORE THAN 25,000 SURCHARGE-FREE ATMS THROUGHOUT THE UNITED STATES AND CANADA AT THE END OF 2018, THERE WERE 87,228 OPEN CHECKING ACCOUNTS AND 60,428 VISA DEBIT CARDS ISSUED WECU TRULY STRIVES TO MEET THE NEEDS OF THE UNDERSERVED OUR CREDIT UNION HAS BEEN DESIGNATED AS A "LOW INCOME CREDIT UNION" (LICU), RECOGNIZING THAT OVER 50% OF THE CREDIT UNION MEMBERSHIP ARE PART OF LOW-INCOME HOUSEHOLDS

(Code) (Expenses $ including grants of $) (Revenue $)

COMMUNITY INVOLVEMENT WHILE TECHNICALLY NOT A CHARTERED SERVICE, WECU IS COMMITTED TO COMMUNITY SERVICE AND PROVIDES SUPPORT TO A LARGE NUMBER OF LOCAL EDUCATION, HEALTH AND COMMUNITY CONCERNS WECU IS A MAJOR PARTNER WITH THE OPPORTUNITY COUNCIL, THE AREA'S COMMUNITY ACTION AGENCY PROJECTS INCLUDE FREQUENT FREE FINANCIAL EDUCATION PRESENTATIONS, PRODUCTION OF FREE FINANCIAL EDUCATION POSTERS AND BROCHURES PROMOTING FREE TAX FILING ASSISTANCE IN PARTNERSHIP WITH AARP WECU'S SOCIAL RESPONSIBILITY COORDINATOR IS A CUNA CERTIFIED CREDIT UNION FINANCIAL COUNSELOR AND PROVIDES FREE COMMUNITY PRESENTATIONS TO VARIOUS GROUPS TEAM WECU, COMPRISED OF CREDIT UNION STAFF AND BOARD MEMBERS, WAS ESTABLISHED TO ENCOURAGE VOLUNTEERISM IN THE COMMUNITY IN 2018, 130 EMPLOYEES AND BOARD MEMBERS VOLUNTEERED 270 TIMES AT 23 EVENTS IN WHATCOM COUNTY

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶Complete if the organization is described below. ▶Attach to Form 990 or Form 990-EZ.
▶Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

If the organization answered "Yes" on Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then
- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes" on Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then
- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then
- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	Employer identification number
WHATCOM EDUCATIONAL CREDIT UNION	91-0712539

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities")

2 Political campaign activity expenditures (see instructions) ▶ $ 22,284

3 Volunteer hours for political campaign activities (see instructions)

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ 0

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $ 22,284

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ 22,284

4 Did the filing organization file **Form 1120-POL** for this year? ☑ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
(1) NORTHWEST CREDIT UNION ASSOCIATION	18000 INTERNATIONAL BLVD SUITE 35 SEATAC, WA 98188	91-0460483	22,284	
2				
3				
4				
5				
6				

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply

	Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	**(a)** Filing organization's totals	**(b)** Affiliated group totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b	Total lobbying expenditures to influence a legislative body (direct lobbying)		
c	Total lobbying expenditures (add lines 1a and 1b)		
d	Other exempt purpose expenditures		
e	Total exempt purpose expenditures (add lines 1c and 1d)		
f	Lobbying nontaxable amount Enter the amount from the following table in both columns		

If the amount on line 1e, column (a) or (b) is:	**The lobbying nontaxable amount is:**
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

		(a)	(b)
g	Grassroots nontaxable amount (enter 25% of line 1f)		
h	Subtract line 1g from line 1a If zero or less, enter -0-		
i	Subtract line 1f from line 1c If zero or less, enter -0-		

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

4-Year Averaging Period Under section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	**(a)** 2015	**(b)** 2016	**(c)** 2017	**(d)** 2018	**(e)** Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities?			
j Total Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

		Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1		
2 Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?	3		

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."**

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, lines 1 and 2 (see instructions), and Part II-B, line 1 Also, complete this part for any additional information

Return Reference	Explanation
PART I-A, LINE 1	CONTRIBUTIONS ARE MADE TO POLITICAL ACTION COMMITTEE (PAC) AND OTHER LOBBYING EFFORTS THROUGH ANNUAL PAYMENTS TO THE NORTHWEST CREDIT UNION ASSOCIATION (NWCUA) NWCUA SUGGESTS A DONATION TO THESE EFFORTS THROUGH A VOLUNTARY "FAIR-SHARE" CONTRIBUTION FOR ALL STATE-CHARTERED CREDIT UNIONS

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶ Go to *www.irs.gov/Form990* for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization
WHATCOM EDUCATIONAL CREDIT UNION

Employer identification number
91-0712539

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ ________

4 Number of states where property subject to conservation easement is located ▶ ________

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ ________

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ $ ________

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1 ▶ $ ________

(ii) Assets included in Form 990, Part X ▶ $ ________

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1 ▶ $ ________

b Assets included in Form 990, Part X ▶ $ ________

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
d ☐ Loan or exchange programs
b ☐ Scholarly research
e ☐ Other
c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ **Yes** ☐ **No**

Part IV **Escrow and Custodial Arrangements.**
Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ **Yes** ☑ **No**

			Amount
b	If "Yes," explain the arrangement in Part XIII and complete the following table		
c	Beginning balance	**1c**	
d	Additions during the year	**1d**	
e	Distributions during the year	**1e**	
f	Ending balance	**1f**	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . . ☑ **Yes** ☐ **No**

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . ☑

Part V **Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	**(b)**Prior year	**(c)**Two years back	**(d)**Three years back	**(e)**Four years back
1a Beginning of year balance					
b Contributions . . .					
c Net investment earnings, gains, and losses					
d Grants or scholarships . . .					
e Other expenditures for facilities and programs . . .					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶

b Permanent endowment ▶

c Temporarily restricted endowment ▶

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	**3a(i)**		
(ii) related organizations	**3a(ii)**		
b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?	**3b**		

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI **Land, Buildings, and Equipment.**
Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	**(a)** Cost or other basis (investment)	**(b)** Cost or other basis (other)	**(c)** Accumulated depreciation	**(d)** Book value
1a Land		12,289,071		12,289,071
b Buildings		27,413,165	8,811,504	18,601,661
c Leasehold improvements		540,111	518,838	21,273
d Equipment		15,579,765	12,027,627	3,552,138
e Other		2,210,487		2,210,487
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c))* . . ▶				36,674,630

Part VII Investments—Other Securities. Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	

Part X Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
MEMBERS' SHARE AND SAVINGS ACCOUNT	1,337,003,906
ACCRUED PENSIONS AND PROFIT SHARING	336,099
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	1,337,340,005

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return
Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	81,002,988
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains (losses) on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	81,002,988
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	81,002,988

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	67,030,910
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	67,030,910
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	67,030,910

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation
See Additional Data Table	

Part XIII **Supplemental Information *(continued)***

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 91-0712539
Name: WHATCOM EDUCATIONAL CREDIT UNION

Supplemental Information

Return Reference	Explanation
PART IV, LINE 2B	MONEY RECEIVED WITH MORTGAGE PAYMENTS THAT IS HELD IN ESCROW FOR REAL ESTATE TAXES

Supplemental Information

Return Reference	Explanation
PART X, LINE 2	THE CREDIT UNION EVALUATED ITS TAX POSITIONS AND DETERMINED NO UNCERTAIN TAX POSITIONS EXIST AS OF DECEMBER 31, 2018 AND 2017

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.
▶ Go to *www.irs.gov/Form990* for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization
WHATCOM EDUCATIONAL CREDIT UNION

Employer identification number
91-0712539

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . ☑ **Yes** ☐ **No**

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than $5,000 Part II can be duplicated if additional space is needed

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section (if applicable)	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of noncash assistance	**(h)** Purpose of grant or assistance
(1) UNITED WAY OF WHATCOM COUNTY 1500 CORNWALL AVENUE SUITE 203 BELLINGHAM, WA 98225	91-0570788	501(C)(3)	15,000				ANNUAL GIVING DRIVE

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . ▶ 1

3 Enter total number of other organizations listed in the line 1 table . . . . ▶ 0

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22
Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	**(b)** Number of recipients	**(c)** Amount of cash grant	**(d)** Amount of noncash assistance	**(e)** Method of valuation (book, FMV, appraisal, other)	**(f)** Description of noncash assistance
(1) SCHOLARSHIPS	21	23,000			
(2) WWU ATHLETICS SCHOLARSHIPS	1	50,000			
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Return Reference	**Explanation**
PART I, LINE 2	WHATCOM EDUCATIONAL CREDIT UNION PROVIDES GRANT FUNDING ONLY TO LOCAL, REPUTABLE ORGANIZATIONS WHO HAVE A VERIFIED PURPOSE AND PRESENCE IN THE COMMUNITY
SCHEDULE I, PART III	WHATCOM EDUCATIONAL CREDIT UNION PROVIDES SCHOLARSHIP FUNDING TO LOCAL SECONDARY EDUCATION INSTITUTIONS THE FUNDS ARE PROVIDED TO SCHOOL SCHOLARSHIP FOUNDATIONS WHO THEN DETERMINE THE MOST DESERVING RECIPIENTS

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
▶ Attach to Form 990.
▶ Go to *www.irs.gov/Form990* for instructions and the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization
WHATCOM EDUCATIONAL CREDIT UNION

Employer identification number
91-0712539

Part I Questions Regarding Compensation

				Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☑ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)				
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain		**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?		**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☐ Compensation committee ☐ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee				
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization				
a	Receive a severance payment or change-of-control payment?		**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?		**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		**4c**		No
	Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.				
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of				
a	The organization?		**5a**		
b	Any related organization? If "Yes," on line 5a or 5b, describe in Part III		**5b**		
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of				
a	The organization?		**6a**		
b	Any related organization? If "Yes," on line 6a or 6b, describe in Part III		**6b**		
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III		**7**		
8	Were any amounts reported on Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III		**8**		
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table								

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II Also complete this part for any additional information

Return Reference	Explanation
PART I, LINE 4B	THE CREDIT UNION MADE NO CONTRIBUTIONS OR DISTRIBUTIONS TO/FROM A 457(F) PLAN DURING THE YEAR IN 2018, THE CREDIT UNION GRANTED LOANS FOR LIFE INSURANCE PREMIUM PAYMENTS TO A KEY EMPLOYEE THE LOANS ARE COLLATERALIZED BY THE ASSIGNMENT OF THE CASH SURRENDER VALUE OF THE RESPECTIVE LIFE INSURANCE POLICIES THE POLICIES ARE OWNED BY THE EMPLOYEE AND THEY HAVE SOLE CONTROL OVER THE LISTED BENEFICIARIES THE LOANS ACCRUE INTEREST AND ARE WITH FULL RECOURSE

Additional Data

Software ID:
Software Version:
EIN: 91-0712539
Name: WHATCOM EDUCATIONAL CREDIT UNION

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B)(i) Base Compensation	(B)(ii) Bonus & incentive compensation	(B)(iii) Other reportable compensation	(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
JENNIFER E KUTCHER PRESIDENT/CEO/TREASURER	(i)	422,760	92,432	52,864	47,700	27,682	643,438	0
	(ii)	0	0	0	0	0	0	0
JEFFREY R DYKSTRA EVP	(i)	247,305	33,044	2,717	31,700	28,298	343,064	0
	(ii)	0	0	0	0	0	0	0
JACK INGRAM CHIEF INFORMATION OFFICER	(i)	229,600	11,400	148	0	28,298	269,446	0
	(ii)	0	0	0	0	0	0	0
CYNTHIA CHASE KLEIN CHIEF HUMAN RESOURCES OFFICER	(i)	202,322	24,830	684	24,552	28,298	280,686	0
	(ii)	0	0	0	0	0	0	0
DAVID PIERCE JONES CHIEF MARKETING OFFICER	(i)	171,864	23,662	954	0	9,001	205,481	0
	(ii)	0	0	0	0	0	0	0
ERYNNE MARIA HALLOCK VP, RETAIL DELIVERY	(i)	174,063	24,241	281	0	28,298	226,883	0
	(ii)	0	0	0	0	0	0	0
MATTHEW HENRY BERENDSEN VP, LENDING	(i)	157,288	19,277	243	17,497	28,298	222,603	0
	(ii)	0	0	0	0	0	0	0
KENT D BOUMA VP, BUSINESS BANKING	(i)	154,388	20,601	411	19,319	28,298	223,017	0
	(ii)	0	0	0	0	0	0	0
BRANDON JAMES HAHNEL VP, FINANCE (LEFT 11/18)	(i)	124,297	41,547	47,836	17,310	25,895	256,885	0
	(ii)	0	0	0	0	0	0	0
GRANT DYKSTRA BUSINESS BANKING SENIOR LOAN OFFICER	(i)	121,217	12,489	743	15,887	28,298	178,634	0
	(ii)	0	0	0	0	0	0	0
JANET MARIE MCGARY DIRECTOR OF RETAIL OPERATIONS	(i)	107,002	16,861	28,228	12,953	19,973	185,017	0
	(ii)	0	0	0	0	0	0	0
PATTI A MOSER SENIOR VENDOR RELATIONSHIP MANAGER	(i)	95,984	20,225	43,131	11,904	17,097	188,341	0
	(ii)	0	0	0	0	0	0	0
AARON HEATH WHITSON BUSINESS BANKING CREDIT ADMINISTRATO	(i)	130,104	19,218	546	15,814	17,765	183,447	0
	(ii)	0	0	0	0	0	0	0
MICHAEL PETER YEEND CREDIT ANALYSIS TEAM LEADER	(i)	145,302	15,034	1,107	17,986	28,298	207,727	0
	(ii)	0	0	0	0	0	0	0

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶Go to *www.irs.gov/Form990* for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization
WHATCOM EDUCATIONAL CREDIT UNION

Employer identification number
91-0712539

Part I **Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . ▶ $

Part II **Loans to and/or From Interested Persons.**
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	No	(h) Approved by board or committee? Yes	No	(i) Written agreement? Yes	No
(1) JENNIFER KUTCHER	CEO	SPLIT DOLLAR LIFE INSURANCE LOAN		X	11,073,912	11,316,824		No	Yes		Yes	
Total					▶ $	11,316,824						

Part III **Grants or Assistance Benefiting Interested Persons.**
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV **Business Transactions Involving Interested Persons.**
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

Part V **Supplemental Information**
Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493319129079

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Go to *www.irs.gov/Form990* for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization	Employer identification number
WHATCOM EDUCATIONAL CREDIT UNION	91-0712539

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	MEMBERSHIP IS OPEN TO ANYONE WHO LIVES, WORKS, WORSHIPS OR ATTENDS SCHOOL IN WASHINGTON, A ND RELATIVES OF ALL MEMBERS THE CREDIT UNION'S MEMBERS RECEIVE A SHARE OF THE ORGANIZATIO N'S PROFITS OR EXCESS DUES IN THE FORM OF CASH DIVIDENDS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	MEMBERS OF THE CREDIT UNION HAVE THE RIGHT TO ELECT MEMBERS OF THE ORGANIZATION'S GOVERNIN G BODY ELECTIONS ARE HELD ANNUALLY OR AS VACANCIES ARISE

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 8B	THERE ARE NO OTHER COMMITTEES THAT HAVE AUTHORITY TO ACT ON BEHALF OF THE GOVERNING BODY

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	OUR FORM 990 TAX FILING IS REVIEWED BY WECU'S CONTROLLER AND CFO IT IS COMPARED TO OUR PR EVIOUS YEAR'S RETURN AND TIED BACK TO OUR FINANCIAL STATEMENTS AND GENERAL LEDGER RECORDS A COPY OF THE FORM 990 IS PROVIDED TO THE BOARD OF DIRECTORS PRIOR TO FILING

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	WECU'S CONFLICT OF INTEREST POLICY FOCUSES ON DEFINING AND PREVENTING CONFLICTS OF INTERES T BEFORE ENGAGING IN ANY ACTIVITY, TRANSACTION, OR BEFORE ENTERING INTO ANY RELATIONSHIP THAT MIGHT GIVE RISE TO A CONFLICT OF INTEREST, EMPLOYEES MUST SEEK REVIEW FROM THEIR MANA GERS, THE INTERNAL AUDITOR, OR THE HUMAN RESOURCES DEPTARTMENT WECU'S HUMAN RESOURCES DEP ARTMENT, STAFF LIAISON, AND INTERNAL AUDITOR ARE RESPONSIBLE FOR ENSURING THAT NO CONFLICT OF INTERESTS OCCUR THAT COULD HAVE A NEGATIVE EFFECT ON WECU IF ANYONE SUSPECTS A CONFLI CT OF INTEREST, IT IS REPORTED TO MANAGEMENT, THE STAFF LIAISON, THE HUMAN RESOURCES DEPAR TMENT, OR THE INTERNAL AUDITOR WECU HAS VARIOUS ANNUAL REVIEWS AND CONTROLS IN PLACE TO M ONITOR SITUATIONS IN WHICH A CONFLICT OF INTEREST MIGHT ARISE, WHICH ARE PERFORMED BY MANA GEMENT, OR OUR INTERNAL AUDITOR

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION FOR THE PRESIDENT/CEO IS DETERMINED BY THE DETAILS OF THE EMPLOYMENT CONTRACT SET FORTH BETWEEN THE BOARD OF DIRECTORS AND THE PRESIDENT/CEO AND PROVIDED FOR IN THE AN NUAL WECU CEO COMPENSATION & PERFORMANCE PLAN THE BOARD WORKS WITH AN INDEPENDENT CONSULT ANT WHO UTILIZES NATIONAL SURVEYS AND OTHER DATA TO HELP INFORM THE COMPENSATION OUTLINED IN THE PLAN THE CREDIT UNION HAS ENGAGED AN INDEPENDENT CONSULTANT TO ENSURE THAT PAY RAT ES FOR EMPLOYEES ARE COMPETITIVE WITHIN THE MARKETPLACE THE CONSULTANT UTILIZES A NUMBER OF COMPENSATION SURVEYS TO HELP DETERMINE THE OVERALL SALARY STRUCTURE OF THE ORGANIZATION

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	WECU HAS A MEMBER RIGHTS POLICY IN WHICH WE OUTLINE HOW OUR MEMBERS CAN REQUEST AND RECEIVE CREDIT UNION CORPORATE RECORDS, WHICH INCLUDE OUR ARTICLES AND BYLAWS, MINUTES OF OUR MEMBERSHIP MEETINGS, FINANCIAL REPORTS, CODE OF ETHICS AND BOARD GOVERNANCE POLICIES A MEMBER REQUEST MUST BE SUBMITTED IN WRITING TO THE CREDIT UNION AND SPECIFICALLY IDENTIFY THE DISCLOSABLE RECORDS REQUESTED THE CREDIT UNION MAY REQUIRE THE MEMBER TO SIGN A CONFIDENTIALITY AGREEMENT TO PROTECT THE CREDIT UNION FROM UNAUTHORIZED DISCLOSURE OF CERTAIN PROPRIETARY INFORMATION IF ANY DOCUMENTS CONTAIN MEMBER INFORMATION, IT WILL BE EXPUNGED FROM THE DOCUMENT BEFORE BEING PROVIDED TO THE PUBLIC