

2020 ANNUAL REPORT

President's Report - Steven Pickle

As challenging as the past year has been, I am both grateful and proud of the perseverance demonstrated by the members and staff of the Teamsters Council #37 Federal Credit Union. I am Grateful for the patience and understanding of our members, as we rapidly addressed the requirements of the ever-evolving challenges brought on by Covid 19. We are extremely proud to say that despite the unusual challenges of 2020, we did not waver from our commitment to continually produce real value that improves our members ever-evolving banking experience.

As you will read in the manager's report, 2020 was a successful year by all standards, but more so with the realization of all we faced in the past year. This is a sign of a "healthy financial institution" which means you "our" members can turn to us with confidence to meet your financial needs in the years to come.

As we all faced the realities of life during a pan-demic, TCU was committed to providing you and your fellow members with all the banking services you might need at little or no cost.

Thousands of TCU members, young and old, are using our free and convenient Online Banking service, and many have turned to making check deposits with their phones, as well as paying all their bills online, also at little or no charge. Of course, you can also handle all your banking needs when you do come to one of our offices.

As a credit union, our commitment to you and to the communities we serve is to provide exceptional value, convenience, and the highest level of service every day.

I have optimism for the coming year, which I believe is shared with the staff of the credit union. We are excited for what lies ahead and will continue striving to improve the financial well-being of members.

The entire board wishes to thank the staff for their steady service to members during the past year. Our volunteer Supervisory Committee also earns our sincere thanks. And we thank you and every member for choosing Teamsters Council 37 Federal Credit Union to be your trusted financial partner.

Supervisory Committee Report - Jackie Davais

The Supervisory Committee conducts the oversight function of the membership. They oversee the annual audits, internal audits, member verification of accounts, loan reviews, closed accounts and ensure that all regulations, procedures, and policies are properly followed as defined by the National Credit Union Administration (NCUA). The committee is appointed by the Board of Directors and is comprised entirely of volunteers from the membership.

One of the most important functions of the Supervisory Committee is to arrange and oversee an annual audit of the Credit Union's financial condition and internal accounting procedures. Brad Billiet continues his long tenure with the Credit Union as its internal auditor and the CPA firm of Hauser, Jones, & Sas, of Bellevue, WA, was engaged to conduct the 2020 audit.

The Supervisory Committee has carefully reviewed the reports from these individuals and are proud to assure you that the Teamsters Council #37 Federal Credit Union is in full compliance with the requirements and regulations of the Federal Credit Union Act.

Manager's Report - Steven Haight

Credit unions were created with a focus on people over profit, and the past year showed us this distinction is more important now than ever. The world as we knew it was turned upside down, and financial institutions such as Teamsters had to quickly adapt to ensure we could continue to provide our members with financial guidance and support. I am happy to report that the credit union met that challenge. As 2020 ended, Teamsters Federal Credit Union humbly reflects on another successful year of serving our members.

The following is a financial snapshot from 2020:

>Total Assets reached \$67 million at year end - a \$8.9 million or 15.3% increase from the prior year.

>Member Loans for the year were \$7.9 million and loans now stand at nearly \$21 million.

> Member deposits grew to \$58.1 million, an increase of \$8.5 million or 17% from 2019.

> Net Income for the year was \$348,539 or .52% Return on Assets which also exceeds our peer group industry wide.

> Our Net Worth remains high at 13.13%, which exceeds our peer credit unions industry wide.

>Teamsters Council #37 Federal Credit Union was recognized with a 5 Star rating from Bauer Financial Inc. This is an annual indicator of financial strength within the industry.

None of this would be possible without the trust and partnership from you our members over the past 60 years. On behalf of our board and team, thank you!

Going forward, we want to continue to connect with you for all your financial needs. We are committed to building strong relationships with you and providing exceptional member service. And we value your input.

I want to thank the Board of Directors for their dedicated oversight and guidance throughout the past year and the short time that I have been a part of the team. And to our members, I want to thank you for your support and loyalty for choosing to bank with us - we never forget you have a choice in where you bank!

Any member can view a complete copy of the report at the Credit Union's Main Office in Portland.

It continues to be the opinion of the Supervisory Committee that the policies established by the Board of Directors contribute to sound management practices, and that Credit Union staff, and management are operating effectively, efficiently, and in a manner consistent with safeguarding the membership's interests.

The Supervisory Committee acknowledges and thanks all members and others who have devoted time and effort to the welfare of the Credit Union. Any member with concerns about the Credit Union is encouraged to contact anyone on the Supervisory Committee, the Board, or Senior Management. Thank you.

Jackie Davais, Chairperson
Karen O'Neal
Michael Beranbaum



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Consolidated Statement of Financial Condition

December 31, 2020 & 2019

	2020	2019
ASSETS		
Loans Receivable (net of allowance for laon losses)	\$20,755,375	\$22,582,962
Cash & Cash Equivalents	10,676,491	5,157,743
Investments Held to Maturity	34,621,000	29,357,000
Accrued Interest Receivable	48,093	42,532
Property & Equipment (Net)	276,938	333,029
National Credit Union Share Insurance Fund Deposit	482,980	453,808
All Other Assets	153,207	201,509
Total Assets	\$67,014,084	\$58,128,583
LIABILITIES AND MEMBER EQUITY		
Member Shares & Savings Accounts	58,084,623	49,555,697
Accounts Payable & Other Liabilities	128,649	120,613
Total Liabilities	\$58,213,272	\$49,676,310
Member Equity (Substantially Restricted)	8,800,812	8,452,273
Total Liabilities & Member Equity	\$67,014,084	\$58,128,583

Consolidated Statement of Operations

Years ended December 31, 2020 & 2019

	2020	2019
INTEREST INCOME		
Loans	927,603	987,485
Investments	531,493	806,608
Total Interest Income	\$1,459,096	\$1,794,093
Interest Expense On Member Deposits	131,079	119,073
Net Interest Income	\$1,328,017	\$1,675,020
Provision for Loan Losses	22,937	33,711
Net Interest Income After Provision for Loan Losses	\$1,305,080	\$1,641,309
NON-INTEREST INCOME		
Service Charges & Fees	401,052	287,071
Operating Income	\$1,706,132	\$1,928,380
NON-INTEREST EXPENSE		
Compensation & Benefits	719,282	764,739
General & Administrative	638,311	718,895
Total Non-Interest Income	\$1,357,593	\$1,483,634
Net Income From Operations	\$348,539	\$444,746

Consolidated Statements of Members Equity

Years ended December 31, 2020 & 2019

	Appropriated Regular Reserve	Unappropriated Earnings	Total
Balance December 31, 2018	\$856,938	\$7,150,589	\$8,007,527
Net Income		444,746	444,746
Balance December 31, 2019	\$856,938	\$7,595,335	\$8,452,273
Net Income		348,539	348,539
Balance December 31, 2020	\$856,938	\$7,943,874	\$8,800,812

Any member of Teamsters Council #37 Federal Credit Union can view a complete copy of the financial report at the Credit Union's Main Office in Portland.



**TEAMSTERS COUNCIL #37
FEDERAL CREDIT UNION**

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