

2021 ANNUAL REPORT

President's Report - Steven Pickle

As I reflect back on the challenges of the past two years, I am hopeful of a return to normal. Never has the cliché "that we get stronger after surviving the challenges of life" meant more. The pandemic-inflicted issues of the past two years forced organizations to take extraordinary measures some with zero planning. Things changed drastically and dramatically, leaving no industry unaffected.

As we step into 2022, it is time for businesses to switch from a survival mode strategy and utilize the past experience to prepare for the future. Many challenges still exist that will directly impact our members and the credit union as we go forward.

Once again, I am thankful for the patience and perseverance of our members and staff, as we rapidly addressed the requirements of the ever-evolving challenges brought on in the past few years. We are extremely proud to say that despite the unusual challenges, we did not waver from our commitment to continually produce real value that improves our members ever-evolving banking experience.

As you will hear in the manager's report, 2021 was a successful year based on recent 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.

Thousands of TCU members, young and old, are continuing to use our free and convenient Online Banking service, and many have turned to making check deposits with their phones, as well as paying their bills online, all 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 know is also shared by 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 2021 audit which is their second year with Teamsters Council #37 Federal Credit Union.

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

One word sums up my first year serving as manager, grateful. I am grateful to the board members for installing me in this role and their support continues to inspire me. I am grateful for our entire staff. Their dedication to our goals and its members is unwavering. And I am grateful to you the members. As member-owners, you have continued to support us and help us move forward with a fresh outlook for the new year. Together really is better!

Although credit unions were created in the mid-1800s, the first credit union in our country was not until the early 1900s. Today there are more than 100 million credit union account holders in the United States. Both credit unions and banks provide for those they serve with a broad range of financial services and products. However, there are multiple distinctions between the two. The primary credit union difference lies at its core: Banks are created to generate profit for their shareholders; credit unions were created to focus on its members over profits. Unlike a traditional bank, credit unions are member owned and each member, regardless of the size of their relationship, have the same voting rights as the largest relationship. One member, one vote – which is one reason we hold these annual meetings. It is not only for you to hear about the credit union it is for us to hear from you. Your voice does matter.

As 2021 ended, Teamsters Federal Credit Union humbly reflects on another successful year of serving our members. Our financial condition remained solid during 2021, a reflection of sound oversight by the board and a strong leadership team. The Credit Union's Annual Report will be available soon.

In closing I would like to say I have optimism for the coming year, which I believe is shared by the board and staff of the credit union. We are excited for what lies ahead and will continue striving to improve our financial well-being as well as that of our members.

I want to thank the Board of Directors for their dedicated oversight and guidance throughout the past year. They are the ones that make the decisions regarding policy, procedures, services, and oversight. Our Board of Directors, like many credit unions, are all volunteers, and as such, are valuable to the continued success of the organization. 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!

Despite new challenges, you can count on the employees and our Board of Directors to place all of our members at the heart of every decision we make. From all of us at Teamsters Council #37 Federal Credit Union, we thank you for your continued support.

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

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

SUPERVISORY COMMITTEE MEMBERS

JACKIE DAVAIS, CHAIRPERSON

KAREN O'NEAL

MICHAEL BERANBAUM

2021 ANNUAL REPORT

Consolidated Statement of Financial Condition

December 31, 2021 & 2020		
	2021	2020
ASSETS		
Loans Receivable (net of allowance for loan losses)	\$19,544,540	\$20,755,375
Cash & Cash Equivalents	15,027,445	10,676,491
Investments Held to Maturity	35,584,069	34,621,000
Accrued Interest Receivable	68,857	48,093
Property & Equipment (Net)	222,303	276,938
National Credit Union Share Insurance Fund Deposit	517,338	482,980
All Other Assets	167,675	153,207
Total Assets	\$71,132,227	\$67,014,084
LIABILITIES AND MEMBER EQUITY		
Member Shares & Savings Accounts	62,052,634	58,084,623
Accounts Payable & Other Liabilities	78,899	128,648
Total Liabilities	\$62,131,533	\$58,213,272
Member Equity (Substantially Restricted)	9,000,694	8,800,813
Total Liabilities & Member Equity	\$71,132,227	\$67,014,084

Consolidated Statements of Members Equity

Years ended December 31, 2021 & 2020

	Appropriated Regular Reserve	Unappropriated Earnings	Total
Balance December 31, 2019	\$856,938	\$7,595,336	\$8,452,274
Net Income		348,539	348,539
Balance December 31, 2020	\$856,938	\$7,943,875	\$8,800,813
Net Income		199,881	199,881
Balance December 31, 2021	\$856,938	\$8,143,756	\$9,000,694

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.

Consolidated Statement of Operations

Years ended December 31, 2021 & 2020		
	2021	2020
INTEREST INCOME		
Loans	904,460	927,603
Investments	259,713	531,493
Total Interest Income	\$1,164,173	\$1,459,096
Interest Expense On Member Deposits	118,479	131,079
Net Interest Income	\$1,045,694	\$1,328,017
Provision for Loan Losses	0	22,937
Net Interest Income After Provision for Loan Losses	\$1,045,694	\$1,305,080
NON-INTEREST INCOME		
Service Charges \$ Fees	490,851	401,052
Operating Income	\$1,536,545	\$1,706,132
NON-INTEREST EXPENSE		
Compensation & Benefits	687,256	719,282
General & Administrative	649,408	638,311
Total Non-Interest Income	\$1,336,664	\$1,357,593
Net Income From Operations	\$199,881	\$348,539

Treasurers Report - Robert Burke

The Annual Report will be available soon and will be uploaded to the website.

Year-end assets closed at \$71 million a 6% increase from the prior year. Cash and investments ended at \$51.4 million, loans at \$19.6 million, and member shares ended at \$62.1 million – up 7% from the prior year. Total dividends paid to members was \$118,000, which included a bonus dividend at year-end.

After operating expenses and dividends were paid, the Credit Union had net income of \$199,881. Total capital and reserves at year-end were 12.65% which is considered well-capitalized per NCUA capital standards. This figure compares favorably with our peer group and emphasizes our commitment to maintaining a strong and viable Credit Union. Total capital and reserves now exceed \$9 million.

We are looking forward to continued success in 2022. With your assistance we can surely make this happen!

TEAMSTERS COUNCIL #37 FEDERAL CREDIT UNION

1866 NE 162ND AVE, PORTLAND, OR 97230
www.tcu37.com / 503-251-2390 / 800-547-7657

