



60 Years of Passion for Helping People

# 2022 Annual Report

PROVIDENCE FEDERAL CREDIT UNION

# Chair & CEO Report



**MARY SAVAGE**  
BOARD CHAIR



**SHIRLEY CATE**  
PRESIDENT/CEO

**As we celebrate our 60th anniversary, our commitment to our members remains as strong as ever.**

As society and technology advance rapidly, our goal in 2022 was to position ourselves as a digital banking organization and improve the banking experience for our members in the U.S. and abroad. Therefore, we continue to invest in advanced technology to help members manage their money intelligently, safely, and swiftly.

We've made it easier than ever to become a member and manage your money anywhere in the world. Our website underwent a complete redesign to make banking convenient and seamless from everywhere people live and work while keeping our friendly member-first focus. Innovations like online banking, mobile banking, and video chat have made it easier for members across the country to do their day-to-day banking without ever setting foot in a branch.

In 2022, we welcomed the United Domestic Workers (UDW Labor Union) as partners. UDW is a nonprofit organization that provides advocacy and support to more than 74,000 health care professionals, homecare workers, and childcare providers in California. Expanding to serve

more health care workers means that we can offer even greater value for all our members, adding to our 120,000+ surcharge-free ATMs, low-interest rate special loans, and even an entirely new checking product – Refresh Checking.

We're proud to report that we far exceeded our loan growth target in 2022, growing over 25% in loans. In addition, we experienced an unprecedented 4% growth in membership. Despite such successes, we faced tight competition vying for deposit dollars, a tremendous increase in borrowing, and an influx in consumer spending. And while we met these challenges, rest assured that this doesn't reflect on the financial soundness of the Credit Union. PFCU is and has been financially sound and well-capitalized for decades. In fact, we operate at 3% above the regulatory standards required for "safe and sound" banking.

We want to acknowledge the work of our dedicated Board of Directors, Supervisory Committee, and our hardworking and personable PFCU Team, who are committed to delivering an exceptional banking experience not found elsewhere. Finally, to you, our members, a sincere thank you for your endless trust and loyalty. The best is yet to come as we redesign and redefine better banking for you.

**Mary Savage, Board Chair**  
**Shirley Cate, President/CEO**



# Joining Forces Together

In May 2022, United Domestic Workers (UDW) welcomed us as their new financial partner. UDW provides advocacy and support to more than 74,000 members who work as health care professionals, home care workers, and child care providers in California.

## **Opportunity Knocked. We Answered.**

All healthy organizations grow. The smart ones grow strategically to ensure service and product quality are preserved and always maintain sight of the mission. As an organization, we look for natural partnerships, who believe the same as we do. We are very proud of what we do: Creating and developing financial wellness products and services for our members, our community, and those who work hard caring for others. Like our other partners, UDW is 100% aligned with our mission, philosophies, and vision.

## **Together, We Are Stronger.**

Our commitment to the employees, interns, contractors, and family members of Providence, EyeHealth Northwest, and the Portland Clinic is unwavering. That will never change. We all have similar roots: caring for caregivers and care workers. The UDW partnership was an obvious fit. A hallmark marriage, as we like to say.

*"We look for natural partnerships - selecting a partner with the same core values as ours was of utmost importance. We found an organization that was fully committed to serving their members with the same care, attention, and heart-felt mission that we have served our membership for the last 60 years."*

**– Shirley Cate, PFCU President/CEO**

*"The PFCU partnership is a natural fit. Healthcare and advocacy share a lot in common with the spirit of credit unions – the primary philosophy of people helping people."*

**– Editha Adams, UDW President and Caregiver**

**With over 1,100 UDW members joining PFCU last year, we are all reaping the rewards.** Our members inspire us to continue to elevate our offerings and exceed expectations. It's what we do best.

# Supervisory Committee Report

The Supervisory Committee represents the membership's interests by ensuring:

- Assets are properly safeguarded
- Policies and procedures are in place
- Internal controls are effective
- Applicable laws and regulations are followed
- The Credit Union's financial condition is fairly presented in accordance with generally accepted accounting principles

The Supervisory Committee engaged Hauser Jones & Sas to conduct the annual independent audit of the consolidated financial statements, which comprise the

balance sheet, related statements of consolidated statements of income, changes in member's equity and cash flows for the period ending March 31, 2022. Based upon the audit conducted, the Supervisory Committee is pleased to report that the financials presented are a fair and accurate assessment of Providence Federal Credit Union's financial position as of March 31, 2022.

Not only is the Credit Union financially sound, but it operates within a strong internal control environment that ensures compliance with applicable laws and regulations. Our focus is, as always, to provide our members a safe and sound financial environment.

**Bill Borquist, Chair**  
**Rebecca Martinson, Member**  
**Bert Sperry, Member**

# Financial Statements

AS OF DECEMBER 31, 2022

## Statement of Income

INCOME	2022	2021
Loan Income	\$4,606,273	\$3,948,716
Investment Income	\$516,701	\$552,517
Fee Income	\$1,566,149	\$2,183,714
<b>TOTAL INCOME</b>	<b>\$6,689,123</b>	<b>\$6,684,947</b>
<b>EXPENSES</b>		
Operating Expenses	\$3,634,057	\$3,480,847
Compensation / Benefits	\$2,632,460	\$2,539,033
<b>TOTAL OPERATING EXPENSES</b>	<b>\$6,266,517</b>	<b>\$6,019,880</b>
Interest Expense	\$344,791	\$249,319
Provision for Loan Loss	\$549,962	\$102,913
<b>Total Expenses</b>	<b>\$7,161,270</b>	<b>\$6,166,286</b>
<b>TOTAL NET INCOME/(LOSS)</b>	<b>(\$472,147)</b>	<b>\$518,661</b>

## Statement of Financial Condition

ASSETS	2022	2021
Loans	\$110,621,759	\$89,080,638
(Less Allowance for Loan Loss)	<u>- \$366,000</u>	<u>- \$136,000</u>
Net Loans	\$110,255,759	\$88,944,638
Cash	\$10,372,855	\$2,373,325
Investments	\$53,930,529	\$82,998,106
Other Assets	<u>\$3,859,339</u>	<u>\$2,010,616</u>
<b>TOTAL ASSETS</b>	<b>\$178,418,482</b>	<b>\$176,326,685</b>
Liabilities w/o Suspense	\$9,413,590	\$258,880
Shares	\$152,824,059	\$157,211,138
Retained Earnings	\$16,180,833	\$18,856,667
Equity	<u>\$162,237,649</u>	<u>\$157,470,018</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$178,418,482</b>	<b>\$176,326,685</b>

# Helping People Thrive

## Here are just some of the contributions we made:

Gina McGraw Memorial	<b>\$500</b>
UDW Charity Golf Tournament	<b>\$500</b>
Providence Helping Hand Fund	<b>\$50,000</b>
Providence Willamette Falls Medical Foundation	<b>\$3,000</b>
Providence Willamette Falls Foundation Gala	<b>\$500</b>
Providence Milwaukie Foundation	<b>\$1,500</b>
Festival of Trees Donation	<b>\$5,000</b>
Festival of Trees Tree Gifts	<b>\$1,600</b>

## Providence Federal Credit Union is more than just banking.

As a health care credit union, we serve and uplift our members and their communities. Not only providing access to affordable financial services, but also inspiring a deep connection. Where others see dollars and cents, we see people and passions. When members run to us in moments of financial uncertainty... we run towards them.

We are committed to investing in each member's financial health and well-being and building a culture where everyone is welcome. For 60 years, our members and employees have lived and breathed that commitment by donating their time and money to help those in need as our family has grown to include EyeHealth Northwest, Portland Clinic, and most recently, UDW.

We've donated over half a million dollars to charities over the years, but we also aim to encourage and nurture communities through events like Providence Willamette Falls Medical Foundation, Safeway Providence Festival of Trees, and the UDW Charity Golf Tournament.

This year, we celebrate 60 years of shared value and sustainable, resilient, rooted human connection. And at 60, our membership is stronger than ever.

# Stronger Together

## **Providence Helping Hands Fund**

This Fund offers a financial lifeline to Providence St. Joseph Health caregivers struggling to pay for rent, utilities, unexpected medical bills, or groceries for their families. Since 2016, we have donated over \$300,000 to help bring some light when times seem at their darkest. **Learn more:** <https://give.providencefoundations.org/stvincent/helping-hand>

## **Providence Festival of Trees**

We proudly supported the Safeway Providence Festival of Trees by donating prizes for the Raffle Tree, including a gaming unit, games, flat screen tv, and a \$1,000 Visa gift card. Proceeds benefited Providence Children's Health Area of Greatest Need Fund, which helps support many programs and services within our hospitals and clinics. **Learn more:** <https://foundation.providence.org/oregon/portland/events/festival-of-trees>

## **Disaster Relief Loans**

When a disaster strikes, we're here for our members. Last year, many California residents suffered losses during devastating wildfires and floods. As a credit union centered around "People Helping People", PFCU's team immediately created a Wildfire Relief Loan with a low rate and quick approval. When the unprecedented California flooding occurred, we once again focused on providing help and hope to our members by creating the Flood Relief Loan.

## **Schoolhouse Supplies Book Drive**

Every month, Powell's Books, Inc. donates thousands of books to Schoolhouse Supplies, a nonprofit organization that gives free basic school supplies to more than 22,000 students in need in the Portland area. But before these books can get in the hands of teachers and students, they must be sorted. In October, we gladly pitched in and sorted over 2,000 books in no time. **Learn more:** <https://schoolhousesupplies.org/>

## **Willamette Falls Medical Foundation**

In October, we supported Providence Willamette Falls Medical Foundation by sponsoring a table at their Gala at the Falls event to help establish a caregiver scholarship fund. This fund allows caregivers to gain further education and take on advanced training. As they expand their skills, the whole community benefits. **Learn more:** <https://foundation.providence.org/oregon/willamettefalls/home>

## **PFCU PJ and Socks Drive**

In December, we reached out to our staff and members asking them to donate an extra pair of warm socks or PJs for local families in need. Our Community Impact Committee organized the drive, which resulted in heaps of warm fuzzy socks and comfy pajamas for many families year-round. **Learn more:** <https://www.providencecu.org/about/community-impact/>



EXECUTIVE LEADERS 2022-2023



**Shirley Cate**  
President/CEO



**Bill Kearney**  
VP of Administration



**Leo Lee**  
VP of Technology



**Kasey Rockwell**  
VP of Operations



**Annie Spencer**  
VP of Finance



**Carolyn Mah**  
VP of Marketing



**Aaron Wiggins**  
VP of Lending

OUR TEAM 2022-2023

Adam Alcala ..... Loan Underwriter  
Alberta Moranchel ..... Member Services  
Amber Flores ..... Assistant Operations Manager  
Andrew Cecka ..... Internal Auditor  
Angela Allen ..... Member Services  
Angela Hiestand ..... Member Services  
Billy Cha ..... Accounting Specialist  
Chris Nguyen ..... Information Systems Analyst  
Cindy Light ..... Member Services  
Crystal Thai ..... Electronic Service & Payments  
Administrator  
Diana Fackrell ..... Member Care Manager  
Dolores Gomez ..... Member Services  
Eric Zimmerman ..... Member Services  
Jannet Figueroa ..... Accounting Specialist  
Kathy Johnson ..... Member Services

Katie Johnson ..... Business Development  
Kelly Hottenroth ..... Senior Collection Officer  
Linda Carlson ..... Financial Advisor Assistant  
Luke Hooper ..... Digital Marketing Coordinator  
Lupe Gonzalez ..... Member Services  
Maria Ceapa ..... Assistant Operations Manager  
Nora Griffin ..... Electronic Service & Payments  
Administrator  
Olivia Wiley ..... Interactive Video Teller  
Paul Ethier ..... Loan Processor  
Prescoln Visatsep ..... Member Services  
Rebecca Foord ..... Loan Processor  
Sharon Hughes ..... Business Development  
Sharon Popp ..... Director of Operations  
Shelley Woodruff ..... Member Care Specialist  
Tiffanie LaMotte ..... Member Services  
Tuan Tran ..... System Administrator

BOARD OF DIRECTORS



**Mary Savage**  
Chair



**Tammy Pierce**  
Vice Chair



**Robert Berry**  
Secretary



**Henry Vera**  
Director



**Kevin Matheny**  
Director



**Joann Pfister**  
Director

SUPERVISORY COMMITTEE



**Bill Borquist**  
Chair



**Rebecca Martinson**  
Member



**Bert Sperry**  
Member

MEMBER CARE  
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