



SHAPING THE FUTURE

2019 PROVIDENCE FEDERAL CREDIT UNION
FINANCIAL REPORT



Doing what's right.



CONTENTS

State of the Credit Union

Serving Our Members

Enhancing Digital Access

Investing in Our Community

Cultivating Financial Wellness

Statement of Income

Statement of Financial Condition

Supervisory Committee Report

PFCU

Executive Team

Board of Directors

Supervisory Committee

Shaping the Future of Our Membership

\$6,228,514.40

Total Mobile Deposits

10,691

Total eStatements

\$33,600.00

Caregiver Loans

143

Financial Wellness Workshops

STATE OF THE CREDIT UNION

Every financial institution has a mission. Few can claim a mission that aligns so directly with their field of membership and their members.

We're the credit union for Providence healthcare workers, families and retirees. After more than five decades, we are deeply in tune with their motivations, their challenges and their dreams.

Providence FCU understands that every healthcare worker is unique and has diverse financial needs. Many work outside the normal nine-to-five, and their jobs are emotionally demanding at times. They put so much into caring for their patients that they can forget to take care of themselves.

That's why we offer financial services like the Caregiver Loan, which helps Providence caregivers navigate their life's emergencies—just like they've done for so many. In 2019, PFCU was thrilled to donate \$60,000 to the Oregon Providence Helping Hands Fund, which is a financial resource for Providence employees.

In the last year, we've expanded our reach to new Providence locations in other states, and continued to add new technology to be there for our members no matter where they are. We are proud to continue to offer Investment Solutions here at PFCU. The Investment Professionals can advise members on investment services, financial management options and a variety of insurance and investment strategies that complement our traditional, insured savings accounts.

Because we're not for profit and close to our membership, we can skip many of the frustrations consumers encounter at most banks. No fees that show up out of nowhere. No interest rates that jump when no one is looking. We are a dedicated credit union that knows how to help caregivers make the most of their money.



Mary Savage
Chair



SERVING OUR MEMBERS

"We continue to focus on our members and their needs. Whether it's lower fees, nationwide access or innovative ways to connect with our members - this is the center of what PFCU is all about." – Shirley Cate, Chief Executive Officer



90,000+

We added access to 90,000 ATMs and 9,000 deposit-taking ATMs across the country.



**REDUCED
FEES**

We've cut overdraft fees to \$15—less than half the national average.



**GRAND
OPENING**

Our new Providence Cancer Center Branch opened in April 2019.

ENHANCING DIGITAL ACCESS

“Technology has come a long way in making banking transactions faster and more convenient, but often lacks that human touch. We’re putting the humans back in touch with our members.” — *Brett Wooden, Chief Operations Officer*

5,405 | Total Online Banking Users

5,830 | Total Mobile Banking Users

10,691 | Total eStatements

\$6,228,514 | Total Mobile Deposits

5.01% | Total Tablet Website Visits

31.08% | Total Mobile Website Visits

63.91% | Total Desktop Website Visits



ITMs

Rolled out ITMs (Interactive Teller Machines) for the full branch service, without the branch.



MOBILE

Our revamped mobile app handles mobile deposits, peer-to-peer transfers, car shopping and more.



VidMe

VidMe offers real-time, face-to-face banking in a mobile app.



ONLINE SCHEDULING

Tapped into appointment scheduling software to help members set meeting times to chat with a Member Service Representative.

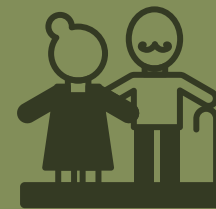
INVESTING IN OUR COMMUNITY

“The Helping Hand Fund embodies the Providence mission in so many ways. It’s given us the ability to share critical financial assistance with fellow caregivers during difficult times to get them back on their feet.” — *Tam Everard, Development Coordinator for Providence Portland Medical Foundation*



DONATIONS

Contributed \$60,000 to the Oregon Providence Helping Hand Fund.



VOLUNTEER

510 volunteer hours served local organizations, including:



GIVEBACK

The Member Giveback Program delivered \$79,000+ to support community causes, including:



CULTIVATING FINANCIAL WELLNESS

“Andrew was a genuine listener throughout my financial counseling session. He answered all of my questions and provided a lot of food for thought specific to my interests. I walked away reassured and motivated to pursue my financial goals. Thank you, Andrew!” — *Melissa PFCU Member*



MONEYEDU

Our Financial Wellness Program offers online tools to build a budget, calculate loan interest, and develop a financial plan for the future.



CHECKUPS

Members can schedule a Financial Wellness Checkup with our certified financial counselor. Members can get help with debt repayment, credit repair, developing a plan and more.



WORKSHOPS

Members can attend free, educational events through in-person workshops, via webinars online, or through other partnerships, like College Way.



STATEMENT OF INCOME

INCOME	2019	2018
Loan Income	\$ 4,692,236	\$ 4,165,341
Investment Income	\$ 837,864	\$ 794,617
Fee Income	\$ 1,711,500	\$ 1,728,795
Total Income	\$ 7,241,600	\$ 6,688,753

EXPENSES

Operating Expenses	\$ 3,281,036	\$ 2,853,402
Compensation Benefits	\$ 2,508,691	\$ 2,185,605
Total Operating Expenses	\$ 5,789,727	\$ 5,039,007
Interest Expense	\$ 578,477	\$ 563,677
Provision for Loan Loss	\$ 643,040	\$ 181,165
Total Expenses	\$ 7,011,244	\$ 5,783,849
Total Net Income	\$ 230,356	\$ 904,904

ASSETS

Loans	\$ 87,787,936	\$ 90,954,730
(Less Allowance for Loan Loss)	\$ -431,000	\$ -213,000
Net Loans	\$ 87,356,936	\$ 90,741,730
Cash	\$ 1,392,110	\$ 1,040,436
Investments	\$ 47,892,942	\$ 44,454,573
Other Assets	\$ 1,619,904	\$ 1,332,401
TOTAL ASSETS	\$ 138,261,891	\$ 137,569,139
Liabilities w/o Suspense	\$ 322,247	\$ 207,728
Shares	\$ 119,580,338	\$ 119,885,945
Reserves	\$ 1,988,775	\$ 1,988,775
Undivided Earnings	\$ 16,370,531	\$ 15,486,692
Net Worth	\$ 18,359,306	\$ 17,475,467
Total Liabilities and Equity	\$ 119,902,585	\$ 120,093,673
TOTAL LIABILITIES	\$ 138,261,891	\$ 137,569,140

STATEMENT OF FINANCIAL CONDITION

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; and
- 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 statements of financial condition, related statements of income, and changes in members' equity for the period ending September 30, 2019. 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 September 30, 2019.

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

SUPERVISORY COMMITTEE

Bill Borquist	Chair
Rebecca Martinson	Member
Bert Sperry	Member
Henry Vera	Member



Shirley Cate
Chief Executive Officer



Brett Wooden
Chief Operations Officer

PFCU STAFF

- | | |
|-------------------|---|
| Adam Alcala | Underwriter |
| Alberta Moranchel | MSR I |
| Amanda Willis | Underwriter |
| Amber Flores | MSR II |
| Andrew Cecka | Business Development Officer |
| Angie Allen | MSR I |
| Bill Kearney | Project Manager |
| Brett Wooden | Chief Operations Officer |
| Bryan Jordan | AVP of Lending |
| Cathy Lawpaugh | MSR II |
| Chelsea Reyes | ITM Teller |
| Chris Nguyen | IT Support Specialist |
| Crystal Thai | Electronic Service & Payments Administrator |
| Frank Porter | Processor |
| Irma Canache | MSR I |
| Jannet Figueroa | Accounting Specialist |
| Jenn Smith | Member Care Manager |
| Justin Brunson | MSR II |
| Kaitlinh Phonasa | MSR II |
| Kathy Johnson | MSR I |
| Kelly Hottenroth | Member Solutions Officer |
| Leo Lee | AVP of IT |
| Linda Carlson | Financial Advisor Assistant |
| Mark Chipperfield | MSR II |
| Mark Gonzalez | Assistant Operations Manager |
| Matt Hessler | IT Coordinator |
| Shari Stoecker | Marketing Coordinator |
| Sharon Hughes | Business Development Officer |
| Shelley Woodruff | MSR II |
| Shirley Cate | Chief Executive Officer |
| Tara Hargis | MSR II |
| Tiffany Pillars | AVP of Finance |

BOARD OF DIRECTORS

- | | |
|---------------|------------|
| Mary Savage | Chair |
| Tammy Pierce | Vice Chair |
| Gina McGraw | Secretary |
| Ruth Johanson | Director |
| Sarah Lott | Director |
| Kevin Matheny | Director |
| Joann Phister | Director |

SUPERVISORY COMMITTEE

- | | |
|-------------------|--------|
| Bill Borquist | Chair |
| Rebecca Martinson | Member |
| Bert Sperry | Member |
| Henry Vera | Member |



SHAPING THE FUTURE OF OUR MEMBERSHIP

With our expansion into all states within the Providence Health footprint, we are excited to provide even more Providence caregivers with services built to fit their needs. We are also pleased to be adding some new offerings that make financial wellness easier. Like 24/7 Lending, which takes the stress out of applying for a loan by letting members apply online at any time, day or night—and get help from a real person along the way.

We will be extending our call center hours to offer help when you need it. And added more ATMs and ITMs to our network of well over 90,000 surcharge-free locations. We are renovating our St. Vincent branch to add two ITMs, Smart Lockers, Financial Wellness coaching and a self-service coin machine. This will give members 24/7 access at St. Vincent's.

While there are plenty of banks and credit unions with great customer service, there are none that understand Providence caregivers like we do. Their sacrifice and dedication inspire us to pay them back with the personalized service they need to stop worrying about money—and get back to their careers, families, goals and passions.

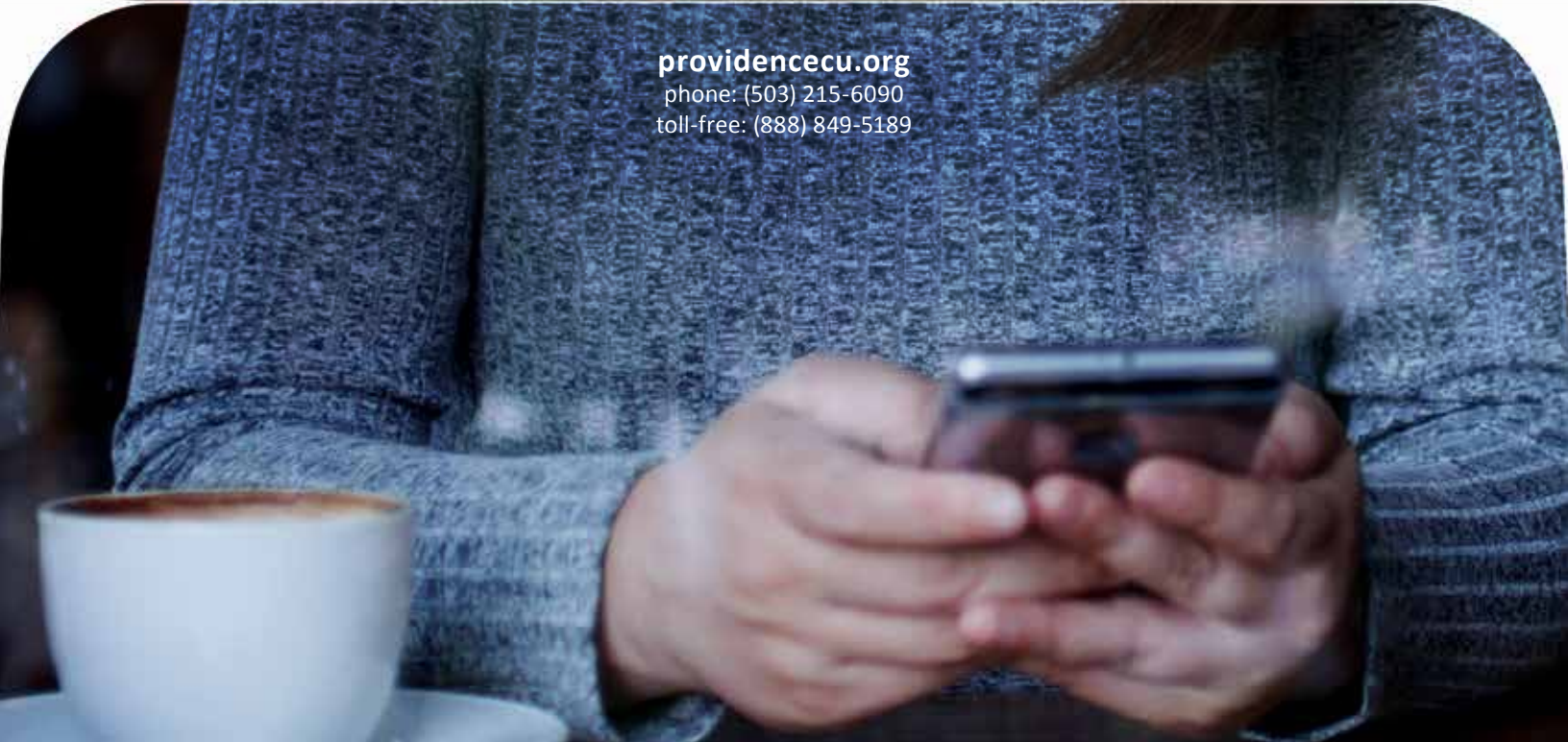
Since 1962, we've built our reputation on personal services that meet the unique needs of those in the healthcare industry. We look forward to serving our new members with the same focus and dedication—and caring for those that care for others.



Shirley Cate
Chief Executive Officer



Providence
FEDERAL CREDIT UNION



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