60 Years of Passion for Helping People
Chair & CEO Report

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 borrowings, 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.
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

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

### Statement of Financial Condition

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

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.

Here are just some of the contributions we made:

<table>
<thead>
<tr>
<th>Contribution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gina McGraw Memorial</td>
<td>$500</td>
</tr>
<tr>
<td>UDW Charity Golf Tournament</td>
<td>$500</td>
</tr>
<tr>
<td>Providence Helping Hand Fund</td>
<td>$50,000</td>
</tr>
<tr>
<td>Providence Willamette Falls Medical Foundation</td>
<td>$3,000</td>
</tr>
<tr>
<td>Providence Willamette Falls Foundation Gala</td>
<td>$500</td>
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<tr>
<td>Providence Milwaukie Foundation</td>
<td>$1,500</td>
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<tr>
<td>Festival of Trees Donation</td>
<td>$5,000</td>
</tr>
<tr>
<td>Festival of Trees Tree Gifts</td>
<td>$1,600</td>
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</tbody>
</table>

Providence Federal Credit Union is more than just banking.
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
Prescolin Visatheap .... 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

Providence Federal Credit Union
2022 Annual Report