



2022

ANNUAL REPORT

**Fibre
Federal**
CREDIT UNION

 **TLC**
A DIVISION OF **FibreFederal**
CREDIT UNION

2022 in Review



Accolades



Voted #1 Financial Institution

- Best of 2022 Daily News Reader Poll (#1 since 2005)
- Tillamook Headlight Herald Readers' Choice
- Best of Lincoln County Readers' Choice



We're As Healthy As Ever

Grade A Health & Stability rating from
DepositAccounts



Notable Awards

- Kelso-Longview Chamber Pillars of Strength: Best Large Business
- The Daily News: Best Mortgage Company



Doernbecher Days

\$27,825

raised for Doernbecher
Children's Hospital



Since 2010, we've raised
over \$400,000!



Volunteer Spirit

156 volunteers partnered with **90** organizations
to give back **1,727** hours of service



Give More 24!

50 employees gave
a total of **\$1,475** to
Cowlitz County non-profits



Scholarships

\$11,000

in scholarships to members
pursuing higher education



International Credit Union Day: October 20

Staff gave back **95** personal hours to lunch time
beach cleanups, veteran hospitality bag stuffing,
animal shelter visits, and more!



Department Donations

- Each department gets special funds to use in an impactful way

\$6,000 went to help support shelters, schools, animal shelters, senior centers, and other important community groups



Communities First Program

\$29,000 in grants to eight hospital foundations and four community college foundations

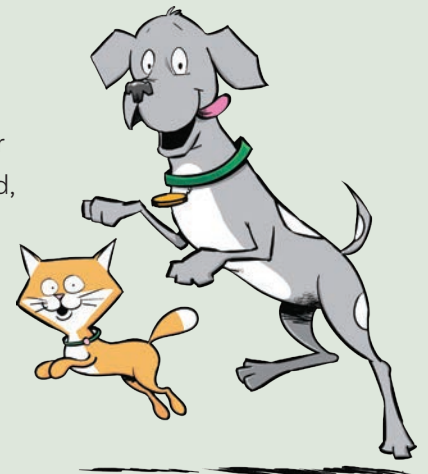
- **\$145,000** since 2018
- Funds improve education, health services, and quality of life



Animal Shelter Support

We donate \$5 to an animal shelter for each new youth account opened, up to **\$5,000** annually

- To date, we've donated over **\$28,000!**



Financial Education

Provided educational materials to **834** adults and **2,462** K-12 students



Holiday Spirit and Christmas Tags

- We partnered with foster care agencies across five counties
- Collected and donated Christmas presents for hundreds of foster children



CEO & Board Chairman Report



Christopher Bradberry
President/CEO



Jerry Howell
Board Chair

As we continue to navigate the quickly changing and challenging world together, we're proud to report that 2022 was another successful year for Fibre Federal and TLC. Member loans surpassed the one-billion-dollar mark, growing 12% and ending the year at \$1.1 billion. Member shares grew to \$1.438 billion, and assets grew to \$1.639 billion. At the same time, we saw significant improvements to our net worth and our efficiency ratio. At 11.8%, our net worth puts us in the top quartile for credit unions of our size.

In December of 2021, we were approved to add Washington counties Clark, Skamania, Lewis, and Grays Harbor to our field of membership. This addition was well-received by residents of those counties: membership in these areas grew by 8.2% in 2022, versus 4.5% overall.

Last summer, we opened our first Mortgage Loan Center in Woodland, providing greater convenience for our members in south Cowlitz County, as well as our newly-eligible members in north Clark County. We also made significant improvements to our Astoria location, and in December we re-opened our Kalama location, now featuring state of the art ITMs (Interactive Teller Machines) inside and outside, and a drive-up Red Leaf Organic Coffee.

Last January, we introduced a brand new dual-branded website with increased mobile functionality, ADA accessibility options, and multi-language translator. We also updated Online Banking to include Spanish. Our membership continues to embrace the speed and convenience of technology – as of the month of December '22, 66% of all member deposits were conducted via mobile or ITM deposit, and 38% of all teller transactions were conducted at one of our many ITMs.

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All the while, we were rolling up our sleeves and helping out in our communities. We donated over \$219,000 to 194 organizations in the communities we serve, and our Fibre Family volunteered 1,727 hours for 90 organizations.

We've already hit the ground running in 2023. In February, we introduced Express Pay, which allows you to make quick, secure loan payments with your debit or credit card from another financial institution. Already, our members have processed hundreds of payments via our online Express Pay portal.

Here's a look at what's ahead this year:

- Improved Chat Functionality. We're getting ready to launch personal, virtual contact center sessions, complete with video functionality. With the member's permission, representatives will even be able to co-browse the member's screen to better assist them with our website, Online Banking, and online applications.
- Online Member Appointment Scheduling. Soon, we'll integrate appointment scheduling to our digital service offerings which will bridge digital functionalities with the financial services center network.
- Contactless Credit and Debit Cards. This summer, we'll begin a gradual re-issue of our members' cards, updated with the latest chip technology for contactless transactions. Contactless cards are more secure: every chip transaction includes a unique code, helping to protect against fraud and keep your information safe. And, they're easier to use: When making a purchase at a chip-enabled point-of-sale terminal, you will no longer need to insert your card. Instead, simply tap your card to the front of the terminal. Save time every time you tap!

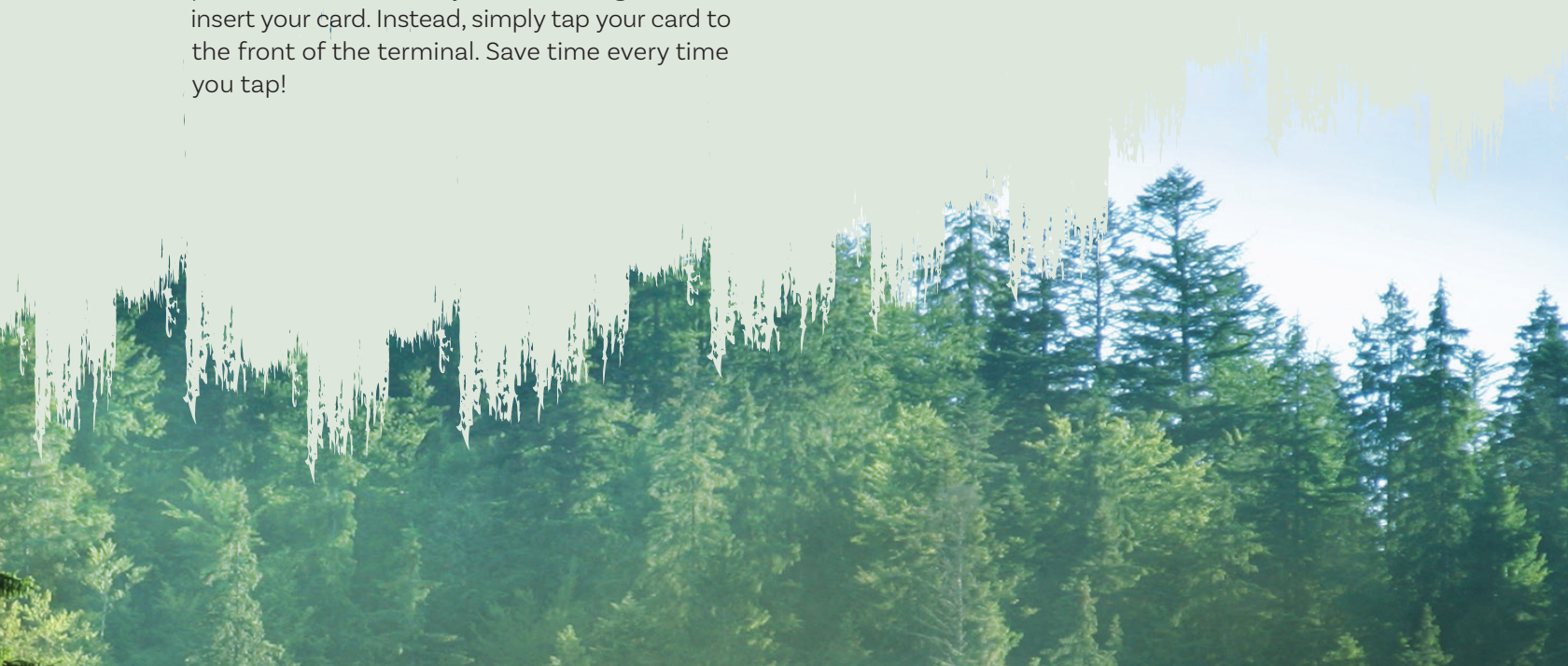
- Increased ITM and Virtual Representative accessibility. We plan to add an ITM to our Warrenton location, which will mean ITM access at each of our locations. And, we're adding to our Virtual Rep team so that we can provide even more expanded hours. Details to come.

In closing, we'd like to remind you that as a member/owner of a not-for-profit cooperative, you've made a good choice and you're in good company. There are 6.8 million credit union members in Washington and Oregon – 57% of all residents. Credit union member benefits, combined with the wages we pay our employees and the money we spend in our communities, contributed \$11.3 **billion** to Washington's and Oregon's economies in 2022. Here at Fibre Federal and TLC, we saved our members more than \$24.4 million in 2021, an average of \$302 per member. All that just for having your accounts with us rather than a bank!

We look forward to growing with you in 2023. Thank you for your membership!

Christopher Bradberry
President/CEO

Jerry Howell
Board Chair



Financial Statements



STATEMENT OF FINANCIAL CONDITION	Dec. 31, 2021	Dec. 31, 2022
Gross Loans	984,343,366	1,101,511,898
Allowance for Loan Loss	(3,253,212)	(4,418,262)
Net Loans	981,090,154	1,097,093,635
Cash & Equivalents	375,789,991	227,208,672
Investments	156,527,660	202,964,832
Cash and Investments	532,317,650	430,173,504
Foreclosures & Repossessions	112,126	552,630
Fixed Assets	44,558,048	44,257,388
Other Assets	69,314,522	67,089,232
Total Assets	\$1,627,392,500	\$1,639,166,389
Total Liabilities	20,195,353	23,097,773
Regular Shares	696,008,883	700,510,325
Checking Shares	408,457,308	408,591,417
Money Market Shares	199,553,194	198,171,152
Certificate Shares	126,902,343	130,403,788
Shares	1,430,921,728	1,437,676,681
Undivided Earnings	178,711,010	193,214,580
Other Comprehensive Income	(2,435,591)	(14,822,645)
Equity	176,275,419	178,391,935
Total Liabilities & Equity	\$1,627,392,500	\$1,639,166,389

STATEMENT OF INCOME & EXPENSE	2021	2022
Total Interest Income	39,274,862	49,214,594
Total Interest Expense	3,224,941	3,767,820
Net Interest Income	36,049,921	45,446,774
Fee Income	4,872,936	6,185,946
Other Income	4,252,167	4,228,699
Credit Card Program	1,837,656	2,083,178
Debit Card Program	8,364,238	8,509,386
Loan Origination Income	2,027,778	1,095,518
Non Operating Gain/Loss	356,128	466,775
Non Interest Income	21,710,902	22,569,503
Compensation & Benefits	26,437,562	29,631,767
Travel & Conference	342,321	600,000
Office Occupancy	2,535,322	2,798,937
Office Operations	4,540,124	4,991,756
Education & Promotion	787,513	746,649
Loan Servicing	1,765,585	1,874,069
Professional Services	5,547,800	6,631,269
Operating Fee	273,053	252,996
Misc Operating	2,753,542	3,018,697
Non Interest Expense	44,982,822	50,546,140
Acquisition Related	(181,161)	(181,161)
NCUSIF Refund	1,057,969	298,652
Provisions for Loan Losses	114,888	(3,084,060)
Net Income	\$13,769,696	\$14,503,568

Supervisory Committee Report



Jeff Skeie
Supervisory Committee Chair

Your Supervisory Committee is comprised of five volunteers: Jeff Skeie, David Thelin, Greg Kelly, Alison Peters, and Ashley Lachney. The 2022 Supervisory Committee was also joined and assisted by Supervisory Committee Associate Member Gabe Negrete. The Supervisory Committee has the responsibility to oversee and verify that the Credit Union has developed and maintains an internal control framework that provides reasonable assurance to the reliability and integrity of the financial statements and compliance with laws and regulations.

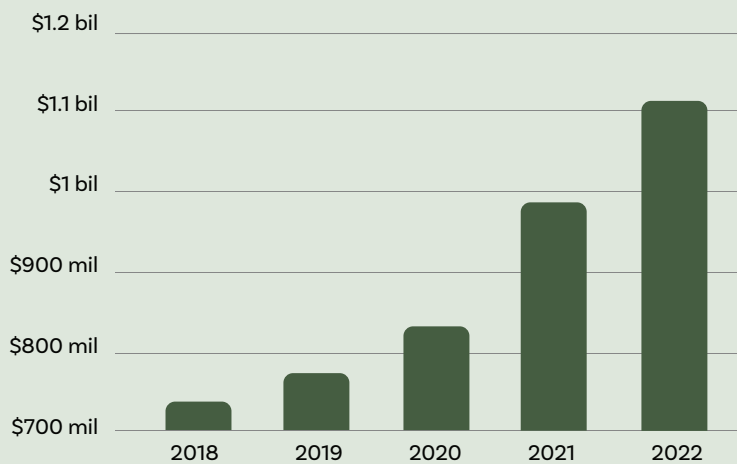
Your Supervisory Committee fulfills this responsibility in two ways. We meet regularly with the Credit Union's Vice President of Internal Audit, Luci Sherard, who assists the Committee in verifying compliance within our internal control framework. We also engage an external audit firm, Moss-Adams, to audit the financial statements and the operational controls surrounding those financial statements in accordance with generally accepted auditing principles.

Supervisory Committee members attend regular monthly Supervisory Committee meetings, as well as monthly meetings of the Board of Directors. At these meetings we review the work of the Internal Auditor, the external auditor, and management to ensure that the Supervisory Committee's responsibilities are properly discharged.

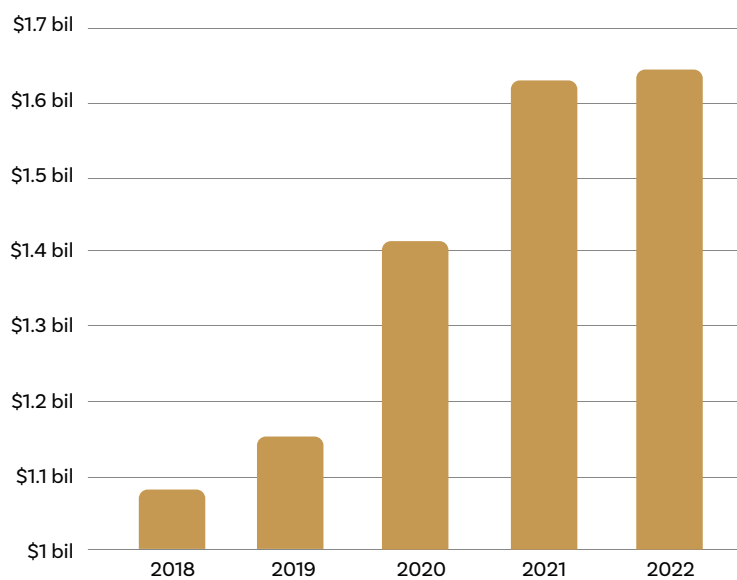
Based on our audits and the reports of other experts, the Supervisory Committee is satisfied that the records of Fibre Federal and TLC are accurately maintained, and the Credit Union is in compliance with applicable laws and regulations. We thank the Credit Union management and staff for their diligent work that ensures such a well-run organization.

Jeff Skeie,
Supervisory Committee Chair

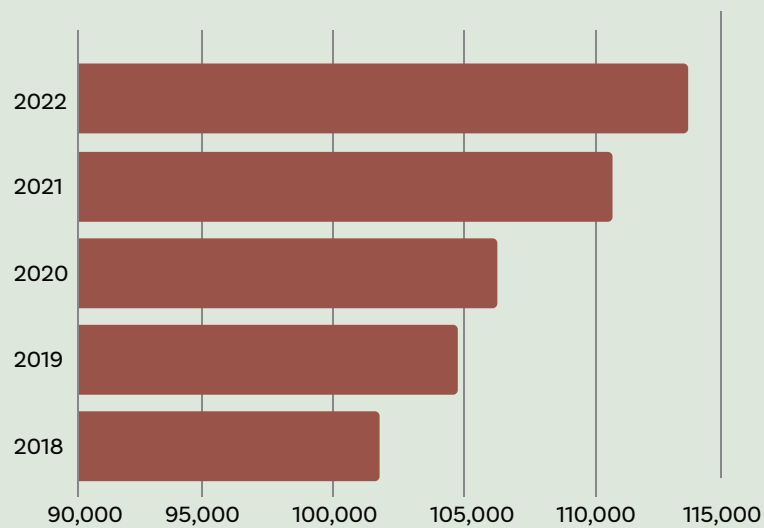
Loans



Assets



Members



Board of Directors

Jerry Howell, Board Chair
Jim Duscha, Vice Chair
Kelli Harding, Secretary
Steve Mealy, Director
Jack Courtney, Director
Greg Berg, Director
Julie Palmer, Director
Ashley Lachney, Director
Bart Finnel, Director

Supervisory Committee

Jeff Skeie, Chair
David Thelin, Secretary
Greg Kelly, Member
Ashley Lachney, Member
Alison Peters, Member
Gabriel Negrete, Associate Member

Executive Management Team

Christopher Bradberry, President/Chief Executive Officer
Angie Gilreath, SVP/Chief Experience Officer
David Keegan, SVP/Chief Information Officer
Joe Amrine, SVP/Chief Credit Officer
Meghan Staup, SVP/Chief Financial Officer
Ryan Sullivan, SVP/Chief Retail Revenue Officer
Shelly Buller, SVP/Chief Operating Officer





WE'RE KIND OF LIKE A FAMILY,
ONLY WE'RE A CREDIT UNION.





The complete audited financial statements will be available
at our Main Office location by April 30, 2023.

P.O. Box 1234
822 Commerce Avenue
Longview, WA 98632
fibrecu.com | 800.205.7872

