



**evergreenDIRECT**  
Credit Union

69th Annual Meeting  
2021 Annual Report

April 27, 2022

## A Message from Our CEO and Board Chairman

### Chair's Report

We are proud that evergreenDIRECT Credit Union was able to persevere during a difficult year for the communities we serve. We are grateful for the patience and support of our membership and commitment of our employees.

During the coming year, eDCU will be focused on our Community Connections program, staff recruitment, and member retention and loyalty-ensuring that our products and services meet the needs of our membership today and beyond.

While full recovery may take a while, eDCU is better positioned than ever to help when conditions allow. As a financial cooperative committed to the welfare of our members, we have built strong services and relationships during good times that have sustained us during difficult times. The past year was challenging, but we will continue to look for opportunities that will enrich our members and our communities.

### CEO/President's Report

2021 can be best defined as a year of transition at evergreenDIRECT Credit Union. As we have returned to normal operations and re-opened branches to members after pandemic restrictions, staff feels optimistic and energized. We have been able to open both branches at full-service levels and have continued to provide our members with personal service and attention. It was my priority and commitment to keep staff and members safe during these uncertain and ever-changing times, while providing access to all credit union services as safely and timely as possible.

Despite facing unprecedented challenges in 2021- including an ongoing pandemic, economic uncertainty, employee turnover, and inflation - the Credit Union closed the year with a positive Net Income of \$255,060. Furthermore, we retained our strong Net Worth, continuing to showcase our resilience and strength while rewarding members with highly competitive rates and services. Our membership continues to show their confidence in our team, as evidenced by the continued growth of our total assets, closing at \$83,880,791 for the year.

In 2022, I am pleased to announce that we will continue to make meaningful and prudent investments into eDCU. We have upgraded our technology stack including investments into systems security, protecting both employees and member data. Additionally, we are taking steps to improve operations and member experience to ensure we increase our value to our members. While the future can be uncertain at times, rest assured that eDCU is here for you today and beyond, ensuring that you can "bank at your speed".

## Statement of Financial Condition

<u>ASSETS</u>	<u>12/31/21</u>	<u>12/31/20</u>
Cash	\$466,167	\$369,901
Loans	\$38,880,699	\$35,623,447
Investments	\$38,061,598	\$31,246,640
Land & Building	\$3,623,635	\$3,680,687
Fixed Assets	\$181,606	\$139,513
Other Assets	\$2,667,082	\$1,945,575
<b>TOTAL</b>	<b>\$83,880,791</b>	<b>\$73,005,763</b>

## LIABILITIES & EQUITIES

Shares	\$75,012,357	\$48,863,169
Notes Payable	\$0	\$0
Accounts Payable	\$483,729	\$769,108
Reserves	\$853,258	\$853,258
Undivided Earnings	\$7,316,418	\$6,925,748
Other Liabilities	\$215,880,791	\$259,146
<b>TOTAL</b>	<b>\$83,880,791</b>	<b>\$57,670,429</b>

## 2022 Annual Meeting Agenda

### Business Meeting:

1. Call to Order
2. Approve 2021 Annual Meeting Minutes
3. Chairman's Report
4. President's Report
5. Report from Audit Committee Chair
6. Old Business
7. New Business
8. Good of the Order



## **REWARD YOURSELF WITH THE PERKS CREDIT CARD!**

You can get a credit card almost anywhere. So what makes the eDCU Visa® credit card different? Low interest rates, less fees, and rewards! Earn points on every purchase for cash back, travel, gift cards, and more!\*

### **Low Interest Rates**

Experience one of the lowest variable rates in the Pacific Northwest. Get a Perks credit card with a rate as low as 7.00% APR\*\*.

### **No Hidden Fees**

With the evergreenDIRECT Visa® Perks credit card, there is no annual fee and no balance transfer fees.

### **uChoose Rewards®**

Low rates and less fees are great benefits, but saving isn't as fun as spending. That's why we offer uChoose Rewards! You earn up to 1.5 points for every \$1 of purchases\* and redeem those points for cash back, travel, gas, gift cards, and more.

\*Applies to signature transactions only

\*\*APR = Annual Percentage Rate. Current APR effective as of April 1, 2022. Subject to credit approval. Interest rates are based on credit rating and your rate may be different. This is a variable rate product subject to rate change after account is opened. Credit limits are based upon the member's creditworthiness and ability to repay. Additional terms and conditions may apply. All Credit Union loan programs, rates, terms and conditions are subject to change at any time without notice.

**evergreenDIRECT Credit Union**  
**Audit Committee Annual Report**  
**April 27, 2022**

evergreenDIRECT Credit Union's (eDCU) Audit Committee member/volunteers are elected by the general membership for three-year terms. There currently are three members serving on this committee, eDCU Bylaws allow for up to five members. The role of the Audit Committee is to provide the membership with an independent appraisal of the safety and soundness of eDCU's operations and activities.

During the past year, the Audit Committee contracted with Randall Audit and Consulting for the required Audit Committee annual audit for the period of 7/1/2020 through 6/30/2021 as well as eDCU's BSA/AML/OFAC processes and procedures for the period of 01/01/2020 through 06/30/2021. eDCU's SAFE Act and ACH programs were audited by Your Credit Union Partner for the 2021 calendar year. Intrinium, an experienced IT firm, reviewed key IT controls and practices. Each report from these audits, provided assurance that eDCU is well operated, following regulations, adhering to best practice guidelines and to our own Credit Union Bylaws, policies, and procedures.

The Washington Department of Financial Institutions (DFI) conducted a safety and soundness examination for the period ending September 30, 2021. This regulatory examination looks closely at eDCU's policies, practices, and compliance with applicable regulations. Financial trends which have had or may have a material effect on the Credit Union's condition, were examined. No findings were noted during this examination.

The volunteer members of the Audit Committee conduct various reviews and audits throughout the year. These reviews continue to show that appropriate checks and balances are in place and consistently adhered to in the day-to-day operation of the Credit Union.

In conclusion, as eDCU members, we can each continue to be confident, pleased, and proud, in knowing that Evergreen Direct Credit Union is financially strong, operating according to Federal and State financial regulations, and remains responsive to our members' needs.

Respectfully submitted,

**M. Earlene Fantz | Chair, Audit Committee**  
**Cyndi Presnell | Secretary, Audit Committee**  
**Carolyn Young | Member, Audit Committee**





### Call to Order

The 68<sup>th</sup> annual business meeting of eDCU was called to order by Chairman Michael Ricchio at 5:33. This year’s meeting was held by Zoom due to Pandemic restrictions on gatherings.

Board Chair, Mike Ricchio introduced himself and welcomed members and guests. He determined quorum requirement was satisfied and we could proceed with the official meeting. He gave thanks to the staff for their hard work over the past year and discussed the retirement of President/CEO Ed Danz in 2020 and the hiring of new President/CEO John Paul McGee.

### President’s Report

President McGee introduced himself and gave a summary of his professional background. He is excited to be the CEO of eDCU and he assured the membership that our credit union is in strong financial condition and although we are navigating some challenging times, the future is bright for eDCU.

He reminded the participants that the meeting would be recorded and explained how members could present questions during the meeting.

### Report from Board Chair

Chair Ricchio introduced the Board and Audit Committee members and gave them thanks for their hard work and volunteering their time. He covered the documents provided to members attending this meeting, pointing out that minutes for 2020’s Annual Meeting were included. He asked if the attendees wanted him to read through them or if they wanted to dispense with reading of previous year minutes and Approve them as presented. He received a motion from the floor to dispense with reading the minutes and Approve.

Motion to dispense with reading 2020 Annual Meeting	Received from the floor
Second	Received from the floor
Opposed	None
Outcome	Approved

Nominating Committee was composed of Sue Girsch, Jim Sherry and Scott Collins. Board members up for election for 2021 were Mike Ricchio, John Nispel and Cheryl Rich. Audit committee member up for election was Earlene Fantz. There were no petitions from members for new candidates. Cheryl had announced her intention to step away from the Board and was thanked for her service and critical role in getting the Community Connections program launched. There is a current Associate Board Member Amy Tiemeyer and she has agree to fill the spot vacated by Cheryl. Since there were not any other petitions, she will be appointed.

Motion to Approve Amy Tiemeyer as Board Member and Earlene Fantz as Audit Committee Member	Received from the floor
Second	Received from the floor
Opposed	None
Outcome	Approved

### Audit Committee Report

Audit Committee Chair, Earlene Fantz introduced the members of the Audit Committee and talked about the critical role of the Committee and the annual Audit they direct. She encouraged members to volunteer. She praised staff over the results of Audits conducted in 2020 and reported that Audits confirmed eDCU is consistent with adherence to laws and regulations.

Hundreds of documents are review and our credit union was found to be well managed and sound. She gave Thanks to Volunteers and Management and paused for questions from the membership. None were presented.

Motion to approve election of Audit Committee Members as Presented	Received from the floor
Second	Received from the floor
Opposed	None
Outcome	Approved

### Old Business

There was no Old Business presented from attendees. Chair Ricchio gave heartfelt Thanks to our Retired CEO Ed Danz for over 30 years of leading eDCU to be the successful credit union it is today.

### New Business

President/CEO McGee spoke about areas of emphasis for 2021; Community involvement and volunteering, the safety of employees and members as we navigate the pandemic, economic challenges for members, eDCU's social media presence and continuing to get good evaluations from examiners and auditors.

### Good of the Order

There were no further questions.

Chairman Ricchio thanked the attendees and adjourned the meeting at 6:05 pm.

Respectfully submitted,

Johanna Lohr

# Thank you to Our Volunteer Officials

## 2021 Board of Directors

Susan Girsch, Chair  
Jim Sherry, Vice-Chair  
John Nispel, Secretary/Treasurer  
Jordan Elwanger  
Scott Collins  
Mike Ricchio  
Amy Tiemeyer

## 2021 Audit Committee

Earlene Fantz, Chair  
Carolyn Young, Secretary  
Cyndi Presnell



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