



East River

FEDERAL CREDIT UNION
2020 ANNUAL REPORT

We are committed to the success and financial well-being of our members and our community.

YOUR FINANCIAL COOPERATIVE

East River FCU focuses on member service, instead of profit. Any additional income the Credit Union achieves from your participation goes right back to you in the form of convenient services, better rates and lower fees. We also believe in the philosophy of “people helping people.” We invest not only in our members but the communities we serve.



CEO/PRESIDENT'S REPORT

Looking back on 2020, I am thankful for the partnership and patience of our membership and am very proud of the work our team put in to ensure we were able to continue serving our members. The team put the overall mission of the Credit Union and our promises to our members first and foremost while adjusting to new working scenarios that allowed our small team to continue to offer full services to the membership while navigating operational changes and uncertainty. Similarly, our membership showed understanding and patience while adapting to the new ways of conducting business with the Credit Union as we worked to keep our members safe, as well as our staff. Though we had to adjust our branch operations to prioritize the

safety of our team and membership, we never stopped being there for you. While the last year was one that none of us ever could have predicted, the resiliency of our staff, our membership and our community has made us the better for it. We are thankful for our membership's faith in us over the past year and look forward to continued growth together in the future.

In addition to the operational challenges 2020 presented, the Credit Union saw unprecedented growth in our assets at 31.66% for the year. That is more than 10 times what we projected for the year. This number reflects higher savings amounts for each member as spending was reduced during the pandemic. It is also a result of the stimulus provided to the economy by the federal government. Though at the end of the past year we maintained a strong Credit Union net worth at 8.46%, we need to put significant focus on stabilizing the net worth ratio. Our goal is to do so in a manner that will have little direct impact on members as possible.

Since our creation in 1956, East River FCU has strived to provide our members with a commitment to service that affords them the opportunity to build success stories by pursuing their dreams. We exist to serve you, our member owners. Our commitment to you, regardless of what is happening in our world, is to continue to provide services via our cooperative that best serve the needs of the communities in our field of membership.

On behalf of the team at East River FCU, we thank you for allowing us to serve you over the past year and we look forward to being your financial partner in the years to come. Thank you for choosing to be a member of East River FCU.

Tanya Hobson
CEO/President

CHAIRMAN'S REPORT

This last year has been one to remember, with the challenges of a global pandemic. The East River Federal Credit Union board and employees stepped up and adapted quickly to continue to serve the members through these challenges.



The Credit Union continued to be successful as the leadership and staff put the mission of the credit union and the interest of our members first and foremost.

The Credit Union continues to be in a solid financial position. The Board of Directors and I have worked closely with the president to monitor key indicators and adjust, as necessary. We also developed and have begun implementation of a new strategic plan. More details on these items are within this report.

On behalf of the entire Board of Directors, I would like to thank our members and staff for their loyalty and patience. It is the members that make the Credit Union what it is. As a member for over 10 years, I also thank you for the opportunity to serve as your board chair!

Stacy Krusemark
Board Chair

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is responsible for monitoring operations and ensuring compliance with federal regulatory requirements and internal policies and procedures. External consultants have been employed to review compliance and use of sound business practices to maintain finances and safeguard member assets.



The Supervisory Committee has reviewed the financial statements for the year ending December 31, 2020 along with the audit reports. It is the opinion of the Supervisory Committee that the practices of East River Federal Credit Union are being managed responsibly.

Amy Dockendorf
Supervisory Committee Chair

Balance Sheet

2020

2019

Assets

Loans	\$23,004,972.54	\$22,505,647.07
Allowance for Loan Loss	\$(129,907.49)	\$(98,274.53)
Net Loans	\$22,875,065.05	\$22,407,372.54
Receivables	\$99,330.76	\$84,088.61
Cash	\$631,410.12	\$532,521.79
Investments	\$18,826,395.62	\$8,796,498.37
Accrued Interest	\$65,978.16	\$73,866.24
Prepays	\$46,778.84	\$50,654.29
Fixed Assets	\$971,227.65	\$1,056,202.26
Other Assets	\$284,774.84	\$265,949.91
Total Assets	\$43,800,961.04	\$33,267,154.01

Liabilities

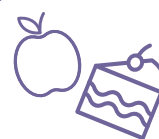
Account Payable	\$(697,273.62)	\$(24,618.71)
Notes and Interest Payable	\$-	\$-
Taxes Payable	\$2,841.38	\$1,737.30
Accrued Expenses	\$80,166.02	\$59,426.67
NCUSIF Premium Assessment	\$-	\$-
Total Liabilities	\$(614,626.22)	\$36,545.26

Shares & Equity

Members' Shares	\$40,711,886.54	\$29,478,881.21
Reserves	\$572,906.80	\$572,906.80
Undivided Earnings	\$3,090,501.42	\$2,959,577.50
Investment Gain/Loss	\$40,292.50	\$2,019.15
Net Gain/Loss	\$(86,300.17)	\$217,224.09
Total Shares & Equity	\$44,415,587.26	\$33,230,608.75
Total Liabilities, Share & Equity	\$43,800,961.04	\$33,267,154.01

People helping people is at the center of everything we do, and 2020 was no exception.

We are proud to be a part of the communities we serve.



Our members and staff donated food for the local food pantry during Valentine's Day.



Awarded \$6000 in scholarships to members.



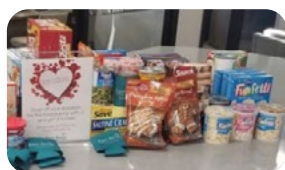
To help parents talk to their teens about finances, staff created a series of videos and posts for Youth Month.



Adopted five students for the local School Supply Drive.



Members, staff and the CU partnered together to donate \$1000 to the rental and utility assistance fund at ICAP.



Staff donated their time and vehicles for Meals on Wheels.



ERFCU participated in Miracle Jeans Day for Children's Miracle Network and donated \$500.

Take the 15x15 Challenge!



Partnered with Interlakes Area United Way for 15 x 15 fundraiser.

Membership

2020: 3,421 2019: 3,404

Income Statement

2020

2019

Operating Income		
Loans	\$1,135,469.24	\$1,238,353.84
Investment	\$84,281.00	\$113,221.30
Fees & Charges	\$239,389.95	\$305,159.11
Miscellaneous	\$249,925.79	\$244,869.42
Total Operating Income	\$1,709,065.98	\$1,901,603.67
Operating Expenses		
Salaries & Employee Benefits	\$778,846.00	\$768,766.48
Travel & Conference	\$4,064.19	\$15,758.41
Office Occupancy	\$88,345.64	\$86,857.67
Office Operations	\$121,386.82	\$119,699.52
Education & Promotion	\$43,286.57	\$43,403.79
Loan Servicing	\$30,374.73	\$29,291.97
Prof. & Outside Servs.	\$472,668.93	\$444,237.37
Assoc. Dues	\$14,475.10	\$20,178.91
NCUA Operating Fee	\$8,873.08	\$8,259.97
Cash Over/Short	\$(132.40)	\$(518.16)
Interest on Borrowed Money	\$45.72	\$140.20
Miscellaneous	\$1,364.86	\$6,739.65
Total Provision for Loan Loss	\$122,409.77	\$80,000.00
Total Operating Expenses	\$1,686,009.01	\$1,542,815.78
Total Dividend Expenses	\$109,357.14	\$61,563.80
Net Income (Loss)	\$(86,300.17)	\$217,224.09

East River FCU Success Team

Staff

Tanya Hobson, President/CEO
Trasi Smith, Vice President of Operations
Mechelle Johnson, Financial Controller
Erica Clements, Marketing Specialist
Dennis Zingmark, Loan Officer
Dawn Allbee, Lead Member Service Representative
Jason Howell, Universal Member Service Representative
Michele Gran, Universal Member Service Representative
Chellie Wiese, Senior Member Service Representative
Lori Rhodes, Senior Member Service Representative

Volunteers

Stacy Krusemark, Board of Directors Chair
Dustin Zubke, Board of Directors Vice Chair
Jeff Nelson, Board of Directors 2nd Vice Chair
Brenda Colombe, Board of Directors Treasurer
Randy Hoffman, Board of Directors Secretary
Amy Dockendorf, Supervisory Committee Chair
Cindy Callies, Supervisory Committee Secretary
Kurt Pfeifle, Supervisory Committee Member

Products & Services

Accounts

- [Share Accounts \(Savings\)](#)
- [Kasasa Saver®](#)
- [Special Savings](#)
- [Holiday Club](#)
- [Youth Programs](#)
- [Kasasa® Cash Checking](#)
- [Kasasa® Cash Back Checking](#)
- [Health Savings Accounts](#)
- [Money Market](#)
- [Share Certificates](#)

Loans

- [Vehicle Loans](#)
- [Recreational Vehicle Loans](#)
- [Personal Loans](#)
- [Ready Credit Overdraft Protection](#)
- [Student Loans](#)
- [Home Equity Loans & Lines of Credit](#)
- [Construction Loans](#)
- [Home Improvement Loans](#)
- [First Mortgages with CU Mortgage Direct](#)

Services

- [Online & Mobile Banking](#)
- [Bill Pay](#)
- [Popmoney](#)
- [Mobile Deposit](#)
- [Money Manager](#)
- [CardValet Debit Card App](#)
- [e-Statements](#)
- [Phone Banking](#)
- [VISA® Debit & Credit Cards](#)
- [VISA® Gift Cards](#)
- [ATM & CO-OP ATM Network](#)
- [Financial Counseling](#)

