

Youth

Boys and Girls Clubs



Oregon State
Credit Union

Food Shares

Garten Foundation

Philomath Frolic

Lebanon Strawberry Festival

ABC House

Children's Hospitals

Assistance League

Home Life

Lincoln City Angel's Anonymous

Scholarships

Samaritan House

Social Responsibility

Casa Latinos Unidos

Dallas Family Night Out

Habitat for Humanity

Keizer Simonka Place

Family Promise

Community

Trillium Family Services

Taste of Woodburn

See Ya Later Foundation

Sponsorships

Grants

Jackson Street Youth Services

Cruising McMinnville

Newport Samaritan House

Yamhill County Action Partnership

Financial Education

2022 Annual report and community impact

This credit union is federally insured by the National Credit Union Administration.

Credit union cooperative principles

While both credit unions and banks offer similar products and services (checking, credit cards, mortgages, etc.), it is important to understand how credit unions are unique and different and why we remain a necessary and extremely popular financial alternative for millions of Americans.

Not-for-profit

Credit unions are not-for-profit financial cooperatives. We exist to serve our members, not to deliver a profit to stockholders. Unlike other financial institutions, credit unions do not issue stock or pay dividends to outside stockholders. Instead, earnings are returned to members in the form of competitive financial offerings, more service and convenience.

Board of directors

Each credit union is governed by a board of directors, elected by and from the credit union's membership.

Ownership

Credit unions are an economic democracy. Each credit union member has equal ownership – regardless of how much money a member has on deposit. At a credit union, all members are owners.

Social purpose: people helping people

Credit unions exist to serve their members' financial needs, not provide a profit to third-party investors. Members know their credit union will be there for them in bad times, as well as good. The same people-first philosophy is at the heart of why credit unions and our employees get involved in the local community through charitable and other worthwhile causes.

Financial education for members

Credit unions educate their members, helping them become better consumers of financial services.

Membership eligibility

By current statute, credit unions cannot serve the general public. Individuals and businesses/ organizations qualify for a credit union membership through their employer, organizational affiliations, groups or community.

Taxation

Credit unions do pay taxes – payroll taxes, sales taxes and property taxes. Congress exempts credit unions from federal income taxes with the exception of unrelated business income tax. The exemption was established in 1937, affirmed by statute in 1951 and re-affirmed in 1998.

About the cover

Oregon State Credit Union is honored to support the communities we serve and to showcase a few of the organizations and events benefiting from the commitment of your not for profit financial cooperative. Since 1954, our goal has been to help people thrive in all aspects of their lives, so we want to thank our team and our members. Together, we are people helping people.

What's inside?

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President's message

Dear Oregon State Credit Union Member-Owner:

As a member-owned, not-for-profit financial cooperative, Oregon State Credit Union recognizes the importance of reflecting on the past while continuously evaluating opportunities to meet emerging needs for the future. Our focus is steadfast on our Vision to create financial solutions to make lives better for our more than 138,000 member-owners and to remain a sustaining resource to our communities. We remain financially sound and passionately dedicated to serving the needs of our entire diverse membership.

Thank you for your commitment to Oregon State Credit Union in 2022. It was quite a year. In our continued pursuit of unsurpassed service, the Credit Union made it a priority in the first quarter of last year to launch Early Direct Deposit, also known as Early Paycheck. This solution has greatly benefited our members. Now, direct payroll deposits, Social Security and other payments arrive up to two days early, easing the burden for those most vulnerable in tighter economic times.

In May, Oregon State Credit Union added our new Rewards Checking program. With Rewards Checking, members save money through discounts on fuel and health savings for prescriptions, eye care and hearing services. Members also gain peace of mind through access to affordable emergency roadside assistance, identity theft aid and many other benefits.

Oregon State Credit Union also implemented reduced fees for overdrafts paid and those returned for non-sufficient funds, and we eliminated fees incurred for funds automatically transferred from a member's backup account as overdraft protection.

Over the course of the year, the Credit Union protected our members and our cooperative by preventing more than \$2.3 million in fraud losses, the majority of which were debit and credit card transactions. Additional losses could have been

prevented if merchants were held to the same secure payment and information protection standards required for financial institutions. It is for this reason that we support legislative efforts to close this gap for member protection.

The Credit Union also continued to prioritize the importance of closing the gap regarding financial literacy. We recognize that financial education plays a key role in creating financial equality and empowerment. To that end, we continue to provide financial education to our members and to our communities, and we are sponsoring legislation to return financial education as a high school graduation requirement.

Looking back on 2022, I remain humbled by the unwavering passion for service demonstrated on a day-to-day basis by our committed team. While much was accomplished in service to our membership and our communities, it does not go unnoticed that more good work lies ahead.

In closing, I would like to extend my sincere appreciation to you, the member-owners, for your trust, loyalty and support of Oregon State Credit Union. Together, our financial cooperative is our difference – a beacon for financial inclusion benefiting members and everyday Americans each day.

Sincerely,



Richard S. Hein, President/CEO



Community impact



We donated more than **\$258,000** benefiting **69** organizations, schools and non-profits. This includes funding **\$19,500** for scholarships supporting students attending Oregon State University, Western Oregon University and our regional community colleges.

We awarded **\$25,000** in scholarships to **10** high school seniors within our field of membership bound for college or university in the state of Oregon through our Tomorrow's Leaders Today (TLT) Scholarship program.



We facilitated more than **235** in-person financial education presentations benefiting more than **3,600** individuals, more than **1,400** of them youth. Additionally, more than **650** adults and youth accessed financial education through our sponsored online resource partnership.

Through our donation matching programs, we donated over **\$73,000** to the Children's Miracle Network to support local children's hospitals in Oregon.



Team members volunteered more than **4,000** hours for the year, more than **88%** of which was on our team's personal time.



Free shred events held in Albany, Corvallis, Newport and Keizer served **1,516** vehicles that brought **53,350** pounds of paper to be shredded. That converts to **435** trees saved, **179,061** gallons of water saved, **2,021** gallons of oil saved, **1,535** cubic yards of air pollution not generated and **84** cubic yards of landfill not used. Additionally, visitors to the shred events donated **2,479** pounds of non-perishable food and **\$2,124** to local food pantries.

We established the Oregon State Credit Union Financial Empowerment Fund to support Oregon State University's Center for Advancing Financial Education. And we collaborated with the Willamette Education Service District to make our financial education curriculum accessible to **18,000** students. For our advancements in financial education, we were named the Oregon State Treasury's first-ever Financial Empowerment Community Champion.



Team members' contributions to our United Way campaign raised more than **\$32,000**, surpassing the **\$18,500** goal.

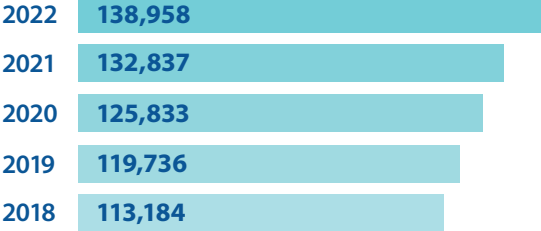
We distributed **52** Teacher Education Grants to Oregon schools, totaling **\$15,000** and benefiting more than **6,400** youth across **10** counties.



Financial review

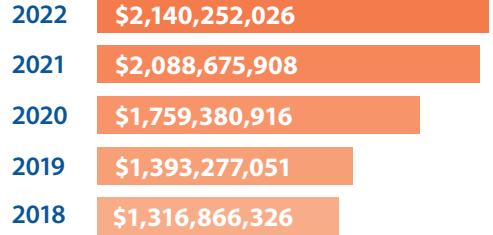
Membership (Total)

Years



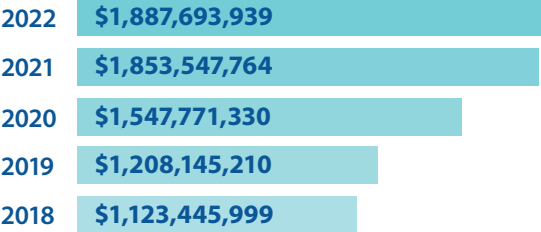
Total assets

Years



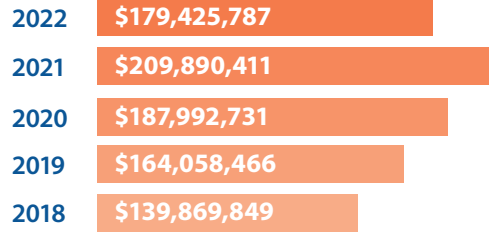
Total shares

Years



Total capital

Years



Total loans

Years



Financial statements

| Years | 2022 | 2021 |
|--|---------------------|---------------------|
| Statement of income and expense | | |
| Total operating income | \$94,264,213 | \$81,275,491 |
| Total operating expense | 59,496,758 | 44,886,773 |
| Dividend expense | 3,370,064 | 3,038,796 |
| Non-operating income (expense) | 72,043 | 484,875 |
| Net income | \$31,469,435 | \$33,834,797 |

Statement of financial condition

Assets

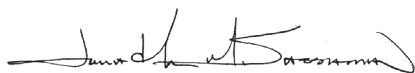
| | | |
|--------------|------------------------|------------------------|
| Total loans | \$1,377,115,980 | \$1,166,985,661 |
| Investments | 610,207,513 | 700,456,687 |
| Other assets | 152,928,533 | 221,233,560 |
| Total | \$2,140,252,026 | \$2,088,675,908 |

Liabilities and member equity

| | | |
|---------------------|------------------------|------------------------|
| Total liabilities | \$29,776,333 | \$25,237,733 |
| Total notes payable | 43,355,967 | 0 |
| Total shares | 1,887,693,939 | 1,853,547,764 |
| Total equity | 179,425,787 | 209,890,411 |
| Total | \$2,140,252,026 | \$2,088,675,908 |

Supervisory Committee report

In 2023, the auditing firm of Doeren Mayhew, CPAs and Advisors, was retained by the Supervisory Committee to perform the annual opinion audit of Oregon State Credit Union. The credit union received a clean opinion. It is the Committee's judgment that the credit union is being operated efficiently and the members' interests are being protected.



Jon Sassaman
Chairman, Supervisory Committee

Values



Oregon State
Credit Union

Member focus

We commit to providing individual attention and solutions that are balanced with overall membership needs.

Integrity

We believe that integrity and confidentiality are the foundation of our success. We are committed to building trust and taking ownership in all we do.

Passion

We choose attitudes and behaviors that demonstrate our passionate commitment to creating financial solutions.

Education

We encourage advocacy for the credit union movement, promote financial literacy for our members and provide education for our team.

Cooperative spirit

We are a member-owned financial cooperative. The credit union difference unites us in common purpose, partnering member needs and resources for better solutions.

Social responsibility

We are part of a larger community. We promote stewardship through sustainable business practices, volunteerism and a commitment to serve.

To find out more, call 800-732-0173 or visit any of our branches.

oregonstatecu.com

