

2023 Chairman's Report

The past year was a challenging one for the financial services industry. The dramatic increase in interest rates had a huge impact and caused some banks to fail and other institutions to struggle to meet deposit withdraw demand and offer high enough rates to retain deposits. Castparts Credit Union performed well and remained financially healthy and safe during the volatile year. Sustained high interest rates continue to be challenging for financial institutions and consumers alike. Higher costs to borrow money and the increased costs for goods and services continue to stretch household budgets.

Castparts Credit Union is focused on improving the lives of its members with the highest possible rates on savings and the lowest possible rates on loans. The Credit Union continues to offer a special 5% Debt Consolidation Loan to help members finally pay off pesky high-rate debts. The Credit Union refinanced over \$448,000 in high-rate debts for members in 2023. Members also have the opportunity to bring their current auto loan over to Castparts Credit Union and the Credit Union pays the DMV transfer fees, which saves members money in interest and fees.

In 2023, Castparts Credit Union gave back to the community in a number of ways. Clackamas Women's Services (CWS) received \$6,220 donated by the Credit Union—some of that raised from the Member Appreciation Day 50/50 raffle. For the holiday drive, CWS received a car-load full of holiday gifts provided by the generosity of our membership. The Credit Union continued to demonstrate its commitment during the year to Precision Castparts, Corp. and employees with a booth at the PCC Portland Health Fair and the annual PCC Picnic, which are always big events for the Credit Union and a great time to connect with members and potential members. Over the summer months, the Credit Union had a membership drive and covered the initial \$15 deposit for kids' accounts—a promotion that will be repeated in 2024, so be sure and get accounts opened for your children and grandchildren when the Credit Union pays the \$15 opening deposit.

Castparts Credit Union performed well financially in 2023 and continues to be financially strong and positioned well to weather any future industry challenges with strong net worth, liquidity and reserves.

We appreciate your continued support and encourage you to invite your family, friends and neighbors to join Castparts Credit Union. The Credit Union expanded its field of membership in 2022 in order to serve more people who live in our local community. The charter expansion opens the door to many residents within Multnomah and Clackamas counties located near the Credit Union's main branch. Based on where you live, work, attend school or worship, more people than ever can also join Castparts Credit Union and participate as an owner in our non-profit financial cooperative.

The Credit Union has a member referral program that rewards both the referring member and the referred member with \$50 when certain qualifications are met— You can earn \$50 for each referral!

Your continued support of the Credit Union is appreciated and the Board welcomes your input and feedback. If you are interested in serving as a volunteer for the Credit Union Board of Directors or Supervisory Committee, we can use volunteers with various expertise and backgrounds. Terms are a three-year commitment and continuous training is provided by the Credit Union.

The Board would like to thank our members for choosing Castparts Credit Union. We know there are many options available for financial services and we appreciate your continued membership and support of Castparts Credit Union.

Thank You,

James Manning
Chairman of the Board

2023 Financials

Statement of Financial Condition

Assets (what we own)	12-31-23	12-31-22
Loans to members	\$47,851,865	\$44,888,611
Allowance for loan losses	\$ 405,460	\$ 391,534
Net Loans	\$47,446,405	\$44,497,077
Cash on hand	\$ 932,300	\$ 2,161,688
Investments	\$23,886,639	\$ 25,701,078
Furniture & fixtures	\$ 86,213	\$ 383,202
Building & land	\$ 1,750,338	\$ 1,513,022
All other assets	\$ 911,762	\$ 854,392
Total Assets	\$75,013,657	\$75,110,459

Liabilities, Savings & Equity (what we owe)

Members' Savings	\$34,099,509	\$42,513,708
Members' Certificates	\$13,550,370	\$ 6,489,615
IRA Share Accounts	\$ 4,397,076	\$ 5,008,211
Checking Accounts	\$ 11,419,175	\$ 10,149,849
Other Liabilities	\$ 485,146	\$ 199,448
Regular Reserve	\$ 665,359	\$ 665,359
Undivided Earnings	\$ 10,397,022	\$ 10,084,269
Total Liabilities & Equity	\$75,013,657	\$75,110,459

Statement of Income & Expense

Operating Income (what we earned)

	12-31-23	12-31-22
Interest on loans	\$2,316,052	\$ 1,893,628
Income from Investments	\$ 437,400	\$ 312,573
Other operating Income	\$ 815,902	\$ 935,781
Total Income	\$3,569,354	\$ 3,141,982

Expense (where the money went)

Personnel costs	\$ 1,199,243	\$ 1,079,950
Association dues	\$ 20,230	\$ 20,065
Office operations	\$ 98,183	\$ 118,128
Office occupancy	\$ 106,984	\$ 87,456
Education & promotion	\$ 51,195	\$ 49,948
Loan servicing	\$ 261,268	\$ 89,867
Provision for loan losses	\$ 94,510	\$ 87,924
Operating fee (NCUA)	\$ 13,012	\$ 13,093
Outside services	\$ 862,656	\$ 997,813
Staff & officials training	\$ 22,300	\$ 4,610
All other expenses	\$ 51,811	\$ 38,097
Total Expenses	\$2,781,392	\$ 2,586,951
Total Income	\$3,569,354	\$ 3,141,982
Less Total Expenses	\$2,781,392	\$ 2,586,951
Less Dividends to Members	\$ 475,209	\$ 144,588
Less Loss on Investments	\$ -	\$ 11,531
Net Income	\$ 312,753	\$ 398,912

2023 Supervisory Committee Report

The Supervisory Committee is an integral part of Castparts Employees Federal Credit Union and is an extension of the Board of Directors and the representative for the membership. The Supervisory Committee has the responsibility to conduct audits designed to determine that accounting records and reports are prepared accurately utilizing audit standards generally accepted in the US (GAAP) that reflect the financial operations of the Credit Union.

The Supervisory Committee also determines that all Internal Controls are effectively maintained and adequately protect the Credit Union, its members, its management and its employees.

The Supervisory Committee utilizes Internal and External Auditors that perform these audits of the Credit Union's Policies, Procedures and Financials for compliance. It includes physical verification of the Credit Union's Assets, verification of adequate internal controls, security and safeguards, and compliance with the rules and regulations for Federal Credit Unions. It should be noted that this year we successfully complied with the new CECL standards.

We have completed all required audits covering Internal Controls and Financials which comprise the statements of financial condition as of June 30, 2023 and related statements of income, change in members' equity, and cash flows for the year ended. Additionally, audits of policies and procedures that cover many aspects of operations. It is our opinion, based upon the Internal Audits and the External Financial Audit, that we find Castparts Credit Union in compliance with all Federal requirements for credit unions.

Respectfully Submitted,
Thomas Cooper
Supervisory Committee Chairman

Committee Members

Larry Watland – Vice Chairman
Jessica Haselwander – Secretary
Audrey Keller – Committee Member

Castparts Employees Federal Credit Union

Main Office

8120 SE Luther Road, Portland, OR 97206
Phone 503.771.2464 Fax 503.771.9694

LSBO Branch

4600 SE Harney Drive, Portland, OR 97206
503.777.3881 Ext. 7383

Credit Union ATM Centers

Main Office: 8120 SE Luther Road, Portland
SSBO: 13340 SE 84th, Clackamas
LSBO: 4600 SE Harney Dr., Portland
TBO: 5001 SE Johnson Creek Blvd., Portland
Deer Creek: 13350 SE Johnson Road, Milwaukie
DDC: 2690 SE Mailwell, Milwaukie
Schlosser: 345 NE Hemlock, Redmond

Board of Directors

James Manning, Chairman
Ian O'Gorman, Vice Chairman
Ashli Bosnjak, Secretary
Jim Nelson, Treasurer
Kimberly Schmett, Director
Thomas Cooper, Director
Julia Tran, Director

Supervisory Committee

Thomas Cooper, Chairman
Larry Watland, Vice Chairman
Jessica Haselwander, Secretary
Audrey Keller, Member

Staff Members

Cheryl Eveatt, President/CEO
Lauren Walton, CFO
Doug Holtry, Executive Vice President
Carly Barlow, Vice President
Brian Schafer, Director of IT
Lori Wallace, Senior Loan Officer
Shelby Evans, Title Clerk & Collections Specialist
Alysha Irvin, Operations Specialist
Moriah Spreeman, Internal Auditor
Kathy Mitchell, Member Service Representative
Cierra Brandt, Member Service Representative
Jennifer Chavez, Member Service Representative
Megan Canepa, Member Service Representative
Alexis Charlton, Lending Assistant



FEDERAL CREDIT UNION



2023

Annual Report

www.castpartsfcu.org

503.771.2464

