



Forrit
CREDIT UNION

Annual Report

2022



Mission

Forward Together.

Each member.

Each moment.



Values

Creativity

Small gets it done. We're a tiny package with lots of attitude.

Authenticity

You be you. We'll be us. Let's all do our thing.

Simplicity

We make it easy to do business with us.

Empowerment

Great things are possible. And together, we can make them happen.

Diversity

We lead with what we believe. Fairness, equality, sustainability, and doing what's right.





Report to

our members

Forrit Credit Union's Mission is Forward Together. Each Member. Each Moment. We view every moment as an opportunity to grow, and we won't stop making tomorrow a better place for our members. Our efforts over the last year, and our focus as we head into the future, show that we are more committed than ever to living this Mission every day.

HOW WE GOT HERE

In the late spring of 2022, we opened the Reedville Crossing Branch in Hillsboro, Oregon and have doubled our staff in order to better serve our members. The Reedville Crossing Branch features 24-hour ATM access, personalized banking, and has convenient access off of TV Highway.

As a credit union, we have a strong commitment to the communities we serve, and we remain committed to our local communities and continue to support local initiatives. In summer of 2022, we adopted Turner Creek Park in Hillsboro, and worked with a group of volunteers to clean up the park and create a safer place for everyone to enjoy. We will continue to work together with our community partners to create a more vibrant community for us all to enjoy.

We are pleased to announce that 2022 was another year of strong capital for Forrit Credit Union. We maintained capital well above the threshold to be considered Well Capitalized by the NCUA. We ended 2022 with a Net Worth capital ratio of 10.37%. This helps us to maintain our status as a safe and sound institution. A 7% Net Worth capital Ratio is required by National Credit Union Administration (NCUA) to be considered a "Well Capitalized" credit union. We are well above the required level to be considered a very healthy credit union.

WHERE WE GO NOW

As we head into 2024, we'll continue to introduce new products and services to meet the evolving needs of our members. And one of our top initiatives for the coming year is to relocate our Downtown Portland Branch and offer the same convenient access as our Reedville Crossing Branch. Stay tuned for more to come.

As always, the safety and soundness of Forrit Credit Union continue to be the top focus of your Board of Directors. Thank you for your continued support and trust in Forrit Credit Union to be your financial partner.

Bill Kirchner - Board Chair

Justin Olson - President/CEO





**Credit
Manager**

Report

As Credit Manager, I am happy to report that the Credit Union continues to serve all segments of our membership with their lending needs. I conduct regular reviews of our lending practices and programs to ensure we continually operate within established lending policies and that we adhere to all state and federal lending regulations. I also develop new programs whenever needed to ensure the Credit Union can assist our members financial needs. Additionally, I serve on our Loan Committee, which performs reviews of all loan requests that were not approved by individual loan officers. I perform quarterly reviews of individual loan requests to ensure we continue to meet the needs of our members. Of the 797 loan applications processed in 2022 only 102 or 13% were declined. Our overall loan delinquency continues to remain low at 0.71%. Our 2022 net charge off amount decreased to \$65,073 for the year from \$175,403. Net charge-offs for the year were 0.10% of outstanding loans, which is lower than our peer's ratio of 0.20%. All these number are strong in comparison to our peers and that is a great reflection on our wonderful membership. Thank you for allowing us to serve you with your lending needs.

Justin Olson – Credit Manager





**Supervisory
Committee**

Report

The Supervisory Committee has the responsibility of monitoring the financial soundness and welfare of the Forrit Credit Union. The Committee ensures compliance with regulatory and financial requirements by which the Credit Union is governed and regulated.

The Committee hired an independent audit firm, Daren B. Tanner, P.C., who reports directly to the Committee to complete the agreed upon procedures (AUP) to meet these responsibilities and requirements. Based on the AUP, the Credit Union met all requirements and operates in a sound fiscal manner. The Credit Union was also audited by the State of Oregon and National Credit Union Association (NCUA). Based on the audits the Credit Union continues to operate in a sound fiscal manner.

All five (5) Committee members met the annual Bank Secrecy Act (BSA) training requirements, attended Board meetings virtually on a regular basis, and held five (5) virtual Committee meetings. The Committee continues to review internal audits and controls, and risk management processes. The Committee validates that the Forrit Credit Union operates in a fiscally prudent manner in all aspects of its operation.

Terry M. Smith, Chairman, Supervisory Committee



Years at a Glance

Year	Loans (\$)	Shares (\$)	Assets (\$)
2017	51,006,500	78,388,004	87,627,000
2018	51,589,173	78,218,601	88,294,566
2019	46,785,301	74,251,698	85,101,160
2020	51,504,847	84,599,407	95,503,118
2021	62,926,151	94,448,171	105,145,157
2022	67,507,725	91,035,713	102,177,264

% Change

	Loans	Shares	Assets
1-year	9%	-4%	-3%
5-year	32%	16%	17%

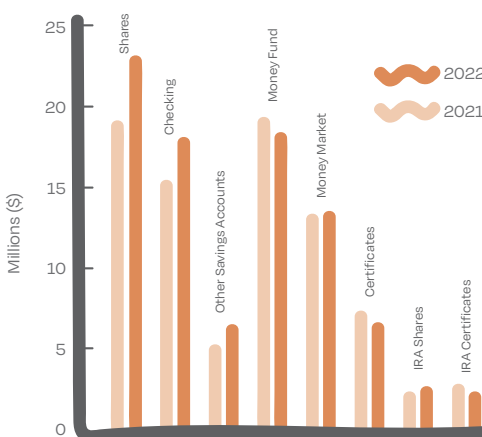
Statement of Retained Earnings

For the Year Ended December 31, 2022

	Balance 12/31/21	Net Income Applied	Balance 12/31/22
Appropriated Statutory	\$1,484,000	-	\$1,484,000
Unappropriated	\$9,212,986	(\$104,379)	\$ 9,108,607
Total	\$10,696,986	(\$104,379)	\$ 10,592,607

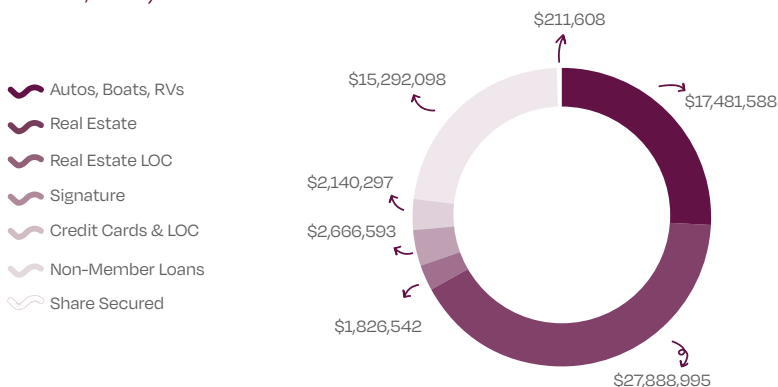
Deposit Distribution

(December 31, 2022)



Loan Distribution

(December 31, 2022)



Statement of Operating Income & Expenses

As of December 31*	2022	2021
ASSETS		
Loans (net)	\$67,402,752	\$62,926,151
Cash	\$3,465,459	\$6,136,148
Investments	\$28,867,693	\$34,352,196
Accrued Income	\$208,654	\$156,575
Prepaid & Deferred	\$214,633	\$282,803
Fixed Assets	\$1,043,924	\$351,642
Other Assets	\$974,150	\$939,642
TOTAL ASSETS	\$ 102,177,264	\$105,145,157
LIABILITIES		
Accounts Payable	\$156,710	\$144,961
Notes Payable	–	–
Taxes Payable	\$25,000	\$568
Accrued Expense	\$ 367,234	\$186,609
Deferred Income	–	–
Member Savings		
Other Savings Accounts	\$61,002,622	\$65,388,178
Share Certificates	\$6,657,334	\$7,340,970
TOTAL LIABILITIES	\$68,208,900	\$73,061,286
MEMBERS EQUITY		
Membership Shares	\$23,375,757	\$21,386,886
Regular Reserves	\$1,484,000	\$1,484,000
Undivided Earnings	\$9,108,607	\$9,212,986
TOTAL MEMBERS' EQUITY	\$ 33,968,364	\$32,083,871
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 102,177,264	\$105,145,157

*Condensed and Consolidated for Forrit Credit Union & CU Home Loan Center, LLC





Statement of Forrit CU Financial Condition

As of December 31*	2022	2021
OPERATING EXPENSE		
Compensation	\$1,323,802	\$1,102,383
Taxes & Benefits	\$396,225	\$276,292
Travel & Conference	\$28,300	\$16,681
Business & Publication Costs	\$25,153	\$23,501
Office Occupancy	\$273,555	\$177,694
Office Operating	\$319,996	\$223,519
Advertising & Promotions	\$195,777	\$197,617
Loan Servicing	\$221,407	\$247,740
Professional & Outside Services	\$751,100	\$627,973
Provision for Loan Loss	\$48,550	\$17,500
Provision for Investment Loss	-	-
Members Insurance	-	-
State Examination Fee	\$9,498	\$12,648
Cash Over (Short)	\$1,036	(\$150)
Interest on Borrowings	\$2,602	\$26
Annual Meeting	\$572	\$579
Miscellaneous	\$54,982	\$12,648
TOTAL OPERATING EXPENSES	\$3,652,555	\$2,936,994
DIVIDEND/INTEREST EXPENSES		
Dividends	\$3,803	\$6,926
Interest on Deposits	\$116,761	\$165,061
Total Operating, Dividends, Interest Expenses	\$ 3,773,119	\$3,108,980
Gain/(loss) on Sale Assets	-	\$2,335
TOTAL EXPENSES	\$3,773,119	\$3,106,645
INCOME		
Interest on Loans	\$2,517,725	\$2,311,275
Income from Investments	\$281,022	\$237,074
Miscellaneous Operating Income	\$869,993	\$756,211
TOTAL INCOME	\$ 3,668,740	\$3,304,561
NET GAIN	(\$104,379)	\$197,916





2022 Community Impact Report

Giving back to our community is a foundational value here at Forrit Credit Union. Our Community Giving Program helps support community events and initiatives that are important to members. Check out the difference we made in 2022



\$5,217

Credit union supported initiatives



\$4,601

Credit Unions For Kids



\$4,500

Local community organizations



\$14,318

Total contributed to our community



45

Hours of financial education



13

Community events



40

Staff volunteered in community



362

Volunteer hours from Forrit staff





Forrit

CREDIT UNION

Board of Directors

- ◇ Bill Kirchner, Chair
- ◇ Barbara Kveton, 1st Vice Chair
- ◇ Lorene Bay, 2nd Vice Chair
- ◇ Michel Mouzong, Secretary
- ◇ Lynn Voigt
- ◇ Patty Hyatt
- ◇ Nick Quinata

Supervisory Committee

- ◇ Terry Smith, Chair
- ◇ Lisa Howard, Vice Chair
- ◇ Yvonne Vallette, Secretary
- ◇ Chandra Wilson
- ◇ Lisa Callahan

Leadership team

- ◇ Justin Olson, President/CEO
- ◇ Wendy Russell, Director of Finance
- ◇ Andrew Ackman, Director of Information Technology
- ◇ Cindy Packard, Director of Member Services
- ◇ Sarah Buck, Director of Experiences
- ◇ Yuki Lam, Director of Marketing

95 SW Taylor Street, Portland, OR 97204
TEL/TEXT 503-275-0300 TOLL-FREE 800-452-0915
WEBSITE forritcu.org EMAIL info@forritcu.org

