

A woman with blonde hair, wearing a grey top and a patterned skirt, stands in front of a modern building with a large '3RIVERS' sign. She is holding a white sign that says 'You MATTER To Us'. The building has a white facade with blue accents and a brick base. The sky is blue with some clouds.

3RIVERS

You
MATTER
To Us

3RIVERS®

Annual Report 2020



Board of *Directors*

Chairman	Don Greer
Vice Chairman	Clifford Clarke
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Treasurer	Mark Kern
Director	Brent Spindler
Director	Ken Gerke
Director	Steve Hinton
Director Emeritus	Jerry Spindler
Director Emeritus	Steve Singer
Associate Director	Britny Berndt
Associate Director	Terrill Veith

A Year of Continued *Growth & Stability* *Amidst the Uncertainties of 2020*

by Don Cates, *President & CEO*

Not unlike any review or summary of 2020, the term “unprecedented” seems to encapsulate it best. Many will associate this term with 2020 for the rest of their lives. And while the word itself often brings with it a connotation of fear or negativity, 3Rivers is grateful beyond measure to be able to associate it instead with the incredible growth and stability our credit union achieved and maintained in a year that proved truly unpredictable in so many ways.

While we'll certainly never forget the trials and tribulations so many faced to start the decade, we'll also not soon forget the ways in which our credit union was able to step up, step in, and do our part in being there for our members and our community throughout the year, continuing to innovate and grow along the way.

I'm pleased and proud to share the most notable accomplishments of our credit union and our team in 2020.

On June 1, we completed our acquisition of West End Bank, headquartered in Richmond, Indiana. We announced our intent to acquire West End Bank in August 2019. The decision to partner was mutually beneficial to not only both institutions, but more importantly, the people and communities West End Bank served. 3Rivers' expanded footprint delivers more robust products, services, and technology to Wayne and Union counties, and further strengthens our values, culture, and commitment to giving back to the communities we serve. As a result of this merger, we welcomed 70 talented West End Bank team members into our 3Rivers family and **gained four branches** in Wayne and Union Counties, allowing us to serve 32,000 additional members. A merger of this nature is complex enough without the many hurdles 2020 presented, and I'm incredibly proud of both teams for doing such a phenomenal job at combining our operations, despite the substantial travel restrictions and challenges that came with the pandemic lockdown.

We're so pleased to welcome our new regional members, and greatly appreciate their patience throughout the transition. Getting to know our newest members, team members, and our regional communities over the course of 2020 was certainly a highlight of the year, and we look forward to further deepening these relationships as we settle in and gain momentum in 2021.

Additionally, our long-awaited financial center, located in Angola, opened in December. We're excited to better serve our members in Steuben County and further invest in the community.

With the completion of this branch, we've newly built or remodeled all 17 of our Northeast Indiana facilities, investing nearly \$33 million back into the local economy since 2012. In a time when many other organizations are having to scale back, we're proud of and thankful for the opportunity to continue building and growing our cooperative and investing in the communities we serve.

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We experienced growth and recognition in several other areas over the course of the year as well. *Here are some of the highlights:*



On top of the new members we acquired from West End Bank, **we grew by over 6,000 members organically** — now totaling 97,649 — an increase of over 16%.



Assets grew by 43% from a year ago to \$1.7B, an increase of \$520M. Our loans grew by 39% and members' shares grew by 40%. 3Rivers now owns or services over \$1.97B in loans.



We originated just under **\$1B in consumer and mortgage loans** in 2020.



We saw incredible record **mortgage loan volumes** — **2.4 times** the result from 2019.



We added \$24M to our capital reserves through earning, and **capital overall increased by almost \$32M**. As a result, Radon Financial Group recognized 3Rivers with **our third Crystal Performance Award** as one of the top credit unions in North America.



As we grew assets and branches, **Team3 also grew to 460 employees**. We continued to hire throughout the year, and **had over 1,000 people apply for our 144 open positions**, solidifying 3Rivers as a top employer of choice in our region.



We were named as an S&P Global Top 30 Performing Credit Union — the only credit union from Indiana to make the list.



As we continued to grow and set new milestones and distinct accolades in performance throughout 2020, our resilient team members and their commitment to [safely serving our members and community](#) is truly what drove these successes. **We closely followed and adapted to the ever-changing state-mandated restrictions and CDC guidelines as they related to COVID — making every effort to both keep our branches open and our employees and our members safe** — and appreciate everyone’s flexibility and understanding along the way.

Our team continued to show up in every way possible, around the clock in 2020 — in the branches, from home, on nights and weekends — to ensure our members were taken care of. And our members were able to conduct their banking with hardly any interruption as we remained open and available — be it in [our branches and at our drive-thrus](#), via [online, mobile, and ATM banking](#), or over phone, chat, or Skype.

We launched a Financial Wellness Hotline to assist our members and our community who felt the impact of COVID on their money matters. Our team worked tirelessly to learn more about the many financial situations that arose in 2020 in order to [uncover the needs of those who sought our support](#) — helping them to come up with strategies, make sense of the solutions we have to offer, and connect with other resources on a local and national level.

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And we didn't wait on our members to come to us. We proactively reached out to check in on them throughout the year, conducting over 40,000 member outreaches and daily follow-ups in 2020, more than twice the amount the year before. We heard feedback from many members stating that they felt comforted and were given peace of mind as a result of 3Rivers checking in on them.

With the increase in financial wellness conversations throughout 2020, we were able to discover and better understand some of the most crucial financial needs of those in our community — some of which most certainly resulted from, or were aggravated by the pandemic, but many more that were tied to bigger and more long-term habits and circumstances. Identifying trending topics and uncovering money-related concerns in our community allowed us to begin deepening relationships, make better use of our products and services, and become a trusted resource for education and financial advice for many in our community. Financial wellness has always been at our core, but in 2020, it became very much front and center in everything we do.

In fact, these conversations inspired us to go beyond our branches and our phone lines to ask our members and our community what matters most to them as it relates to their finances. **We launched an online survey** to learn what consumers in our region are most focused on, and used the results to develop an online hub filled with education and resources that directly speak to the public response, ensuring we're providing the most relevant and helpful information and solutions possible. This is an ongoing initiative that we'll continue to evolve and grow on over time, and encourage anyone who has not yet taken the survey, or who wants to learn more, to visit 3riversfcu.org/whatmatters!

In addition to providing increased support and guidance to individuals and families in 2020, we're proud to have made an impact with local businesses and non-profits, too. **We granted \$39M in Paycheck Protection Program (PPP) loans to 577 local small business members that were impacted by the pandemic.** Outside of PPP loans, our team was dedicated to helping local businesses and non-profits **navigate the ever-evolving landscape of their finances** with each new turn that resulted from COVID, the **CARES Act**, local and national government response, and more.



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The logo for 3RIVERS, featuring a stylized white '3' on a blue background followed by the word 'RIVERS' in white capital letters.

YOU
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Stay up-to-date with all things 3Rivers in 2021 by **connecting with us on social media and subscribing to eRivers**, our monthly e-newsletter!





While community involvement looked quite different in 2020 — with many events, fundraisers, and projects having been put on hold or evolving into a virtual format — supporting our local communities was still of the utmost importance to us. We heeded the call, knowing our non-profit partners, especially those in social services, education, and the arts, needed us more than ever. **Our Community Foundation granted \$195K to local non-profits and we were able to invest over \$700K in other forms of community giving.**

You've likely heard or seen much of our 2020 community support on display — from Northeast Indiana Regional Partnership's [Make it Your Own Mural Fest](#) murals in each of Northeast Indiana's eleven counties to the [local art displayed in our branches](#), the outdoor Richmond Symphony Orchestra [Sunset Series](#) to the [winterization of the Starr Gennett building](#) and expansion of the Richmond Farmers Market, and much more!

Volunteering also looked quite different in 2020, and we're proud of our team for having continued to dedicate countless hours of their personal time helping with volunteer efforts, in a multitude of ways, during a year in which our communities most depended on the support.

We were moved — and continue to be moved — by the amount of resilience, innovation, motivation, and positivity we witnessed in 2020. Despite the many uncertainties the year brought with it, our members and team members, our local businesses, non-profits, and essential workers, and our community at-large proved that we're strong and capable of pulling through even the toughest of times.

As a credit union, our ability to have such unprecedented results during an equally unprecedented year is a testament to the resiliency and patronage of our team, our members, and our community, and for that, we're filled with immense gratitude.

We ended the year having learned many lessons and having been presented with many situations that allowed us to look deeper into the very foundations of our cooperative and discover ways in which we can better ourselves, our service, and the 3Rivers experience overall. We look forward to keeping up that momentum and turning those many findings and conversations into action, in 2021 and beyond. **We're more thankful than ever for your continued support and trust in 3Rivers, and have high hopes for the year ahead.**

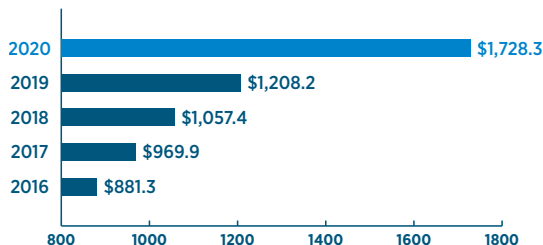


DON CATES
President & CEO

Our *Financials*

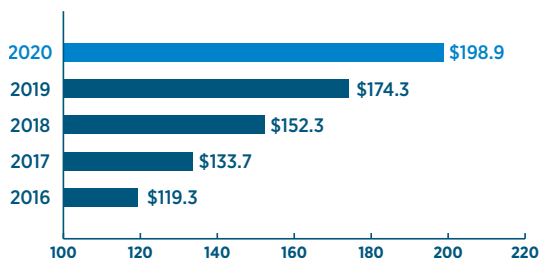
Total Assets

(in millions)



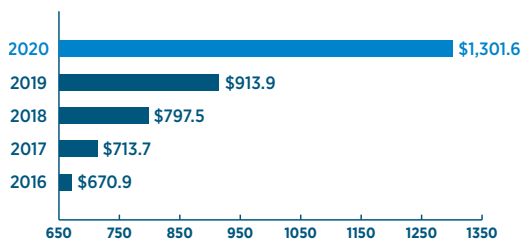
Net Worth

(in millions)



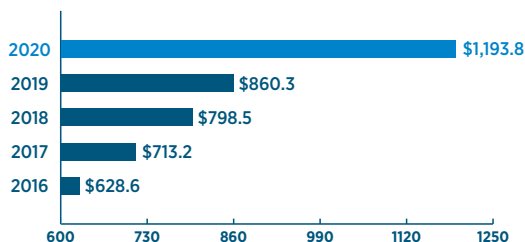
Member Shares

(in millions)



Gross Loans Outstanding

(in millions)



BALANCE SHEETS *(in millions)*

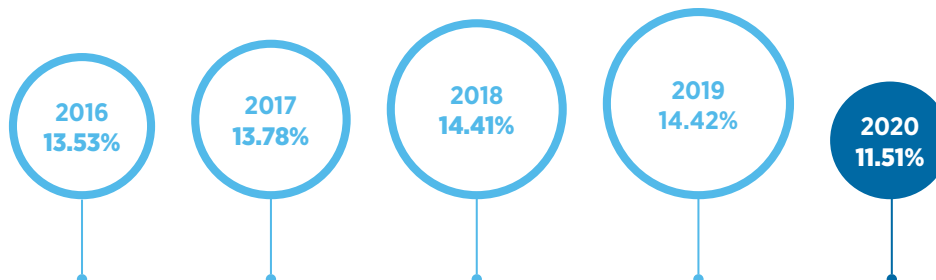
ASSETS	2020	2019
Cash and Investments	\$299.3	\$285.3
Loans to Members (net of allowance for loan losses)	\$1,180.9	\$853.5
Other Assets	\$248.1	\$69.4
Total Assets	\$1,728.3	\$1,208.2

LIABILITIES & MEMBERS' EQUITY	2020	2019
Member Shares, Savings, Drafts & Certificates	\$1,301.6	\$913.9
Other Liabilities	\$217.5	\$117.1
Members' Equity	\$209.2	\$177.2
Total Liabilities & Members' Equity	\$1,728.3	\$1,208.2

INCOME STATEMENTS *(in millions)*

	2020	2019
Interest Income from Loans & Investments	\$59.7	\$49.8
Dividend/Interest Expense	(\$6.6)	(\$8.2)
Net Interest Income	\$53.1	\$41.6
Loan Loss Provision	(\$7.9)	(\$3.1)
Other Income	\$44.8	\$33.9
Operating Expense	(\$65.4)	(\$50.0)
Net Income	\$24.6	\$22.4

Capital Ratio





Supervisory Committee

The Supervisory Committee is appointed by the Board of Directors in accordance with the Federal Credit Union Act. The Committee independently evaluates the soundness of our operations and activities, ensuring that management implements sound internal controls and maintains practices and procedures that adhere to generally accepted accounting principles. In doing so, they carry out the following primary responsibilities:

- compliance with regulations, policies, and procedures
- safeguarding of assets
- protection of members' funds and interests
- reliability of financial records

The Committee meets regularly to review and discuss internal controls as well as auditing matters. To assist with these responsibilities, the Committee retains the services of several independent accounting firms to perform annual financial audits, analysis of operational practices, adherence to regulations, and information technology general controls. During 2020, audits were performed by GBQ Partners, LLC; BKD, LLP; and others.

Based on the results of these external audits, as well as an examination conducted by the National Credit Union Administration (NCUA), we conclude that 3Rivers is a financially healthy credit union and is being operated safely and soundly while providing quality member service.

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Federally insured by the NCUA.