



3 RIVERS[®]

ANNUAL REPORT 2019

3 RIVERS
presented to Shepherd's House
One Thousand and 0/100

AGAPE
MINISTRIES, INC.
We



HELPING PEOPLE UNDERSTAND MONEY MATTERS EVERY DAY



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Treasurer Mark Kern
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Director Ken Gerke

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Director Emeritus Jerry Spindler
Director Emeritus Steve Singer
Associate Director Britny Berndt
Associate Director Terrill Veith

A MESSAGE FROM THE CEO



DON CATES
President & CEO

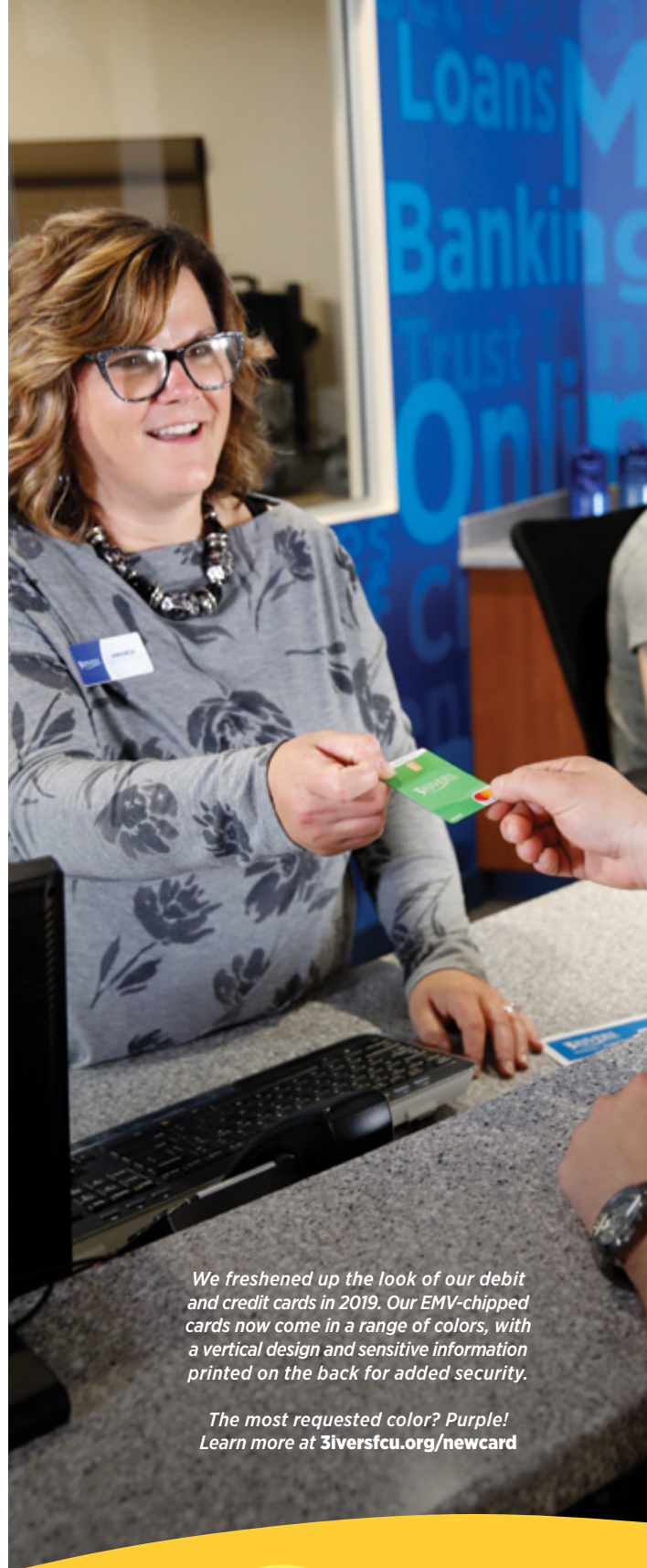
It's my pleasure to report some of 3Rivers' greatest accomplishments from 2019. Our credit union experienced record growth across many areas and focused a great deal of attention on enhancing the member experience last year. We're excited to continue carrying that momentum with us into the new decade.

In 2019, our cooperative grew by another 4,795 members, bringing us to a total of 84,097. Membership growth over the past five years has totaled 15,188 — a 22% increase!

Our mortgage department had a phenomenal year, with a record production of \$314M — increasing our overall mortgage production by 41.84%. 3Rivers now owns or services over \$1.38B in loans in Northeast Indiana. Share balances grew by \$116M — and we returned \$6.1M in dividends to our members — an increase of \$3.2M from 2018.

We not only saw record growth in 2019, but we added \$22M to our capital reserves. So, while we grew the credit union by 14%, our capital ratio remains a very healthy 14% as well. 3Rivers continues to be recognized nationally as a higher-performing, financially-strong institution with a great company culture and work environment. We were proud to receive the Peter Barron Stark Award for Workplace Excellence and to be named one of Raddon Financial Group's Top Performing Credit Unions in North America!

Continued on the next page. >>



We freshened up the look of our debit and credit cards in 2019. Our EMV-chipped cards now come in a range of colors, with a vertical design and sensitive information printed on the back for added security.

*The most requested color? Purple!
Learn more at 3riversfcu.org/newcard*

We funded 2,164 mortgage loans in 2019. See all of our home lending options at 3riversfcu.org/home!

3Rivers has been the **#1 New Construction Lender** in Northeast Indiana for **eight years in a row!**

3Rivers was able to get many people on the road — or water or trails — in 2019, having funded **4,729** auto loans, **127** boat loans, **211** camper loans, **170** motorcycle loans, and **116** power-sport loans! Learn more about our vehicle loan options at 3riversfcu.org/drive!

HERE FOR YOU.

There were 122 job opportunities posted last year, to which **over 700 people applied!** Check out our current career opportunities at 3riversfcu.org/careers.

In 2019, we reduced our members' student loan interest rates by an average of **2.77%**, saving them **an average of almost \$15,000** over the course of their refinanced student loans!

We gave **\$1,003,445** back to our members in 2019 through our 1% cash back initiative on loans!

We updated our entire fleet of ATMs in 2019 with new machines that feature a sleek new look, **enhanced security**, and the ability to **accept cash and check deposits**. And we're now a part of the **MoneyPass®** network! Find your nearest ATM at 3riversfcu.org/locations.

We instantly printed over **30,245** cards in our branches in 2019, cutting down on the wait time and paper waste that comes with sending debit and credit cards via snail mail!

The 3Rivers Credit Union Foundation granted over **\$190,000** to 48 local non-profits in 2019. Learn more about our Foundation at 3riversfcu.org/foundation.

"This is really a place that cares about your financial wellness and you as a person. They took the time with me to come up with a solution that benefits me and my family. **I feel like I am a part of something great** by joining. Great people!"

3Rivers Member

As we do every year, we set the bar on each of our goals even higher in 2019 and, as a team, came together to achieve and exceed all of our corporate business metrics — including a record high benchmark for member Net Promoter Score. Simply put, more members than ever would refer their friends and family members to 3Rivers.

To further improve the member experience, we made several updates to our facilities in 2019. We completed our new Decatur branch as well as our new Stellhorn branch and mortgage center. Additionally, we began upgrades to our West Jefferson and Dupont branches. In the past 10 years, every single 3Rivers branch has either been built from the ground up or remodeled to ensure a look and feel that's consistent with our newer facilities. In our branch builds and remodels alone, we invested over \$32M into Northeast Indiana in 2019.

Although our numbers continue to grow and we get bigger, we strive to maintain a one-of-a-kind credit union experience that puts members first. Throughout 2019, we continued to deepen our dialogues and relationships with members through our focus on financial wellness. By having the right conversations at the right time, we're able to understand not only where our members are today, but where they want to be tomorrow — and how we can help them get there. We want to understand and help our members meet their financial goals — whether that's paying for education, building their dream homes, or planning for a secure retirement. We'll always offer the banking solutions you've come to expect, but more importantly, we'll always go beyond banking by offering the ongoing encouragement, support, and resources needed to help you achieve your own version of financial wellness.

We're incredibly grateful to have a family of employees, members, and community partners who support our cooperative and our vision for the future. We look forward to taking on even more exciting challenges in 2020, and setting even higher standards for the years to come.

We're proud to remain a vibrant, community-impacting financial institution for you, our loyal and supportive membership.

Thank you for your continued trust in 3Rivers.

Sincerely,



HERE FOR GOOD.



Our Stelhorn Crossing facility was built to accommodate our growing mortgage team and provide a better member experience, with more room to interact with members, realtors, and builders. Learn more at 3riversfcu.org/stelhorn.

“I’m proud to work at 3Rivers because our organization lives by its core values, which align with my own. **Our credit union is community-oriented** which is very important to me, and I love what 3Rivers encompasses — helping people!”

Lisa C., Branch Manager

“We have a great reputation and I am glad to be a part of it! I love how involved we are within our community and how we are always **putting the members, not our pockets, first.**”

Danielle P., Mortgages

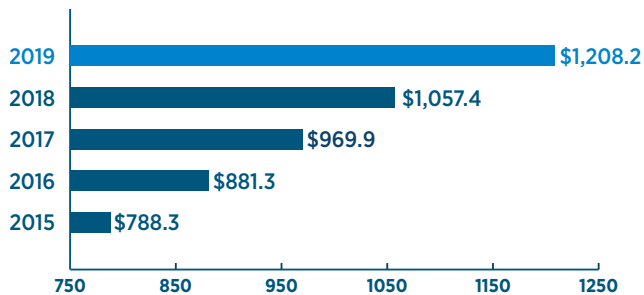
“One of my proudest moments at 3Rivers in 2019 was working with a couple who were trying very hard to improve their lives financially, but starting to feel defeated. We collaborated together and I was able to take the spreadsheets they’d started and build on them with our tools and resources, which empowered them to better see their overall picture and realize that there truly was a reachable goal. **I was able to be a contributing factor to them realizing they weren’t in a hopeless spot.** Since then, they’ve paid off some significant medical debts and lowered the interest on everything else.”

Adam R., Float Team

THE FINANCIALS

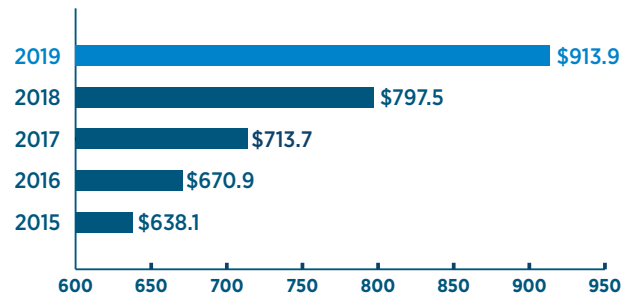
Total Assets

(in millions)



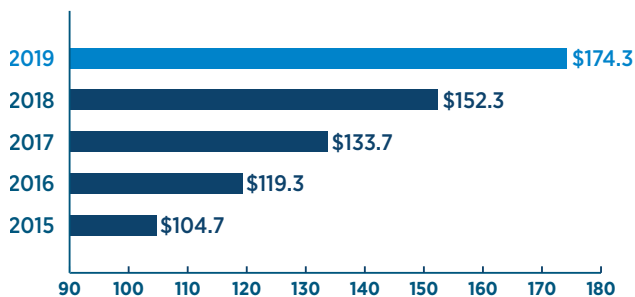
Member Shares

(in millions)



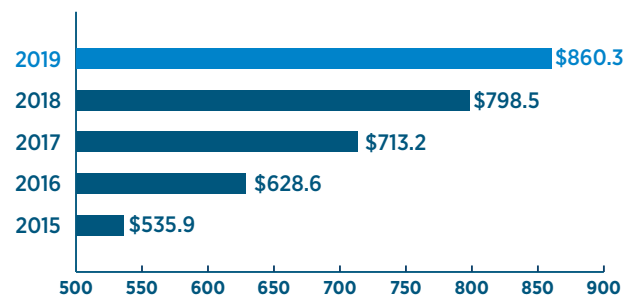
Net Worth

(in millions)



Gross Loans Outstanding

(in millions)



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 2019, 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.

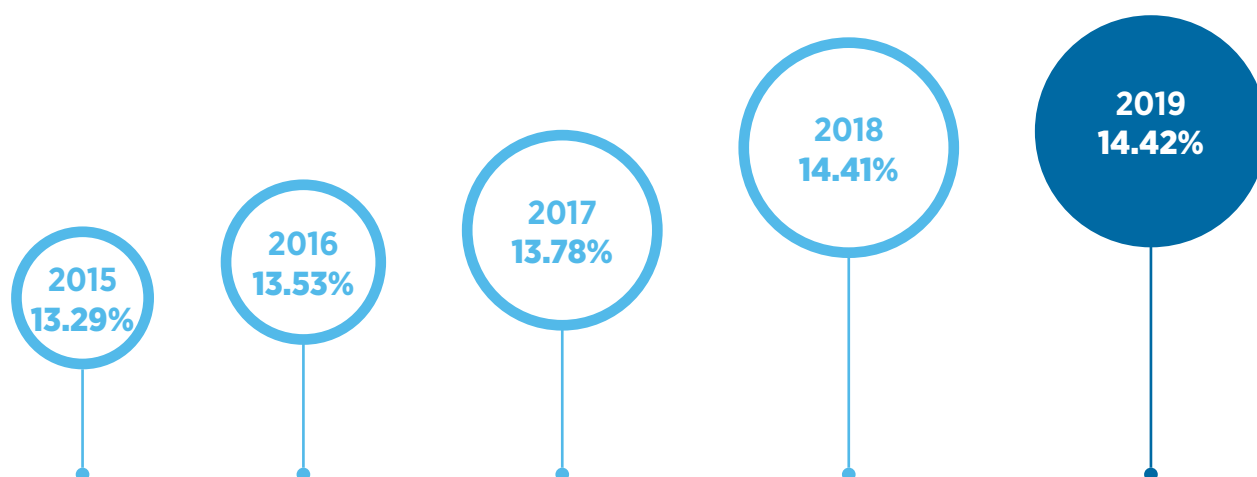
BALANCE SHEETS *(in millions)*

ASSETS	2019	2018
Cash and Investments	\$285.3	\$204.6
Loans to Members (net of allowance for loan losses)	\$853.5	\$792.6
Other Assets	\$69.4	\$60.2
Total Assets	\$1,208.2	\$1,057.4

LIABILITIES & MEMBERS' EQUITY	2019	2018
Member Shares, Savings, Drafts & Certificates	\$913.9	\$797.5
Other Liabilities	\$117.1	\$109.9
Members' Equity	\$177.2	\$150.0
Total Liabilities & Members' Equity	\$1,208.2	\$1,057.4

INCOME STATEMENTS *(in millions)*

	2019	2018
Interest Income from Loans & Investments	\$49.8	\$42.7
Dividend/Interest Expense	(\$8.2)	(\$5.1)
Net Interest Income	\$41.6	\$37.6
Loan Loss Provision	(\$3.1)	(\$2.9)
Other Income	\$33.9	\$27.7
Operating Expense	(\$50.0)	(\$43.8)
Net Income	\$22.4	\$18.6



NET WORTH RATIO





3 RIVERS[®]

3riversfcu.org

800.825.3641



Federally insured by the NCUA.