



Achieve it.®



2020 ANNUAL REPORT





LETTER FROM YOUR CEO

2020 was an unexpected and challenging year for the country due to the COVID-19 health crisis. However, while the economic challenges were unprecedented, we remained, and will remain, well-prepared and capitalized to withstand the market volatility. We quickly pivoted our focus during this critical time to assist members affected by the pandemic with in-house relief programs. By the end of the year, approximately 9,000 members benefitted from financial aid and counseling.

As a U.S. Small Business Administration (SBA) preferred lender, we also helped 300 business members receive Paycheck Protection Program (PPP) loans, totaling more than \$9.5 million in relief in 2020. Of note, more than 25% of the credit union's PPP loans were awarded to woman- and minority-owned businesses. We also opened more than 1,250 new business accounts, providing solutions to help them grow and thrive, and supporting a healthy economy by creating local jobs.

Nothing is more important than protecting the health and financial well-being of our members and communities. We strengthened our remote delivery service capabilities to navigate this historic health crisis, including electronic closings for mortgage loans and money management tools for our digital banking platforms. We also introduced an online appointment scheduling tool, added interactive teller machines (ITMs), and launched our first robotic process automation system to improve operational efficiencies and accelerate our PPP application process.

However, the year's biggest highlight was the successful conversion to our new core operating system, Keystone by Corelation. Keystone is fundamental to managing our growth and readying ourselves for future banking capabilities. This was a

massive undertaking three years in the making for the credit union. However, it was well worth the effort. Our Keystone has already improved operational efficiencies, providing members with a better service experience.

Next, as your "Hometown, Home Loan Provider™," we broke our prior record for total loan originations, with 2,740 Members serviced in 2020. These originations were fueled by a significant increase in refinancing as well as a resurgence in home-buying.

Overall, Together Credit Union is serving 10,075 Members with their home loans, with a mortgage servicing portfolio valued at over \$1.2 billion.

Lastly, our new brand name, Together Credit Union, continues to bring new opportunities for strategic growth. We entered several key sponsorships in the St. Louis Metropolitan Area, our largest community of members, including Grant's Farm and the newly opened Together Credit Union Plaza at Ballpark Village.

As your trusted financial partner, we remain committed to empowering our members to live their best life. For the second consecutive year, we received recognition as a "Best-In-State" Credit Union in Missouri by Forbes Magazine.

Despite the many challenges experienced in 2020, we achieved another record year. Together, we are poised to serve generations to come.



ROBERT MCKAY
President/CEO

LETTER FROM YOUR CHAIRMAN



In 2020, your credit union's Board of Directors supported many critical changes to operations brought on by the COVID-19 health crisis to ensure the health and safety of members and employees while exceeding its responsibilities as an essential business in our communities.

The board also spent significant time assessing how this pivot in operations benefitted current and future members. This information helped lay the groundwork for a new five-year strategic plan for your credit union focused on three priorities: Member Experience & Expectations, Operational Excellence, and Market Presence & Growth.

Your credit union's sole purpose is to be our members' trusted financial partner, providing experiences that empower them to achieve their goals. This new five-year strategic plan will position your credit union as an industry leader through convenient financial services, competitive banking products, lower rates and fees, and a safe, local space for member transactions.

Likewise, your credit union continued to empower members with the skills needed to manage their finances. Financial literacy workshops on credit building, retirement planning, and investing were held virtually throughout the year to help members create healthy financial habits, firmly placing members on the path to financial wellness. Your credit union's partnership with GreenPath Financial Wellness also maintained specialized resources focused on members' financial well-being, including debt management plans, credit

report reviews, and one-on-one financial counseling.

The Together Foundation also played an important role by answering the call for more community-based scholarships in the Greater St. Louis area through the inaugural Together Foundation Community Scholarship Program. Ten additional college scholarships were also awarded through the Vince Jacknewitz Scholarship Program. To date, Together Foundation has awarded more than \$200,000 in scholarships.

The motivation to build strong relationships with members and give back to communities, helped your credit union earn recognition by the Credit Union National Association, St. Louis Regional Chamber, and the St. Louis Business Journal as a Corporate Philanthropy honoree.

As always, when you need a mentor to guide you, an advocate to encourage your dreams and aspirations, or a counselor to turn to during challenging times, your credit union is there. On behalf of the board of directors, management, and staff, thank you for your continued trust.

A handwritten signature in black ink that reads "Mark Harris". The signature is fluid and cursive.

MARK HARRIS

*Chairman of the
Board of Directors*

SUPERVISORY COMMITTEE REPORT

Board of Directors

Mark Harris,
Chairman
Jeff Knapper,
Vice Chairman
Beth Rickmann,
Secretary/Treasurer
Michael Chapman
Andrew Dierkes
James Fugel
Ron Kraus
Sara Stobbs
Brock Tuffli

Board Associates

Clinton Laughlin
Julia Mize

Board Emeritus

Charlie Klauke

Supervisory Committee

Charlie Klauke,
Chairman
Tom Jacobs
Ron Kraus
Clint Laughlin
Keith Wesselschmidt

Your Credit Union's Supervisory Committee is pleased to report the Credit Union has achieved another year of solid financial integrity and accountability.

The Supervisory Committee is responsible for monitoring management practices to ensure the safety of members' assets, overseeing financial statements' accuracy, and fairly representing the Credit Union's financial condition. It also serves in an oversight role for the Board, the internal audit department, Credit Union management, and the external auditor (BKD LLP).

After careful review, our external auditor expresses an opinion on the Credit Union's financial statements based on accepted auditing practices. The Credit Union's routine audits are conducted by State and Federal representatives, and the Credit Union's internal audit department continues to evaluate procedural, accounting, and financial controls and assess compliance with policies and regulations.

The Credit Union is operating for the benefit of its members, as intended. Any member who feels an existing problem remains unresolved after communicating with Credit Union management may write to the Chairman of the Supervisory Committee at PO Box 13268, Saint Louis, MO 63157.

The Supervisory Committee looks forward to serving you in 2021 and will continue to review and act on all internal and external audit and control issues in a timely manner. Thank you for the trust you place in us and for allowing us to partner with you for your financial needs, now and in the future.



CHARLIE KLAUKE

*Chairman of the
Supervisory Committee*

Appointments, Awards and New Hires



Bob McKay,
President
and CEO, was
appointed to
the Community
Depository
Institutions Advisory Council
(CDIAC) of the Federal
Reserve Bank of St. Louis.



Larry D. Sewell,
Vice President
of Community
Outreach,
was elected
Chairman of the
Board of Directors for the
African-American Credit
Union Coalition (AACUC).
Previously, Sewell served as
the Vice Chairman for two
consecutive terms.



Sarah Capri,
Branch Manager
in Fenton, was
selected for
Heartland Credit
Union Association's
CUlead program. The
2020 class was comprised
of 21 participants from
credit unions in Missouri
and Kansas who possess
leadership potential and
are ready to develop their
skills further.



Pam Lambkins,
Branch Manager
in Florissant,
graduated from
the St. Louis
Business Diversity
Initiative's Fellows Program.
The St. Louis Regional
Chamber designs the program
to help area companies
build successful diversity
and inclusion programs.
Of the 87 Fellows in Cohort
14, Lambkins was the only
graduate from the credit
union industry.



Claire Trunko
joined Together
Credit Union as
its new Chief
People Officer.
Her role includes
overseeing all employee
functions, including talent
acquisition and retention,
performance management,
compensation and benefits,
and cultural alignment. She
is also responsible for leading
the strategic vision for the
Community Engagement and
Social Responsibility, the
Organizational Effectiveness,
and the Employee Resource
Center teams.



Trisha Logue,
Branch Manager
in Tampa, was
awarded the
Together Credit
Union Fred Kuhn
Award. This award was
created in honor of Fred
Kuhn, former board member
and friend, and recognizes an
individual employee making
significant contributions in
his or her community.

Community Awards

Forbes Magazine

**BEST-IN-STATE CREDIT
UNION FOR MISSOURI**

St. Louis Business Journal

**2020 LIST "ST. LOUIS"
BIGGEST CORPORATE
PHILANTHROPISTS"
(MID-SIZED COMPANIES)**

St. Louis Regional Chamber

**AMEREN CORPORATE
CITIZEN AWARD FINALIST**

CUNA

**1ST PLACE (REGIONAL)
DESJARDINS YOUTH
FINANCIAL EDUCATION
AWARD**

CUNA

**2ND PLACE (REGIONAL)
DESJARDINS ADULT
FINANCIAL EDUCATION
AWARD**

CUNA

**HONORABLE MENTION
(REGIONAL) DORA
MAXWELL SOCIAL
RESPONSIBILITY
COMMUNITY SERVICE
AWARD**

Together Credit Union Brand Roll-Out Awards

Association of Marketing and
Communication Professionals

GOLD MARCOM AWARD

Association of Marketing and
Communication Professionals

**PLATINUM HERMES
CREATIVE AWARD**

Marketing Association of
Credit Unions

3 GOLD AWARDS

2020 FINANCIAL STATEMENTS

Assets (dollars in thousands)	2020	2019
Loans to members	\$1,569,022	\$1,550,608
Less allowance for loan losses	(\$15,019)	(\$12,615)
Net Loans	1,554,003	1,537,993
Investments	310,568	91,471
Interest bearing deposits	134,230	83,389
Cash and due from banks	9,792	13,128
Property and equipment	51,740	52,488
Share insurance deposit	16,768	14,657
Federal Home Loan Bank stock	4,145	4,419
Interest receivable	5,625	5,104
Other Assets	20,651	22,858
TOTAL ASSETS	\$2,107,522	\$1,825,507

Liabilities & Members' Equity

Shares and other savings accounts	\$1,839,695	\$1,574,386
Long term debt	40,000	45,000
Other liabilities	24,575	18,206
Total Liabilities	1,904,270	1,637,592
Regular reserves	2,491	2,491
Undivided earnings	199,452	185,625
Accumulated other comprehensive income (loss)	1,309	(201)
Total Members' Equity	203,252	187,915
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$2,107,522	\$1,825,507

Income (dollars in thousands)	2020	2019
Interest on loans to members	\$70,583	\$71,071
Interest on investments and interest bearing deposits	2,547	4,638
Total Interest Income	73,130	75,709
Dividend and interest expense	12,612	14,321
Net Interest Income	60,518	61,388
Provisions for loan losses	11,503	10,485
Net Interest Income after Provision for loan losses	49,015	50,903
Service and fee income	36,200	28,266
GROSS INCOME	\$85,215	\$79,169

Expenses

Salaries and employee benefits	36,914	34,047
Net occupancy expense	3,980	3,864
Office operating expense	2,900	2,858
Data processing expense	6,163	5,702
Loan expenses	8,530	7,956
Other	12,901	10,225
Total Non-Interest Expenses	71,388	64,652
NET INCOME	\$13,827	\$14,517

TOGETHER FOUNDATION

During 2020, the Together Foundation supported the dreams and aspirations of members and the communities served in the St. Louis area through charitable acts and financial education and development opportunities.

URBAN LEAGUE OF METROPOLITAN ST. LOUIS

Partnered with the Urban League of Metropolitan St. Louis to create a financial education curriculum for families participating in its Early Childhood Program.

BITE OF REALITY FAIRS

Partnered with the Richard Myles Johnson Foundation to host two virtual Bite of Reality Fairs to teach teens how to make responsible financial decisions and give them a better understanding of the challenges of living on a budget.

NEW! TOGETHER FOUNDATION COMMUNITY SCHOLARSHIP

The foundation named **Donovan Dixon** (below left) of Hazelwood West High School and **Drew Clutes** (below right) of Kirkwood High School as the recipients of the inaugural Together Foundation Community Scholarship. Each student received a \$1,250 college scholarship to help offset the costs associated with post-secondary education expenses during the fall semester of the 2020-2021 school year.



Serving Our Communities

VINCE JACKNEWITZ SCHOLARSHIP PROGRAM

The following ten graduating seniors received a \$1,500 college scholarship for the 2020-2021 school year.

- **Alison Stanford** from Oakville Senior High School, now attending Webster University
- **Cameron Cozort** from Hillsboro High School, now attending Southeast Missouri State University
- **Emily Stasiak** from Seckman Senior High School, now attending Indiana University Bloomington
- **Eric Sheahan** from Lindbergh High School, now attending University of Alabama
- **Grace Anderson** from Nerinx Hall High School, now attending University of Arkansas
- **Ivy Fitzsimmons** from Metro Academic and Classical High School, now attending Warren Wilson College
- **Lane Sedlacek** from Triad High School, now attending University of Washington
- **Lexi Hamburg** from Rockwood Summit High School, now attending Arkansas State University
- **Margaret MacArthur** from Affton High School, now attending Southeast Missouri State University
- **Tanner Placke** from St. John Vianney High School, now attending Maryville University



Together Credit Union donated 1,200 N95 masks to the **St. Louis Metropolitan Pandemic Taskforce** and 100 additional masks to **Abbott EMS** to distribute among healthcare workers.



The credit union partnered with **Kindness Meals STL** initiative to deliver meals for ER front-line teams at Barnes-Jewish Hospital, Cardinal Glennon Children's Hospital, and Saint Louis University Hospital seven-days a week.



The credit union purchased and delivered 2,472 diapers to **LifeWise STL** for families in need.

The credit union created a **"Meals for Healthcare Heroes"** program, providing meals to healthcare staff at Christian Hospital and Northwest Healthcare.



The credit union's community taskforce donated 360 Dental Kits for youth and adults as well as Disney DVD bags to the **YMCA Head Start in Kirkwood** and **LifeWise STL**.

The credit union's Advancing Women Leaders Employee Resource Group donated 100 self-care bags to **four local women's shelters**.

*We strive to become our members'
trusted financial partner,
providing experiences
that empower them to
live their best lives.*



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togethercu.org

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800.325.9905

Federally insured by NCUA. We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act. Together Credit Union is an independent financial institution, chartered by the state of Missouri, which is owned and operated by its membership. NMLS #401252

