



2020
**Annual
Report**



T R A V I S C R E D I T U N I O N

Financial Wellness In These Challenging Times

Travis Credit Union has been helping members reach their financial goals since October 1951. Our focus on “People Helping People” has never been more important than in the year 2020, when families, individuals and businesses struggled to cope with the effects of the global COVID-19 pandemic in ways not seen for a century. This required the credit union to redouble our efforts to provide financial wellness in these challenging times.

In 2020, we made our branches safer for members and employees by following CDC guidelines for infection control and non-contact transactions. Equally important, we made it easier for people to do business with us online.

To help those who were struggling, the credit union offered various financial relief initiatives for members as well as donated funds to non-profits facing long-term economic challenges as a result of the pandemic. In the meantime, Travis continued to grow and remain fiscally responsible.

This 2020 Annual Report highlights our financial stability and the ways we helped our members and our communities with financial wellness through these challenging times.

Thank you for your membership.

2020 BY THE NUMBERS



\$4.2 Billion
IN ASSETS



#64 in US
LARGEST CREDIT UNION



#12 in CA
LARGEST CREDIT UNION



MORE THAN
217,000
TCU MEMBERS

Empowering *Through Financial Education*



9,038

INDIVIDUALS REACHED THROUGH IN-PERSON SEMINARS AND LIVE WEBINARS IN 2020



\$437K

IN SCHOLARSHIPS AWARDED TO 324 TOTAL STUDENTS FROM THE MARY K. DUFF MEMORIAL SCHOLARSHIP FUND BY TCU, TO DATE

- ✓ **Forbes® Top Ten** Credit Union in California
- ✓ **1 In 2 Residents** In Vacaville And Fairfield Is A TCU Member
- ✓ **24x In 25 Years:** Fairfield Daily Republic Reader's Choice Award For **Best Credit Union**

Report From The President And Board Chair



Barry Nelson
PRESIDENT & CEO



Patricia Moreno
BOARD CHAIR

The year 2020 will not easily be forgotten. The COVID-19 pandemic forced individuals, families and businesses to rethink how they do things, and Travis Credit Union was no exception. With people needing our help more than ever to cope with the mounting financial losses caused by the pandemic, Travis responded by assisting members in new and creative ways. Just like the founders of our credit union 70 years ago, we're here to help with your financial needs — in good times and bad.

Responding to COVID-19

Last year, the credit union acted quickly to ensure that our branches and corporate offices were safe for our members and employees. We followed CDC guidelines in requiring that face masks be worn, implemented social distancing measures and emphasized the need for washing our hands and sanitizing workstations.

While we limited the number of people inside our branches for their safety, we focused on improving our digital tools to make it even easier to do business with us. Last year, more members became familiar with how to use our Online Banking and Mobile Banking tools, which offered them a welcome alternative to visiting a branch.

Charitable Efforts

TCU created more value for our members and the local community last year by implementing multiple financial relief initiatives for community partners providing essential services. We distributed more than \$3 million as part of the COVID-19 Member Relief Program. Travis also raised funds to assist its employees and the communities impacted by the local LNU Complex Fire.

Despite all of the unexpected challenges in 2020, Travis remained focused on its bottom line. We experienced record growth in loans, deposits and products. TCU remains well-capitalized, and our net worth remains well above the standards required by regulators. This financial position keeps us ready for more of the unexpected in the months and years to come.

As we enter our 70th year in 2021, Travis Credit Union will continue to champion the financial wellness of our members.

Thank you for your membership.

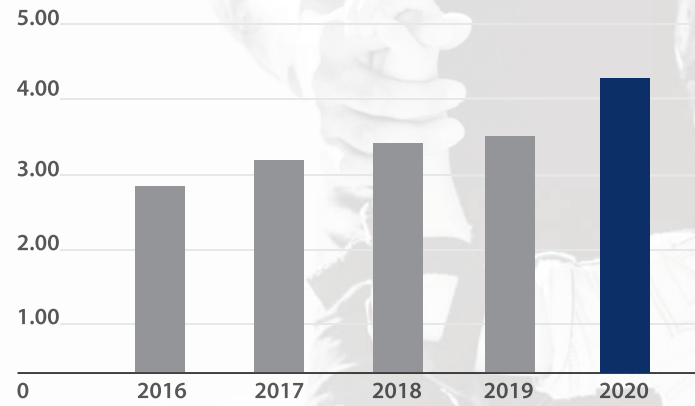
Travis Credit Union

Changing Lives & Lifting Communities *Through Financial Wellness*

2020 Summary

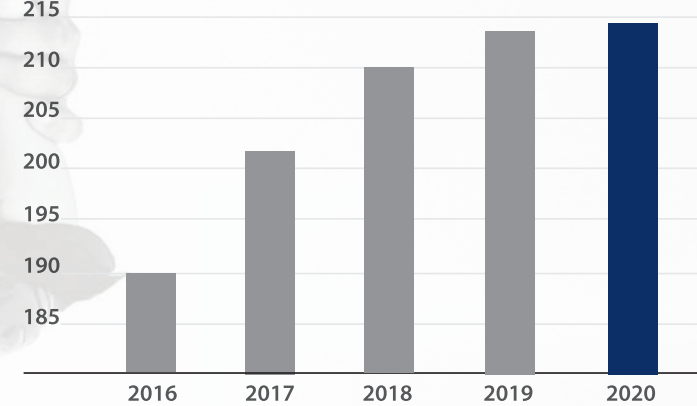
TOTAL ASSETS

(Billions)



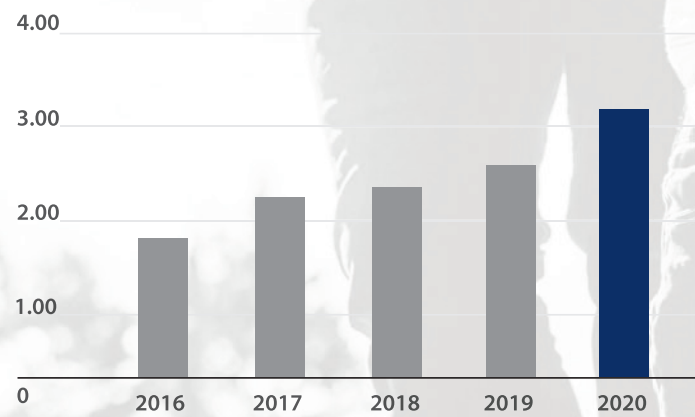
MEMBERS

(Thousands)



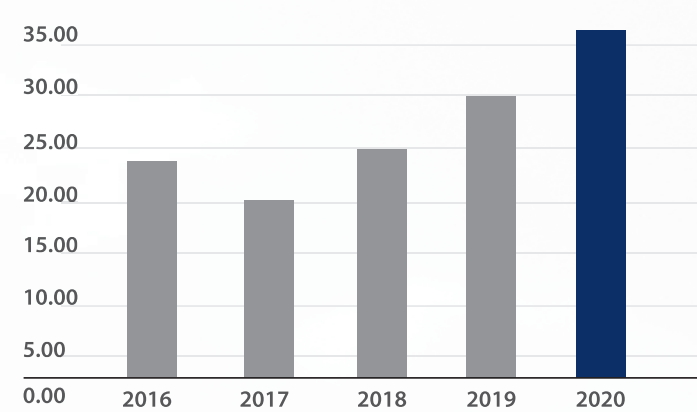
LOANS

(Billions)



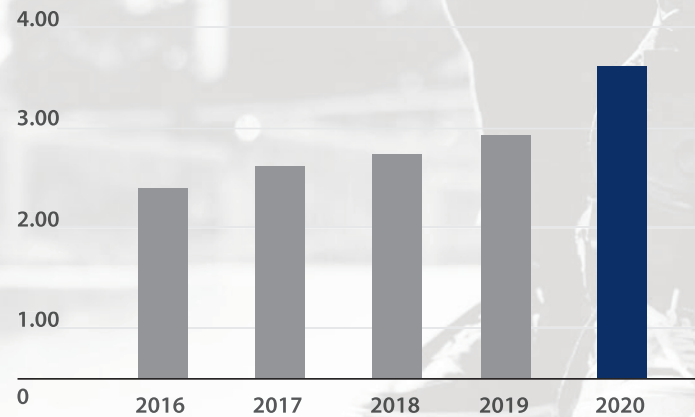
NET INCOME

(Millions)



SHARES

(Billions)



NET WORTH

14%

12%

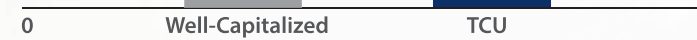
10%

8%

6%

4%

2%



The Impact Of Our Awesome Cause



In 2020, there were more opportunities than in TCU's 70-year history to create value for our members and local communities. Travis Credit Union rapidly implemented COVID-19 Member Relief Programs that included emergency loans, deferred mortgage payments, waived fees, and deferred payments on loans. In a nine-month span, TCU and the Travis Credit Union Foundation also funded multiple financial relief initiatives for the communities we serve.

Here are some of their stories:

"The \$36,000 received from the Travis Credit Union Foundation will allow Monument Crisis Center in 2021 to provide thousands of local families the nutritious food and basic essentials including toiletries, diapers and feminine products—all lifesaving supplies during this pandemic. Donations like this and those from the community mean the world to us and to those that we are supporting."

- Sandra Scherer, executive director, Monument Crisis Center

"We sincerely appreciate the support of the Travis Credit Union Foundation. This gift will allow us to expand access to Hospice Care in Solano County, invest in physical education and in the development of the Deferred Grief Support Program [supporting those who were unable to be with a loved one at the time of death or to grieve with others at funerals and memorial services during the pandemic]. Thank you for your generosity."

- Jeanne Dennis, executive director, North Bay at Home and Hospice and Bereavement

"I wanted to send an additional thank you to Travis Credit Union for the generous grant of \$10,000 you provided for West County READS, and share the ways in which we are utilizing these funds. Your funding also allowed us to continue supporting the City of San Pablo's Family Giving party for low-income families from the elementary schools and Helms Middle."

- Robin Wilson, West County READS

"Empower Yolo is truly appreciative to be a grant recipient of the Travis Credit Union Foundation's COVID-19 Relief Initiative. We are using the funding for eviction prevention for families hit hardest by the pandemic. Even though there are moratoriums on evictions, we know that if families get behind now, they won't be able to catch up."

- Lynnette Irlmeier, executive director, Empower Yolo

"CASA is serving more foster children than ever before, which has been especially important during the pandemic. Thank you for your generous grant of \$27,670 that was made possible by the community of donors who gave to our organization through the COVID-19 Relief Initiative, and a matching donation from TCU. Your support will go a long way towards mitigating some of the stress through that program, to ensure that children are successful in school and have the physical and emotional care they need to become healthy, independent adults."

- Ann Wrixon, executive director, CASA of Contra Costa County



COVID-19 **Member Relief** Programs Resulted In:

- ✓ **337+** EMERGENCY LOANS TOTALING **\$1.3 Million**
- ✓ **44,000+** CONSUMER LOAN PAYMENTS SKIPPED
- ✓ **\$2.75 Million** IN DEFERRED MORTGAGE PAYMENTS
- ✓ **13,500** MEMBERS HAD FEE RELIEF
- ✓ **\$1.1 Million** DEFERRED BUSINESS LOAN PAYMENTS

\$17 Million

IN **260** EMERGENCY RELIEF LOANS
(*PAYCHECK PROTECTION PROGRAM*)
AVERAGING APPROXIMATELY **\$60K PER LOAN**,
SUPPORTING OUR LOCAL
SMALL BUSINESS OWNERS.



\$1 Million

RAISED BY TCUF FOR COVID-19 RELIEF



\$1 Million

MATCHED BY TCU



\$1 Million

DONATED ADDITIONAL TCU FUNDS
TO SUPPORT RELIEF EFFORTS

TCUF + TCU GIVING: \$3 MILLION TOTAL



645,000* PEOPLE REACHED THROUGH **126** ORGANIZATIONS

TRAVIS CREDIT UNION
FOUNDATION



DURING 2020, THE FOUNDATION RECEIVED **\$2,179,169** TOTAL IN DONATIONS:
\$1,226,835 FROM COMMUNITY PARTNERS AND **\$952,332** FROM TCU



THE FOUNDATION'S CHRISTMAS WISH FUND DISBURSED **\$7,745** TO FAMILIES

\$128,000

DISTRIBUTED TO INDIVIDUALS AND
FAMILIES IMPACTED BY THE FIRE

*Based on data collected on 60+ organizations that received TCU/TCU Foundation grant funds to support operations = number of estimated people served monthly multiplied by estimated three months of impact to operations

Statements Of Financial Condition

	2020	2019
Assets		
Cash And Cash Equivalents	\$592,060,812	\$276,708,143
Investments		
Securities Available For Sale	210,919,424	282,482,073
Federal Home Loan Bank (FHLB) Stock	11,566,700	10,775,700
Loans Held For Sale	9,256,044	2,179,096
Loans, Net	3,246,578,451	2,609,407,611
Accrued Interest Receivable	9,253,564	8,650,868
Premises And Equipment, Net	37,000,749	37,556,404
National Credit Union Share Insurance Fund (NCUSIF) Deposit	29,663,991	24,430,129
Prefunded Benefit Investments	59,738,993	56,283,958
Life Insurance Policies	17,560,080	16,179,612
Other Assets	30,229,130	40,342,382
Total Assets	\$4,253,827,938	\$3,365,005,976
Liabilities And Members' Equity		
Liabilities		
Members' Share Accounts	\$3,672,201,936	\$2,930,117,037
Borrowed Funds	100,000,000	-
Accrued Expenses And Other Liabilities	47,768,778	39,970,993
Total Liabilities	3,819,970,714	2,970,088,030
Members' Equity		
Regular Reserves	15,445,198	15,445,198
Undivided Earnings	414,813,641	378,506,262
Accumulated Other Comprehensive Income	3,598,385	966,486
Total Members' Equity	433,857,224	394,917,946
Total Liabilities And Members' Equity	\$4,253,827,938	\$3,365,005,976

Statements Of Income

	2020	2019
Interest Income		
Loans To Members	\$134,139,933	\$122,571,213
Interest-Bearing Deposits & Cash Equivalents	6,664,007	13,415,853
Total Interest Income	140,803,940	135,987,066
Interest Expense		
Interest On Members' Share Accounts	19,032,819	18,941,418
Borrowed Funds	443,306	-
Total Interest Expense	19,476,125	18,941,418
Net Interest Income	121,327,815	117,045,648
Provision For Loan Losses	8,942,311	25,204,697
Net Interest Income After Provision For Loan Losses	112,385,504	91,840,951
Non-Interest Income		
Service Charges And Fees	8,156,271	11,122,979
Interchange Income	16,359,881	16,562,836
Gain On Sale Of Loans	13,420,621	2,590,896
Other Noninterest Income	8,990,289	15,154,080
Total Non-Interest Income	46,927,062	45,430,791
Non-Interest Expense		
Compensation And Benefits	71,084,592	60,596,499
Operations	46,537,966	40,885,592
Occupancy	5,382,629	5,362,001
Total Non-Interest Expense	123,005,187	106,844,092
Net Income	\$36,307,379	\$30,427,650
Statements Of Comprehensive Income		
Net Income	\$36,307,379	\$30,427,650
Other Comprehensive Income:		
Securities - Available-For-Sale		
Unrealized Holding Gain Arising During The Period	2,631,899	5,551,320
Total Comprehensive Income	\$38,939,278	\$35,978,970

CliftonLarsonAllen LLP Conducted The Annual Audit Of The 2020 Financial Statements Of The Credit Union. The Financial Statements Above Are Condensed For Readability And Do Not Meet Full Disclosure Requirements Of Generally Accepted Accounting Principles, And Are Not Presented In Their Audited Format. Full, Audited Copies Of The Financial Statements Are Available At The Credit Union's Administrative Offices.

Supervisory Committee Report



The Supervisory Committee's major responsibilities are to safeguard our members' assets, ensure an independent audit is performed annually and verify members' accounts. In 2020, the committee performed its duties in collaboration with the credit union's internal audit department, certified public accountants, the National Credit Union Administration (NCUA) and the Department of Financial Protection and Innovation (DFPI).

The Supervisory Committee engaged the auditing firm of CliftonLarsonAllen LLP to perform the annual independent audit of Travis Credit Union's financial statements. We are pleased to inform you that the audit for 2020 was completed successfully. Travis Credit Union's financial statements comply with generally accepted accounting principles and fairly represent the financial condition of the credit union.

Based on the results of the annual financial audit, TCU's internal audits and examinations conducted by the NCUA and DBO, the committee finds that Travis Credit Union is a financially sound organization, dedicated to serving its members. In addition, the committee commends the management team and board of directors for their diligence and support.

The Supervisory Committee continues to fulfill its duties to protect your interests in strict compliance with policy and all relevant laws and regulations.

Tim Truesdale
Supervisory Committee Chairman



Top to bottom:

Tim Truesdale, *Supervisory Committee Chair*
Johanna Benker, *Supervisory Committee Member*
Kari Mulholland, *Supervisory Committee Member*

Board Of Directors



Top row (L-R): Pat Moreno, *Board Chair*; Debra Aspling, *Board Vice Chair*; Mary Coburn, *Secretary*
Middle row (L-R): Doug Beaumont, *Treasurer*; Dee Alarcón, *Board Director*; Len Augustine, *Board Director*
Bottom row (L-R): Kevin Burke, *Board Director*; Brian Howell, *Board Director*; James P. Kirkley, *Board Director*

Celebrating Wins

Forbes® Top Ten Credit Union in CA

Fairfield Daily Republic Readers' Choice Award
Best Credit Union for the 24th time in 25 years

Air Force Credit Union of the Year 2019
Awarded in 2020

Vallejo Times Herald Readers' Choice Award
#1 Credit Union for the 8th time in 14 years

Solano County's Best of Awards
#1 Bank | #1 Credit Union
#1 Financial Services

2020 Advocate Credit Union of the Year – CCUL

Military Saves National Campaign Designation of Savings Excellence 2020

Antioch Chamber of Commerce Annual Awards
Large Business of the Year



AWESOME CAUSE
WE CARE

 **TRAVIS CREDIT UNION**

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