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PYRAMID
FEDERAL CREDIT UNION
ANNUAL REPORT 2021

ANNUAL MEETING AGENDA

6:00 PM Welcome & Call to Order - by Aron Meyer, Chairman of the Board

Determine if quorum is present, Secretary Cecilia Valdez

Minutes of the 2021 Annual Meeting. Call for motion to approve Minutes -

- Chairman's Report – Aron Meyer
- Treasurer's Report – Cecilia Valdez
- Supervisory Committee Report – Dave Deschamps
- President's Report – Ray Lancaster

Call for Motion to approve reports -

Board Elections. There were two open positions for the Pyramid FCU Board of Directors. The nominating committee received two applications from Caleb Tennenbaum (incumbent) and Larry Youdelman (incumbent). With two positions to fill and two nominees, both applicants are re-elected to a new 3-year term on the Board of Directors.

Other 2021 Board of Director members

- Aron Meyer - Chairman
- Caleb Tennenbaum - Vice-Chairman
- Cecilia Valdez - Treasurer
- Larry Youdelman

2021 Members of the Supervisory Committee

- Dave Deschamps
- John Spangler
- Dana Rawlings

Call for Old Business -

Call for New Business -

Announce Monday Curd Scholarship winners for 2022

- Jaden M. – Empire High School
- Jonathan M. – Catalina High School
- Davian C. – Salpointe High School
- Kevin P. – Empire High School

Call for Motion to adjourn

ANNUAL MEETING AGENDA – July 22, 2021 (Via GoToMeeting)

Welcome & Call to Order by Aron Meyer, Chairman of the Board – 6:05pm

Determine if quorum present, Secretary Cecilia Valdez.

20 Members present; Quorum confirmed.

Minutes of the 2020 Annual Meeting. Call for motion to approve.

Motion to Approve by: C. Valdez; Seconded by: D. Rawlings. Approved.

Committee and Board Reports. Call for motion to approve.

- Chairman's Report, Aron Meyer
- Treasurer's Report, Cecilia Valdez
- Supervisory Committee Report, Dave Deschamps
- President's Report, Ray Lancaster

Motion to Approve by: C Tennenbaum; Seconded by: D. Rawlings. Approved.

Board Elections. Initially, there were two open positions for the Pyramid FCU Board of Directors and a third vacancy recently occurred. The nominating committee received three applications from Dana Rawlings (incumbent), Bernie Houser (member), and Matthew Kopec (member). With three positions to fill and three nominees, all three applicants are elected to a 3-year term on the Board of Directors.

Other 2021 Board of Director members

- Aron Meyer – Chairman
- Caleb Tennenbaum – Vice-Chairman
- Cecilia Valdez – Treasurer
- Larry Youdelman

2021 Members of the Supervisory Committee

- Dave Deschamps
- John Spangler
- Bernie Houser
- Dana Rawlings

The Board would also like to acknowledge two Board members who recently retired from the Board – Arnie Aros and Pamela Maloney. Both have served on the Pyramid Board of Directors for more than 9 years.

Call for Volunteers. Interest members should contact a staff member or Ray Lancaster.

Call for Old Business.

None

Call for New Business.

None

Announced Munday Curd Scholarship Winners for 2020.

- Alec R, Cienega High School. Attending University of Arizona
- Brennan E, Cienega High School. Attending University of Arizona
- Damon R, Sahuaro High School. Attending Concordia University Chicago
- Isabella D, Empire High School. Attending Penn State University
- Kayla G, Cienega High School. Attending Arizona State University
- Kelly N, Desert View High School. Attending Pima Community College
- Lyle T, Empire High School. Attending Northern Arizona University
- Carson D, Tanque Verde High School. Attending University of Arizona
- Trinity E, Sabino High School. Attending Northern Arizona University
- Sepporah J, Lancaster High School. Attending Columbus State Community College

Call for Motion to Adjourn.

6:25pm - Motion to Adjourn by C. Valdez; Seconded by D. Rawlings.

ANNUAL MEETING REPORTS | JUNE 23, 2022

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CHAIRMAN'S REPORT

For so many, Covid-19 continued to present challenges during 2021. For Pyramid FCU, it continued to provide us the opportunity to implement new ways to serve members. While our branches were closed a couple of months at the beginning of the year, it was another good year of growth as our deposits increased 15% while loans increased 7%. We continue to focus on making our members our top priority.

Over the past year, we rolled out technology enhancements and new features to online and mobile banking. We continue to work to find new ways to make doing business with us more convenient than ever. If you haven't already, we encourage you to take advantage of these new services, which give you secure access to your accounts on your schedule. Look for more upgrades in the future.

As a member of Pyramid FCU, you are also an owner of a financial cooperative. This means, you help to make us grow. Pyramid FCU is owned by every one of our 17,256 members, not just those with large deposits or loans. But as you bring more of your business to us, we are able to continue to find better and more efficient ways to serve you. We are able to give back to you in the form of lower loan rates, higher savings rates, and better products with lower fees. Please recommend us to your friends and family so they can enjoy these great benefits as well, and help keep Pyramid FCU financially strong.

Thank you for allowing me to serve as your Board Chairman.

Aron Meyer, Board of Directors Chairman

2021-2022 BOARD OF DIRECTORS

Aron Meyer - Chairman
Caleb Tennenbaum - Vice Chairman
Maria Cecilia Valdez - Secretary/Tres.
Bernie Houser
Larry R Youdelman
Dana Rawlings
Matt Kopec

2021-2022 SUPERVISORY COMMITTEE

Dave Deschamp - Chairman
John Spangler - Secretary
Dana Rawlings

TREASURER’S REPORT

2021 was a year in which everyone was impacted by Covid-19. During 2020, our branches were closed for 1 ½ months during the year. Despite this challenge, Pyramid FCU had record deposit growth and ended 2021 with the largest asset size in our history. During 2021, we added 2,054 new members and our overall membership increased to 17,256.

Assets grew from \$209,181,638 to \$233,931,547.

Loans increased from \$122,802,049 to \$132,102,621.

Net income was \$2,054,068.

Dividends for 2021 were distributed as follows:

Regular Shares	\$41,240
IRA Shares	\$53,117
Certificates	\$197,628
Money Market	\$131,310

Distribution of 2021 income was as follows:

Dividends	\$434,719
Expenses	\$8,340,487
Reserves	\$2,054,068

Cecilia Valdez, Treasurer

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee oversees the management of the credit union to make sure that staff is following policies and procedures. The Pyramid FCU Supervisory Committee is comprised of credit union members who volunteer their time once a month to meet and work on behalf of the membership. The committee has an agenda that reviews the Board of Directors' meetings, collection activities, loan files, new and closed accounts, cash audits, dividends, statement of accounts, and dormant accounts. In 2021, Pyramid Federal Credit Union's Supervisory committee engaged an independent public accounting firm to audit Pyramid FCU.

Supervisory Committee members are: Chairman - Dave Deschamps, Dana Rawlings, and John Spangler. Any Pyramid FCU member in good standing, who is not related to an employee or another Board or Committee member can be on the Supervisory Committee. If you are interested, you can call Ray Lancaster and leave a message. This committee will continue to support the credit union and encourage all members to bring in new accounts. We are looking forward to another great year!

Dave Deschamps, Chairman

STATEMENTS OF FINANCIAL CONDITION

December 31, 2021 & 2020

(Federally insured by NCUA)

ASSETS	12/31/2021	12/31/2020
FIRST MORTGAGE LOANS	\$ 55,538,420	\$ 50,366,490
SECOND MORTGAGE LOANS	2,703,222	2,496,755
HOME EQUITY LOANS	3,766,366	4,243,592
AUTO LOANS	55,838,265	51,024,791
VISA CREDIT CARD	6,915,613	7,411,585
UNSECURED LOANS	3,815,659	3,964,351
SHARE SECURED LOANS	353,060	361,330
GOVERNMENT GUARANTEED LOANS	2,067,151	1,826,272
ALL OTHER LOANS	902,415	846,537
PREPAID: HELOCS & AUTO INDIRECT	202,451	273,137
MERGER LOAN VALUATIONS		(12,791)
TOTAL MEMBER LOANS	132,102,621	122,802,049
ALLOWANCE FOR LOAN & ODP LOSSES	(579,473)	(787,676)
NET MEMBER LOANS	131,523,148	122,014,373
CASH AND EQUIVALENTS	27,426,119	42,476,132
INVESTMENTS	61,347,310	30,945,299
PREMISES AND EQUIPMENT, NET	6,957,264	7,109,752
OTHER ASSETS	6,677,707	6,636,082
TOTAL ASSETS	\$ 233,931,547	\$ 209,181,638

LIABILITIES & MEMBERS' EQUITY		
LIABILITIES	\$ 733,035	\$ 5,785,565
SHARE DRAFTS	37,536,580	33,671,403
REGULAR SHARES	83,058,081	69,182,425
MONEY MARKET SHARES	54,000,400	49,811,867
IRA SHARES	8,010,286	7,254,741
CERTIFICATES	31,625,985	25,415,538
TOTAL SHARES & CERTIFICATES	214,231,334	185,335,974
REGULAR RESERVES	2,389,629	2,389,629
UNDIVIDED EARNINGS	10,256,002	9,418,181
EQUITY FROM MERGERS	4,778,231	4,778,231
UNREALIZED GAIN/LOSS - INVESTMENTS	(710,757)	236,237
UNINSURED SECONDARY CAPITAL	200,000	400,000
NET INCOME YEAR TO DATE	2,054,068	837,821
TOTAL MEMBERS' EQUITY	18,967,178	18,060,099
TOTAL LIABILITIES & MEMBERS' EQUITY	\$ 233,931,547	\$ 209,181,638

We certify, to the best of our knowledge and belief, this statement and the related statements are true and correct and present fairly the financial position and the results of operations for the periods covered.

PRESIDENT'S REPORT

2021 was a year of impact for our members, our community, and our credit union. There were many challenges during 2021 that we have never experienced before, but I am happy to report that we continue to grow and find new ways to serve our members.

During the last year, we –

- Upgraded our core data processing system to allow us to provide better service to our members
- As part of our core data processing upgrade, we established relationships with many new third party vendors that will allow us to serve you better
- We upgraded our online banking alerts
- We remain part of the largest no-surcharge ATM network (CO-OP and Allpoint) which gives members access to more than 85,000 ATMs around the country without a surcharge.
- We continue to help our members refinance their mortgage to a lower rate with our Fastrack program. In 2021, we helped members refinance their mortgages for a very low-cost one-time fee. If you haven't refinanced your mortgage yet, now is the time to do so as rates have begun to increase
- We now offer easy, contactless payment options: Samsung Pay, Apple Pay and Google Pay. Be sure to store your Pyramid Debit and Credit Cards in your Mobile Wallet to make purchases or pay bills.

As we have moved our Annual Meeting to a virtual one, in place of an in-person meeting, we have taken those savings and offered more scholarships to our young members through the Munday Curd Scholarship program. In 2021, we offered 10 \$1,000 scholarships and in 2022, we are offering 4 more. We understand how their school experience has been impacted and we wanted to increase the number of college bound students that we can help. We have now provided 71 scholarships since its inception.

One of the best compliments we can get is a referral. We ask you to continue to think of family members, co-workers and friends who might benefit from joining the Pyramid family and encourage them to become members, too. As part of our enhancements, Pyramid now offers online account opening, making it easier than ever for anyone who wants to join. If someone is looking for a new financial institution, I hope you will refer them to Pyramid FCU.

Finally, I would like to thank all of our volunteers and employees for their efforts this past year. I would also like to thank our members for their understanding as Covid-19 made it a challenging couple of years, but we continue to find better ways to serve our members.

We appreciate your loyalty and your confidence in Pyramid Federal Credit Union.

Ray Lancaster, CEO



2022 SCHOLARSHIP RECIPIENTS



Jonathan M.

Catalina High School



Kevin P.

Empire High School



Davian C.

Salpointe High School



Jaden M.

Empire High School

To honor the legacy of the credit union's first manager, Pyramid began offering the ***Munday Curd Scholarship*** for deserving young members in **2005**.

Offered each year, the scholarship is open to graduating high school seniors to further their educational goals. ***Congratulations to all the 2022 recipients!***



Improve your financial life!

Pyramid Federal Credit Union

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