

The background of the cover is a photograph of a city at dusk or dawn. In the foreground, there are several multi-story buildings with lit windows. In the background, a large, arid hill rises, topped with a white, pyramid-shaped structure. The sky is a mix of orange, yellow, and blue.

# PYRAMID

FEDERAL CREDIT UNION

## ANNUAL REPORT 2020

Perseverance In A Time Of Change



*Improve your financial life!*

### CHAIRMAN'S REPORT

2020 was an extraordinary year for everyone. Pyramid FCU included. The numerical details of both our struggles and our triumphs can be found in the Annual Report, but the main takeaway for me is: we weathered the storm well.

Born in the Great Depression and more than 90 years later in a global pandemic, Pyramid has stood strong for our members and our community. We didn't just survive. We took care of our members in need, we kept our employees working even when we couldn't have our branches open, and through it all we remained well capitalized and delivered a respectable profit. That performance is a credit to our team that works hard for you every day.

We didn't sit idle either. We continued executing on our strategy by investing in the infrastructure and technology to make banking with us more convenient and continue delivering great rates and service to our members – whether online, on mobile, or in person.

These Annual Meetings are a good reminder that we are a financial cooperative, where you are the owner. The more opportunities you give us to win your financial business, the more we are able to give back to you via lower loan rates, higher savings yields, and better products with lower fees.

Please recommend us to your friends and family so they can enjoy these great benefits as well.

It's been an honor to serve as your Board Chairman.

Aron Meyer, Board of Directors Chairman

### 2020-2021 BOARD OF DIRECTORS

Aron Meyer - Chairman  
Caleb Tennenbaum - Vice Chairman  
Maria "Cecilia" Valdez - Secretary  
Larry R Youdelman  
Pamela Maloney  
Dana Rawlings  
Arnie Aros

### SUPERVISORY COMMITTEE

Dave Deschamp - Chairman  
John Spangler - Secretary  
Dana Rawlings  
Bernie Houser





### TREASURER'S REPORT

2020 was a year in which everyone was impacted by Covid-19. During 2020, our branches were closed for 6 ½ months during the year. Despite this challenge, Pyramid FCU had record deposit growth and ended 2020 with the largest asset size in our history. Covid-19 also impacted our member growth as we added 1,479 new members during 2020, but our overall membership decreased to 16,943.

Assets grew from \$170,358,949 to \$209,181,638.

Loans decreased from \$130,790,764 to \$122,802,049.

Net income was \$837,821.

Dividends for 2020 were distributed as follows:

Regular Shares	\$ 32,696
IRA Shares	\$ 47,991
Certificates	\$ 317,001
Money Market	\$ 150,565

Distribution of 2020 income was as follows:

Dividends	\$ 566,175
Expenses	\$ 7,834,687
Reserves	\$ 837,820

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 2020, the CPA firm of Clifton Larson Allen completed our annual financial statement audit with no major findings.

Supervisory Committee members are: Chairman - Dave Deschamps, Dana Rawlings, John Spangler, and Bernie Houser. 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, 2020 & 2019

(Federally insured by NCUA)

ASSETS	12/31/2020	12/31/2019
FIRST MORTGAGE LOANS	\$ 50,366,490	\$ 45,022,263
SECOND MORTGAGE LOANS	2,496,755	2,155,142
HOME EQUITY LOANS	4,243,592	4,738,303
AUTO LOANS	51,024,791	63,423,404
VISA CREDIT CARD	7,411,585	8,588,309
UNSECURED LOANS	3,964,351	5,123,584
SHARE SECURED LOANS	361,330	360,114
GOVERNMENT GUARANTEED LOANS	1,826,272	241,807
ALL OTHER LOANS	846,537	713,969
PREPAID: HELOCS & AUTO INDIRECT	273,137	441,019
MERGER LOAN VALUATIONS	(12,791)	(17,150)
<b>TOTAL MEMBER LOANS</b>	<b>122,802,049</b>	<b>130,790,764</b>
ALLOWANCE FOR LOAN & ODP LOSSES	(787,676)	(979,630)
<b>NET MEMBER LOANS</b>	<b>122,014,373</b>	<b>129,811,134</b>
CASH AND EQUIVALENTS	42,476,132	9,109,771
INVESTMENTS	30,945,299	22,242,362
PREMISES AND EQUIPMENT, NET	7,109,752	3,623,387
OTHER ASSETS	6,636,082	5,572,295
<b>TOTAL ASSETS</b>	<b>\$ 209,181,638</b>	<b>\$ 170,358,949</b>

LIABILITIES & MEMBERS' EQUITY		
LIABILITIES	\$ 5,785,565	\$ 867,023
SHARE DRAFTS	33,671,403	26,385,040
REGULAR SHARES	69,182,425	54,271,645
MONEY MARKET SHARES	49,811,867	42,427,304
IRA SHARES	7,254,741	6,640,326
CERTIFICATES	25,415,538	22,514,906
<b>TOTAL SHARES &amp; CERTIFICATES</b>	<b>185,335,974</b>	<b>152,239,221</b>
REGULAR RESERVES	2,389,629	2,389,629
UNDIVIDED EARNINGS	9,418,181	8,041,500
EQUITY FROM MERGERS	4,778,231	4,778,231
UNREALIZED GAIN/LOSS - INVESTMENTS	236,237	66,664
UNINSURED SECONDARY CAPITAL	400,000	600,000
NET INCOME YEAR TO DATE	837,821	1,376,681
<b>TOTAL MEMBERS' EQUITY</b>	<b>180,600,99</b>	<b>17,252,705</b>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<b>\$ 209,181,638</b>	<b>\$ 170,358,949</b>

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

2020 was a year of impact for our members, our community, and our credit union. There were many challenges during 2020 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 –

- ▲ Installed Interactive Teller machines at our Broadway and Rita Ranch Offices, these are ATMs that also allow you to interact with one of our tellers if you need to also do a transaction on your account
- ▲ All of our ATMs are now enabled to accept both cash and check deposits
- ▲ We upgraded the online banking system to allow easier access to your accounts and to apply for loans online
- ▲ 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 fees
- ▲ We continue to help our members refinance their mortgage to a lower rate with our Fasttrack program. In 2020, we closed a record number of mortgages for our members for a very low-cost one-time fee. If you haven't refinanced your mortgage yet, now is the time to do so before the rates 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 2020, we offered 14 \$1,000 scholarships and in 2021, we are offering 10 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 67 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 year taking its toll on people. We lost one employee to the virus. I know many of our members were impacted in some way, physically, emotionally, or financially. Let's continue to work together to stay safe and stay strong.

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

Ray Lancaster, Chief Executive Officer





# MUNDAY CURD

SCHOLARSHIP



## 2021 SCHOLARSHIP RECIPIENTS



**Alec R.**

Cienega High School  
University of Arizona



**Brennan E.**

Cienega High School  
University of Arizona



**Damon R.**

Sahuaro High School  
Concordia University Chicago



**Isabella D.**

Empire High School  
Penn State University



**Kayla G.**

Cienega High School  
Arizona State University



**Kelly N.**

Desert View High School  
Pima Community College



**Lyle T.**

Empire High School  
Northern Arizona University



**Carson D.**

Tanque Verde High School  
University of Arizona



**Trinity E.**

Sabino High School  
Northern Arizona University



**Sepporah J.**

Lancaster High School  
Columbus State Comm College



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 2021 recipients!***







# COMMITMENT TO COMMUNITY

We understand that Pyramid Federal Credit Union is only as strong as the members and communities we serve. In 2020, Pyramid strengthened our commitment by partnering with schools, charities, and organizations that make our community a great place to live and work.

*Improve your financial life!*

**Pyramid Federal Credit Union**  
PO Box 12100 • Tucson, AZ 85732-2100  
520.795.7950

[www.pyramidfcu.com](http://www.pyramidfcu.com)

