



ROGUE
CREDIT UNION™

2021
ANNUAL REPORT

Foundations
FOR THE
Future

Gene's Message

As I look back on my nearly two decades at Rogue Credit Union, I want to share my sincere appreciation to you, our loyal members. Right from the beginning, I knew there was something special about Rogue Credit Union. It was clear that regardless of being a member, team member or board member, at Rogue it was about more than financial services. It was about being part of something bigger. The credit union stood for more than products, services, or rates...there was a clear desire to build a better community for all we serve.

Throughout the years, you've loyally trusted Rogue to serve your financial needs and I am forever honored by the tremendous support you have demonstrated. Rogue has seen record levels of member usage while we have navigated the pandemic and all the other challenges thrown at us over the last few years. Even when you experienced longer wait times due to staffing shortages and COVID-19, you have demonstrated your appreciation of our dedicated team members. Our team has been proud to stand tall to serve you through these uncertain times.

As one of the last locally-focused financial institutions in the communities we serve, we've successfully weathered many storms due to the support of our members and strong leadership from your board of directors. While it is tough for me to leave, it is the right time and I have never felt better about the future of Rogue Credit Union.

I can retire with confidence knowing Matt Stephenson, as only the 5th President/CEO in the 66-year history of Rogue Credit Union, is the right leader for the future. Matt was the first person I hired when I came to Rogue, and he has proven himself as a leader who does the right thing, and does not shy away from taking on the hard things. Over this last year, through projects like our System Upgrade, he has demonstrated future-focused leadership as our teams laid the foundation that will benefit Rogue for decades to come.

Your credit union will continue to focus on loyally serving our rural communities with leaders and board members who know what it's like to live and work in those communities. I firmly believe Rogue, with the support of our members, will continue to faithfully turn challenges into opportunities for the benefit of our members, team members and the communities we serve.

Thank you for placing your trust in me as your CEO. It has been my pleasure to serve you!



A handwritten signature in white ink on a dark blue background. The signature is cursive and appears to read 'Gene Pelham'.

Gene Pelham
CEO



Became Rogue's 4th President/CEO

Introduced a new strategic vision centered around member loyalty

State Charter Conversion

Rogue returns its first Loyalty Dividend & opens Ownership Accounts for members
Rogue reaches 100,000 members

Asset Size: \$2,944,952,633
Members: 184,653
Employees: 608
Branches: 27

2003

2007-2011

2013

2015

2020

2007

2008

2014

2016

2021

Joined Rogue as the Executive Vice President

- Asset Size: \$320,899,968
- Members: 38,653
- Employees: 155
- Branches: 6

Led the credit union through the Great Recession

Chetco Federal Credit Union Purchase & Assumption

- Rogue reaches \$1 billion in assets
- Rogue enters the Roseburg Market

- Covid-19 pandemic
- Malheur Federal Credit Union Merger
- Raised over \$1 million for wildfire relief



A Message to our Members

Since 1956, Rogue Credit Union's commitment has been to serve our members and communities by offering exceptional service and experiences. Throughout the credit union's history, we have remained true to our founder's vision and have provided a safe and stable place to save with fair access to credit.

The credit union exists to serve its members, and we cannot effectively do that without each of our dedicated team members and our continued investment in technology. In 2021, your credit union undertook a tremendous step in laying the foundations for the future by ensuring that we have the right technology in place to serve our members for decades to come. Our System Upgrade provided Rogue with the tools we need to remain competitive in the ever-changing landscape of financial services, provide enhanced security and most importantly, are able to provide our members with an exceptional experience no matter how you choose to do business with us.



Matt Stephenson
President

Photographer | Bruce Lamarche
Member since | 1998
Location | McKee Bridge

We are truly grateful for Gene's leadership over the last 18 years and for the strong organization that he and other past leaders have fostered. We are also extremely excited about the future and the opportunity to write a new chapter for Rogue. We deeply value the trust and confidence that you have placed in us and are committed to investing in our members and communities. Thank you for your loyal membership at Rogue Credit Union.

Sincerely,

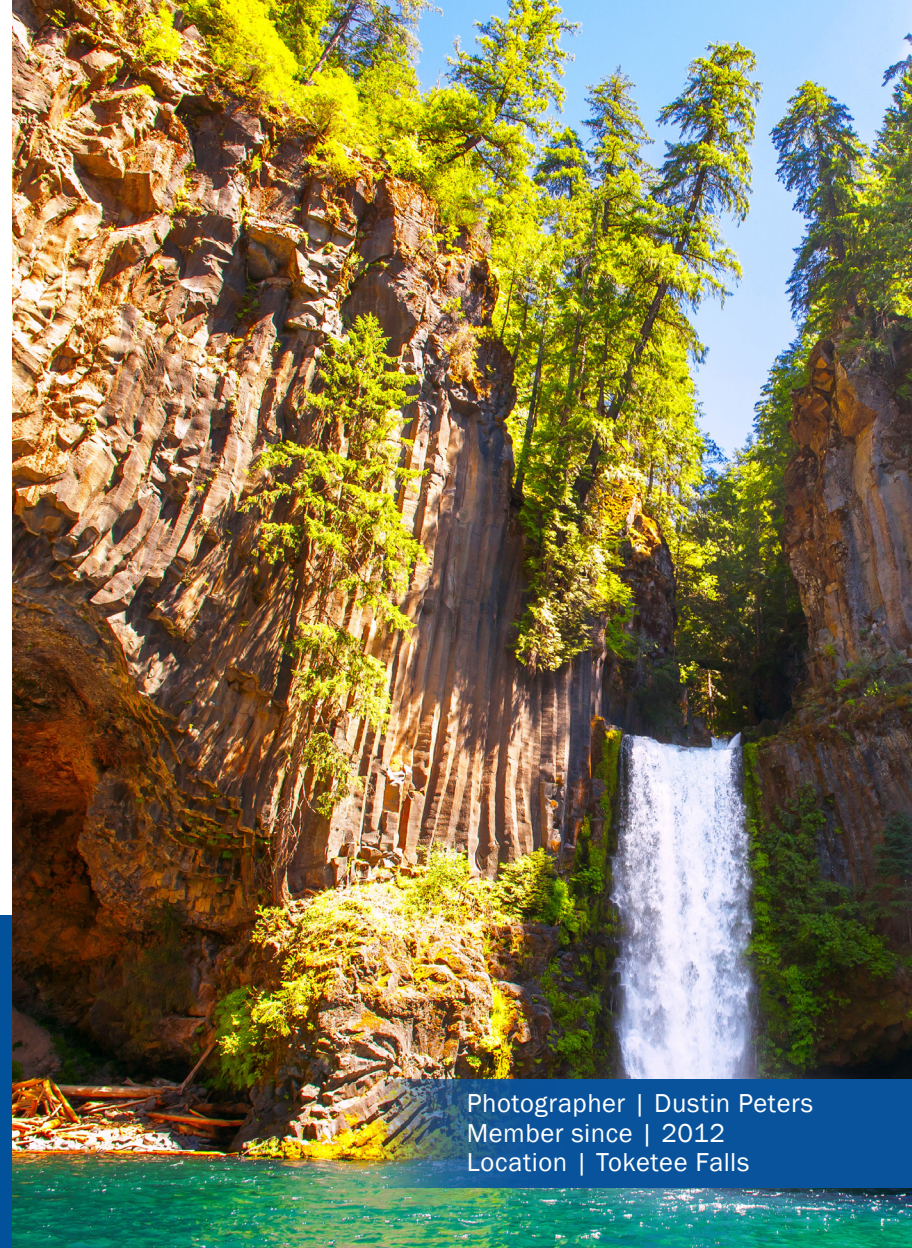


Matt Stephenson
President



Philip Smith
Board Chair

Philip Smith
Board Chair



Photographer | Dustin Peters
Member since | 2012
Location | Toketee Falls

2022 Board of Directors



Philip Smith, Board Chair
Chief Financial Officer for PMCI, Inc.
Former Accounting Professor at SOU
Credit Union Member since 2005

Philip was appointed to the board in 2011. He currently serves as the board chair, previously serving on the supervisory committee, and other various board committees.



Heather Johnson, Vice Chair
Certified Public Accountant and
Chief Financial Officer of
Blackstone Publishing
Credit Union Member since 1988

Heather was appointed to the board in 2018 and currently serves as the board vice chair and is on various other board committees.



Jerry Hauck, Secretary
Retired Coach, Teacher and
Administrator, Ashland High School
Credit Union Member since 1972

Jerry was elected to the board in 2003. He currently serves as the board secretary, serving as the board chair from 2008 to 2020.



Alex Palm, Treasurer
Professional Civil Engineer and
Principal at i.e. Engineering, Inc.
Credit Union Member since 2015

Alex was appointed to the board in 2017. He serves as board treasurer and on various other board committees.



Peter Angstadt
Retired President of
Rogue Community College
Credit Union Member since 2014

Peter was elected to the board in 2017 and serves on various board committees.



Neil Itzen
CEO, Medford Grange Co-op
Credit Union Member since 2010

Neil was appointed to the supervisory committee in 2017 and served as chair from 2018 to 2019. He was elected to the board of directors in 2020 and serves on various board committees.



Roger Yasuda
Farmer's Supply Co-Op Crop Consultant
Credit Union Member since 1994

Roger served on the Malheur Federal Credit Union Board for 24 years, most recently as board chair and was appointed to the Rogue Credit Union Board of Directors in 2021.



Katie Hutchinson,
Associate Board Member
Vice President of Philanthropy, Dutch Bros.
Credit Union Member since 2015

Katie was appointed to the board in 2020 as an associate member.

Supervisory Committee Report

The supervisory committee is appointed by Rogue's board of directors to act as the members representatives in ensuring the safety and soundness of YOUR credit union. The supervisory committee is confident in reporting that throughout 2021, Rogue Credit Union maintained a well-capitalized Net Worth Ratio, while meeting the regulatory guidelines set forth by the State of Oregon and its federal regulatory bodies.

In June, the State of Oregon Department of Financial Regulation and the National Credit Union Association (NCUA) conducted an annual exam to ensure that your credit union is current with all rules and regulations.

We are confident that Rogue Credit Union is meeting the needs of its members, continuing to keep current with the rules and regulations, all the while providing a safe and sound local option for your financial needs.



Photographer | Casey Gardell
Member since | 2019
Location | Sky Lakes Wilderness

2022 Supervisory Committee



Carrie Zippi
Supervisory Chair



Sara Adams
Secretary



Joan McBee



Heather Johnson



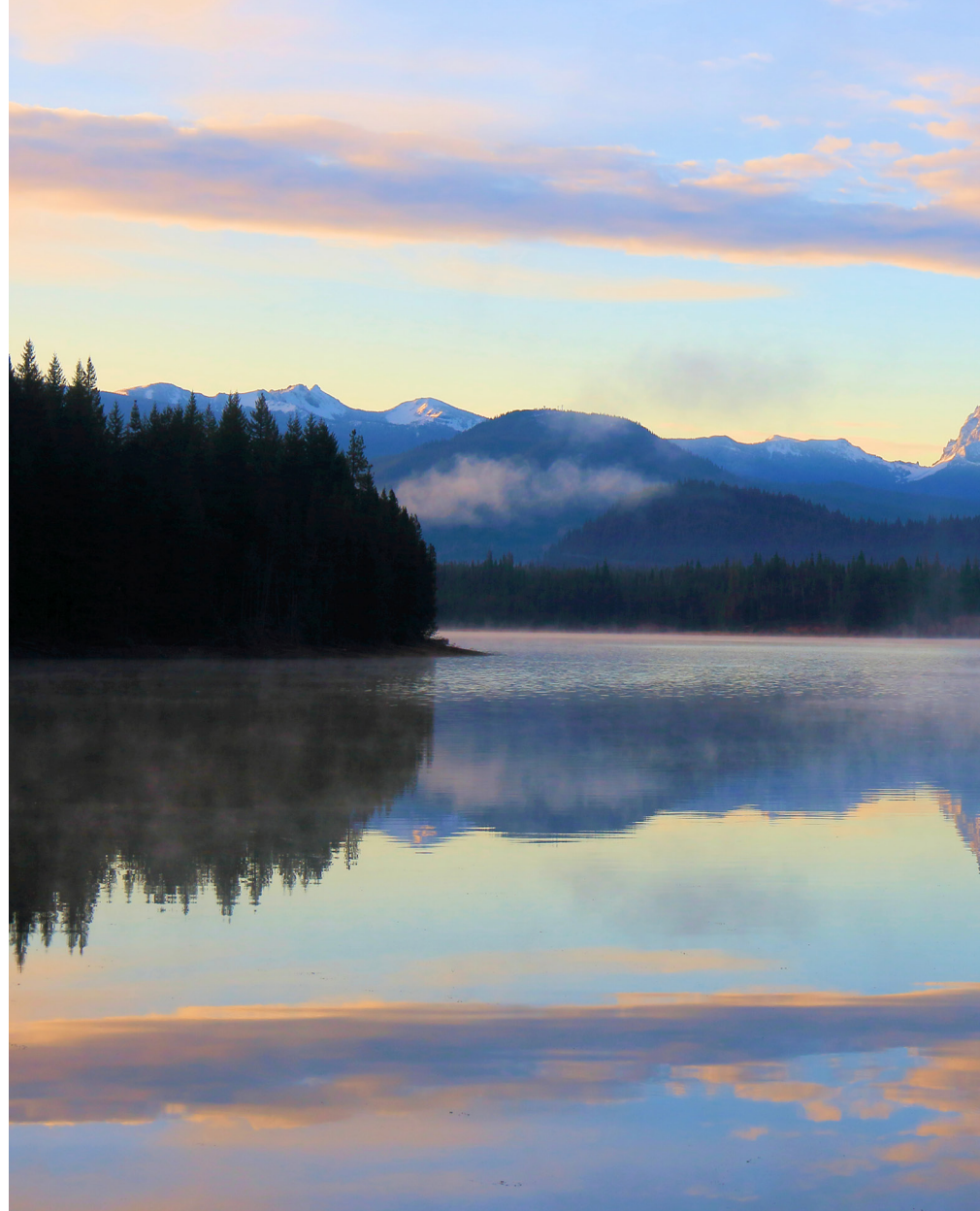
Randy Sparacino

2021 Community Outreach

Over
\$228,000
GIVEN BACK
to the Communities We Serve

\$29,000
AWARDED
in Scholarships

5,000
HOURS VOLUNTEERED
by Team Members





Photographer | Rick Shroy
Member since | 2018
Location | Mount Thielsen

Over
\$152,000
DONATED TO
Children's Miracle Network



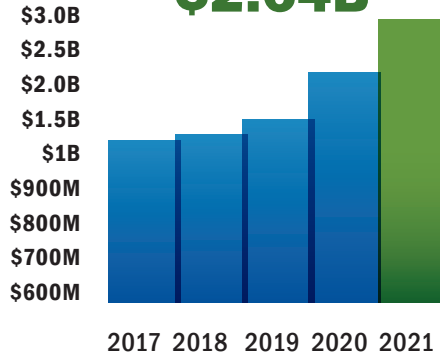
Credit Unions
for Kids®

Children's Miracle Network
Hospitals

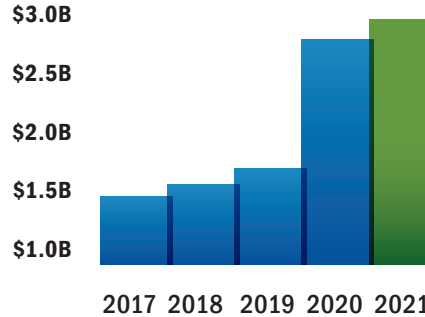


2021 Financials

Total Deposits **\$2.64B**

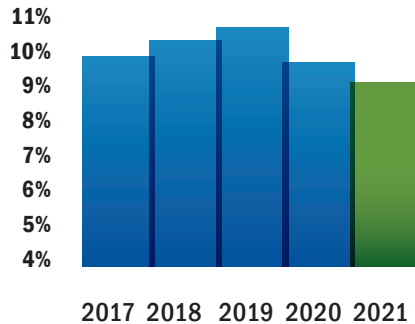


Total Assets **\$2.94B**

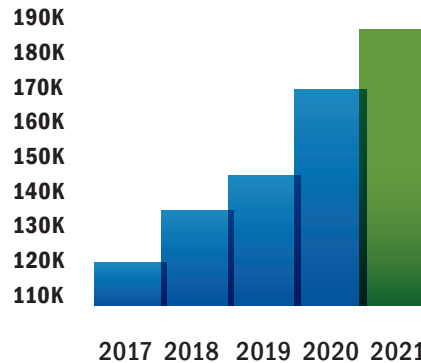


In 2021, Rogue grew to over **\$2.94B** in assets and now serves over **184,500** members.

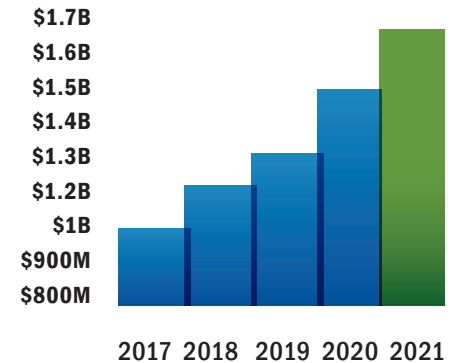
Net Worth **8.98%**



Total Members **184,653**



Total Loans **\$1.69B**



CONSOLIDATED STATEMENT OF INCOME

For the year ended December 31, 2021
(in Thousands)

Income & Expense

Loan Income	\$78,797
Investment Income	\$15,184
Loan Income from Acquired Loans	\$2,150
Total Interest Income	\$96,131
Cost of Funds	(\$4,877)
Net Interest Income	\$91,254
Provision for Loan Losses (PLL)	(\$5,489)
Net Interest Income after PLL	\$85,765
Fee Income	\$5,736
Interchange Income	\$18,935
Other Operating Income	\$15,350
Total Non-Interest Income	\$40,021
Employee Compensation & Benefits	(\$48,328)
Other Operating Expense	(\$39,788)
Total Non-Interest Expense	(\$88,116)
Net Income (Loss)	\$37,670

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

For the year ended December 31, 2021
(in Thousands)

Assets

Cash & Cash Equivalents	\$153,282
Investments	\$969,527
Loans Held for Sale	\$6,483
Total Loans	\$1,687,274
Allowance for Loan Losses	(\$20,190)
Land & Buildings	\$85,709
Other Fixed Assets	\$8,323
NCUSIF Deposit	\$23,523
Other Assets	\$31,021
Total Assets	\$2,944,952

Liabilities, Shares & Equity

Total Liabilities	\$41,054
Total Shares	\$2,637,355
Total Equity	\$266,543
Total Liabilities, Shares & Equity	\$2,944,952

Board Compensation

Rogue Credit Union has established a compensation policy to provide reasonable compensation for members of its board of directors and supervisory committee for their time, service, and contributions to the credit union; as allowed by Oregon law and the credit union's bylaws.

Rogue's focus is, and always will be, on serving its members and our communities as a trusted partner in financial services that provides exceptional services. Rogue's board of directors believes that compensation to the board and supervisory committee members will enhance the credit union's ability to attract and retain qualified directors to represent the members while continuing the legacy of a locally-based Southern Oregon credit union.

Board & Supervisory Committee Responsibilities – The board of directors is responsible for setting the general direction of the credit union. Directors serve on multiple committees and meet regularly as a board to establish policy and business strategy, to provide feedback and counsel to the President/CEO who is hired by, and reports to the board, to review financial performance, and to review the credit union's progress in achieving its goals and objectives. The supervisory committee is responsible for overseeing the audit function of the credit union to ensure the members' funds are protected. The supervisory committee is responsible for an annual audit of the financial statements, verifying the accuracy of members' accounts, and ensuring the credit union's financial records and operations are in order.

The sophisticated products and services of Rogue require a board and

supervisory committee with strong financial knowledge, diverse skills and dedication to meet the oversight demands within the competitive and highly regulated financial services industry. The time commitments for the board and supervisory committee member meetings, meeting preparation, regulatory training and continuing education are significant and ever-increasing. This warrants fair and reasonable compensation.

Rogue's Financial Performance – Rogue has consistently achieved strong financial performance that supports reasonable compensation, through the balanced delivery of financial services to our members, while ensuring safety and soundness of your credit union. To ensure a sound future, Rogue has built a net worth that exceeds the levels required by its regulators to be classified as well-capitalized, achieves a strong net income to maintain net worth, and manages risks within its operations to provide for consistent ongoing and future operational results. For more information about Rogue's financial performance, please visit our web site at: www.roguecu.org/annual-report

Due Diligence – The board conducted thorough due diligence to consider and determine compensation that would be reasonable and commensurate with the responsibilities of the applicable positions. The due diligence information included a study by an independent consulting firm of compensation ranges of similar size credit unions, community banks and other nonprofit organizations that compensate their boards and audit committees. Based on Rogue's strong financial condition, market conditions and progressive mission and goals, the board established a compensation schedule that is reasonable and consistent among peer credit unions of similar performance and size in Oregon and Washington.

Compensation Schedule – The credit union will provide reasonable compensation in the form of an annual stipend, based on the position held. This structure supports individual board and supervisory committee members equally with respect to the importance of their respective duties and responsibilities, and provides compensation commensurate with the time commitments of the different positions. The following annual compensation schedule was approved for the board of directors and supervisory committee members for 2022.

Board Chair	\$25,000
Board Executive Committee or Committee Chair or Board Supervisory Committee Member	\$21,000
Board Member	\$18,000
Associate Board Member (following 6 months of service)	\$9,000
Supervisory Committee Chair	\$7,500
Supervisory Committee Member	\$6,000

The following stipends were paid for service provided by the board of directors and supervisory committee members for 2021.

Philip Smith, Board Chair	\$25,000
Heather Johnson, Board Vice Chair	\$21,000
Jerry Hauck, Secretary	\$21,000
Alex Palm, Treasurer	\$21,000
Peter Angstadt, Board Member	\$21,000
Neil Itzen, Board Member	\$19,250
Roger Yasuda, Board Member	\$16,500
Katie Hutchinson, Associate Board Member	\$3,750
Cheryl McMahan, Board Member	\$1,500
Carrie Zippi, Supervisory Committee Chair	\$7,500
Sara Adams, Supervisory Committee Secretary	\$6,000
Joan McBee, Supervisory Committee Member	\$6,000
Randy Sparacino, Supervisory Committee Member	\$3,500
CJ McPhail, Supervisory Committee Member	\$2,500

2021 Stats

1,488

**Mortgage loans
closed for a total of
\$382,619,319**

Auto Loans

**Total Volume
13,859 auto loans**

**Total Dollar Volume
\$334,067,103**





Photographer | Sandy Vilahu
Member since | 2020
Location | Face Rock

2021 Express Teller Machines & Live Video Tellers

**Sessions – 287,597
Transactions – 379,848**

Live Video Tellers after 5PM-7PM

**Sessions: 39,054
Transactions: 50,267**

Chats – 63,563

**Remotely Deposited
Checks – 220,966**



 **ROGUE**
CREDIT UNION

800.856.7328 | roguecu.org

Photographer | Zach Marks
Member since | 2017
Location | Malheur County