

**I. WELCOME AND INTRODUCTIONS**

CEO Jeff Kennedy welcomed everyone to the 85th TwinStar Annual Meeting. TwinStar will post the recording of the meeting on the credit union's website on May 25, 2023.

**II. CALL TO ORDER**

Ron called the 85th Annual Meeting to order at 9:08 a.m. Tammy Teeter was appointed Recording Secretary, Devin Boyd was Parliamentarian, and Aaron Palmer was appointed Sergeant at Arms.

**III. INTRODUCTIONS**

Ron welcomed the TwinStar members in attendance and stated the names of the Board, Supervisory Committee and Associate members. He thanked them for their many hours of service. Ron also recognized all employees in attendance and noted the Board's appreciation for their dedication and support of the credit union's mission and vision.

**IV. 2022 ANNUAL MEETING MINUTES & CHAIR REPORTS**

Ron began the business portion of the meeting by establishing a quorum of 15 voting members was present. He noted the 2022 Annual Meeting minutes and an overview of the year's financials were contained in the Annual Report provided at the meeting and on our website.

Ron called for a motion to approve the minutes. The motion was made, seconded and approved.

The 2022 Report also included reports from the CEO (Treasurer) and the Board and Supervisory Committee Chairs. Ron asked for a motion to approve the reports. The motion was made, seconded and approved.

**V. ELECTIONS**

Ron stated we generally would ask the Nominating Committee to present its report to the members at this point in the business meeting. As we all know, TwinStar Credit Union (TwinStar) is in the final stages of merger approval with Northwest Community Credit Union (NWCUCU), whose members finalized their vote for merger approval on May 15th.

As part of the merger process, TwinStar and NWCUCU agreed to and will be combining their existing Boards and Supervisory Committees to serve beginning on the effective date of the merger. To best facilitate this governance process, the TwinStar Board deemed it in the best interests of the credit union, and to fairly accomplish the merger, to amend its Bylaws and to suspend the election of new TwinStar Board and Supervisory Committee members for this year.

Except for certain members who chose to step off the TwinStar Board and Supervisory Committee to accommodate the merger process, the existing TwinStar Board and Supervisory Committee will continue to serve for the next year along with the newly appointed Board and Supervisory Committee members from NWCUCU.

Accordingly, an election of the Board and Supervisory Committee members of TwinStar Credit Union will not be conducted this year at this meeting.

**VI. NEW BUSINESS**

Ron called for any new business. No new business was presented.

**VII. ADJOURNMENT**

Ron thanked those members in attendance and requested a motion to adjourn. The motion was made, seconded and approved. The business meeting was adjourned at 9:15 a.m.



# Annual Report 2023



## Statement of Financial Condition as of December 31, 2023

Assets	2023	2022	2021	2020	2019
Cash and Cash Equivalents	240,727,262	70,806,879	358,923,522	393,428,104	167,092,038
Member Loans (Net after Allowance for Loan Loss)	3,208,189,138	1,644,894,200	1,319,985,724	1,177,357,854	1,132,507,260
Investments	415,519,965	428,725,383	399,618,100	166,123,599	56,374,648
Fixed Assets	79,588,567	44,433,804	42,444,711	42,895,535	42,710,872
Other Assets	256,832,363	63,263,246	51,468,185	66,919,954	54,571,893
<b>Total Assets</b>	<b>4,200,857,296</b>	<b>2,252,123,512</b>	<b>2,172,440,242</b>	<b>1,846,725,046</b>	<b>1,453,256,711</b>

### Member Shares

Member Shares	3,447,116,422	1,971,765,521	1,965,324,387	1,646,364,834	1,270,253,149
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### Net Worth

Regular Reserve	0	0	8,492,258	8,492,258	8,492,258
Accumulated Unrealized Gain/ Loss on Investments	(51,868,494)	(58,357,936)	(6,216,860)	665,725	(79,790)
Undivided Earnings	437,104,741	218,553,099	184,314,284	165,508,656	151,876,222
<b>Total Net Worth</b>	<b>385,236,247</b>	<b>160,195,163</b>	<b>186,589,682</b>	<b>174,666,639</b>	<b>160,288,690</b>

### Liabilities

Accounts Payable & Other Liabilities	368,504,626	120,162,828	20,526,029	25,693,314	22,714,552
Accrued Payable Interest or Dividends	0	0	144	259	320
<b>Total Liabilities</b>	<b>368,504,626</b>	<b>120,162,828</b>	<b>20,526,173</b>	<b>25,693,573</b>	<b>22,714,872</b>

<b>Total Member Shares, Net Worth &amp; Liabilities</b>	<b>4,200,857,296</b>	<b>2,252,123,512</b>	<b>2,172,440,242</b>	<b>1,846,725,046</b>	<b>1,453,256,711</b>
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Note: Unaudited Financial Statement as prepared by TwinStar Credit Union. Reflects only TwinStar Credit Union.



**CEO's Message**  
**Jeff Kennedy, CEO**

To our amazing TwinStar members,

Once again, I thank you for your membership. We have had a banner year of exciting changes as we completed the legal merging of TwinStar Credit Union with Northwest Community Credit Union. While the legal merging of

our organizations is complete, there is still plenty of work to be done in integrating our systems and our teams. I am thrilled to delve into that work in 2024.

Thanks to steady oversight by the Board, great management by the leadership team, as well as the merger, we have reached exciting milestones in 2023. At the end of the year, we had \$4.2 billion in assets, 787 employees, and 36 branches that provided value to our members. TwinStar's full 2023 Annual Report will be made available on our website. We consistently receive high ratings from our state and federal regulators who review our safety, soundness, and compliance areas – and 2023 was no different. We strengthened our commitment to community outreach by providing education and product solutions that support financial security for our members. We have also reviewed numerous systems through the lens of what offerings will provide the most benefit for our members. Your input has been and will continue to be instrumental in guiding our efforts.

I would like to thank the leadership team and the employees for their dedication and contributions. The credit union continues to perform well due to their efforts in supporting our mission and vision.

I'd also like to extend my sincere thanks to the Board of Directors and Supervisory Committee for their time, governance, and commitment to our mission and vision.

As we celebrate the accomplishments of 2023, I can't help but look forward to how the principles that brought us to where we are today will continue as our organization comes together fully. We will always be an organization that is proud to work together with our members to provide outstanding value and service to our communities. You, our members, are at the center of every decision we made in 2023 and will make in the coming years. That is the credit union difference.

I thank you for another amazing year with TwinStar serving you as your credit union home. We are grateful for your loyalty and patronage and look forward to building an even brighter future.

Respectfully submitted,

Jeff Kennedy  
CEO



**2023 Board Chair Report**  
**David Rainwater, Chair**

We are grateful and pleased to reflect on the accomplishments of the last year. 2023 was another year of high inflation and high-impact world events, yet our organization has stood by the commitment to support our members and communities and has even expanded our footprint by merging with Northwest Community Credit Union. TwinStar continues to hold member experience as the focal point in everything we do, which is reflected in our ability to thrive despite the last few years of economic challenges and public health crises.

Our organization listens to our members and provides opportunities based on their feedback and experiences. As members of our communities experience difficulties, we strive to see them where they are and to support them on their journeys. We are committed to understanding and meeting the changing needs of our members throughout their lives—in good times and bad.

The credit union continued to thrive in 2023. This is evidenced by the charts and financial reports contained in the Annual Report. We ended the year with \$4.2 billion dollars in assets.

**Financial Asset Growth**

1938	\$1,473
1950	\$36,774
1960	\$467,129
1970	\$2,378,773
1980	\$20,545,115
1990	\$113,963,792
2000	\$354,800,950
2005	\$522,695,677
2010	\$714,483,952
2015	\$1,049,433,179
2020	\$1,846,725,046
2021	\$2,172,440,242
2022	\$2,252,123,512
2023	\$4,200,857,296

As we look to 2024, TwinStar remains dedicated to engaging in strategies that protect assets and strengthen our financial position so we can continue to provide the offerings members value most. TwinStar is excited to grow and enhance our products and services, while maintaining the proper infrastructure for sustainable growth.

**Thank You**

I would like to thank my fellow Board Directors, the Supervisory Committee and Management for their leadership, and TwinStar employees for their dedication to and care for our members. To our TwinStar Credit Union membership, I am grateful for your continued patronage and support.

Respectfully submitted,

David Rainwater, Chair  
Board of Directors



**2023 Supervisory Committee Report**  
**Erik M. Kupka, Chair**

TwinStar Credit Union's Supervisory Committee provides independent monitoring and review of the credit union's policies, procedures, processes and internal controls of Management. The Committee is vital in protecting the assets of the credit union and its members.

The Committee's primary responsibilities include oversight of the independent external financial audit of the credit union's financial statements and records and member accounts verification. The CPA auditing firm, Moss Adams, LLP, was engaged to assist the Supervisory Committee in accomplishing these responsibilities.

A regulatory risk examination was conducted by the State of Washington Department of Financial Institutions – Division of Credit Unions. Based on the state's examination, the Committee meetings, and the annual financial audit results, we believe TwinStar is performing appropriately to sustain a safe and secure future; and that it is well managed with a strong commitment to serving the membership.

On behalf of the entire Committee, we appreciate the opportunity to work with Management and to serve the members of the credit union. The Supervisory Committee continues to perform oversight activities so members remain confident that their financial interests are well protected.

Respectfully submitted,

Erik M. Kupka, Chair  
Supervisory Committee

