



2023 ANNUAL REPORT

Serving the Global Health Community





CORE PURPOSE

To serve the
global health
community



MISSION

To help members
of the global
health community
live better,
healthier
financial lives.



VISION

To be the
preferred financial
partner for the
members of the
global health
community



VALUES

Integrity
Respect
Solidarity



2023 Management Report

DECADES OF VALUE

For 75 years, PAHO/WHO FCU has worked toward a single mission to help members of the global health community live better, healthier financial lives through our shared values of integrity, respect, and solidarity. With the financial wellness of our members always at the forefront of everything we do, we worked throughout 2023 to continue to deliver that value through our product and service offerings, rates, financial education, and deployment of new technology for staff and members.

Upholding the Value of the Credit Union

In an economic climate where bank failures and pressures from rising interest rates were regularly reported on the news, the Credit Union performed well and remains a very stable financial institution. At yearend we had a net worth of 14.03%, more than double the 7.00% which the National Credit Union Administration (NCUA) considers well capitalized and above the industry average of 10.70%. While always focusing on ensuring a safe and sound Credit Union, we ended the year with \$320 million in assets, including \$8.6 million in new deposits thanks to membership savings. Additionally, total loans for homes, cars, and more increased by \$2.3 million to reach \$170 million. With those loans, we were able to help members finance their wants and needs, which is a true honor and our primary purpose.

The Credit Union did have a net loss for 2023 of \$56,755 due in large part to repositioning the investment portfolio by ensuring liquidity during an unstable economic climate. Furthermore, by repositioning our investment portfolio, the Credit Union was able to increase its equity position by \$3.6 million year-over-year, which enhances the overall safety of the Credit Union for the foreseeable future.

Returning Value to Members

In 2023, we launched Bienestar Financial Advisors to provide a robust, personalized approach to members' financial planning needs. The name Bienestar, meaning wellness and prosperity in Spanish, for this investment advisory and financial planning service through LPL Financial, LLC, was chosen to reflect the natural extension of our commitment to serving the global health community. Already, members have gravitated toward Bienestar and have found value in what we have to offer.

Improvements were also implemented to our credit and debit card programs allowing our cardholders to better manage their credit card accounts through our online and mobile banking systems. These system enhancements include being able to set up automatic payments, locking and unlocking a card, setting travel notifications, initiating balance transfers, and viewing Rewards point balances.

Additionally, we updated the phone system with a simplified, more efficient menu designed to improve





Credit Union staff members provided over 350 hours of volunteer service to charitable groups in the Washington Metropolitan Area including, Capital Area Food Bank, Martha's Table, Credit Union Cherry Blossom 10-mile race, So Others Might Eat (SOME) CASA de Maryland, and the Virginia Health Department's Stable Families, Thriving Futures Program.

Building for the Future

Beyond enhancements to Member Services, the Board of Directors and Management Team worked on several key projects aligned with our strategic plan to build the Credit Union for the future. One of the biggest challenges facing the organization has been the lack of administrative office space. Therefore, the leadership of the Credit Union took advantage of the very favorable office space market in the Washington DC Metropolitan Area and secured a lease for a new Administrative Headquarters location in Arlington Virginia that the Credit Union will begin occupying in May 2024. This new office location provides sufficient space to support the continued expansion of services and expected staff growth. Immediately, we will be able to launch a dedicated call center and digital services team as well as staff training facilities to ensure the ability to provide consistent member service. The new Arlington Headquarters location will replace the office space we have occupied at 2112 F Street NW, Suite 201 in Washington DC. Our Columbia Plaza Branch will remain at its current location and will continue to serve all our membership needs for in-person transactions or consultations.

Additionally, the Credit Union established a new Credit Union Service Organization (CUSO) which will allow us to further diversify our income streams from new sources of revenue by investing in opportunities which will provide either enhanced member service or enhanced operational

the member experience. The goal for this new system is to further reduce average wait times and the introduction of additional features to make it easier for members to conduct business. We encourage our members to utilize our online systems to conduct transactions and check account balances.

In accordance with our year-end bonus dividend governing policy, net income parameters were not met for a bonus dividend to be paid in 2023. However, the Credit Union paid members \$2.5 million in dividends which was an increase of nearly \$1.5 million above the total dividends paid in 2022 which included a bonus dividend payment. This means that in 2023 we paid more money into members' accounts through offering better dividend rates throughout the year versus a one-time payment at the end of the year.

We continued to give back in several other ways in support of not just the global health community but also our local community. This includes supporting PAHO events such as the PAHO Manager's Meeting, the PAHO Annual Christmas Party, and Staff Association Functions. We were also pleased to engage with MedStar Georgetown Hospital in celebration of National Nurses Week. In addition,



processes for the Credit Union. This new CUSO, Bienestar Financial Investments, LLC, made its first investment by purchasing O2 Consulting Group, LLC, a project management consulting firm which has a number of other credit unions as clients. This acquisition gives PAHO/WHO FCU new revenue streams while also being able to leverage the talent of O2 Consulting Group for internal projects.

Organizational Recognition

Last year, PAHO/WHO FCU was once again named a Best Credit Union To Work For. This is our third consecutive year for this recognition. Our team also secured several marketing awards, including the 2024 Credit Union National Association (CUNA) Marketing and Business Development Council Diamond Award for the creation of our Bienestar Financial Advisors logo. Additionally, we were truly honored that our VP of Business Development, Michael Ray, was a 2023 inductee into the African American Credit Union Coalition Hall of Fame and also garnered recognition as a CUNA Credit Union Hero.

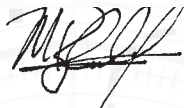
Decades of Value, Past and Future

As we begin our 75th year, our commitment to providing value through financial wellness to our membership every day is unwavering. There is nothing more important to us than helping members of the global health community live better, healthier financial lives. We believe membership is a partnership and are honored by the trust you place in us to serve you. Thank you for your membership and support of PAHO/WHO FCU. We look forward to delivering many more decades of value.

Sincerely,



Isabel Vigil
Board Chair



Miguel Boluda, Jr.
CEO



Supervisory Committee Report

The Supervisory Committee is an independent body of volunteer credit union members, appointed by the Board of Directors, who are assigned certain duties and responsibilities to ensure the financial stability and operational soundness of the credit union.

In order to fulfill its responsibilities, in 2023 the Supervisory Committee:

- Engaged the services of the CPA firm DoerenMayhew to perform the annual external audit of the Credit Union's financial statements.
- Engaged the services of the CPA firm CliftonLarsonAllen to conduct ongoing reviews designed to strengthen internal controls and to ensure compliance with regulatory requirements.

Our oversight of the aforementioned audit and reviews, as well as our interaction with the National Credit Union Administration (NCUA) examiners, who make periodic on-site visits to assess the financial and operational health of the Credit Union, puts the Supervisory Committee in a position to make an informed opinion regarding the overall quality of the Credit Union's operations.

Based on the reviews and assessments described above, it is our opinion that the PAHO/WHO Federal Credit Union continues to be financially stable and operationally sound.

The Supervisory Committee also has a duty to address member questions, concerns, and complaints. If you have a question or concern that has not been resolved to your satisfaction by staff and management, please feel free to contact us. All communications will be kept confidential and we will make our best effort to facilitate a satisfactory resolution.

Sincerely,



June Kyakobye

Supervisory Committee Chair

Including Supervisory Committee Members:

Raphael Dambo, Member
Paola Florez, Member
Norge Lisboa, Member
Sylvia Schultz, Member



2023 Financial Comparisons & Ratios

FINANCIAL PERFORMANCE COMPARISONS

	2023	2022
Assets	\$ 320,253,871	\$ 287,947,133
Shares	\$ 260,481,640	\$ 251,819,999
Loans, Net	\$ 169,635,044	\$ 167,308,292
Reserves	\$ 11,000,965	\$ 11,000,965
Undivided Earnings	\$ 33,960,366	\$ 34,728,064
Interest Income	\$ 10,956,177	\$ 7,749,398
Interest Expense	\$ 2,536,326	\$ 1,065,485
Provision for Loan Losses Expense	\$ 355,753	\$ 177,703
Fee & Other Income	\$ 1,323,928	\$ 2,101,318
Operating Expenses	\$ 9,444,781	\$ 7,164,871
Net Income	\$ - 56,755	\$ 1,442,657

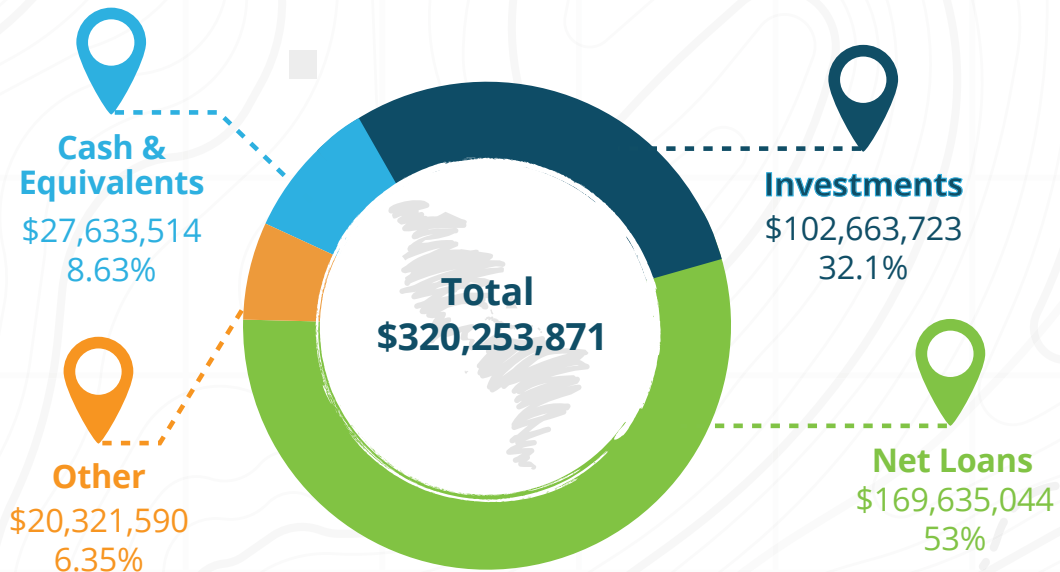
FINANCIAL RATIOS

	2023	2022
Total Net Loans to Total Shares Measures the level at which we lend out the member's deposits	65.12%	66.44%
Total Net Loans to Total Assets Measures the level of our lending within our membership	52.97%	58.10%
Net Worth to Total Assets Measures retained earnings as determined under GAAP	14.04%	15.88%
Return on Average Assets Measures net income in relation to average assets	-0.02%	0.50%

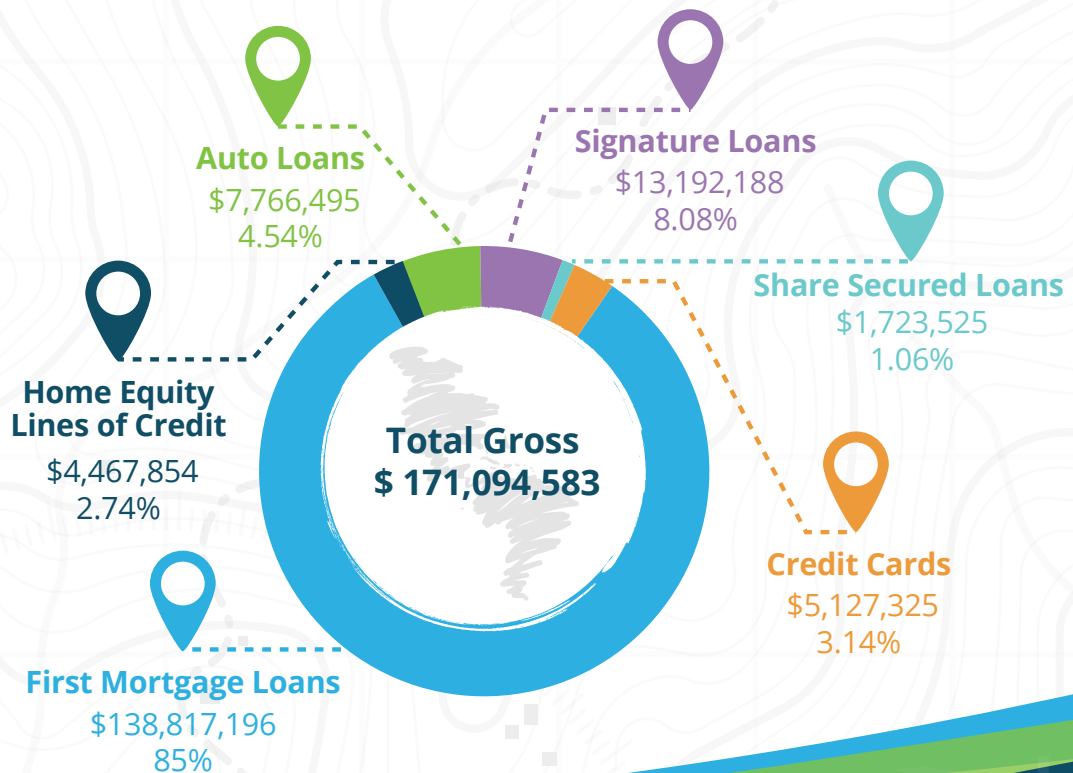


2023 Financial Comparisons & Ratios

ASSET COMPOSITION

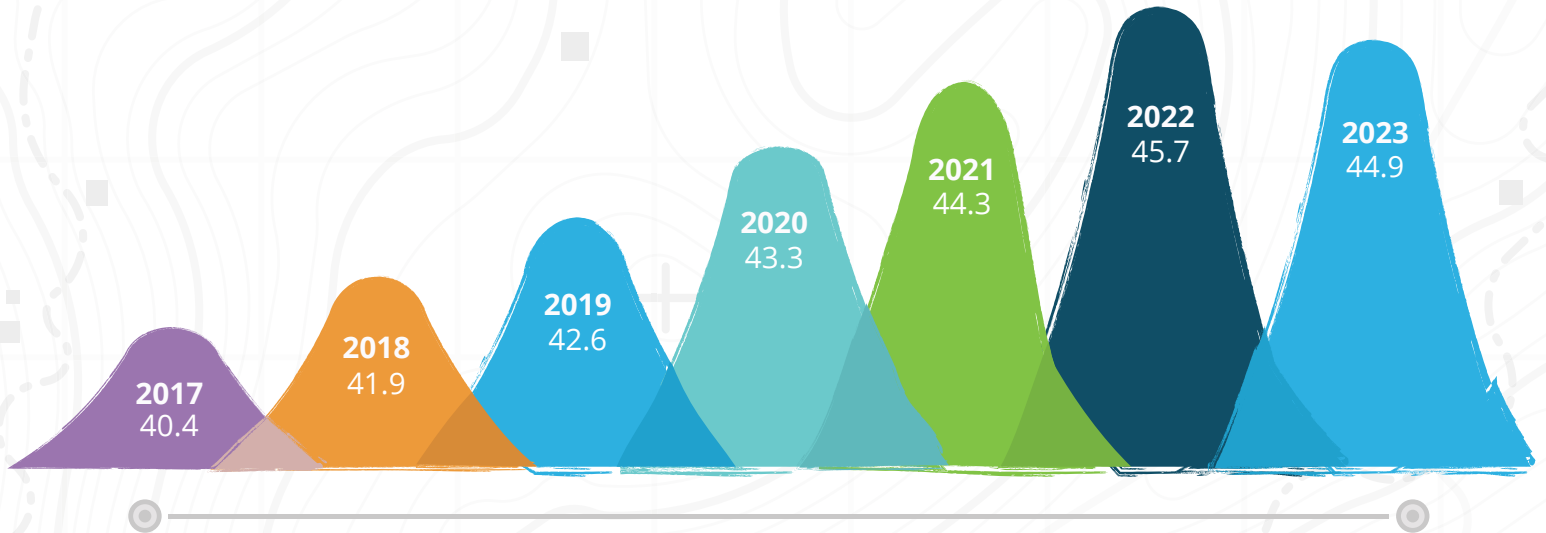


DISTRIBUTION OF LOANS

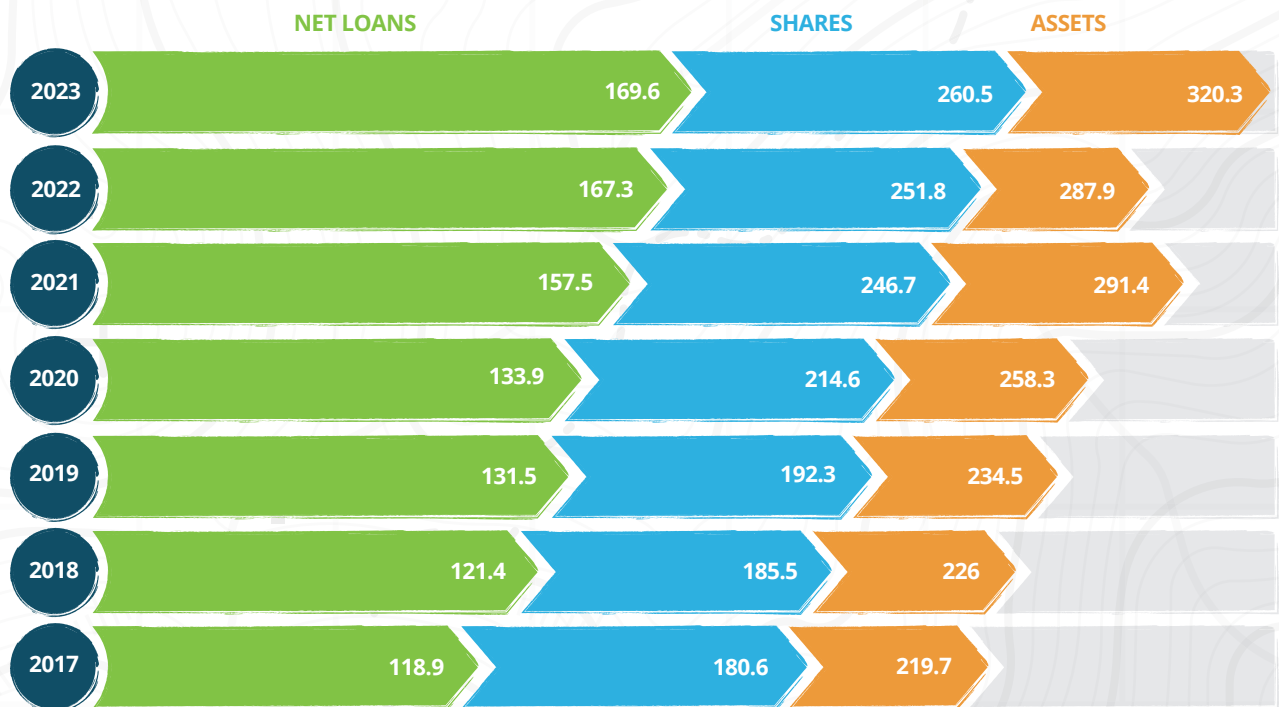


2023 Financial Comparisons & Ratios

NET WORTH *in millions*



BALANCE SHEET OVER TIME *in millions*



PAHO/WHO Federal Credit Union

BOARD OF DIRECTORS

Isabel Vigil	<i>Chair</i>
Federico Ortiz	<i>Vice Chair</i>
Ricardo de la Torre	<i>Treasurer</i>
Sarah Arneson	<i>Secretary</i>
Pamela Tejada	<i>Director</i>
Tyson Kidder	<i>Director</i>
Adriana Oxman	<i>Director</i>
Antonio Hernandez	<i>Director</i>
Luis Velasquez	<i>Director</i>

SUPERVISORY COMMITTEE

June Kyakobye	<i>Chair</i>
Paola Florez	<i>Member</i>
Norge Lisboa	<i>Member</i>
Sylvia Schultz	<i>Member</i>
Raphael Dambo	<i>Member</i>



Benefits of Membership



No Monthly-Fee Checking

- Dividend-earning Checking



Savings & Investments

- Savings Accounts
- Special Savings Accounts
- Certificates
- Individual Retirement Accounts



Affordable Loans & Refinancing

- Vehicle Loans
- Rewards World Mastercard® with no International Transaction Fees
- Personal Loans
- Mortgage Loans - Home Realty Service
- Home Equity Lines of Credit



24/7 Digital Banking

- Online Banking
- Mobile Banking
- Remote Deposit
- Digital Payments
- eStatements and ePay
- eLerts



Banking Convenience Where You Live, Work & Travel

- Over 30,000 Free ATMs through CO-OP Network nationwide



- CU Service Centers Shared Branching with over 5,000 shared credit union branches **nationwide**



Investment Advisory Services & Financial Planning

- Bienestar Financial Advisors





Serving the Global Health Community

www.PAHOfcu.org | 1-866-724-6328

