

Your financial Partners *for life.*

2022

# Partners Annual Report & Member Impact Statement



**PARTNERS!**  
FEDERAL CREDIT UNION

Dear Partners Members,

I am pleased to present you with our 2022 Annual Report. As you review our accomplishments in 2022 and what we are working to achieve in the coming year, know that we are guided by our mission statement: "We are your financial Partners for life." We strive to be more than just a financial institution to you, but a true partner in helping you achieve your financial goals and dreams.

What makes a good partner? We believe a good partner is engaged, reliable, and has a genuine interest in your financial wellbeing. By engaging with you, we seek the opportunity to build strong and long-lasting relationships by listening to your needs, offering you expert guidance, and working with you to provide the best solutions throughout your financial journey.

As a credit union, Partners Members are also owners. That's why our focus is always on you, and not the interests of investors or stockholders. We are committed to being an advocate for your financial wellbeing and providing you with the resources you need to make informed financial decisions.

We are proud to report excellent results in 2022 and advancement on the 2022-2024 strategic plan. We've placed diversity, equity, inclusion, and belonging as the foundation of our plan, and a lens for all that we do. We also remain committed to reflecting and upholding the values and heritage of our sponsor, The Walt Disney Company. We are honored to serve as the financial partner for Disney cast, employees, and their families.

Through diligent and prudent decision making over the years, Partners maintains the financial strength and strong capital position that far exceeds the "well capitalized" distinction of our regulators, the National Credit Union Association. We will be here when you need us today and tomorrow, and we will continue to deliver innovative products and services to meet the evolving needs of our Members.

Thank you for the opportunity to serve you. We are grateful for your trust and loyalty, and we look forward to continuing our partnership with you as your financial Partners for life.

Sincerely,



Ricky Otey  
President & CEO  
Partners Federal Credit Union

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# Board of Directors

Made up of volunteers who represent the Partners Membership, the Partners Board of Directors sets the strategic direction of the Credit Union. The Board meets monthly to review financial reports, budgets, and expenses and adopt resolutions related to rates, business objectives, and policies.



**Cindy Luttrell**  
Chairperson



**Jaye Thompson**  
Vice Chairperson



**Alden Weiss**  
Secretary/Treasurer



**Debbie Bales**  
Board Member



**Jennifer Baucher**  
Board Member



**Bob Cunningham**  
Board Member



**Olivier Flament**  
Board Member



**Mark Gustovich**  
Board Member



**André Hale**  
Board Member



**Tracy Montoya**  
Board Member



**Tom Tancredi**  
Board Member



**Jack Yellin**  
Board Member

Dear Partners Federal Credit Union Members,

Since 1960, Partners has been proud to serve the cast, employees, and families of The Walt Disney Company and help them achieve their financial goals and dreams. As I reflect on the accomplishments of 2022, I am pleased to report that your credit union has had another successful year in delivering on our mission.

In 2022, we helped Members by providing:

- \$866 million in loans
- 102 financial education workshops
- A new online financial education platform
- One-on-one financial counseling sessions

These achievements reflect our commitment to providing the best possible financial services and support to our Members to allow us to meet them where they are on their financial journey. We do this by providing advocacy, education, and resources needed to achieve financial wellbeing.

I am also proud to note the financial strength of your credit union, with \$2.5 billion in assets and 10.75% in capital, which is well above the 7% "well capitalized" designation of our regulators, the National Credit Union Administration. Partners maintains a strong liquidity position to meet Member demands, and our deposits consist entirely of products from our 172,000 Members. As we move forward, Partners is creating a solid foundation for the future by continuing to advance the 2022-2024 Strategic Plan.

I want to take this opportunity to thank the dedicated management team at Partners who are firmly committed to enhancing Member value and delivering on the mission, vision, and brand promise. I also want to express my gratitude to each cast member working at Partners for their commitment to providing exceptional service and personalized financial solutions to help our Members achieve their financial goals.

Finally, I want to thank you, our Members, for your trust in the Board of Directors and for choosing Partners to serve you as *your financial Partners for life*. We look forward to a year of innovation, growth, and continued success, and we are grateful for the opportunity to serve you.

Sincerely,

Cindy Luttrell  
Board of Directors Chairperson  
Partners Federal Credit Union

OUR MISSION

We are your financial  
Partners *for life.*

OUR VISION

Making your financial  
dreams come true,  
*today and tomorrow.*

## Executive Management Team

Our executive management team is committed to bringing you innovative products and solutions that support your financial goals, and the service and excellence that honors The Walt Disney Company heritage and traditions.



**Ricky Otey**  
President  
Chief Executive Officer



**Karen Spires**  
Executive Vice President  
Chief Financial Officer



**Brian Kairnes**  
Senior Vice President  
Chief Risk Officer



**Jim Lawrence**  
Senior Vice President  
Chief Revenue & Experience Officer



**Darla Morse**  
Senior Vice President  
Chief Digital & Innovation Officer



**Angela Pardue**  
Senior Vice President  
Chief Talent Officer



**Mark Rodriguez**  
Senior Vice President  
Chief Lending Officer



**Robert Thompson**  
Senior Vice President  
Chief Strategy Officer  
Chief of Staff to the CEO



**Lloyd Watts**  
Senior Vice President  
Chief Retail Officer

# Financial Report & Income Statement

## Statement of Financial Condition

(as of December 31, 2022)

### ASSETS

Cash and cash equivalents	\$	291,296,459
Investments		122,885,891
Federal Home Loan Bank stock		7,365,400
Loans held for investment (net)		2,008,578,902
Accrued interest receivable		5,889,601
Property and equipment		11,609,583
National Credit Union Share Insurance Fund deposit		20,780,235
Other assets		19,515,216
<b>Total assets</b>	<b>\$</b>	<b>2,487,921,287</b>

### LIABILITIES

#### Liabilities

Members share accounts	\$	2,198,428,869
Accrued expenses and other liabilities		32,381,360
<b>Total liabilities</b>		<b>2,230,810,229</b>

#### Members' equity

Regular reserve		15,636,145
Undivided earnings		251,762,782
Accumulated other comprehensive loss		(10,287,869)
<b>Total Members' equity</b>		<b>257,111,058</b>

<b>Total liabilities and Members' equity</b>	<b>\$</b>	<b>2,487,921,287</b>
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## Statement of Income and Comprehensive Income

(as of December 31, 2022)

### Interest income

Loans receivable	\$	73,247,022
Investments and interest-bearing accounts		7,594,451
<b>Total interest income</b>		<b>80,841,473</b>

### Interest expense

Members' share accounts		8,195,664
Borrowed funds		81,929
<b>Total interest expense</b>		<b>8,277,593</b>

### Net interest income

		<b>72,563,880</b>
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Provision (credit) for loan losses		6,409,299
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### Net interest income after provision for loan losses

		<b>66,154,581</b>
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### Non-interest income

Service charges and other fees	\$	14,486,947
Interchange income		15,937,866
Commission revenue		3,134,657
Wealth management revenue		3,472,941
Gain on sale of loans		215,250
Other		794,731
<b>Total non-interest income</b>		<b>38,042,392</b>

### Non-interest expenses

Compensation and benefits		46,311,706
Operations		12,579,000
Loan servicing		6,127,702
Occupancy		10,476,386
Debit card processing		4,098,537
Communications		3,321,960
Marketing		992,747
<b>Total non-interest expense</b>		<b>83,908,038</b>

### Net income

	\$	<b>20,288,935</b>
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Dear Members,

We are pleased to present the annual report from the Partners Federal Credit Union Supervisory Committee. The purpose of this committee is to provide an independent appraisal of the safety and soundness of credit union operations and activities. Our commitment is to ensure the safety and soundness of the credit union and Member funds in accordance with the Federal Credit Union Act, and the Partners charter, policies, and procedures.

As part of our commitment, the committee engaged the services of Crowe, LLP, a public accounting firm, to evaluate internal controls and perform the testing necessary to attest to the integrity of Partners financial statements. Additionally, the Committee has oversight of the Internal Audit function and monitors and reviews audit reports and follow-up, including periodic examinations conducted by the National Credit Union Administration, the regulatory agency for all federally chartered credit unions.

Based on the results of the financial statement audit completed by Crowe, LLP, continuous internal audit work and follow-up, and the most recent review by the National Credit Union Association, it is the opinion of the Supervisory Committee that Partners is financially strong and in compliance with Federal Regulations as well as Partners policies and procedures.

Thank you for your continued trust in Partners Federal Credit Union.

Sincerely,



Grace Yang  
Supervisory Committee Chairperson  
Partners Federal Credit Union

### Supervisory Committee

- Grace Yang, Chairperson
- Courtney Cappa
- Gerry Dunning
- Dawn Ellis
- Tylana Hill



# Partners' Pillars



## **Our People**

Our Partners cast members are the head, hearts, and hands of our Credit Union. Fostering an engaged culture for them to grow, thrive, and feel valued is fundamental to creating a world-class Member experience.

## **The Members**

Our Membership *is* our Credit Union. We are committed to building awareness, relevancy, and a strong value proposition so that we may be positioned to deliver on our mission, vision, and brand promise for our Members.

## **The Experience**

To remain competitive and meet the needs of our Members, we must deliver on our differentiator: providing financial services that parallel the level of quality and service of our sponsor, The Walt Disney Company.

## **The Sponsor**

The Walt Disney Company is the reason we are here. Our connection, collaboration, and partnership with Disney is vital to every measurement of success and touches every component of Partners.

## **Our Financial Strength**

A strong balance sheet protects the safety and soundness of the Credit Union for our Members. We maintain a strong capital position to fund future growth and increase value for our Members, deliver competitive products and services, and guard against possible losses to ensure our Members have a secure financial partner today and tomorrow.

**We recognize diversity, equity, inclusion, and belonging as the foundation of our strategy and a lens through which all decisions are made.**



OUR PEOPLE

# Making your banking experience *magical*.

In a recent employee survey, one of our cast members said:

“Working for Partners allows me to have a real impact on people’s lives. Every day, I am inspired by the stories of our Members and the difference we can make.”

“We strive to cultivate a culture where our cast members can be at their best, feel a sense of belonging, and feel valued for their contributions to our mission, our Members, and one another.”



**Angela Pardue**  
Senior Vice President  
Chief Talent Officer

MEMBER STORY

## Your Partners for life *in times of need.*

Matthew decided to take a step toward learning more about financial responsibility by enrolling in a Partners Budgeting Essentials workshop. During the course, Member Education & Development Advocate, Michelle, offered a complimentary one-on-one financial counseling session to all attendees, and Matthew scheduled a session the next day.

In discussing Matthew's financial goals and opportunities, he shared that his monthly payments, which he always made on time, were becoming overwhelming

and consuming the bulk of his monthly income. Michelle was able to provide options for Matthew to make his monthly payment more affordable and save money with a lower interest rate, and Matthew was approved for a personal loan that lowered his monthly payments by over \$300 per month.

Matthew also worked with the Partners team for solutions to protect his accounts and continue to build his credit, setting him up with a realistic plan to reach his goal of purchasing a car in the future.

“I wish the topics of credit and finances were taught in grade school; instead everyone is on their own to figure it out when they hit the adult world. Thanks to your class, I don’t have to keep on guessing and trying to figure out the adult ‘game’ known as credit. I’ve already started recommending Partners to my fellow colleagues.”

-Matthew, Plaza Inn, Main Street



# Checking, savings, lending, wishing, and *dreaming*.

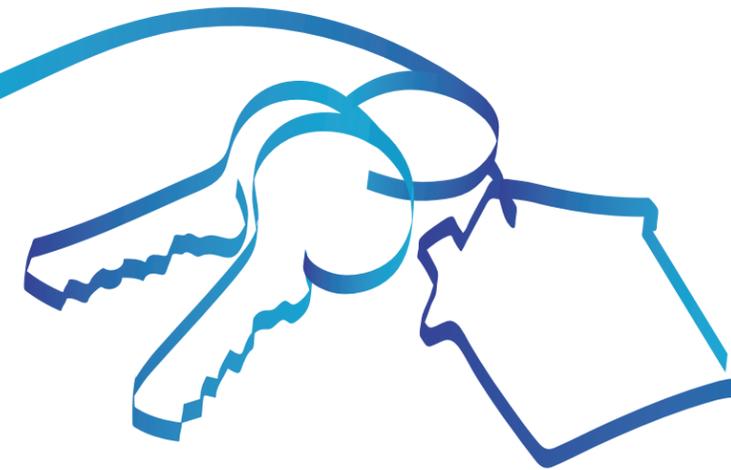
In 2022, Partners saved our Members more than \$28 million through lower loan rates, higher savings rates, and fewer fees, equivalent to \$168 per Member or \$353 per household.<sup>1</sup>

## PARTNERS MEMBERS:

Save up to  
**\$428**  
more on Auto Loans.<sup>2</sup>

Save up to  
**\$1,202**  
more with Credit Cards.<sup>2</sup>

Earn up to  
**303%**  
higher on Money  
Market accounts.<sup>2</sup>



“As a credit union, Partners operates to promote value and financial wellbeing for our Members. Because we don’t have stockholders like big banks, our profits are returned back to our Members, often in the form of lower rates on loans or higher returns on savings.”

**Karen Spires**  
Executive Vice President  
Chief Financial Officer



<sup>1</sup> Source: Datatrac, NCUA, and CUNA. Rates and fees compared with banking institution averages as of 4/28/2023 over twelve months ending December 2022. Assumes 2.1 credit union members per household.

<sup>2</sup> Based upon independent research conducted by Datatrac as of 5/3/2023. For details, visit [partnersfcu.org/total-savings](https://partnersfcu.org/total-savings).

# Here for every chapter in your story.

In 2022, Partners provided more than \$866 million in loans to our Members.

\$362 million in Auto Loans	\$24 million in Credit Cards
\$412 million in Home Mortgages	\$68 million in Other Loans

## Unique Insurance Products



**Partners Loan Protection:** Over 23,000 Members are protected with Partners Loan Protection, which protects your payments during unexpected events like getting sick, injured, or laid off.



**Guaranteed Asset Protection:** Almost 2,500 Members are protected if their vehicle is totaled or stolen.



**AD&D:** Over 23,000 Members receive Accidental Death & Dismemberment insurance coverage, up to \$2,000 paid by Partners.\*



**Member Assistance Program:** Partners has assisted with 11,200 loans by offering payment extensions in times of need.



"At Partners, we believe that lending goes beyond just providing a loan; it's about building a relationship with our Members and helping them achieve their financial goals. We seek to understand their unique needs and provide personalized solutions that work for them. We are committed to the success of our Members throughout their financial journey and serve as their advocate in helping them achieve it."

**Mark Rodriguez**  
Senior Vice President  
Chief Lending Officer

\*This product may not be available to residents of all states.

## MEMBER STORY

"I found myself in need of a new car for my daughter and recalled that you all assisted me with my purchase several years ago. I was introduced to Luis and from the moment we connected, I was impressed with his professionalism, knowledge, demeanor, and the like. I just wanted to send a 'shout out' to Luis as, with 43 years at Disney, I feel I know great customer service. Luis was all that and more!"

- Jim, Retired Walt Disney World Executive



THE EXPERIENCE

# Innovative products and solutions that support your financial goals today and tomorrow.

In 2022, we introduced the following Member benefits:



**Zelle®:** Since April 2022, over 50,000 Members have quickly transferred money with family and friends.



**Family Building Loan:** Since June 2022, Partners has helped build 17 families by providing them with access to funds for upfront costs for adoption, surrogacy, fertility treatments, and more.



**Partners Savings Planner:** Since July 2022, more than 400 Members have set savings goals totaling \$1.6 million.



**Emergency Line of Credit:** Since July 2022, over 600 Members have accessed immediate cash when they needed it the most.



“At Partners, we are dedicated to providing our Members with the tools and resources they need to achieve their financial goals. By working together in a spirit of cooperation and collaboration, we can create a brighter, more financially secure future for all of our Members.”

**Lloyd Watts**  
Senior Vice President  
Chief Retail Officer

MEMBER STORY

## Set your worries aside.

Aracely, Disneyland cast member, had just become a Partners Member when Partners Member Service Representative, Miguel, reached out to welcome her and introduce financial solutions that matched her interests on her application. Aracely shared she did not believe she would qualify for Partners services and

benefits. Miguel informed her of our Partners Emergency Line of Credit, a small yet impactful line of credit that is intended to help Members in times of need. When Miguel let her know she was approved, Aracely broke down in tears of relief. Having access to the extra funds would allow her to pay rent and stay in her home.

“I had to pull over and stop driving. My heart melted with relief. Miguel’s call was like a miracle. I would tell other cast members who are new or looking for financial help to give Partners a shot.”

- Aracely, Disneyland cast member

# Financial Wellness

Partners is committed to helping our Members live better lives through financial education. With access to tools, resources, and counselors, Members are empowered to make better financial decisions.

In 2022:



**Partners Wellbeing:** Members started using our online financial education platform with interactive tools, courses, and resources.



**In-Person & Virtual Financial Education:** 2,105 Members attended a Partners workshop or webinar on budgeting, understanding credit, home buying, and more.



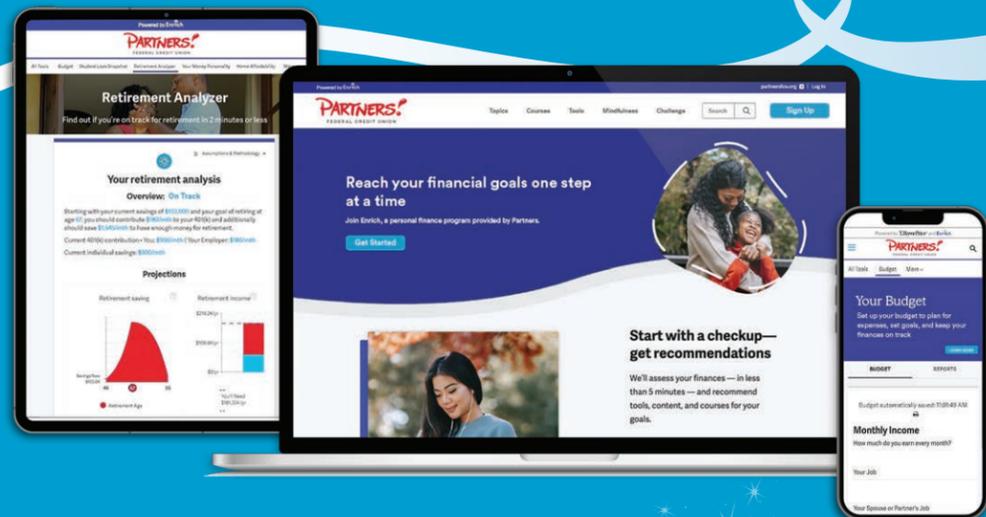
**Certified Personal Financial Counseling:** Members began meeting one-on-one with a certified coach in-person or virtually to help achieve their financial goals.

## Top 5 Workshops:

- Budgeting Essentials
- Financial Management
- Home Buying Journey
- Understanding Your Credit
- Personal Finance

## 94% of attendees would recommend a Partners workshop to others

In 2022, we expanded our education platforms and workshops to include several languages: English, Spanish, French, and Haitian Creole.



## MEMBER STORY

# Building your financial health.

Erin scheduled a one-on-one financial counseling session with Jessica, Member Education and Development Advocate, to discuss meeting her monthly financial obligations. Although Erin was able to make her payments on time, she was spending most of her income each month. Jessica provided Erin with budgeting tools, ways

to rebuild her credit, and the benefits of consolidating her debt with Partners. By the end of their session, Erin knew she wanted a Partners debt consolidation loan with low monthly payments and a more affordable interest rate. Without the stress of high monthly payments, Erin decided to choose Partners for all her banking needs.

“I got the loan and now a debit and credit card with Partners. I'm loving it. Thank you!”

- Erin, Disneyland cast member



“As a credit union, our focus on improving the financial wellbeing of our Members not only supports a happy and healthy financial future, but also has a positive impact on the overall health of our credit union. When our Members are financially secure and successful, it strengthens our credit union's foundation, allowing us to expand our reach and support even more of our Members in achieving their financial goals.”

**Brian Kairnes**  
Senior Vice President  
Chief Risk Officer

THE SPONSOR

# Cast serving cast.

We are committed to creating a sense of belonging and inclusivity for our fellow cast, employees, and their families.

At Partners, we draw our strength from our relationships. By partnering with diversity-focused Business Employee Resource Groups (BERGs), Cast Activities, Disney Enterprise Benefits, and many other groups throughout The Walt Disney Company, we have opportunities to learn, understand, and amplify voices as we work together to reimagine a better financial future.

In 2022:

**TRADITIONS**

Welcomed **31,000+** new cast members by participating in 650 orientation classes.

Over  
**\$100,000**  
invested in supporting  
over 50 Disney cast events

  
Logged over 2,000 hours  
alongside Disney Voluntears



## Diamond Award Recipient for Ongoing Efforts

Partners is the proud recipient of the Credit Union National Association Diamond Award for ongoing diversity, equity, inclusion, and belonging efforts. We were proud to win through our partnership with diversity-focused BERGs within The Walt Disney Company.



“At Partners, we believe that diversity, equity, inclusion, and belonging is not a strategy, but a journey that requires ongoing investment and commitment. We are dedicated to cultivating an inclusive culture where everyone feels valued and respected.”

**Jim Lawrence**  
Senior Vice President  
Chief Revenue & Experience Officer

# Member Service Advisory Committees

Our committees serve as an important part of our connection to The Walt Disney Company. Through partnerships and collaborations, they represent the voice of cast and employees at all levels of leadership and help us better serve our existing and potential Membership.

## ANAHEIM, CA

Ron Silagy, Chair  
Sandee Alsup  
Mary Cobb  
Brian Eastman  
Lorianne Ferry  
Nick Filippone  
Andrae Gill  
Charmaine Howard  
Alysia Kelley  
Julie Kirchen  
Mike Miranda  
Christopher Mortensen  
Jimmie Payton  
Robyn Vossen  
Monica Weda

## BURBANK, CA

Gina Rakestraw, Chair  
Charlie Cain  
Laura Cirigliano  
Eric Covert  
Dan Davidson  
Virginia Hough  
Cathi Kilian  
Steve Milam  
Riddhi Patel  
Nicole Stanziale  
Michael Vargo  
Steve Wilder

## ORLANDO, FL

Cosmo Kapoor, Chair  
Josh Brasher  
Marjorie Colas  
Ivan Diaz  
Barry Dillard  
Susan Dubiel  
Jean Gallagher  
Ronke Olatunji  
Scott Rench  
Kartika Rodriguez  
Terri Somsky  
Melissa Valiquette  
Vivian Ware

"When you think about what great partnerships look like, the name PARTNERS truly accentuates the real meaning of care and service."

- Cosmo Kapoor, General Manager, Disney's Animal Kingdom Lodge

"We are grateful for our committees' support and engagement. Their meaningful insights and feedback allows us to consistently anticipate and deliver on the evolving needs of current and future Members; meeting them where they are in their financial journey."



**Robert Thompson**  
Senior Vice President  
Chief Strategy Officer  
Chief of Staff to the CEO

OUR FINANCIAL STRENGTH

# Supporting your financial wellbeing.

At Partners, we are proud of our history of financial strength and stability, and our focused dedication to ensuring the financial wellbeing of our Members.

# 172,000+

Members



Asset Size:  
**\$2.5**  
BILLION



Capital Ratio:  
**10.75%**



Financial Education  
Workshops:  
**100+**

# Looking toward the future.

Partners is constantly seeking opportunities to engage with our Members in more meaningful ways. As we continue into 2023, we are:



Upgrading digital banking solutions



Migrating our systems to better serve you



Adding new Visa® debit and credit card designs



Refreshing our products and services to meet the needs of our Members



Continuing to listen to the voices of our Members to improve the Partners experience



Extending our branch hours to better serve our Members



“Our goal is to deliver innovative products and services that support the evolving needs of our Members through an exceptional experience today and into the future.”

**Darla Morse**  
Senior Vice President  
Chief Digital & Innovation Officer

## Branch Locations

### CALIFORNIA

#### Buena Vista Plaza

2411 West Olive Avenue  
Burbank, CA

#### Downtown Anaheim

100 South Anaheim Boulevard, Suite 100  
Anaheim, CA

#### Grand Central Creative Campus (GC3)\*

1201 Flower Street  
Glendale, CA

#### Harbor Pointe\*

1313 South Harbor Boulevard  
Anaheim, CA

#### Katella

2401 East Katella Avenue, Suite 100  
Anaheim, CA

#### Team Disney Anaheim\*

700 West Ball Road  
Anaheim, CA

#### Walt Disney Studios\*

500 South Buena Vista Street  
Burbank, CA

### FLORIDA

#### Disney's Hollywood Studios™\*

Cast Services Building  
Bay Lake, FL

#### Disney University

5555 North Center Drive  
Lake Buena Vista, FL

#### Epcot®\*

1510 North Avenue of the Stars  
Lake Buena Vista, FL

#### International Drive

13705 International Drive South  
Orlando, FL

#### Lake Buena Vista

1675 Buena Vista Drive  
Lake Buena Vista, FL

#### Magic Kingdom® Park\*

1180 Seven Seas Drive  
Lake Buena Vista, FL

\*Branches available to TWDC cast only.

Hours and services vary by location.  
Visit [partnersfcu.org](http://partnersfcu.org) for branch hours of operation.

# Once a Member, *always* a Member.

Wherever your journey takes you, we want to remind you that Partners is here for you. Because once you become a Partners Member, you're always part of our family. Whether you get married, move across the country, change careers, or retire, your Partners Membership moves with you, providing comfort and continued access to your Partners benefits.



## ATMs

19 Partners ATMs (14 on Disney properties), and over 30,000 free Co-op ATMs across the US.



## Branches

13 branches (7 on Disney properties), and over 5,500 shared Co-op branches.



## Appointments

Schedule phone, video, or in-branch appointments at a time that works best for you.



## Online and Mobile Banking

Access to secure messaging, remote deposit, bill pay, Zelle®, your credit score, transferring funds, and more.

Making your financial  
dreams come true,  
*today and tomorrow.*



[partnersfcu.org](https://partnersfcu.org) | 800.948.6677



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