



IDB GLOBAL

FEDERAL CREDIT UNION



2020
Annual Report

GREAT THINGS ARE ONLY
ACHIEVED TOGETHER.

THANK YOU FOR 60 YEARS.

2020

Annual Report

GREAT THINGS ARE ONLY
ACHIEVED TOGETHER.
THANK YOU FOR 60 YEARS.

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Great things are only achieved together. Thank you for 60 years.

In 1961, ten founding members – employees of the Inter-American Development Bank – established the BID Federal Credit Union. They chartered our cooperative to meet the savings and borrowing needs of the IDB staff, pensioners, and their families. The membership started small, but the vision was big! Over the years, our name has changed, but our mission has remained – to build and strengthen relationships within the IDB Community by providing smart financial solutions – so that our members may focus on what is important to them, such as work and personal relationships – while living our values and those of the IDB.

That sense of community and purpose, along with fiscal responsibility and a never-ending focus on our members, were the driving forces to continually enhancing value for our Credit Union members. More specifically, we pay members above average market rates on shares and deposits, we offer members below average market rates on loans, and we charge low or no fees for our services. In 2020, our members aggregately saved \$4.8 million relative to banking with comparable products at the average national financial institution. Said differently, each of our members received \$450 – on average – in benefit savings by banking with IDB Global Federal Credit Union instead of a mega bank brand. This is our value proposition – we are efficiently delivering excellent products at great prices!

Today, sixty years after our visionary founders established our cooperative, we have grown to exceed \$700 million in total assets held by about 11 thousand members who reside on six continents, representing 76 countries worldwide. And, we were recently identified as one of the healthiest credit unions in the United States. This year, we want to celebrate our 60th Anniversary and our important partnership with the IDB.

Here's to the past 60 years – and the years to come – of working together to help our members achieve their financial dreams. “The future belongs to those who believe in the beauty of their dreams.” – Eleanor Roosevelt

Happy 60th Birthday to IDB Global Federal Credit Union.





Message to Members

William L. (Chip) Lusk, Jr.
Chief Executive Officer

“ It is important for all of us to appreciate where we come from and how that history has really shaped us. ”

Sonia Maria Sotomayor, Associate Justice of the Supreme Court of the United States

Dear Valued Member,

As we all know far too well, 2020 was a challenging year for far too many. In addition to navigating COVID, many people dealt with economic hardship, civil unrest, political tension, and devastating natural disasters. Through it all, IDB Global Federal Credit Union remained focused on ensuring stress-free, secure banking for our members, and even helping to bring some relief to our broader community through initiatives, such as our Hurricane Relief Fund – which helped hundreds of families whose lives were devastated by hurricanes Eta and Iota – and a COVID-19 Relief Fund – a collaborative effort which supported projects to mitigate the impact of the pandemic in Latin America.

As we prepare to celebrate our Credit Union's 60th anniversary, and as we reflect on this past year, I am reminded that the dedication, agility, and hard work of our visionary founding Credit Union members in 1961 serve as constant role models for our current staff. I feel that Associate Justice Sotomayor's comment – “It is important for us to appreciate where we come from and how that history has really shaped us” – is applicable for each person, as well as for our Credit Union.

And, despite the overwhelming challenges that 2020 posed, we remained focused on taking good care of our members and adding best-in-class remote banking solutions, while continuing to efficiently deliver on our value proposition with below market loan rates, above market share/deposit rates, and low/no fee-based products and services. Over the course of the year, our member services representatives answered over 32,000 member phone calls, responded to more than 10,000 member emails, and kept member convenience and safety in mind by adding new secure virtual communication tools.

In 2020, IDB Global Federal Credit Union was identified as the healthiest credit union in the District of Columbia metropolitan statistical area by DepositAccounts.com, and we ranked 63rd healthiest credit union in the United States out of 5,321 NCUA insured credit unions. Our Credit Union was awarded an A+ overall rating for financial health and stability, the highest rating given by DepositAccounts.com, which grades each financial institution on several factors, including capitalization, deposit growth, and loan-to-reserve ratios.

2020 Highlights

In our world, we focus on you! Our 'Focus' motto permeated our thoughts and strategies through 2020. And, while we know that the pandemic has been stressful, we remain driven and have constantly been pivoting to fulfill your financial needs and be here when you need us. As such, we are grateful for the trust you continue placing in us. Over the course of 2020, our total assets increased by 17%, or more than \$100 million, due to record increases in member shares and deposits. Also, during the year, our members borrowed a record-setting \$135 million for their mortgage and consumer loan needs. In addition to meeting member needs in 2020, the Credit Union remains financially secure and strong with an annualized 2020 return on assets of 0.70% and a 2020 year-end net worth ratio exceeding 12%.

You Spoke, We Listened! Focusing on you – our members – means providing you with the best banking experience possible. For 2020, we evaluated our member surveys to prioritize our strategic road map with enhancements that you want and need. Based on your feedback, we eliminated or reduced fees, improved services, and offered an attractive, limited-time Prime Share Certificate with a highly competitive 1.71% to 1.97% APY with no penalty for early withdrawal. During the promotion, members opened 465 accounts totaling \$42 million!

Here are some other popular money-saving solutions that we provided members in 2020:

- The limit for electronic transactions from a Savings Account imposed by Regulation D was waived. Electronic transactions that exceed the six (6) transaction limit in a calendar month are not automatically rejected or processed with a fee.
- The International Transaction Fee on your IDB Global Federal Credit Union Debit Card was eliminated.
- The International Transaction Fee and the Annual Fee on your IDB Global Federal Credit Union Credit Cards were eliminated.
- Wire transfer fees were reduced by 20%. Domestic wire transfers are only \$20 per wire, and international wire transfers are only \$28 per wire.
- The \$1 ATM Credit Union surcharge fee on additional ATM transactions – after the ten (10) free transactions in a month – was eliminated.
- The ATM daily withdrawal limit was increased from \$500 to \$1,000.



We hope you maximize your value in your cooperative by taking advantage of all these money-saving solutions. They represent some of the benefits of belonging to our Credit Union. To find out more information, please visit [our website](#).

Digital Support Launch

One of the more exciting and innovative features we implemented at IDB Global Federal Credit Union in 2020 was our enhanced digital customer service. We added new communication channels for members – including user-friendly chat to online voice and video calls – to conveniently contact and communicate with the Credit Union. A great example is the new personal support through website co-browsing. Utilizing this innovative solution, a member service agent can securely and remotely “co-pilot” or “co-view” a member’s computer screen. This means you no longer need to verbally describe what you see on your screen because – with your permission – the agent sees what you see and guides you remotely and safely through the web pages.



Debit Cards Control

Because we are always looking for safer, more convenient ways for our members to control their finances, we introduced Debit Cards Control, a new online and mobile banking tool that allows you to control how and where your Debit Cards are used. You can set balance and spending alerts and limits. You can turn your cards on and off. You can limit where your cards can be used, and much more. We encourage all members to take advantage of this convenient Debit Cards Control. You may learn more at our [Cards Control](#) page.

Google Authenticator

We introduced Google Authenticator to make logging into online and mobile banking more convenient and safer for both our domestic and international members. Google Authenticator is a free app that generates a unique code you can use to verify your identity, allowing you to complete multi-factor authentication. It is fast, easy, and secure. Google Authenticator is available for Android and IOS devices, and the app may be downloaded on any device that can access the App Store or Google Play Store. Visit our [Google Authenticator](#) page for more information.

Loan Payment Enhancements

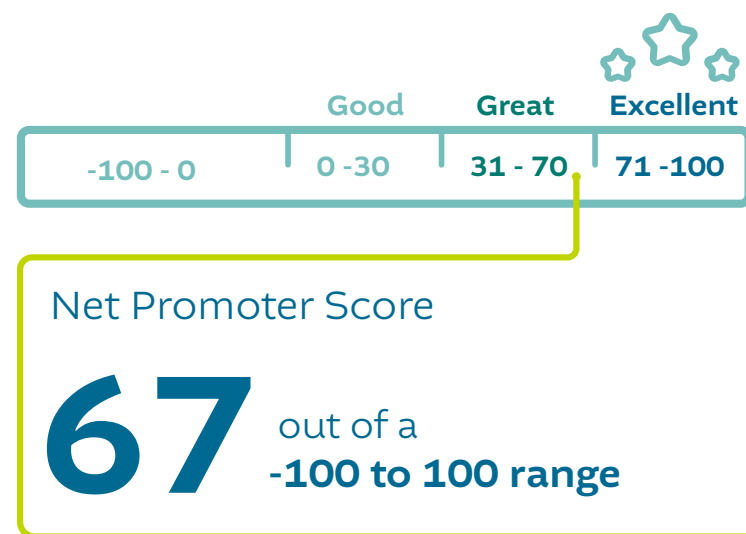
Members now have access to self-serve payment solutions for consumer loans within the convenience of our online and mobile banking applications. In 2020, we launched additional options for members to make loan payments for various forms of lines of credit and personal loans, such as auto, special education advance, supplemental housing, and more. Now, in addition to making a regular monthly payment, members can make a principal-only payment and pay their line of credit down to zero without closing the line. We hope these loan payment options will help provide members more control and convenience to manage their finances and maximize their use of lines of credit and loans. You can find these options in [Online and Mobile Banking](#); click the blue “Pay” button under the “Amount Due” to get started.

Survey Results

At IDB Global Federal Credit Union, one way we focus on you is through your feedback. In addition to telling us what we are doing well, member feedback helps us improve our products and services. In 2020, we conducted many surveys, and the results are as follows.

Each year, we conduct a Net Promoter Score® survey, or NPS®, which measures member satisfaction using a simple, but all-important question: “How likely are you to recommend IDB Global Federal Credit Union to a family member or colleague?”.

We are thrilled to announce that IDB Global Federal Credit Union’s NPS is 67, a score that is well above the industry average of 34 and means that our staff’s passion and efforts make a difference in our members’ lives.



Other equally important surveys measured member satisfaction with various services. Here are those results:

Call center satisfaction:



Online account opening experience:



Remote banking service satisfaction:



Wire transfer experience:



In addition to the above star ratings, 83% of respondents said our Credit Union had met their needs and expectations while operating fully remotely. We also learned that 33% of our members started using a tool or service that they were not using before our remote banking operations. The most cited tools were the Call Center, Online Banking, Mobile Banking, and Remote Deposit Capture.

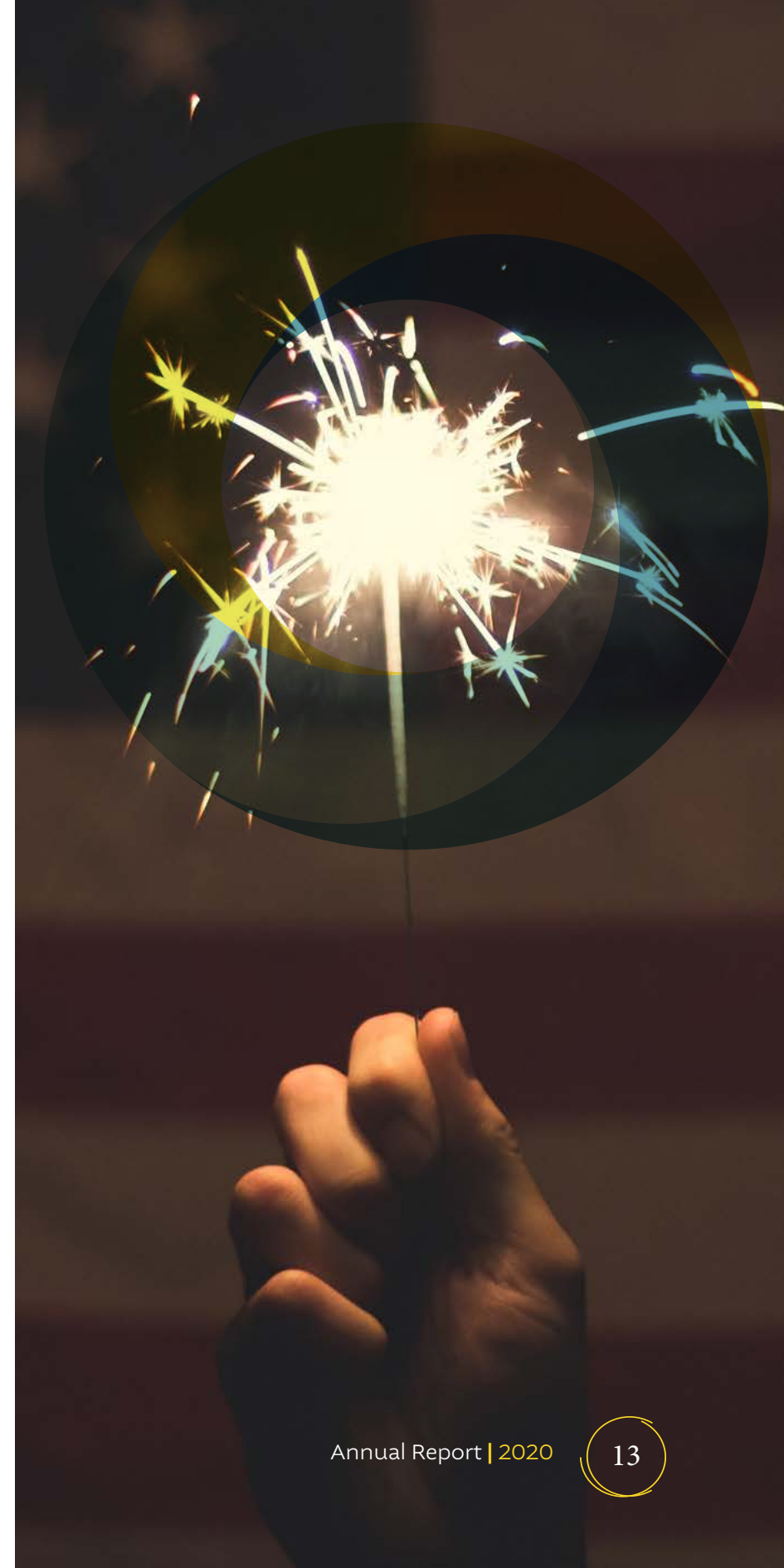
We encourage all members to take advantage of these convenient and secure tools. They are a great way to ensure that your banking is uninterrupted, especially during these times. We will continue to seek your feedback on a go forward basis, so thank you for engaging in our surveys.

International Credit Union Day

With close to 1,000 entries into the International Credit Union Day Sweepstakes, IDB Global Federal Credit Union celebrated the day by giving back to you. International Credit Union (ICU) Day® celebrates the spirit of the global credit union movement. The day is recognized to reflect upon the credit union movement’s history, promote its achievements, recognize hard work, and share member experiences.

The 2020 International Credit Union Day theme was, “Inspiring Hope for a Global Community,” which inspired us to launch a sweepstakes campaign to engage members for a chance to win one of three fantastic prizes. A 12-month term share certificate was opened for each at an impressive 3% Annual Percentage Yield. Our first-place winner received a share certificate for \$1,000, second place received \$750, and third place received \$500.

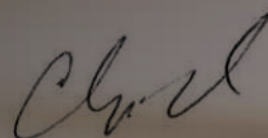
Thank you to everyone who participated, and congratulations again to our three lucky members.



Hope and Inspiration

Sixty years ago, our visionary founding members came together to establish a cooperative financial institution to promote savings and enable favorable borrowing arrangements for the IDB community with a convenient branch in the IDB building. The seeds of their hope and inspiration for our Credit Union have blossomed into a global financial institution serving members on six continents and 76 countries. And today – despite the challenges of 2020 – we carry on with our founders' mission to promote savings and offer favorable loans with the added convenience of secure technology so that we may fulfill our modern vision to be **Financial Partners Anytime, Anywhere!**

In conclusion, please know that we spend every day earning your trust, and we are grateful for your support and business. As we move forward into the hope and inspiration of 2021, we at IDB Global Federal Credit Union will maintain our focus on you.



William L. (Chip) Lusk, Jr.
Chief Executive Officer

Founding Members

Walter F. White
Jose D. Epstein
Rafael Suarez-Guzman
Felix S. Nieto
Rene Otero
Clarence M. Pierce
A. Llano
Carmen L. Torrey
Ivan Martinez
Eliza Kiehl





Net Worth Ratio
12.16%



10,661
Number of Members



1,573
New Accounts



25,283
Number of Share Accounts



Security

Only **0.01%** of debit card transactions reported potential fraudulent activity.



\$573M Total Shares

Data as of Dec. 31, 2020



Board of Directors Report

Chair
María Valeria Zemborain

Directors are volunteers elected by the members for a term of three years. The Board of Directors meets monthly to provide general direction and oversight of the Credit Union in accordance with the Federal Credit Union Act and the Rules and Regulations of the National Credit Union Administration.

María Valeria Zemborain
Chair

Sandra Darville
Secretary

Jorge Roldan
Vice-Chair

Francisco Rojo
Assistant Treasurer

Christian Gómez
Treasurer

Claudia de Colstoun
Assistant Secretary

Juan Manuel Fariña, Patricia Nalvarte, Monica Velasquez
Members

Credit Committee Report

“ *The Credit Committee would like to express its appreciation for the consistent support and thorough presentations it received from the Credit Union management and staff.* ”



The Credit Committee, appointed by the Board of Directors, meets at least monthly, following high confidentiality standards to review loan requests that exceed the lending authority of Credit Union management or are exceptions to Credit Committee guidelines. The financial capacity and credit history of each applicant are analyzed to assure that loan payments will not overburden the member's cash flow and that the best interests of both the member and the Credit Union will be served. The Committee offers alternative financing options to help members manage their financial needs. Appointed Committee members each serve two years. The Chief Lending Officer is a standing appointed member of the Committee.

Patricia Nalvarte
Chair

Guillermo Mulville
Vice-Chair

Marco Paredes
Secretary

Kelle Bevine, Adolfo Samaniego
Members

Yoel Alveo, Ruben Doboín,
Stephani Ferreyra
Alternates

During 2020, management approved **769 loans totaling \$130,630,297** under the lending limits established by the Committee and approved by the Board of Directors. In addition, the Credit Committee held **8 meetings**, analyzed **10 cases** and approved **9 loans totaling \$4,212,900**.



Total Number of Loans

778



Total Loan Dollar Amount Disbursed

\$134.8M





Experience a New Level of Digital Support

Enjoy the convenience of live communication tools that will transform your remote banking experience – the warm personalized service you know and love, is now only a click away.

Available on our website, Online Banking, Mortgage Center and application platforms during business hours (9am-5pm ET).



Voice Call



Live Chat



Video Chat



Co-Browsing



File Sharing

Visit www.idbglobalfcu.org/digitalsupport for details on these secure and convenient new tools!



Your Financial Security is Our Priority

Whether you are using your Debit Cards, logging into your accounts, or making contactless purchases with your smartphone - our products provide you a safe and convenient way to manage your finances, all while giving you total peace of mind.

Debit Cards Control

Control how, when and where your Debit Cards are used, from within mobile and online banking!

[MORE INFO](#)

Google Authenticator

Easy, fast multi-factor authentication for domestic and international members!

[MORE INFO](#)

Apple Pay, Google Pay, Samsung Pay

Your wallet at your fingertips!

[MORE INFO](#)

Fast. Convenient. Secure. Banking you can trust.





Remoting Banking

IDB GLOBAL FEDERAL CREDIT UNION
HAS YOU COVERED

IDB GLOBAL
FEDERAL CREDIT UNION



Manage your account anytime, anywhere

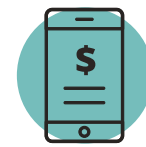
With just your computer or mobile device, the digital branch experience is at your fingertips. **Full access to your accounts with the real-time, personalized support you know and trust.**



Open an Account



Online Banking - Managing Your Finances 24/7



Mobile App - Banking "On the Go!"



Find an ATM - No More ATM Surcharge Fees!



Contact Us 24/7



Transfer Money - Easy, Simple, Convenient



Pay Bills Safely and Securely



Access Statements Electronically



Pay Bills with Your Mobile Device



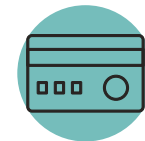
Manage Your Money



Checking Solutions



Apply for Loans

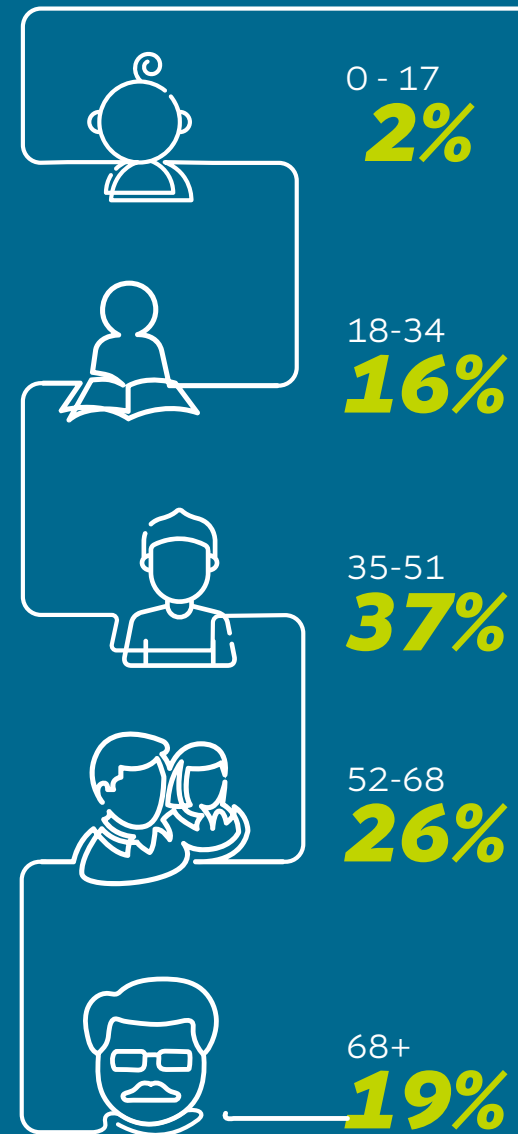


Access Your Visa® Credit Card

Learn more at idbglobalfcu.org/remotebanking

Membership Demographics

Age Group



Location

Resides in the U.S.: **67%**
Resides overseas: **33%**

Supervisory Committee

“ *The Supervisory Committee appreciates the trust and cooperation it has received this past year from the staff, Directors and members of the Credit Union.* ”



Chair
Ignacio Barragan

The Supervisory Committee, appointed by the Board of Directors, is responsible for overseeing the agreed-upon internal audit procedures and annual external audits, and for monitoring compliance with the regulatory requirements of the National Credit Union Administration (NCUA). This includes selecting auditors, verifying member accounts, reviewing internal controls, responding to member complaints, and recommending procedural improvements.

In 2020 the Committee:

- Provided a risk-based, ongoing review of compliance with Credit Union policies and procedures, which included the audits of internal controls, cybersecurity, and financial condition of the Credit Union.
- Engaged PBMares as internal auditors, to perform monitoring procedures including a review of new loans and new investments to ensure conformity with lending and investment policies, as well as monitoring the compliance of other policies including the Bank Secrecy Act and Anti-Money Laundering (BSA/AML) policies.
- Continued its engagement with Doeren Mayhew, Certified Public Accountants and Advisors to perform the annual audit of the financial statements of the Credit Union as of December 31, 2020.

Ignacio Barragan
Chair

Ken Foley
Vice-Chair

Gabriela Torrez
Secretary

Elizabeth Bedoya-Turner, Virginia Cudine,
Members



Financial Statements

Independent Auditor's Report

To the Supervisory Committee and Board of Directors IDB Global Federal Credit Union

Report to the Financial Statements

We have audited the accompanying financial statements of IDB Global Federal Credit Union, which comprise the statements of financial condition as of December 31, 2020, and the related statements of income, comprehensive income, members' equity, and cash flows for the year ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Doeren Mayhew
Miami, FL
April 26, 2021

Opinion

“ *In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IDB Global Federal Credit Union as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.* ”



We Get You from Application to Funding Quickly and Easily

Whether you're purchasing your first home or sprucing up your current space - **IDB Global Federal Credit Union is your financial partner anytime, anywhere.**

- 1. Highly Competitive Interest Rates
- 2. Wide Array of Mortgage Products
- 3. Financing for Primary Residences, Second Homes, Vacation Properties and Home Equity Lines of Credit
- 4. Step by Step Guidance for First Time Homebuyers

[MORE INFO](#)



YOU SPOKE, WE LISTENED!

Providing Members Nearly \$5 Million in Savings!

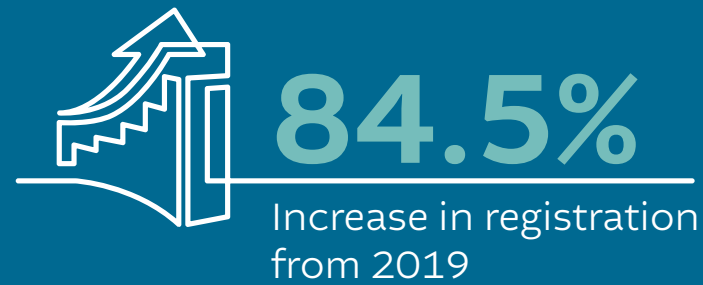
An important part of focusing on serving you with the best banking experience possible is listening to our members' needs and concerns. And in 2020, we did just that by responding to your feedback and eliminating or reducing fees, improving services, and introducing attractive money-saving options, such as:

- The limit for electronic transactions from a Savings Account imposed by Regulation D was waived. Electronic transactions that exceed the six (6) transaction limit in a calendar month are not automatically rejected or processed with a fee.
- The International Transaction Fee on your IDB Global Federal Credit Union Debit Card was eliminated.
- Wire transfer fees were reduced by 20%. Domestic wire transfers are only \$20 per wire and international wire transfers are only \$28 per wire.
- The International Transaction Fee and the Annual Fee on your IDB Global Federal Credit Union Credit Cards were eliminated.
- The \$1 ATM Credit Union surcharge fee on additional ATM transactions – after the 10 free transactions in a month – was eliminated.
- The limited time Prime Share Certificate with a highly competitive 1.71% to 1.97% APY and no penalty for early withdrawal was a huge success, with 465 accounts opened totaling \$42.1 million during the weeks it was offered.
- The ATM daily withdrawal limit was increased from \$500 to \$1,000.

We hope you take advantage of all these money-saving solutions. They represent some of the benefits of belonging to our Credit Union. **To find out more information, please visit our website.**



Resources



221

One-on-one Counseling Sessions Booked

Call Center



of Sessions booked by week:

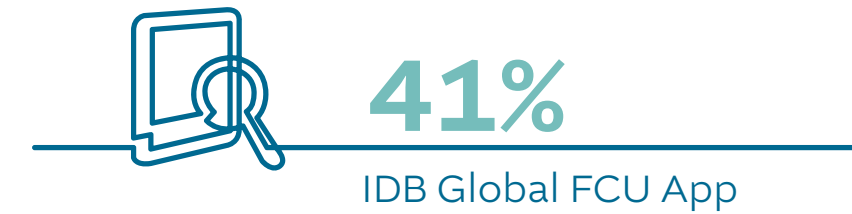
Real Estate Week:

92

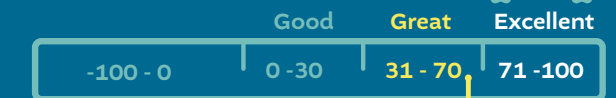
Investment Week:

129

Internet Banking Penetration Rates



Service Satisfaction Rating



* The average NPS in the banking industry is 34.





Senior Management & Volunteers

Executives

William L. (Chip) Lusk, Jr.
Chief Executive Officer

Andrea Argueta
Chief Operating Officer

Marco Paredes
Chief Lending Officer

Marianne Quinn
Chief Financial Officer

Katherine Lopez
Director of Compliance and Risk Management

Mark Schwartz
Director of Human Resources

Kia Ware
Director of Information Technology

Board of Directors

María Valeria Zemborain
Chair

Jorge Roldan
Vice-Chair

Christian Gómez
Treasurer

Sandra Darville
Secretary

Francisco Rojo
Assistant Treasurer

Claudia de Colstoun
Assistant Secretary

Juan Manuel Fariña
Patricia Nalvarte
Monica Velasquez
Members

Credit Committee

Patricia Nalvarte
Chair

Guillermo Mulville
Vice-Chair

Marco Paredes
Secretary

Kelle Bevine
Adolfo Samaniego
Members

Yoel Alveo
Ruben Doboín
Stephani Ferreyra
Alternates

Supervisory Committee

Ignacio Barragan
Chair

Ken Foley
Vice-Chair

Gabriela Torrez
Secretary

Elizabeth Bedoya-Turner
Virginia Cudine
Members

Nominating Committee

Claudia de Colstoun
Chair

Martin Guozden
Secretary

Lourdes Tellería
Gabriela Torrez
Mike Valianatos
Members

Executive Committee

María Valeria Zemborain
Chair

Juan Manuel Fariña
Former Chair

Jorge Roldan
Vice-Chair

Christian Gómez
Treasurer

Sandra Darville
Secretary

Investment Committee

Christian Gómez
Chair

Francisco Rojo
Vice-Chair

Ricardo Santiago
Monica Velasquez
William L. (Chip) Lusk, Jr.
Marco Paredes
Andrea Argueta
Marianne Quinn
Members

Human Resources Committee

Claudia de Colstoun
Chair

Mark Schwartz
Secretary

Sandra Darville
Juan Manuel Fariña
Jorge Roldan
Members



2020 Annual Report

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THANK YOU FOR 60 YEARS.

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myidbglobalfcu

Website

idbglobalfcu.org

IDB GLOBAL
FEDERAL CREDIT UNION

