

## Supervisory COMMITTEE REPORT



The Supervisory Committee is appointed by the Board of Directors to help guide the direction of the Credit Union. Our committee consists of three individuals who report to the membership on the financial soundness and integrity of their institution. Each year, the committee reviews the financial reports of the Credit Union, arranges for an independent accounting firm audit and conducts verification of members' accounts.

This year, the committee again authorized RKL, LLP to perform an audit of the Credit Union's financial statements, account records, policies and procedures. We are pleased to report that the affairs of the Credit Union during 2018 have been conducted in a most satisfactory manner and in accordance with all rules and regulations.

The committee further reports that records were maintained by following prescribed standards and accounting practices, and were found to be current, accurate and in balance at all times during the year. The examination

performed by the NCUA also supported these findings.

It is the judgment of the Supervisory Committee that your Credit Union continues to be financially sound, and is operated and managed in *your* best interest.

### LOAN REPORT

The credit union's loan policy is designed to help members obtain affordable loans and convenient repayment while insuring the security of our members' investments. In 2018, 3,223 loans were approved, totaling \$33,743,481.

### ACCOUNTS

Share Accounts, Checking, Club Accounts  
Youth Accounts, Business Accounts, Share  
Certificates, Money Market, IRAs

### LOANS

New & Used Auto, Green Loans, Recreational  
Vehicle Loans, Business Loans, First Mortgage  
Loans, Home Equity Loans & Lines of Credit,  
Share Secured Loans, Personal & Unsecured  
Loans, Student Loans, Visa® Platinum  
Credit Cards

### 24/7 AVAILABILITY

Access to your account is available 24/7 with our Xpress services:  
PCXpress, PhoneXpress, and mobile app!

## 2018 Employees as of 12/31/18

ALEX COLLINGS	ELENA DICIO
ALICE PENDER	ELIZABETH PETERS
AMBER RAAB	GAYLE MADSEN
ANDREW PISTORIA	IAN GWILLIM
APRIL RUTHERFORD	JADE MAURER
ASHLEY DIETRICH	JEN RICHARD
BECKY HAMPTON	JESSICA MOATS
BILL THOMPSON	KASEY STASO
CAROL ANN CAMPBELL	KATHY FERRANTI
CHRISTOPHER RETNER	KATHY SMALE
CODY PARKER	KITTY ROYER
COURTNEY SPAID	LAUREL ABREU
DONNAMARIE RIVENBARK	LAVERNE BOWEN
DORA MILLER	LORI HARRISON

J MICHAEL MOATS
MARYBETH PICCARRETA
MELISSA WEBER
MYRA FICK
PAM PARKE
PAM WOODRUFF
RENEE HAWKINS
ROB WHITE
STEPHANIE GONZALEZ
STEPHANIE HICKEY
STEPHANIE PACANOWSKI
SUSAN LLEWELLYN
TOMAS GARCIA

## Board of Directors as of 12/31/18

BETH ANN STRAUB.....	Board Chair
BOB MOHOLLEN.....	Vice-Chairman
DOTTIE MELCHIORRE.....	Treasurer
PETE PANFILE.....	Secretary
DR. THERESA BURNS.....	Director
DAVID MILLER.....	Director
TAMIE MALASON.....	Director

SCOTT RUCKMAN.....	Director
TAD DAVIDHEISER.....	Director

### SUPERVISORY COMMITTEE

CHRIS MOYER.....	Chair
TAMIE MALASON.....	Member
BENJAMIN CARTWRIGHT.....	Member



Annual Report  
2018

## President/CEO's ANNUAL REPORT MESSAGE



Tri County Area Federal Credit Union had a great year in 2018. We ended the year with assets of \$134 million and loans in excess of \$95 million. Assets grew at just under 6% while loans grew just over 7%. Our net worth ratio ended up at 7.66%, which is considered well capitalized by regulation.

We continue following the credit union philosophy of "People Helping People" by giving time and money to help out our local communities. This past year we helped out The Walking School Bus, Salvation Army Angel Tree Program, Meals on Wheels, Special Olympics, Operation Backpack, Tri County Active Adult Center, Vets for Vets, The Open Link, Habitat for Humanity, the Steel River Playhouse, Pottstown Cluster, Pottstown YMCA and the Upper Perkiomen Education Foundation.

In 2018, we stepped up our commitment to improving financial literacy to students and community members. We worked in cooperation with other credit unions to present Reality Fairs at four local high schools, Pottstown, Pottsgrove, Owen J. Roberts and Spring-Ford. We also were involved in presenting financial literacy classes at the Pottstown YMCA and Upper Perk YMCA. Pottsgrove High School started "Financuary" in 2018 and we were involved in financial workshops on credit/loans, security, fraud, budgeting and their first annual Shark Tank Event where young entrepreneurs pitched their business ideas to a group of "sharks". We also have online programs through Banzai and Everfi.

Thank you for voting us the #1 credit union in the area for the eleventh consecutive year. Thanks for your continued confidence in us. We appreciate it!

My thanks again go out to the board and staff for all their hard work and support in the past year! Thanks also to all our members! We appreciate your membership.

I look forward to another successful year in 2019 as we celebrate our 70th anniversary!

Sincerely,  
Andrew C. Pistoria  
President/CEO



## 2018 Financial Statement



### ASSETS

#### LOANS

Unsecured Loans	\$2,821,818
New Auto	\$3,785,406
Used Auto	\$26,448,480
First Mortgage	\$7,255,319
Home Equity	\$37,138,615
All Other	\$9,749,975
Credit Cards	\$7,860,754

**Total Loans** **\$95,060,367**

Allowance for Loan Losses \$(1,281,401)

**Net Loans** **\$93,778,966**

Receivables	\$633,542
Cash	\$1,527,245
Net Investments	\$33,130,695
Prepaid	\$445,862
Fixed Assets	\$3,041,648
Accrued Assets	\$268,098
Other Assets	\$1,352,357

**Total Assets** **\$134,178,413**

### LIABILITIES

Accounts Payable	\$54,889
Suspense/Clearing Accounts	\$95,821
Notes Payable	\$-
Taxes Payable	\$341
Accrued Expenses	\$342,617
Deferred Accounts	\$-
Other Liabilities	\$29,705

**Total Liabilities** **\$523,373**

### SHARES/DEPOSITS

Share	\$44,109,407
Share Drafts	\$27,983,938
Money Markets	\$24,165,418
IRA	\$3,373,165
Certificates	\$18,444,334
IRA Certificates	\$5,376,008

**Total Shares/Deposits** **\$123,452,270**

### EQUITY

Reserves and Undivided Earnings \$10,202,770

**TOTAL LIABILITIES & EQUITY** **\$134,178,413**

### INTEREST OPERATING INCOME

#### Interest on Loans

Unsecured Loans	\$273,157
New Auto	\$121,684
Used Auto	\$1,227,288
First Mortgage	\$320,221
Home Equity	\$1,582,759
All Other	\$659,533
Credit Cards	\$739,508

**Total Interest on Loans** **\$4,924,150**

Investment Income \$655,878

**Interest Operating Income** **\$5,580,028**

#### Dividends

Shares	\$23,055
Share Drafts	\$3,468
Money Markets	\$56,942
IRA	\$14,705
Certificates	\$215,364
IRA Certificates	\$74,469

**Total Dividends** **\$388,003**

Interest Borrowed on Money \$-

**Net Interest Margin Before PLL** **\$5,192,025**

Provision for Losses \$285,000

**Net Interest Margin After PLL** **\$4,907,025**

### NON-INTEREST OPERATING INCOME

Fee Income	\$1,185,747
Miscellaneous Operating Income	\$1,302,205

**Total Non-Interest Operating Income** **\$2,487,952**

### NON-INTEREST OPERATING EXPENSES

Employees Compensation & Benefits	\$2,662,633
Travel & Conference	\$12,750
Office Occupancy	\$334,542
Office Operations	\$1,155,659
Marketing	\$200,392
Loan Servicing	\$783,203
Professional & Outside Services	\$1,028,214
Member Insurance	\$-
Share Insurance	\$-
Fed. Supv./Exam.	\$32,148
Miscellaneous Operating Expenses	\$167,654

**Total Non-Interest Operating Expense** **\$6,377,195**

**Non-Interest Operating Margin** **\$(3,889,243)**

**Net Operating Margin** **\$1,017,782**

Total Non-Operating Income \$6,526

**Net Income/Loss** **\$1,024,308**