

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 2019 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 the best interest of its members.

Loan Report

The credit union's loan policy is designed to help members obtain affordable loans and convenient repayment while ensuring the security of our members' investments. In 2019, 2,853 loans were approved, totaling \$24,607,847.

Accounts

- Share Accounts
- Checking Accounts
- Club Accounts
- Youth Accounts
- Business Accounts
- Share Certificates
- Money Market Accounts
- Individual Retirement Accounts

Loans

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

24/7 Availability

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

2019 Employees

as of 12/31/19
Alex Collings
Alice Pender
Andrew Pistoria
Ashley Dietrich
Becky Hampton
Carol Ann Campbell
Christina El Amma
Cody Parker
Courtney Spaid
Derek Piechota
DonnaMarie Rivenbark
Dora Miller
Elena Dicio
Elizabeth Peters
Erin Smith
Gayle Madsen
Ian Gwillim
J. Michael Moats
Jade Maurer
Jamal Chambers
Jessica Moats
Karen Naylor
Kasey Staso
Kathy Ferranti
Kathy Smale
Kitty Royer
Laurel Abreu
Laverne Bowen
Lori Harrison
Mary Beth Piccarreta
Melissa Weber
Myra Fick
Pam Parke
Pam Woodruff
Rebeca Arias-Rojas
Renee Hawkins
Rob White
Stephanie Gonzalez
Stephanie Hickey
Stephanie Pacanowski
Susan Llewellyn

2019 Board of Directors

as of 12/31/19
Bob Mohollen, CPA, *Chairman*
Pete Panfile, *Vice Chairman*
Dottie Melchiorre, *Treasurer*
David Miller, Esquire, *Secretary*
Dr. Theresa Burns, *Director*
Tamie Malason, *Director*
Steve Ditlow, *Director*
Gary James, *Director*

Supervisory Committee

Benjamin Cartwright, *Chairman*
Tamie Malason, *Member*

2019

ANNUAL REPORT

 **Tri County Area**
FEDERAL CREDIT UNION
Your Community. Your Credit Union.



President/CEO's Message

Tri County Area Federal Credit Union had another outstanding year in 2019! We ended the year with assets of \$143 million and loans in excess of \$91 million. Assets grew at just over 7%. Our net worth ratio ended up at 8.00%, which is considered well capitalized by regulation.

During 2019, we celebrated our 70th anniversary. Back in July 1949, eight employees of the Firestone plant filed an organization certificate with the regulator. The organization certificate was approved on August 11, 1949, creating this credit union under its original name of Firestone #336 FCU. The credit union had two name changes, the first to Pottsgroves Community FCU in July 1981 and finally to Tri County Area FCU in July 1984.

Thank you for voting us the #1 credit union in the area for the 12th consecutive year; we appreciate it! Thanks for your continued confidence in us.

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.

This past year, we continued 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 High School, the Pottstown YMCA and Upper Perk YMCA. Pottsgrove High School started "Financuary" in 2018. We continue to participate in Financuary with financial presentations in the classroom and by judging in their Annual Shark Tank event. We also have online programs through Banzai and EverFi.

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.



Sincerely,
Andrew C. Pistoria
President/CEO

2019 FINANCIAL STATEMENT

ASSETS

Loans

Unsecured Loans	\$3,178,948
New Auto	\$3,244,572
Used Auto	\$25,598,966
First Mortgage	\$6,782,052
Home Equity	\$36,699,064
All Other	\$8,222,484
Credit Cards	\$7,926,073

Total Loans **\$91,652,159**

Allowance for Loan Losses \$(1,180,459)

Net Loans **\$90,471,700**

Receivables	\$739,395
Cash	\$1,674,419
Net Investments	\$45,753,600
Prepaid	\$430,647
Fixed Assets	\$2,893,893
Accrued Assets	\$276,332
Other Assets	\$1,711,415

Total Assets **\$143,951,401**

LIABILITIES

Accounts Payable	\$57,777
Suspense/Clearing Accounts	\$628,707
Notes Payable	\$ -
Taxes Payable	\$791
Accrued Expenses	\$362,923
Deferred Accounts	\$ -
Other Liabilities	\$42,448

Total Liabilities **\$1,092,646**

SHARES/DEPOSITS

Share	\$44,620,030
Share Drafts	\$28,662,897
Money Markets	\$27,156,398
IRAs	\$4,019,079
Certificates	\$21,367,971
IRA Certificates	\$5,532,521

Total Shares/Deposits **\$131,358,896**

EQUITY

Reserves and Undivided Earnings \$11,499,859

Total Liabilities and Equity **\$143,951,401**

INTEREST OPERATING INCOME

Interest on Loans

Unsecured Loans	\$324,751
New Auto	\$127,612
Used Auto	\$1,417,135
First Mortgage	\$286,007
Home Equity	\$1,685,929
All Other	\$547,705
Credit Cards	\$764,987

Total Interest on Loans **\$5,154,126**

Investment Income \$848,608

Interest Operating Income **\$6,002,734**

Dividends

Shares	\$22,525
Share Drafts	\$3,720
Money Markets	\$191,287
IRAs	\$14,429
Certificates	\$354,675
IRA Certificates	\$100,417

Total Dividends **\$687,053**

Interest on Borrowed Money \$ -

Net Interest Margin Before PLL **\$5,315,681**

Provision for Losses \$300,000

Net Interest Margin After PLL **\$5,015,681**

NON-INTEREST OPERATING INCOME

Fee Income	\$1,201,065
Miscellaneous Operating Income	\$1,381,904

Total Non-Interest Operating Income **\$2,582,969**

NON-INTEREST OPERATING EXPENSES

Employees Compensation & Benefits	\$2,730,263
Travel & Conference	\$17,346
Office Occupancy	\$333,868
Office Operations	\$1,214,675
Marketing	\$210,639
Loan Servicing	\$600,128
Professional & Outside Services	\$1,110,864
Member Insurance	\$ -
Share Insurance	\$ -
Fed. Supv./Exam.	\$35,498
Miscellaneous Operating Expenses	\$153,853

Total Non-Interest Operating Expense **\$6,407,134**

Non-Interest Operating Margin **\$(3,824,165)**

Net Operating Margin **\$1,191,516**

Total Non-Operating Income \$48,423

Net Income/Loss **\$1,239,939**