

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 2020 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 2020, 2,032 loans were approved, totaling \$22,999,240.

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!

2020 Employees

as of 12/31/20

Alex Collings
 Alice Pender
 Andrew Pistoria
 Ashley Dietrich
 Becky Hampton
 Christina El Amma
 Courtney Spaid
 Dana Raab
 Derek Piechota
 DonnaMarie Rivenbark
 Dora Miller
 Elena Dicio
 Elizabeth Peters
 Erin Smith
 Gayle Madsen
 Ian Gwillim
 J. Michael Moats
 Jade Maurer
 Jamal Chambers
 Janice Johnson
 Jessica Moats
 Juanita Bittenbender
 Karen Naylor
 Kasey Staso
 Kathy Ferranti
 Kitty Royer
 Laurel Abreu
 Laverne Bowen
 Marybeth Piccarreta
 Melissa Weber
 Myra Fick
 Pam Parke
 Pam Woodruff
 Rebeca Arias-Rojas
 Renee Hawkins
 Rob White
 Stephanie Gonzalez
 Stephanie Hickey
 Stephanie Pacanowski
 Susan Llewellyn

2020 Board of Directors

as of 12/31/20

Bob Mohollen, CPA, *Chairman*
 Pete Panfile, *Vice Chairman*
 Dottie Melchiorre, *Treasurer*
 David Miller, Esquire, *Secretary*
 Tamie Malason, *Director*
 Steve Ditlow, *Director*
 Gary James, *Director*
 Theresa Skokolowski, *Director*

Supervisory Committee

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



2020

ANNUAL REPORT



www.tcafcu.org | 610.326.3705

President/CEO's Message

As with most new years, 2020 began with much optimism and resolutions. However, that changed as the world became more familiar with the novel coronavirus, COVID-19. Interest rates plummeted, schools went virtual and non-essential businesses closed. At Tri County Area Federal Credit Union, our lobbies were closed to traffic for five months. We had to quickly pivot to find new ways to serve our members, and members had to learn new ways to get their financial needs met. Due to the lockdowns and general uncertainty, members had less opportunity to spend money, and thanks to several rounds of government stimulus payments, our assets soared to almost \$174 million, an increase of almost 21% over 2019. This phenomenal growth took its toll on our net worth, as it dropped to just over 7.00%, which is still 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 continued to help 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. We also made donations to Preston's Pantry and Philabundance to combat food insecurity that was exacerbated due to the pandemic.

Additionally, after 20-plus years with our current core processor, Ultradata, it was time for a change. During the past year, we formed a committee of credit union employees from various departments to find a new core processor for the credit union. We inquired into eight different companies and narrowed our decision down to a final three. We then studied and reviewed the final three vendors and made a decision to go with Fiserv's Portico product. Fiserv is the largest core data processor in regard to the number of clients and assets in the credit union movement. We will be converting to Fiserv in August 2022. We are excited about this change and believe you will be as well. Not only will our core system be changing, but our home banking and mobile products will be as well. I would like to take this opportunity to thank the committee for its time and effort in this incredibly important decision.

Thank you for voting us the #1 credit union in the area for the 14th consecutive year; we appreciate it! Thanks for your continued confidence in us.

My thanks again go out to the board and staff for all their hard work and support in the past year! A big thank you goes out to all our members, as well! We appreciate your membership. Stay safe and be well!



Sincerely,
Andrew C. Pistoria
President/CEO

2020 FINANCIAL STATEMENT

ASSETS

Loans	
Unsecured Loans	\$2,758,079
New Auto	\$2,613,103
Used Auto	\$21,608,901
First Mortgage	\$8,151,147
Home Equity	\$34,523,773
All Other	\$2,737,409
Credit Cards	\$6,819,540
Commercial Loans	\$4,416,460

Total Loans	\$83,628,412
Allowance for Loan Losses	\$(1,180,894)

Net Loans	\$82,447,519
Receivables	\$623,441
Cash	\$1,594,970
Net Investments	\$83,311,381
Prepaid	\$426,538
Fixed Assets	\$2,997,623
Accrued Assets	\$265,778
Other Assets	\$1,996,169

Total Assets	\$173,663,420
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LIABILITIES

Accounts Payable	\$32,764
Suspense/Clearing Accounts	\$294,437
Notes Payable	\$ -
Taxes Payable	\$1,546
Accrued Expenses	\$403,490
Deferred Accounts	\$ -
Other Liabilities	\$23,532

Total Liabilities	\$755,769
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SHARES/DEPOSITS

Shares	\$61,020,198
Share Drafts	\$40,459,828
Money Markets	\$30,232,809
IRAs	\$3,229,798
Certificates	\$20,003,736
IRA Certificates	\$5,709,542

Total Shares/Deposits	\$160,655,911
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EQUITY

Reserves & Undivided Earnings	\$12,251,740
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Total Liabilities & Equity	\$173,663,420
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INTEREST OPERATING INCOME

Interest on Loans

Unsecured Loans	\$328,100
New Auto	\$110,582
Used Auto	\$1,308,126
First Mortgage	\$285,932
Home Equity	\$1,550,425
All Other	\$188,867
Credit Cards	\$656,367
Commercial Loans	\$262,936

Total Interest on Loans	\$4,691,336
Investment Income	\$651,509

Interest Operating Income	\$5,342,845
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Dividends

Shares	\$26,755
Share Drafts	\$3,599
Money Markets	\$49,380
IRAs	\$10,453
Certificates	\$377,951
IRA Certificates	\$105,591

Total Dividends	\$573,729
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Interest on Borrowed Money	\$ -
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Net Interest Margin Before PLL	\$4,769,116
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Provision for Losses	\$300,000
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Net Interest Margin After PLL	\$4,469,116
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NON-INTEREST OPERATING INCOME

Fee Income	\$987,409
Miscellaneous Operating Income	\$1,344,806

Total Non-Interest Operating Income	\$2,332,215
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NON-INTEREST OPERATING EXPENSES

Employees, Compensation & Benefits	\$2,846,529
Travel & Conference	\$3,108
Office Occupancy	\$308,373
Office Operations	\$1,159,324
Marketing	\$211,296
Loan Servicing	\$587,195
Professional & Outside Services	\$961,936
Member Insurance	\$ -
Share Insurance	\$ -
Fed. Supv./Exam.	\$38,571
Miscellaneous Operating Expenses	\$103,862

Total Non-Interest Operating Expense	\$6,220,195
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Non-Interest Operating Margin	\$(3,887,980)
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Net Operating Margin	\$581,136
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Total Non-Operating Income	\$109,768
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Net Income/Loss	\$690,904
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