



FEDERAL CREDIT UNION

Your Community. Your Credit Union.



2021

ANNUAL REPORT

www.tcafcu.org | 610.326.3705

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 account 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 2021 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 judgement 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 2021, 2,050 loans were approved, totaling \$25,535,967.

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!

2021 EMPLOYEES

as of 12/31/21

Alice Pender
Andrew Pistoria
Anthony Romanello
Ashley Dietrich
Becky Hampton
Courtney Spaid
Dana Raab
Derek Piechota
DonnaMarie Rivenbark
Dora Miller
Elena Dicio
Elizabeth Peters
Erin Smith
Gayle Madsen
Ian Gwillim
J. Michael Moats
Janice Johnson
Jessica Moats
Juanita Bittenbender
Karen Naylor
Kasey Staso
Kathy Ferranti
Kitty Royer
Laurel Abreu
Laverne Bowen
Leila Kirlin
Malissa Shachter
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

2021 Board of Directors

as of 12/31/21

Bob Mohollen, *Chairman*
Pete Panfile, *Vice Chairman*
Dottie Melchiorre, *Treasurer*
Steve Dittlow, *Secretary*
Gary James, *Director*

Supervisory Committee

Ben Cartwright, *Chairman*
Gary James, *Member*
Joan Gehris, *Member*

President/CEO's Message

Tri County Area Federal Credit Union ended 2021 with assets of \$192 million, an increase of almost 11% over 2020. Prior to the pandemic, we had assets of \$147 million. Government stimulus and general uncertainty led to people keeping their money liquid and safe. The \$45 million of growth lowered our net worth from over 8.00% to 6.66%. This is considered adequately capitalized by regulation, the second highest standard possible. We continue to work to rebuild net worth and return to the highest standard of well capitalized. We experienced loan growth of greater than 4%, which is outstanding considering the tremendous number of refinances that occurred during the year due to historically low loan rates. Our net income for the year was more than twice our budgeted net income.

We continue following the credit union philosophy of "People Helping People" by giving time and money to help our local communities. This past year, we continued to help out The Open Link, Vets for Vets, TriCounty Active Adult Center, Operation 143, Community Meals, the Pottstown Cluster, the Pennsburg Lions Club, the Foundation for Boyertown Education, the Foundation for Pottstown Education, the Upper Perkiomen Education Foundation, CHOP, Red Hill Fire Company, the Upper Perkiomen Chamber of Commerce, the Lower Pottsgrove Police Association, The Amazing Raise for the YWCA, the Salvation Army Angel Tree program and Meals on Wheels. Our branches at the Pottstown and Pottsgrove high schools reopened in the fall. We awarded scholarships to three local high school students. The credit union also made food and monetary donations to Preston's Pantry and Philabundance to combat food insecurity in the region.

Our much-anticipated core conversion from Ultradata® to Fiserv Portico® was postponed until 2023. We will now be converting our system in April 2023. This will be an exciting time, and we'll see enhancements to all of our automated systems.

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



Sincerely,
Andrew C. Pistoria
President/CEO

FINANCIAL STATEMENT

2021

ASSETS

Loans

Unsecured Loans	\$ 2,982,142
New Auto	\$ 2,480,701
Used Auto	\$ 19,753,692
First Mortgage	\$ 10,655,396
Home Equity	\$ 35,553,011
All Other	\$ 2,648,859
Credit Cards	\$ 6,579,696
Commercial Loans	\$ 6,550,019

Total Loans **\$ 87,203,515**

Allowance for Loan Losses

\$ (1,258,567)

Net Loans **\$ 85,944,948**

Receivables	\$ 377,012
Cash	\$ 1,746,794
Net Investments	\$ 98,582,765
Prepaid	\$ 369,017
Fixed Assets	\$ 2,896,155
Accrued Assets	\$ 281,947
Other Assets	\$ 2,206,534

Total Assets **\$ 192,405,172**

LIABILITIES

Accounts Payable	\$ 67,810
Suspense/Clearing Accounts	\$ 190,923
Notes Payable	\$ -
Taxes Payable	\$ 181
Accrued Expenses	\$ 397,774
Deferred Accounts	\$ -
Other Liabilities	\$ 24,783

Total Liabilities **\$ 681,471**

SHARES/DEPOSITS

Share	\$ 73,023,118
Share Drafts	\$ 44,337,479
Money Markets	\$ 36,949,354
IRA	\$ 3,083,862
Certificates	\$ 16,153,718
IRA Certificates	\$ 5,470,848

Total Shares/Deposits **\$ 179,018,380**

EQUITY

Reserves & Undivided Earnings	\$ 12,705,421
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Total Liabilities and Equity **\$ 192,405,272**

INTEREST OPERATING INCOME

Interest on Loans

Unsecured Loans	\$ 290,852
New Auto	\$ 91,296
Used Auto	\$ 1,174,397
First Mortgage	\$ 342,194
Home Equity	\$ 1,438,822
All Other	\$ 161,519
Credit Cards	\$ 513,001
Commercial Loans	\$ 255,246

Total Interest on Loans **\$ 4,267,327**

Investment Income

\$ 401,659

Interest Operating Income **\$ 4,668,985**

DIVIDENDS

Shares	\$ 35,263
Share Drafts	\$ 4,332
Money Markets	\$ 36,828
IRA	\$ 4,009
Certificates	\$ 220,475
IRA Certificates	\$ 78,928

Total Dividends **\$ 379,835**

Interest on Borrowed Money

\$ -

Net Interest Margin Before PLL **\$ 4,289,151**

Provision for Losses

\$ 190,000

Net Interest Margin After PLL **\$ 4,099,151**

NON-INTEREST OPERATING INCOME

Fee Income	\$ 1,298,741
Miscellaneous Operating Income	\$ 1,474,485

Total Non-Interest Operating Income **\$ 2,773,225**

NON-INTEREST OPERATING EXPENSES

Employees, Compensation & Benefits	\$ 2,794,377
Travel & Conference	\$ 11,690
Office Occupancy	\$ 332,990
Office Operations	\$ 1,189,359
Marketing	\$ 276,212
Loan Servicing	\$ 734,135
Professional & Outside Services	\$ 1,043,325
Member Insurance	\$ -
Share Insurance	\$ -
Fed. Supv./Exam.	\$ 35,254
Miscellaneous Operating Expenses	\$ 105,174

Total Non-Interest Operating Expense **\$ 6,522,516**

Non-Interest Operating Margin **\$ (3,749,291)**

Net Operating Margin **\$ 349,860**

Total Non-Operating Income

\$ 266,590

Net Income/Loss **\$ 616,450**