

**P A R D A**

FEDERAL CREDIT UNION

ANYTIME ANYWHERE

## 2018 Annual Report



**BUILDING  
MOMENTUM**



## Letter from our President and CEO

*Kimberly Jones*

The momentum is building, and your credit union continues to grow. With the addition of new staff and executive leadership, our commitment to invest in the future remains our focus. In an ever-changing financial landscape, we continue to provide an engaging member experience through fresh ideas, innovation and technology.

### **EMPOWERING SUCCESS**

For over 80 years, we've operated under the philosophy of "People Helping People", empowering members to reach their financial goals. At every stage of life's journey – from early financial literacy to college scholarships, from auto and home loans through retirement – we are here to provide tools for each member to achieve financial success.

Our investment in ongoing employee education and enrichment opportunities has led to several professional certifications earned in 2018, which enhance our ability to offer smart, personalized financial solutions.

### **STRENGTH IN PARTNERSHIPS**

As your first resource for financial answers, we partner with experts to offer the best financial options for your specific needs. Whether you're looking at investment strategies, planning for retirement, laying the groundwork for college savings or getting out of debt, we have experts who can create a plan that best fits your current and future financial needs. Our lending services are strengthened by our partner relationships, providing many specialized lending products such as first mortgages, business loans and loan protection products. We have invited members to join us for meet-and-greets and hosted informative branch presentations to make it easy and

convenient to take advantage of the specialized services we provide.

### **COMMITMENT TO COMMUNITY**

We recognize and respect our role as a community leader, striving to support local events and charities throughout all our branch locations. We are committed to giving back to our communities and improving people's lives. In 2018, our community outreach efforts were supported by sponsorship, volunteerism and monetary donations.

### **GROWING LIFELONG RELATIONSHIPS**

In 2018, PARDA welcomed over 1,500 new members. A recent survey offered us invaluable feedback on the

reasons our members choose to conduct business with us.

Common themes which arose from the responses included excellence in service, convenience and long-term loyalty. Members mentioned the "personal experience," "pleasure of doing business" and "ability to meet my loan needs."

*We are focused on building lifelong relationships – serving and empowering financial success of each individual member.*

The true nature of PARDA Federal Credit Union is represented by the passionate and dedicated staff our members interact with every day. They are committed to developing the lifelong relationships that drive our success. Moving forward, our focus remains to provide members with the products, services and guidance for a lifetime of financial well-being.

On behalf of our Board of Directors, leadership and staff, I want to thank you for your membership and entrusting us with your business.

## BALANCE SHEET

ASSETS	2018	2017
Loans (Net of Allowance)	\$102,777,972	\$ 96,824,414
Cash and Cash Equivalents	9,535,555	7,681,744
Securities Available-for-Sale	40,897,193	50,049,324
Other Investments	17,020,200	16,202,200
Accrued Interest Receivable	477,719	500,642
Property and Equipment	2,107,621	2,174,742
National Credit Union Share Insurance Fund	1,530,506	1,507,748
Other Assets	1,562,234	1,766,515
<b>TOTAL ASSETS</b>	<b>\$175,909,000</b>	<b>\$176,707,329</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Members' Share Deposits	\$151,311,798	\$150,851,686
Accrued Expenses and Other Liabilities	541,346	1,099,578
Borrowed Funds	—	—
<b>TOTAL LIABILITIES AND DEPOSITS</b>	<b>151,853,144</b>	<b>151,951,264</b>
Retained Earnings, Substantially Restricted	25,437,806	25,084,408
Unrealized Gain (Loss) on Securities Available-for-Sale	(1,381,950)	(328,343)
<b>TOTAL MEMBERS' EQUITY</b>	<b>24,055,856</b>	<b>24,756,065</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$175,909,000</b>	<b>\$176,707,329</b>

## STATEMENT OF INCOME

INTEREST INCOME	2018	2017
Interest on Loans	\$5,018,707	\$5,048,410
Interest on Investments and Cash Equivalents	1,599,914	1,583,760
	6,618,621	6,632,170
<b>INTEREST EXPENSE</b>		
Dividends Expense	270,082	292,924
Interest on Borrowed Funds	10,051	—
	280,133	292,924
<b>NET INTEREST INCOME</b>	<b>6,338,488</b>	<b>6,339,246</b>
Provision for Loan Losses	1,183,400	1,029,100
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>5,155,088</b>	<b>5,310,146</b>
<b>NON-INTEREST INCOME</b>		
Service Charges and Other Fees	1,786,144	1,772,616
Other Non-Interest Income	1,269,122	1,072,949
Gain on Sale of Securities	141,546	26,910
	3,196,812	2,872,475
<b>NON-INTEREST EXPENSE</b>		
Salaries and Benefits	3,750,439	3,922,796
Operations	3,763,070	3,419,571
Occupancy	484,993	473,489
	7,998,502	7,815,856
<b>NET INCOME</b>	<b>\$353,398</b>	<b>\$366,765</b>

### Board of Directors

Jacquelyn Randall  
*Chair*

Donald Callihan  
*Vice Chair*

Sherry L. Gass  
*Treasurer*

David J. Sweet  
*Secretary*

Stephen Barrett  
*Director*

Michael Donley  
*Director*

Manny Hernandez  
*Director*

Robert Schelkun  
*Associate Director*

### Supervisory Committee

Kenneth Christie  
*Chair*

Lauren Giroux

Sherry L. Gass

### Executive Leadership

Kimberly Jones  
*President & CEO*

Jill Reinert  
*Executive Director of Human Resources*

Anthony Steffens  
*Chief Information Officer*

Timothy Gallagher  
*Vice President of Operations*

Robert Stier  
*Vice President of Finance*

## HIGHLIGHTS

	2018	2017	% CHANGE
Total Loans	\$104,392,577	\$98,385,826	6.11% ↑
Real Estate Loans	\$28,122,688	\$26,493,939	6.15% ↑
Total Deposits	\$151,311,798	\$150,851,686	0.31% ↑
Total Gross Income	\$9,673,887	\$9,477,735	2.07% ↑
Net Worth	\$25,437,806	\$25,084,408	1.41% ↑
Net Worth Ratio	14.46%	14.19%	1.90% ↑
Delinquency Ratio	0.81%	1.31%	-38.17% ↓
Total Members	16,243	16,391	-0.90% ↓
Online Banking Users	12,521	10,976	14.08% ↑
Checking Accounts	10,766	10,435	3.17% ↑

## COMMUNITY COMMITMENT

*PARDA and our employees give through financial contributions and volunteering to help people in the communities that our members call home.*

*In 2018, we had the opportunity to work with these important organizations:*

- Angel Tree
- Best Pals Animal Rescue Center
- Boy Scout Troop 224
- Bridgeport Rescue Mission
- Childrens Home and Aid
- Emerald City Rotary Foundation
- Gleaners
- Greenwood Pathway House
- Holland Rescue Mission
- Kids' Food Basket
- Lakeshore Habitat for Humanity
- Meals on Wheels
- Milford Professional Firefighters Toys for Tots
- National Multiple Sclerosis Society
- Piedmont Agency on Aging
- Red Cross
- Rotary Club of Greenwood
- Vietnam Veteran's Association of Southern CT

**PARDA**  
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**Member Solution Center**  
2601 Cambridge Court, Suite 210  
Auburn Hills, MI 48326  
1.800.860.5640



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Eastpointe, MI 48021  
586.773.9444

12345 Felch Street  
Holland, MI 49424  
616.994.6117

259 East 24th Street  
Holland, MI 49423  
616.392.6979

3650 Carpenter Rd.  
Ypsilanti, MI 48197  
734.973.7208

1835 Bypass 72 NE  
Greenwood, SC 29649  
864.223.6787

c/o Johnson & Johnson  
400 W. Lincoln Ave.  
Lititz, PA 17543  
717.405.3498

c/o Edgewell Inc.  
10 Leighton Road  
Milford, CT 06460  
203.882.2327

c/o Mondelez International  
5500 Forest Hills Road  
Loves Park, IL 61111  
815.580.3096

Federally insured  
by NCUA

