

PEPCO FEDERAL CREDIT UNION 2020 Annual Report

Annual Meeting Notice

The Annual Meeting of the Pepco Federal Credit Union will be held in a virtual format on October 26, 2021 at 11:00 a.m. in accordance with the NCUA Guidelines of March 2020. Additional information and sign on instructions will be sent out by email and posted on our website in October.

LETTER TO OUR MEMBERS

Dear Fellow Credit Union Members,

It has been said that change is often accompanied by opportunity. PFCU has undergone numerous changes throughout the years. And with them, our Credit Union's consistent sound financial condition has provided us the opportunities for increased services to our membership. As we implement these changes and provide additional services, it is our hope that our members will avail themselves the benefits of belonging to our Credit Union.

The loyalty of you, our members, and the loyalty and dedication of our PFCU Staff has contributed immensely to our successes.

We have met the challenges of the past and will continue to meet any upcoming challenges with the same enthusiasm.

It has been a privilege to serve as your Chairman, in 2020.

Brandon Bowles, Chairman of the Board of Directors & Kenneth E. Filipovich, President / CEO

BOARD OF DIRECTORS

Brandon Bowles
Chairman

Janet Randolph
Director

Patti Johnson
Secretary

Brian Buck
Treasurer

Donna Perry
Director

Stephen L. Sunderhauf
Vice Chairman

Richard Battista
Director

FINANCIAL COMMITTEE

Brian Buck
Janet Randolph
Patti Johnson
Richard Battista
Donna Perry

SUPERVISORY COMMITTEE

Brandon Bowles
Omar Abdallah
Renee Spence

CREDIT COMMITTEE

Michelle Robinson
Marc Robinson
Lawrence Wooten

CREDIT UNION STAFF

Kenneth E. Filipovich
President, CEO

Anthony Bailey
Vice President

Sergout Workue
Branch Office Supervisor

Samara Nealious
Benning Branch Office Supervisor

Sherri Grandy
Operations Officer

COMPARATIVE STATEMENTS OF FINANCIAL CONDITION December 31, 2019 & 2020

ASSETS	2019	2020
Loans to Members (less allowance account)	\$ 7,945,049	\$ 6,893,834
Cash and Cash Equivalents	1,075,813	1,722,229
Investments	27,116,237	30,127,565
Furniture & Equipment (less depreciation)	42,586	82,399
Other Assets	365,856	347,423
Total	\$ 36,545,541	\$ 39,173,450

LIABILITIES AND MEMBERS EQUITY

Shares on Deposit	\$ 32,933,136	\$ 35,728,586
Reserves	336,998	336,998
Undivided Earnings	3,097,130	2,964,717
Other Liabilities	178,277	143,149
Total	\$ 36,545,541	\$ 39,173,450

STATEMENT OF INCOME

Interest and Fees on Loans	\$ 799,983	\$ 753,002
Investment Income	517,122	321,112
Other Income	485,679	346,732
Gross Income	\$ 1,802,784	\$ 1,420,846

INTEREST EXPENSE

Interest Paid to Members	\$ 139,447	\$ 146,296
Interest on Notes Payable	Ø	Ø
Total Interest Expense	\$ 139,447	\$ 146,296

OPERATING EXPENSE

Employee Compensation	\$ 702,610	\$ 707,840
Provision for Loan Losses	234,000	182,182
Professional & Outside Services	59,029	53,094
General & Administrative Expense	515,651	463,847
Total Operating Expense	\$ 1,511,290	\$ 1,406,963

NET OPERATING INCOME (LOSS)	\$ 152,047	(\$ 132,413)
NET OPERATING GAIN (LOSS)	Ø	Ø
RECLASSIFICATION ADJUSTMENT FOR (LOSS)	Ø	Ø
NET INCOME (LOSS)	\$ 152,047	(\$ 132,413)