

Annual Report
2018

Mission & Vision Statement



Our Mission

To provide exceptional member service.

Our Vision

To be our community's first and foremost choice.

A message from our Board Chairwoman

Farewell



On March 29th President/CEO Robert W. Horner Jr. retired after 18 years at the helm of our Credit Union. Bob came to us at just the right time. He has guided us through many, and I mean many, NCUA exams. He propelled us from \$29M to a \$40M Credit Union and from a Net Worth rating of 5.57% to a well-capitalized rating of 8.05%. He has made sure that we are financially sound.

Bob travelled every day from State College to Williamsport. Just like the post office creed “neither snow nor rain nor heat nor gloom of night ...” You have to really love what you do to be that dedicated and Bob really loved being President/CEO of WBVFCU.

We say farewell to Bob and wish him a long, happy and healthy retirement with lots and lots of golfing, and we can’t forget all the time he will now have to put mulch down around his home. To Linda, his wife, we wish her well as she deals with Bob being underfoot!!

Welcome

As we say goodbye to Bob, we are pleased welcome Susan Powell to her new position of President/CEO. Susan has been with us as Director of Accounting since April 15, 2015. We look forward to more of the same fine work Susan brought to being the Director of Accounting to being President/CEO and leading your Credit Union into the future.

I would like to take this opportunity to thank the Board of Directors and the Supervisory Committee for their commitment and dedication to our Credit Union.

On behalf of the Board of Directors, I would like to express our sincere thanks and appreciation to President/CEO Robert W. Horner, Jr., the staff and employees. Our success is a tribute to their dedication to our Credit Union and to you our members.

Sincerely,

A handwritten signature in blue ink that reads "Mary L. Southward". The signature is fluid and cursive.

Mary L. Southward

Board Chairwoman

April 13, 2019



A message from our President/CEO

Dear fellow members of West Branch Valley Federal Credit Union,

I consider it a great honor that the Board of Directors has placed their trust in me to serve as your new President and CEO. My mission is to work with the Board of Directors, management and staff to ensure financial stability and provide our members with exceptional service.

The Chinese philosopher Confucius said “Study the past if you would define the future” so it is with this thought in mind that we review the Credit Union’s accomplishments during the 2018 year. Throughout 2018 the Credit Union had begun laying the foundation to grow for the future. We have completed some required building maintenance including a new roof, air conditioning and sidewalk improvements. Looking forward to 2019 we will continue to make improvements within the Credit Union including new flooring, blinds and other design updates.

Several advances in technology and improved security were achieved. We are proud of the launch of our new website that features single sign-on to our online banking and bill pay systems. In 2019 we will be launching our Mobile App! We began issuing chip Debit Cards in 2018 to offer better security for our members and that process will continue through 2019. There also were several “behind-the-scene” improvements in our security systems.

West Branch Valley FCU has made a commitment to practice the credit union philosophy of “People Helping People.” During 2018, we participated in the West Branch Susquehanna Builder’s Association Home Show and gave away prizes totaling \$1,000. We raised \$1,593 for our Adopt-A-Family through the Salvation Army and have been participating in the American Cancer Society’s Relay for Life for an amazing 25 years and raised \$900 this year. Our staff is also involved with many local churches and community nonprofits.

In closing, I would like to thank the Board of Directors and Committee Members who donate their time each month to represent you, our members. Your board has your best interest at heart as they provide oversight and guidance for the future. Also, I would like to thank our Management Team and Staff for their daily efforts to serve you, our members.

And finally, and most importantly, I thank you for your patronage and membership. When you see things, we are doing great (or not-so-great), please provide us feedback. Remember, you are an owner and a shareholder in West Branch Valley FCU, and we operate to serve your needs. Our best advertising comes from you. Your referrals of friends, co-workers, neighbors and relatives to West Branch Valley FCU is how we primarily grow. Please spread the word on the credit union difference.

Cordially,

Susan L. Powell, CPA
President/CEO

Financial Report: Statement of Financial Condition

	December 31,	
	2018	2017
<u>Assets</u>		
Cash and cash equivalents	\$ 1,941,282	\$ 1,805,825
Certificates of deposit	11,890,725	10,981,064
Investments available-for-sale	6,987,241	4,714,688
Loans to members	17,813,913	17,928,308
Accrued income receivable	156,597	142,345
Property and equipment	412,632	330,697
Other assets:		
Deposit - NCUSIF	334,890	339,364
Vizo Financial capital share deposit	189,143	189,143
Investment in CUSO	57,500	57,500
Other	85,640	132,601
TOTAL ASSETS	\$ 39,869,563	\$ 36,621,535
<u>Liabilities and Members' Equity</u>		
Liabilities:		
Members' shares	\$ 36,693,546	\$ 33,600,958
Accounts and withholdings payable	52,419	88,570
Accrued payroll and benefits	31,362	34,823
Accrued interest and dividends payable	1,702	1,136
TOTAL LIABILITIES	36,779,029	33,725,487
Members' Equity:		
Regular reserve	1,040,710	1,040,710
Retained earnings	2,170,540	1,908,918
Accumulated other comprehensive income/(expense)	(120,716)	(53,580)
TOTAL MEMBERS' EQUITY	3,090,534	2,896,048
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 39,869,563	\$ 36,621,535

Financial Report: Statement of Income

	December 31,	
	2018	2017
Interest Income:		
Members' loans	\$ 941,422	\$ 913,572
Investments	<u>383,902</u>	<u>302,708</u>
TOTAL INTEREST INCOME	<u>1,325,324</u>	<u>1,216,280</u>
Interest Expense:		
Members' dividends	71,558	57,533
Other interest expense	<u>-</u>	<u>695</u>
TOTAL INTEREST EXPENSE	<u>71,558</u>	<u>58,228</u>
Net Interest Income Before Provision for Loan Losses	1,253,766	1,158,052
Provision for Loan Losses	<u>42,000</u>	<u>55,000</u>
Net Interest Income After Provision for Loan Losses	<u>1,211,766</u>	<u>1,103,052</u>
Non-Interest Income:		
Fees and charges	220,350	232,558
Electronic card services	112,803	101,808
Miscellaneous	39,234	13,255
Gain/(Loss) on disposal of assets	0	0
Gain/(Loss) on investments	<u>(121)</u>	<u>688</u>
TOTAL NON-INTEREST INCOME	<u>372,266</u>	<u>348,309</u>
Non-Interest Expense:		
Employee compensation	627,643	605,389
Office operations	197,018	190,276
Employee benefits	188,442	168,204
Professional and outside service	110,216	114,425
Office occupancy	74,020	80,710
Loan servicing	42,570	42,365
Marketing and education	25,514	22,100
Electronic card services	15,645	13,403
Miscellaneous	11,101	3,395
NCUA operating fee	9,675	8,529
Association dues	8,482	8,142
Travel and conferences	8,285	6,195
Share draft losses	<u>3,799</u>	<u>4,743</u>
TOTAL NON-INTEREST EXPENSE	<u>1,322,410</u>	<u>1,267,876</u>
NET INCOME	<u>\$ 261,622</u>	<u>\$ 183,485</u>

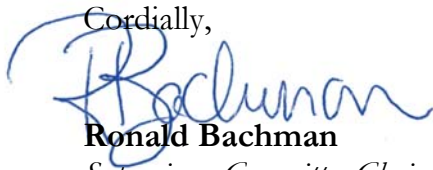
Supervisory Committee Report

We, the Supervisory Committee, engaged the services of RKL LLP formerly Padden, Guerrini, & Associates P.C. to audit the financial statements of West Branch Valley Federal Credit Union for the period ending December 31, 2018. The examination was a study and evaluation of the Credit Union's system of internal accounting control to the extent considered necessary to evaluate the system as required by generally accepted accounting standards.

In their observation, the Credit Union's financial statements are free of any material misstatement and represent an accurate statement of position.

We would like to thank the Credit Union staff and management for their cooperation, hard work and dedication during 2018.

Cordially,



Ronald Bachman

Supervisory Committee Chairman

Supervisory Committee Members



Ronald L. Bachman
*Supervisory
Committee Chairman*



Lori A. Miller
*Supervisory
Committee Member*



Jennie R. Melloy
*Supervisory
Committee Member*

Participating Employer Groups

We would like to thank the following employers for joining the credit union and providing a wonderful benefit to their employees.

Alexander Subaru
American Drug & Alcohol Diagnostics
Ardenlee Concrete
Products Company, Inc.
Bastian Tire & Auto Centers
Best Buy Store #1039
Cable Services Company, Inc.
Ceraln Corporation
Coastal (JW Aluminum)
Coldwell Banker – Kimble Realty
Dynamats Gymnastic Center
Echo Flooring
Equinox Ltd.
Faxon Cleaners
FD Muncy Corp. d.b.a. McDonald's
Fifth Avenue Tavern
First Church of Christ (Disciples)
First Quality Products
Flowback Wastewater Treatment
Development Group, Inc.
Gary's Garage
Grand Rental of Williamsport, Inc.
d.b.a. Grand Rental Station
R. G. Heller, Inc.
Hoeganaes Corp.
Home Instead Senior Care
HRI, Inc.
I.B.E.W. Local #812
J.C. Ehrlich Pest Control
K.C. Larson, Inc.
Kaufman Funeral Home, Inc.
Keller and Young, CPA
Lycoming Beverage Company
Lycoming College
MAS Printing
Mathers, Dincher and Stapp, P.C.

Micro One Computer Center, Inc.
Mr. Sticky
North Central PA Chapter
of the American Red Cross
North Central Dialysis Clinics, LLC
North Central Sight Services, Inc.
OHD Thermacore, Inc.
Pepsi Bottling Group
Perciballi & Williams LLC
Red Rock Job Corp.
Rick Horner Painting
Rolling Wheels
Saint Ann's School
Segraves Construction Company
Sentry Security & Detective Agency
Shane Scaping Landscaping
and Lawn Care
Smurfit Stone Container Corporation
Spencer Mechanical, Inc.
STEP, Inc.
Susquehanna Drifters Chapter #8
Susquehanna Health System
Sweet Ventures, Inc. d.b.a. Bruster's
Sycamore Manor Health Center
Thompson Custom Veneers, Inc.
Tebbs Brothers Landscaping
Textron Lycoming
VT Hackney Kidron Division
West End Food Bank
Wheels of Williamsport
Willard Battery Outlet
Williamsport Municipal Water &
Sanitary Authority
Williamsport Presbyterian Home
YMCA
YWCA

*WBVFCU membership is open to anyone who lives, works, regularly conducts business, worships, Volunteers or attends school in Lycoming County, Pennsylvania.
As well as businesses and other legal entities located here.*

Board of Directors



Mary L. Southward
Chairwoman



Ronald J. Hamm
First Vice Chairman



John F. Aderhold
Second Vice Chairman



John F. Bubb
Secretary/Treasurer



Larry J. Biacchi
Board Director



Ronald L. Bachman
Board Director



John C. Lauchle
Board Director

Management & Staff



Danna L. Houseknecht, Kendra M. Long, Diane M. Fleeger,
Tammy L. Harvey & Susan L. Powell, Darla M. Doebler.

Susan L. Powell, CPA
President/CEO

Diane M. Fleeger
Executive Vice President

Danna L. Houseknecht
Director of Accounting

Darla M. Doebler
MSR Supervisor

Kendra M. Long
Executive Secretary/Marketing

Tammy L. Harvey
Head Teller

Thomas W. Bixler
Staff Accountant

Sabrina M. Breen
*Member Service Officer/
IRA Specialist*

Corryn Confer
MSR

Shanean L. Edmonds
MSR

Carol A. Evans
Receptionist

Joanita C. Keller
MSR

Diane S. Pysher
Accounting Supervisor

Patty M. Raino
MSR

Lindsay E. Sauers
Accounting Clerk

Brian Connor Shobert
MSR

Adopt-A-Family Fundraising

Through various fundraisers including basket raffles, a paper ornament sale and generous donations from members our West Branch Valley Federal Credit Union Events Committee raised approximately \$1,540 for a local family.



Relay for Life Fundraising

Through various fundraisers including basket raffles, candy sales, Easter flower sales our West Branch Valley Federal Credit Union Relay for Life Committee raised approximately \$900 for this worthy cause.

This is the 25th year we have participated in this program.

West Branch Susquehanna Builder Association's Home Show

West Branch Valley Federal Credit Union participated in the West Branch Susquehanna Builder Association's 2018 Home Show.

This was our 14th year participating in this exciting event held at Lycoming College's Recreation Center.





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