

# Making the Right Moves!



## 2019 ANNUAL REPORT Membership Meeting

800-292-8139

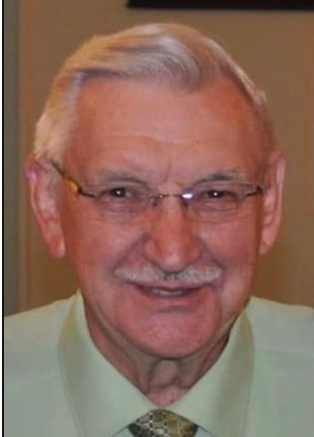
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# IN MEMORIAM

The Board of Directors and Staff of WEPCO Federal Credit Union would like to dedicate the 70th Annual Report to Donald Harvey:



**Donald Harvey, Board of Director  
1937-2019**

Don joined our board of directors in 2007 and served our members for twelve years. He had an energetic personality and a very loving heart. He was a joy to be around and spread laughter at any event with his "magic" tricks or silly jokes. He is greatly missed by not only the credit union but to all those who were touched by his life. His smile will forever be engraved in our hearts.



*We will miss you!*

## AT A GLANCE

WEPCO's Mission, Vision and Values support making the right moves when it comes to financial decisions, our members and our staff.

This year, we are celebrating 70 years of service! Thank you to all the members who have chosen us as their financial institution of choice!

### Making the Right Moves

Our theme in 2019 was to make the decisions that would best benefit you, our members, going forward.

By making the right moves, we ensure WEPCO continues to offer the products and services that you deserve. Our right moves become your winning moves!



### Mastercard



We switched the branding on our cards to Mastercard, introduced a new design, and added enhanced security with EMV chips. You can use card anywhere where Mastercard is accepted and have the ease of mind that your money is safe.

### Day of Civility

We participated in Allegany County's second annual Day of Civility on Thursday, April 11, 2019! Our LaVale office handed out free candy bars and refrigerator magnets to all members who stopped in. Thank you for visiting and helping to spread the message of civility!



## Scholarship Award



Our 29th Annual WEPCO Federal Credit Union Scholarship Award was awarded to **MaKenna Staggars**! MaKenna, the daughter of John and Kerri Staggars of Keyser, WV, is a 2019 graduate of Keyser High School. She attended Potomac State College in the fall, majoring in Speech and Language Pathology with a minor in Special Education.

## Retirements

Making a move to retirement were two individuals who contributed so much to WEPCO and its members. We thank them for all their years of service:



## Member Appreciation Day, April 24



Michelle Scrist-Myers  
\$25 hourly prize winner

## Kids Day, July 23

### Coloring Contest Winners:





# COMMUNITY OUTREACH

Part of our Mission is to **actively support the communities in which we serve**. We do more than just offering financial products or services; we give back through various volunteer and outreach efforts!



- ♥ Donated \$19,000
- ♥ Helped Mill Workers with Their Finances
- ♥ Prepared a Soldier Care Package
- ♥ Supported:
  - Relay for Life
  - Union Rescue Mission
  - Cumberland Tri-State Autism Walk



## LOOKING FORWARD IN 2020

We are offering a brand, new suite of Kasasa products just for you!

- Kasasa Cash is a checking account for members who want a high rate of return;
- Kasasa Cash Back is a checking account for members who want cash back on their debit card purchases;
- Kasasa Saver is an add-on savings account that can help you save more; and
- Kasasa Protect is an add-on product that provides identity theft, fraud protection, and breach resolution services.

We are introducing a new look to our website! It is easier to navigate and find the information you are looking for, and you can login to PAL Plus Online Account Access directly from the homepage. It will also have the same look on your mobile phone.

Other changes we are working on include:

- Adding debit cards to Apple Pay, Samsung Pay and Google Pay for your convenience
- Adding new product offerings for financing your next home

We will be holding our 30th Annual Scholarship Contest, our Member Appreciation Day on Friday, April 24th, and our Kids Day on Tuesday, July 21st. Make sure to mark the dates and celebrate with us!

We always strive to provide you the exemplary service necessary to be your financial institution of choice. That is why we have been here for 70 years, and we humbly thank you all for your continued support!



# TREASURER'S REPORT

## STATEMENTS OF FINANCIAL CONDITION

### ASSETS

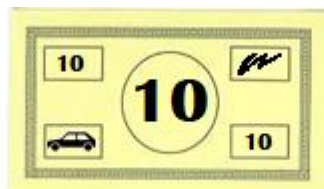
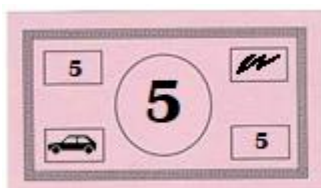
	Dec. 31, 2019	Dec. 31, 2018
Total Loans	\$ 185,568,670	\$ 179,172,902
Less Allowance for Loan Losses	\$ (1,640,903)	\$ (1,670,385)
Cash on Hand	\$ 9,472,469	\$ 9,430,729
Federal Agency Securities	\$ 4,686,364	\$ 6,166,322
Fed Discount Window Investment	\$ 1,000,000	\$ 1,000,000
Mid-Atlantic Corporate FCU	\$ 12,091,454	\$ 8,176,477
Alloya Corporate FCU	\$ 4,268,639	\$ 4,209,026
Mid-Atlantic Corporate FCU Capital Shares/CD	\$ 250,000	\$ 250,000
Corporate One FCU	\$ 23,935,200	\$ 8,244,202
Dain Rauscher Certificate of Deposit	\$ 248,000	\$ 248,000
Land & Building (Net)	\$ 4,708,240	\$ 4,806,906
Other Fixed Assets (Net)	\$ 176,086	\$ 235,124
Accrued Loan Interest	\$ 471,367	\$ 459,586
Accrued Investment Income	\$ 15,608	\$ 18,829
Accounts Receivable	\$ 29,354	\$ 57,462
Prepaid & Deferred Expenses	\$ 311,354	\$ 341,116
Assets Acquired in Liquidation of Loans	\$ 156,118	\$ 105,355
Loan Origination Costs	\$ 13,064	\$ 0
NCUSIF Deposit	\$ 1,973,549	\$ 1,968,701
<b>TOTAL ASSETS</b>	<b>\$ 247,734,634</b>	<b>\$ 223,220,332</b>

### LIABILITIES

Accounts Payable	\$ 486,747	\$ 413,907
Clearing Accounts	\$ (45,325)	\$ 644
Dividends Payable	\$ 424,613	\$ 254,610
Other Liabilities	\$ 539,148	\$ 213,392

### EQUITY

Member's Accounts	\$ 219,522,303	\$ 198,007,745
Regular Reserves	\$ 3,545,824	\$ 3,545,824
Undivided Earnings	\$ 23,333,564	\$ 20,664,426
Unrealized Gain/Loss	\$ (25,599)	\$ (189,249)
Unfunded Managers Pension	\$ (471,389)	\$ (151,338)
Net Income	\$ 424,747	\$ 460,371
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 247,734,634</b>	<b>\$ 223,220,332</b>





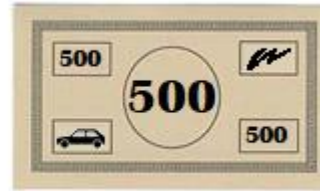
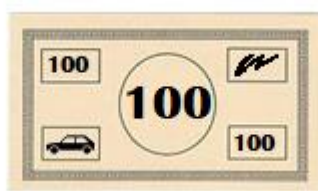
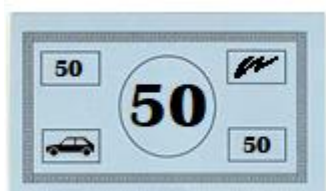
# TREASURER'S REPORT (CONTINUED)

## STATEMENT OF INCOME

<b>INCOME</b>	<b>Dec. 31, 2019</b>	<b>Dec. 31, 2018</b>
Loan Interest Income	\$ 8,834,984	\$ 8,184,415
Investment Income	\$ 654,605	\$ 534,856
Non-Operating Gain/Loss	\$ 4,756	\$ (248,295)
Other Income	\$ 2,499,565	\$ 3,159,304
<b>TOTAL INCOME</b>	<b>\$ 11,993,910</b>	<b>\$ 11,630,280</b>
<b>EXPENSES</b>		
Operating Expenses	\$ 7,492,123	\$ 7,828,963
Executive Compensation	\$ 311,292	\$ 292,041
Dividend Expense	\$ 1,556,982	\$ 1,144,894
<b>TOTAL EXPENSES</b>	<b>\$ 9,360,397</b>	<b>\$ 9,265,898</b>
<b>NET INCOME</b>	<b>\$ 2,633,513</b>	<b>\$ 2,364,382</b>

## PAST 10 YEARS GROWTH

	<b>ASSETS</b>	<b>MEMBERS</b>	<b>SHARES</b>	<b>LOANS</b>
<b>2009</b>	\$ 154,920,564	23,076	\$ 137,531,866	\$ 101,335,598
<b>2010</b>	\$ 178,819,361	24,187	\$ 161,923,164	\$ 117,077,385
<b>2011</b>	\$ 193,628,431	24,778	\$ 175,852,779	\$ 112,507,888
<b>2012</b>	\$ 201,360,187	25,166	\$ 182,616,313	\$ 105,248,922
<b>2013</b>	\$ 197,623,158	25,538	\$ 178,685,053	\$ 109,066,283
<b>2014</b>	\$ 196,843,813	28,182	\$ 176,362,007	\$ 121,938,973
<b>2015</b>	\$ 202,421,390	28,134	\$ 181,448,892	\$ 136,854,297
<b>2016</b>	\$ 205,977,799	29,418	\$ 184,178,192	\$ 149,380,912
<b>2017</b>	\$ 214,029,645	30,822	\$ 191,098,092	\$ 168,199,221
<b>2018</b>	\$ 223,220,332	31,807	\$ 198,007,745	\$ 179,172,902
<b>2019</b>	\$ 247,734,633	32,798	\$ 219,522,303	\$ 185,568,670





## PRESIDENT'S REPORT

As we head into our 70th year of dedicated service to the members of WEPCO Federal Credit Union, I want to give my sincere thanks for your loyalty, trust, and support. The board of directors, management and staff work hard every day to give you the products and exemplary service you deserve, and 2019 was no different.



Early in 2019, the community was hit with the news that the Verso Corporation closed the Luke Mill. Everyone at WEPCO, from the board of directors down, made the Verso employees their top priority. We offered them financial advice and assisted them with their accounts at WEPCO. To show our support, we joined in several community events held for the Verso employees.

Despite this devastating news, your credit union finished 2019 very strong. We made over \$83 million in loans, beating our forecasts by more than 9%. We protected more than 55% of your loan dollars with our Debt Shield products, providing life, disability or involuntary unemployment coverage.

We also introduced new deposit products and services for you. We converted our debit cards to Mastercard in 2019, enhanced their security with the EMV chip, and allowed you to set your own PIN. Later on, we offered limited-time share certificates in October, and both new and current members were quick to add them.

Your credit union ended 2019 well-capitalized at 11% and a loan-to-share ratio of 85%. The board of directors and management are dedicated to moving your credit union forward into the future, while fulfilling the promises of our Mission Statement: "We will seize opportunities to grow the credit union in a prudent manner for the benefit of all we serve."

Once again, thank you for your continued loyalty and support in WEPCO. I am excited to celebrate our 70th year with you, and I look forward to another great year in 2020. "Everything we do, we do for you!"

*Becky McKenzie*

President

## CHAIRMAN'S REPORT

Last year, our community persevered. We were all devastated when Verso Corporation closed the Luke Mill permanently. Not only did it end the jobs for over 675 people, but it impacted many communities and businesses in the region. Despite this terrible news, many Luke Mill workers have found new jobs, retired or returned to school, and WEPCO was ready to help them in any way possible.

Your credit union also continued providing exemplary member service. WEPCO had another great year in loan production and converted its debit cards from Visa to MasterCard, which included a new security chip to combat fraud. WEPCO already started this year in excitement by offering a new line of Kasasa accounts, which provide the benefits of reward checking to you!

In closing, I want to assure you that your credit union is safe, strong and growing. President Becky McKenzie and her staff have performed well above my expectations, and I know we have the best team in place to make WEPCO the best credit union in the area. Thank you for choosing us as your credit union!

Thank You and God Bless,

*Mark Alexander*

Chairman of the Board



*For 70 Years*  
**Everything We Do, We Do For You!**

## SECRETARY'S REPORT

WEPCO Federal Credit Union held its 69th Annual Membership Meeting, Friday, March 1, 2019, 6:00 PM at the Bloomington Fire Hall in Bloomington, Maryland. The theme for 2019 was "Making the Right Money Moves."



The evening began with Mark Alexander, Board Chairman, welcoming members to the Annual Meeting Social! Tonya Smiley, Human Resource Officer, gave the invocation. Light refreshments were available to everyone present. Employees, Directors, and members spent time socializing.

Mark then came forward and introduced the management staff present: Becky McKenzie, President; Michelle McElwain, Senior Vice President; Bobby Alkire, Chief Financial Officer; Terry Apple, Compliance Officer; Tonya Smiley, Human Resource Officer; Marcie Lyons, Deposit Operations Specialist, Ashley DiUbaldo,

Keyser Branch Manager, and Brandy Roderick, LaVale Branch Manager. Staff present was Sue Fazenbaker, Oakland Mortgage Specialist. Guest present was Jeff Conner of Fike, Conner and Associates. Finally, he introduced the Board of Directors: Mark Alexander, Walt May, Diana Dayton, Cheryl Smith, Barry Lancaster, Mark Bittinger, Cody Morton, and Dave Robertson; He asked for a moment of silence to remember Susan Marple, MSR/Loan Officer, who passed away in 2018.

Mark then conducted the business meeting. He asked Jeff Conner to come forward. Jeff stated, "WEPCO had its best year to date in 2018! WEPCO is a great credit union driven by an enthusiastic staff! Unlike some of their competitors, they are offering the services that younger people want to help grow WEPCO in the right direction." Motions to accept the 2018 Annual Report as written were given by Walt May and Melinda Youngblood. Tom Clayton and Tom Brinegar made the motion to close the meeting.



Mark then asked Tonya to come forward and present service awards:

- Carol Duncan, Loan Officer for 25 years
- Kristy Ashby, Loan Officer for 20 years
- Rachel Ford, MSR for 15 years
- Kishia Shoemaker, MSLO for 15 years

Tonya asked for Diane Dayton and Jennifer Gift to help with the door prizes. Jennifer pulled all the door prize tickets, including the grand prize. The winners were:

- *Grand Prize \$250 VISA Gift Card:* Dave Shrout
- *\$100 Gift Cards:* Judy Thomas and Tom Clayton
- *\$25 Gift Cards:* Jonathon Dayton, Addy Dayton and Edith Clayton.

The meeting ended at 7:15 PM with Tonya Smiley giving the benediction.

Respectfully Submitted,

*Diana Dayton*

Secretary

