

2018 ANNUAL REPORT



TCT'S WITH ME



NEW IN 2018

Mobile deposit was added to our Mobile Banking App, allowing you to deposit checks from anywhere.



Free access to financial counseling through our partner GreenPath was added as a Membership Perk.



Our new website was launched, providing you with a better experience, more ways to communicate with us, and find information.



We added a new Visa Credit Card app, giving you the ability to set fraud alerts and make same-day payments.



We hosted our first Shred Events, giving you an opportunity to securely shred documents and help protect yourself from identity theft.



AND ON THE WAY

Soon we will be introducing instant-issue debit cards, 24/7 debit card support, and look for us on Facebook too!

SUPERVISORY COMMITTEE'S REPORT

We are volunteers appointed by the Board of Directors and we oversee the independent audit process of our credit union. Our purpose is to ensure that our staff and systems follow appropriate guidelines that are designed to serve your needs and protect our credit union's assets.

To accomplish our purpose, we personally perform audits on processes, we review multiple audits of our credit union's operations by Wojeski & Company CPAs, PC, and our internal quality control. We meet five to six times a year to review our findings and the findings reported to us by Wojeski and quality control with our Chief Executive Officer, Curt Cecala and members of his management team. We also meet with Wojeski & Company separate from management and we meet separately with our federal regulator, the National Credit Union Administration. Our audits go well beyond the minimum requirements set forth by the National Credit Union Administration (NCUA).

We are pleased to report that our findings from this process indicate that the staff is performing their jobs reasonably in accordance with the policies set forth by our Board and procedures administered by management. We are satisfied with management's responses to audit findings noted throughout the year.

We appreciate those members who took the time to write us about their accounts and experiences. We welcome your questions and comments; please write us at; Supervisory Committee PO Box 110, Schuylerville NY, 12871

We will gladly respond within 10 business days of receiving your letter.

Respectfully submitted,

2018 Supervisory Committee



Diane Jilek
Chairperson



Thomas Havens



Carl Flint



Caroline Goss



Mary Laedlein
Associate
Member

PRESIDENT'S REPORT

As President of the Board of Directors, I am proud to report that 2018 was another successful year for your credit union. We have maintained growth in members, assets, and earnings and we have added exciting new products and services for your benefit.

We recognize that the individuals in our communities and beyond have many options when it comes to where to invest their money and where to invest their trust, and it is an honor to know that you have recognized the outstanding service that TCT has offered for the last six decades. Thank you, our members and communities, for coming together to build this credit union around people helping people. Your continuous belief in the power of partnership, service, and generosity has supported us through these years.

I would like to thank and commend my fellow volunteer board members and supervisory committee members for their time, passion, and dedication to the credit union. And of course, I'd like to thank our caring and committed employees, who have truly brought the credit union to new heights. Our priority is to continue to earn your loyalty and trust, ensure your assets are secure, and provide you with superior service and competitive rates. So, on behalf of everyone who serves you, I'd like to thank you for choosing TCT Federal Credit Union.

With Warmest Regards,



**Peter A.
Trombley**

President,
TCT Board of
Directors

2018 TEACHERS OF THE WEEK



Mrs. Jennifer Wagner,
Kindergarten Teacher at the
Cambridge Central Schools



Mr. Josh Gifford, Special
Education Teacher at North
Warren Central School



Mrs. Heather Gadway,
Kindergarten Teacher at the
Mary J. Tanner Elementary
School in Granville



Mrs. Rachael Osinski,
1st grade Teacher at the
Wood Road Elementary
School in Ballston Spa



Mr. Patrick Murphy, 6th grade
Science & Math Teacher at the
Glens Falls Middle School



Ms. Sarah Cuddihy, Middle
School Math Teacher at
Cambridge Central School



Mrs. Kelly Smith, 6th-
grade Teacher at the Oliver
W. Winch Middle School
in South Glens Falls



Mrs. Melinda Mellon,
Business Teacher at
Shenendehowa High School



Mr. David Morse, Health
and Physical Education
Teacher, and Coach at Fort
Ann Central School

TCT and Adirondack Broadcasting sponsors the Teacher of the Week Program, honoring educators and school staff every week of the school year for their extraordinary efforts. View more Teachers of the Week and nominate a special school employee by visiting our website; tctfcu.org/totw

2019 ELECTION NANNETTE HARTZ

THERE WILL BE ONE NOMINATION FOR A 3-YEAR TERM.

The Nominating Committee has nominated incumbent Nannette Hartz for reelection on TCT's Board of Directors. Nannette's seat is a 3-year term. She is a Hoosier, hailing from Washington, Indiana who relocated to the area in 1980 with her husband and daughter to be closer to her husband's family. Having taught Math and English for 36 years, Nannette feels very fortunate to have had a career that never seemed like "work". Her mother-in-law was one of the

founders of Turbine Federal Credit Union (Sunmark), so she has been aware of the many benefits of credit unions for many years. She has been a member of TCT since 1981. Nannette is very family oriented, enjoys several hobbies, outdoor activities, and sports. Nannette is looking forward to continuing to serve on the board at TCT and to help our credit union continue to grow and serve its members.



Peter Trombley
President



Lorraine Arney
Vice President



Frank Basile
Treasurer

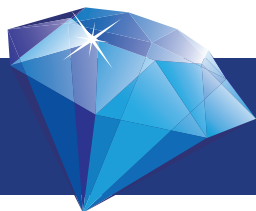


Linda Harrington
Secretary



Nannette Hartz
Director

VOLUNTEER OF DISTINCTION RUPERT JENNINGS, JR.



Pictured L-R: Curt Cecala, TCT CEO, Longtime TCT Volunteer, Rupert Jennings, Jr., and Diane Jilek, TCT Supervisory Committee Chairperson.

Every credit union is built from good people who guided the credit union in its early years when there was little room for error. For TCT, Rupert Jennings Jr. is one of those individuals.

— Curt Cecala, TCT CEO

Longtime TCT Volunteer, Rupert Jennings Jr. was presented with a plaque in honor of his many years of leadership, commitment and dedication to the Credit Union. From 1982–1997, Jennings held numerous designations including

President and Vice President of the Board of Directors, Chairperson of the Supervisory Committee, and Co-chair of the Building Committee for the Cambridge branch, with then-CEO, Donald Allard.

TCT HALL OF FAME

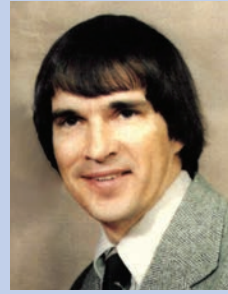
TCT has recognized the following volunteers and staff members through the years. You can find their plaques inside our branches as our way of honoring them for their extraordinary dedication and service to TCT.



Donald Allard
CEO for 8 years,
Director for 5 years



Elizabeth Salsbury
First Treasurer,
Director for 22 years



Thomas Narkiewicz
Treasurer,
Director for 10 years



Henry Giles
Director for 22 years



Martha Driscoll
Director for 23 years



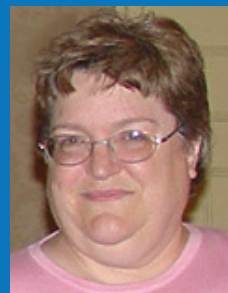
Paul Hutzky
Director for 29 years



Thomas Havens
Supervisory Committee
Member for 29 years



Daniel Boone
Supervisory Committee
Member for 20 years



Diane Jilek
Director for 7 years, Supervisory
Committee Member for 27 years,
Present Supervisory Chairperson

CREDIT COMMITTEE 1959–1983

In TCT's early years, it was our Credit Committee who was responsible for reviewing member loan applications.

Mary Renaud 1959-1962

Maybelle McNulty 1959-1962

Glen Maynard 1959-1962

Martin Munson 1963-1970

Rachel Meyers 1963-1970

John Ryan 1963-1970

Mr. Waymeyer 1965-1966

Alvon Macauley 1971-1973

Kenneth Wilbur 1971-1972

Joe Crank 1971-1974

Donald Record 1971-1973

Molly Oakley 1974-1983

Allen Bailey 1975-1980

Albert Brigham 1974-1981

Catherine Crank 1980-1983

Robert Odess 1981-1983

Grace McLenithan 1983

Tri-County Teachers Federal Credit Union was founded on March 19, 1959 with 67 members — all school employees or board of education members in Warren, Washington, and Saratoga Counties. To join TCT, a share of membership was only \$0.25. In the 1980's, our name was officially changed to TCT Federal Credit Union.

The back porch of Thomas Narkiewicz's home on South Union Street in Cambridge (pictured right) was our first office, in 1975.



VOLUNTEERS THROUGH THE YEARS

Our Supervisory Committee and Board Members volunteer their time to help secure our Credit Union's future. They guide our decisions and stay focused on our mission. With gratitude, we recognize each person who has served on a committee at TCT over the past 60 years. ** Currently Serving

SUPERVISORY COMMITTEE MEMBERS

Veronica Stewart 1959-1961
G. Thompson Walton 1959-1960
Waldemar Roewer 1959-1960
Thompson Walton 1960-1961
Joseph Sorrentino 1960-1963
Robert Fleig 1961-1966
George Bragle 1961-1963
Dave Testa 1963-1964
John LaBombard 1966-1968
Bernard Stinner 1970-1971
Thomas Narkiewicz 1970-1971
Allen Bailey 1970-1971/1992-1994
June Lourie 1972-1982
Herbert Fountain 1972-1973
Elsie Rogers 1972-1976
Michael Emond 1973-1976
E. Richard Worthington 1975-1981
Mary Sinnamon 1975-1984
Donald Fletcher 1977-1984
John Montgomery 1977-1978
Joyce Fletcher 1977-1984
A. Richard Turi 1984-1991
Josephine Thornton 1984-1991

Kenneth Lacasse 1984-1990
Robert Lang 1984-1990
Thomas Havens 1990-Present **
Rupert Jennings 1991-1997
Diane Jilek 1992-Present **
Richard Behrens 1997-1999
Daniel Boone 1998-2018
Alvon Macauley 1998-2007
William Waite 1999-2005
Caroline Goss 2005-2019
Arthur Center 2007-2010
Rebecca Austin 2011-2012
Linda Harrington 2013-2014
Mary LaPann 2015-2018
Carl Flint 2017-Present **
Mary Laedlein 2019-Present **



*"Take care of service, and the members
will take care of the Credit Union."*

—Donald Allard, former TCT CEO

TCT's total membership doubled under Don Allard's leadership, from 1983—1991. His belief is a value our staff still lives by today.

BOARD OF DIRECTORS

LeRoy VanPatten: 1959-1960

Elizabeth Houghton: 1959-1960

Bernard Stinner 1959-1967

Helen Hartness 1959-1962

Elizabeth Salisbury 1959-1981

Fannie Ellsworth 1960-1961

Fannie Wakeley 1961-1967

David Fisher 1960-1961

Roy Elder 1961-1962

Mildred Covell 1962-1964

Mrs. Crawford 1962-1963

Frank Fressie 1964-1969

Vivian Wischer 1965-1966

Mr. Leyden 1966-1967

Clements Crowe 1968-1970

Kenneth Bovio 1967-1968

Margaret Webster 1968-1969

Helen Buckley 1968-1970

Charles Hoffman 1967-1971

William Caven 1970-1971

Elsie Curtis 1970-1972

John Montgomery 1968-1982

John Potter 1970-1973

Ann Tesar 1971-1975

Raymond Coombs 1972-1974

Calvin Losee 1973-1974

Phillip Pasco 1973-1976

Gisela Geier 1974-1976

Thomas Narkiewicz 1974-1984

Larry Leonaitis 1977-1978

Christine Gallagher 1977-1979

Kay Ertel 1977-1978

Catherine Crank 1978-1980

Christine Holdun 1979-1981

Henry Giles 1980-2002

Rupert Jennings 1982-1989

Allen Bailey 1982-1985

Mary Dee Crowe 1983-1987

Grace McLenithan 1984-1985

Diane Jilek 1984-1991

Robert Kranick 1985-1996

Geraldine Welcher 1985-1992

Paul Hutzky 1986-2015

Martha Driscoll 1987-2010

Robert Odess 1990-1996

Hugh Cummings 1993-1997

Richard Rose 1993-1996

John Alguire 1997-2001

Donald Allard 1998-2003

Robert Bishop 2001-2006

Donna Lynch 2001-2004

Nancy Schneider 2004-2006

Francis Basile 2005-Present **

Peter Trombley 2007-Present **

Nannette Hartz 2007-Present **

Arthur Center 2010-2013

Linda Harrington 2012-Present **

Lorraine Arney 2014-Present **

FINANCIAL CONDITION

WE OWN	2018	2017	2016
Loans to Members	\$151,900,443	\$137,792,415	\$ 122,484,639
Secondary Market & Business Loans	\$15,024,914	\$14,684,677	\$ 15,449,261
Allowance for Loan Losses	(\$795,810)	(\$782,705)	(\$ 686,302)
Cash in Banks and Change Fund	\$889,336	\$936,592	\$ 764,386
Investments	\$33,965,022	\$36,388,671	\$ 41,085,469
Accrued Income	\$529,819	\$493,828	\$ 447,343
Land and Building (Net)	\$4,514,751	\$4,616,738	\$ 4,730,832
Prepaid Expenses	\$746,792	\$672,818	\$ 538,496
Furniture and Equipment	\$285,723	\$397,649	\$ 400,288
NCUA Share Insurance Fund	\$1,783,859	\$1,648,262	\$ 1,562,625
Other Assets	\$3,933,438	\$3,820,862	\$ 3,721,515
Total Assets	\$212,778,287	\$200,669,807	\$ 190,498,552

WE OWE

Borrowed Deposits	\$23,322,754	\$15,648,419	\$ 14,211,367
Other Liabilities	\$2,676,673	\$2,933,068	\$ 3,303,944

OUR SHARES

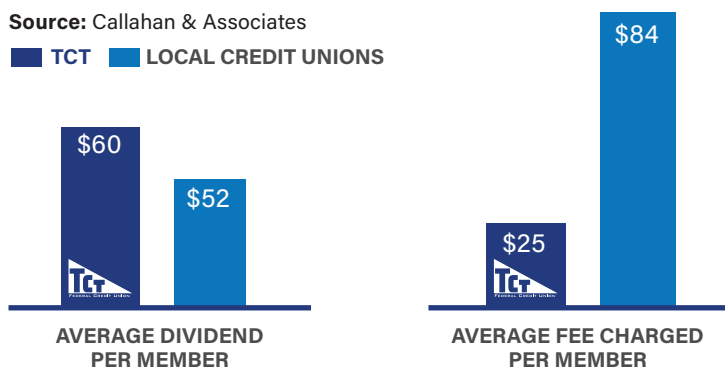
Regular Shares	\$50,461,819	\$49,421,289	\$ 46,660,764
Money Market Shares	\$54,661,538	\$70,753,552	\$ 65,779,026
Share Draft Checking	\$23,058,922	\$21,978,586	\$ 20,105,270
IRA Shares	\$8,621,167	\$7,732,249	\$ 7,974,971
Share Certificates	\$32,992,083	\$16,372,183	\$ 17,840,327
Total Member Share Accounts	\$169,795,530	\$166,257,859	\$ 158,360,358

OUR EQUITY

Regular Reserves	\$1,776,546	\$1,776,546	\$ 1,776,546
Undivided Earnings	\$15,804,360	\$14,286,646	\$ 12,873,588
Investments For Sale Value	(\$597,576)	(\$232,731)	(\$ 27,251)
Total Equity	\$16,983,330	\$15,830,461	\$ 14,622,883
TOTAL LIABILITIES AND EQUITY	\$212,778,287	\$200,669,807	\$ 190,498,552

Source: Callahan & Associates

■ TCT ■ LOCAL CREDIT UNIONS



INCOME AND EXPENSES

WE MADE

	2018	2017	2016
Interest on Loans	\$7,019,745	\$6,285,995	\$5,696,267
Investment Income	\$862,889	\$870,962	\$944,221
Fees and Misc. Income	\$1,285,304	\$1,145,744	\$1,105,997
Total Income	\$9,167,938	\$8,302,701	\$7,746,485

WE SPENT

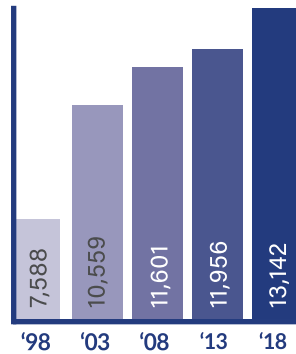
Operating Expenses	\$6,220,685	\$5,790,374	\$5,410,970
Loan Loss Expense	\$403,100	\$376,600	\$406,370
Dividends	\$764,556	\$631,909	\$609,666
Borrowed Funds	\$407,116	\$180,592	\$135,876
Total Expenses	\$7,795,457	\$6,979,475	\$6,562,882

WE SAVED

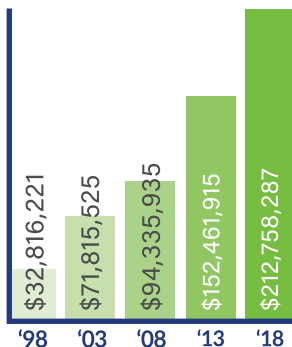
Net Income from Operations	\$1,372,481	\$1,323,226	\$1,183,603
Other Income	\$125,234	\$89,830	(\$13,531)
TO UNDIVIDED EARNINGS	\$1,497,715	\$1,413,056	\$1,170,072



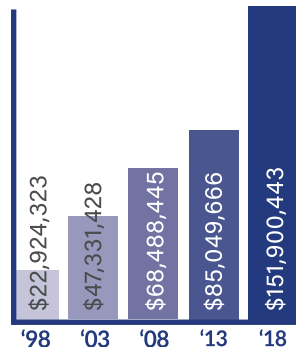
RESERVES TO PROTECT OUR ASSETS (NET INCOME)



MEMBERSHIP



TOTAL ASSETS



LOANS TO MEMBERS

CEO'S FINANCIAL REPORT

The enclosed financial reports and charts show our credit union over the years has exhibited strong growth in members, assets and earnings. It is remarkable how far TCT has come over the years. This is something we all can be proud of.

We believe that if we take care of you, you will take care of TCT. One area of our business that has exemplified this is our loans to each other. We have worked over the years to improve our loans to you and how wonderful it is to see the dramatic rise over the last 5 years (see loan chart).

It is great to see that many of you have chosen your credit union to buy a car or home, remodel, consolidate to save money and or, pay for college tuition. Making loans to one another at an affordable price is one of the reasons why we are here.

Loans to each other is important because that is our biggest source of revenue, 77% of our total income comes from our loan payments. Our credit union has exhibited strong growth over the years because our income has grown, and we invested much of that back into TCT to make it better for you.


Today more of you are on the move and TCT is there for you wherever you are. With your phone, computer, Visa debit card and Visa credit card you can access your account almost anywhere

in the U.S. Need money and you are out of the area? We have 55,000 surcharge free ATMs nationwide, just look for Allpoint which you can easily do from our website. You also have the power to place controls on your Visa credit and debit card to better protect you. Receive a check from relative or a company; use your phone to deposit it. Whether it is a swipe, click or touch, TCT is with you!

While we have come a long way over the years, we know we still have more to do. For example, we expect that sometime this summer or fall you will be able reach us after normal business hours if there is a question or issue on your debit card. We also expect that later this year you can submit changes to your account or apply for other services from your computer using secure email. These are just a couple of examples; we have more in the pipeline.

While we promote how we can take care of you at an office or wherever you may be, protecting your information is just as important. Over the years we continue hear news stories about compromises and increased fraud. That is why we continue to invest into systems and processes that best ensure your information is protected when you use TCT.

It is not a surprise that technology is becoming more of how we shop and



bank. Technology has made it more convenient to shop when we want, and it has opened the world for us to choose where we do our business. New startup tech companies are offering more personal financial business. While this is good news for us as consumers, the increased competition in conjunction with the massive amounts of regulations placed on regulated small banks and credit unions over the years has made it very hard. Recently two very large regional banks Suntrust and BB&T announced plans to merge. These two banks have over 275 years of history and \$200 plus billion in assets each. The main reason for the merger is to save money so they can spend more on technology.

For credit unions and TCT this environment is why expenses continue to be more of our income each year. In two years, our expenses grew over \$800,000. Despite these challenges we are pleased to report that we save you money when you use your credit union. The average fees we charge you are much lower elsewhere (see average fee per member chart).

We also are happy to report that we continue to keep fees low, and the dividends we pay you compare favorably (see dividends chart). Whether it is borrowing money, using your accounts, or building your savings. Your credit union is here to help you have more money.

In addition saving you money, it is important that we have excess money for our reserves. Last year we earned almost \$1.5 million and that goes directly to our reserve (capital) accounts (see financial statements). Our strong earnings over the years helps maintain our well-capitalized position as TCT grows. This protects our assets (your deposits).

It continues to be my privilege to work with a great group of volunteers, your Board of Directors, and Supervisory Committee. I also want to acknowledge our wonderful staff who care about helping you attain your financial goals.

Whether you have been with TCT for several years or just joined, you continue to be our mission. We know that the achievements of our credit union would not happen without your support. Thank you for the opportunity to serve you and we look forward to taking care of your financial needs in 2019 and beyond.



Curt Cecala,
CEO

2019 SCHOLARSHIP RECIPIENTS

Please join us in congratulating the 2019 TCT Scholarship recipients. The following TCT Members have been selected to receive scholarships based on their outstanding academic and extracurricular achievements, as well as their leadership roles and demonstration of the “People Helping People” credit union philosophy.

Scholarship applicants completed an essay where they were asked to explain;

- What makes your credit union different than a for-profit financial institution?
- How does your credit union demonstrate the “people helping people” philosophy?
- If you ran your credit union, what is one new initiative you would implement?

AUTUMN HEADWELL

Cambridge Central School

“When I walk into my Credit Union, I see the friendly, happy faces of my neighbors and friends. These people I have known all my life, and trust with my money. They have helped me make many smart financial decisions. They come to our school each week to teach young children the importance of saving their money and provide students with an easy way to deposit money into their accounts. I was one of those children. Credit Unions like TCT are cornerstones of our

communities. They help fund our personal progress and make our lives better.”

CASSANDRA BOVIE

Cambridge Central School

“What makes my credit union different from a for-profit bank is that the amount of money you have will not determine how they value you as a member. At TCT customers can feel a part of a community.”

FORMER SCHOLARSHIP RECIPIENT

HOLLY GREEN

Since receiving the TCT Federal Credit Union scholarship, I have graduated from Cedarville University (Ohio) with highest honors where I earned my Bachelor’s of Science in Forensic Science.

This program has allowed me to work at Ohio’s Bureau of Criminal Investigation and Identification (BCI), tour several prisons, and study forensic practices internationally.

I am currently employed with Albany Medical Center (AMC) in the inpatient pharmacy. Ultimately, I hope to use my degree and skills from AMC to work in a crime laboratory doing drug identification.





RHIANNON DARLING

Cambridge Central School

"If I ran TCT, I would implement an optional program for students to save for college beginning in seventh grade. By opting to participate in the program, any time that money was put in your account, a small percentage that you elect when you sign up is saved and put into a special college funding account. A parent or guardian would have to sign off on the withdrawal. This would make saving for college easier and help reduce the temptation (or at least make it harder) to spend the money on other things."

STEVEN SCHMITT

Cambridge Central School

"Although the credit union system is very good already, I would make one change if I was the owner. My main focus would be to improve the accessibility of my credit union by providing more ATMs that do not incur fees at an increased number of locations and lengthening the hours that the credit union locations are open. I know these changes are not easy to implement or they would already have been made. However, the increased accessibility would be my main objective."

LYNNAYA PREUSS

Lake George High School

"The Credit Union helps people achieve their goals rather than using people to achieve the institution's goals as for-profit financial institutions do. This is a game-changer in building a foundation of trust and goodwill between

individuals and the financial institutions in which they store their income. I'm proud to say that my credit union truly exists to serve others. 'People helping people' transforms despair into hope, a downcast spirit into joy. Helping others is invaluable for the power it has to change someone's day or life."

COOPER COLLINS

Lake George High School

"Last year, I took a Business Course at my school where I learned about loans, banking accounts, certificates of deposit, how to make a monthly budget and more. I found this course very informative, but then I thought about all the kids who did not sign up for this course. They were missing out on all of this important information that they will need to survive in the real world. So, if I ran my credit union, I would work with member schools to create a course that teaches high schoolers important financial tools, so that no student has to go into the real world without some basic financial knowledge."

CAMILLE ROGERS

Hartford Central School

"One new initiative I would implement would be a program for high school students to volunteer in their communities; collecting donations, of school supplies and sports equipment and distributing them to deserving kids. In return for their service, these high schoolers would be invited to attend "Preparing for the Future Nights" where they would get education on saving, borrowing, and managing money, and potential careers in the job market."



1,089
CHILDREN AND TEENS
WERE REACHED
THROUGH FINANCIAL
EDUCATION MADE
POSSIBLE BY TCT



\$16,000
WAS DONATED TO
LOCAL CHARITIES
ON BEHALF OF TCT
AND OUR MEMBERS





\$7,500
WAS AWARDED IN
TCT SCHOLARSHIPS



64
CHARITABLE
EVENTS WERE
SUPPORTED
FINANCIALLY
BY TCT



2018 GIVING

Giving back in ways big and small, is another way we put *People Over Profits*. Here is a snapshot of some of the organizations we are proud to support through the generous donations from our members and staff in 2018.

American Legion	Clifton Park/Halfmoon EMS	Red Nose Day to End Child Poverty
Ballston Spa Central School B-Spotted Program	CV Seniors	Salvation Army Angel Tree
Ballston Spa School Enrichment Fund, Scotties Stampede	Disaster Relief Donation	Saratoga County Sheriff PBA
Cambridge Community Scholarship Fund	Double H Ranch	Saratoga Hospital
Cambridge Valley Rescue Squad	Fresh Air Fund	Saratoga Veterans Walk
Cambridge Youth Athletic Association	Glens Falls Hospital	Stillwater Central School BBQ
Cambridge Balloon Festival	Greenwich Bus Garage Breakfast	SUNY Adirondack Foundation Scholarship
Cambridge Volunteer Fire Department	Greenwich VFW Post 7291	SUNY Adirondack Golf
Cambridge Hat and Mittens	Livestrong at the YMCA	SUNY Adirondack Scholarship
Cambridge Little League	Wilton-Saratoga Elks Classic Car Show	Tower of Pink Tournament
Cambridge Loaves and Fishes Food Pantry	NY Sheriffs Assoc.	United Service Organizations (USO)
Cambridge Math Night	NYS Future Business Leaders of America Sponsorship	Warren-Hamilton Counties Community Action
Captain Community Human Services	Operation Adopt-A-Soldier	Warrior Walk Donation
Code Blue	Project Cameron's Story	Washington County Historical Society
Coming Together for Kaitlin	Queensbury /Bay Ridge Fire Dept.	
Community Champions Donation	Randy's Patient Assistance Fund at the C. R. Wood Cancer Center	