



# 2019

## Annual Report to Members



Federally insured by NCUA

# Treasurer's Report

**Virginia Credit Union, Inc.**  
**Consolidated Statements of Financial Condition**  
**December 31, 2019 and 2018**  
(dollars in thousands)

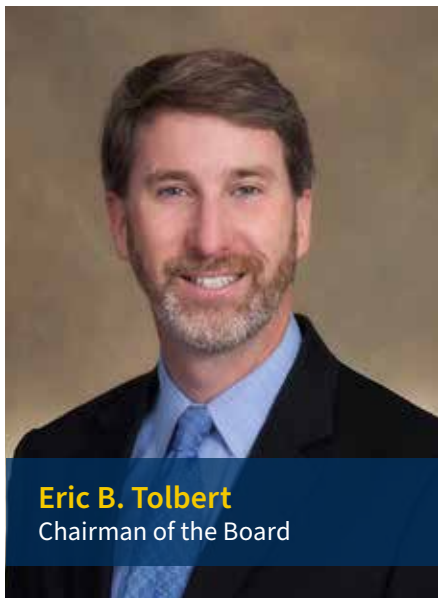
	<b>2019</b>	<b>2018</b>
<b>Assets</b>		
Loans	\$2,770,016	\$2,613,223
Less Allowance for Loan Losses	38,857	34,006
Net Loans	2,731,159	2,579,217
Investments	834,955	909,144
Other Assets	163,292	149,666
<b>TOTAL ASSETS</b>	<b>\$3,729,406</b>	<b>\$3,638,027</b>
<b>Liabilities and Members' Equity</b>		
Members' Shares	\$3,037,238	\$2,892,005
Borrowed Funds	259,870	363,100
Other Liabilities	48,679	49,057
Members' Equity	383,619	333,865
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$3,729,406</b>	<b>\$3,638,027</b>

**Consolidated Statements of Income**  
**For the Years Ended December 31, 2019 and 2018**  
(dollars in thousands)

	<b>2019</b>	<b>2018</b>
Interest Income		
Interest on Loans	\$152,177	\$135,205
Provision for Loan Loss	28,485	26,585
Net Interest on Loans	123,692	108,620
Interest on Investments	22,532	20,096
Total Interest Income	146,224	128,716
Less Cost of Funds		
Share Dividends	29,085	22,701
Borrowed Funds	9,470	8,989
Total Cost of Funds	38,555	31,690
Net Interest Income	107,669	97,026
Other Income	71,699	59,133
Less Other Expenses	140,514	120,559
<b>Net Income</b>	<b>\$38,854</b>	<b>\$35,600</b>

Paul D. Thompson  
Treasurer

# Chairman's Message



**Eric B. Tolbert**  
Chairman of the Board

- ▶ Total assets grew to more than **\$3.7 billion**.
- ▶ VACU provided over **\$1.6 billion** in loans to members, the most ever.
- ▶ Total loans grew by **6%**.
- ▶ Member deposits grew by **5%**.
- ▶ VACU posted net income of **\$38.9 million**.
- ▶ Virginia Credit Union's net worth ratio grew to **10.8%** by year-end.

*Credit unions are considered by regulators to be well capitalized when their net worth ratio is above 7 percent.*

## Performance

Dear Member-Owners,

Each of us, as members and owners of VACU, are a vital part of something special.

When we joined Virginia Credit Union, we made a choice. Whether we recognized it or not, we chose to do business with a local organization owned by our neighbors, friends, and co-workers. We chose a financial institution focused on members' success.

The reasons may be simple: a better rate on a loan, a higher return on a savings account, a recommendation from a friend, or a more convenient location. But whatever the reason, choosing VACU made us a part of something meaningful.

In 2019, your credit union:

- earned high marks for service quality;
- was recognized for financial soundness;
- launched the Virginia Credit Union Financial Success Center at VCU to promote financial wellness among students;
- met your needs for mortgages, car loans, credit cards, and a safe place to save;
- and had a meaningful impact on the community and members' financial lives.

Just a few highlights to consider:

- **Growth:** We've now grown to 290,000 members and \$3.7 billion in assets. That's a 5.4% increase in membership since the end of 2018.
- **Business Services:** We're making a real difference for local businesses, which has a positive impact on our overall results. One highlight has been financing projects in the solar industry.
- **Facilities:** We relocated a branch in Spotsylvania County to Cosner East in order to better serve our members. The new branch offers expanded drive-through service and real estate offices on the second floor. Closer to Richmond, the Genito Branch was refreshed to provide a better experience for members.

And finally, all of you continue to tell us that we're helping you achieve success. Members rated VACU's quality of service at 90% and their overall satisfaction at 86%. By contrast, the same members who have accounts at banks rated those institutions 20 to 30 points lower.

You can be proud of the results your credit union has posted in our 91st year. In 2020, please tell us how we may assist you better. And please encourage your friends and family members to join us.

Eric B. Tolbert  
Chairman of the Board



# Supervisory Committee Report

Virginia Credit Union's Supervisory Committee is responsible for ensuring that credit union policies, procedures and internal controls are adequately designed to protect members' assets against fraud and conflict of interest. This committee consists of volunteers who apply to serve and are appointed by the Board of Directors.

In carrying out its duties, the Committee oversees and reviews the activities of the internal audit department. The Supervisory Committee is also responsible for ensuring that the financial condition of the credit union is accurately presented in the credit union's financial statements by engaging an independent audit firm.

The independent auditor's report, issued by CliftonLarsonAllen LLP, for the year ended December 31, 2019, confirmed that the financial statements fairly present, in all material respects, the credit union's financial position and conform with generally accepted accounting principles. The financial statements, related footnotes and auditor's report are on file at the credit union for members' review.

The State Corporation Commission's Bureau of Financial Institutions, the credit union's primary regulator, also conducts periodic examinations of records and operations. The last review by the Bureau was performed as of March 31, 2019.

The Supervisory Committee is pleased to report these positive results and to be of service to the Virginia Credit Union membership. If you have questions, please contact a member of your credit union's management team, Board of Directors or Supervisory Committee.

James M. Holland  
Chairman

## Joyner Acquisition

Our acquisition of Joyner Fine Properties gives our members access to even more services throughout the home ownership journey.



## Shalom Farms

Our Volunteer Day at Shalom Farms helped the urban non-profit reach its yearly goal of 400,000 servings of fresh fruit and vegetables for at-risk families and people living in food deserts.



## Woodville Elementary

Partnering with Richmond Public Schools, 40 VACU members and employees painted a mural, built picnic tables, painted signs, and helped clean up the school grounds.



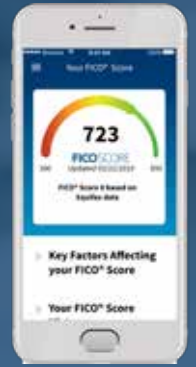
## MoneyTalk Mondays

We reached more than 36,000 people with our financial education programs in 2019, and we're planning to reach even more in 2020 with initiatives like MoneyTalk Mondays, our series of online educational classes.



## My FICO tool launched

With the launch of the My FICO tool, we've given members the chance to see their FICO scores, which helps them make informed, confident decisions when looking for loans and credit.



(Sample score)

FICO and "The score lenders use" are registered trademarks of Fair Isaac Corporation in the United States and other countries.

## SunTribe Solar

We take pride in helping our small business partners—such as Sun Tribe Solar, pictured here—achieve big things, like this 2,100-panel solar array at Cople Elementary School in Westmoreland County.



# Volunteers

## Board of Directors

Eric B. Tolbert, Chair  
Robert B. Jones, Jr., Vice Chair  
Paul D. Thompson, Secretary/Treasurer  
Kenneth E. Ampy  
Melina D. Davis  
John T. Grier  
Neila L. Gunter  
Brian K. Jackson  
Tracy McCabe  
D.B. Smit  
Margaret E. White

## Honorary Directors

Robert P. Morris  
Roscoe C. Roberts  
Janet Wiglesworth

## Supervisory Committee

James M. Holland, Chair  
Cynthia S. Jarboe, Secretary  
Thomas S. Grahek  
Anne B. Hagen

## Associate Directors

L. Robert Bolling  
Patricia A. Green

## Asset Liability Committee

Manju S. Ganeriwala, Member-at-Large

## President/CEO

Christopher M. Shockley



(804) 323-6800  
(800) 285-6609



[vacu.org](http://vacu.org)



Visit a branch



Mobile

Virginia Credit Union  
P.O. Box 90010  
Richmond, VA 23225-9010



NMLS#  
407552

(COVER)

## Cosner East Branch

Our members in Fredericksburg now have easier access to a wider array of services at our new Cosner East branch.