

# 2018

## ANNUAL REPORT



**First Eagle**

federal credit union

*Make Life Better.*



My son was entering junior college and needed a car. I was short on cash, but I was able to come up with a down payment. I sought out the services of First Eagle. I was able to borrow half the balance on the vehicle to pay that much off and finance the difference with a low-payment loan in my son's name, enabling him to build his own credit. First Eagle also issued a small-limit credit card in his name. My son has since graduated, the loan has been paid off and my son's career/life/credit has promise. Thanks, First Eagle, for being there and standing in the gap financially during a difficult time. We are so very grateful, and my son still has the vehicle.

– Joseph C.

# We've Got Your Back

# CHAIRMAN & PRESIDENT'S REPORT

In 1956, First Eagle was founded on the credit union philosophy of "People Helping People." Every day, for the last 63 years, we have strived to help and support you, our members. We know that each of you is unique, with your own needs and desires. We take the time to listen to you, to hear you, and we work hard to meet your needs and your expectations.

Last year, we were able to lend more than \$25 million to members. These funds were used to purchase a new truck to get to work, send a daughter to college, finance a once-in-a-lifetime vacation and more. Each of you has your own story of why you came to First Eagle to begin with...and how we've helped you make life better.

Thank you for placing your trust in First Eagle. This year we hope to build on our relationship by providing an even better member experience and offering you the latest technology.

## HIGHLIGHTS FOR 2018:

- Audio Teller upgrade – new and improved phone banking system, making it more convenient to manage your accounts, make loan payments, transfer funds and more. Audio Teller is available directly at 443-548-8004 or 800-368-5970. We also upgraded the home banking platform.
- Improved member service with a change in credit card processing – we brought our credit cards onto our system to make accessing your account information easier.

## COMING IN 2019:

- More robust Bill Pay options – you will be able to pay your bills using an Alexa-enabled device.
- Instant Issue Debit and Credit Cards.
- Upgrades to Mobile Banking to allow for Mobile Lending – apply for a loan on your phone.
- Renovations to our Houston office – fresh, new look to make better use of the space.
- Credit Card Reissue.
- Upgraded ATMs – for a more secure system with built-in firewalls and security scans, helping to detect and prevent cybersecurity threats.



I have been a member of First Eagle since 1990. I think every car loan I've had, as well as other loans needed throughout the last 28 years, have been through the Credit Union. Recently, I was in a financial situation so overwhelming I was researching how to declare bankruptcy. I thought I had looked at every option; then I realized I hadn't asked First Eagle. I figured I had nothing to lose! After describing my problem, they reviewed my account and credit history and came up with a solution that I had never considered. I immediately felt a 10-ton weight lift from my shoulders. This experience started as one of my lowest points, when I felt truly at a loss. First Eagle will forever be my bank of choice, and I've encouraged everyone I know to become a member.

– Mary A.

To improve the areas where we work, live and play, we give back to our local communities. In 2018, members and employees:

- Raised \$500 to benefit the Houston Food Bank/Souper Bowl.
- Raised almost \$1,000 to benefit the Children's Miracle Network Hospitals® through Miracle Jeans Day and basket raffles.
- Donated non-perishable food and hygiene products to Sarah's Hope at Hannah More Women and Children's Shelter (MD), the Township of Schaumburg Food Pantry (IL), Second Harvest Food Bank (TN), and the Houston Food Bank (TX).
- Served as a drop-off location for the American Cancer Society's Hope Lodge (TN) collecting wish list items.

In 2019, we will continue to support these organizations. We will also partner with Casey Cares Foundation (MD) and St. Jude Children's Hospital (TX) to hold a pajama drive. Both organizations provide new pajamas to children undergoing long-term hospital stays due to illness.

Since 2016, we have awarded a \$1,000 First Eagle Scholarship every year to a deserving student member. In 2018, Kate Johnson, from our Houston Branch, won for her essay.

We also promote the CU Foundation's annual scholarship program every spring. Student members are encouraged to enter an essay, photo and/or video for the chance to win \$1,000.

We appreciate the confidence you have placed in us.

**We have your back.**

**Ed Paulis**, Chair of the Board of Directors

**Lois Profili**, President/CEO

## TREASURER'S REPORT 2018

2018 was another solid year for First Eagle, with more than 9,200 members enjoying the benefits of competitive deposit and loan rates. Our members borrowed more than \$25 million in new loans. The Board of Directors and management team maintained prudent practices to ensure that First Eagle FCU remains healthy and well-capitalized.

Our commitment to better banking means that the Board of Directors will continue to ensure that First Eagle is making smart financial decisions, allowing your Credit Union to provide financial stability and superior services. As part of this commitment, the Board works closely with management to mitigate interest rate risk, positioning First Eagle to perform at an acceptable level as we leave a low interest rate environment and move towards rising rates.

The Board of Directors monitors First Eagle's financial performance by comparing actual results to projections. We are pleased to announce that actual results exceeded budget. We are looking forward to another successful year.

**Carolyn Taylor**, Treasurer

# SUPERVISORY COMMITTEE REPORT 2018

The Supervisory Committee represents the membership's interests by ensuring:

- Assets are properly safeguarded;
- Policies and procedures are in place;
- Internal controls are effective;
- Applicable laws and regulations are followed;
- The Credit Union's financial condition is fairly presented in accordance with generally accepted accounting principles

The Supervisory Committee engaged certified public accountants Clifton, Larson, Allen, LLP to perform the verification of member accounts and conduct an annual audit of the financial statements for the twelve months ending December 31, 2018. Based upon the audit conducted year-end 2018, the Supervisory Committee is pleased to report that the financials presented are a fair and accurate assessment of First Eagle Federal Credit Union's financial position. In addition, an examination was also conducted in 2017 by the National Credit Union Administration (NCUA). Not only is the Credit Union financially sound, but it operates within a strong internal control environment that also ensures compliance with applicable laws and regulations.

**David Yanda**, Chair of the Supervisory Committee

I opened my first savings account at First Eagle in 1969. I financed my first car and will finance my last car through "my Credit Union." I am now retired; however, First Eagle is always there for me. It doesn't matter if I simply need a check register (who uses those anymore?), a wire transfer or a car loan; I can depend on them. I will be a lifetime member because of these amazing people and helpful services!

– Melody R.

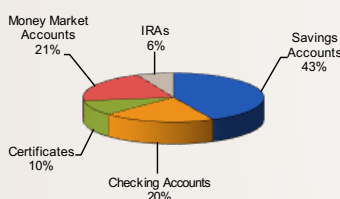
## Statement of Operations

	2018	2017
<b>INTEREST INCOME</b>		
Interest on Loans	\$2,698,230	\$2,391,102
Income from Investments	653,919	538,790
<b>Total Interest Income</b>	<b>\$3,352,149</b>	<b>\$2,929,892</b>
<b>INTEREST EXPENSE</b>		
Dividends	285,815	212,245
Interest on Borrowed Money	4,710	322
<b>Total Interest Expense</b>	<b>\$290,525</b>	<b>\$212,567</b>
Net Interest Income	3,061,624	2,717,325
Provision for Loan Losses	104,846	123,545
<b>Net Interest Income after Provisions</b>	<b>\$2,956,778</b>	<b>\$2,593,780</b>
<b>OPERATING EXPENSES</b>		
Compensation	1,334,425	1,278,897
Benefits	268,380	266,620
Travel & Conference	33,258	33,689
Association Dues	15,865	15,544
Office Occupancy Expense	114,867	111,049
Office Operation Expense	917,340	862,779
Marketing Expense	34,689	43,941
Loan Servicing	432,853	342,786
Professional	50,821	63,789
Operating Fees	23,622	20,603
Misc. Operating Expense	43,428	75,762
<b>Total Operating Expenses</b>	<b>\$3,269,548</b>	<b>\$3,115,459</b>
<b>OTHER OPERATING INCOME</b>		
Other Income	926,863	793,691
Trading Profits & Losses	-	-
<b>Total Other Operating Income</b>	<b>\$926,863</b>	<b>\$793,691</b>
<b>NON-OPERATING INCOME</b>		
Gain (Loss) on Investments	-	-
Gain (Loss) on Disposition of Assets	-	-
Other Non-Operating Income (Expense)	-	-
<b>Total Non-Operating Gains &amp; Losses</b>	<b>-</b>	<b>-</b>
<b>NET INCOME</b>	<b>\$614,092</b>	<b>\$272,012</b>

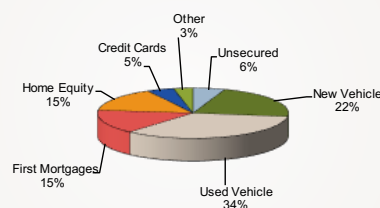
## Statement of Financial Condition

	2018	2017
<b>ASSETS</b>		
Total Loans to Members	\$59,049,121	\$55,039,834
Less: Allowance for Loan Losses	(288,872)	(201,306)
<b>Net Loans</b>	<b>\$58,760,249</b>	<b>\$54,838,530</b>
Cash	753,321	744,017
Total Investments - Stated at Book Value	28,424,021	32,498,735
Fixed Assets	117,980	93,018
Other Assets	1,250,224	1,257,142
<b>Total Assets</b>	<b>\$89,305,795</b>	<b>\$89,431,442</b>
<b>LIABILITIES &amp; MEMBERS' EQUITY</b>		
<b>Liabilities</b>		
Savings Accounts	34,224,053	32,497,671
Checking Accounts	15,887,839	15,520,541
Certificates	8,017,236	10,398,178
Money Market Accounts	16,502,189	16,908,184
IRAs	5,261,929	5,332,413
<b>Total Savings</b>	<b>\$79,893,246</b>	<b>\$80,656,987</b>
Accrued Dividends Payable	58	55
Accounts Payable	475,874	312,215
Other Liabilities	(636)	139,022
<b>Total Liabilities</b>	<b>\$475,296</b>	<b>\$451,292</b>
<b>Members' Equity</b>		
Regular Reserve	842,787	842,787
Market Value Adjustment	-	-
Undivided Earnings	8,094,466	7,480,374
<b>Total Members' Equity</b>	<b>\$8,937,253</b>	<b>\$8,323,161</b>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<b>\$89,305,795</b>	<b>\$89,431,440</b>

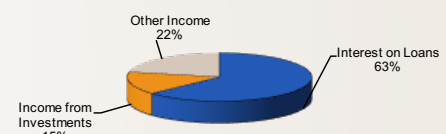
### 2018 Distribution of Shares



### 2018 Distribution of Loans



### 2018 Sources of Income



**Mission Statement:** First Eagle encourages financial responsibility, provides competitive financial services for all members, while maintaining Credit Union stability.

#### Board of Directors

Ed Paulis, Chair  
Steven J. Mueller, Vice Chair  
Carolyn Taylor, Treasurer  
Larry Ventruelli, Secretary  
Kim Adams, Director  
Glenn Harris, Director  
Pamela S. Jozwiak, Director  
Paul Rosenberger, Director

#### Supervisory Committee

David Yanda, Chair  
Ellen Dioguardo  
Lester Nelson

## Credit Union Staff & Branches

#### Administration

Lois Profili, CEO/President  
Dorothy Spilker, VP/Chief Operations Officer  
Art Brock, VP/Chief Financial Officer  
Evelena Anderson-Eley, Marketing Director  
Eric Deacon, Computer Operations  
Peggy Meekins, Card Services  
Suzanne Rouch, Accounting  
Bill Miller, Network Administrator

#### Owings Mills Branch

600 Red Brook Blvd., Ste. 350 • Owings Mills, MD 21117 • 443-548-8019

Wendy Atkinson, Lending Support Specialist  
Alison Innes, Member Services

#### Union Memorial Hospital

201 E. University Pkwy. • Baltimore, MD 21218 • 410-554-2037

Shaina Ward, Branch Manager  
Shadara Perry, Member Services

#### Houston Branch

2919 Allen Pkwy., Ste. 210 • Houston, TX 77019 • 346-867-6501

Sandra Gentry, Branch Manager  
Mike Moseley, Sales  
Brian Ramsey, Underwriter  
Tia Coleman, Member Services  
Karina Arreguin, Member Services  
Brad Marek, Lending Support Specialist

#### Nashville Branch

340 Seven Springs Way, Ste. 160 • Brentwood, TN 37027 • 615-371-1516

Nichole Young, Branch Manager  
Heidi Petruzzelli, Sales  
Taylor Richburg, Member Services

#### Schaumburg Branch

1299 Zurich Way • Schaumburg, IL 60196 • 847-496-4724

Donna Saenz, Branch Manager  
Lisa Guziec, Member Services  
Kathy LeFevre, Lending Support Specialist



#### CONTACT US

**Website** [firsteaglefcu.org](http://firsteaglefcu.org)  
**Toll-Free** 888-231-2022  
**Mortgage** 800-635-7128  
**Audio Response** 800-368-5970

## First Eagle Federal Credit Union Services

#### Loans

New & Used Autos  
Recreational Vehicles  
New & Used Boats  
Home Mortgages  
Fixed Rate Home Equity  
Home Equity Lines of Credit  
Share & Certificate Secured  
Personal  
Seasonal (vacation & Christmas specials)  
Overdraft Protection Lines of Credit

#### Shares & Investments

Prime Share Accounts  
Money Market Accounts  
Vacation & Christmas Club  
IRAs (Traditional, Roth & Education)  
Sub-Accounts (special savings accounts)  
Share Certificates

#### Checking Accounts

Premier Checking  
Essential Checking  
Freedom Checking  
Simple Checking  
MasterMoney® Debit Cards  
Direct Deposit  
Automatic Transfers

#### Special Services

Eagle Access Online Banking & Bill Payment – *it's free!*  
Shared Branching – ***we have branches everywhere!***  
Mobile Banking & Mobile Deposit  
Quick Pay with Alexa  
eStatements  
Mastercard®  
Wire Transfers  
24-Hour Personal Audio Teller Service  
ID Protection & Cell Protection  
Auto Buying Service  
Family Memberships  
Student Services  
GreenPath Financial Wellness  
Invest in America Discount Program  
My Travel Wallet – Travelex – Worldwide Money  
Exchange Services

#### Insurance Services

GAP (Guaranteed Asset Protection)  
Extended Warranty  
CUNA Mutual – TruStage®  
Debt Protection

*Once A Member, Always A Member*

