

Community Strong.  
Tennessee Proud.  
Since 1950.

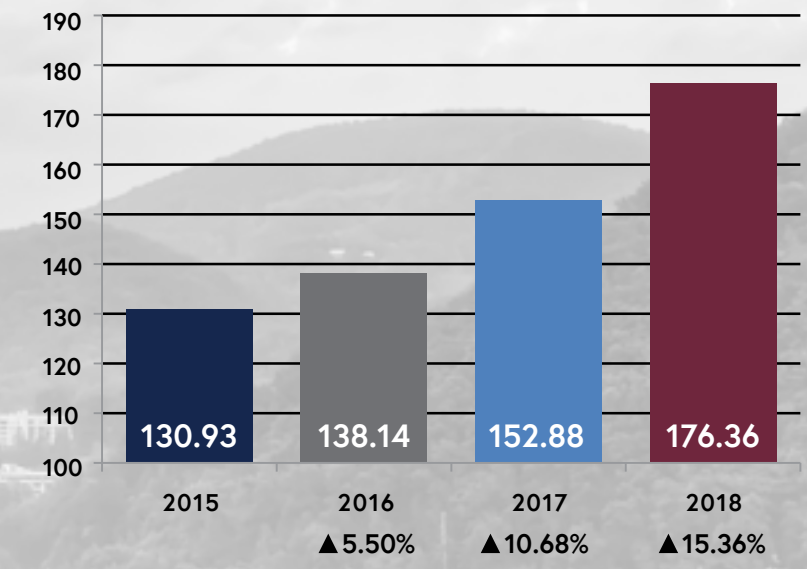
# 2018 ANNUAL REPORT

.....  
Growing Together

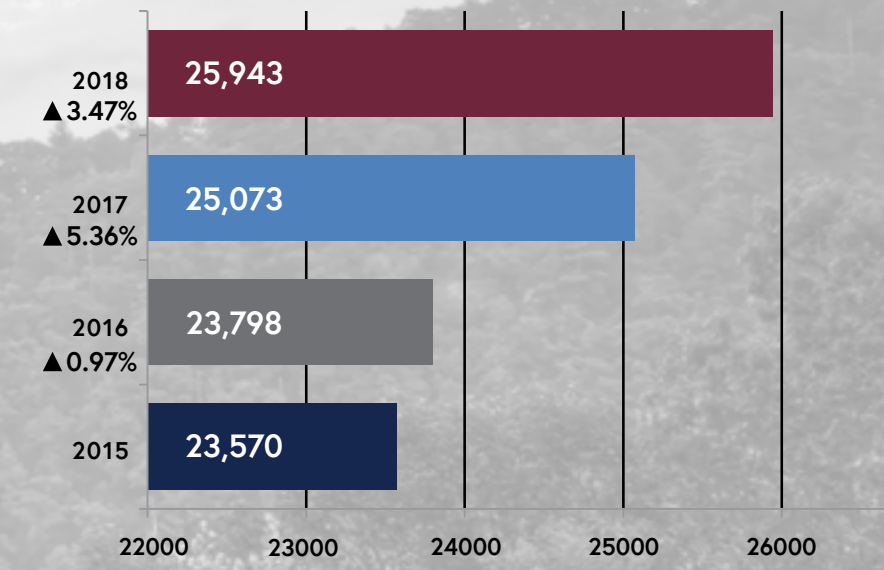


# GROWING MEMBERSHIP

### Consolidated Loan Growth (In Millions)



### Membership Growth



**Cookeville**  
1281 S. Walnut Ave  
Cookeville, TN 38501

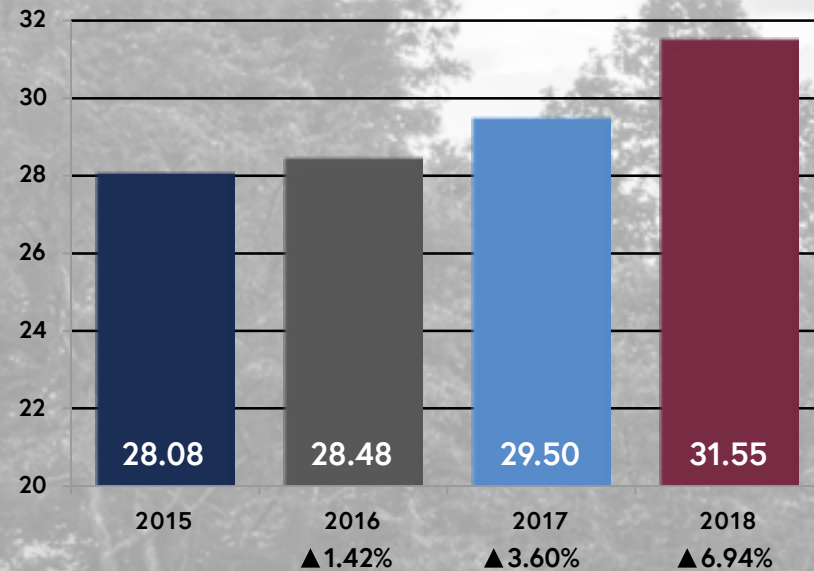
**Knoxville**  
10431 Kingston Pike  
Knoxville, TN 37922

**Morristown**  
2755 W. Andrew  
Johnson Highway  
Morristown, TN 37814

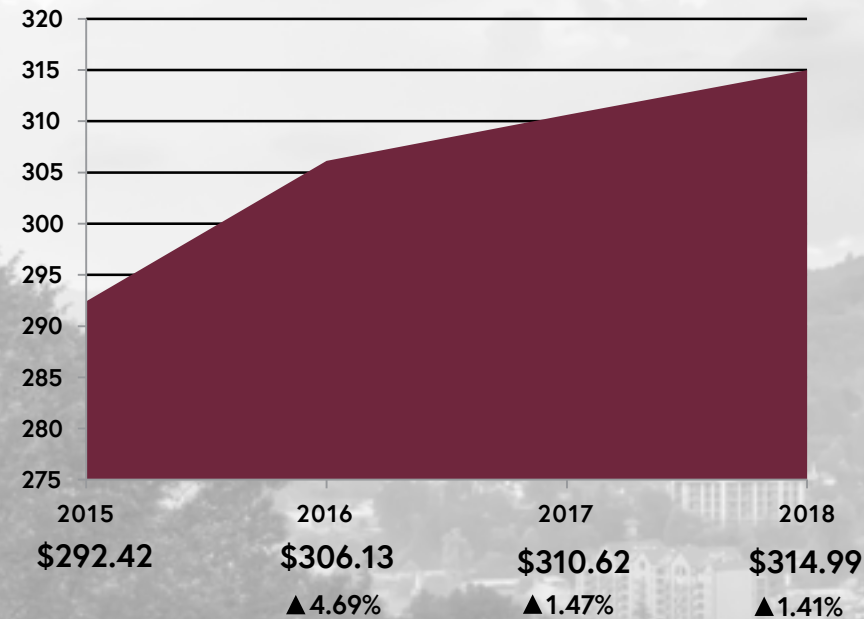
**Johnson City**  
310 Sunset Drive  
Johnson City, TN 37604

# GROWING TOGETHER

## Net Worth (In Millions)



## Asset Growth (In Millions)



**Main**  
1400 8th Avenue South  
Nashville, TN 37203

**Bellevue**  
7527 Highway 70 South  
Nashville, TN 37221

**Cool Springs**  
1809 Mallory Lane  
Brentwood, TN 37027

**Rivergate**  
917 Rivergate Parkway  
Goodlettsville, TN 37072

**Gallatin**  
716 Nashville Pike  
Gallatin, TN 37066



## CHAIRMAN'S REPORT

"People helping people" We hear it all of the time, it's our philosophy, it's what is at our core, but what does it mean to us? It's very simple, and at The Tennessee Credit Union we hold it very true. We help people reach their idea of financial success, we share in the community and give back, and we grow together with members and their families as their lives change.

It gives me great pleasure to report on behalf of the Board of Directors that 2018 was another great year of growth for TTCU. This year we have had a significant membership increase, record loan growth, and implemented important technology enhancements. We expanded our footprint and opened our Bellevue Branch which was a great success. There we hosted roughly 200 guests and celebrated with a ribbon cutting, giveaways, food, and lots of great fun! Although we closed our Branch on East Tennessee State University's campus, we made it a priority to accommodate those members in our time of change with better online tools. We really honed our digital presence with the launch of a new website and tools to make loan application easier and more convenient for members.

Our hard work paid off and we all shared in the success of being recognized by Advisory HQ as one of the top 7 credit unions and banks in Nashville, being ranked #1 credit union in Sumner County, as voted by the community and local residents, plus our TTCU Academy of Business & Finance at Antioch High School was named the 2018 Academy Partnership of the Year by the Academies of Nashville. In March 2018, we celebrated a 30-year partnership with CUNA Brokerage Services, Inc., which allows us to deepen relationships with members by offering a variety of investment and financial planning services to help build a strong financial future.

These achievements would not have been possible without our hardworking employees. I would like to take this opportunity to thank each and every one of our staff for being focused, dedicated, and driven towards helping our members and our credit union achieve on-going success.

At TTCU, we believe in growing together. Growing with our members and their families, growing as a community, growing as a financial institution, and growing as a place where people help people and we always make sure to put that first.

On behalf of the Board of Directors and the dedicated TTCU staff, we thank you for your continued loyalty.

**Ted R. Potter**  
Chairman



# GROWING THE BRAND

## STATEMENT OF CONDITION (UNAUDITED)

Comparative	2018	2017
	(As of December 31)	(As of December 31)
<b>Assets</b>		
Cash & Investments	\$ 123,201,486	\$ 145,048,369
Loans to Members, net	\$ 176,360,158	\$ 152,046,033
Property & Equipment, net	\$ 8,130,030	\$ 6,173,003
Other Assets	\$ 7,305,284	\$ 7,356,573
<b>Total Assets</b>	<b>\$ 314,996,958</b>	<b>\$ 310,623,978</b>
<b>Liabilities &amp; Members' Equity</b>		
Accrued Expenses & Other Liabilities	\$ 2,421,495	\$ 2,410,488
Share Accounts	\$ 283,928,834	\$ 281,708,505
Equity & Reserves	\$ 28,646,629	\$ 26,504,985
<b>Total Liabilities &amp; Members' Equity</b>	<b>\$ 314,996,958</b>	<b>\$ 310,623,978</b>
<b>Income</b>		
Loan Income	\$ 7,292,922	\$ 6,309,304
Income from Investments	\$ 2,104,539	\$ 1,663,977
Other Income	\$ 4,295,551	\$ 3,504,309
<b>Total Income</b>	<b>\$ 13,693,013</b>	<b>\$ 11,477,590</b>
<b>Operating Expenses</b>		
Salaries & Benefits	\$ 4,573,932	\$ 4,199,900
Total Other Operating Expenses	\$ 5,359,113	\$ 4,669,960
Provision for Loan Losses	\$ 672,023	\$ 662,377
Dividends Paid to Members	\$ 1,030,783	\$ 931,554
<b>Total Operating Expenses</b>	<b>\$ 11,635,851</b>	<b>\$ 10,463,791</b>
Investment Gains (Losses)	\$ —	\$ —
<b>Net Income (Loss) Before NCUA Assessments</b>	<b>\$ 2,057,162</b>	<b>\$ 1,013,799</b>
NCUA Assessment (Expense)	\$ —	\$ —
<b>Net Income</b>	<b>\$ 2,057,162</b>	<b>\$ 1,013,799</b>



# GROWING ASSETS



## PRESIDENT'S REPORT

I am pleased to report that TTCU has maintained its upward track record and 2018 did not fall short of success for the Credit Union. A year of solid financial results, investments in technology, redefining our image, and focus on how we can better serve our members all defined our growth this year.

Total assets exceeded \$314.99 million, growing 1.41% or \$4.37 million. We grew net worth by 6.94% to \$31.55 million and grew our loan portfolio by 15.36% to \$176.36 million. Membership increased by 3.47% to 25,943 members.

In response to member requests for more options for non-traditional banking, we implemented the tools and technology that would make banking easier. We launched a new website that offered quick navigation and access to information on every product and service that we have to offer, improved our online loan application process with automatic-decisioning, and enhanced our online portal for mortgages and home refinance lending. The results of these launches were tremendous and well received but, more importantly, these upgrades were significant because of the positive benefit to members to be able to bank with ease from anywhere.

We created and launched a new logo in order to add vitality to our already thriving brand. Our updated logo shows the community that we are adaptive and can embrace new technology, new services, and innovative ideas for our members. Our new logo was launched in August 2018 and features our iconic "T" placed in a maroon banner. The launch of the new branding has already presented countless opportunities for new ideas to grow together as a brand and as a community.

Our commitment to give back to the community and support education is a top priority at TTCU. We supported various community events this year including: Children's Miracle Network Drives, Cheekwood Scholastic Art Awards, the PENCIL Foundation, and Making Strides Against Breast Cancer Walk, just to name a few. We also celebrated our 9th year of our TTCU Academy of Business and Finance partnering with Antioch High School.

At TTCU our members make the difference. Please know how much we appreciate your loyal membership and how proud we are to report to you another successful year. I would also like to thank our hardworking employees and devoted Board of Directors who continuously make The Tennessee Credit Union the exceptional financial institution that it is. Thank you for another impressive year and we look forward to our bright future!

Michael D. Martin  
President/CEO



**GROWING OUR COMMUNITY**

## REPORT OF THE AUDIT COMMITTEE

The Tennessee Department of Financial Institutions conducts an annual examination of your Credit Union. The Audit Committee and the Board of Directors reviews the findings and recommendations of the examination. An independent auditing firm audits your Credit Union annually. The reports showed the Credit Union is functioning in a safe and sound manner and providing affordable and secure financial services to our members.

**Donnie Cardwell**  
Chairman of the Audit Committee

## REPORT OF THE NOMINATING COMMITTEE

The Nominating Committee for 2019, composed of Ted R. Potter, Chris Henson, and chaired by James C. Hall met on November 27, 2018. At that time, the following were nominated to the Board of Directors:

- H. Woodard Pigg, Jr.
- Sara T. Tune
- Edith P. Jordan

In accordance with the by-laws, instructions for the submission of nominees by petition were distributed via postcard in January 2019.

**James C. Hall**  
Chairman of Nominating Committee

## CREDIT UNION OFFICIALS

### BOARD OF DIRECTORS

Ted R. Potter, Chairman  
Chris M. Henson, Vice Chairman  
Sara T. Tune, Secretary  
H. Woodward Pigg, Jr., Treasurer  
Shannon Dahlgren, Director

James C. Hall, Director  
Edith P. Jordan, Director  
Gerald W. Martin, Director  
Betty Jo Reed, Director

### AUDIT COMMITTEE

Donnie Cardwell, Chairman  
Robert Churchwell, Jr.  
Kathy Wood-Dobbins  
Rochelle Suggs

### PRESIDENT/CEO

Michael D. Martin