

PEOPLE FOR INNOVATION  
PEOPLE FOR GROWTH  
PEOPLE FOR PEOPLE  
**AN ANNUAL  
REPORT**

PEOPLE FOR GROWTH  
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## STATEMENT OF CONDITION (UNAUDITED)

Comparative	2017	2016
	(As of December 31)	(As of December 31)
<b>Assets</b>		
Cash & Investments	\$ 145,048,369	\$ 152,467,578
Loans to Members, net	\$ 152,046,033	\$ 137,412,220
Property & Equipment, net	\$ 6,173,003	\$ 7,199,710
Other Assets	\$ 7,356,573	\$ 9,052,102
<b>Total Assets</b>	<b>\$ 310,623,978</b>	<b>\$ 306,131,610</b>
<b>Liabilities &amp; Members' Equity</b>		
Accrued Expenses & Other Liabilities	\$ 2,410,488	\$ 2,303,769
Share Accounts	\$ 281,708,505	\$ 277,625,235
Equity & Reserves	\$ 26,504,985	\$ 26,202,606
<b>Total Liabilities &amp; Members' Equity</b>	<b>\$ 310,623,978</b>	<b>\$ 306,131,610</b>
<b>Income</b>		
Loan Income	\$ 6,309,304	\$ 6,184,474
Income from Investments	\$ 1,663,977	\$ 1,330,188
Other Income	\$ 3,504,309	\$ 3,320,191
<b>Total Income</b>	<b>\$ 11,477,590</b>	<b>\$ 10,834,853</b>
<b>Operating Expenses</b>		
Salaries & Benefits	\$ 4,199,900	\$ 4,122,759
Total Other Operating Expenses	\$ 4,669,960	\$ 4,956,377
Provision for Loan Losses	\$ 662,377	\$ 458,248
Dividends Paid to Members	\$ 931,554	\$ 898,506
<b>Total Operating Expenses</b>	<b>\$ 10,463,791</b>	<b>\$ 10,435,890</b>
Investment Gains (Losses)	\$ —	\$ —
<b>Net Income (Loss) Before NCUA Assessments</b>	<b>\$ 1,013,799</b>	<b>\$ 398,963</b>
NCUA Assessment (Expense)	\$ —	\$ —
<b>Net Income</b>	<b>\$ 1,013,799</b>	<b>\$ 398,963</b>

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# CHAIRMAN'S REPORT



TTCU enjoyed a banner year of growth, member engagement and innovation in 2017. We focused on several key strategic drivers: Improving our revenue streams, growing our membership, engaging members in discussions of their financial goals in order to deliver the right financial solutions, and prioritizing ways to enhance the overall member experience by making it easy to do business with us.

The credit union exceeded expectations by growing our loan portfolio across all product lines, deepening relationships with members, who added more services with us, and implementing technology improvements to help us serve your needs faster and more efficiently.

These achievements would not have been possible without the dedicated, focused, and hardworking employees who make a difference every day, both personally and professionally. I would like to sincerely thank them for their continued commitment to our members and to building a strong and growing credit union.

**“Delivering financial wellness to our members and our communities remains vital to our future success.”**

Our credit union is primed for growth within our local markets. Delivering financial wellness to members and our communities remains vital to our future success. At TTCU, we believe our role encompasses so much more than just being a place for deposit accounts and loan options. When we serve you, we look at your personal goals and where you want to go financially. You are always first with us. You are the reason we exist.

Although the economic landscape will continue to change, technology will progress, and member needs will evolve, we remain committed to delivering the products, services, and personal attention our 25,000+ members deserve.

On behalf of the Board of Directors and our team of dedicated employees, thank you for your continued membership and loyalty.

**Ted R. Potter**  
Chairman



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# PRESIDENT'S REPORT



I am pleased to report that 2017 was a very successful year for The Tennessee Credit Union. Our focus on service, people, innovation, and living our mission resulted in another year of strong growth.

Total assets exceeded \$310.62 million, growing 1.47% or \$4.49 million. We grew net worth by 3.6% to \$29.50 million and grew our loan portfolio by 10.7% to \$152.9 million. Membership increased by 5.36% to 25,073 members – the largest single-year growth rate in 10 years.

As we grow, we recognize the importance of investing in tools and technology that improve the overall member experience. We installed account automation software to seamlessly import credit report data, identity validation, and personal information to speed the application process. We upgraded our loan processing tools to provide faster loan review and approvals. We enhanced our mobile banking app, adding single sign-on, instant balance, remote check deposit, and the ability to send money to anyone, anytime. Members responded enthusiastically when they experienced the positive impact of these upgrades.

**“We are honored to be your financial partner and we work hard every day to earn the confidence you place in us.”**

'People helping people' is our philosophy. While we are proud of our growth, our journey is not about the numbers. It's about relationships we have with our members and our communities. We are honored to be your financial partner and we work hard every day to earn the confidence you place in us.

At TCU, giving back is important. We supported over 115 community and educational events, including Children's Miracle Network drives, Walk MS, Making Strides Against Breast Cancer walk, Cheekwood Scholastic Art Competition, Unicycle School Uniform Recycling program, just to name a few. Our TCU Academy of Business & Finance at Antioch High School has been going strong for 8 years and we celebrate a rewarding 20-year partnership with the PENCIL Foundation.

We thank our loyal members, hardworking employees, and dedicated Board of Directors and Committee members. Together, we made 2017 a remarkable year of progress for the credit union and our growing membership. We look forward to a strong future ahead.

**Michael D. Martin**  
President/CEO



# PEOPLE FOR INNOVATION

## 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 2017, composed of Ted R. Potter, Chris Henson, and chaired by James C. Hall met on November 29, 2017. At that time, the following were nominated to the Board of Directors:

- Shannon Dahlgren
- Gerald Martin
- Betty Jo Reed

In accordance with the by-laws, instructions for the submission of nominees by petition were distributed via postcard in January 2018.

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

## CREDIT UNION OFFICIALS

### BOARD OF DIRECTORS

Ted R. Potter, Chairman  
James C. Hall, Vice Chairman  
Sara T. Tune, Secretary  
H. Woodward Pigg, Jr., Treasurer  
Shannon Dahlgren, Director

Chris M. Henson, 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

## IN MEMORY OF



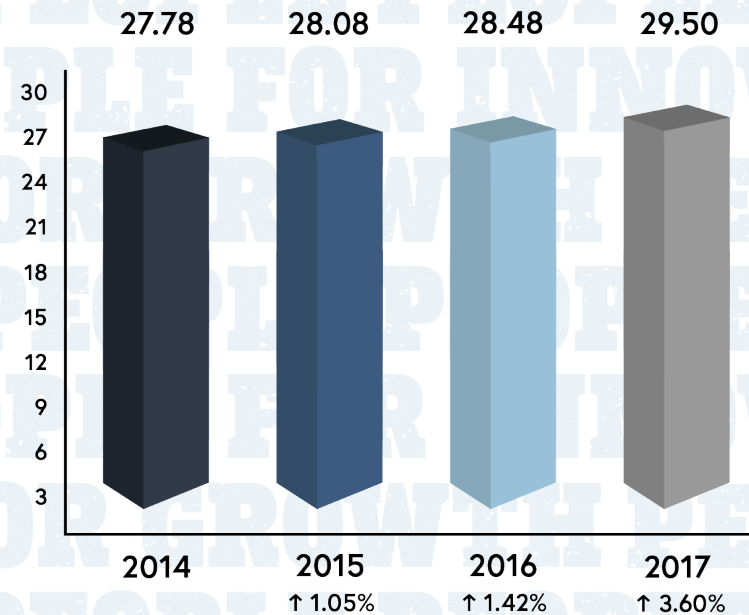
**DR. JAMES BARRICK**

We remember Dr. James Barrick, our dedicated TTCU Board Member who served for more than 35 years. He had a tireless commitment and loyalty to the credit union and its members. We will miss him.

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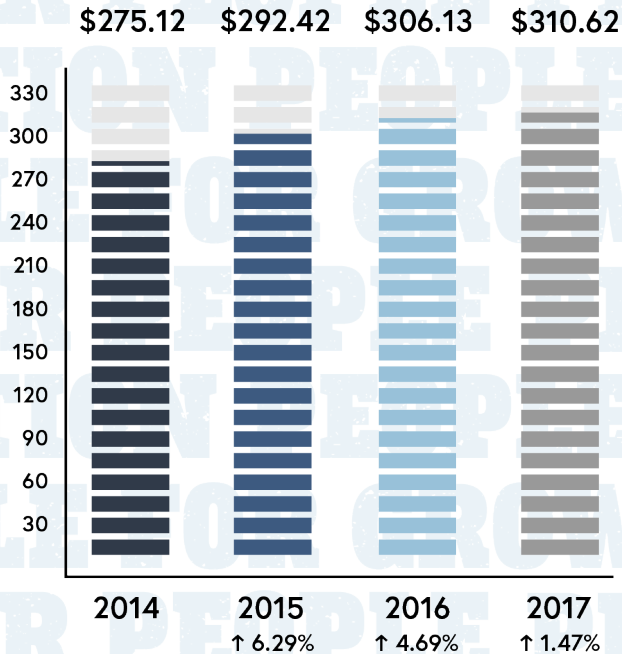
## NET WORTH

(In Millions)



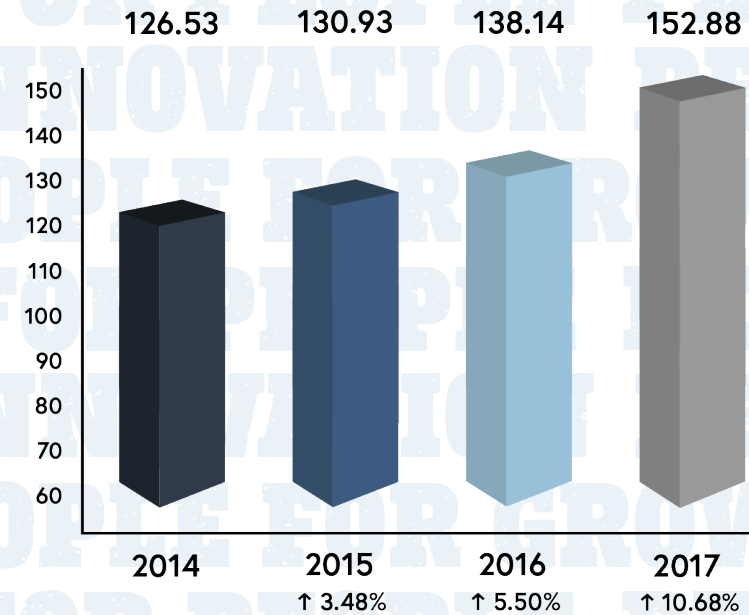
## ASSET GROWTH

(In Millions)

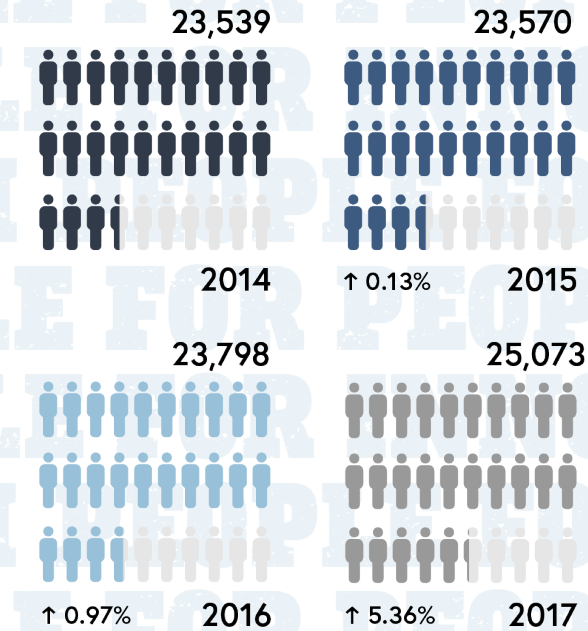


## CONSOLIDATED LOAN GROWTH

(In Millions)



## MEMBERSHIP GROWTH



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

**White Bridge Road**  
107 White Bridge Road  
Nashville, TN 37209

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

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

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

**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

**E.T.S.U.**  
P.O. Box 23112  
D.P. Culp University Center  
Johnson City, TN 37614

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