



2017 ANNUAL REPORT



Rick Fehr,
CEO and President

PRESIDENT'S REPORT

Dear Member-Owner:

During February 2008, I was offered the privilege of leading our APCI Federal Credit Union team. It has been both a challenge and honor to navigate our membership through the changing opportunities and risks presented to us.

What has not changed over the past ten years is our dedication to staying true to the core credit union philosophy of People Helping People - all the while continuing to deliver strong member value supported by sustainable growth.

In fact, over the past 63 years, your Credit Union's value proposition has remained constant. We began as a financial cooperative committed to members saving money together, making loans to each other and sharing the benefits of our success. This commitment continues today.

Looking forward, and beginning with our technology upgrade in August 2016, we have been making strategic investments to create and enhance our electronic delivery channels. Usage of our electronic banking services continues to grow and reach more and more of our members in all 50 states.

Here is a look at some of what we have accomplished since 2007:

	Total Shares:	Total Loans:	Mobile Banking: APCI eMobile	Mobile Deposit: APCI eDeposit
December 31, 2007	\$282M	\$157M	0	0
December 31, 2015	\$476M	\$266M	0	0
December 31, 2017	\$519M	\$272M	4,780	3,016

So, while we stay true to our pillars of success, we are also investing in an exciting future which offers multiple delivery channels within which you may connect and grow with us.

It has been an honor to lead our awesome team and Credit Union family. I look forward to the years of the shared journey which lay before us.

Thank you for your support. It is you, our members, that are essential to our success.

ASSETS (in millions)

2015	\$529.3
2016	\$552.0
2017	\$574.2

SHARES (in millions)

2015	\$475.8
2016	\$497.6
2017	\$518.9

LOANS (in millions)

2015	\$265.5
2016	\$257.8
2017	\$272.3

MEMBER ACCOUNTS (number)

2015	18,383
2016	18,368
2017	18,366

Statement of Financial Condition

(as of 12/31/2017 and 12/31/2016)

Assets	2017	2016
Loans	\$ 272,295,081	\$ 257,808,459
Investments	287,553,435	279,715,803
Cash and Cash Equivalents	1,048,551	2,016,575
NCUSIF NCUA Deposit	4,724,015	4,487,120
Miscellaneous Assets	8,552,637	7,966,901
Total Assets	\$ 574,173,719	\$ 551,994,858
Liabilities, Shares and Equity		
Liabilities	\$ 2,395,047	\$ 2,283,614
Shares	518,943,424	497,615,729
Equity	52,835,248	52,095,515
Total Liabilities, Shares and Equity	\$ 574,173,719	\$ 551,994,858

Statement of Income

(years ended 12/31/2017 and 12/31/2016)

Operating Income	2017	2016
Loan Income	\$ 8,885,770	\$ 8,944,690
Investment Income	3,575,220	2,674,504
Miscellaneous Income	1,635,022	1,609,464
Total Operating Income	\$ 14,096,012	\$ 13,228,658
Operating Expense		
Compensation & Benefits	\$ 4,580,267	\$ 4,604,583
Travel & Conference	107,428	51,629
Office Occupancy	370,975	345,273
Office Operations	2,378,204	2,314,079
Educational & Promotional	110,761	111,730
Loan Servicing	661,454	534,789
Professional & Outside Services	404,253	523,441
Loan Loss Provision	48,429	36,162
Federal Operating Fee	126,026	96,318
Miscellaneous Expenses	22,190	20,741
Total Operating Expense	\$ 8,809,987	\$ 8,638,745
Non Operating Gain (Loss)		
Gain (Loss) on Assets	\$ (1,049)	\$ (90,214)
Gain (Loss) on Investments	0	13,570
NCUA Assessments	0	0
Total Non Operating Gain (Loss)	\$ (1,049)	\$ (76,644)
Dividend Expense	\$ 3,626,682	\$ 2,756,304
Net Income (Loss)	\$ 1,658,294	\$ 1,756,965



Federally
Insured by
NCUA



Equal
Housing
Lender



MISSION STATEMENT

- Serve as our members' Primary Financial Institution by providing a wide array of financial products and services at attractive prices that meet our members' needs and expectations.
- Deliver our products and services on a professional and consistent basis and in a responsive, convenient manner.
- Operate in a financially sound and competitive manner to ensure long term financial strength while safeguarding members' deposits.
- Provide information that helps educate our members in making informed financial decisions.

LEADERSHIP TEAM

Richard A. Fehr *Chief Executive Officer and President*
 Gina M. Fili *Chief Financial Officer*
 Nadine R. Hohe *Chief Lending Officer*
 Dylan P. Finelli *Project Manager*
 Lori A. Floyd *Director of Marketing*
 Jack W. McLaine *Director of IT*

Justin R. Rabe *eCommerce Manager*
 Karyn L. Reppert *Director of Compliance & Risk Management*
 Deb K. Stephenson *Director of Member Services*
 Jayne C. Stoudt *Controller*
 Jeffrey P. Wenner *Director of Loan Services*

ANNUAL AUDIT & EXAMINATION REPORT

The APCI Federal Credit Union Supervisory Committee hired the independent accounting firm of Reinsel Kuntz Leshar LLP, Wyomissing, PA to conduct a comprehensive 2017 annual audit. Reinsel Kuntz Leshar LLP has expressed a certified opinion that the financial statements present fairly, in all material aspects, the financial position of your credit union. The certified opinion further states that the results of our operations conform with generally accepted accounting principles.

PRODUCTS & SERVICES

Savings Programs

Share Savings Accounts • Share Certificates
 Kids Klub Savings Program

Share Draft Checking

Traditional & Roth IRAs

Consumer Loans

New and Used Autos • Motorcycles
 Personal Loans • Mastercard® Plus

Mortgage and Home Equity Loans

Home Equity Line of Credit • Fixed Rate Home Equity • Refinance Mortgage Program

Electronic Services

- APCI eCU suite of electronic banking services: APCIRCUIT® PC Home Banking Service, APCI PAY Online Bill Paying Service®, APCI eStatements, APCI eAlerts, APCI eMobile, APCI eDeposit, APCI eTalk
- ATM/Visa® Debit Card



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Hours of Operation: Mon. – Wed. & Fri. 8:00 am – 4:00 pm ET; Thur. 7:15 am – 4:00 pm ET
 Phone Service available daily until 4:30 pm ET
Telephone Assistance: 800-821-5104
Website: apcfcu.org