

## Credit Committee

The Credit Committee recommends loan policies for approval by the Board of Directors. The responsibilities of the Credit Committee are to review loan applications, review all loans granted, review rejected loans, and to recommend loan policies for approval by the Board of Directors.

In 2011, the Committee approved 3,263 loan applications totaling \$14,400,669.23

Many thanks to the Committee for their time and dedication.

Veronica Cromer, Chairman

## Annual Certified Audit

Towpath Credit Union employs the Certified Public Accounting firm of Lillie & Company. They perform an audit of the credit union's financial statements. The objective of this audit is to determine that the credit union's financial statements are presented fairly in accordance with Generally Accepted Accounting Principles (GAAP). In the opinion of our Certified Public Accountants, the December 31st, 2011 statement of financial condition is fairly stated in accordance with GAAP.

Towpath Credit Union remains financially safe and sound. As a financial institution in the community, we are poised to maintain our position of stability despite a tough economy.

It has been my pleasure to serve you in this capacity.

Ernest Steele  
Treasurer

## Your Credit Union's Growth at a Glance

	<b>Total Assets</b>	<b>Total Loans</b>
2002	58,424,379	26,454,225
2003	59,906,112	25,127,849
2004	58,683,409	25,794,850
2005	57,339,091	38,764,253
2006	57,895,547	42,294,804
2007	61,617,417	37,917,922
2008	59,912,617	34,456,024
2009	67,734,593	35,443,167
2010	72,209,894	31,486,515
2011	112,061,916	51,236,298

## Nomination Committee

Each year the three year term of one third of the members of your Board of Directors expires. Annually a call for member nominations is conducted. This year there were four names in nomination for three positions.

Congratulations to the following: Lester Carney, Gregg Strain, and Phillip Montgomery that were elected by the membership to three year terms.

Your 2012 Board of Directors include: Lester Carney, Carole Orosz, Ernest Steele, Robert Dengler, Phyllis Eady, Judi Hill, Phillip Montgomery and Gregg Strain.

Carole Orosz  
Chairperson – Nomination Committee

## Board of Directors

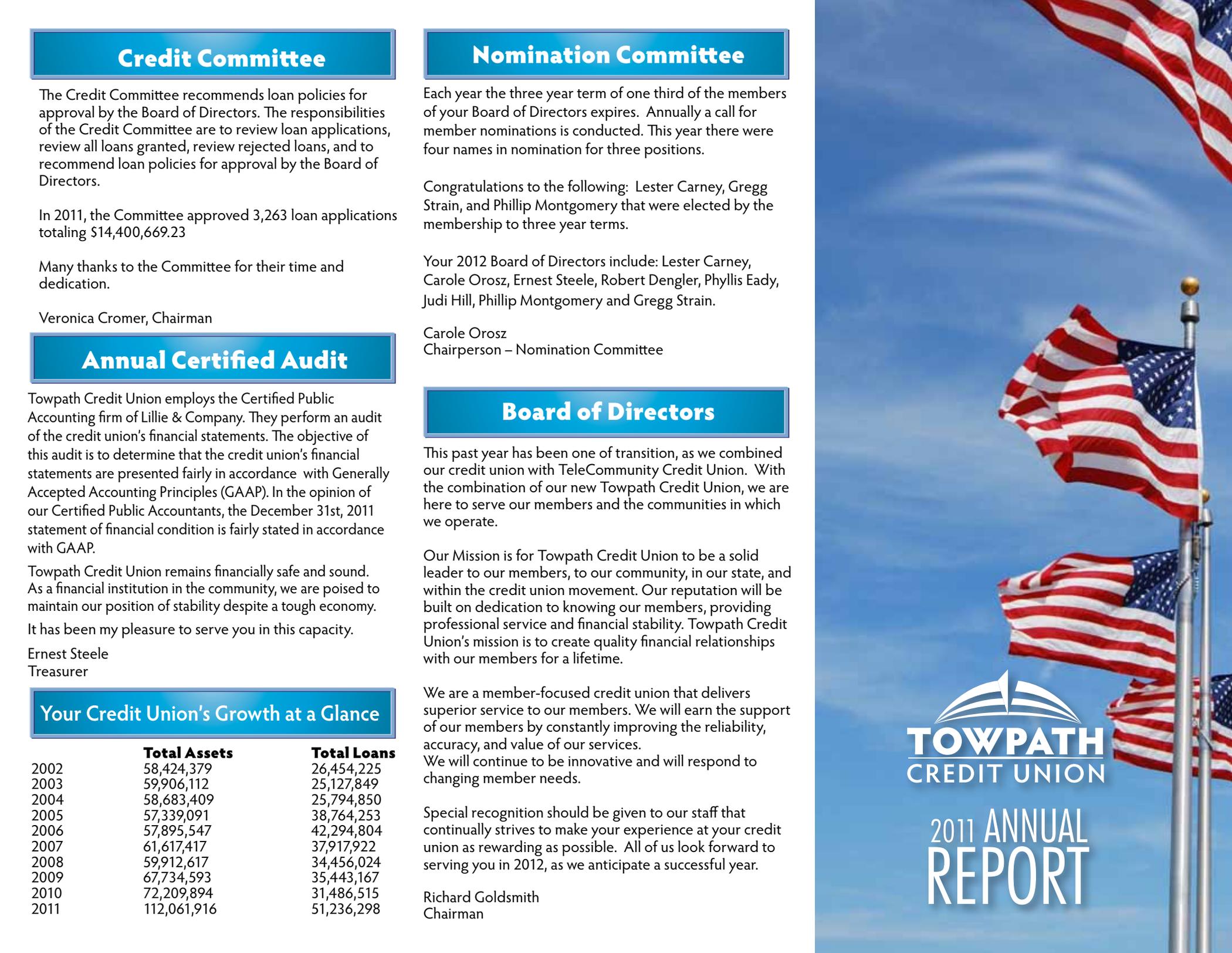
This past year has been one of transition, as we combined our credit union with TeleCommunity Credit Union. With the combination of our new Towpath Credit Union, we are here to serve our members and the communities in which we operate.

Our Mission is for Towpath Credit Union to be a solid leader to our members, to our community, in our state, and within the credit union movement. Our reputation will be built on dedication to knowing our members, providing professional service and financial stability. Towpath Credit Union's mission is to create quality financial relationships with our members for a lifetime.

We are a member-focused credit union that delivers superior service to our members. We will earn the support of our members by constantly improving the reliability, accuracy, and value of our services. We will continue to be innovative and will respond to changing member needs.

Special recognition should be given to our staff that continually strives to make your experience at your credit union as rewarding as possible. All of us look forward to serving you in 2012, as we anticipate a successful year.

Richard Goldsmith  
Chairman



**TOWPATH**  
CREDIT UNION

2011 ANNUAL  
REPORT



# TOWPATH CREDIT UNION, INC.

## STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2011, 2010 AND 2009

<b>Assets</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Cash	\$11,721,712	\$3,333,928	\$6,014,410
Loans to Members	51,236,298	31,486,515	35,443,167
Investments	43,051,903	33,442,668	22,220,795
Insurance Reserves	1,270,415	590,353	516,599
Land, Buildings and Equipment Net of Depreciation	3,253,484	2,578,421	2,636,608
Accrued Income, Prepaid Expenses and Other Assets	1,528,100	778,009	903,014
	<b>\$112,061,916</b>	<b>\$72,209,894</b>	<b>\$67,734,593</b>

### Liabilities and Members' Equity

Accounts Payable and Other Liabilities	\$472,657	\$186,358	\$116,968
Members' Savings	99,271,578	63,374,469	59,035,307
Reserves and Undivided Earnings*	12,317,680	8,649,067	8,582,318
	<b>\$112,061,916</b>	<b>\$72,209,894</b>	<b>\$67,734,593</b>

\* internally prepared



## CEO Report

As the new President/CEO of Towpath Credit Union, I welcome you our members to this fine credit union, and want to thank retiring CEO Alan McArthur for his dedication to the credit union for so many years. I am pleased to be here and to have the opportunity to work with all of you to provide the very best in member service that you've come to expect of us.

At Towpath Credit Union it's all about YOU!

Your credit union has a solid business model that always has the member at the foundation of all decisions made. The credit union doesn't make risky investments, we invest in our members! Your deposits are insured up to \$250,000 by American Share Insurance. We make every effort to offer competitive loan rates and deposit rates. We keep it simple and straightforward. We are here as a resource to educate our members on their financial matters.

We are your partner!

I am fortunate to work with an excellent group of individuals including; staff, committees and a dedicated Board of Directors that all contribute to the success of your credit union.

As we continue to grow, we will keep a sharp eye on the changing needs of our members.

Thank you for the opportunity to serve you.

Rose Bartolomucci  
President/CEO