

Pennsylvania State Employees Credit Union

Balance Sheets

(in thousands)

	December 31	
	2020	2019
ASSETS		
Cash and cash equivalents	\$ 1,051,475	\$ 1,329,349
Federal funds sold	8,345	16,621
Reverse repurchase agreement	125,000	-
Available-for-sale investment securities	1,184,400	181,418
Held-to-maturity investment securities	4,731	5,840
Other investments	2,484	2,253
Loans, net of allowance of \$50,746 and \$44,995	4,888,286	4,573,297
Deposit for federal share insurance	58,759	46,508
Accrued interest receivable	14,834	14,657
Property and equipment, net	88,020	88,260
Other assets, net	32,398	26,521
 Total assets	 \$ 7,458,732	 \$ 6,284,724
 LIABILITIES AND MEMBERS' EQUITY		
Members' share accounts	\$ 6,713,310	\$ 5,602,608
Accounts payable	7,722	4,192
Other liabilities	31,060	32,720
 Total liabilities	 6,752,092	 5,639,520
 Members' equity		
Additional paid-in capital	693	693
Retained earnings, partially appropriated	689,224	645,866
Accumulated other comprehensive income/(loss)	16,723	(1,355)
 Total members' equity	 706,640	 645,204
 Total liabilities and members' equity	 \$ 7,458,732	 \$ 6,284,724

The accompanying notes are an integral part of these financial statements.

Pennsylvania State Employees Credit Union

Statements of Comprehensive Income

(in thousands)

	Year ended December 31	
	2020	2019
Interest income		
Interest on loans, including fees	\$ 219,338	\$ 219,185
Interest on investments	15,918	21,056
Total interest income	<u>235,256</u>	<u>240,241</u>
Interest expense		
Dividends on members' share accounts	<u>53,905</u>	<u>33,349</u>
Net interest income	181,351	206,892
Provision for loan losses	28,984	30,617
Net interest income after provision for loan losses	<u>152,367</u>	<u>176,275</u>
Noninterest income		
Credit card interchange fees	6,653	7,182
Check card interchange fees	16,773	15,906
Checking account fees	5,725	7,977
ATM income	4,939	4,896
Other	9,431	8,401
Total noninterest income	<u>43,521</u>	<u>44,362</u>
Noninterest expenses		
Salaries and employee benefits	70,541	69,545
Office occupancy expenses	5,044	5,176
Office operation expenses	21,561	20,551
ATM expenses	9,216	11,701
Check card program expense	8,397	9,154
Loan servicing expenses	7,135	7,240
Depreciation and amortization	8,115	7,961
Other operating expenses	22,521	37,454
Total operating expenses	<u>152,530</u>	<u>168,782</u>
Net income	<u>43,358</u>	<u>51,855</u>
Other comprehensive income/(loss)		
Change in net unrealized gains/(losses) on investment securities during the year	20,319	1,902
Change in benefit plan liabilities	(2,241)	(2,045)
Total other comprehensive income/(loss)	<u>18,078</u>	<u>(143)</u>
Total comprehensive income	<u>\$ 61,436</u>	<u>\$ 51,712</u>

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