

# ANNUAL REPORT

# 2025



**Penn State Federal**  
Credit Union

Dear Members,

We are proud to present the Penn State Federal Credit Union 2025 Annual Report, as we celebrate 67 years of serving our members and the Penn State community. Since our founding in 1959 by a small group of College of Agriculture faculty, Penn State Federal has grown into a full-service financial institution. Our founding mission remains unchanged: members helping members every day, in the ordinary and extraordinary moments of their lives.

## **Leadership Transition**

After more than three decades of dedicated service, Cheryl Barr retired as CEO of Penn State Federal Credit Union on December 31, 2025. Cheryl's leadership was instrumental in growing the Credit Union into the strong, member-focused institution it is today. Her commitment to our members, staff, and community has left a lasting legacy, and we are deeply grateful for everything she has contributed.

Effective January 1, 2026, Rick Tabor assumed the role of CEO. He brings extensive experience in credit union leadership and a deep commitment to the cooperative principles that define Penn State Federal. The Board of Directors is confident in this transition and excited about the Credit Union's continued growth and future under new leadership.

## **2025: A Year of Meaningful Progress and Member Value**

The year 2025 was marked by strong operational performance and significant investments in member value. Building on the digital advancements introduced in prior years, including online membership applications and the launch of our modernized website, our teams continued to enhance accessibility, convenience, and service quality across all channels.

One of the most impactful achievements of 2025 was our \$1 million give back to the membership, delivered through interest rebates and a dividend bonus. This initiative reflects the heart of the credit union difference: when we perform well, our members directly benefit. Returning value to the members we serve is not only a financial decision, but also a reaffirmation of our cooperative purpose.

## **Financial Strength and Stability**

We entered 2025 with a strong balance sheet, as reflected in the 2024 results. That strength provided a solid foundation for navigating economic conditions throughout 2025. The Credit Union ended 2025 with \$260 million in assets, an increase of 3.33% over 2024. Total member shares increased by 1.34% and loans increased by 12.54%. Net income was \$3.1 million resulting in a regulatory net worth ratio of 13.88%. The financial details presented in this report demonstrate that Penn State Federal remains well capitalized, resilient, and positioned for long term stability. Maintaining this strength will continue to be a priority as we move forward.

## **Commitment to Education and Community**

At Penn State Federal, our investment in the community extends well beyond financial services. A Credit Union employee serves on the Diversified Occupations Advisory Committee at SCASD, strengthening our connection to local workforce development. We also continue to offer financial literacy resources to our youngest members through online Teen Club lessons, helping build a foundation of smart money habits for the next generation.

Our support for higher education remains a source of pride. In 2025, we took that commitment a step further. Penn State Federal doubled its scholarship awards, growing from 5 to 10 scholarships for students attending post-secondary institutions. This expansion reflects our belief that investing in education is one of the most meaningful ways we can give back to the members and families who make this Credit Union what it is. We also continued our longstanding support of THON and the Penn State Federal Trustee Scholarship through Penn State University, and our trellis at The Penn State Arboretum stands as an enduring symbol of that partnership.

Community engagement is simply part of who we are. In 2025, Penn State Federal was proud to support organizations and events throughout the region, including the YMCA of Centre County backpack program and Fall Fest, the State College Food Bank, Bellefonte and State College little leagues, local high school and travel athletic teams, the Pink Zone Golf Tournament, Coaches versus Cancer Golf Tournament, The Jared Box Project, PAWS, First Night State College, Park Forest Preschool holiday boxes, Toys for Tots, and many other nonprofit organizations doing meaningful work in our community.

## **Field of Membership**

Penn State Federal was originally chartered as a credit union for faculty and staff at all Penn State campuses. In the 1990s, students were added to the field of membership. Today, small employer groups (SEGs) and association groups continue to expand our membership, broadening our ability to serve the Penn State community.

## **Looking Ahead**

Penn State Federal's Board of Directors, Management Team, and Staff are united in moving forward to achieve our vision: that Penn State Federal Credit Union will be the preferred financial institution for the Penn State community. Our continued success belongs to you, our members, staff, and volunteers. Thank you for your trust, your loyalty, and your belief in what we do together.

***Penn State Federal, that's my Credit Union!***

Bob White, Chair of the Board  
Rick Tabor, CEO

# Board Members

	<b>Term Expiration Year</b>
Bob White, Chair	2027
Jane Agnelly, Vice Chair	2027
Jean Songer, Secretary	2027
Jeffrey Hyde, Treasurer	2026
Lynn DuBois, Director	2026
Gail Hurley, Director	2026
Grace Leri, Director	2028
Susan Morse, Director	2028
Judy Mudgett, Director	2028

# Management Team

Rick Tabor\*, CEO  
Kent Corl\*\*, Business Lending Manager  
Marnie Derabasse\*\*\*, Senior Vice President of Consumer Lending  
Cindy Greendon\*\*\*\*, Senior Vice President of Operations  
Lori McTavish\*\*\*\*, Senior Vice President of Marketing  
Steve Northamer\*\*\*, IT Manager  
Donna Trapp\*\*\*\*, Senior Vice President of Human Resources

# Supervisory Committee

To the Members of Penn State Federal Credit Union,

The Supervisory Committee is composed of volunteer members dedicated to ensuring the financial integrity and operational soundness of your Credit Union. In fulfilling this responsibility, and in accordance with the Federal Credit Union Act and the rules and regulations of the National Credit Union Administration (NCUA), the Supervisory Committee engaged Doeren Mayhew Assurance to conduct the annual independent audit of the Credit Union's financial statements.

We are pleased to report that Doeren Mayhew Assurance issued an unqualified (clean) opinion on the Credit Union's financial statements for the year ended December 31, 2025. This means the financial statements present a fair and accurate picture of the Credit Union's financial position and you can be confident that the Board of Directors, Supervisory Committee, and Management Team are fulfilling their fiduciary responsibilities with sound fiscal stewardship.

Additionally, the NCUA conducted a regulatory examination during 2024 and identified no material findings. All member deposit accounts are federally insured up to \$250,000, and IRA accounts are separately insured up to \$250,000, through the NCUA's Share Insurance Fund.

The Supervisory Committee commends the Board of Directors and the Credit Union's dedicated staff for their continued commitment to the principles of fiscal responsibility. Their expertise and professionalism have built a strong foundation for the Credit Union's ongoing growth and stability.

On behalf of the Supervisory Committee, I extend sincere appreciation to the Board and staff for the exemplary manner in which they serve our membership, and to all members for your continued loyalty and trust.

Respectfully submitted,  
Roy James Orr Jr.  
Chair, Supervisory Committee

**Committee Members**  
Roy James Orr Jr., Chair  
Judy Mudgett  
Sue Smith

# Financials

## STATEMENTS OF FINANCIAL CONDITION

December 31, 2025 and 2024

ASSETS	2025	2024
Cash and Cash Equivalents	\$ 28,775,190	\$ 29,622,527
Interest-bearing Deposits	10,950,000	8,952,000
Investments		
Securities Available-for-sale	59,631,337	52,537,937
Securities Held-to-maturity	19,190,692	33,916,499
Loans Receivable, Net of Allowance for Loan Losses	132,777,335	117,977,236
Accrued Interest Receivable	657,596	636,080
Property and Equipment, Net of Accumulated Depreciation	3,917,420	4,039,230
National Credit Union Share Insurance Fund Deposit	2,171,835	2,110,019
Prepaid and Other Assets	1,159,995	1,089,325
<b>TOTAL ASSETS</b>	<b>\$ 259,231,400</b>	<b>\$ 250,880,853</b>

LIABILITIES AND MEMBERS' EQUITY	2025	2024
Liabilities		
Members' shares	\$ 227,478,016	\$ 224,463,655
Accounts payable and other liabilities	533,585	565,507
<b>Total Liabilities</b>	<b>228,011,601</b>	<b>225,029,162</b>
Members' Equity		
Undivided earnings	34,912,774	31,728,905
Accumulated other comprehensive loss	(3,692,976)	(5,877,213)
<b>Total Members' Equity</b>	<b>31,219,798</b>	<b>25,851,692</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$ 259,231,399</b>	<b>\$ 250,880,854</b>

# Financials

## STATEMENTS OF INCOME

Year Ended December 31, 2025 and 2024

	2025	2024
Interest Income		
Loans receivable	\$ 6,912,393	\$ 6,571,149
Investments and interest bearing accounts	<u>3,903,349</u>	<u>4,440,605</u>
Total Interest Income	<u>10,815,742</u>	<u>11,011,754</u>
Interest Expense		
Members' shares	2,334,337	1,653,823
Borrowings	<u>-</u>	<u>728,451</u>
Total Interest Expense	<u>2,334,337</u>	<u>2,382,274</u>
Net Interest Income	8,481,405	8,629,480
Provision for Loan Losses	<u>433,864</u>	<u>451,451</u>
Net Interest Income after Provision for Loan Losses	<u>8,047,541</u>	<u>8,178,029</u>
Non-interest Income		
Fees	192,276	184,679
Credit card and ATM transaction income	944,949	954,177
Other	<u>299,633</u>	<u>214,208</u>
Total Non-interest Income	<u>1,436,858</u>	<u>1,353,064</u>
Non-interest Expense		
Compensation and benefits	3,730,863	3,472,038
Operations	1,079,470	892,824
Occupancy	335,395	405,803
Marketing and promotion	96,784	87,893
Loan servicing	642,503	580,834
Professional outside services	313,156	301,486
Other operating expenses	<u>102,359</u>	<u>136,880</u>
Total Non-interest Expenses	<u>6,300,530</u>	<u>5,877,758</u>
NET INCOME	<u>\$ 3,183,869</u>	<u>\$ 3,653,335</u>

# Penn State Federal Team Members who are committed to helping in our communities!

## Administration

Katie Lyons\*\*

## Back Office Services

Shannon Ballenger\*\*\*\*

Tom Dicus\*\*\*\*

Melanie Stimer\*

Paige Wolford\*

## Business Services

Lori Belko\*

Bob Fryer

Christina Hinkle

## Information Systems

Sam Bacza-Nelson\*

Justin Maddox\*\*\*\*

Chris Snyder\*\*\*\*

## Lending Services

Teresa Albertine

Jen Bachowski

Gene Eichenlaub\*\*\*

Jamie Gilham\*\*

Michelle Haas

Tina Hepfer\*\*\*

Paul Stodart\*\*\*\*

Rachel Ward

Doug Welch\*\*\*

## Member Services

Lori DiFolco

Jeff Drapcho\*\*\*

Nichole Exarchos

Tina Hibbert\*

Gail Jones\*\*\*\*

Carol Kuhlen\*

Judi Morehouse

Linda Sauers

Julie Sealy\*\*

## Operations

Christine Boone\*\*\*\*

Angela Gates\*\*

Alyson Gross\*

Linda Pelton\*\*

## Lori Belko

### Vice President of Business Lending

- The Home Foundation Board Secretary
- The Home Foundation Finance Committee
- Central PA Festival of the Arts Volunteer
- Central PA RMA Chapter Board Member

## Cindy Greendonner

### Senior Vice President of Operations

- Beyond the Bell for Clinton County Scholarship Coordinator

## Alyson Gross

### BSA/Compliance Officer

- Bigler Cub Scout Pack #20 Committee Chair
- Hyde Wesleyan Church Preschool Class Leader

## Gail Jones

### Branch Manager

- Halfmoon Township Auditor
- SCASD Diversified Occupations Committee Member

## Carol Kuhlen

### Teller Service Representative

- Milesburg Food Pantry Volunteer

## Lori McTavish

### Senior Vice President of Marketing

- State College Food Bank Board Member

## Chris Synder

### Systems Programmer

- Rising Hope Therapeutic Riding Center Volunteer

## Donna Trapp

### Senior Vice President of Human Resources

- AAUW Used Book Sale Co-Chair

## Rachel Ward

### Loan Support Specialist

- Centre County PAWS Volunteer



Joining the fun and supporting local events such as the Howard Winter Festival and the Bellefonte Annual Easter Egg Hunt.

\* 5 years of service  
\*\*10 years of service  
\*\*\* 15 years of service  
\*\*\*\* 20 years of service  
\*\*\*\*\* 25 years of service  
\*\*\*\*\* 30 years of service