

Diamond Credit Union



Annual Report 2021

BOARD MEMBERS

Patrick M. Austin, Chairman
Eugene F. Carter Jr., Vice Chairman
Gary W. Yost, Treasurer
Marcia J. Levensgood, Secretary
Robert Tomascik
Clark D. Caughey
Sandi M. Chieffo
David L. LeKites
Mark V. Wallace

IN MEMORIAM

Robert Orlando

For over 40 years, Bob served on Diamond's volunteer Board of Directors. His contributions and service to Diamond was invaluable and helped shape Diamond into the credit union it is today. As a long-time Rajah Shriner member, in honor of his life, Diamond donated \$1,000 to Shriners Hospital for Children.

MEMBERSHIP MEETING

75th Annual Membership Meeting
Diamond Credit Union
Pottstown Branch
1600 Medical Drive
Tuesday, March 1, 2022
Lobby @ 5:00 PM

2021 AUDIT

During 2021, the Board of Directors hired the independent accounting firm of RKL, LLP, Wyomissing, PA, to conduct quarterly audits, and an annual audit of our financial statements. RKL, LLP, expressed the opinion that the financial statements present fairly, in all material respects, the financial position of Diamond Credit Union, and the results of its operations and its cash flow in conformity with accounting principles generally accepted in the USA.

CHAIRMAN

Patrick M. Austin

Patrick M. Austin,
Board Chairman



For Diamond Credit Union, the past year was a success.

However, I am just as pleased at the outlook for the years ahead. We continued to evolve the ways in which we served you in 2021, always navigating Covid's impact. We began to offer appointments for in-person service at branches. While well-received, the reliance on our online channels remained as high as they did during the peak of the pandemic.

The demand for online channels to serve member wants and needs for vehicles, homes and more was met with an upgraded loan processing system.

The new system made online loan applications better, getting members answers and funded faster than ever. "I was on the beach in Florida and had my loan approved, signed the documents and the funds were in my account the next day," said one very satisfied member in a survey. "It doesn't get better or easier than that."

Our focus on lending made a record number of dreams come true in 2021. Never in our 74-year history had we connected so many members with mortgages for new homes.

Our Diamond Financial Planning wing continues to grow as more and more members come to us for plans covering key financial goals.

Diamond has grown to over \$900 million in assets. Almost \$244 million in growth happened in 2020 and 2021. To put that in perspective, it took Diamond from 1947-2004, 57 years, to grow to \$200 million in assets. *We could not have accomplished this without our wonderful team. They continue to impress in more ways than I can begin to count!*

For them we instituted a new Remote Work Force program. No longer content to "flatten the curve" of Covid, but to adapt to the times to retain the talented employees that we are so fortunate to have and attract more of them as we continue to grow.

This program is one of many reasons we earned PA Best Places to Work honors for a 6th consecutive year. Another is our team's unwavering dedication to the communities they serve.

Our employees, 100% of them for the 21st consecutive year, gave to support the United Way. *Our long-time commitment to the American Cancer Society reached a milestone as we surpassed the \$1 million fundraising mark.*

"We look at our accomplishments with satisfaction... while looking ahead with confidence."

You all appreciate our team too.

Members voted Diamond the People's Choice of Berks County award winner for the 14th time. For four years running, members voted Diamond as Berks County Living's Best of Berks, still the only credit union to ever win this prestigious award. In our member satisfaction surveys during the two years of Covid, 94.5% of you said you were satisfied or very satisfied with Diamond's service. That's the exact same score we achieved in the three years prior to Covid.

We have even more to look forward to.

In November, we announced that we expanded our charter which gives us the ability to bring our unique brand of service to more of our friends and neighbors.

To take our community involvement further, we have submitted applications with the PA Dept. of Banking and IRS to create The Diamond Charitable Foundation. Once approved, the Foundation's mission will be to foster and support opportunities that promote education, health, wellness and emerging community needs. Branches are still incredibly important to us and we plan to break ground on our eighth by mid-2022 in the Shillington market.

Finally, I want to recognize John Faust. After leading Diamond during five different decades, John has decided to retire. *Nothing I so happily reported on would have been possible without his leadership.* John has put Diamond in the wonderful position of being able to look at our accomplishments with satisfaction, while also looking ahead with confidence in an even better tomorrow. *John, the staff, membership and Board of Directors thank you for your leadership and dedication as you enter a new chapter in your life.*

PRESIDENT

John M. Faust

John M. Faust,
President/CEO



Every story has an ending. The final chapter of my story here at Diamond is being written.

After nearly 40 years in credit unions, 36 with Diamond, and 30 as President/CEO, I've decided to retire.

The process to select the next President/CEO is nearing its conclusion. For several months, Diamond's Board of Directors has worked closely with the highly respected recruitment firm, D. Hilton and Associates, to conduct a nationwide search. Every business leader wants to leave an organization stronger and more sustainable. I believe such is the case here at Diamond. It's been a great run. To you, our members, I graciously say, thank you for being a part of it.

I'm proud of what our team has accomplished together over the years.

Early in my time here, we relocated our headquarters from inside Dana Incorporated, formerly Spicer Manufacturing Company, whose employees founded this credit union with eight members in 1947.

We gained the ability to serve multiple businesses in the early 90s and together grew.

"Every business leader wants to leave an organization stronger & more sustainable."

We became state chartered in the late 90s and grew. In the mid-2000s, we shifted to a community charter that allowed us to serve just about anyone in Berks and parts of Montgomery and Chester Counties, and we grew. We recently announced that our charter has again expanded to include all of Berks, Montgomery, Chester and Bucks Counties.

As you can see, your Credit Union is not done growing.

The original eight members now number 64,000-plus. The credit union held assets of \$1 million dollars after its first 15 years. In the last 15 years, we have grown almost \$700 million dollars and are approaching \$1 billion dollars in assets. We've gone from one branch to seven, with more planned.

We have grown from employing a handful of local people, to a team of over 180-strong that I deeply admire. *That team has created a culture that became our Yunity brand.* Our culture has been recognized for six consecutive years as a PA Best Places to Work award winner, and that is incredibly satisfying.

That team is dedicated to the people of the communities they serve. They support many great causes with their time and dollars. Many of you have also backed our Relay For Life events that have raised over \$1 million dollars, thank you.

The faith you have put behind Diamond to trust us with your financial well-being is something I cherish. You have chosen Diamond to help finance your homes, weddings, educations, dream vacations and so much more. It has been an honor to play a small part in that which is important to you.

If I keep writing this enthusiastically about what you and our team mean to me, I might talk myself out of retiring. *But the time is right.* Leaving is bittersweet, but I look forward to what is next.

Next is spending more time with my wife Mary, for without her support none of the above could have happened.

I plan on being an active part of my four grandkids' lives. Mary and I will spend more time in State College enjoying the community I fell in love with as a Penn State student way back when.

I am forever grateful for your support, respect and encouragement over the years.

Thank you for reading.

TREASURER

AW Yost

Gary W. Yost,
Treasurer



Although it's been another year of battling-back against the pandemic, Diamond stayed strong. We were able to quickly adjust to ever-changing situations, all while growing the credit union and maintaining the course to reach the goals we set forth to accomplish within the year. Growth highlights for 2021 include: *Assets 14.32%, Deposits 14.89%, and Loans at a record-breaking 11.99%*. Even through a year of modified branch operations, *our membership-base grew, capital remained strong at 8.73% and profitability sound.*

OPERATING STATEMENT

2021

Interest Income on Loans & Investments	\$ 24,241,627
Dividends & Interest Expense	\$ 3,854,019
NET INTEREST INCOME	\$ 20,387,608
Provision for Loan Losses	\$ 480,000
NET INTEREST INCOME AFTER PROVISION	\$ 19,907,608

Non-Interest Income	\$ 18,275,750
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Non-Interest Expense

Compensation & Benefits	\$ 17,383,080
Office Occupancy & Operations	\$ 6,461,333
Loan Servicing	\$ 2,174,903
Professional & Outside Services	\$ 3,818,747
Other Expenses	\$ 1,008,097
TOTAL NON-INTEREST EXPENSE	\$ 30,846,160
NET INCOME	\$ 7,337,198

BALANCE SHEET

2021

Assets

Loans to Members	\$ 531,611,334
Allowance for Loan Losses	\$ (3,088,047)
NET LOANS	\$ 528,523,287
Cash & Cash Equivalents	\$ 90,331,806
Investments	\$ 244,154,636
Fixed Assets	\$ 20,185,135
NCUSIF Deposit	\$ 7,679,054
Other Assets	\$ 31,503,561
TOTAL ASSETS	\$ 922,377,479

Liabilities & Equity

Member Deposits	\$ 826,095,051
Other Liabilities	\$ 16,271,278
Equity	\$ 80,011,150
TOTAL LIABILITIES & EQUITY	\$ 922,377,479

MEMBERSHIP 64,525



LOANS \$531.6



DEPOSITS \$826.1



ASSETS \$922.4



CARING FOR OUR COMMUNITY

Adalyn Rose Foundation | Baseballtown Charities | Habitat for Humanity | Julia's Grace Foundation
Spring Ford Project Outreach | Toys for Tots | United Way | West Reading Borough Police/K-9



Exeter Food Pantry | Festival of Lights | Fightin' Phils K's for CommYounity
New Hanover Fire & Rescue | Socks for A-4 Podiatry Clinic | Spring For Chamber

Big Brothers Big Sisters Bowl for Kid's Sake | Boyertown Area Multi-Service | Children's Home of Reading
Friends of Reading Hospital | Kid's Place PA Foster Care | Miller-Keystone Blood Drive | Lion's Club

Alfred A. Panfile Scholarship | American Cancer Society | Berks Encore
Olivet Boy's & Girl's Club | PA Pitt Stop | Preston's Pantry | Rickett's Center

ACHIEVEMENTS & ACCOLADES

Vistage Leadership Award

Vistage, the world's largest CEO coaching and peer advisory organization for small- and mid-sized businesses, celebrated John Faust for his enduring excellence in leadership, impact on Diamond CU, the Vistage group, and the community.



People's Choice of Berks County 14 Years

For the 14th consecutive year, Diamond was named the Leading Credit Union in Berks County.

Top 100 Companies Supporting the United Way of Berks County

Companies that made the list donated a combined \$8.3 million dollars. Every Diamond employee supported the campaign and that marked 21 consecutive years of 100% staff participation.



Best Places to Work | 6 Years

Best Places to Work awards 100 organizations based on employee responses, company policies, and values. This marks 6 consecutive years Diamond is on the list.

Best of Berks | 4 Years

This is the fourth consecutive year Diamond has been awarded Best Financial Institution. Additionally, Diamond is the only credit union that has ever won under this category.



Expansion to Serve 4 Counties

In 2021, Diamond Credit Union was granted approval to expand our serving area to 4-full counties. Now, anyone living, working, going to school, or conducting business in Berks, Chester, Montgomery, and/or Bucks counties can join.



diamondcu.org | 610.326.5490 | 800.593.1000
Pottstown | Boyertown | Royersford | Wyomissing | Muhlenberg | Exeter | Tower Health