

2010
Annual
Report



Helping
PEOPLE
through a
lifetime of
commitment



MISSION | VISION | VALUES

Our Mission

PARDA Federal Credit Union is a not-for-profit financial organization dedicated to providing the best possible financial services for our members.

Our Vision

PARDA's vision is to become the financial institution of choice for our members while maintaining a strong reputation as a top quality, member focused credit union.

Our Values

PARDA's values help us to achieve our vision. Our values embody the spirit of service with which the credit union movement was initiated:

Leadership
Integrity
Member Focus
Innovation
Teamwork

PARDA TAKES SERVICE
TO THE LIMIT!



PRESIDENT'S REPORT

In an increasingly complex world, our members in all stages of life have diverse financial goals. **PARDA Federal Credit Union is dedicated to helping people through a lifetime of commitment.** We're striving to build long-term relationships of financial services and support for our members, through the cooperative principles of credit unions – including voluntary governance, democratic member control, and members' economic participation.

As consumer options evolve and adapt to an ever-expanding financial environment, our Board of Directors and management team set manageable, measurable goals and operate under principles that allow for flexibility, while moving steadily toward our long-term objectives. Keeping our focus fixed on the future and our Mission, Vision and Value statements in mind; we make daily decisions that move us closer to achieving a meaningful difference in members' financial lives. One recent example is the opening of our new location in Van Buren Township in early 2011. While we recognize the constant technological progression in our industry, a workplace community location still provides increased levels of member convenience. As evidence of our fiscally sound investments and sensible lending practices, we have posted solid earnings and continue to maintain strong capital in 2010, our 73rd year of operation.

Operating a safe, secure, and well-capitalized financial institution is an undertaking that requires the collective effort of a focused and highly skilled team of professionals. We could not have achieved a successful 2010 without our outstanding employees who deliver exceptional service to our members every day. I want all of our employees, as well as our volunteer Board of Directors, to know how much we value the contributions they make to our credit union family.

Our financial strength and ongoing success is also a direct result of our members taking advantage of our products and services. When you finance with PARDA, whether to buy a car, a house or fund your business, you are directly helping other members. Please continue to share the benefits of membership with your family, friends, and co-workers, and invite them to join our credit union.

In 2011, we will adhere to our strategic plan objectives by exploring innovative ways to exceed member expectations in our branches, over the phone, online, and via mobile devices. We're strategically positioned to expand our products and services portfolio with a pinpoint focus on each member's distinctive and collective needs. We enjoy serving you, and look forward to another year of opportunities to helping each member achieve his or her personal definition of lifetime success.

Respectfully yours,

Nancy K. Wasczenski

Nancy K. Wasczenski
President & CEO

COMMUNITY INVOLVEMENT

The credit union philosophy of "People Helping People" is embedded in our history and is something we uphold each year. We are an organization where people are valued over money.

PARDA Federal Credit Union is committed to helping build strong communities and making a positive difference where we live and work. In addition to providing quality financial products and services to our members, PARDA also makes a commitment each year to support our local communities through educational scholarships, sponsorships, volunteerism, and donations to various programs and organizations.

One of the most important ways in which we embrace our communities is through the PARDA Foundation. The foundation was started in 2007 and is a non-profit organization comprising of a voluntary board of directors that promotes accessible, affordable health care services. Proceeds from fundraisers and contributions to the Foundation are used to provide assistance to those who may not have health insurance or may be under-insured.

Organizations the PARDA Foundation supports include:

- Burnstein Community Health Clinic Pontiac MI
- City on The Hill Ministries Clinic Zeeland, MI
- Crusader Community Health Rockford, IL
- Gilbert Residence Ypsilanti, MI
- Henry Ford Continuing Care Center Roseville, MI
- Hospice Care of the Piedmont Greenwood, SC
- Lebanon Va Medical Center Lebanon, PA
- West Haven Veterans Hospital West Haven, CT
- Zufall Health Center Dover, NJ

Listed below are events and organizations that PARDA proudly supported in 2010:

- American Heart Association
- OLSHA Walk for Warmth
- Make a Wish Foundation
- Holland Firefighters
- Toys for Tots
- Children's Miracle Network

Over \$5,000 was donated to these and other worthy causes during the year.



FINANCIAL RESULTS

BALANCE SHEET

December 31, 2010

December 31, 2009

ASSETS

Cash and Cash Equivalents	\$ 18,597,125	\$ 17,025,225
Securities Available-for-Sale	86,765,540	72,061,639
Other Investments	8,852,429	8,194,333
Loans, Net of Allowance for Loan Losses	68,732,898	77,652,714
Accrued Interest Receivable	699,426	671,227
Property and Equipment	2,801,043	3,291,087
National Credit Union Share Insurance Fund	1,534,457	1,528,129
Other Assets	664,150	433,692

TOTAL ASSETS

\$ 188,647,068

\$ 180,858,046

LIABILITIES & EQUITY

Liabilities

Members' Shares	\$ 156,921,463	\$ 154,143,633
Accrued Expenses and Other Liabilities	633,002	662,108
Borrowed Funds	9,000,000	5,000,000
Total Liabilities	166,554,465	159,805,741

Members' Equity

Retained Earnings, Substantially Restricted	21,555,271	21,233,580
Unrealized Gain (Loss) on Securities Available-for-Sale	537,332	(181,275)
Total Members' Equity	22,092,603	21,052,305

TOTAL LIABILITIES AND MEMBERS' EQUITY

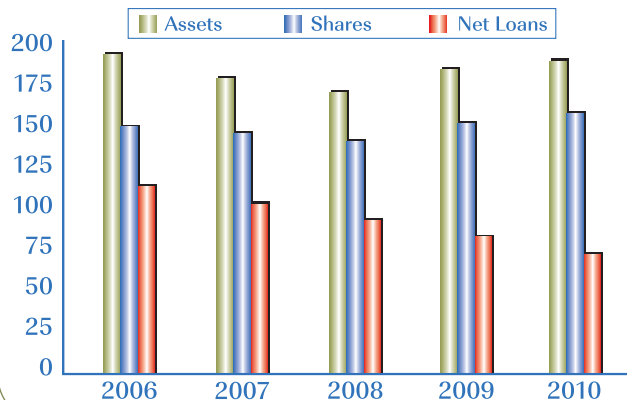
\$ 188,647,068

\$ 180,858,046

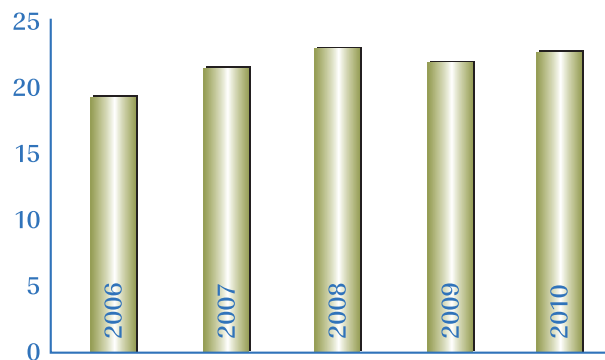
STATEMENT OF INCOME	December 31, 2010	December 31, 2009
INTEREST INCOME		
Interest on Loans	\$ 4,789,489	\$ 5,327,250
Interest on Investments and Cash Equivalents	3,557,014	3,611,747
TOTAL	8,346,503	8,938,997
INTEREST EXPENSE		
Dividends on Members' Shares	1,831,820	2,523,893
Interest on Borrowed Funds	251,631	248,000
TOTAL	2,083,451	2,771,893
NET INTEREST INCOME	6,263,052	6,167,104
PROVISION FOR LOAN LOSSES	1,308,265	2,128,310
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	4,954,787	4,038,794
NON-INTEREST INCOME		
Service Charges and Other Fees	1,634,481	1,629,158
Other Non-Interest Income	567,952	439,004
Gain on Sale of Securities	234,902	0
Other Than Temporary Impairment on Investment Securities	(141,955)	(47,255)
Impairment of Corporate Credit Union Capital	(78,915)	(165,756)
NCUSIF Recapitalization Gain	0	896,073
TOTAL	2,216,465	2,751,224
GENERAL AND ADMINISTRATIVE EXPENSES		
Salaries and Benefits	3,075,882	2,954,811
Operations	2,843,317	2,909,319
Occupancy	531,768	506,967
NCUSIF Stabilization and Premium Expense	398,594	1,125,291
TOTAL	6,849,561	7,496,388
NET INCOME	\$ 321,691	\$ (\$706,370)

INDICATORS OF SUCCESS

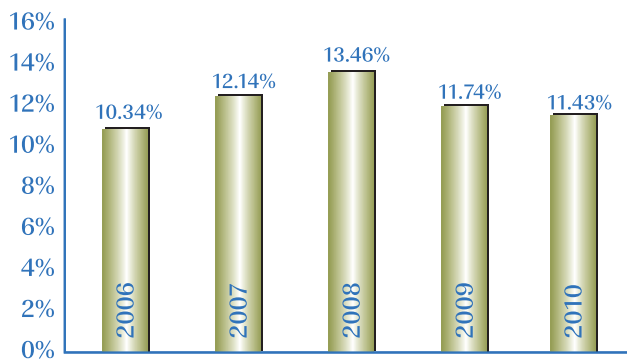
ASSETS/SHARES/LOANS (\$ MILLIONS)



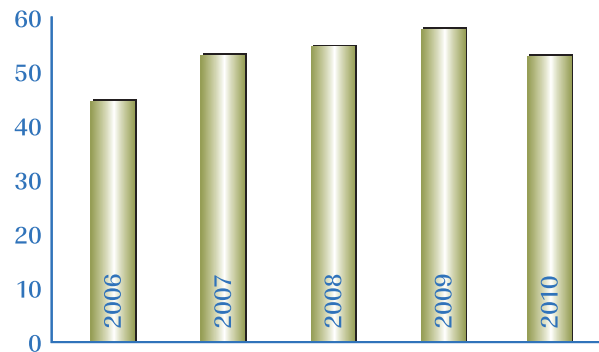
TOTAL RESERVES (\$ MILLIONS)



NET WORTH RATIO (As a Percentage of Total Assets)



YEARLY SHARE CERTIFICATE BALANCES (\$ MILLIONS)



PRODUCTS AND SERVICES

SAVINGS

Share Savings Accounts
Premier Savings
Holiday Club Savings
Vacation Club Savings
Youth Club Savings
IRA Savings
Share Certificates
IRA Certificates
Business Money Market

REAL ESTATE LOANS

First Mortgages
Reverse Mortgages
Home Equity Loans
Approved FHA Lender

CHECKING

Overdraft Protection
Share Draft
Business Checking

LOANS

New & Used Auto Loans
Premier Line-of-Credit
Recreational Vehicle Loans
Signature Loans
Business Loans
SBA Loans
Lines of Credit
Equipment and Vehicle
Leasing

VISA® CREDIT CARDS

Platinum
Business
Student

CONVENIENCE SERVICES

ATM
Debit Card
Direct Deposit
FREE Electronic Bill Pay
P.A.R. Audio Response
P.A.T.H. Online Banking
Shared Branching
Notary Public
Traveler's Checks
Wire Transfers
Cashiers Checks
ACH Origination



BOARD OF DIRECTORS / SUPERVISORY COMMITTEE

BOARD OF DIRECTORS



David Sweet
Chairman



Donald Callihan
Director



**DIRECTOR
EMERITUS**

Allan Gavern



Sherry Gass
Vice Chair



Mark Eichkorn
Director



Manny Hernandez
Treasurer



Tina Escalona
Director



Leon Troeger
Secretary



Joe Volstromer
Director



Gary White
Director

SUPERVISORY COMMITTEE

Sherry Gass
Supervisory Committee Chair

Mary Lou Clark
Supervisory Committee Member

Patricia A. Kelly
Supervisory Committee Member

TEAM PARDA

EXECUTIVE MANAGEMENT



Nancy Wasczenski
President & CEO



Kimberly Jones
Executive Vice President
& Chief Financial Officer



Jill Reinert
Director of Human Resources
& Sales

MANAGEMENT TEAM



Chaz Rzewnicki
Director of Operations



Charles Pruett III
Director of Accounting



Debbie Wrobel
Director of Operations



Dave Shosey
Director of Information Technology

WORKING FOR YOU

BRANCH MANAGERS

Maxine Alexander

Eastpointe, MI

Cathy Maffett

Greenwood, SC

Kelly Thomas

Holland, MI (Felch St.)

Kelly Winkleblack

Holland, MI (24th St.)

Lori Pursel

Lititz, PA

Crystal Vanderheyden

Loves Park, IL

Mary Beth Sherman

Milford, CT

Morris Plains, NJ

Mary Bauer

Rochester, MI

Lisa Kempf

Ypsilanti, MI

Front (L to R): Mary Bauer, Lori Pursel, Jeff Foster
Middle (L to R): Mary Beth Sherman, Maxine Alexander, Lisa Kempf, Cathy Maffett
Back (L to R): Kelly Thomas, Crystal Vanderheyden, Kelly Winkleblack



STAFF

Ali, Arref
Austhof, Katelyn
Ball, Rebecca
Becksfort, Barbara
Behlke, Gina
Berry, Tracy
Britton, Deborah
Cathcart, Janet
DePree, Lonna
Dinkel, Kathy
Dodd, Monica
Duronio, Joan
Finazzo, Glenna
Fosse, Anna
Gall, Christina
Cleffe, Teresa

Gunjak, Danyele
Hawkins, Selena
Hernandez, Elizabeth
Hummel, Nora
Lawson, Tonya
Lee, Robin
Louden, Yvonne
Lovallo, Eleanor
MacDonald, Marianne
Madden, Jessica
Makuch, Shawn
Marks, Heather
Mayorga, Mayra
Moore, Monique
Moss, Lauren
Nelson, Linda



Nies, Robin
Perachio, Kristen
Rooney, Melissa
Shear, Nichole
Stinson, Jadian
Sudik, Lema
Thomas, Kayla
VanDyke, Candece
Wells, Karen



LOCATIONS

Eastpointe, MI

18321 E. 8 Mile Road
Eastpointe, MI 48021
586.773.9444
fax 586.773.2520

Greenwood, SC

1835 Bypass 72 NE
Greenwood, SC 29649
800.557.2732
864.223.6787
fax 864.223.5866

Holland, MI

12345 Felch Street
Holland, MI 49424
616.994.6117
fax 616.994.6119

Holland, MI

259 East 24th Street
Holland, MI 49423
616.392.6979
fax 616.392.6724

Lititz, PA

400 W. Lincoln Ave.
Lititz, PA 17543
717.627.9329
fax 717.627.9540

Loves Park, IL

5500 Forest Hills Road
Loves Park, IL 61111
815.282.5631
fax 815.636.3652

Milford, CT

10 Leighton Road
Milford, CT 06460
203.882.2327
fax 203.878.9716

Morris Plains, NJ

185 Tabor Road
Morris Plains, NJ 07950
973.385.2885
fax 973.644.9865

Rochester, MI

870 Parkdale Road,
Rochester, MI 48307
248.656.5207
fax 248.656.2667

Van Buren Township, MI

One Village Center Drive
Building 35 East Main
Van Buren Township,
MI 48111
734.729.4633
fax 734.729.4652

Ypsilanti, MI

3650 Carpenter Rd.
Suite A
Ypsilanti, MI 48197
734.973.7208
fax 734.973.7321

MAIN OFFICE SUPPORT CENTER

2601 Cambridge Court, Suite 210
Auburn Hills, MI 48326

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