

Field of Membership

All public and non-public school employees who work in the towns of Enfield, East Windsor, Windsor, Windsor Locks, Suffield and Somers, Connecticut.

Enrico Fermi High School students.

Enfield High School students.

Employees of Community Health Resources.

Employees, commissioners and volunteers of the Enfield Fire Department.

Plus, spouses of persons who died while within the field of membership of this credit union, persons retired as pensioners or annuitants from the above employment, members of their immediate families and organizations of such persons.



2010 ANNUAL REPORT

"Not for profit, but for service."

Tobacco Valley Teachers Federal Credit Union

182 South Road
Enfield, CT 06082

860-253-4780
www.tvtfcu.org



5 Star Superior Rating from Bauer Financial, Inc.
"Recommended Credit Union"



SUPERVISORY COMMITTEE *Report*

During 2010 the Supervisory Committee made monthly visits to the credit union to familiarize ourselves with current and changing policies, to check and sign off on annual audit reports performed both by Bardaglio, Hart & Shuman and NCUA and to become more informed on daily functions. The management and the staff work together like a well-oiled machine and adhere strictly to all rules and regulations. They maintain compliance in all observable and reportable areas. It is no doubt due to their diligence that Tobacco Valley Teachers Federal Credit Union continues to function successfully even during precarious financial times.

On a monthly basis, the Supervisory Committee sends letters to members to confirm data about account closures. The credit union makes a continuous effort both to close members' accounts that are inactive or do not meet minimum fund requirements and to attract new membership through a variety of methods, using a variety of media. The credit union has become more visible to the local community by its participation in charitable events and its involvement with potential younger members in the participating school districts.

During our monthly audits, we can see that all member service representatives treat the members well, provide quick and competent service, and offer any information they can to help those they serve.

Although economic times have been difficult, the credit union not only increased its annual number of loans, but it has worked with members who might be having difficulty making loan payments.

As always, members can increase the interest rate of share certificates according to the number of services they use, and they can decrease the percentage rate off their loans in the same fashion. The credit union truly lives up to its mission statement, and we are sure that it will remain a strong financial institution moving forward in 2011.

Respectfully submitted,

Stephanie Levine

Stephanie Levine
Chairperson, Supervisory Committee

PRESIDENT'S *Message*

With 2011 comes the commemoration of our 75th Anniversary, and as we look forward we reflect back at how far we have come from paper journals to electronic communications and how we have evolved from our humble beginnings in 1936.

Over our 75 year history, we have prudently managed your funds so that we can remain strong even in the most difficult financial climate. Looking back over this past year, we are thankful that our strength and stability has made it possible for us to meet your specific financial needs. I assure you, your credit union remains strong and healthy, despite the challenges posed by the very tenuous financial condition of the national and world economies.

Tobacco Valley Teachers Federal Credit Union continues to improve its products and services while maintaining the highest level of security for its members. We are committed to reaching out to future generations with age appropriate products and services.

In this anniversary year, we have created a custom designed logo – or image that represents what we stand for. The logo features a tree and valley design that represents the growth and stability of the credit union as well as the “branches” of members, staff, volunteer Board of Directors and Committee members – all of whom make the credit union a strong financial institution.

I invite you to explore our website to see all we have to offer. You'll find that Tobacco Valley Teachers Federal Credit Union offers excellent rates for loans as well as on our savings accounts plus a variety of other services.

I would like to thank my fellow Board Members, our Committee Members and our Staff for their valuable time and deeply appreciated service to our membership. I would also like to extend my appreciation to each of you, our member/owners, for your continued support of our Credit Union. Your Board and Staff are working harder than ever.

Best wishes to you and your families and we look forward to serving all of your financial needs in the future. Thank you for your continued loyalty.

Sincerely,

Bill Howell

Bill Howell
Board President

MANAGER'S *Message*

As I write this report I would be amiss not to reflect on our humble beginnings back in 1936. From a teacher's desk in a school, to a basement in a house on Frew Terrace, to a rented office space on Hazard Avenue, to eventually owning our own building with a drive-up window on South Road. We started out with simple savings accounts and basic loans and grew to the multitude of financial services we now offer. It is only by the confidence our membership had and continues to show in us and the dedication of many volunteers throughout the years that we have been able to succeed and become a \$35,000,000 Credit Union with 3900 plus members. Therefore, as we begin our 75th year of service, we are committed to growth and to continuing to offer and expand on the great financial services you have become accustomed to from your credit union.

As we look back to 2010, we will remember it as a financially challenging time for many. We are pleased that we were able to help our members by modifying loans for some to help them through their personal rough financial periods. The mortgage market offered the lowest rates in years which resulted in many refinances of first mortgages along with purchases of first homes for some of our members. Many members took advantage of the special 3% car loan rates in October, along with other various specials we offered throughout 2010. Our assets grew by 4%, our loan portfolio grew by 3%, and we continue to boast a strong capital ratio of 9.60%. We welcomed into our membership the Enfield Fire Departments and their families. Starting our own Facebook page has enabled us to reach out to many members with timely information while keeping up with modern technology. Log on and become our "friend"!

As we start our next 75 years, I would like to thank our membership for their past, present and future loyalty to their credit union. I would also like to thank our dedicated volunteers, the Board of Directors and Committee members, past and present, for their commitment to our credit union and their guidance along the way. As always, our staff needs to be recognized for their hard team work which keeps our credit union running in the great fashion it has for all these years. We did not come this far without everyone's support as well as yours, "our membership". Again, thank you! On to the next 75 years!

Respectfully submitted,

Myrijam Meserve

Myrijam Meserve
Manager/CEO

FINANCIAL *Report**

BALANCE SHEET

<i>Assets</i>	2009	2010
Loans	16,787,711	17,264,233
Allowance for loan losses	(69,432)	(59,239)
Cash	971,628	335,909
Investments	14,279,085	15,893,110
Land & Building	660,735	638,714
Other Assets	501,748	573,220
TOTAL	33,131,475	34,645,947

Liabilities

Members Shares	14,290,275	15,066,303
Share Drafts	3,722,592	4,239,170
Certificates of Deposit	5,144,275	4,767,150
Money Market Savings	6,620,890	7,112,567
Reserves	577,150	577,150
Undivided Earnings	2,625,320	2,750,113
Interest & Accounts Payable	150,973	133,494
TOTAL	33,131,475	34,645,947

STATEMENT OF INCOME & EXPENSES

Income

Interest on Loans	1,010,657	1,019,833
Income from Investments	506,470	285,464
Other Income	201,179	257,208

TOTAL	1,718,306	1,562,505
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Expenses

Employee Compensation & Benefits	491,675	524,237
Cost of Space	72,864	68,367
Office Operations	230,161	235,204
Professional & Outside Services	73,569	70,552
Member Insurance	62,170	86,776
Other Expenses	430,653	452,576

TOTAL	1,361,092	1,437,712
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Net Earnings (before Dividends)	38,899	424,083
Gain (Loss) on investment (CCFCU Perm. Capital Deposit)	(276,911)	

Distribution of Earnings

Reserves

Dividends	318,316	299,290
Undivided Surplus	(238,012)	124,793

CREDIT COMMITTEE *Report**

William Howell
President

J. James McKenna, Jr.
Vice President

Myrijam Meserve
Treasurer

Nancy Rec Fenn
Secretary

Stephanie Levine
Chairperson - Supervisory Committee

Joan M. Targonski
Chairperson - Credit Committee

STAFF

Myrijam Meserve
Manager/CEO

Lori Triba
*Assistant Manager/
1st Mortgage Loan Officer*

Betsy Slayton
*Equity Mortgage/
Consumer Loan Officer*

Carol Muniz
Loan Clerk

Carol Nodurf
Data Clerk

Nina Chrisanthopoulos
Marketing Manager

Member Service Representatives

Mireille Marquardt
MSR Supervisor

Carol Love

Christine White

Ashley Musumeci

DIRECTORS

Pamela I. Babut

Jack Kertenis III

William Elrick

Raymond J. LaFlamme

Juanita Malone

Carol Woodruff

Abbey Kane

Philip M. Connors

CREDIT COMMITTEE MEMBERS

Edmund K. Drumm, Jr.

Monica E. Harnois

Carol Sorel

SUPERVISORY COMMITTEE MEMBERS

James Gatto

William Elrick

TYPE OF LOAN	QUANTITY
Signature Loans.....	48
Secured (Share/Co-maker) Loans	41
Chattel	146
Home Equity Loans.....	24
Home Equity Lines of Credit.....	24
First Mortgages	6
Visa Classic Credit Cards - Lines of Credit.....	48
Visa Platinum Credit Cards - Lines of Credit.....	45
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TOTAL.....	382

Loans Rejected	57
Other (Counteroffers, members changed their mind, approved not disbursed)	32

Respectfully submitted,

Joan M. Targonski

Joan M. Targonski
Chairperson, Credit Committee

*For the year January 1, 2010 - December 31, 2010.