

## REPORT FROM THE CHAIRMAN AND THE PRESIDENT

We are pleased to provide you with this annual report covering the operation of RCFCU for the year 1992. Please take a moment to read through the following pages. We are confident you will agree that your credit union continues to fulfill its mission to promote thrift among its members by affording them an opportunity to accumulate their savings and to create for them a source of credit for provident or productive purposes.

During 1992, Reynolds Carolina Federal Credit Union paid out over \$15.4 million in dividends to its members, and during the same period, assets increased by 8.9% to over \$378 million. Loans to members increased by 7.3% to total over \$229 million at the end of the year.

During 1992, several major steps were accomplished to better serve our members:

- The capital to asset ratio increased from 7.92% to 9.00%. This is a key indicator of financial stability, and with this indicator, RCFCU continues to compare very favorably with credit unions of similar size.
- RCFCU became federally chartered on April 2, 1992. This important step allows us to better provide more efficient services and to remain flexible and responsive to the needs of our members.
- In June 1992, a major computer system upgrade was completed allowing us to streamline our operations and provide a new level of member convenience.
- In August 1992, RCFCU introduced the VISA Prime Advantage to provide members a choice between a new variable rate credit card at 2.5% above the Prime Rate with a low annual fee or the fixed rate credit card at a rate of 13.9% APR with no annual fee.
- In October 1992, RCFCU introduced a very competitive savings



program offering three types of Certificates of Deposit (Regular, Jumbo, and IRA).

- All groundwork was completed to accomplish the merger of the Nabisco Brands Employees Federal Credit Union into RCFCU and to open an RCFCU branch operation in East Hanover, NJ, effective January 1, 1993. This new branch is similar to the Planters LifeSavers branch (opened in March 1991 to service PLS members), and it will service eligible Nabisco, Inc. employees and

RJRT Field Sales personnel in that area.

- To ensure the RCFCU staff provides members with the highest level of service, staff education and development programs continued to be emphasized in 1992.

Reynolds Carolina Federal Credit Union's future success will continue to be based on conservative, sound business practices that have helped us succeed in the past.

Protection of savings deposits is of extreme importance to RCFCU. All share (savings) accounts are insured by the National Credit Union Administration (NCUA), an agency of the federal government. Each type of account is separately insured up to a maximum of \$100,000.

To ensure financial soundness and regulatory compliance, RCFCU is examined annually by federal auditors and by an independent accounting firm, Deloitte & Touche.

As we progress in 1993, we will continue to work to enhance and improve the financial services we offer. We welcome your comments and suggestions on how Reynolds Carolina Federal Credit Union might better serve you. RCFCU is your credit union, and we thank you for your support and participation.

  
David S. Monk, Chairman

  
C. Melvin Huges, President