



2024 Annual Member Report

Empowering Your Financial Future!



Table of Contents

Agenda	1
2023 Annual Member Meeting Minutes	2
Board of Directors	3
Supervisory Committee	3
Management	3
BFCU's 2024 Annual Report	4
BFCU's Commitment to Our Members	6
Supervisory Committee Report	7
Financial Statements	8



WELCOME TO THE 2024
ANNUAL MEMBER MEETING OF
BENCHMARK FEDERAL CREDIT UNION

Date: May 27, 2025

Time: 4:30 p.m.

Location: 1522 McDaniel Drive West Chester, PA 19380
and Virtually via Zoom

MEETING AGENDA

- I. Ascertain that a quorum is present (15 or more members)
- II. Review and approval of the minutes from the 2023 Annual Member Meeting held on May 28, 2024
- III. Report to the Membership
- IV. Supervisory Committee Report
- V. Election of Board Directors
 - a. Cristine Watrous
 - b. Michele Rudzik
 - c. Daniel J. Machon, Jr.
- VI. Old Business
- VII. New Business
- VIII. Adjournment

**ANNUAL MEMBER MEETING OF
BENCHMARK FEDERAL CREDIT UNION
MINUTES OF MAY 28, 2024**

The 2023 Annual Member Meeting of Benchmark Federal Credit Union was held in person at 1522 McDaniel Drive, West Chester, PA 19380 and virtually via Zoom. Chair Adam Lush opened the meeting at 4:30 p.m. He asked CEO Daniel J. Machon, Jr. if a quorum was present. He responded yes 27 members are present.

Chair Lush asked if there was a motion to approve the 2022 Annual Member Meeting Minutes. CEO Machon stated a motion and a second have been received. Chair Lush noted no objections and the 2022 Annual Member Meeting Minutes were approved.

CEO Machon then reviewed the 2023 results and discussed various accomplishments reached during 2023. He noted the 2023 Audited Financials are on the BFCU website.

Chair Lush then introduced Director and Supervisory Committee Chair David Harrod. Chair Harrod then reviewed the Supervisory Committee's role and responsibilities. He also spoke about the 2023 audit performed by an independent third party.

Chair Lush reported the following nominees were elected by acclamation to serve on the Board of Directors for a term of three years each:

Mark Bernstein,
Arturo Guillen, and
Tiffany Stokes.

There were no petitions filed by April 15, 2024; therefore, the nominees are deemed elected as Directors.

Chair Lush noted there was no old business presented at the meeting. He then thanked the entire employee team for their efforts over the past year. He also thanked the members for their continued support. He then opened the floor to any questions.

CEO Machon read and answered a few questions from the members.

There being no other business, a motion was duly made and seconded to adjourn the meeting at 4:52 p.m.

Respectfully submitted,

Adam Lush, Chair

Melissa Hawes, Secretary



Board of Directors

Adam Lush, Chair
Cristine Watrous, Chair Emerita
Tiffany Stokes, CPA, MBA, Vice Chair
Mark Bernstein, MBA, Treasurer
Melissa E. Hawes, CPA, Secretary
Arturo Guillen, Director
Michele Rudzik, Director
Mark Ward, Director
Daniel J. Machon, Jr., Director

Supervisory Committee

David Harrod, Chair
Greg Potuznik, Member
Arturo Guillen, Director, Member

Management

Daniel J. Machon, Jr., President/CEO
Christopher Breslin, Vice President/Retail Services
Travis Downing, Vice President/Information Services
Robin Feeko, Vice President/Operations
Donna Filipone, Vice President/Lending
Raymond A. Massi, CMA, CFO
Mark A. Pizzi, Vice President/Chief Commercial Operations Officer
Rebecca K. Worthington, Vice President/Marketing



Benchmark FCU's 2024 Annual Report

Dear Benchmark Federal Credit Union Members:

As we celebrate the achievements of 2024, we are thrilled to share the incredible milestones we have reached together. Your unwavering support fuels our drive for innovation, growth, and excellence, and we remain dedicated to providing financial solutions that empower your future.

Stronger Than Ever – A Year of Progress!

This past year has been nothing short of extraordinary. Together, we have expanded our services, strengthened our financial foundation, and deepened our impact in the communities we serve. Here's a look at some of our biggest wins:

- **Exciting New Financial Solutions!** We introduced competitive loan and deposit products, giving you more flexibility, convenience, and opportunities to thrive. Our cutting-edge digital tools are making banking easier than ever before!
- **Our Team!** One of the key drivers of our success is our incredible team of employees. In 2024, we proudly welcomed new employees into the Benchmark family, strengthening our ability to serve you with expertise and care. At the same time, our long-tenured employees continue to provide invaluable guidance, sharing their deep knowledge and experience with new team members. Their unwavering dedication ensures that every member receives extraordinary service, reinforcing the strong sense of community that sets Benchmark apart.
- **Commitment to Community!** From financial literacy workshops to hands-on volunteer efforts, we strengthened our role as a force for good in Chester County and beyond.
- **Financially Strong & Secure!** As of December 31, 2024:
 - **Total Assets:** \$305.6 million
 - **Net Worth:** \$30.9 million (**10.1% of assets**)
 - Our sound financial management ensures that we remain a safe and growing institution for years to come.
- **Putting YOU First!** Our dedicated team worked around the clock to enhance your banking experience, delivering personalized service and innovative solutions tailored to your needs.

Looking Ahead: An Exciting 2025!

The future is bright at Benchmark Federal Credit Union! In 2025, we are setting ambitious goals to bring you even more value and convenience:

- **Growing Our Membership!** We're focused on adding new members through engaging digital marketing, a rewarding referral program, and a seamless onboarding experience.
- **Expanding Auto Lending!** Our goal is to welcome new members each month by offering competitive loan rates and a top-tier onboarding experience.
- **Tech Upgrades & Digital Innovation!** We're investing in cutting-edge banking technology, enhancing cybersecurity, and upgrading our mobile and online platforms for a smoother, safer experience.
- **Optimizing Our Real Estate Strategy!** We're leveraging smart real estate strategies to strengthen our financial position and invest in future growth.
- **Exploring Small Business Lending!** New loan products and dedicated support will empower small businesses, fueling growth and community prosperity.

Rising Above Challenges – Together!

While the financial world is constantly evolving, we are ready to embrace challenges head-on! Economic shifts, regulatory changes, and market dynamics won't slow us down. Through innovation, smart planning, and the trust of our members, we will continue to adapt and grow stronger than ever.

Thank You for Being Part of Our Journey!

To our incredible members, thank you for choosing Benchmark Federal Credit Union. Your support and enthusiasm drive everything we do, and we can't wait to show you what's next.

Here's to an exciting year ahead—let's grow, thrive, and succeed together!

Sincerely,

A handwritten signature in blue ink that reads "Daniel J. Machon, Jr." in a cursive script.

Daniel J. Machon, Jr.
President & CEO



Benchmark FCU's Commitment to Our Members

The mission of Benchmark Federal Credit Union is to improve the economic well-being of our members through a lifetime of premier financial products and services.

Every day BFCU strives to achieve our core values.

Members First – Building lifelong relationships to grow our membership, recognizing that members are BFCU's most important asset.

Highest Integrity and Ethics – Promoting the highest financial and ethical industry standards while acting with care, diligence, and fairness in all our business activities.

Courtesy and Professional Service – Providing courteous and professional service to members to promote a community of financial trust.

Culture of Communication – Cultivating communication and transparency to highlight our services and to demonstrate the financial benefits of credit union membership.

Education for Member Success – Educating members to ensure their long-term financial success.

Product and Service Enhancements – Continually enhancing the scope and variety of available products and services.

Technological Vanguard – Aligning members' financial needs to technological innovations to provide the most up-to-date service.

We will continue to provide extraordinary member service, by focusing on our mission and core values.



Supervisory Committee Report

One of the Supervisory Committee's major responsibilities is to have an independent audit performed at least annually to verify BFCU's financial reporting accurately reflects its financial condition and results of operations. To carry out these responsibilities, the Supervisory Committee employs independent certified public accountants to perform auditing and account verification work. For 2024, the Supervisory Committee hired RKL LLP to perform an annual audit of BFCU's financial statements in accordance with accounting principles generally accepted in the United States of America.

In addition, the Supervisory Committee works with the National Credit Union Administration (NCUA), our federal regulator, when it conducts its annual examination of BFCU. The Supervisory Committee also oversees the internal audit group to determine whether our operations are following BFCU's policies and procedures and that internal controls exist to protect member assets.

As detailed in RKL's Independent Auditor's Report to the committee, we are pleased to report BFCU's financial reporting accurately reflects its financial condition and results of operations. The full 2024 Audit Report is available on our website at <https://www.benchmarkfcu.org/about-us/reports-and-financials/>

The following schedules should be read in conjunction with the full 2024 Audit Report available on our website.

Benchmark Federal Credit Union

Statement of Financial Condition

	December 31,	
	2024	2023
Assets		
Cash and Cash Equivalents	\$ 595,493	\$ 827,689
Interest Bearing Accounts	29,439,708	12,654,173
Securities Available for Sale	27,083,250	29,675,323
Loans to Members		
Residential real estate and consumer loans	228,739,244	247,848,270
Commercial loans	13,951,369	14,207,017
	242,690,613	262,055,287
Allowance for credit losses	(1,663,478)	(1,783,091)
Loans to Members, Net	241,027,135	260,272,196
Accrued Interest Receivable	905,523	1,031,941
Property, Equipment, and Leasehold Improvements, Net	1,154,465	1,256,570
NCUSIF Deposit	2,204,025	2,339,521
FHLB Stock, at Cost	936,300	973,200
Right-of-Use Asset	209,341	268,723
Prepaid Expenses and Other Assets	2,079,278	1,566,616
Total Assets	\$ 305,634,518	\$ 310,865,952
Liabilities and Members' Equity		
Liabilities		
Members' shares and savings accounts	\$ 241,650,247	\$ 242,371,009
Nonmembers' shares and savings accounts	19,412,000	23,294,000
Borrowings	18,960,577	19,401,608
Accounts payable and accrued expenses	520,058	565,243
Total Liabilities	280,542,882	285,631,860
Members' Equity		
Undivided earnings	30,936,517	31,176,303
Accumulated other comprehensive loss	(5,844,881)	(5,942,211)
Total Members' Equity	25,091,636	25,234,092
Total Liabilities and Members' Equity	\$ 305,634,518	\$ 310,865,952

Benchmark Federal Credit Union

Statement of Operations

	Years Ended December 31,	
	2024	2023
Interest Income		
Interest on loans	\$ 10,654,501	\$ 10,389,777
Interest on investment securities and interest bearing accounts	1,513,718	1,055,029
Total Interest Income	12,168,219	11,444,806
Interest Expense		
Dividends on members' shares and savings accounts	4,999,134	3,315,614
Dividends on nonmembers' shares and savings accounts	837,644	784,113
Interest on borrowed funds	810,305	1,014,645
Total Interest Expense	6,647,082	5,114,372
Net Interest Income	5,521,137	6,330,434
Provision for Credit Losses	270,000	305,000
Net Interest Income after Provision for Credit Losses	5,251,137	6,025,434
Noninterest Income		
Service fees	272,953	219,133
Loss on sale of securities	-	(398,796)
Other	979,838	999,792
Total Noninterest Income	1,252,791	820,129
Noninterest Expenses		
Employee compensation and benefits	3,474,086	2,832,345
Travel and conference	14,839	18,905
Office occupancy	258,208	268,528
Office operations	1,793,321	1,787,026
Educational and promotional	217,000	348,000
Loan servicing	646,039	536,928
Professional and outside services	218,015	211,582
Operating fees	61,606	45,389
Miscellaneous	60,600	43,953
Total Noninterest Expenses	6,743,714	6,092,656
Net (Loss) Income	\$ (239,786)	\$ 752,907

The above schedules should be read in conjunction with the full 2024 Audit Report available on our website at <https://www.benchmarkfcu.org/about-us/reports-and-financials/>