



**MADE AFFORDABLE.**

2019 ANNUAL REPORT



**HELPING PEOPLE  
INSPIRING EXCELLENCE  
BUILDING RELATIONSHIPS  
EXCEEDING EXPECTATIONS  
IMPROVING OUR COMMUNITIES**



**LIFE.**  
MADE AFFORDABLE.

# Message from the Board Chairman and President & CEO

## Who We Are: Your Trusted Partner.

Throughout the past few years, our more than 560 team members have been building the new Chartway to serve the evolving needs of our **190,000 member-owners**. We take our commitment to serving as a trusted and reliable partner seriously. As a result of our efforts, innovations, investments, and our commitment to putting our members and communities first, **we remain one of the strongest credit unions in the country.**

## Growing With You.

In 2019, we welcomed more than 33,000 new members to our growing family, including members who joined us through our branches, online, over-the-phone, through dealerships, and from PortAlliance Federal Credit Union. **We value the opportunity to support our OneFamily** that represents all backgrounds and walks of life every step of the way on their financial journey.

## Evolving For You.

At Chartway, we're always looking for ways to deliver the best member experiences – it's who we are. That's why **modernizing and innovating in a rapidly changing market matters**. The needs of our members grow and evolve, which is why we continuously do the same through actions like redesigning our branches – creating inviting spaces that allow you to benefit from personalized in-branch service and interactive technology to seamlessly support your increasing digital and mobile needs. We updated several branches last year and will continue creating engaging, member-focused spaces in the most convenient locations in 2020 and beyond.

As an extension of our branch service, we also created better and more personal drive-thru experiences with the expansion of our **Direct Teller technology**. This interactive service enables you to complete transactions with a live video teller from the comfort of your car. We now have 17 Direct Tellers, and given the overwhelmingly positive response, we look forward to continuing to broaden this service.

Additionally, **we upgraded our Credit and Debit Card programs** to offer an improved card experience and benefits like “tap to pay” technology. We also expanded our Mortgage business to help members innovatively and responsibly secure home financing, and introduced new capabilities in our Member Solutions Center to drive our goal of providing fast, friendly, and customized 24/7 access to your accounts.

## Member Experiences That Mean Something.

Every day, we receive countless letters, emails, comments, and phone calls from members, thanking us for listening and improving. We know our members rely on us – and so many of the stories we hear are heartwarming. **Our member's perspective is the truest measure of the difference we make**, which is why throughout this report, we'll be sharing some of the feedback we received this year. For example:



Chartway has changed the way I think of a financial institution. It's like going to your parents or friends to ask for help. I know it's a business, but they make it seem like it's personal. **I love when 'members' come in and everyone knows your name.** Chartway is truly amazing.



– Cindy Kinney, Member Since 2018

## Committed To You & Our Communities.

What does it mean to serve our members and our communities? All of us at Chartway care deeply about the people and every community we serve. Driven by a desire to make a meaningful impact in our geographic footprints, we:

# “Your Chartway:” For Our Members & Communities

**Provide Charitable Grants.** In 2019, our We Promise Foundation raised **more than \$1 million** to provide life-changing experiences that brought joy, hope, and smiles to 1,104 children facing medical hardship or illness. Additionally, through our partnership with the Children’s Hospital of The King’s Daughters, we supported more than 3,600 children. Thank you to everyone who continues to support our We Promise Foundation, and be sure to see more inside about our foundation and its impact in every community we serve.

**Support Education and Sponsor Events/Programs.** We’re engaged in all our markets, investing in projects like the Chartway Arena at Old Dominion University in Norfolk, VA, that reflect our commitment to education. We also support organizations like Dixie State Athletics, the St. George Lions, the Houston American Red Cross, and Norfolk Tides and Salt Lake Bees baseball, just to name a few.

**Strengthen Our Industry.** Our team members, volunteers, and leaders serve on a wide range of industry and trade association committees, partner with local chamber groups, and lead legislative efforts to advocate for issues impacting you and our communities.

The contributions of our team members who genuinely care about our members and our communities are some of the many reasons **Chartway was named a “Top Workplace”** by the business journal for southeastern Virginia, *Inside Business*. This award is a genuine reflection of all the things we do together throughout Chartway to make us a great place for our

teams, our members, and our communities, and we were honored to have been recognized as one of the Top 5 Companies in the Large Companies category.

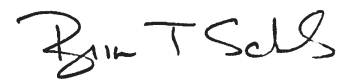
## Serving You: Our Privilege.

2019 was a big year for our credit union. We worked hard and accomplished a lot – and we certainly have much more excitement in front of us. You’ll continue to enjoy the right blend of branches, online, mobile, and interactive channels, intuitive technology, **more products and services based on feedback from our family**, and continued community commitment.

We’re honored to have the opportunity to make life more affordable, to serve our communities, and to strengthen the member experience as we advance Chartway. **Our success allows us to invest in making it easier for you to afford all of life’s milestones and moments** like getting behind the wheel for the first time, earning that life-changing degree, saving for that first home, and taking that well-deserved vacation.

**Thank You For Your Membership.** It’s a true honor and a privilege to serve you, and we look forward to building on our progress and our strong foundation. The best is yet to come.

**Brian T. Schools**  
President & Chief Executive Officer



**CAPT George E. Sauer, III, USN (Ret.)**  
Board Chairman



# Supervisory Committee's Report

**The Federal Credit Union Act** requires the Supervisory Committee to evaluate the adequacy and effectiveness of the internal security controls put in place by Chartway Federal Credit Union.

Our primary goal is to protect the interest of our members; therefore, we contracted an independent certified public auditing firm to examine the year. Following the examination and audit, we received an opinion letter confirming that Chartway's financial statements conform to Generally Accepted Accounting Principles.

## 2019 Supervisory Committee:

- Gary M. Abrams, Chairman
- Robert F. Boyle, Vice Chairman
- Scott T. Sumpter, Secretary
- Thomas B. Hoddinott, Member
- Eleanor W. Willhoite, Associate Member

The Committee, along with Supervisory team members Cindy Nyberg and Marissa Carrasquillo, extend their appreciation to the credit union members, Board of Directors, management, and team for their support.



**Gary M. Abrams**  
Chairman, Supervisory Committee

“ We are pleased with the **personalized service that we receive at our local Chartway branch**. We are also pleased with the website, with its ease of use, and variety of services. ”

– Royal Blake,  
Member Since 2001

“ Whenever I have a question about our accounts, using online services, or any financial question we have, **the office at Newtown Road in Virginia Beach is very helpful and friendly**. We still use the checkbook but try to keep up with technology as best we can. ”

– Anthony Dangelo,  
Member Since 1980

# Consolidated Statements of Financial Condition

ASSETS	SEPTEMBER 2019	SEPTEMBER 2018
Cash and Cash Equivalents	\$115,657,120	\$54,258,457
Securities – Available-for-Sale	\$498,303	-
Securities – Held-to-Maturity	\$109,252,638	\$125,606,467
Other Investments	\$4,581,520	\$5,313,145
Loans Held-for-Sale	\$4,132,400	\$993,650
Loans, Net	\$1,699,085,766	\$1,696,969,660
Accrued Interest Receivable	\$6,682,368	\$6,164,289
Premises and Equipment, Net	\$54,583,247	\$43,058,245
NCUSIF Deposit	\$18,209,357	\$18,534,270
Credit Union Owned Life Insurance	\$49,330,279	\$47,898,013
Goodwill and Other Intangible Assets	\$71,903,154	\$71,488,504
Other Assets	\$83,529,813	\$55,430,102
<b>TOTAL ASSETS</b>	<b>\$2,217,445,965</b>	<b>\$2,125,714,802</b>
LIABILITIES	SEPTEMBER 2019	SEPTEMBER 2018
Members' Share and Savings Accounts	\$1,958,665,343	\$1,835,558,375
Borrowed Funds	\$31,000,000	\$67,000,000
Accrued Expenses and Other Liabilities	\$23,668,747	\$26,744,316
<b>TOTAL LIABILITIES</b>	<b>\$2,013,334,090</b>	<b>\$1,929,302,691</b>
MEMBERS' EQUITY	SEPTEMBER 2019	SEPTEMBER 2018
Regular Reserves	\$18,529,735	\$18,529,735
Undivided Earnings	\$185,582,140	\$177,882,376
<b>TOTAL MEMBERS' EQUITY</b>	<b>\$204,111,875</b>	<b>\$196,412,111</b>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<b>\$2,217,445,965</b>	<b>\$2,125,714,802</b>

## We Promise Foundation – Our Charitable Arm



Since 1999, we have raised more than \$11 million to provide life-changing experiences that bring joy, hope, and smiles to children facing medical hardship or illness.



**\$1,041,838**

Total Funds Raised in 2019



**1,104**

Children's Dreams and Wishes Granted in 2019



More Than

**3,600**

Life-changing Experiences that Brought Joy, Hope, and Smiles to Children

To learn more or make a donation, visit  
**[WePromiseFoundation.org](http://WePromiseFoundation.org)**





President & CEO, Brian Schools  
and Kid Hero, Rhyan



Board Members, Leaders, and Supporters at our  
We Promise Foundation's 4th Annual Putting 4 Promises  
Golf Tournament in Lehi, UT



Kid Hero, Parker, Cut the Ribbon at the  
Obici Place Grand Opening



Board Chairman, George E. Sauer, III,  
Cheered On Kid Hero, Gideon, at our  
21st Annual Charity Golf Classic



Brian Schools with Kid Hero, Koby, at the  
Chartway Norfolk Harbor Race Weekend



We Promise Heroes at our 14th Annual  
We Promise Foundation Gala

# Our Community Commitment in 2019



Title Sponsor of the  
**Chartway American  
Music Festival**



Title Sponsor of the  
**Chartway Norfolk Harbor  
Half Marathon, 10k &  
We Promise 5k**

Proud Community Sponsor of  
**Salt Lake Bees  
& Norfolk Tides**



**Sponsor of the Year**  
**Dixie State University**  
and Dedicated Athletic Partner



4

Student-Run  
Credit Unions



Sponsored  
**Rodeo** Events in  
**Texas and Utah**

15+ Year

Partnership with  
**Old Dominion University**



The Official  
**Credit Union of ODU Athletics**

Chamber of Commerce  
**Partnerships**



Chartway Proudly Accepted the Sponsor of the Year Award from Dixie State University



Board Members and Leadership Team Constructed a Playground for Kid Hero, Landon



Board Members and Senior Leaders Participated in the Chartway Norfolk Harbor Race Weekend



Team Members Making Life More Affordable in our Communities



Kid Hero, Kimber, and ODU's Mascot, Big Blue



Board Chairman George E. Sauer, III, Welcomed Everyone to our Obici Place Grand Opening

## Our Board of Directors

### TOP ROW (L TO R)

**Richard A. McGrath**  
2nd Vice Chairman

**Richard R. Ahlborn**  
Director

**Wayne E. Foshay, Sr.**  
Director

**George E. Sauer, III**  
Board Chairman

**Robert O. Holmes**  
1st Vice Chairman &  
Treasurer

**Jared B. Perry**  
Director

### FRONT ROW (L TO R)

**Melinda M. Barbish**  
Director

**Robert N. Cook**  
Director

**E.L. "Lou" Gull, Jr.**  
Secretary

**Nancy W. McMahan**  
Director



## Our Leadership Team

### TOP ROW (L TO R)

**Kim A. Ross**  
Chief Human Resources Officer

**Paul V. Annunziata**  
Chief Financial Officer

**George J. Pita**  
Chief Lending Officer

**C. Skip Wilson**  
Senior Vice President,  
Branch Services

**Melissa D. Cade**  
Senior Vice President,  
Member Solutions Services

### FRONT ROW (L TO R)

**Rob B. Keatts**  
Chief Information Officer

**Brian T. Schools**  
President &  
Chief Executive Officer

**Kim J. Little**  
Executive Vice President &  
Chief Operating Officer



(800) 678-8765 | [Chartway.com](http://Chartway.com)



This credit union is federally insured by the National Credit Union Administration. Membership eligibility subject to verification.

