



2024

Annual Report



Del-One

Federal Credit Union

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Annual Meeting Agenda

Tuesday, May 20th, 2025

- Business Meeting
- Minutes of Prior Annual Meeting
- 2024 Annual Report
- Nominating Committee Report
- Old Business
- New Business
- Adjourn
- Awards Presentations





Nominating Committee Report

The members of the Nominating Committee for 2025 are Nancy J. Shevock, Chairperson, and members Bill Pfaffenhauser and Dan McCarthy.

For three open positions of three-year terms on the Board of Directors, the Nominating Committee unanimously approved the following applicants as nominees to be placed on the ballot for Del-One Federal Credit Union's Board of Directors: Kevin Mitten, Robert S. Baldwin, and D. Steven Smith.

Respectfully submitted,

Nancy J. Shevock
Chairperson of the Nominating Committee



Volunteer Board of Directors

Steven Smith
Chairman
Trey Wallace
Vice Chairman
Gerard McNesby
Treasurer
Bill Pfaffenhauser
Secretary

Adam Gerber
Director
Courtney Stewart
Director
Diana Farrell
Director

Kevin Mitten
Director
Rober Baldwin
Director
Nancy Shevock
Chairman Emeritus

Volunteer Supervisory Committee

Wesley Stefanick
Chairman

Bill Hufnal
Member

Bill Pfaffenhauser
Member

Senior Management

Daniel McCarthy
President/Chief Executive Officer
Kellie Rychwalski
Chief Financial Officer
Marc Kidwell
Chief Information Officer
John Chartrand
Chief Banking Officer

Carrie Green
Vice President of Accounting & Ops Support
Shallon Poulson
Vice President of Compliance
Brian Kaye
Vice President of Consumer Lending
Amy Draper
Vice President of Enterprise Solutions
Ryan Bowman
Vice President of Human Resources
Justin Smith
Vice President of Information Security

Edward Mason
Vice President of Internal Audit
Amy Resh
Vice President of Marketing
Horacio Garcia-Korosec
Vice President of Member Experience and Strategy
Lori Savage
Legal Counsel
Lisa Connors
Executive Office Manager



2024 Annual Report

Annual Membership Meeting

At the conclusion of my first year as President and CEO of Del-One FCU, I would like to take this opportunity to express my gratitude for the trust placed in me to fulfill this role. I am humbled every day by our industry-best teammates, as they demonstrate in their words and actions how much they genuinely care about our members, community, and each other. The reality is we are far from perfect, but I commit to you that we remain wholly focused on being intentional in all we do, leading with purpose and passion, and ensuring Del-One is the easiest place to do business for our members.

On behalf of the Board of Directors and Teammates of Del-One Federal Credit Union, it is my pleasure to report Del-One continues to perform well financially, as is captured on the income statement and balance sheet in this program. We are proud to share that Del-One issued \$177 million in new loans to our members in 2024, allowing us to assist in fulfilling important needs like purchasing an automobile or a first home. We also had over 4,000 new members join the credit union during the year, equating to almost 5% membership growth. This is more than double the industry standard and a testament to what we offer, how we treat members, and the amazing teammates that represent us every day.

Del-One continuously strives to make things easy for our members. Below are some developments

- that were completed in 2024 with this goal in mind.
- Opened our new branch in Lewes, which allows us to now say that a Del-One branch is conveniently located within about a 15-minute drive or less for 90% of Delawareans;
 - Introduced loan and deposit products that make us more attractive to our members to encourage them to make Del-One their primary financial institution;
 - Opened a new Mortgage Loan Production Office in Wilmington staffed with bi-lingual teammates to assist our members in fulfilling their dreams of home ownership, and;
 - Personalized overdraft limits that put our members in a better financial position.
- Del-One continues to support our members and the communities we serve. In 2024, we:
- Became a Founding Sponsor for the Delaware Hispanic Chamber of Commerce;
 - Received the Excellence in Business Large Employer of the Year award through the Central Delaware Chamber of Commerce;
 - Became the first credit union in Delaware to receive the Juntos Avanzamos (Together We Advance) designation for our commitment to serving and empowering Hispanic and immigrant consumers.
 - Were honored to have March 28, 2024, designated as Del-One Federal Credit Union Day by then New Castle County Executive and now Delaware Governor Matt Meyer;
 - Raised and donated \$62,000 to local charities through the Del-One Foundation;
 - Celebrated our 3rd Annual Del-One Community Service Day on October 14th, where our teammates donated over 1,200 hours of their

- time, muscle, and skills to twelve different organizations across Delaware, and;
- Hosted three Community Appreciation Days, one in each county, and several “pop-up” events at various branch locations to say thank you and show our members how much we value them.

2024 was also a year of achievement and recognition, as Del-One once again was honored to win the Top Workplace award in Delaware for the third year in a row, reflecting our commitment to providing a supportive, engaging, and inclusive workplace.

The entire Del-One family knows that you have countless financial institutions to choose from and we are humbled that you trust us. We promise to do everything we can to re-earn your business every day and to continue working toward the north star of being the easiest place to do business!

Respectfully,

D. Steven Smith, Board Chairman

Daniel McCarthy, President & CEO

Gerard McNesby, Treasurer

Wesley Stefanick,
Supervisory Committee Chairman



Minutes of the 2023 Annual Meeting

Modern Maturity Center & Virtual
Tuesday, April 23, 2024 at 5:30 PM

Board Chairman Steve Smith welcomed member-owners to the 2024 Annual Meeting. Chairman Smith took the opportunity to individually recognize the Board of Directors, Supervisory Committee and Insurance Committee members. Chairman Smith elaborated Del-One is very fortunate to have these amazing group of individuals that volunteer their time and consistently work hard on behalf of the member-owners of Del-One. Lastly, Chairman Smith recognized CEO Dan McCarthy, management team and all employees for an outstanding job serving our member-owners.

With a quorum being present the meeting was called to order by Board Chairman Smith at 5:32pm.

Motion made by Kellie Rychwalski and second by Marc Kidwell to dispense with the reading of the minutes from the 2023 Annual Meeting. Motion carried.

Chairman Smith then introduced President and CEO, Dan McCarthy.

CEO McCarthy welcomed member-owners to the 63rd Annual Membership Meeting. CEO McCarthy also recognized the Board of Directors, Supervisory Committee and Insurance Committee members as they are very dedicated and volunteer numerous hours for the betterment of the credit union. CEO McCarthy highlighted Del-One Teammates are the ones who make our Credit Union what it is today. Teammates believe in the culture of people helping people.

CEO McCarthy commented that the Wilmington branch has moved multiple times over the last few years. The new Wilmington branch is now located on Germay Drive and opened early 2023. The Del-One Foundation raised and donated \$62,000 to fifteen local organizations. Del-One is the first

credit union in Delaware to earn the national Juntos Avanzamos distinction for our commitment to serve and empower members of our Hispanic Community. Del-One continues to deepen our relationship with the Latin and Hispanic communities by providing financial services allowing them to use an ITIN number. The grand opening at La Central in Wilmington was held on Saturday, April 13, 2024.

CIO Kidwell elaborated Del-One continues to be member-focused and member driven; strives to be the “Easiest Place To Do Business”. With the implementation of Breezy, Artificial Intelligence members can easily check their balance, transfer funds, apply for a loan, and provide you with branch locations.

CIO Kidwell commented that anyone can fall victim to fraud. Del-One will never ask for your full debit card number, expiration date, or the security code. Del-One will never contact you and ask for your personal information, PIN numbers, passwords, or account information such as username and security questions. CIO Kidwell stressed for members to remain vigilant and not become a victim.

CFO Rychwalski assured members that Del-One remains financially strong and well capitalized despite the current economic environment. Del-One closed out 2023 with \$670.6 million in Total Assets. When inflation gets high, the Federal Reserve typically raises interest rates in order to reduce demand and manage inflation. Inflation impacts the credit union by reduced loan demand, increased charge offs and delinquencies. Management remains focused on navigating current economic factors and serving our members.

CLO Chartrand highlighted 2023 was a record year in lending with \$212 million in loan originations. Members have been taking advantage of our First Time Home Buyer program with no PMI and only 5% down payment. Mortgage Lending continues to progress and the pipeline is robust compared to previous years. Commercial and Member Business Loans continue to grow with

higher yield loans and new opportunities. Del-One recently implemented pricing engine software that automates the process of generating and maintaining pricing strategies. Software works by leveraging algorithms and data analysis to streamline the process of determining optimal prices for products and services.

CEO McCarthy noted this concludes the 2023 Report of Credit Union Condition.

CEO McCarthy presented the Nominating Committee Report.

The members of the 2024 Nominating Committee are Chairman Nancy Shevock, Member Bill Hufnal and Member Dan McCarthy. There were three positions available for 3-year terms on the Board of Directors. The Committee unanimously approved the following as nominees to be placed on the ballot for Del-One Federal Credit Union’s Board of Directors: Trey Wallace, Lisa Strusowski, and Courtney Stewart. All three individuals are incumbent candidates.

With there being no old business or new business for the annual meeting, CEO McCarthy requested a motion to adjourn.

Motion made by John Chartrand and second by Kellie Rychwalski to adjourn the 2023 Annual Meeting. Meeting adjourned at 5:46pm.

D. Steven Smith, Board Chairman



Bill Pfaffenhauser, Board Secretary



Lisa Connors, Executive Office Manager



2023 Teammate of the Year

Charles Wolfe
Systems Analyst



2023 Branch of the Year Smyrna



2023 Department of the Year Collections



Helping
Members
Reach Their Goals
Since 1960

Condensed Statement of Financial Condition

At December 31,	2024	2023
Assets		
Cash and cash equivalents	15,091,988	12,204,444
Interest-bearing accounts in other financial institutions	27,212,781	39,744,148
Certificates of deposit in other financial institutions	248,000	1,240,000
Investment in debt securities, net	43,842,489	48,668,103
Other Investments	4,365,802	2,867,602
Loans held for sale	-	348,750
Loans to members, net	579,513,195	531,372,170
Accrued interest receivable	2,140,815	1,865,404
Property, equipment, and leasehold improvements, net	17,007,486	16,941,591
Share insurance deposits	5,829,506	5,904,867
Foreclosed and repossessed assets	1,800,200	18,650
Prepaid expenses and other assets	12,833,382	9,457,502
Total Assets	709,885,644	670,633,231
Liabilities and Members' Equity		
Members' share and savings accounts	580,697,064	572,399,252
Borrowed funds	67,000,000	35,000,000
Accounts payable and accrued expenses	9,014,055	12,345,043
Total Liabilities	656,711,119	619,744,295
Members' Equity		
Regular reserve	-	3,126,687
Undivided earnings	57,927,588	52,688,423
Equity acquired in merger	2,830,646	2,830,646
Accumulated other comprehensive loss	(7,583,709)	(7,756,820)
Total Members' Equity	53,174,525	50,888,936
Total Liabilities and Members' Equity	709,885,644	670,633,231

Condensed Statement of Members' Equity

	Restricted, Regular Reserve Fund	Unrestricted, Undivided Earnings	Equity Acquired in Merger	Accumulated Other Comprehensive (Loss)	Total
Balance at December 31, 2022	3,126,687	49,690,062	2,830,646	(8,887,535)	46,759,860
Adoption of ASU 2016-13	-	436,627	-	-	436,627
Net income	-	2,561,734	-	-	2,561,734
Other comprehensive income	-	-	-	1,130,715	1,130,715
Balance at December 31, 2023	3,126,687	52,688,423	2,830,646	(7,756,820)	50,888,936
Net income	-	2,112,478	-	-	2,112,478
Regular Reserves combined with Undivided Earning	(3,126,687)	3,126,687	-	-	-
Other comprehensive income	-	-	-	173,111	173,111
Balance at December 31, 2024	-	57,927,588	2,830,646	(7,583,709)	53,174,525

Condensed Statement of Income

Years Ended December 31,	2024	2023
Interest Income	32,062,016	25,109,480
Interest on loans	3,134,289	4,099,922
Interest on investments	35,196,305	29,209,402
Interest expense		
Dividends on members' shares	6,995,003	4,054,486
Interest on borrowed funds	2,675,789	590,876
	9,670,792	4,645,362
Net Interest Income	25,525,513	24,564,040
Less: Provision for credit losses	4,214,298	3,346,700
Net Interest Income after Provision for Credit Losses	21,311,215	21,217,340
Non-Interest Income		
Fee income	7,520,801	6,359,315
Other operating income	7,386,860	7,641,286
Loss on sale of available for sale securities, net	-	(198,507)
Gain on the sale of loans, including loans held for sale	72,092	-
Loss on disposition of assets	(2,074)	(314)
	14,977,679	13,801,780
Non-Interest Expense		
Employee compensation and benefits	14,992,624	14,094,915
Travel and conference expense	334,226	283,269
Office occupancy expense	1,927,193	1,924,279
Office operations expense	13,340,316	11,772,215
Advertising and promotional expenses	788,321	971,016
Loan servicing expense	1,627,902	1,429,108
Professional and outside services	902,318	1,660,841
Miscellaneous operating	263,516	321,743
	34,176,416	32,457,386
Net Income	2,112,478	2,561,734

These condensed financial statements do not constitute a complete presentation. The complete set of audited financial statements, including the statements of comprehensive income and cash flows, and notes to the financial statements, are available at the Credit Union office during normal hours of operation.

Empowering our Teammates 2024



2024 Branch of the Year
West Dover



2024 Department of the Year
Facilities



2024 Teammate of the year
Warren Oney
Smyrna Branch Manager



**Member
Focused.
Community
Driven.**

Del-One Locations

Wilmington Branch

1 Gerday Drive
Wilmington, DE 19804

New Castle Branch

80 Christiana Road
New Castle, DE 19720

Fox Run Branch

100 Fox Hunt Drive
Bear, DE 19701

Middletown Branch

751 Middletown Warwick Rd.
Middletown, DE 19709

Smyrna Branch

201 Pharmacy Drive
Smyrna, DE 19977

West Dover Branch

270 Beiser Blvd.
Dover, DE 19904

Downtown Dover Branch

150 E. Water St.
Dover, DE 19901

Milford Branch

100 Credit Union Way
Milford, DE 19963

Georgetown Branch

30 Georgetown Plaza
Georgetown, DE 19947

Seaford Branch

24488 Sussex Hwy.
Seaford, DE 19973

Dagsboro Branch

30650 Dupont Blvd.
Dagsboro, DE 19939

Lewes Branch

24120 Zinfandel Lane
Lewes, DE 19958

