

COMMUNITY SUPPORT

American Forests®

Big Brother Big Sisters of America

Child Care Resources of Rockland

Clarkstown Summer Theatre

DNA Lifeprint

Felix Festa Middle School Science Fair

Good Samaritan Hospital

Jawonio

March for Babies

Nanuet & Pearl River Little Leagues

National Endowment Foundation Education

PFCU George Hatala Scholarship

RCC Foundation Scholarship

Rockland Community College Earth Day

Rockland County Youth Bureau

Rockland Parent Child Center

Salvation Army Angel Tree

United Way Day of Caring

Walk for Hunger

Walk to Cure Diabetes

Working in Support of Education

New in 2008



Redesign of our website.

Board of Directors

James K. Brandt, Chair

Daniel Moran, Vice Chair

Milind Ganjawala, Treasurer

Barbara Peters, Secretary

Pamela Wiss, Supervisory Committee Chair

Gerald Castellani, Director

John Riley, Director

Joseph Vitanza, Director

Gregory Whalen, Director

Supervisory Committee Members

Pamela Wiss, Chair

Tammy Gamble

Newton Paul

Karen Reed

Debbi Berit

Member Products & Services

- Checking
- Savings
- Certificates
- Money Market
- Vehicle Loans
- Personal Loans
- Student Loans
- Home Equities
- Mortgages
- Credit Cards

Business Products & Services

- Checking
- Savings
- Loans
- Merchant Services

Electronic Services

- Online Banking
- E-Pay
- E-Statements
- E-Deposit
- Online Loan Applications
- Mobile Banking
- CU Alerts

Other Services

- Direct Deposit
- Courtesy Pay
- Investment Services
- TAP Audio Response
- Car Buyer's Helpline
- Anytime Advisor
- Insurance

Palisades Federal Credit Union

Annual Report 2008

Better Banking, Better Solutions



In Rockland County Since 1941



PALISADES FEDERAL
C R E D I T U N I O N

Better banking, better solutions

Financial Highlights



	Balance Sheet 12/31/08	Balance Sheet 12/31/07		Balance Sheet 12/31/08	Balance Sheet 12/31/07
ASSETS			LIABILITIES & CAPITAL		
Loans to Members	\$85,400,113	\$71,646,247	Liabilities	\$291,940	\$305,528
Less Allowance- Loan Loss	(853,095)	(231,818)	Total Savings	120,208,765	115,350,687
Cash	706,470	644,617	Reserves	16,500,000	16,500,000
Investments	53,461,251	61,157,081	Undivided Earnings	7,037,757	7,062,839
Land/Building	377,608	390,634	Unrealized Gains/(Losses)	(89,654)	31,135
Other Fixed Assets	696,026	788,774			
Other Assets	4,160,435	4,854,654			
TOTAL ASSETS	\$143,948,808	\$139,250,189	TOTAL LIABILITIES & CAPITAL	\$143,948,808	\$139,250,189

The Supervisory Committee Report

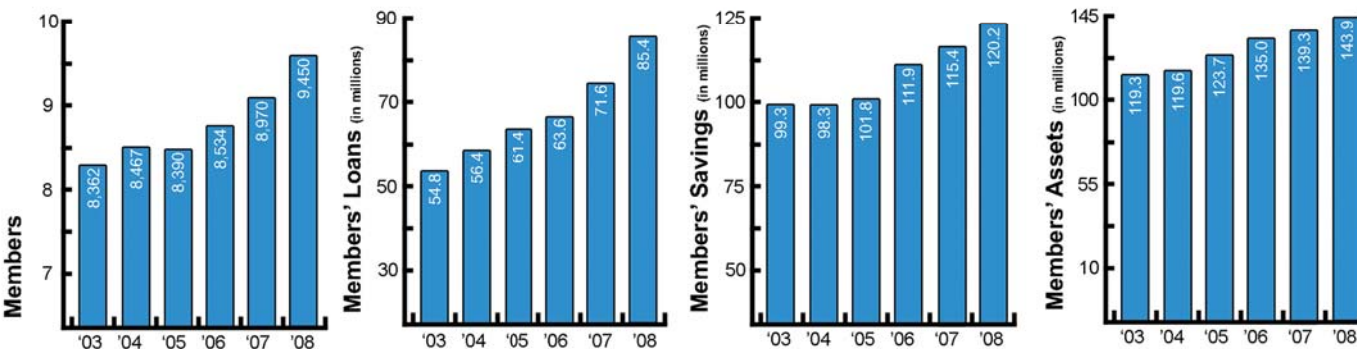
The National Credit Union Administration (NCUA) requires that every credit union has a Supervisory Committee to act as an oversight body. As such, the Supervisory Committee has the fiduciary duty to ensure that the financial records of Palisades Federal accurately reflect the financial state of the Credit Union, as well as ensuring that policies are followed by monitoring its operations. Furthermore, this five member committee meets on a monthly basis to keep abreast of changes in regulations and, if needed, reviews and investigates any member complaints.

In 2008, the Supervisory Committee employed the accounting firm of Nearman, Maynard and Vallez CPAs to conduct the annual comprehensive audit. In their opinion, the financial statements presented fairly the financial position of Palisades Federal Credit Union as of September 30, 2008, and that the results of its operations and cash flow for the year then ended was in conformity with U.S. generally accepted accounting principles (GAAP). Additionally, an examination was performed by the NCUA, our federal regulator, which found that the Credit Union has continued to operate in a safe and sound manner with above average results.

The Supervisory Committee will continue to review the financial statements and oversee the annual audit of the Credit Union in the coming year.

Pamela Wiss
Supervisory Committee Chair

2008



The Chairman's Report

This past year, the financial services industry has experienced unprecedented turmoil that has had life changing implications for almost every American. While Palisades Federal has not been immune to the overall economic environment, it has remained strong and very well capitalized by adhering to sound financial policies and conservative lending practices. Plus, members can take added comfort in knowing that the National Credit Union Share Insurance Fund has increased deposit insurance up to \$250,000 for each account opened with different rights and capacities until December 2009.

Our guiding philosophy continues to be, "building valued relationships through a lifetime of financial solutions". During 2008, Palisades Federal continued to increase services and products to its members, debuting E-Deposit, which allows members to instantly deposit checks from their computers, mobile access, a more user friendly update to our website, and a "Summer Off" skip a loan payment promotion, to name a few. We are also eagerly waiting to open our Nanuet Branch during the summer of this year, 2009, so we can continue to provide better service to our members.

Palisades Federal is a strong financial institution that provides a safe and secure opportunity that meets our members' savings and borrowing needs. That's how it was in 1941 and how it still is today, 68 years later.

James K. Brandt
Chairman of the Board