

National Credit Union Association chartered March 6, 1959

Plattsburgh City School District Federal Credit Union

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Year-end 2019 Report to Membership Annual Meeting

Thursday, December 10, 2020



Agenda

Welcome Members
Minutes of 2019 Annual
President's Report
Treasurer's Report
Loan Officer's Report
Supervisory Report
Scholarship Committee
Election of Directors
Drawings for Money
Deposits into Accounts
Matching Donations to
Local Food Shelf
Adjournment

A proud history, operating on the philosophy of "members helping members" Frank Paro, Gilbert Duken, Donald Durocher, Frances Bleau, Cecile Plumley, Ruth Trudeau, Seth Bliven, Virginia Wormood, and Elizabeth Dwyer started this credit union for the employees of the Plattsburgh City School District and their families. 60+ years later we are still helping families achieve their financial goals!

President's Report—Steve Bedard



As president I am very proud to present this 2019 Annual Report as it marks a milestone for us. 60+ years ago on March 6, 1959 the National Credit Union Association (NCUA) granted our charter and we continue almost 61 years later to be an employee-based credit union. This is a time for us all to celebrate as 2019 was not only an outstanding year financially for us but more importantly it is a time to acknowledge the trust our membership continue to afford us. It is a time to remember the visionaries who started this credit union. It is a time to thank our volunteers, the board and the supervisory committee, who collectively insure we continue making these sound decisions for our members. And of course this is the time to thank our staff and our loan officer whose commitment to provide outstanding service to our members is what really makes us a great credit union.

Serving on this board of directors continues to be incredibly rewarding. As you may know, your board of directors is completely voluntary. Each of us is a credit union member like all of you – we care about our credit union. We have our savings here, we have loans here, we have friends who are like a family here. We have a vested interest in making sure our financial institution operates smoothly, adhering to high ethical and fiduciary standards and staying true to the core of the credit union movement philosophy “people helping people.”

As member advocates, we care about you and the financial success of this credit union. It is a responsibility and duty that we don't take lightly. Doing what is in our member's best interest is the guiding principle we use to make the right business and policy decisions for your credit union.

Since chartered in 1959, the credit union's mission has been to provide financial services to members, affordably, conveniently and professionally. Your satisfaction is vital to us and we pride ourselves in providing you with **exceptional** service and value at all times.

The cumulative complexity of federal laws, the rules and regulations of regulatory agencies profoundly impacts our credit union operations. As a small credit union, the services and the related cost of monitoring and compliance continues to challenge our operating expense. We have remained competitive both in dividends and loan rates and continue to be a trusted financial institution that has maintained a stable 727 membership. Our board, committees and management play a crucial role in the success of this credit union. I wish to thank them for their time and talents and for the decisions made on behalf of our members. As we embark on another year, I am confident that this credit union will continue to be an organization that we can all be proud of. On behalf of our staff and volunteers, I thank you for your support and I encourage you to talk to your colleagues and family about your experiences with this credit union that have not yet joined.

Treasurer's Report—Anna Sherman



The credit union's successful performance in 2019 is particularly significant given the competitive economic environment and the size of our credit union. With assets of \$6.2 million we are considered a small credit union competing with the larger credit unions and financial institutions. Our reserves totaled over \$1.2 million. Our major asset, our loan portfolio, remain strong at \$5.3 million. Our net worth of 19.25% is well above the 7% benchmark used by our federal regulators to determine financial soundness and safety of credit union.

The year-end numbers for 2019 continue to reflect the health and stability of the Plattsburgh City School District Federal Credit Union, your credit union. Our membership is limited only to employees of the district and their families and once a member, always a member. Sharing your experience and encouraging colleagues and family to take advantage of membership is vital to our continued success. Maintaining a balance between safety, soundness and competitiveness is a challenge but strategically necessary especially for a small credit union.

Our service to our members is of utmost importance to us and I guarantee you won't find any financial institution who helps members like we do. Our membership of 727 continues to remain stable. Knowing service is paramount to our success and longevity, we strive as we have for the past 60+ years to provide our members with a financially strong credit union balancing the regulatory cost of doing business and ensuring our members get the best possible rates for loans and savings.

In 2019 we processed nearly \$1.5 million in loans with a 5% average yield on loans. Even though we experienced a slight decrease in loans our loan portfolio remains our largest asset. Our savings decreased slightly in 2019 by 6% with our average savings per member at about \$7,000 while loans per member averaged about \$8,500. Our net income increased with only a slight increase in our expenses.

A Credit Union's performance is determined by the interaction between market factors, strategy, and member experience, our success will be measured not only by our capital and net worth but also by our service to members, our sustainability, and efficiency in mitigating risk. I am proud of the work of our management and staff as we continue to meet the needs of our members. The Board led by our president Steve Bedard, our supervisory committee chaired by Karen Lash and our staff, Cathy Steele, Dawn Filion, Patti Gonyea along with Tim Mulligan, our loan officer, are all loyal to the spirit of “members helping members.” Their commitment, dedication, and service to all of us as members/owners, exemplifies the fact that at Plattsburgh City School District Federal Credit Union, even as a small closed-membership credit union and as we have done for over 61 years “*Everything we do, we do for our members!*”

Financial Statements

Board of Directors

Steve Bedard, President
 Scott Waite, Vice President
 Kathy Light, Secretary
 Anna Sherman, CFO/Treasurer
 Alan Feazelle
 John Haubner
 Marylou Megarr, PR Chair

Supervisory

Karen A. Lash, Chair
 Amanda Madore
 Jayme Keable
 Lori Schudde

Office Management

Anna F. Sherman, CEO/Manager
 Dawn Filion, Notary
 Patti Gonyea
 Cathy Steele, Notary
 Tim Mulligan, Loan Officer

Scholarship Committee

Alan Feazelle, Scholarship Chair
 Tim Mulligan
 Anna Sherman

Balance Sheet Comparison		
Fiscal Year Ended	12/31/18	12/31/19
Assets		
Loans	5,526,846.22	5,259,451.79
Reserve for Loan Loss	(50,000.00)	(50,000.00)
Deposit in Checking Account	50,324.59	63,321.23
Investments	891,017.84	841,004.30
Equipment & Furniture	6,408.00	5,553.64
Prepaid Expenses	22,317.20	12,523.14
NCUA Share Insurance Deposit	54,602.23	53,349.86
Alloya Corporate Fed CU Capital Share	6,667.00	6,667.00
Total Assets	6,508,183.08	6,191,870.96
Liabilities		
Accounts Payable	1,887.73	2,012.10
Accrued Expenses	8,081.63	7,199.24
Shares	3,977,638.07	3,689,397.94
Share Certificates	1,357,347.38	1,301,234.48
Regular Reserves	112,613.03	112,613.03
Undivided Earnings	1,050,615.24	1,064,504.17
Total Equity/Liability & Reserves	\$6,508,183.08	\$6,191,870.96

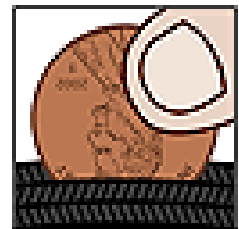
Income and Expense Statement Comparison		
Fiscal Year Ended	12/31/2018	12/31/2019
Income		
Interest Income from Loan	248,850.54	261,967.01
Income from Investments	19,859.71	11,852.98
Misc. Operating Income	6,337.16	6,224.58
Total Operating Income	275,047.41	280,044.57
Expenses		
Dividends on Shares	11,494.99	15,065.04
Net Operating Income	263,552.42	264,979.53
Operating Expenses		
Association Dues	3,252.77	2,169.68
Compensation	129,026.88	138,743.06
Benefits (SS)	11,318.03	12,110.94
Office Operations	55,814.64	59,773.09
Office Rental	4,482.50	4,572.50
Scholarships/Marketing	6,000.00	4,500.00
Loan Servicing	6,213.88	5,625.20
Provisions for Loan Loss	22,238.83	0.00
Professional Services	5,015.59	4,936.53
Federal Supervision Fee	1,254.56	1,749.60
Annual Meeting	2,000.00	2,000.00
Total Operating Expense	246,617.68	236,180.60
Net Income	\$16,934.74	\$28,798.93

Make the Credit Union a
FAMILY AFFAIR!



Your Membership Savings
 "Shares" makes you an owner
 of this Credit Union.

Number of Credit Union
 Members at year end
 727



Average Share per
 member at year end
 \$7,171

Average Loan Balance
 \$8,497

Supervisory Committee Report-Karen A. Lash

The **Supervisory Committee**, volunteers appointed by the Board, is responsible for overseeing the overall safety and soundness of our credit union. The goal of this committee is to oversee that established procedures and policies are maintained to protect the assets of our credit union. This goal is accomplished through both internal and external audits which certify that the credit union's financial records and internal controls are both appropriate and in conformity with generally accepted accounting principles.

As internal audits we reaffirm our commitment to ensure that the policies and procedures established by the Board of Directors are properly administered to safeguard against error, conflict of interest, self-dealing, and fraud. The **external audit**, an annual financial audit, is completed by the accounting firm, Wojeski & Co. out of Albany, New York. We also have the following audits performed annually: Bank Secrecy Audits, OFAC, ACH and SAFE audits. In addition NCUA, federal regulator, performs an examination of our financials and reviews our policies and procedures as well as reviews our quarterly submitted reports.

I wish to acknowledge the work of my committee: Amanda Madore, Jayme Keable, and Lori Schudde. We are all committed to the continued success of this credit union and are pleased to report once again that the assets of Plattsburgh City School District Federal Credit Union are safe and secure.

Loan Officer's Report-Tim Mulligan

As loan officer, appointed by the Credit Union Board I am charged with evaluating member's creditability and approving loans to members within the policies set forth by the Board of Directors. Along with management, I work on keeping competitive loan rates available to members. Although this is my primary function, protecting the assets of this credit union against loan loss is always paramount. A total of 283 loans were approved and processed in 2019 totaling \$1,446,729.00 with the average loan balance of \$8,497. The credit union remains committed to ensuring that all members receive a fair and timely review of their loan inquiries and applications. I continue to strive to serve the needs of all our members and to ensure that the credit union's loan portfolio remains strong.

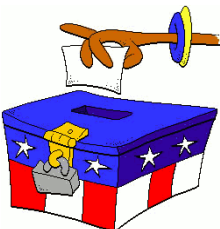
I, along with *our staff*, am ready and willing to assist you with your financial needs, to improve your credit history, to discuss loan applications or other financial options available through this credit union. Feel free to call me directly at 518-569-5171, email me at tmulligan@plattscsd.org or call the credit union office at 518-561-4510 to make an appointment.

Scholarship Report-Alan Feazelle

The Plattsburgh City School District Federal Credit Union Scholarship was established in memory of Frank A. Paro, a former district administrator and city leader, in his memory we acknowledge his contributions as founder of this credit union and his unselfish dedication to credit unions in the North Country.

Awarded at the 2020 Plattsburgh Graduation were six scholarships totaling \$3,100 to students who applied and received recommendations from faculty and staff of the City School District: Riley Channel, Abigail Crahan, Sarah Davidson, Abigail Lebrun, Grace McMahon and Alex Tuller.

2020 Elections Board of Directors



Cast one Vote for Slate of officers.

The Board of Directors has responsibility for directing and controlling the affairs of the credit union. The seven-member board meets monthly creating and reviewing policies, reviewing procedures to insure continued sound management of our credit union's operations! In addition the board elects officers, and appoints a supervisory committee to act as independent "watch dog" of the credit union.

PLEASE VOTE: Three positions are open for nominations. Up for 2020 re-election and willing to serve for 3 year terms are Alan Feazelle, Kathy Light and Anna Sherman.

Minutes of Annual Meeting--Friday, Sept. 20, 2019

March 6, 2019 marked our 60 years so we decided to celebrate in style. The 59th annual meeting was held at Valcour Brewing with a total of 59 members and 2 non-members purchasing tickets and 52 signing in. The gathering provided members an opportunity to mingle with colleagues on verandas, friends and family, to learn about the success of their credit union and to eat delicious hors d'oeuvres. A total of \$614 from ticket sales was donated to the scholarship committee for PHS graduating senior scholarships.

Drawings were held all evening long, ticket buying members had a chance to win in honor of our 60th year \$60 gift certificates to area restaurants. The 6 winners were Kristine Banting, Dave Sponable, Julie Bullis, Nelson Durocher, Scott Waite, Tracy Waite. Members did not have to attend to win gift certificates. Winning the \$100 door prize was Sue Verba.

President, Steve Bedard, welcomed members and their guests. Anna Sherman gave an overview of the credit union and encouraged all to read the annual report distributed to attending members. Members were encouraged to direct questions and concerns to board members or contact the credit union by email or phone. The manager was available to answer questions during the evening. Members were encouraged to make suggestions, ask questions or just make general comments on "Comment and Suggestion" sheets that were distributed at sign in.

Members voted by written ballot for the board of directors. Elected for three year terms were Scott Waite and MaryLou Megarr (LaRocque).



Happy 110th Birthday Credit Unions

Credit unions have come a long way since mill workers in Manchester, NH chartered the first U.S. credit union in 1909

in order to pool their savings and make loans to each other. That credit union, St. Mary's Bank, now serves 106,000 members. Nationwide, some 5,600 credit unions provide a wide range of financial services to 118 million members. As a credit union member, you not only help yourself to a brighter financial future, but also help your fellow members. Your savings are used to fund loans, and the interest you pay on loans helps keep the credit union financially viable. The more you participate in all of the benefits of belonging, the more productive your credit union can be. That will help us continue to serve you and to celebrate our birthday year after year.

60+ years ago on March 6, 1959 our credit union was chartered by the National Credit Union Association (NCUA) under the original name Plattsburgh Teachers Federal Credit Union. Started by our own visionaries along with sponsorship by the Plattsburgh City School District our founding directors and officers were Frank Paro, Gilbert Duken, Donald Durocher, Frances Bleau, Cecile Plumley, Ruth Trudeau, Seth Bliven, Virginia Wormood, and Elizabeth Dwyer. A big thank you for their vision. Hopefully we continue with "members helping members" many more years!

